REIMAGINING FLORIDA'S WORKFORCE SYSTEM: A THREE-PILLAR PLAN FOR TRANSFORMATION

Advancing system transformation statewide, the Reimagining Education and Career Help (REACH) Act was unanimously approved by the Florida Legislature and signed into law by Governor DeSantis in 2021. The REACH Act addresses the evolving needs of Florida's economy by increasing the level of collaboration and cooperation among state businesses and education communities while improving training within and access to a more integrated workforce and education system. The REACH Act establishes a comprehensive blueprint for the state's talent development ecosystem. It demands customer-focused improvements to reimagine and modernize complementary, but often siloed systems for education, workforce development and public assistance directly affecting the state's talent pipeline through both policy and performance. In the case of the state workforce system — the CareerSource Florida network — the REACH Act directs:

- A reduction in the current number of local workforce development boards to:
 - 1. Eliminate multiple layers of administrative entities to improve coordination of the workforce development system.
 - 2. Establish consistent eligibility standards across the state to improve the accountability of workforce-related programs.
 - 3. Provide greater flexibility in allocating resources to maximize the funds directed to training and business services.

The work to address this statutory directive has resulted in a multi-phase Alignment Evaluation initiative to consider realignment and consolidation opportunities for Florida's 24 local workforce development boards. The approach to this undertaking involved qualitative and quantitative research and discovery to develop a data-driven alignment strategy to achieve these three objectives. Additionally, this work further advances efforts to accomplish the overarching intent of the REACH Act as well as the goals of the federal Workforce Innovation and Opportunity Act (WIOA) for a more effective and accountable workforce development system that maximizes resources directed to services for job seekers, workers and employers, while helping more Floridians facing barriers become self-sufficient and achieve economic mobility and prosperity.

The Alignment Evaluation initiative was launched by CareerSource Florida in collaboration with the Governor's REACH Office and other vital partners in April 2022. This initiative has resulted in the following recommended three-pillar plan for accomplishing the REACH Act charge to reduce the number of local workforce development boards, allowing the CareerSource Florida network to modernize the local workforce development board governance structure in the nation's third-largest state and better position the system to be even more customer-centered, cost effective and responsive to meet workforce talent demands today and in the future. The Florida

Workforce System Transformation Plan as outlined below focuses on **alignment and consolidation** for local workforce development boards; **system-wide improvements** for improved customer consistency and better leveraging of public funds; and **regional planning** to further promote workforce system alignment with education and economic development and optimize opportunities for regional economic growth.

Key Alignment Evaluation Background

CareerSource Florida contracted with Ernst & Young LLP (EY) to conduct research and discovery through an in-depth evaluation process that included the review and analysis of data from all 24 local workforce development boards and the state of Florida as well as a look at local workforce development board realignment processes in three other states — Alabama, North Carolina and Tennessee.

Data research included, but was not limited to, the review of available education and training providers, commuter flows, economic development regions, industry composition, labor force conditions, labor market areas and Florida College System service areas.

The intensive Florida stakeholder engagement and input process directly involved more than 700 individuals representing local workforce development boards, employers, chief local elected officials, economic development organizations, education providers, community development/nonprofit organizations and state leaders. The work followed guiding principles focused on legislative direction and federal criteria, addressing the needs of job seekers and business customers, and ensuring transparency, holistic listening and proactive communication.

Planning, research and initial stakeholder engagement for Phase One began in April 2022, and EY's data analysis and stakeholder engagement have expanded through Phase Two, which was launched in September 2022. EY has conducted 145 virtual and in-person engagement sessions with stakeholders since last spring.

EY's comprehensive work led it to complete its Future State Options Report in February 2023, outlining three options that reflect the combined realignment and consolidation of local workforce development areas and an overall reduction in the number of local workforce development boards to comply with state law.

Alignment and Consolidation

A realignment represents the movement of one or more counties from one local workforce development area to a new local workforce development area. A consolidation of areas is combining two complete local workforce development areas to create an entirely new local workforce development area.

Through EY's work with CareerSource Florida and the Governor's REACH Office and after careful consideration and deliberation, the CareerSource Florida professional team

recommended a reduction in the number of local workforce development boards from 24 to 21. Designation of new local workforce development areas would occur consistent with the Governor's authorities in WIOA.

When designating or redesignating a local workforce development area, WIOA requires that the local workforce development area share a common economic development area, a consistent labor market area and have appropriate education and training institutions to support workforce development activities. Additional factors such as population centers, labor force conditions, industry composition and other geographic boundaries also may be considered.

Under WIOA, the Governor is responsible for designating local workforce development areas served by local workforce development boards. WIOA further charges local workforce development boards and local elected officials with designing their local system with a regional focus to address their community's workforce needs.

Additionally, the REACH Act requires that population and commuting patterns be considered when reducing the number of local workforce development boards. To comply with the REACH Act directive for local workforce development board reduction, the recommendation for reducing the number of local workforce development boards to 21 includes consolidating six local workforce development areas and realigning two counties affecting four additional areas. These changes would directly affect 10 current local workforce development boards and the areas they serve. The state workforce board approved the following changes as a recommendation to Governor DeSantis, who holds the authority for the designating and redesignating of local workforce development areas:

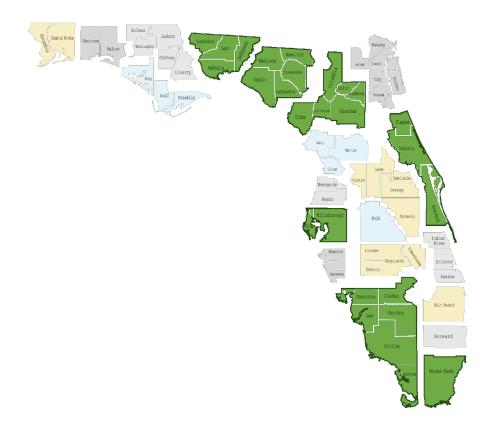
Realignment:

- Realigning Jefferson County with CareerSource Capital Region (Local Workforce Development Area 5, currently Leon, Gadsden and Wakulla counties) resulting in a new four-county area instead of with CareerSource North Florida (Local Workforce Development Area 6), resulting in a new five-county area for North Florida that includes only Madison, Taylor, Lafayette, Hamilton and Suwannee counties.
- Realigning Monroe County with CareerSource Southwest Florida (Local Workforce Development Area 24) instead of with CareerSource South Florida (Local Workforce Development Area 23). CareerSource Southwest Florida would become a six-county area by adding Monroe County to its service area that already includes Charlotte, Collier, Glades, Hendry and Lee counties. CareerSource South Florida would become a single-county service area for Miami-Dade County only, Florida's largest county.

Consolidation:

Consolidating CareerSource Florida Crown (Local Workforce)

- Development Area 7) and CareerSource North Central Florida (Local Workforce Development Area 9). The new combined six-county local workforce development area would include the following: Alachua, Bradford, Columbia, Dixie, Gilchrist and Union counties.
- Consolidating CareerSource Flagler Volusia (Local Workforce Development Area 11) and CareerSource Brevard (Local Workforce Development Area 13) to create a new three-county local workforce development area for Flagler, Volusia and Brevard counties.
- Consolidating CareerSource Pinellas (Local Workforce Development Area
 14) and CareerSource Tampa Bay (Local Workforce Development Area
 15) to create a new, two-county local workforce development area
 composed of Hillsborough and Pinellas counties.



These changes will further efforts to join highly interconnected counties to reduce administrative redundancies and maintain or improve economic development alignment to drive regional growth. In several instances, these changes reinforce strong commuting patterns, align labor market areas and reduce the number of local workforce development boards serving in some Metropolitan Statistical Areas. The recommended changes largely maintain or improve access to education and training providers.

While local leaders in communities directly affected by realignment will need to come together in their new local workforce development areas to evaluate and make appropriate administrative and operational changes, this work should not affect the continuation of services provided locally through career centers to businesses and job seekers. The number and location of career centers is not tied to how many local workforce development areas exist but is instead a locally driven decision that also must comply with federal and state policies for ensuring quality services are accessible to every community.

More detailed descriptions on impact and information about the approved recommendation to reduce the number of local workforce development boards to 21 as well as other options outlined by EY for potentially reducing the number of boards and local workforce development areas to 19 or 16 can be found in the Future State Options Report on CareerSource Florida's REACH Act Implementation information page at careersourceflorida.com.

A new local governance structure of 21 boards addresses the REACH Act directive for board reduction while maintaining a strong localized approach to service delivery in Florida's vast and diverse communities. This recommendation additionally considers extensive stakeholder input highlighting successes in a workforce system that performs well overall on both the federal and state level and requesting to minimize changes to the current governance structure. It also opens a door for identifying additional strategies with statewide impact that can further address the three REACH Act objectives for board reduction to eliminate layers of administration to improve coordination, establish consistency that improves accountability and help maximize resources directed to training and business services. Thus, emerging from the EY research are future considerations for system-wide improvements that can be achieved beyond alignment and consolidation to combine and leverage resources across the entire workforce system while maintaining and improving local service levels.

System-wide Improvements

During its stakeholder engagement and research work, EY identified potential improvements through organizational and structural changes, streamlined user experiences and modernized processes and technologies. These system-wide improvements in areas such as technology, administration, fiscal, procurement/contracts and programmatic policies reflect a second pillar for transformation. EY's findings, as noted by CareerSource Florida and the REACH Office, provide an unprecedented opportunity to combine strategic local workforce development board alignment changes with statewide and state-level improvements in policy and operations to further enhance consistency and coordination among and between local workforce development boards and state workforce partners including CareerSource Florida and the Florida Department of Economic Opportunity. Focusing on greater opportunities for system-wide consistency will help streamline experiences for job seekers, workers and businesses, allowing a more agile workforce system to cultivate and strengthen local and state partnerships to advance workforce development

priorities and outcomes and better adapt to changing marketplace and consumer expectations.

Regional Planning

The third and final pillar recommended for system transformation is the development of WIOA planning regions. Currently, Florida has 24 local workforce development boards and areas and an equal number of planning regions. However, WIOA strongly encourages states to create planning regions that combine two or more local workforce development boards and areas to "align workforce development activities and resources with larger regional economic development areas and available resources to provide coordinated and efficient services to both job seekers and employers." Further, the U.S. Department of Labor, strongly supports greater collaboration among local workforce development boards to build system capacity through regional service strategies, promote better alignment with economic development and education partners, improve workforce service quality and performance, including through coordinated and pooled funds for administrative costs, as well as regional planning and the coordination of supportive services for job seekers in need. A future structure for planning regions in Florida among a newly structured 21 local workforce development boards also allows the CareerSource Florida network to continue seeking system-wide access, alignment and accountability improvements expected by the REACH Act.

Conclusion

The CareerSource Florida Board of Directors serves as the Governor's principal workforce policy and investment board. In addition, the state board works closely with the Department of Economic Opportunity, which is responsible for the state workforce system's fiscal and administrative affairs. Together they provide policy leadership and oversight for Florida's local workforce development boards that serve job seekers, workers and businesses through about 100 career centers. Collectively, these entities make up the CareerSource Florida network, a key contributor to Florida's overall workforce development efforts. The REACH Act defines Florida's broader workforce development system as the "entities and activities that contribute to the state's talent pipeline system through education, training, and support services that prepare individuals for employment or career advancement, and the entities that are responsible for oversight or conducting those activities such as CareerSource Florida, Inc., local workforce development boards, one-stop career centers, the Department of Economic Opportunity, the Department of Education, and the Department of Children and Families."

The Florida Workforce System Transformation Plan underscores the CareerSource Florida network's commitment to continuous improvement and creates a framework for innovation. The plan creates accessible and enhanced approaches to service delivery for job seekers, workers and businesses as well as improved opportunities for leveraging regional partnerships and workforce development strategies and resources. Together, the recommended three pillars represent a transformational shift to improve

access to and performance outcomes by the CareerSource Florida network for years to come. More details about EY's research and findings that examine the state workforce system and support these recommendations can be found in the following four reports available on the CareerSource Florida website:

- Future State Options (February 2023)
- Operational and Organizational Research (February 2023)
- Stakeholder Engagement Summary (January 2023)
- Statewide Data Collection and Analysis (November 2022)

Summary – Reimagining Florida's Workforce System: A Three-Pillar Plan for Transformation.

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- Recommend to the Governor a combination of four realigned and six consolidated local workforce development areas (six consolidated into three) and the continuation of 11 existing areas with no geographic and local workforce development board governance changes that would reduce the number of local boards in Florida from 24 to 21 to comply with the state REACH Act.
- Direct the CareerSource Florida professional team and the Department of Economic Opportunity, in collaboration with the Governor's REACH Office and local workforce development boards, to develop a plan for specific system-wide improvements for consistency, improved customer experience and efficiencies to include, but may not be limited to, technology, administration, fiscal, procurement/contracts and programmatic policies.
- 3. Direct the CareerSource Florida professional team, in collaboration with the Governor's REACH Office, the Department of Economic Opportunity and local workforce development boards, to develop recommendations to the Governor and state workforce development board for the designation of WIOA-compliant planning regions made up of two or more local workforce development areas and boards to further improve workforce system alignment with larger economic development areas to support economic mobility, growth and prosperity.