



DATE: January 15, 2002

TO: All Local Workforce Investment Areas

FROM: Cheryl A. Brush, Chief, Workforce Systems Bureau

SUBJECT: **Continuous Improvement Quarterly Process**

Each Subrecipient is contractually obligated to assess, at least quarterly, their progress toward the achievement of goals and objectives reflected in their Agreement to include the examination of expenditure rates, service levels and, as appropriate, customer feedback, processes and outcome measures, including the results of long term follow-up. The Agreements require Subrecipients to submit a report that summarizes its accomplishments, identifies those areas targeted for improvement based on the analysis of performance, and summarizes plans for any process improvement initiatives undertaken as a result of this review. If concerns are noted or deficiencies occur, the Subrecipient also is expected to identify the impact area(s) and specific measures that will be implemented to address the concern or deficiency. This quarterly report should be submitted to the Administrative Entity and the local Workforce Investment Board by the 30th of the month following the end of the quarter.

We hope that in partnering with you to complete this process, we can identify and remove barriers and improve processes at all levels in the system. Please note that we welcome any recommendations for changes to Agreements, policies, or regulations and will be happy to provide any additional information you request.

As you complete this process, please consider these points (we are not suggesting that you address each and every point, simply that you consider them in your own analysis and address those that are pertinent to your progress under the agreement):

- Using the Program Planning Summary of the Agreement, are the current quarter plan numbers being met? Are enrollment levels on target? Will current levels of activity lead to attainment of annual planned numbers? Do enrollment levels need to be adjusted (high or low) due to current level of expenditures? If current quarter plan numbers or performance goals are not being met, please identify how, and the date(s) by which, the plan numbers will be met. For each funding stream, you will wish to review the planned level of performance reflected in the interim indicators and determine if there are any indications that you will not be meeting the goals set for the quarter or year end?
- What is your current status of expenditure and your anticipated level of expenditure at year-end for each category of funding to include not only the traditional Adult/Dislocated Worker/Youth, but also any others categories identified in your Agreement, such as older worker funds, youth in need funds? For each funding stream, you may wish to review your level of staff expenditures and client expenditures separately to determine whether you should be making adjustments in these areas. For example, at your current levels of obligation, will you utilize the funds

available for client services? If staff dollars were not used because of vacancies or other causes, do you plan to use the funds or should they be made available for other uses? If you do not believe you will be using state dollars during the current program year (these include JTPA incentives, continuous improvement dollars, youth in need and older worker funds, and special allocations for dislocated worker and rapid response services), please advise so that these funds can be reprogrammed to higher priority areas during the year. Remember, all state level dollars allocated regionally are recaptured at the end of the year, so little is gained by simply holding these dollars if there is no plan for their use.

- Consider whether any underexpenditure is caused by reporting issues. For example, are your monthly 33-34 reports being submitted in a timely fashion or are expenditures being under-reported? The delay in classroom training payments may also be a cause for concern. You may wish to examine whether you have ITA payments that were due that have not been billed. If this is the case, it will be helpful to know the approximate amount that is under-reported in this category.
- If a youth provider, are you meeting your contractual obligations regarding the level of out-of-school expenditures vs. other youth expenditures?
- Are there items unique to your Agreement requiring any other focus on service delivery or special groups? If so, are you meeting those requirements?
- Have you identified any internal improvement plans to meet the goals listed in your program planning summary or would your deviation from plans indicate a need to do so? We recognize that not all deviations are a cause for concern, but please offer a detailed explanation and action plan to address those items that would be considered a significant deviation. For example, if straight-line projections indicate an expenditure below 85% at year end, please provide specific information about how this will be addressed describing why the expenditures are under-reported and/or what specific action will be taken to increase the fund utilization rates.
- Are there barriers outside your control that might be addressed by regional or state staff? WIA is still evolving and there may be any number of barriers that could be solved by changing policies or providing additional tools to solve a particular issue. We are relying on service providers to alert us to the need to make these changes. We may be able to change some immediately or we may need to request waivers from our federal partner to accomplish a change. If we may assist in any way, please let us know.

We will be meeting with our federal partners on February 13 to discuss the progress of the state and our plans for addressing issues. A primary concern of our federal partner continues to be under-expenditure, so we expect to focus on that area. We will rely heavily on information provided by each of the WIB staff and each service provider. This will provide us an excellent opportunity to discuss needed federal changes, if any, as well as provide a picture of what the state is doing with its WIA funds. If you have ideas for improving this process, please let us know.

Please contact your grants management staff for further assistance or information to complete this process.