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(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2013-14

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on Workforce Development...

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

* Contents organized for archiving by: Stefanie Rose (LRB) (October 2014)

Morouney, Lonna

From: Morouney, Lonna
Sent: Tuesday, September 10, 2013 1:54 PM
Subject: Clearinghouse Rule 13-045 relating to Wisconsin Fast Forward Workforce Training Grants

To all Committee Members and Interested Parties:

The following clearinghouse rule was received by the Assembly Committee on Workforce Development:

Clearinghouse Rule 13-045 relating to Wisconsin Fast Forward Workforce Training Grants.

For information and materials see: https://docs.legis.wisconsin.gov/code/chr/2013/cr_13_045.

The 30 day review period ends on October 5, 2013. If members would like to request a hearing on this rule, please let our office know by September 20, 2013.

Thank you,

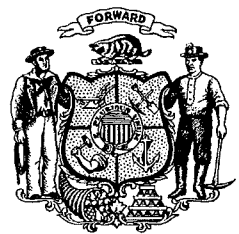
Lonna

Lonna Morouney
Research Assistant
Committee Clerk for Assembly Committee on Workforce Development
Office of Representative Amy Loudenberg
31st Assembly District

Office 209 North
PO Box 8952
Madison, WI 53708
608-266-9967 Toll free: (888) 529-0031
Lonna.morouney@legis.wi.gov



WISCONSIN STATE LEGISLATURE



Morouney, Lonna

From: Rebecca Hogan <hogan@hamilton-consulting.com>
Sent: Wednesday, September 11, 2013 10:21 AM
To: Morouney, Lonna
Subject: RE: Clearinghouse Rule 13-045 relating to Wisconsin Fast Forward Workforce Training Grants

Follow Up Flag: Follow up
Flag Status: Flagged

Lonna,

I shared the following comments with Waylon in the Governor's office earlier this week. Please let me know if you have any questions.

Waylon - Per your request here are some thoughts from WEDA on the Fast Forward rules. WEDA has two areas of concern, the eligible applicant and the ownership of the instructional materials developed for a grant funded project.

Many businesses do not want to be responsible for the administration of the grant, so it would seem allowing governmental entities to apply for and administer the grant on behalf of the business would make sense. However, it is our understanding that the legislative intent for this bill was to provide private businesses with training dollars. We need to be certain that if governmental entities are allowed to apply directly for grant dollars, there is a private business that will benefit from the training. Tracking of that should be established and monitored.

As it relates to section 801.09(4), by requiring materials developed for a grant funded project to be owned by DWD, you quite possibly eliminate any participation from the private sector. Businesses like to keep their products and customization private for proprietary reasons. By requiring DWD to own any business related materials, competitors could use this information at no cost.

Thank you for your time and if you have any questions, please let me know.

Rebecca R. Hogan
The Hamilton Consulting Group, LLC.
10 East Doty Street, Suite 500
Madison, WI 53703
hogan@hamilton-consulting.com
Phone (608) 258-9506
Fax (608) 283-2589
www.hamilton-consulting.com

Rebecca R. Hogan
The Hamilton Consulting Group, LLC.
10 East Doty Street, Suite 500
Madison, WI 53703
hogan@hamilton-consulting.com
Phone (608) 258-9506
Fax (608) 283-2589
www.hamilton-consulting.com

From: Morouney, Lonna [<mailto:Lonna.Morouney@legis.wisconsin.gov>]

Sent: Tuesday, September 10, 2013 1:54 PM

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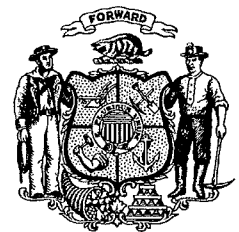
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Research Assistant
Committee Clerk for Assembly Committee on Workforce Development
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31st Assembly District

Office 209 North
PO Box 8952
Madison, WI 53708
608-266-9967 Toll free: (888) 529-0031
Lonna.morouney@legis.wi.gov



WISCONSIN STATE LEGISLATURE



Loudenbeck, Amy

From: Swedeen, Beth - BPDD <Beth.Swedeen@wisconsin.gov>
Sent: Monday, September 30, 2013 4:20 PM
To: Loudenbeck, Amy
Cc: Morouney, Lonna
Subject: Survival Coalition testimony on Workforce Training Grants
Attachments: SC testimony on workforce training grants 9 30 13.docx

Follow Up Flag: Follow up
Flag Status: Flagged

Hi, Rep. Loudenbeck:

I plan to testify Wednesday morning on behalf of the Survival Coalition of more than 30 disability agencies Wednesday morning about proposed changes to the workforce training grants that would put additional emphasis on preparing people with disabilities to meet state workforce needs, as well as addressing the fast-growing field of direct care workers, such as home health aides.

I am hoping you can indicate whether any of these suggestions could feasibly be made, and anything we can do in the disability community to support you in making the changes?

Thanks for all you do!

Best wishes,
Beth Swedeen

Beth Swedeen,
Executive Director
WI BPDD
(608) 266-1166
Beth.swedeen@wisconsin.gov

Learn more about disability-related issues on [BPDD's Facebook page!](#)





Survival Coalition

of Wisconsin Disability Organizations

131 West Wilson Street, Suite 700, Madison, Wisconsin 53703
(608) 267-0214 voice/tty • (608) 267-0368 fax

September 30, 2013

To: Representative Loudenbeck, Chair – Committee on Workforce Development
Committee Members

From: Survival Coalition of Wisconsin Disability Organizations

Subject: Clearinghouse Rule 13-045 - Workforce Training Grants

As the state's largest cross-disability coalition, Survival Coalition supports the Department of Workforce Development's inclusion in its administrative rules for awarding new workforce training grants the need for specific supports and intentional targets for Wisconsin's population of workers with disabilities.

Our testimony addresses two overall priorities:

1. Continued emphasis on and reference to individuals with disabilities as part of specific grant funding criteria within the new training grants; and
2. Targeting the fast-growing and high-demand field of long-term care workers.

To the first point, U.S. Census data show that 9.3% of individuals between ages 21 and 64 in Wisconsin have a disability. The employment rate for these Wisconsinites is just 38%, as compared with 80.5% for those without disabilities (2011). The poverty rate for working-age Wisconsinites with disabilities is 26.3%, compared with 10.4% for those without disabilities. Yet, we know that people with disabilities want to work, and can be successfully employed with the right preparation and supports.

The data show that a specific focus on people with disabilities is needed in the state's workforce development efforts. A recent independent national survey of human resource professionals and supervisors recommends increased training and centralized disability and accommodation expertise as two proven strategies to improve hiring and retention of workers with disabilities. We believe the state's new investments in workforce training provide a significant opportunity to address and improve employers' ability to hire and retain workers with disabilities.

Recommendation:

To ensure that the employment needs of people with disabilities are addressed by the Fast Forward training grants, *we suggest the composition of the "evaluation committee" as established by CR 13-045 be amended to include a representative from the Division of Vocational Rehabilitation or an advocate for people with disabilities. We suggest that representatives from high-demand and fast-growing fields be placed on the evaluation committee as well.* While the rule does state that the Department of Workforce Development may invite other parties to join the evaluation committee, the Department is given broad authority to determine the make-up of the committee.

In addition, one of the fastest growing fields in Wisconsin is the long-term care workforce, which consists of Personal Care Aides, Home Health Aides and Nursing Aides, and totals over 90,000 workers. Home Health

Aides and Personal Care Aides are projected to be the fastest and third fastest-growing occupations in Wisconsin through 2018, increasing by 38 percent and 34 percent, respectively.

As detailed by the recent federal Commission on Long-term Care report, the long-term care workforce will face serious challenges over the next decade with demand for direct care workers set to increase dramatically while the field struggles with worker shortages and high turnover rates. According to the report, “Studies of turnover have found rates of 44–46 percent for home care workers, 49 percent for certified nurse assistants (CNAs) in nursing homes, and 26 percent among CNAs in assisted living facilities.”

It is critical that these grants target high-demand fields, such as the long-term care workforce.

Recommendation:

Survival Coalition also recommends the workforce training grants target fast-growing and high-demand fields, such as the long-term care workforce. While we are pleased to see that grant applicants must describe how their workforce training programs will help address a “critical workforce shortage,” *we recommend that the rule be amended to explicitly reference high-demand or fast-growing fields. For example, we suggest that the criteria for eligible projects include specific references to sectors of the economy with a large workforce shortage or high rates of projected growth, such as health care, manufacturing, energy, and information technology.*

In summary, we request that the committee consider amending the proposed administrative rule so that grant applications include:

- A description of how a grantee will address the needs of unemployed and underemployed workers and current employees with disabilities.
- A description of how funds will be used to help employers in the community to meet their workforce needs by establishing a more diverse workforce, including how they will support workers with disabilities and target outreach to the disability population.
- Outcomes that clearly state objectives related to serving special populations of unemployed/underemployed, including efforts to support increased rates of integrated, competitive employment for individuals with disabilities.
- In addition, we request that DWD designate a defined percentage of grants funds be reserved for applicants that target training for individuals with disabilities to work in integrated, competitive jobs.
- Specify that eligible projects target high demand fields, such as the long-term care workforce. Support programs that increase the supply of skilled long-term care workers to meet market demand for long-term care.
- Ensure that people with disabilities and members of fast-growing fields are represented on the grant application evaluation committee.

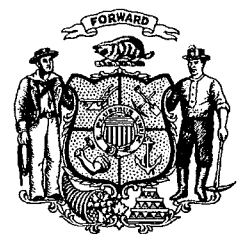
Thank you for considering this input. We look forward to continuing our work with you.

Survival Coalition Co-Chairs

Maureen Ryan, Wisconsin Coalition of Independent Living Centers, Inc.
608-444-3842; moryan@charter.net

Beth Swedeen, Wisconsin Board for People with Developmental Disabilities
608-266-1166; Beth.Swedeen@wisconsin.gov

Kit Kerschensteiner, Disability Rights Wisconsin
608-267-0214; kitk@drwi.org



Department of Workforce Development
Unemployment Insurance Division
201 E. Washington Avenue
P.O. Box 7905
Madison, WI 53707-7905
Telephone: (608) 261-7606
Fax: (608) 267-0593
Email: ui@dwd.wisconsin.gov



Scott Walker, Governor
Reginald J. Newson, Secretary

**Assembly Committee on Workforce Development
CR 12-045 Related to Wisconsin Fast Forward**

137
October 2nd, 2013

Testimony provided by Jonathan Barry, Deputy Secretary

Chairperson Loudenbeck and members of the Assembly Committee on Workforce Development:

I am Jonathan Barry, Deputy Secretary at the Department of Workforce Development and it is my pleasure to address this committee today on the proposed administrative rule for Wisconsin Fast Forward (WFF). I am joined at the table by Mr. Scott Jansen who serves a dual role at DWD as the division administrator for Employment and Training and the director of the Office of Skills Development. It is Scott and the staff of the aforementioned office that have worked extensively to bring Wisconsin Fast Forward from concept to reality.

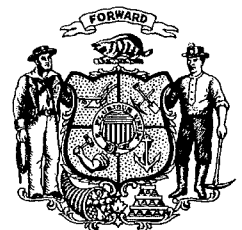
As you all know workforce development is one of Governor Walker's top priorities. Wisconsin Fast Forward is part of Governor Walker's comprehensive agenda to develop the state's workforce by better equipping workers with the skills employers need today to succeed and ensuring Wisconsin is home to a highly skilled workforce for years to come. Thanks to your support, this legislation passed with overwhelming support in the Assembly and unanimously in the Senate. Governor Walker signed the bill on March 13th and since that date, our agency has been moving with deliberate speed to develop a framework for worker training investments. This framework is grounded in transparency, accountability, and maximum return-on-investment for the Wisconsin taxpayer.

I see this as the perfect time to ask Scott to explain how we plan to administer the grant program based on the proposed rule and have a positive impact on the workforce in Wisconsin.

After Scott's testimony, we would be happy to entertain questions as you see fit.



WISCONSIN STATE LEGISLATURE



**Assembly Committee on Workforce Development
CR 12-045 Related to Wisconsin Fast Forward**

October 2nd, 2013

Testimony provided by Scott Jansen, Division Administrator – Employment and Training

Chairperson Loudenberg and the Assembly Committee on Workforce Development:

Wisconsin Act 9 authorized the Office of Skills Development (OSD) to design a process for awarding grants to public and private organizations for the development and implementation of worker training programs. The training programs may include unemployed and underemployed workers as well as incumbent employees of businesses in Wisconsin. Given the volume of existing education and training programs designed to address the needs of employers, workers and unemployed individuals, the design for Wisconsin Fast Forward establishes a unique yet complimentary employer-driven worker training program model which targets short-term skill development for Wisconsin employers.

Many K-12 students have choices for developing career and technical skill sets while in school. High school graduates and employees can also enroll in classes or programs designed to teach specific skills through our post-secondary institutions. However, these traditional systems do not always produce the specific skill sets required by employers upon entry into the workforce. Wisconsin is among many states that have recognized the need for additional customized training programs to address specific employer workforce needs.

The current workforce development programs offered through state agencies such as the Department of Workforce Development, Department of Veterans Affairs, Department of Children and Families, Department of Health Services, Department of Corrections and others often focus upon work-ready skill development to prepare individuals for entry into low skill positions or specific industry occupations. Coupled with the youth, adult and dislocated worker programs offered through local Workforce Development Boards and the Job Center of Wisconsin, employers can often recruit individuals who receive services to prepare them for employment. Some employers are able to build a sustainable workforce through these programs and agencies.

The Wisconsin Technical College System certification, diploma and degree programs, coupled with the public and private colleges and universities degree and certification programs, prepare individuals for careers in vocational, trade, technical and professional occupations. Employers can readily recruit degreed, credentialed and competency tested candidates from our post-secondary institutions. In addition to recruiting from post-secondary institutions, employers, trade and business associations and others have opportunity to design and inform curriculum development offered at these institutions to shape the qualities and skills of the future workforce.

Customized and on-the-job training programs, as well as boot-camp style curriculum and apprenticeship-based programs, are also available to employers for creating a skilled and educated workforce. The technical

colleges in particular receive funding for developing employer-requested workforce training programs. Given the current portfolio of training and educational programming available in the state, Chapter DWD 801 establishes the Wisconsin Fast Forward workforce training program to be a demand-driven model that compliments the current portfolio of programs and services.

The Office of Skills Development used a combination of research, interviews, best practice reviews of other states' programs and suggestions from employers, workforce development agencies, technical colleges, economic development corporations and others to develop a first draft of the Wisconsin Fast Forward rules and processes. Recommendations from prior research such as "The Road Ahead – Restoring Wisconsin's Workforce Development System", "Be Bold 2 – Growing Wisconsin's Talent Pool", and "The Wisconsin Future Economic Study" provided guidance in developing streamlined rules designed to ensure the:

- transparency of decisions and operations
- accountability for achieving stated outcomes
- efficient utilization of public funds
- compliance with rules, regulations and audit requirements
- fair and equitable distribution of grant awards to organizations of all sizes throughout Wisconsin, and
- maximization of return on the \$15 million of public investment in the program

The draft rules were developed and reviewed with agency administrators, educators, workforce and economic development leaders, business associations and employers. Comments were reviewed and incorporated into the rules and processes to address concerns pertaining to the complexity of grant applications, the ability for small businesses to participate in the grant programs and the need to recruit students for workforce training programs that were available to unemployed and underemployed workers. In particular, the recommendations for announcing a multitude of competitive grant opportunities over the two-year pilot period that address skilled worker needs in a variety of industry sectors, applicable to any size business, available to rural and urban organizations, utilizing a wide variety of training organizations and methods, incorporating small and large sized training programs and addressing known, repetitive skill gaps in the workforce led to the Grant Program Announcement process.

The Grant Program Announcement (GPA) process enables OSD to incorporate appropriate grant scoring criteria, eligibility requirements, funding parameters, etc. in each announcement rather than setting static requirements in the administrative rules. This approach will enable OSD to respond to employer needs and market opportunities quickly.

The Wisconsin Fast Forward grant program will fuel reimbursement grants to applicants centered upon developing Wisconsin's skilled and educated workforce. Employers can apply individually or can work in concert with local, regional, or statewide economic development organizations, chambers of commerce, workforce investment boards or even employer-chosen training providers, including technical colleges, to develop training or skills enhancement programs for unemployed, underemployed or incumbent workers. As defined within the GPA, these workforce training programs should address the demonstrated skill needs and open job requisitions within the applicants operations, business sector or location. Training should also enhance the longer-term professional growth and economic opportunity for workers trained through the programs.

Applicants will be required to provide a cash or in-kind match to the grant award. The level of match may vary from program to program as defined in the GPA. Grant applications will typically be evaluated on a number of criteria. Some examples of anticipated scoring criteria are listed below:

1. **Scope:** Is the project design targeted at a known skills deficiency, with a reasonable cost and an appropriate time frame? Is similar skills training available through other programs?

2. **Focus:** Does the project support economic development by assisting new or expanded businesses? Is the target industry sector a base or emerging industry? Does the project target geographic or socioeconomic sectors of society that will benefit from the increased availability of family supporting employment opportunities?
3. **Sustainability:** Does the project enhance the capacity of our educational institutions to continue providing industry-standard training without the need for further incentive-based funding? Will the applicants hire graduates who meet the stated requirements. Can the training program be scaled, replicated and ported throughout the state?
4. **Value:** Does the project serve to increase wages, create employment opportunities, or teach skills that promote enhanced economic rewards to the workers while improving the profitability and sustainability of the business? Will graduates receive an industry recognized credential?

The grant administration process will include both fiscal and programmatic compliance monitoring. In addition, all grant recipients are subject to audit and DWD will audit a percentage of all grantees. For large grants (over \$250,000), the applicant will be required to identify a contractual agreement with an independent certified public accounting firm to provide a complete audit and report during and/or at the conclusion of the grant.

All trainees included in grant programs will be identified with pre- and post-training attributes including skill and education levels, wage level and employment status. OSD will track trainees for a period of two years post-training through UI wage data for evaluation purposes and program ROI calculations.

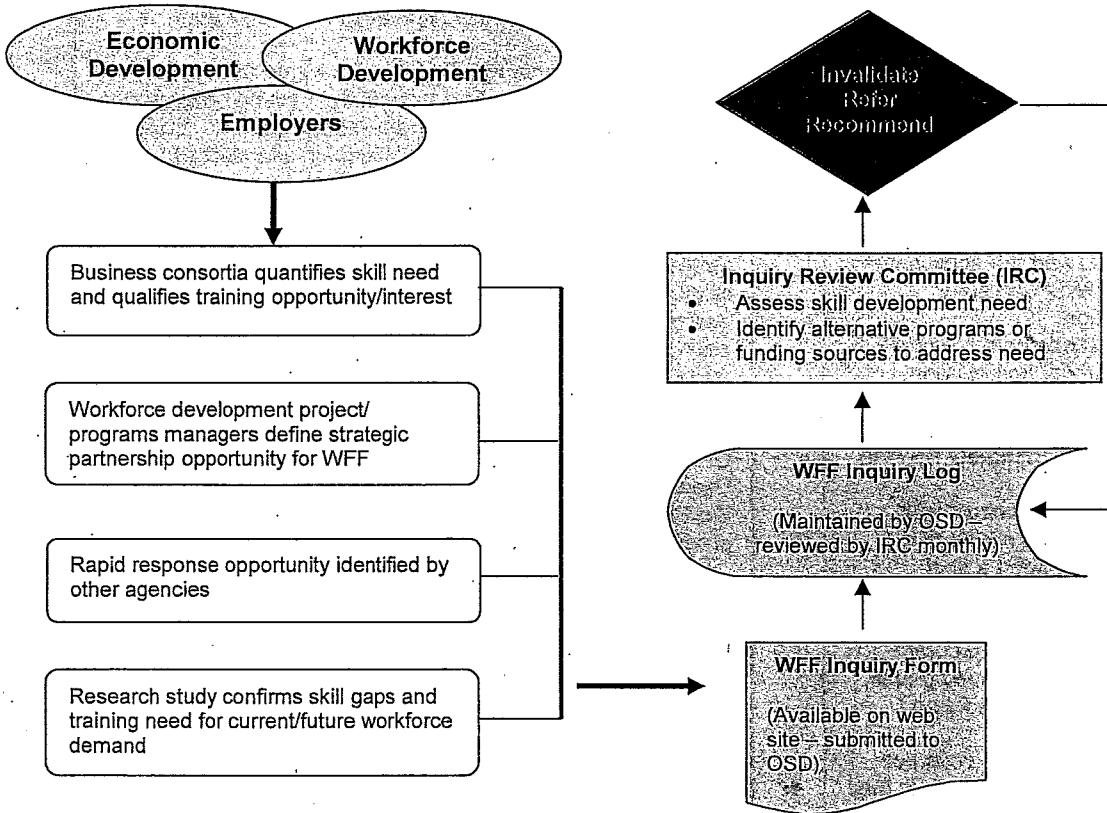
The statutory reporting requirements are defined by §106.27(3). To fulfill this reporting requirement, Chapter DWD 801 includes a requirement that awardees provide a limited amount of information to OSD. In recognition of the additional work required of grant applicants, OSD has limited the information required to reasonably assess the effectiveness of worker training programs and to maintain transparency, accountability and integrity within the Wisconsin Fast Forward program.

In conclusion, the Chapter DWD 801 rules enable the creation of an efficient, transparent, accountable, skill focused, state funded workforce training prototype program that will provide grant opportunities to all sized business throughout the state. The rules provide appropriate levels of audit control with process flexibility to encourage large scale responses to Grant Program Announcements. Awardees will design and delivery training programs, identify and approve students enrolled in training programs, select training providers, provide matching funding and define the expected outcomes and proficiencies to be attained with an expectation of hiring graduates who successfully complete the program. Graduates will acquire new skills and potentially an industry-recognized credential that will improve their ability to sustain employment and increase earning potential. Educators can evaluate opportunities for incorporating training program content or delivery mechanism into sustainable curriculum modules or programs. Employers will benefit by hiring skilled workers and creating new talent pipelines to address skill specific gaps in Wisconsin's workforce.

Wisconsin Fast Forward - Conceptual

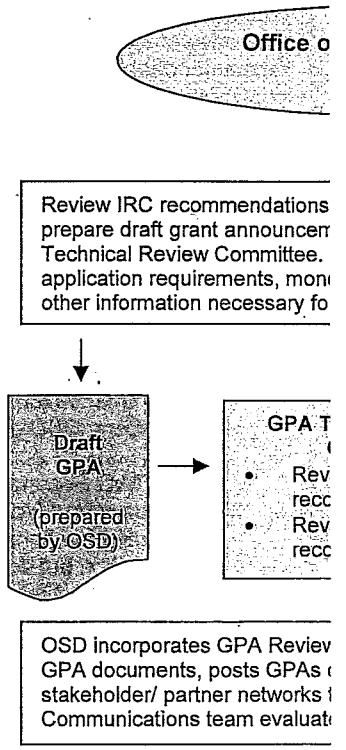
Phase 1 - Inquiry and Research Process Owner: Scott Jansen

Gather workforce skill requirement "gaps" identified by employers and researchers, summarize *pilot* training program recommendations in the Inquiry Log, review with IRC, refer inquiries to agencies as appropriate, recommend inquiries for GPA consideration



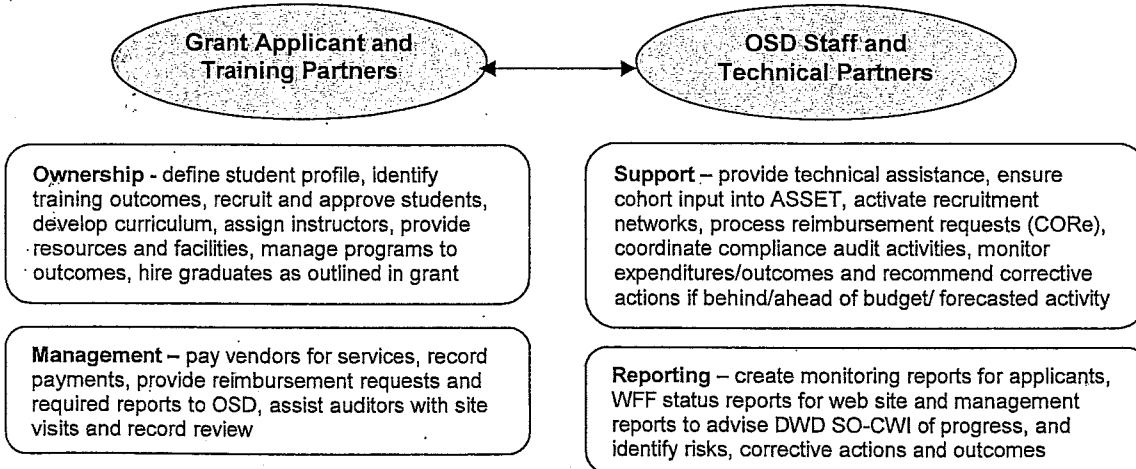
Phase 2 - Grant Process

OSD reviews inquiries and opportunities, produces draft with technical committee and



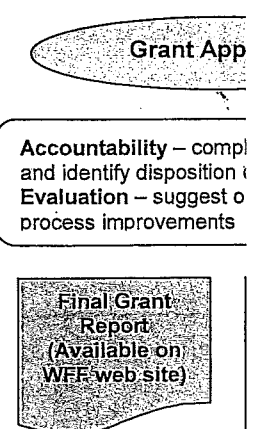
Phase 4 - Training Program Development and Delivery Process Owner(s): Karen Broitzman and TBD

Grant applicant coordinates curriculum development and delivery, creates student profile and builds cohort, assembles trainers/materials/facilities and oversees delivery of training. OSD provides technical assistance, activates partners to recruit students and audits program.



Phase 5

Grant applicant will coordinate hiring of students and produce final reports



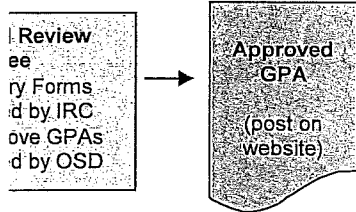
Process Map (DRAFT August 20, 2013)

Announcements (GPA)
Process Owner: Dennis Schuh

OSD recommends grant program announcements, schedules review meetings and approves GPAs

Development (D)

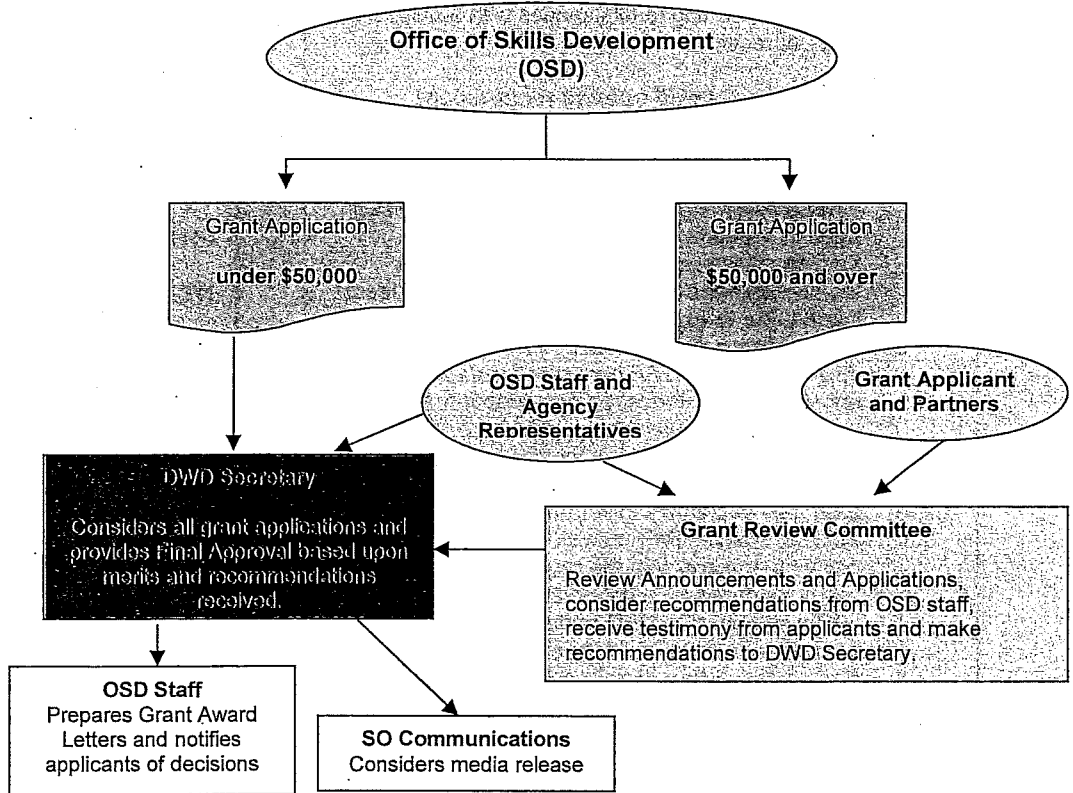
OSD identifies Response requests and consideration by the GPA. All include recommended costs, evaluation scoring system and iterative review process.



OSD integrates recommendations into final budget and activates the appropriate grant specific program(s). SO messaging potential.

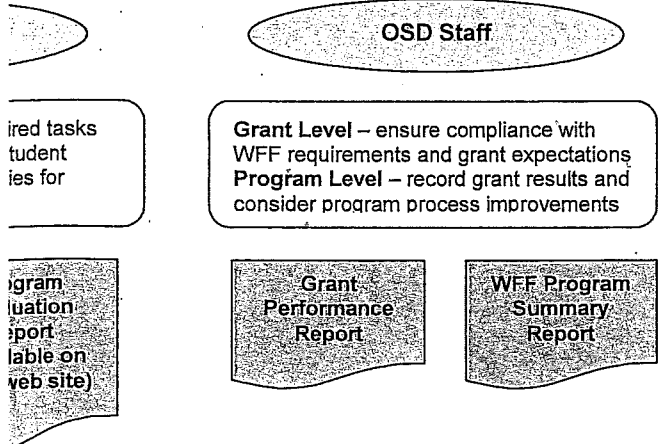
Phase 3 – Grant Application Submission/Review/Approval
Process Owner: Karen Broitzman

OSD reviews submissions and recommends actions, Grant Review Committee reviews/approves applications, DWD Secretary provides final approval, Grant Award letter issued and SO Communications team determines media plan.



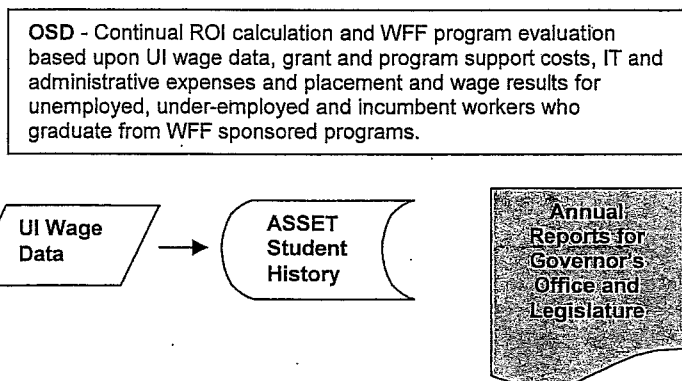
Close Grant/Create Final Reports
Process Owner: Karen Broitzman

OSD completes training, identify outcomes for each student, notify graduates, ensure vendor payments are completed, respond to audit requests.



Phase 6 – Ongoing ROI and Program Evaluation
Process Owner: Dennis Schuh

OSD will utilize UI wage data to track WFF sponsored training program graduates to evaluate program ROI.



WFF Inquiry Review Committee (IRC)

Function: All WFF grant and training program inquiries received via the web, referral, written or verbal inquiry are entered into the Inquiry Log. The Committee will convene to review all inquiries and determine an appropriate action, with the goal of responding to all inquiries with a disposition within 30 days of receipt:

- 1) **No additional skill training requirement confirmed:** Based upon research/consultation with DWD and other agencies, either the inquiry did not establish a need for additional skill training, other programs already exist to address the skill need or the request did not qualify for WFF funding assistance. OSD will respond to the Inquirer on behalf of the Committee and/or direct the inquirer to existing programs/resources.
- 2) **Skill training requirement confirmed - not appropriate for WFF program/funding:** Based upon the Committee's recommendation, OSD will respond and identify the appropriate program, agency or funding source for developing an appropriate training curriculum.
- 3) **Skill gap and training requirement confirmed - appropriate for WFF consideration:** OSD will notify the Inquirer that the request will be reviewed and considered for a potential GPA. The inquiry will be assigned to OSD or the appropriate committee member for subsequent action(s).
- 4) **More information required:** OSD will contact the Inquirer based upon the Committee's recommendation to obtain additional information. A determination will be made based upon the additional information provided.

Committee Members:

WEDC:

- Kathy Heady (confirmed)
- Mary Perry (confirmed)

WTCS:

- Willa Panzer (confirmed)
- Amy Charles (confirmed)

WWDA:

- Brian Vigue (confirmed)
- Pat Schramm (confirmed)

DWD:

- DeWayne Street (confirmed)
- Mike Greco (confirmed)

WFF Grant Program Announcement (GPA) Technical Review Committee

Function: OSD will seek technical review and comment for all Grant Program Announcements from WTCS, WEDC and appropriate representatives from DWD and other agencies before posting a GPA. This technical review committee will confirm the quantitative and qualitative analysis that underlies the GPA and support the need for skill development training programs. The committee will also review the provisions for evaluating the grant applications.

Committee Members:

DWD: Dennis Winters - Office of Economic Advisors/BWIT

WEDC: Lee Swindall

WTCS: Kathy Cullen

DOR: John Koskinen

WMC: Jim Morgan

Advisory and Oversight Committees

WFF Grant Review Committee

Function: OSD will review all qualified grant applications received in response to a GPA. The OSD will utilize the grant evaluation criteria defined in the GPA to evaluate and score each request. The OSD will prepare a grant review package of all applications over \$50,000. The Committee will consider the merits of each grant application, the recommendations of OSD staff and the testimony of grant applicants in making recommendations to the DWD Secretary. The review package could include grant applications that were not recommended for approval by OSD staff.

- 1) **Recommend Approval** – Committee concurs with all recommendations of OSD and the applicant and recommends that the DWD Secretary approves the grant application.
- 2) **Recommend Conditional Approval** – Committee identifies conditions for approval based upon recommendations received from committee members, OSD or the applicant. OSD will note all conditions for approval in the Committee report to the DWD Secretary.
- 3) **Recommend Hold** – Committee concurs with recommendations of OSD and the merits of the application but does not recommend a final disposition at this time. Potential reasons could include the urgent prioritization of other grant applications or the need to determine program capacity based upon previously approved grants. A final determination will be made at a future Committee meeting.
- 4) **Recommend Rejection** – Committee does not agree that the identified skill requirements are best served by awarding a Wisconsin Fast Forward grant to create a new or specialized training program. OSD will note reasons for rejection in the Committee report to the DWD Secretary.

Committee Members:

WEDC: TBD

WTCS: TBD

WWDA: TBD

Regional EDC: TBD

Others: Request made of CWI Executive Committee on 8/2/13 to provide list of businesses representatives by cluster with regional representation to be available to review grant applications as needed.

WFF Grant Compliance Review Committee

Function: OSD is presently meeting with the Budget & Policy auditing staff to develop the appropriate controls and processes for both financial and performance/program monitoring. The OSD and Wisconsin Fast Forward program will also be audited by the Legislative Audit Bureau.

In addition, all grants > \$250,000 will require the applicant to hire a certified auditing firm to audit the training program(s) as specified in the Grant Program Announcement. OSD and Budget & Policy staff will conduct on-site audits based upon a sample audience of applicants and programs.

Grant funds will be allocated on a reimbursement basis. Grantees will be required to submit expense reports and reimbursement requests over the life of the grant as expressed in the grant application. OSD staff will review each reimbursement request, along with supporting documentation, before authorizing the disbursement of funds.

Grant applicants will be required to submit a Program Evaluation which will be utilized by OSD and reviewed by the Committee to consider process improvements to the program.

Committee Members:

DWD:

- OSD Staff
- Office of Budget & Policy
- Office of Legal Counsel

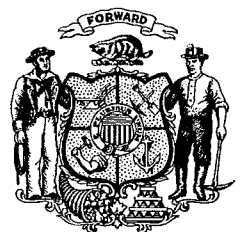
WEDC:

WTCS:

Legislative Audit Bureau



WISCONSIN STATE LEGISLATURE





Wisconsin Economic Development Association

TO: Members, Assembly Committee on Workforce Development
FROM: Carol Karls, President, Wisconsin Economic Development Association
DATE: October 2, 2013
RE: Comments on Clearinghouse Rule 13-045, the Fast Forward Rule

The Wisconsin Economic Development Association is a statewide association consisting of over 450 economic development practitioners. WEDA supports state policies that strengthen our economy and create jobs. Thank you for your support of Wisconsin Act 9 which created a workforce training grant program to be administered by the Department of Workforce Development (DWD).

You are already aware that the state faces a significant skills gap. Any new resources provided for workforce training will benefit private industry and put Wisconsin ahead of the country in addressing this important issue.

As private sector industry looks to upgrade or expand current operations so they can compete in a global economy, some businesses are faced with an obstacle of financing and affordability. Often the business can afford the capital expenditure for equipment, but they fall short of the amount needed to train the workers on the new system.

WEDA supported the worker training legislation this committee passed earlier this session because we saw a new opportunity for businesses to apply directly to DWD for money to help with training.

However, based on conversations with officials in the agency and the definition of Grant Program Announcement (GPA) in the rule, this money will likely be utilized to develop training models for specific industry sectors that DWD determines need assistance. DWD is also looking to fund training opportunities that can be scalable and portable, and less for individual employers with specific training needs.

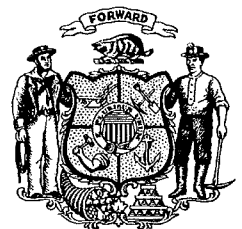
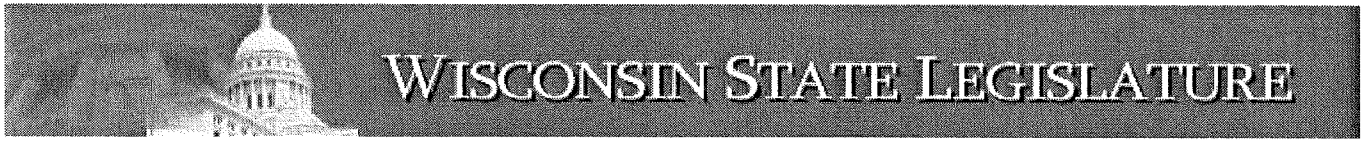
With this in mind, WEDA would like to point out two parts of the rule that if clarified, could better benefit the private sector.

Because process is often timely and cumbersome, it is understandable that businesses may want to partner with a public entity in their application for a workforce training grant. However, Clearinghouse Rule 13-045 does not require an applicant from the public sector to work with a private sector entity. It was WEDA's understanding that legislative intent for this bill was to provide private businesses with training dollars. We would appreciate clarification in the rule that if governmental entities are allowed to apply directly for grant dollars, there is a private sector partner. While the GPA may include the

requirement of a private sector partner, it will ultimately be left to the agency to make the decision if the rule remains silent.

Section 801.09(4) requires materials developed for a grant funded project to be owned by DWD. This is an area of concern because businesses like to keep their products and customization private for proprietary reasons. If there is a need to develop training materials with the grant money, DWD will own these business related materials. As a result, some businesses may not take advantage of this grant program.

Thank you for your consideration.



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Wisconsin Legislative Council
 Act Memo

<p>2013 Wisconsin Act 9 [2013 Assembly Bill 14]</p>	<p>Workforce Training Program</p>
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2013 Wisconsin Act 9 creates a workforce development program in the Department of Workforce Development (DWD) for the development and implementation of workforce training programs. It provides for grants to be used for the training of unemployed and underemployed workers in this state or for the training of incumbent employees of businesses in this state. The Act permits DWD to require a grantee to provide matching funds at a percentage to be determined by DWD. The Act also requires DWD to consult with the Wisconsin Technical College System Board (WTCSB) and the Wisconsin Economic Development Corporation (WEDC) in the implementation of this workforce training program.

The Act requires DWD, from the administrative appropriation provided, to develop and maintain a Labor Market Information System to collect, analyze, and disseminate information on employment opportunities in this state and other appropriate information relating to labor market dynamics, and to make the information available to educational institutions and the public. The Act also allows DWD, subject to review by the Joint Committee on Finance, to transfer money from this administration account to be used for workforce training grants.

The Act mandates that grantees report to DWD regarding how grant money was used and the outcomes achieved, and requires DWD to promulgate rules prescribing the information to be contained in these reports. It also requires DWD to create grant application forms, procedures, and criteria, and permits DWD to audit and inspect the records of grantees.

The Act requires DWD to submit annual reports to the Governor and the Joint Committee on Finance providing an account of DWD's activities and expenditures under this program during the preceding fiscal year, including specified statistical information.

The Act appropriates \$7,500,000 in general purpose revenue funding each year of the 2013-2015 fiscal biennium for grants to public and private organizations. The Act appropriates \$180,000 in fiscal year (FY) 2012-13, \$1,660,000 in FY 2013-14, and \$3,160,000 in FY 2014-15, and creates four full-time equivalent positions in DWD, for administration of this grant program.

Effective date: Act 9 took effect March 28, 2013, except that appropriations for the 2013-2015 biennium do not take effect until the second day after publication of the 2013-15 Biennial Budget Act.

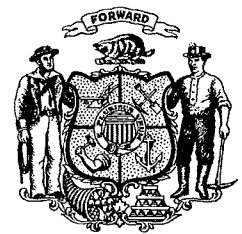
Prepared by: Jessica Ozalp, Staff Attorney

April 22, 2013

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WISCONSIN STATE LEGISLATURE





WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2013 Assembly Bill 14

**Assembly
Amendment 1**

Memo published: February 27, 2013

Contact: Jessica Ozalp, Staff Attorney (266-2982)
Larry Konopacki, Senior Staff Attorney (267-0683)

2013 Assembly Bill 14 provides \$7.5 million in funding each year of the next biennium for grants to public and private organizations for the development and implementation of workforce training programs. The grants may be used for the training of both new and incumbent employees of businesses in this state. The bill permits the Department of Workforce Development (DWD) to require a grantee to provide matching funds at a percentage to be determined by DWD. It appropriates \$180,000 in fiscal year 2012-13, \$1,660,000 in fiscal year 2013-14, and \$3,160,000 in fiscal year 2014-15 for administration of this grant program. The bill also allows DWD, subject to review by the Joint Committee on Finance, to transfer money from the administration appropriation to the grants appropriation.

The bill also allows DWD to require reports from grant recipients, to audit and inspect the records of grant recipients, and to promulgate rules prescribing procedures and criteria for awarding grants. Under the bill, an annual report must be submitted by DWD to the Governor and the Joint Committee on Finance providing an account of DWD's activities and expenditures under this program during the preceding fiscal year. Lastly, the bill includes a nonstatutory provision that requires DWD to consult with the Wisconsin Technical College System Board (WTCSB) and the Wisconsin Economic Development Corporation (WEDC) before July 1, 2016 in reviewing grant applications and awarding grants.

Assembly Amendment 1 to the bill does all of the following:

- Provides that the workforce training grants may be used for the training of "unemployed and underemployed workers" and incumbent employees of businesses in this state.
- Requires DWD, from the administration appropriation in the bill, to develop and maintain a Labor Market Information System to collect, analyze, and disseminate information on employment opportunities in this state and other appropriate

information relating to labor market dynamics, and to make the information available to educational institutions and the public.

- Creates a statutory requirement that requires DWD to consult with the WTCSB and the WEDC in the implementation of the workforce training programs.
- Specifies that DWD must require reports from grant recipients describing how grant money was used and the outcomes achieved.
- Makes DWD's rule promulgation authority mandatory and adds the requirement that the agency promulgate rules prescribing the information that must be contained in the reports from grant recipients.
- Specifies certain statistical information to be included in DWD's annual report.

Legislative History

Representatives Bernier and Loudenbeck introduced Assembly Amendment 1 on February 25, 2013. On February 26, 2013, the Assembly Committee on Workforce Development recommended adoption of the amendment and passage of Assembly Bill 14, as amended, on votes of Ayes, 15; Noes, 0.

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