EXHIBIT C

A Vision for Integrating the Public Workforce System

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The Public Education & Workforce System: Aligned by Design

Overview

- Three federal laws govern the education-to-workforce pipeline
- Facilitate an education-to-workforce pipeline that provides individuals with the academic, technical, and employability skills they need to be successful in the workforce
- Administered across different state agencies, making coordination among programs a challenge

Three Important Laws

- **Every Student Succeeds Act (ESSA)**
  - Provides funding for public **education from kindergarten to 12th grade**
- **Carl D. Perkins Career and Technical Education Act (Perkins)**
  - Provides funding for secondary and postsecondary **career and technical education (CTE)** programs
- **Workforce Innovation and Opportunity Act (WIOA)**
  - Supports **workforce development** and increased coordination and alignment among federal workforce development programs

WIOA's Five Titles

Title I	**Workforce Development Activities** •Authorizes **job training and related services to unemployed or underemployed** individuals •Establishes the governance and performance accountability system for WIOA
Title II	**Adult Education and Literacy** •Authorizes **education services to assist adults** in improving their basic skills, completing secondary education, and transitioning to postsecondary education
Title III	**Amendments to the Wagner-Peyser Act** •Amends the Wagner-Peyser Act of 1933 to integrate the U.S. Employment Service (ES) into the **One-Stop system** authorized by WIOA
Title IV	**Amendments to the Rehabilitation Act of 1973** •Authorizes employment-related **vocational rehabilitation** services to individuals with disabilities, to integrate vocational rehabilitation into the One-Stop system
Title V	**General Provisions** •Specifies **transition provisions** from WIA to WIOA

WIOA State Plans

- Under WIOA, the Governor of each state must submit a Unified or Combined State Plan to the U.S. Secretary of Labor that outlines a **four-year strategy for the state's workforce development system**
- At a minimum, a state must submit a Unified State Plan that includes a **plan for the six core WIOA programs**.
- A state may also submit a **Combined State Plan that includes other workforce development programs,** such as secondary and postsecondary CTE programs funded under the Carl D. Perkins Act.
- For 2026, **additional flexibilities will be provided by ETA and OCTAE** to incentivize the development of Combined WIOA State Plans that include Perkins CTE.

Importance of Combined WIOA State Plans

- Ensures that programs funded by the public workforce system:
  - Are **aligned to labor market demand**
  - Provide a **pathway to self-sufficiency** for clients of the public workforce system
- Ensure that the Eligible Training Provider List (ETPL) contains Eligible Training Providers and programs of study that provide **job-driven employment and training** activities that are **aligned to labor market demand**
- **States should begin the development of the 2026 WIOA State Plan modification process with public engagement sessions in each of the local areas.**

2026 State Combined Plan Modification Best Practices

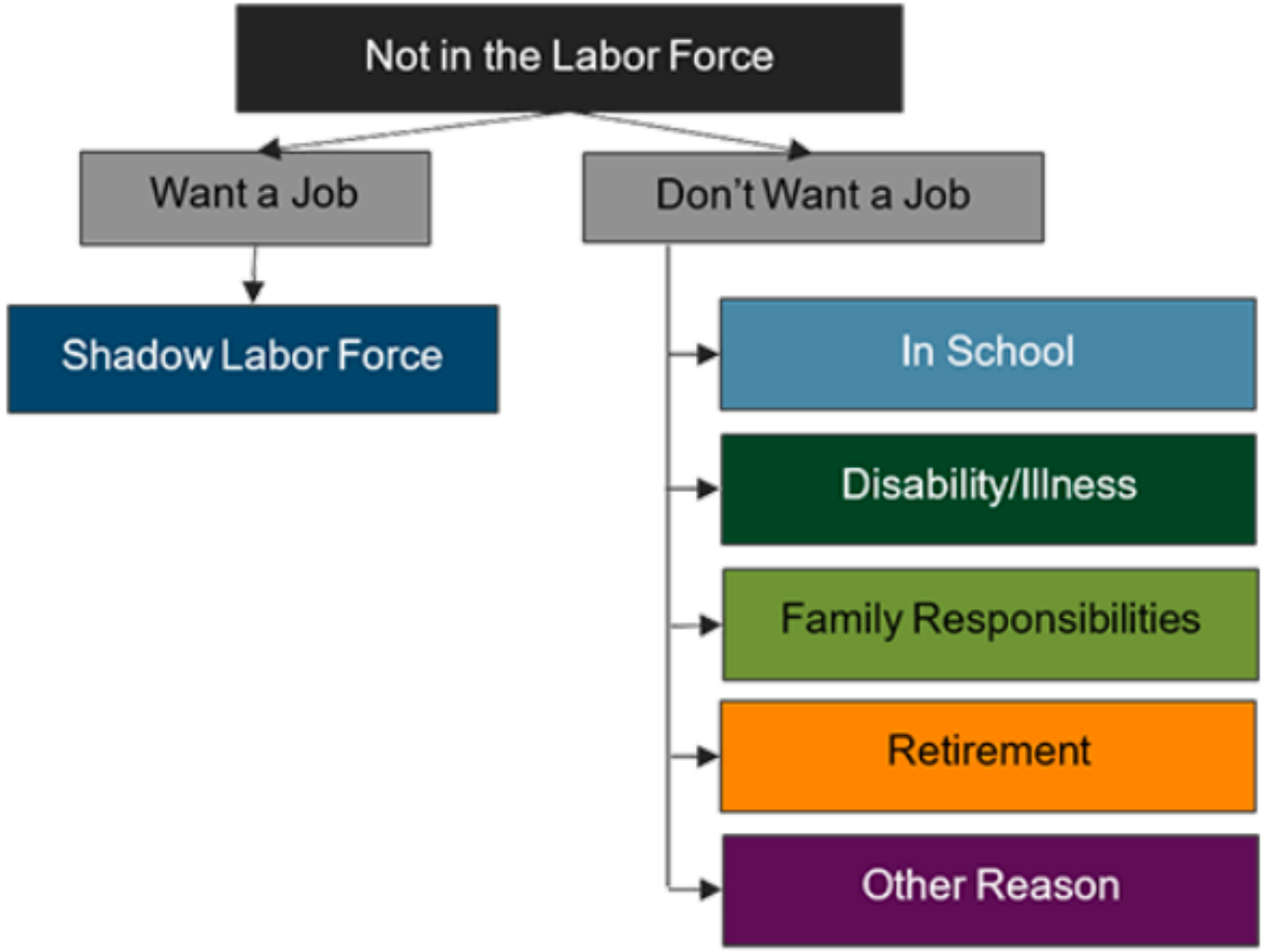
- **Human-centered approach**
  - True navigation, co-located services, and welcoming environment
- **Common and widely accessible intake process**
  - Provide eligibility screening through partner agencies and training providers; have board members go through intake process to experience what it is like
- **Proactive and meaningful outreach**
  - Provide clear information through social media and other channels
- **Integrated case management system**
  - Common data system with common intake process and ability for all partners to add notes and access information
- **Evaluation and benchmarking**
  - Comprehensive, evidence-based system review; analysis of workflow patterns, case loads, participation, and outcomes

2026 State Combined Plan Modification Best Practices

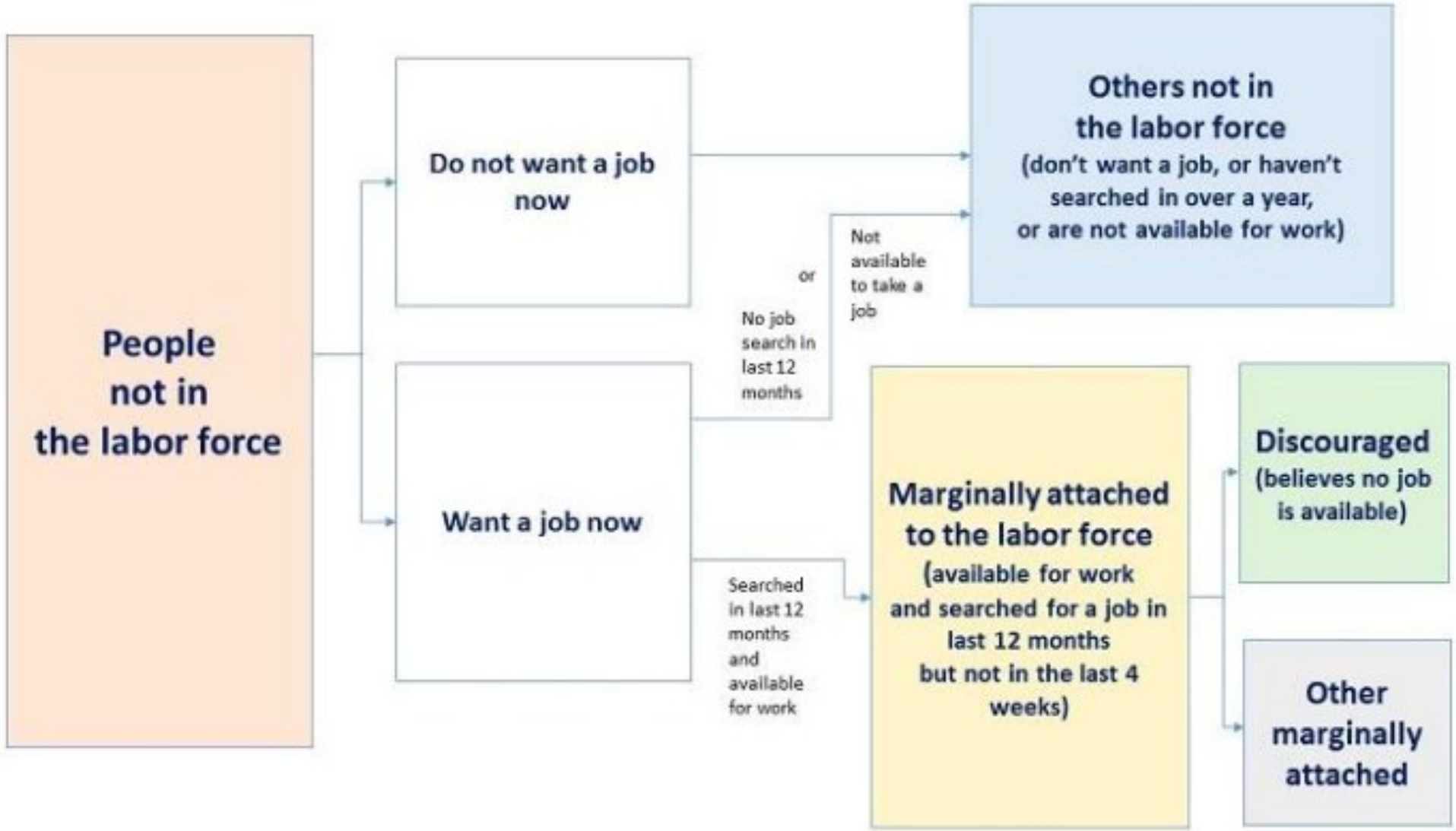
- **Education and outreach**
  - To individuals, employers, and public workforce system employees
- **Step-down program, “benefits slope,” and temporary support**
  - Education and economic supports to help individuals anticipate and address potential impacts
- **Training for public workforce system employees on benefits cliffs**
  - All partners understand, are prepared to explain, and can provide strategies around benefits cliffs
- **Two-generation approach**
  - Continue providing services to children of families/adults (such as childcare, healthcare, food security) to ease benefits cliffs
- **More coordination among workforce partners**
  - Including agencies, providers, and employers

National Workforce Innovation Act (WIOA) Outcomes for Core Programs (PY2023)					
Program	Funds Expended on Training PY2023	Participants Exiting Training	Number of Trained Participants Employed One Year After Completing Training	Relative Cost Per Participant Served	Cost Per Trained Participant Employed One Year After Completing Training
Adult	$291,636,190	196,220	75,741	$2,439	$3,850
Youth	$117,763,305	21,120	6,252	$3,246	$18,836
Dislocated Worker	$168,869,151	22,828	8,561	$4,376	$19,725
Total or Average	$578,268,646	240,168	90,554	Avg. $3,354	Avg. $14,137

Why are individuals not in the labor force?

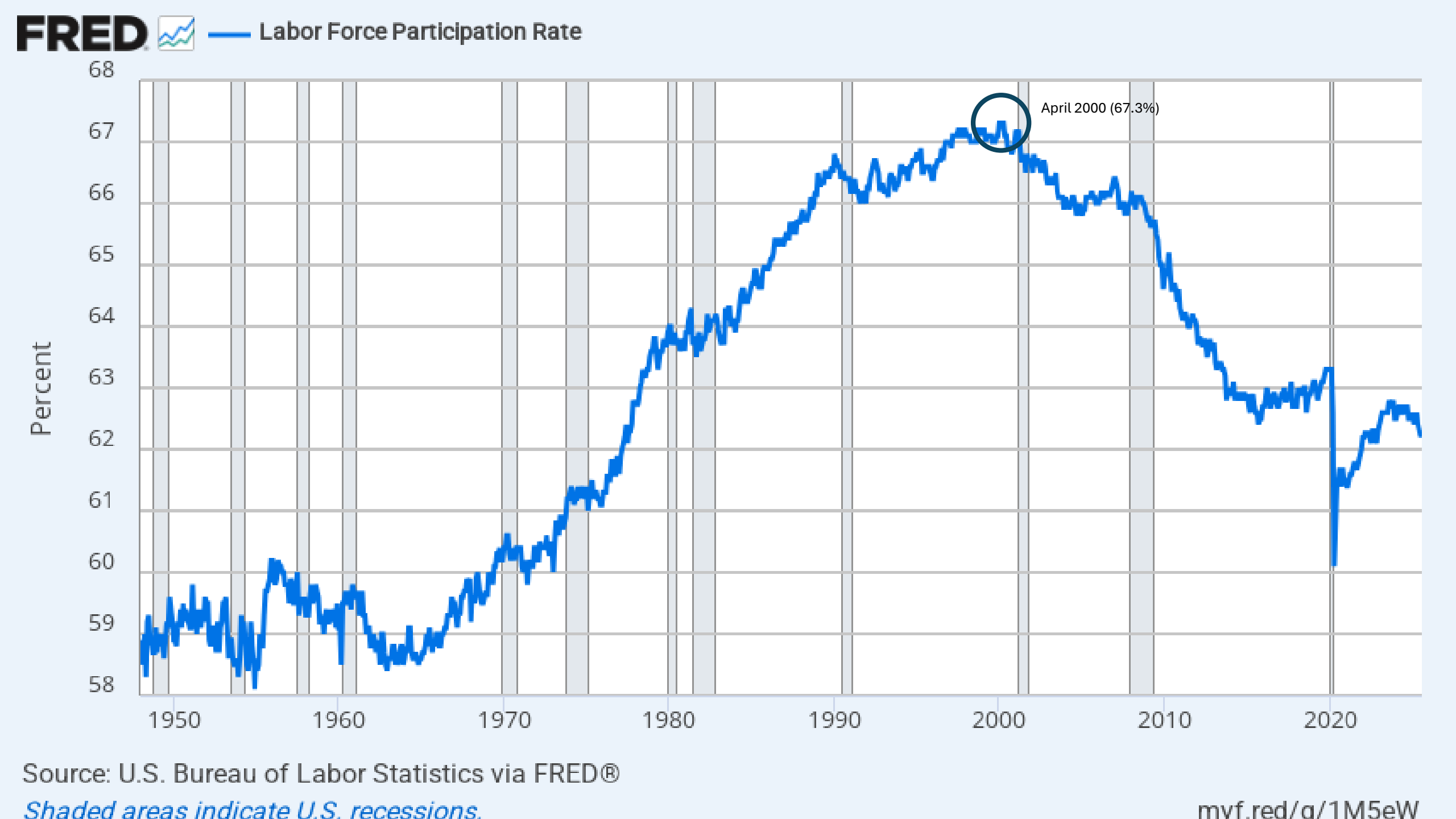


Source: Atlanta Fed Labor Force Participation Dynamics
Source: Dr. Alex Ruder and Dr. Pearse Haley



Source: Bureau of Labor Statistics www.bls.gov/cps/definitions.htm

Source: Dr. Alex Ruder, Federal Reserve Bank of Atlanta


FRED
Labor Force Participation Rate
April 2000 (67.3%)
Percent
68
67
66
65
64
63
62
61
60
59
58
1950
1960
1970
1980
1990
2000
2010
2020
Source: U.S. Bureau of Labor Statistics via FRED®
Shaded areas indicate U.S. recessions.
myf.red/g/1M5eW

WIOA Gold Standard Intake Pathway Model

1 Combined Plan Partner Point of Entry
- Common Diagnostic Questions & Decision Tree
- Common Intake Profile & Identifier
- Co-Referral & Co-Enrollment in Partner Programs

2 Workforce Assessment
- Work-Ready Report Card
- Common Individualized Success Plan, Benefits Cliff Tool, and Talent Marketplace
- Common Assessment Catalog
- Job Placement or Pathway Activity

3 Pathway Activity
- Pathway Activity for Employment

4 Workforce Reassessment
- Reassess & Update Individualized Success Plan
- Referral to Another Pathway or Exit Strategy

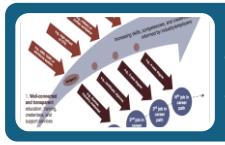
5 Exit Strategy
- Postsecondary Credential and/or Employment

6 Unsubsidized Employment

The Golden Pathway is job placement to unsubsidized employment

1. Point of Entry—common intake and assessment

2. Workforce Assessment--cross trained career navigator at partner agency determines pathway



3. Pathway Activities—job placement, training services, and supportive services

4. Workforce Reassessment—participant is reassessed and is provided another pathway activity or an exit strategy

5. Exit Strategy—postsecondary credential and/or paid employment

6. Unsubsidized Employment—the end goal

Reduce the Administrative Costs

- Nationally, far too much of WIOA allocations are being used to fund administration and overhead.
- Governors and State Workforce Board should develop plan for reducing overhead.
- A good rule of thumb is to ensure that career center administrative costs are 20 percent, or less, of a local area's allocation.

Revise Memorandum of Understanding and Infrastructure Funding Agreements

- Many Infrastructure Funding Agreements (IFAs) are long, cumbersome, and have been largely recycled every two years since WIOA was enacted.
- IFAs should be simplified and renegotiated to reduce overhead spent on commercial leases for career centers.

Improve Workforce Budgeting Practices

- Governors and State Workforce Boards should require local workforce development boards to submit annual budgets that categorize spending functions to include staff, leases, equipment, materials, program expenses, training costs, and career services costs.
- Moreover, Governors and State Workforce Boards should develop performance-based budgeting processes for local areas to drive increased performance across the WIOA common performance measures, as well as for state-specific performance measures.

Increase Systems Integration and Data Sharing

- Governors and State Workforce Boards should require career centers to use a standardized, web-based system for initial intake, assessment, and eligibility, as well as career exploration and career search.
- A self-sufficiency dashboard should also be used during the WIOA Title I and III intake process in the Career Centers to help individuals understand potential benefits cliffs.
- A Talent Marketplace, to include a verified Learning and Employment Record (LER) and a skills-based job description generator, should be integrated into the WIOA intake and assessment process.
- Talent Marketplaces can also enable all individuals claiming unemployment to apply for all available and suitable employment based on a match between the competencies in the applicants' LER and the competencies included in the job descriptions.
- Each person entering the public workforce system should be given a comprehensive needs assessment and an individualized education and employment plan (IEP).

Broaden Awareness of Underutilized Programs

- Many underutilized federal workforce programs can assist with helping people facing multiple barriers to reentering the workforce.
- Awareness and usage should be increased for the Workforce Opportunity Tax Credit (WOTC) and the Federal Bonding Program (FBP).
- The WOTC is a federal tax credit available to employers for hiring and employing individuals from certain targeted groups who have faced significant barriers to employment.
- Bonds from the FBP protect employers against losses caused by the fraudulent or dishonest acts of the bonded employee.

Employment and Accountability Metrics for Short-Term Workforce Training Programs

- Short-term credential programs have proliferated nationally over the past five years.
- Quality metrics should be established for state-funded, short-term credential programs to ensure that Americans who are completing short-term programs are entering in-demand employment and are potentially eligible for Workforce Pell.

Expand Access to Career-Connected Learning

- Apprenticeship must be a hallmark of the public workforce system, and state offices of apprenticeship and the federal Office of Apprenticeship (OA) must be better connected to public workforce systems nationally.
- Federal law requires registered apprenticeships to be automatically included on the state ETPL. However, very few of registered apprentices are receiving Individual Training Accounts or On-the-Job (OJT) Training contracts through WIOA nationally, and very few WIOA participants are co-enrolled in registered apprenticeship programs.
- Governors and State Workforce Board should assist state apprenticeship agencies and OA with penetrating industry sectors for which there are currently few registered apprenticeships.

Sectoral Partnerships

- Governors and State Workforce Boards should develop a modern credit for prior learning policy using a competency- and course-equivalency matrix.
- Bridging credit and non-credit education and training will promote performance, artifact, and examination-based assessment of skills and competencies.
- Governors and State Workforce Board should map the course outcomes contained in programs on the state ETPL to employer job descriptions.
- Governors and State Workforce Boards should organize employers into sectoral partnerships to identify, and reach consensus on, the ”skills DNA” of in-demand occupations.

Require Cross-Training

- Title I and Title III staff should be cross trained.
- Governors and State Workforce Boards should train all staff in the public workforce system on the new policies included in the 2026 WIOA plan modifications.
- Regional professional development sessions should be conducted in all local areas for public workforce system staff before the end of 2026. Public workforce system staff include all individuals who are responsible for registering individuals for WIOA services.
- Trainings should include sessions on board policy; the WIOA statute and rules; work-based learning; credentials; program and financial performance; and alignment across WIOA titles and programs.

Enhanced Program Performance and Accountability Metrics

- States should consider establishing new baselines for the six WIOA common performance measures.
- Negotiated performance should be increased for each measure over the course of the four-year plan.
- States should consider changing the WIOA metrics from being based on inputs to outputs and to outcomes instead of operational indicators.
- The Governor, through the State Workforce Development Board, may establish additional indicators of performance, such as:
    - Increase in the labor force participation rate;
    - Requirement that all training must be job attached;
    - Tracking the relative change in wages of participants (pre-WIOA enrollment and post-WIOA exit);
    - Determining the cost per positive outcome (positive outcome meaning stackable credential, certificate, or unsubsidized employment);
    - Tracking the percentage of funding expended for job-related skills development; and
    - Expanding the proposed employer measure to include retention with the same employer and remaining employed in the same sector after incumbent worker upskilling.

Increase the Training-Related Employment Rate

- The training related employment rate for training completers should be published for each eligible training provider annually.
- State Workforce Boards will be allowed to review performance data before it is submitted to USDOL for inclusion on “trainingproviderresults.gov.”
- State Workforce Boards should update and revise credential, Eligible Training Provider, and Pell prioritization policies during the 2026 state plan modification process to account for the state’s plan to implement Workforce Pell.
- State Workforce Boards should adopt common intake questions and a common partner referral process.
- States should continuously scrutinize the programs on its ETPL to ensure that only the highest quality programs are available for program participants.

Stronger Connections between State Agencies

- Effective collaboration among state agencies involved in supporting workforce development, job placement, and support services is paramount for the success of the public workforce development system.
- When state agencies work cohesively, rather than in silos, the benefits are substantial.
- A collaborative approach can facilitate seamless referrals between agencies, thereby reducing redundancies and providing individuals with timely and accurate access to training programs and support services.
- A more unified system would allow for real-time tracking of progress, enabling data-driven decision-making, trend analysis, and continuous improvement.
- Without such collaboration, the workforce development system runs the risk of inefficiency and fragmentation.

Implement a Shared Case Management System

- In support of the recommendations to increase coordination and collaboration of state agencies, it is imperative that a shared case management system be implemented among all core and partner WIOA programs.
- It is also recommended that the case management system be provided to non-profits that offer support services to assist individuals while they are in a job training program.
- A shared case management system contributes to an improved client experience by providing a holistic view of individuals' journeys and simplifying navigation through different services.
- Resource optimization can be achieved through the avoidance of redundancy, thereby enhancing cost-effectiveness and efficient resource allocation based on individuals identified needs.

End Unrestricted Customer Choice

- Individuals should not be given unrestricted customer choice.
- Unrestricted customer choice allows eligible individuals to enter the career center, telling the staff which job they want to pursue, and then enroll in a training program related to the job of choice regardless of the labor market conditions for that occupation.
- Customers must be given informed choice through career services, should be enrolled in training programs that are aligned with in-demand jobs, and an on-the-job training OJT contract should be written for each person completing an ITA.
- Talent Marketplaces also provide the technology solution needed to match jobseekers directly based on a skills match.