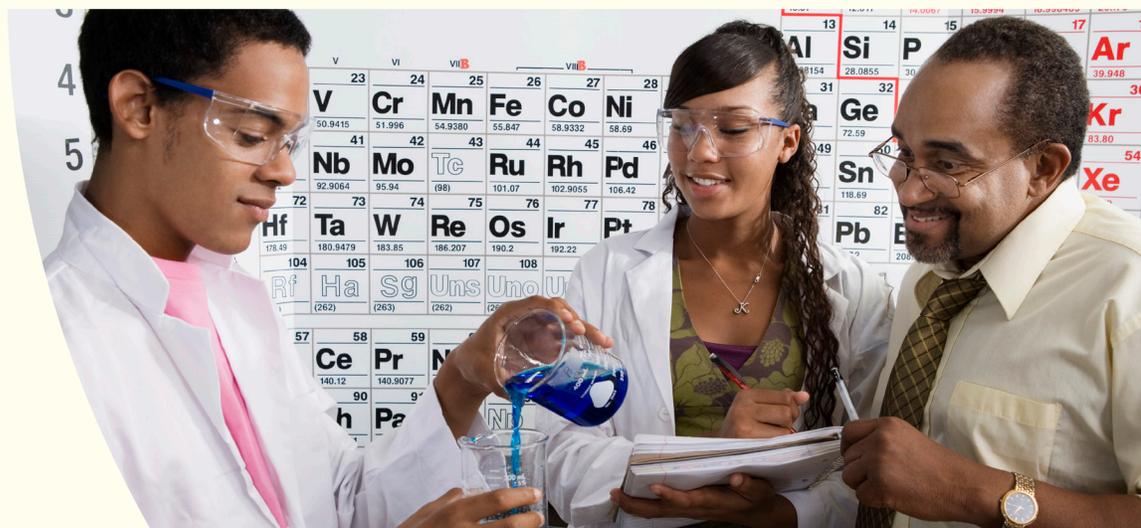


Annual Report

On The Workforce Investment Act
To the U.S. Department of Labor
Employment and Training
Administration

For Missouri
Program Year 2013



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Contacts:

For questions about the content, any interpretation of this content, calculations about program performance in this report, or about other programs of the Missouri Division of Workforce Development, please contact:

Ms. Julie Gibson, Director
Missouri Division of Workforce Development
Department of Economic Development
421 East Dunklin Street
Jefferson City, Missouri 65102
E-mail: julie.gibson@ded.mo.gov

Or, Ms. Tracey Brown, Fiscal Director
Missouri Division of Workforce Development
Department of Economic Development
421 East Dunklin Street
Jefferson City, Missouri 65102
E-mail: tracey.brown@ded.mo.gov

INTRODUCTION

The following narrative provides a response from the State of Missouri to requirements established by the U.S. Department of Labor - Employment and Training (DOLETA) to provide an Annual Report on the activities funded and implemented by the Workforce Investment Act (WIA), Public Law 105-220. As such, this Annual Report is prepared with the content and format of the minimum required elements for staff within the Performance Unit of DOLETA. While this information is certainly available and may be used for public consumption, it is not intended to be a public accounting to the stockholders of the State workforce investment system. It is for reference by the Performance Unit staff of DOLETA.

Missouri's Workforce Performance Reporting Process

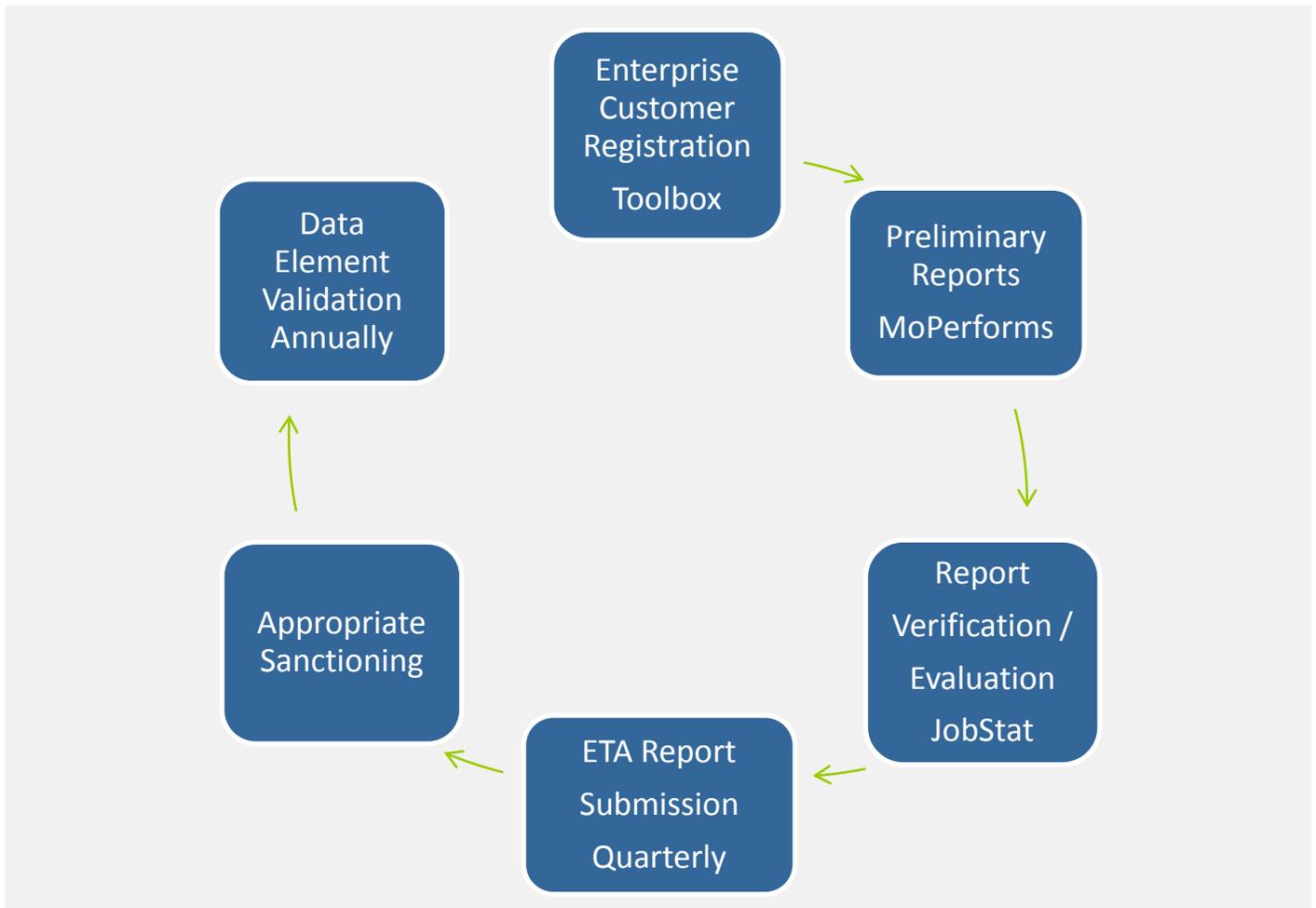
The WIA is administered by the Missouri Division of Workforce Development (DWD), a division of the Department of Economic Development. The workforce investment system recognized by the public is composed of the Missouri Career Centers, distributed statewide, and part of the American Job Center network. Customers may also access the system on-line at: <http://jobs.mo.gov>. The following graphic (Graph 1, page 4) shows Missouri's Career Center performance reporting process.

Career Center customers access the system either on-line, where they can perform a partial registration and obtain information about Missouri Career Center services and programs, or in person where they can receive staff assistance to register for program participation or other services. For both types of access the process is supported by Missouri's Toolbox Enterprise case management system. The word "enterprise" embodies the function and the concept that this software does it all; enables customer registration, tracks information for case management, and "populates" a computer file that is a database permitting the creation of performance reports.

The database that Toolbox generates is exactly the same as the WIA Standardized Record Data (WIASRD) base that is required by the USDOL to be used for performance reporting. The WIASRD contains individual participant data on their characteristics, the activities completed, and their program outcomes. Graph 1 indicates that Toolbox and the WIASRD are used to create preliminary reports.

Missouri uses customized software provided from FutureWork Systems, a web-based application service which helps States and Local regions manage, track, report and analyze WIA performance data. The software which is called MoPerforms permits the analysis of each element in the WIASRD by variables which are not required by DOLETA for performance reporting. This generates the preliminary performance reports, but also allows special queries about the data to be made beyond the basic minimum reporting requirements. This information is then used for a wide range of program adjustments and performance management decisions.

Graph 1: Missouri's Workforce Performance Reporting Process



Reports at the preliminary stage are widely distributed each quarter among management staff and then the process becomes one of report verification and evaluation which incorporates the JobStat team. JobStat is a team approach used in Missouri to ensure there is a WIA performance reporting subject matter expert (SME) in each of Missouri's fourteen workforce investment regions. JobStat SMEs are the front line of defense for reviewing the preliminary quarterly reports, reporting results and concerns to regional managers, and for participating in quarterly JobStat meetings that are used to monitor issues and discuss performance management strategies. Reports are submitted to DOLETA on a quarterly basis, only after extensive staff verification and JobStat vetting.

In September of 2014, the Annual Report in data format was submitted to DOLETA. The sanctioning process was also initiated at this time for any regional performance for which the measurable goals were not achieved. In compliance with DOLETA policy and regulations, any region achieving less than 80% of their negotiated goal on any common measure becomes subject to a sanction action. If the measure is not achieved for a given year, each region is required to develop a Technical Assistance Plan. For any measure missed for the second consecutive year, the region is required to submit a Performance Improvement Plan.

Finally, the Data Element Validation (DEV) process is implemented, as required and according to instructions provided by DOLETA typically completely at the same time as any necessary sanctioning. The DEV process

involves reviewing samples of participant records against source documentation to ensure compliance with federal definitions. Missouri also benefits from the extensive “enterprise” nature of Toolbox in that many data validation tasks use a “desk monitoring” level review which are partially completed by on-site validation auditing of client files.

The following narrative of this report “unpacks” each of the performance reporting steps shown in Graph 1 and explains Missouri’s compliance with the required elements for: Assurance of uniform performance report preparation; Reporting the core and customer satisfaction measures attained for the Program Year; Reflecting on the costs analysis of program activities relative to their effect on performance; Status of state evaluation activities; and Implementation and effective use of program administrative waivers.

Assurance of Uniform Reporting

Missouri’s Toolbox

As previously explained, the Toolbox software system was designed by Information Technology professionals that were thoroughly familiar with WIA. As such, it effectively mirrors the WIASRD data. This is a sound assurance that all required data elements are reported uniformly so that a state-by-state comparison can be made among various states.

Changes to the WIASRD are maintained at all times also as changes to Toolbox.

JobStat

As stated earlier, Missouri uses a JobStat workgroup comprised of SMEs from each of the fourteen workforce regions. This group is provided staff support by DWDs JobStat unit that is continuously analyzing data, especially preliminary quarterly reports, and are experts in using the MoPerforms analytical tool.

Missouri Performs (MoPerforms)

The DWD Central office uses a custom designed software tool for performance analytics called MoPerforms. This tool provides the aggregation of all variables used in the WIASRD to generate the required reports on the Common Measures; while DWD staff manually submit DOLETA quarterly reports. It is possible, however, that MoPerforms can also be configured for the cross-tabulation and analysis of any of the WIASRD variables to create management reports referred to as decision support for both state aggregate and each local region’s data. MoPerforms preliminary reports may also be used to verify and validate observations in the data.

During PY13, MoPerforms has served an invaluable role in permitting Missouri to create a comprehensive and frequently available report series that permits a view and comparison of all the data elements required by the Civil Rights Center. This allows Missouri to implement analysis and subsequent policy in Equal Employment Opportunity and Affirmative Action. At this time, Missouri has a model that is leading the nation in its detail and utility for this purpose.

Also, added to MoPerforms over the last year: a comprehensive array of reports to allow an analysis of Trade

Act participants and program outcomes; enhancements on the ability to develop more detailed veterans reports to federal and state veteran staff for federal auditing and local veterans staff monitoring; and the aggregate analysis of defining the long-term unemployed population who have touched the workforce investment system.

Continuous Improvement and Quality Assurance

DWD Quality Assurance (QA) implements a Continuous Improvement Review program. Missouri has been successful in getting the job done with the annual Data Element Validation required by DOLETA using QA staff to perform both desk monitoring of data elements and later on-site field reviews. To supplement not only what is known from Toolbox data, the QA team also accesses data from the Department of Social Services, the Division of Employment Security and the Department of Revenue; all of which strengthens their ability to streamline validation of data.

All of these high quality staff support structures and program actions provide the assurance of uniform reporting for DOLETA. From the WIASRD data in Toolbox, to MoPerforms and the analysis of individual staff, the JobStat team and the QA unit in collaboration with the Performance Research Unit, Missouri can produce data that at all times is uniform and comparable on a state-by-state analysis.

Performance Achieved

Next Generation Career Centers

It is essential to understanding Missouri's performance reporting to first provide an overview of the Next Generation Career Center (NGCC) model. The implementation and configuration of serving customers under NGCC has impacted Missouri in a variety of ways, most dramatically in the number of customers served.

In July 2010, the Missouri workforce development system implemented the NGCC integrated skills-based service delivery model. Approval was granted by DOLETA for the use of a streamlined eligibility determination and documentation process for a two-year pilot program. Instead of customers separately accounted for in one WIA program, each customer was enrolled in every program for which they were eligible (Wagner-Peyser, WIA Adult, WIA Dislocated Worker, etc). This process meant that for the first time all customer registrations were fully accounted for as having been provided a service. Each registration constitutes a core service and subsequent services, being more intensive, or be they training, determine program enrollment. Youth are not co-enrolled across the range of other workforce programs primarily because of their difference in age and need; emphasizing activities more related to skill development, or education than work experience.

The state saw a major increase in the number of individuals served because the NGCC model removed many artificial barriers to the immediate access to WIA funded services. In March 2012 Missouri was given approval to have the pilot extended for an additional two years because the NGCC process had so significantly increased the number of individuals benefiting from WIA funded services while maintaining acceptable data element validation results. Missouri has continued to show positive impacts with the NGCC pilot program and approval was granted in June 2014 to extend this for an additional program year, allowing the state to

continue using the NGCC model through June 30, 2015.

Table 1 displays the last four years of WIA performance in Missouri after NGCC for comparison to the program year before it began in the state. The most ready observation of the data reflects the significant increase in customers served, when everyone is considered a participant, minimally eligible for a core service. While the change is structural and does not directly reflect increased customer traffic, some of the increase was traffic based on the "Great Recession's" impact to Missouri, beginning in 2008. Nevertheless, the count for Adult participants being served, increased by 285,040 from 9,715 in PY09 to 294,755 in PY10, an increase in content by 29 times.

Today, the most significant indicator is to view the trend since implementation of NGCC. Table 1 shows a major increase for two years and then a decline for both Adults and Dislocated Workers. In the Adult Program, staff assisted have declined some 36,689 participants, or -10.6% from PY11 to PY12 and even greater, by 68,097 or -22% over the last program year.

Table 1: Participants Staff Assisted in PY09-PY13 by Program

	Adult Staff-Assisted	Dislocated Worker Staff-Assisted	Youth Staff-Assisted
Participants – PY13	240,674	139,361	4,637
Participants – PY12	308,771	184,267	5,442
Participants – PY11	345,460	211,913	5,697
Participants – PY10	294,755	186,441	6,053
Participants – PY09	9,715	13,990	5,805

Note: Co-enrollment prevents the sum of these counts from being an accurate total.

Prepared by the Performance and Research Unit, September 2014 - Missouri Division of Workforce Development – Department of Economic Development

Participant use of products and services in Missouri is very high. Table 2, below, indicates that the percentage of participants served who used a product or service has remained consistent over the past three program years. Of the total 243,434 served in PY13, 73.25%, or 178,310 of those participants used a product or service, Table 2, page 8.

Table 2 also displays product and service use by various credentials that were attained. The lowest rate of use came from the group of participants attaining a high school diploma/GED credential attainments. Of the 947 participants receiving a high school diploma/GED, 75.4% used a product or service. Of the 457 participants who received an Occupational Skills License, 437 (95.62%) used a product or service. The clear implication is that a high percentage of participants in Missouri who received a credential took advantage of the products or services offered in the state.

Table 2: Participants Served Attaining a Credential by Products and Services Used

Participants Served PY11-PY13			
	PY11	PY12	PY13
Total Served	352,236	312,829	243,434
Participants Served by Products and Services Use			
Total That Used a Product	266,697	226,666	178,310
	75.72%	72.46%	73.25%
Participants Served Attaining a Credential by Products and Services Used			
Total Receiving High School Diploma/GED	1,201	1,580	1,256
Used Products and Services	679	1,067	947
Percent using Products and Services	56.54%	67.53%	75.40%
Total Receiving AA or AS Degree	531	571	435
Used Products and Services	292	440	397
Percent using Products and Services	54.99%	77.06%	91.26%
Total Receiving BA or BS Degree	161	224	144
Used Products and Services	89	167	123
Percent using Products and Services	55.28%	74.55%	85.42%
Total Receiving Occupational Skills License	583	684	457
Used Products and Services	426	627	437
Percent using Products and Services	73.07%	91.67%	95.62%
Total Receiving Occupational Skills Cert.	1,803	2,069	1,521
Used Products and Services	1,316	1,910	1,421
Percent using Products and Services	72.99%	92.32%	93.43%
Total Receiving Other Credential	731	495	358
Used Products and Services	483	447	344
Percent using Products and Services	66.07%	90.30%	96.09%

Note: Participants Served Adjusted to Exclude Self-Served

Prepared by the Performance and Research Unit, September 2014 - Missouri Division of Workforce Development – Department of Economic Development

Workforce System Performance Data: Common Measures

Missouri has met or exceeded all of the statewide goals required of it in PY13 by attaining at least 80% or more of its negotiated goal in each measure (see Attachment 1 for Missouri’s Statewide WIA Performance History). From PY09 through PY13, the Adult entered employment rate achievements were no less than 83% and as high as 86% of the planned performance goals. Results are equally notable for the Dislocated Worker Program, which achieved 90% or greater of its performance goals for retention from PY09 through PY13.

Even during the economic downturn, beginning in 2008, the earnings accomplishments of workforce programs in Missouri has been admirable. For example, Adult average earnings achievements have been as high as 117% of their goal and no lower than 94.8% of goal the last five program years (PY09-PY13). For the Dislocated Worker Program, no year has experienced less than 88% of goals for average earnings, and for PY10, reached as high as 131% of its goal attained.

Twelve of the fourteen local workforce investment boards in the State achieved 80% or better of their negotiated performance measures in PY13.

Costs of Workforce Investment Activities

Workforce Investment Costs Relative to Performance

As noted on the following Tables 3, 4, and 5, the costs of serving participants in the Adult, Dislocated Worker, and Youth programs have been much lower since NGCC was implemented due to co-enrollment. In July 2013 Missouri passed House Bill 196, which eliminated the in-person requirement of four week unemployment reporting for benefits. This law change has made an impact on the number served in PY13.

Table 3: Adult Program Costs per Participant Served

Adult Program Costs PY09 – PY13					
	PY09	PY10	PY11	PY12	PY13
Participants Served	354,364	402,772	416,712	398,424	305,457
Cost Per Served	\$61.95	\$35.65	\$28.61	\$32.67	\$32.45
Total Adult Expenses	\$21,953,601	\$14,357,172	\$11,923,658	\$13,016,551	\$9,910,925

Table 4: Dislocated Worker Program Costs per Participant Served

Dislocated Worker Program Costs PY09 – PY13					
	PY09	PY10	PY11	PY12	PY13
Participants Served	13,957	187,354	212,749	184,310	139,361
Cost Per Served	\$1,963.56	\$77.29	\$58.44	\$65.71	\$65.80
Total DW Expenses	\$27,405,472	\$14,481,501	\$12,433,844	\$12,111,443	\$9,169,324

Table 5: Youth Program Costs per Participant Served

Youth Program Costs PY09 – PY13					
	PY09	PY10	PY11	PY12	PY13
Participants Served	5,783	6,163	5,739	5,442	4,637
Cost Per Served	\$5,854.28	\$2,528.23	\$2,338.83	\$2,442.13	\$2,820.68
Total Youth Expenses	\$33,855,326	\$15,581,467	\$13,422,529	\$13,290,054	\$13,079,500

State Evaluations

Gold Standard Evaluation

In February 2012, DOLETA implemented a five-year WIA Gold Standard Evaluation. Missouri’s Central Region Workforce Investment Board was randomly selected by DOLETA as one of 28 local boards across the nation to participate in determining the “Gold Standard” for WIA Adult and Dislocated Worker programs. Currently, the contract research organization, Social Policy Research Associates, is in the final stages of their analysis of the data gathered during this study.

As of September 18, 2013, a total of 215 participants in the Central Workforce Region have been enrolled into the study. The study focuses on how well WIA services are working in the local region and how they can be improved. Customers visiting Central Region career centers (or satellite offices) were randomly assigned to one of three research groups: Core; Core and Intensive; and Full WIA. Once a client is randomly assigned to a group, they remained in that group for 15 months and could only receive services allowed for that group. For example, a client who was randomly assigned to Core could only receive WIA Core services for 15 months. Of the 215 participants in the study so far, 47 were assigned to Core, 48 to Core and Intensive, and 215 to full

WIA services. The first draft of the consultant report is anticipated before the end of the year.

Return on Investment (ROI) from the Next Generation Career Center Model

Since Missouri implemented the NGCC model, documentation is minimized and Career Center (core) services are available to virtually any job seeker. This model has created a system that efficiently uses the funding from Wagner-Peyser and WIA Adult, and Dislocated Worker programs to support the centers and their products and services. Through this system, a simplified calculation of the Return-on-Investment (ROI) funds has been discovered.

Assuming that “all” of the funding received at the State level is largely used to support the NGCC (except for Youth Program funds) and can be considered an investment, and since “all” of the Adult Wagner-Peyser Program customers (staff-assisted) can be considered beneficiaries of that investment, it becomes a matter of simple math to calculate ROI. Wagner-Peyser Program exiters who were in the “Average Earnings” measure (those exited from April 2012 to March of 2013 in this example) amassed total earnings of \$1,945,271,813. To arrive at an approximate annualized figure, the amount can be simply doubled. (While that amount is not entirely accurate, for purposes of maintaining simplicity, it is a reasonable presumption).

The next step in the calculation is to determine how much of the annualized figure can be considered as ROI. It seems logical to determine that these individuals would now be taxpayers, so looking at an average household tax rate of 17% (as published by the Internal Revenue Service) a return of \$661,392,416 is produced. Using the NGCC model, accounting for all Wagner-Peyser, WIA Adult and Dislocated Worker program funds received by the state, gives an annual total investment of \$53,037,513. This calculation yields a return (for WIA funds and Wagner-Peyser funds) of \$12.47 in taxes paid back to the system for every dollar invested in the Missouri Career Center system by those placed in sustained employment.

This simplified method of obtaining ROI would indicate that the NGCC model of serving everyone with essentially all available funds appears to provide an efficient and effective service delivery model with the potential to yield admirable results. Moreover, it is more readily apparent and understandable to the public, especially to Congress and local legislators.

Customer Satisfaction

Customer Satisfaction for Job Seekers: Statewide

Missouri is one of several states in compliance with USDOL policy in reporting the Common Measures. As such, it does not report an overall customer-satisfaction measure in the WIASRD.

However, a newly developed job seeker customer satisfaction survey was put in place and implemented after the last quarter of the program year. This survey was developed from a modification of an ordinal scale for

three questions. The survey was distributed via e-mail to 181,821 participants using a system called GovDelivery.com. These 181,821 participants can be described as anyone provided a service in the WIA Adult program between July 1, 2013 to June 30, 2014. While the return rate for the total surveys distributed was less than 1%, the process did achieve a full survey response from 620 participants within the first seven days.

The following questions were used in the survey:

- Using a scale of 1-5, please provide a rating of what is your overall satisfaction with the services you received (?);
- Using a scale of 1-5, please provide a rating of how the service you received met your expectations (?); and,
- Using a scale of 1-5, please provide a rating of how likely you are to return to the Career Center for more services in the future?

This newly developed process is efficient, easily modified and useful as to generating real results in a timely manner. However, more learning about the implications of timing the sample size and distribution will be needed in the coming months. While the return rate on the survey compared to the total distributed is lower than hoped for, from the 620 responses we learned that:

- 82.9% of all of those Job Seekers responding were satisfied with the services received;
- 84.8% of all those responding felt that services received met their expectations for the service; and
- Fully 90% of all those responding would be likely to return to the Career Center for more services in the future.

Customer Satisfaction for Job Seekers: St. Louis County

An admirable effort is undertaken on an ongoing basis by staff of the Board managing the St. Louis County Workforce Investment region to survey job seekers. In Program Year 2013, an average of 17,500 job seeker customers in its two American Job Centers were surveyed. The survey was delivered via “Survey Monkey.” Job seekers are encouraged to complete a brief survey of five questions:

1. May we contact you by phone or e-mail at a later date to follow-up if necessary? If yes, enter the information.
2. Please select area seen:
3. Please rate the service you received;
4. When you contacted this office, what type of help were you seeking?
5. What can we do to serve you better?

For PY13, the region surveyed job seekers from June 1 until October 20, 2014 and received an average response rate of 13.9% from 4,862 respondents. The results for this process are very positive. Respondents were affirmative at rates greater than 90% for service features they had experienced, such as promptness of service, courtesy and knowledge of staff, and the resources provided during the customer visit. Overall satisfaction was “yes” for more than 90% of respondents.

St. Louis County Board staff incorporates the customer satisfaction results into their daily operations by way of analyzing and presenting the results to a Customer Satisfaction Committee of the Workforce Investment Board.

Program Operation Waivers

During PY13, Missouri had only one waiver to implement, which was the Common Measures waiver. Missouri has implemented this waiver statewide and continues to deliver services and report outcomes through the Common Measures. The Common Measures include service categories for Adults, Dislocated Workers, and Youth customers. For each group there are placement, retention, and earnings measures, resulting in the nine reported outcomes.

Conclusions for the Future

Missouri is currently researching and reviewing the Workforce Innovation and Opportunity Act (WIOA). The “opportunity” provided by this new legislation to supplant WIA is not only challenging, but welcomed because it will be so timely. Missouri’s Enterprise database and customer registration system must be transformed to accommodate new customers under the WIOA and integrate into its performance reporting. Since many of the underpinning development software features, such as programming based in Oracle, have run their useful course since its creation, Missouri will be pursuing a request for proposal and evaluating software vendor proposals to procure a Toolbox replacement. So, with WIOA implementation beginning in July 2015, this will be an opportune time for a new system that will integrate reporting for new partner agencies. The Toolbox replacement challenge will be in maintaining the WIASRD nature of the database, while also seeking the analytical capacity of MoPerforms.

Missouri remains committed to the integrated nature of WIOA service delivery and believes it has the ability to create an exemplary model of implementation based on our prior experiences with the Next Generation Career Center model. The concept of WIOA “registering and co-enrolling participants” is just one example of integrated tracking that is believed to enable an effective reporting of both performance outcomes and continued use of decision-based management tools.

Attachment 1 (follows)

Statewide Performance History