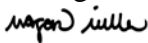


TEXAS WORKFORCE COMMISSION LETTER

ID/No:	WD 06-15
Date:	March 9, 2015
Keyword:	WIA
Effective:	Immediately

To: Local Workforce Development Board Executive Directors
Commission Executive Offices
Integrated Service Area Managers

From:  Reagan Miller, Director, Workforce Development Division

Subject: **Industry-Recognized Skills Certification Initiative**

PURPOSE:

To provide Local Workforce Development Boards (Boards) with information and guidance on the distribution of funds to support the Industry-Recognized Skills Certification Initiative (Initiative).

BACKGROUND:

Workforce development and adult education and training are key services available to prepare job seekers for success in jobs employers need filled. By improving the skills, education, and literacy levels of individual adults, dislocated workers, and youth, these services improve their subsequent employment, job retention, and earnings.

Industry certifications validate job seekers' skills and knowledge and allow employers to hire a workforce that meets their needs. Skills certifications recognized by industry ensure alignment between a job seeker's skills and an employer's needs—thus streamlining the hiring and orientation phases for new employment. Additionally, skills credentials that are industry-recognized at a national or regional—i.e., statewide—level provide portability, both among employers and geographically.

Workforce Investment Act (WIA) regulations provide that allowable statewide activities may include carrying out such adult and dislocated worker employment and training activities as the state determines are necessary to assist local workforce development areas (workforce areas) in carrying out local employment and training activities. The Initiative provides Boards funding to support these training activities.

Boards are uniquely positioned to identify the types of certifications necessary for high-demand jobs in workforce areas, and to ensure that training and skills certification centers are available to meet the demand for identified certifications.

Recognizing that Boards are in this unique position to serve as a resource to both job seekers and employers, the Texas Workforce Commission (TWC) has dedicated \$2.8 million in WIA statewide funding for this Initiative.

PROCEDURES:

Boards must be aware of the following:

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- The distribution of funds to each Board, approved by TWC’s three-member Commission January 6, 2015, is set forth in Attachment 1, Texas Workforce Commission Fiscal Year 2015 Industry-Recognized Skills Certification Initiative Funding Distributions;
- TWC will issue an Initiative-specific contract for the distributions;
- TWC will distribute Initiative funds to Boards based on the following methodology:
 - each Board receives a base amount of \$50,000; and
 - remaining funds are distributed based on each Board’s proportionate share of the total WIA adult and dislocated worker allocated funding; and
- Initiative funds will be available for use for up to two years.

Boards must ensure that Initiative funds distributions are used for one or more of the following activities:

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- Contracting with other entities to:
 - serve as new skills certification centers; or
 - support expansion of existing skills certification centers;
- Supporting skills certifications aligned with the high-demand positions identified by the Board; or
- Supporting activities, including training, to prepare job seekers or workers with the skills necessary to earn Board-identified, industry-recognized skills credentials.

Boards must ensure that Initiative funds are not used to support the following:

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- Soft skills training or work readiness assessments; or
- Certifications or training for low-wage jobs.

Boards must ensure collaboration with local employers in the identification of one to three industry-recognized skills certifications needed for high-demand jobs in the workforce area, with specific consideration given to:

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- manufacturing, information technology, health care, and construction industries;
- certificate portability;
- entry-level or middle- or high-skill occupations; and
- certificates recognized statewide or nationally.

Boards must be aware that TWC’s expectation is that the available funds will support certificates that are *portable*, i.e., recognized statewide and nationally. Boards must not use funds to develop new certifications specific to a workforce area or employer.

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Boards must communicate the availability of skills certifications to workforce area customers and job seekers, including job seekers participating in Adult Education and Literacy programs.

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Boards must provide TWC with contract-specified reports, including:

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- a description of the processes used in identifying certifications, detailing employer input and support for the identified skills certifications; and
- progress reports that include the:
 - names of the skills certifications supported using Initiative funds;
 - number, *by type of assessment*, of skills certifications assessments conducted;
 - skills for which the certifications assessments are conducted, *by type of skill*; and
 - number and kind of certifications awarded.

Boards must be aware that TWC will:

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- designate The Workforce Information System of Texas (TWIST) fund and sub-fund codes for use in tracking Initiative participants; and
- notify Boards of the codes and their use through each Board's Grant Award Statement of Work.

INQUIRIES:

Direct inquiries regarding this WD Letter to wfpolicy.clarifications@twc.state.tx.us.

ATTACHMENT:

Attachment 1: Texas Workforce Commission Fiscal Year 2015 Industry-Recognized Skills Certification Initiative Funding Distributions

RESCISSIONS:

None

REFERENCE:

Workforce Investment Act §§129 and 134
20 CFR §665.210

FLEXIBILITY RATINGS:

No Local Flexibility (NLF): This rating indicates that Boards must comply with the federal and state laws, rules, policies, and required procedures set forth in this WD Letter and have no local flexibility in determining whether and/or how to comply. All information with an NLF rating is indicated by “must” or “shall.”

Local Flexibility (LF): This rating indicates that Boards have local flexibility in determining whether and/or how to implement guidance or recommended practices set forth in this WD Letter. All information with an LF rating is indicated by “may” or “recommend.”