

Statewide Reserve Fund Investment Strategy
Proposal for PY 2010

Currently, the Commonwealth has approximately \$5.4m in Statewide Reserve (SWR) funds available. A key to transforming the workforce development system through innovative practices which enhance sustainable economic and job growth to improve the lives of Kentuckians is investing these funds strategically.

Below outlines recommendations for the use of these funds based on the priorities established by the Kentucky Workforce Investment Board (KWIB) in the *WorkSmart Kentucky* strategic plan. The recommendations are broken out into both short-term and long-term investments supporting at least one initiative in each of the five focus areas in the plan. Short-term are those to be funded with PY 2010 and FY 2011 SWR funds along with any carry forward funds from the previous year.

Short-Term Investments:

State Innovation Fund ***\$1,450,000***

These resources will be invested in statewide projects that support system transformation and the four goals of the Kentucky Workforce Investment Board: 1) align the Commonwealth's workforce development system with Kentucky's education objectives; 2) align the Commonwealth's workforce development system with economic development strategies; 3) simplify the workforce development service delivery system and 4) improve service to achieve a customer-centered delivery system.

Local Innovation Fund ***\$1,450,000***

These resources will be invested in locally initiated projects that support system transformation and the four goals of the Kentucky Workforce Investment Board as outlined in the State Innovation Fund above.

Performance Incentive Fund ***\$750,000***

Provide resources to Local Workforce Investment Boards based on performance during PY 2009. These funds will be distributed on a formula bases for those areas that exceed negotiated performance standards. They are typically used to support local innovation, modernization and system improvements.

Outreach ***\$500,000***

A significant branding and identity initiative, action step 2, is currently underway. Once this work is completed, these funds will be used to carry out the workforce development system changes reflecting the new branding and identity strategy at all levels of the system. This will include an aggressive outreach initiative detailed in action step 22.

Workforce Academy ***\$500,000***

The Commonwealth is reissuing this RFP given the limited response to the initial RFP with a refined scope of work. This initiative will result in a comprehensive training program for all staff at each level of the workforce system. It will support consistency and quality across Kentucky. It is action step 21 in the *WorkSmart Kentucky* plan.

High School Outreach***\$250,000***

The resources will encourage local workforce investment boards to develop strong working relationships with middle and high schools detailed in action step 10. These relationships will be based on the One Stop Centers' capability to deliver assessment and career exploration services, and the direct linkages to the local business community. This investment supports statewide refinement and implementation of a work ethic program.

Rapid Response Redesign***\$250,000***

This effort will evaluate and enhance Kentucky's delivery structure based on best practices across the country. The intent is to provide support to Kentucky companies throughout the business lifecycle as opposed to predominantly times of dislocation as detailed in action step 14. Locals will be able to apply for planning funds to support the redesign efforts.

Pre-Apprenticeship Phase 2***\$250,000***

In the previous year, the Commonwealth seeded several projects to advance the pre-apprenticeship model. These resources will build upon that initial investment and support the outcomes of the upcoming Apprenticeship Action Clinic that the U.S. Department of Labor is convening in January 2011. This relates to action step 9.

Long-Term Investments:

Below represent priorities for the PY 2011 and FY 2012 Statewide Reserve funds based on current work and the action step implementation timeline:

- ***One-Stop Certification*** – action step 3
- ***Sector Strategies Development Fund*** – action step 1
- ***GED Express***– action step 11
- ***Work Ready Community Roll-out***– action step 13
- ***Economic Development Academy***– action step 15
- ***Workforce Development Academy*** – action step 21
- ***High Performance Workforce Investment Board***– action step 20