

## HIGH PERFORMING BOARDS

### EXECUTIVE SUMMARY

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This policy provides the guidance and establishes the procedures regarding the criteria Local Workforce Development Boards (Local Board) must meet in order to be certified as a High Performing Board. This policy applies to all Local Boards, and is effective immediately.

This policy contains all state-imposed requirements.

This Directive finalizes Workforce Services Draft Directive High Performing Boards (WSDD-206), issued for comment on January 17, 2020. The Workforce Development Community submitted eight comments during the draft comment period. A summary of comments, including all changes, is provided as Attachment 2.

Retain this Directive until further notice.

### REFERENCES

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- *Workforce Innovation and Opportunity Act (WIOA) (Public Law 113-128)*, Section 107 and Section 108 (PDF)
  - Title 20 *Code of Federal Regulations* (CFR), Section 679.260
  - Training and Employment Guidance Letter (TEGL), [TEGL 21-16](#), Subject: *Third WIOA Title I Youth Formula Program Guidance* (March 2, 2017)
  - *California Unemployment Insurance Code* (CUIC) [Section 14200](#)
  - [California's Unified Strategic Workforce Development Plan](#)
  - [Workforce Services Directive \(WSD\) 18-10 \(PDF\)](#), Subject: *WIOA Training Expenditure Requirement* (January 31, 2019)
  - [WSD18-01 \(PDF\)](#), Subject: *Regional and Local Plans PY 17-21 – Two Year Modifications* (July 27, 2018)
  - [WSD17-07 \(PDF\)](#), Subject: *WIOA Youth Program Requirements* (January 16, 2018)

*The EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities.*

## BACKGROUND

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As outlined under the WIOA Section 107, Local Boards are established by the Governor in each Local Workforce Development Area (Local Area) of the state to carry out specific functions. These functions include developing a Local Plan, carrying out analyses of the economic conditions in the region and other workforce and regional labor market research and analysis, convening local workforce system stakeholders, engaging regional employers, and leading efforts to develop and implement career pathways within the Local Area.

According to CUI Section 14200, the Governor, through the California Workforce Development Board (CWDB), must establish standards for Local Boards to be certified as High Performing Boards. This requirement was originally established in state law by [Senate Bill \(SB\) 698](#) (Chapter 498, Statutes 2011) and later amended by [SB 1171](#) (Chapter 86, Statutes of 2016).

Previously, the assessment of High Performing Boards was conducted as a component of the *Workforce Investment Act* Local Plan approval process, rather than through a separate application. For this round of certifications, the CWDB has chosen to separate the assessment of High Performing Boards from the WIOA Local Plan approval process. Accordingly, this Directive outlines the statutory criteria and associated deliverables which Local Boards must provide to be considered as a High Performing Board.

## POLICY AND PROCEDURES

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CUI Section 14200 states the criteria a Local Board must meet to be certified as a High Performing Board. This criteria includes, but is not limited to the following:

- Meeting or exceeding negotiated performance goals for all measures in each of the three federal WIOA customer groups, which consist of adults, dislocated workers, and youth.
- Developing and implementing local policies and local strategic plans which meet the criteria outlined by both WIOA and California's Unified Strategic Workforce Development Plan.
- Demonstrating a Local Board's local strategic plan involves the following:
  - Key stakeholders, including major employers and industry groups in the relevant regional economy, and organized labor.
  - The entire workforce training pipeline for the relevant regional economy, including K-12 education, career technical education, the community college system, and other post-secondary institutions.
  - Data driven policies and processes, policy decisions at the local level should be evidence-based, and use labor market data to develop and implement the Local Plan.

- Demonstrating investment in workforce initiatives, including training programs which promote skills development and career ladders relevant to the needs of each Local Area’s regional labor market and high-wage industry sectors.
- Establishing a youth strategy aligned with the needs of each workforce development area’s regional labor market and high-wage industry sectors.
- Establishing a business service plan which integrates local business involvement with workforce initiatives.

According to state law, recertification of High Performing Boards must occur midway through the implementation of the local and regional plans. State law also directs the Governor and the Legislature, as part of the annual budget process, and in consultation with the CWDB, to annually reserve a portion of the WIOA 15 percent discretionary funds for the purpose of providing incentive funds to Local Boards who are certified as High Performing Boards. For program year (PY) 2019-20, \$100,000 was reserved in order to be divided equally amongst all those identified as a High Performing Board. Please note: In future years the annual amount reserved may fluctuate depending on the Governor’s and Legislature’s priorities.

In order to streamline and simplify this round of recertification for High Performing Boards, the CWDB, to the extent possible, will use a Local Board’s adherence to existing federal and state requirements related to performance, planning, funding, etc. to assess whether they have met the criteria outlined in CUIC Section 14200.

However, California’s vision to create a strong current and future economy, defined by quality jobs, equity, and environmental sustainability, relies on progression and innovation. Therefore, when the CWDB certifies High Performing Boards in the future, criteria will be established which prioritizes investments in industry partnerships, job quality, and meaningful skills attainment. It is important to the economic success of all Californians that the CWDB and Local Boards continue to identify new ways to improve upon and strengthen our workforce system.

The following criteria will be used to determine the certification of a Local Board as a High Performing Board:

1. Performed Successfully

For the purposes of this Directive, the term “Performed Successfully” means a Local Board has met or exceeded the negotiated levels for the Employment Rate 2nd Quarter after Exit, and the Median Earnings indicators of performance in accordance with Title 20 CFR Section 679.260(a)(1).

**Deliverable** – The Local Board met the above definition of Performed Successfully for Program Year (PY) 2018-19.

2. Approved Regional and Local Plan

As required by WIOA Section 108 and outlined in WSD18-01, a biennial update of Regional and Local Plans is required in order to ensure plans remain current and

account for changes in labor market and economic conditions, or in other factors affecting implementation.

**Deliverable** – The Local Board met the requirements outlined in WSD18-01 and received approval letters for their Regional and Local Plan modifications.

3. WIOA Training Expenditure Requirement

As required by CUIC Section 14211 and outlined in WSD18-10, Local Boards must spend at least 30 percent of the combined total of their adult and dislocated worker WIOA formula fund allocation on training services each PY. State law allows Local Boards to use twelve categories of leveraged funds to receive a credit of up to 10 percent toward meeting their training expenditure requirement.

**Deliverable** – The Local Board met the WIOA training expenditure requirements outlined in WSD18-10 for PY 2018-19.

4. WIOA Youth Funding Requirement

As required by WIOA Section 129 and outlined in WSD17-07, Local Areas must spend at least 75 percent of their WIOA youth formula allocation on youth workforce investment activities for out of school youth (OSY). Local Areas must also spend at least 20 percent of their WIOA youth formula allocation on work experience.

**Deliverable** – The Local Board met the OSY and work experience expenditure requirements outlined in WSD17-07 for PY 2018-19.

5. Business Services Plan

As outlined in CUIC 14200, each Local Board must establish a business service plan that integrates local business involvement with workforce initiatives. The plan must address, at a minimum, the Local Board's efforts to partner with business and labor locally and regionally, the utilization of an electronic system for businesses and job seekers to communicate about job opportunities, and the establishment of a subcommittee or workgroup comprised of business representatives.

**Deliverable** – A narrative which describes how the Local Board meets the business service plan criteria outlined above.

### High Performing Board Application Process

In accordance with CUIC Section 14200, Local Boards who submit a completed High Performing Board Application (Attachment 1) and meet all of the associated deliverables will receive certification as a High Performing Board.

The completed application and all necessary attachments must be submitted electronically to [Ashley.Anglesey@cwdb.ca.gov](mailto:Ashley.Anglesey@cwdb.ca.gov) no later than 5:00 p.m. on Friday, May 15, 2020.

## Assessment of the Application

The CWDB, in coordination with the Employment Development Department, will verify the information provided in the High Performing Board application and notify the local Chief Elected Official regarding their approval or denial.

## ACTION

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Bring this Directive to the attention of the local Chief Elected Official, Local Board, and appropriate staff.

## INQUIRIES

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If you have any questions, contact Ashley Anglesey at [Ashley.Anglesey@cwdb.ca.gov](mailto:Ashley.Anglesey@cwdb.ca.gov).

/s/ JAIME L. GUTIERREZ, Chief  
Central Office Workforce Services Division

Attachments are available on the internet:

1. [High Performing Boards Application](#)
2. [Summary of Comments](#)