



State of Arkansas  
Department of  
**WORKFORCE SERVICES**

[www.dws.arkansas.gov](http://www.dws.arkansas.gov)

Post Office Box 2981 • Little Rock, AR 72203-2981



June 21, 2013

Mr. Marty Garrity, Director  
Bureau of Legislative Research  
State Capitol Building, Room 315  
Little Rock, Arkansas 72201

Dear Mr. Garrity:

Section 503 of the federal Workforce Investment Act provides for incentive grants to reward states for successful performance in workforce and education programs. The State of Arkansas was one of fifteen states that qualify to receive incentive funds for successfully meeting performance under the Workforce Investment Act Title I and Adult Education and Family Literacy Act for program year 2011 (July 1, 2011 through June 30, 2012). Arkansas' share of the incentive grant funds is \$674,924.

Attached is the grant proposal for planned use of the funds, which has been approved by Governor Mike Beebe and the directors of both the Arkansas Department of Workforce Services and the Arkansas Department of Career Education.

If you have any questions, about the planned use of these funds, please contact me at 501-683-1889 or [artee.williams@arkansas.gov](mailto:artee.williams@arkansas.gov).

Sincerely,

A handwritten signature in blue ink that reads "Artee Williams".

Artee Williams  
Director

# **State of Arkansas Proposal for Workforce Investment Act Section 503 Incentive Grant Funds**

---

June 24, 2013

## **State Agency and Contact Person**

Artee Williams, Director  
Arkansas Department of Workforce Services  
P.O. Box 2981  
Little Rock, Arkansas 72203  
[artee.williams@arkansas.gov](mailto:artee.williams@arkansas.gov)  
Phone: 501-683-1889

## **Planned Use of the Funds**

Due to the decrease in WIA Statewide Activities funding starting in PY 2011 from the standard 15% of the total state allotment to 5%, the state has had to significantly reduce statewide activities. If the statewide activities funding is not restored to the 15% level soon, the State of Arkansas is anticipating a more than \$900,000 deficit in the statewide activities budget starting in PY 2014.

The state has been forced to make reductions to meet an annual budget of \$976,000, a more than 72% reduction from the PY 2010 annual allotment of more than \$3.5 million. The State has been able to maintain program integrity utilizing rollover funds from prior years, but those carry forward funds will be depleted in PY 2013. The use of the WIA Section 503 Incentive Funds will help to alleviate that deficit and prevent the state from having to consider passing costs on to the local workforce investment boards, such as the cost to maintain the online Arkansas Consumer Reporting System and the fiscal and programmatic management information systems. If the State is forced to pass the costs of these systems on to local boards, less funding will be available for service delivery and assisting job seekers that most need those services.

The activities proposed to be funded by the PY 2012 WIA Section 503 Incentive Grant funding are below.

- 1. Arkansas Consumer Reporting System - \$80,000 [\$34,666 in Contractual, \$33,861.67 Personnel, and \$11,472.33 Fringe Benefits.]**

Activity Authorized by WIA §129(b)(2)(A), WIA §134(a)(2)(B) and CFR 665.200(b)

WIA participants receive training through eligible training providers. In

addition, information from education and training providers in the state is gathered and performance data calculated on their graduates within federal and state confidentiality guidelines. Using these performance results, the certification of eligible training providers is coordinated with Local Workforce Boards and the Department of Workforce Services (DWS) maintains the eligible training provider list through the Arkansas Consumer Reporting System (ACRS). This website provides potential WIA participants the ability to research available training providers and training programs (Consumer Report) that may be accessed under WIA. Additionally, the "Projected Employment Opportunities List" allows WIA participants to determine the programs of study that can lead to employment in occupations that are in demand in the Local Area and Arkansas. Due to the decrease in available statewide funding in PY 11 from 15% of the total state allotment to 5%, sufficient funding did not exist to fully support the cost of these grants management data systems, and the state was exploring the possibility that the cost to maintain this online system would have to be passed on to the local workforce investment areas. By utilizing the Section 503 incentive funding through June 2015, local funds can stay focused on service delivery rather than data system expense.

**2. Management Information Systems - \$550,000 [Contractual]**

Activity Authorized by WIA §136(f) and CFR 665.200(i)

Provides funding for the state's computer applications for fiscal and program management of the WIA grants. Historically these systems have been funded by WIA statewide activities funding. Due to the decrease in available statewide funding in PY 11 from 15% of the total state allotment to 5%, sufficient funding did not exist to fully support the cost of these grants management data systems, and the state was exploring the possibility that the cost to maintain these systems would have to be passed on to the local workforce investment areas. By utilizing the Section 503 incentive funding through June 2015, local funds can stay focused on service delivery rather than data system expense.

**3. Technical Assistance/Training - \$36,549 [\$27,299.82 Personnel and \$9,249.18 Fringe Benefits]**

Activity Authorized by WIA §129(b), WIA §134(a), CFR 665.200(f), CFR 665.210(a) and 665.210(b)

Provides funding for staff time to provide technical assistance and capacity building activities to those service providers that have failed performance measures or request assistance. Fringe benefits are calculated at 33.88% of personnel costs.

#### **4. Travel - \$5,000**

Activity Authorized by WIA §129(b), WIA §134(a), CFR 665.200(f), CFR 665.210(a) and 665.210(b)

Provides funding for travel to provide training in local workforce investment areas to improve performance and build capacity of service providers.

#### **5. Indirect Costs - \$3,375**

Activity Authorized by 20 CFR 667.200 and OMB Circular Cost Principles.

This will cover the salaries, benefits, and other costs such as rent, premises expenses, communication, data processing and IT support, and utilities needed to support the service providers. Arkansas Department of Workforce Services has a negotiated cost rate approved by DOL.

These activities will allow local funds to remain budgeted for service delivery to those jobseekers that need the services most. The programmatic management information system allows for coordinated service delivery amongst multiple partner programs including Workforce Investment Act (WIA) Adult, Youth, and Dislocated Worker, Wagner-Peyser, and Trade Adjustment Assistance programs. Additionally, the case management system allows for tracking of participants across programs and management of performance data and reports.

The fiscal management information system allows for grants management of multiple grants including WIA, National Emergency Grants, and discretionary grant programs.

The personnel, fringe, and travel funds will enable enhanced training and technical assistance for local areas in improving system performance and evaluation of increased services to target populations. As part of the negotiation process for determining PY 2013 WIA performance targets, the State made a commitment to increase services to several target populations. Enrollment of these individuals will require coordination across multiple state agencies and service providers. This funding will enable ADWS staff to provide the needed technical assistance, peer-to-peer visits, and sharing of best practices to enable this increase in services.

The proposed activities were discussed in consultation with the directors of the Arkansas Department of Workforce Services, which administers the Workforce Investment Act programs, and the Arkansas Department of Career Education, which administers the adult education, career and technical education programs. Both agencies are in agreement on the planned use of these funds. The incentive application was posted online for public review and input.