

## HIGH PERFORMING BOARDS

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### GENERAL INSTRUCTIONS

The attached Directive is being issued in draft to give the Workforce Development Community the opportunity to review and comment prior to final issuance.

Submit any comments by email no later than **March 10, 2023**.

All comments received within the comment period will be considered before issuing the final Directive. Commenters will not be responded to individually. Rather, a summary of comments will be released with the final Directive.

Comments received after the specified due date will not be considered.

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**Email** [PolicyUnit@cwdb.ca.gov](mailto:PolicyUnit@cwdb.ca.gov)  
Include "High Performing Boards Draft Directive Comments" in the email subject line.

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If you have any questions, contact Liz Steelman at [PolicyUnit@cwdb.ca.gov](mailto:PolicyUnit@cwdb.ca.gov).

## HIGH PERFORMING BOARDS

### EXECUTIVE SUMMARY

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

This policy contains all state-imposed requirements.

This policy supersedes Workforce Services Directive *High Performing Boards* (WSD19-12), dated April 29, 2020. Retain this Directive until further notice.

### REFERENCES

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- *Workforce Innovation and Opportunity Act (WIOA)* (Public Law 113-128), Section 107, 108, and 129
- *California Unemployment Insurance Code (CUIC)* Section 14200 and 14211
- SB 1171, Chapter 86, Statutes of 2016
- [\*Workforce Services Directive WSD22-05, Regional and Local Planning Guidance for PY 21-24 Two-Year Modifications\*](#) (October 27, 2022)
- WSD20-02, *Calculating Local Area Performance and Nonperformance* (September 18, 2020)
- WSD18-10, *WIOA Training Expenditure Requirement* (January 31, 2019)
- WSD17-07, *WIOA Youth Program Requirements* (January 16, 2018)

### 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,

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

convening local workforce system stakeholders, engaging regional employers, and leading efforts to develop and implement career pathways within the Local Area.

According to CUIC 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 497, Statutes of 2011) and later amended by [SB 1171](#) (Chapter 86, Statutes of 2016).

Given the impact of the COVID-19 pandemic on Local Boards and service delivery, the CWDB will continue to 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.

As California continues recovering from the COVID-19 pandemic, its vision to create a strong current and future economy defined by quality jobs, equity, and environmental sustainability, will play a key role in reconstructing a better and more resilient labor market for job seekers and businesses. Therefore, when the CWDB certifies High Performing Boards in the future, criteria will be established which prioritize 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 and strengthen our workforce system.

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

- Meeting or exceeding negotiated performance goals for all measures in the three federal WIOA customer groups: 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 postsecondary 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 that 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 implementing 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 certified as High Performing Boards. For program year (PY) 2021-22, \$100,000 was reserved in order to be divided equally among all those identified as a High Performing Board. Please note – in future years, the annual reserved amount may fluctuate depending on the Governor's and Legislature's priorities.

### **High Performing Board Criteria**

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

#### 1. Performed Successfully

The Local Area has an Individual Indicator Performance Score of 50% or higher as described in WSD20-02, in PY 21-22, for the following primary indicators of performance:

- Employment Rate 2<sup>nd</sup> Quarter after Exit
- Median Earnings

**Deliverable** – The Local Board met the above definition of Performed Successfully outlined in WSD20-02 for PY 21-22.

#### 2. Approved Regional and Local Plan

As required by WIOA Section 108 and outlined in WSD22-05, a biennial update of Regional and Local Plans is required in order to ensure plans remain current and account for changes in the labor market and economic conditions or in other factors affecting implementation.

**Deliverable** – The Local Board met the requirements outlined in WSD22-05 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 workers' 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 21-22.

### 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 21-22.

### 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. At a minimum, the plan must address the Local Board's efforts to partner with businesses 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 that 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 that submit a completed High Performing Board Application (Attachment 1) and meet all associated deliverables will receive certification as a High Performing Board.

The completed application and all necessary attachments must be submitted electronically to [PolicyUnit@cwdb.ca.gov](mailto:PolicyUnit@cwdb.ca.gov) no later than 5 p.m. on Friday, April 28, 2023.

## **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 CWDB Policy Unit at [PolicyUnit@cwdb.ca.gov](mailto:PolicyUnit@cwdb.ca.gov).

/s/ JAVIER ROMERO, Deputy Director  
Workforce Services Branch

Attachment:

[High Performing Board Application \(DOCX\)](#)