

WORKFORCE INVESTMENT BOARD

Enabling Laws

Act 641 of 2003
A.C.A. §15-4-2201

History and Organization

The Arkansas Workforce Investment Board will coordinate and establish policy for conducting employment and training activities within the workforce investment system created by the federal Workforce Investment Act of 1998 (Public Law 105-220) and Arkansas Act 1125 of 1999, including all activities conducted in and through Arkansas' One-Stop career centers. The vision statement approved by the Arkansas Workforce Investment Board is as follows:

A globally recognized workforce in Arkansas-educated, trained, skilled-with the character and work ethic needed to excel in a changing economy.

The mission statement approved by the state board is as follows:

To establish a unified, flexible, accountable workforce training system implemented through the collaboration of business, industry, labor and citizens, and characterized by accessible and responsive one-stop career development networks. The system will offer employers a resource for workers in existing and emerging occupations and empower Arkansans to receive employment services as well as job-specific training.

Public benefits of the board as set forth in the Act include the development of a state workforce plan, monitoring of the continuous improvement of the system, assurance of the coordination and non-duplication of services, development of state performance measures, recommendation of programs which may be consolidated or realigned, and development of standards and the evaluation of the entire system. Major provisions are in the Act of Youth programs that are annual in scope and focus on development of basic skills. Eventually forty-eight (48) different workforce training programs operated in Arkansas through some \$400 million in federal and state funds will be coordinated by the state Workforce Investment Board.

Arkansas Act 1125 of 1999, the Arkansas Workforce Investment Act, implements the federal Workforce Investment Act, signed August 7, 1998, which coordinates a very complex series of programs including the following:

- Title I - Employment and Training Programs
- Title II - Adult Education and Family Literacy
- Title III - Wagner-Peyser amendments
- Title IV - Rehabilitation Act amendments
- Title V - Authority for State Unified Plan

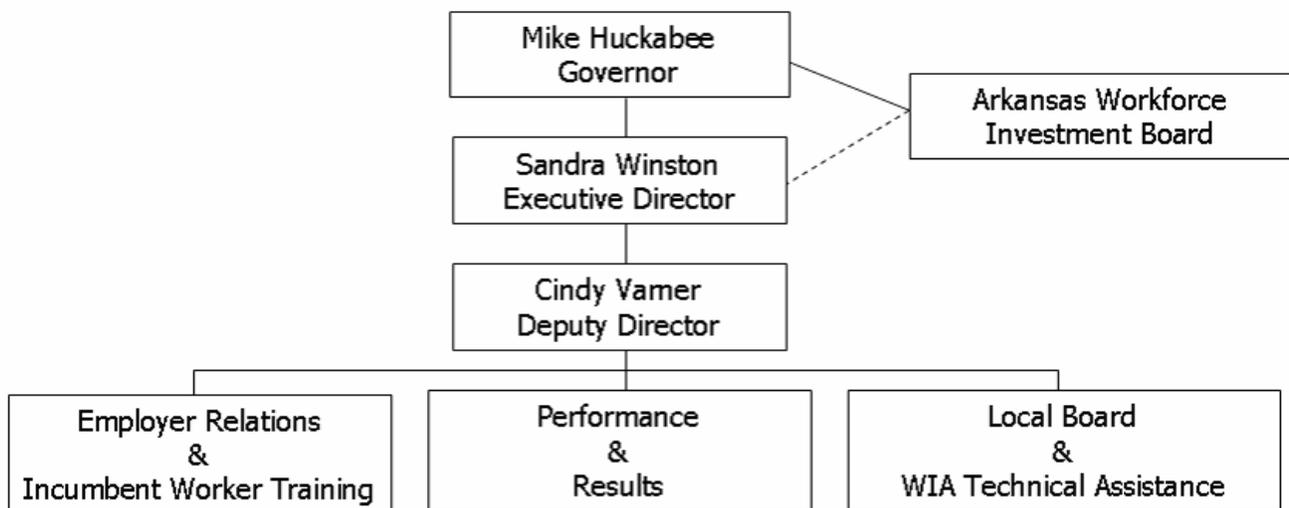
Customers will benefit from a "One-Stop" delivery system, with career centers in their neighborhoods where they can access basic employment services and be referred directly to job training, education, or other services. One-Stop systems must be established in each local workforce investment area. Each local area must have a least one "full service center" location, which may be supplemented by other centers, electronic access points, and networks at affiliated sites. Local boards have flexibility in designing their One-Stop system, but they must at a minimum include all partners that provide basic services. Local Workforce Investment Boards establish a One-Stop system with the agreement of the local Chief Elected Officials.

The state law established the composition of the Arkansas Workforce Investment Board. This act states that the board shall consist of no more than 48 members, of which a majority will represent private business. The act directs the governor to consider in his appointments the diverse regions of Arkansas - urban, rural and suburban areas - and mandates that the boards and/or commissions of the state educational and economic agencies be represented.

In accordance with Section 6 of Arkansas Act of 1125 of 1999 (the Arkansas Workforce Investment Act) the Arkansas Workforce Investment Board advises and assists the Governor and the General Assembly as follows:

- Development of a state workforce development plan
- Development and continuous improvement of as statewide system of activities that are funded under Arkansas Act 1125 of 1999 or carried out through a one-stop delivery system which receives funds under Arkansas Act 1125 of 1999 including development of linkages in order to assure coordination and non-duplication among the programs and activities, and review of local plans
- Commenting on an annual basis on the measures taken pursuant to section 113(b) (14) of the Carl D. Perkins Vocational and Applied Technology Education Act
- Designation of local workforce investment areas
- Development of an allocation formula for the distribution of funds for adult employment and training activities and youth activities to local area
- Development and continuous improvement of comprehensive state performance measures, including state adjusted levels of performance, to assess the effectiveness of the workforce investment activities in the State
- Preparation of the annual report to the United States Secretary of Labor
- Development of a statewide employment statistics systems as described in Section 15(e) of the Wagner-Peyser Act
- Development of an application for an incentive grant
- Recommendation of the programs identified in Section 7 (b)(8)(A) of Arkansas Act 1125 of 1999 which may be consolidated or realigned
- Creation of workforce investment program accountability measures and standards
- Development of workforce training standards
- Evaluation of the entire Arkansas workforce investment system, including but not limited to the education system, the Career Development system and the youth programs, to determine if it is meeting the goals of the Arkansas Workforce Investment Act
- Re-evaluation of the Arkansas Workforce Investment Act

- Coordination of state agencies to assist in the development of the state workforce development plan
- Development of additional state workforce development plans every three years
- Use of federal, state or private funds, donations, and grants made available for the development of the Arkansas Workforce Development Plan
- Establishing procedures that will be taken by the State to assure coordination of and avoid duplication among Workforce Investment Programs
- Provide a report prior to each regular session to the Arkansas General Assembly with recommendations for appropriate statutory changes that may enhance the delivery of Workforce Investment in and for Arkansas



Agency Commentary

The Arkansas Workforce Investment Board is responsible for coordinating and establishing policy for conducting employment and training activities within the workforce investment system created by the Federal Workforce Investment Act of 1998 (Public Law 105-220) and Arkansas Act 1125 of 1999, including all activities conducted in and through Arkansas' One-Stop career centers known as Arkansas Workforce Centers. The Arkansas Workforce Investment Board is federally funded by the Workforce Investment Act of 1998. The biennial budget request represents the support of a projected 48-member board and a support staff of 12. The Arkansas Workforce Investment Board's biennial request is for Base Level.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS WORKFORCE INVESTMENT BOARD
FOR THE YEAR ENDED JUNE 30, 2003

Findings

The Agency failed to establish effective internal controls over equipment deletions. Eighteen (18) equipment items totaling \$20,034 should have been deleted during the 2002 and 2003 fiscal years, but were not removed from the equipment inventory until recommended by the auditor on March 23, 2004. The lack of sound internal controls over equipment deletions could result in inaccurate accounting records.

Recommendations

Establish sound internal controls over capital equipment.

Employment Summary

	Male	Female	Total	%
White Employees	1	6	7	70 %
Black Employees	1	2	3	30 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			3	30 %
Total Employees			10	100 %

Publications

A.C.A 25-1-204

Name	Statutory Authorization	Required for		# Of Copies	Reason (s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Report	PL 105-220	N	Y	1,000	Federal Requirement

Analysis of Budget Request

Appropriation / Program: 554 - Workforce Investment

Funding Sources: MIB - Workforce Investment

Public Law 105-220 created the federal Workforce Investment Act to promote and fund employment and training activities at the state level. Arkansas Code Annotated § 15-4-2204 established the Arkansas Workforce Investment Board to develop a state plan to provide workforce investment activities that increase employment, retention and earnings of participants and increases skill attainment thereby improving the quality of the workforce, reducing welfare dependency and enhancing productivity and competitiveness. The Board consists of 48 representatives of the Executive and Legislative branches of government and members of the business community. The Board is authorized to select from among its membership a maximum of 15 members to serve as the Executive Committee reporting to the Board quarterly.

The duties of the Board are to advise and assist the Governor and the General Assembly in the development of a state workforce development plan; develop and improve a system of activities through the one-stop career centers funded by federal workforce investment funds; designate local workforce investment areas; develop allocation formulas for distribution of funds to the local areas; develop and improve comprehensive state performance measures; prepare an annual report for submission to the U. S. Secretary of Labor; develop a statewide information management system; develop an application process for inventive grants; make recommendations on program consolidation or realignment; and evaluate the workforce investment system statewide and report to the Arkansas General Assembly prior to each regular session recommendations for statutory changes that would enhance workforce investment in Arkansas.

This appropriation is 100% federally funded through the federal Workforce Investment Act.

Base Level for this appropriation includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for 12 Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Agency requests Base Level for the 2005 - 2007 Biennium.

The Executive Recommendation provides for Agency Request.

Appropriation / Program Summary

Appropriation / Program: 554 Workforce Investment
Funding Sources: MIB - Workforce Investment

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	548,419	491,600	485,678	504,964	504,964	504,964	519,615	519,615	519,615
#Positions	16	12	16	12	12	12	12	12	12
Personal Services Matching 5010003	159,327	150,792	136,922	158,354	158,354	158,354	161,583	161,583	161,583
Operating Expenses 5020002	186,417	222,394	222,394	222,394	222,394	222,394	222,394	222,394	222,394
Travel-Conference Fees 5050009	33,660	24,092	24,092	24,092	24,092	24,092	24,092	24,092	24,092
Professional Fees and Services 5060010	3,886	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	931,709	918,878	899,086	939,804	939,804	939,804	957,684	957,684	957,684
Funding Sources									
Federal Revenue 4000020	931,709	918,878		939,804	939,804	939,804	957,684	957,684	957,684
Total Funding	931,709	918,878		939,804	939,804	939,804	957,684	957,684	957,684
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	931,709	918,878		939,804	939,804	939,804	957,684	957,684	957,684