

Kim Reynolds, Governor

Adam Gregg, Lt. Governor

Beth Townsend, Director



February 22, 2019

In October 2017, the U.S. Department of Labor (DOL) conducted a monitoring of Iowa's progress in implementing the Workforce Innovation and Opportunity Act (WIOA). One of the findings dealt specifically with the number of local areas in Iowa, specifically:

#### Local Areas Not Aligned Appropriately – State

The 15 local areas in Iowa do not meet the substantive requirements of a local workforce development area (LWDA) under WIOA. The 15 service areas date back to the Job Training Partnership Act under which States established "Service Delivery Areas" or SDAs. These SDAs were formed to align with service delivery in the State and, in Iowa, this resulted in areas being formed around the Community College locations throughout the State. Subsequent workforce development legislation, first the Workforce Investment Act of 1998 and, most recently, WIOA, allowed for existing service areas to continue to serve as local areas, with only minimal qualifying criteria.

As a result, the current local service areas in Iowa do not align with the characteristics around which the WIOA intends a Local Workforce Development Areas (LWDA) to be aligned, such as local labor market areas and/or economic development areas. Furthermore, the division of limited WIOA funds among 15 service areas, particularly in a State that has large rural areas, is stretching the available administrative dollars so thin that the local areas are unable to fund core WIOA functions, such as staff support to perform the required work of the Local Workforce Development Boards (LWDBs) and/or the On-Stop Operators (OSOs). And finally, this structure does not facilitate the development of WIOA-compliant planning regions, which, by law and regulations, are aligned with labor markets, commuting patterns, economic development areas, etc.

Based on this finding, a subcommittee of the State Workforce Development Board (SWDB) was assembled in early 2018. This committee was tasked with making a recommendation on the number and configuration of regions that will allow Iowa to meet the financial requirements of WIOA, maintain the outstanding level of service currently provided to the citizens of Iowa and were created according to appropriate criteria including labor markets, commuting patterns, economic development areas. As part of this process, IWD requested numerous waivers under WIOA, some of which were granted and some of which were denied. The waivers that were granted should make it easier for local workforce boards to share costs with other boards when feasible.

At the State Workforce Development Board (SWDB) meeting on February 18, 2019, the board approved a 6 LWDA (map attached). The configuration approved by the board was created after significant input from the community colleges, legislators, local board members, SWDB and IWD staff and based on the above referenced criteria.

While making a decision to reduce the number of local areas is the first step towards WIOA compliance in Iowa, I realize the real work lies ahead. The realignment of local workforce areas requires the establishment of new, WIOA-compliant LWDBs. This will involve a substantial amount of work from the Chief Elected Officials (CEOs) in each local area. We are committed to providing as much support and assistance as possible as CEOs in the 6 new LWDAs work through the process. To that end, during the coming months, IWD will provide information and resources necessary for the CEOs to establish new LWDBs and ensure compliance with WIOA in their respective local areas as they stand up the new LWDBs. Also, WIOA prohibits any conflicts of interest between training providers and LWDB members who select and deliver training dollars, with regard to LWDB administration. This means the training providers cannot be permitted to perform the work of the LWDBs in setting up the new areas and it will need to be done by the CEOs and staff they hire. In short, the responsibility of WIOA lies with the CEOs. Attached is a guide for CEOs that may be beneficial for you to review; the guide provides an overview of WIOA, its requirements, and the roles and responsibilities of the CEOs under the law.

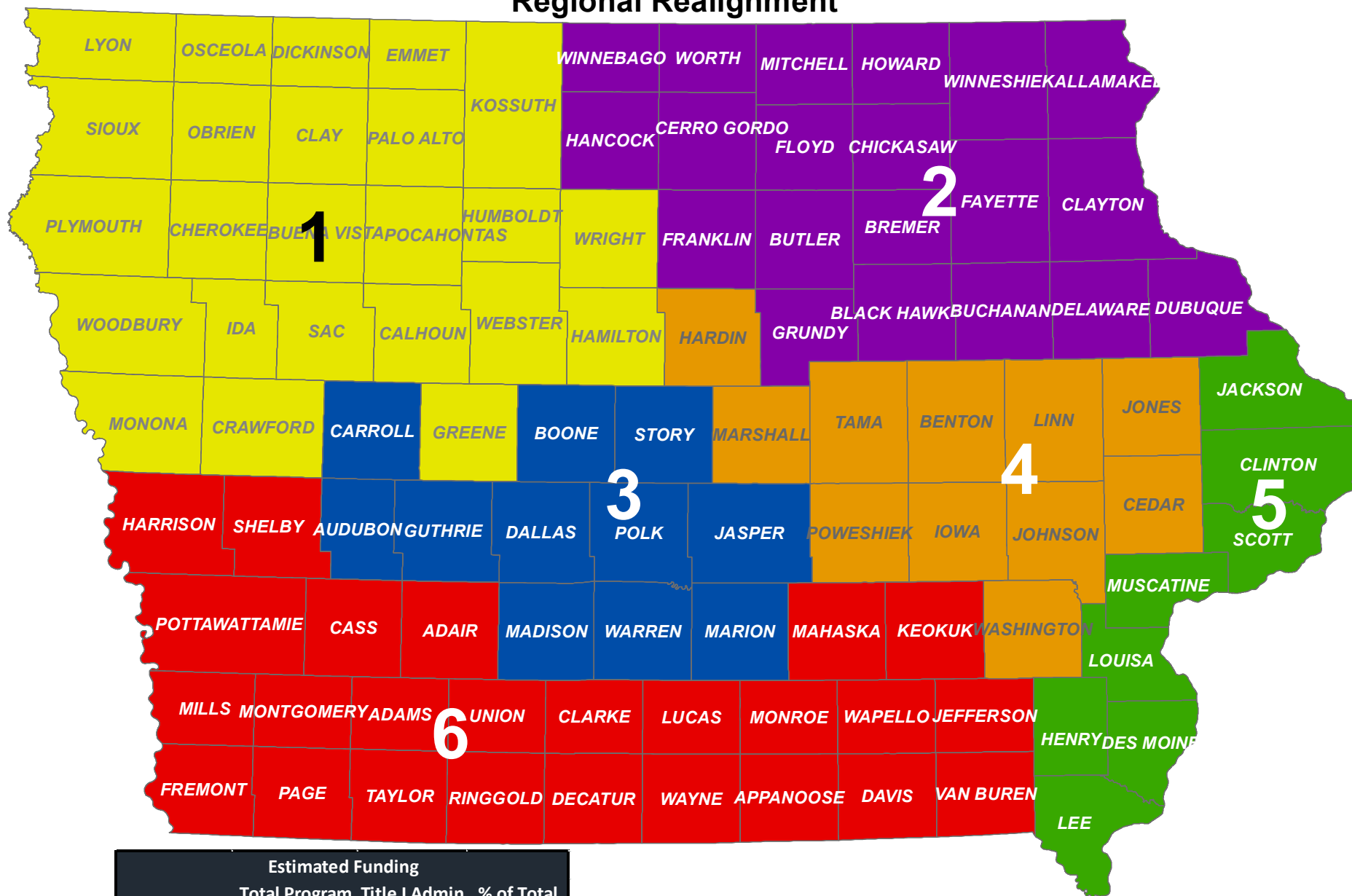
IWD is committed to providing transparent communication throughout this transition and beyond. If you have any questions, please contact Michelle McNertney, Bureau Chief – WIOA, (phone) 515-242-0408 or [michelle.mcnertney@iwd.iowa.gov](mailto:michelle.mcnertney@iwd.iowa.gov). Michelle is our expert on WIOA implementation and is leading our efforts to provide you the support you need. We will be sending out more detailed information in the very near future to assist you in this process as well as resources available to assist you in the process. I look forward to collaborating with you to ensure Iowa continues to be a leader in workforce solutions going forward. Please do not hesitate to reach out to me as well as we work with you through this process.

Sincerely,



Beth Townsend  
Director, Iowa Workforce Development

# Iowa Workforce Development Regional Realignment



Estimated Funding			
	Total Program	Title I Admin	% of Total
1- Yellow	\$1,388,433	\$154,270	14.73%
2- Purple	\$1,758,411	\$195,380	18.65%
3- Blue	\$2,066,261	\$229,586	21.93%
4- Orange	\$1,678,327	\$186,480	17.80%
5- Green	\$1,340,999	\$149,000	14.22%
6- Red	\$1,194,843	\$132,759	12.67%
	<b>\$9,427,274</b>	<b>\$1,047,475</b>	<b>100%</b>