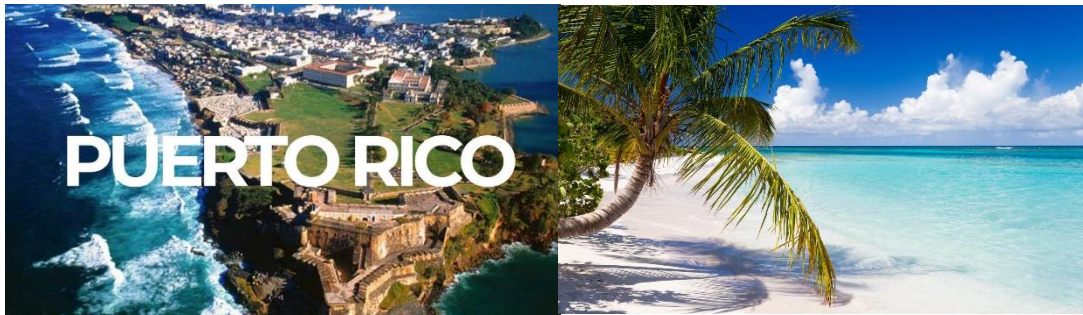




# GOVERNMENT OF PUERTO RICO

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DEPARTMENT OF ECONOMIC  
DEVELOPMENT AND COMMERCE



## WIOA ANNUAL REPORT PY 2019

Government of Puerto Rico



# DRAFT

December 1, 2020

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## I. INTRODUCTION

Program Year (PY) 2019 was a time of significant challenges for Puerto Rico's workforce development system. In January, we faced various earthquakes, and a few weeks later, the COVID-19 pandemic forced the Government to declare a lockdown. The pandemic forced many “nonessential” businesses and services to close, leaving affected employers no choice but to lay off workers or reduce workers' hours. In the first week following the national and state emergency declarations, more than 48 million Americans filed unemployment insurance claims. The number of claims filed in Puerto Rico skyrocketed from an average of 13,000 a week to more than 158,000. More than a half million (550,871) Puerto Ricans filed unemployment insurance claims, far exceeding the 56,000 total claims filed in 2019, according to the Department of Labor of PR. We had to redefine our approach, using different methodologies to serve youth, adults, and dislocated workers and create a real impact on our clients, employers, and their communities. AJC had to develop the capacity to offer remote access or in-person appointments.

During PY 2019, Puerto Rico took concrete steps to achieve a complete and comprehensive technology platform that allows us to overcome the problems we have had to report the execution of Puerto Rico. Also, according to the 2020-2023 Unified State Plan, efforts were initiated to share participants' data among the required partners by WIOA.

The Workforce Development State Board has directed the WIOA set-aside funding to various programs across the state, emphasizing apprenticeships. Puerto Rico's focus on apprenticeships seeks to improve career pathways for job seekers and attract employers to our sector-focused effort. We will continue to pursue an aggressive expansion of apprenticeships to meet Puerto Rico job seekers and employers' needs.

However, within the circumstances that affected the Puerto Rico workforce development system, we present the activities carried out in PY 2019 to serve our customers in the American Job Centers.

## II. CHALLENGE WITH REPORTING AND DATA COLLECTION

### Participant Record Information System (PRIS)

The actual Puerto Rico's database system is the *Participant Record Information System (PRIS)* which began to be used on March 9, 2020. The technology solutions include a common registration and case management across Title I and Title III programs. In compliance with Section 116(d)(1) of WIOA and related federal guidelines, the system consists of a multiuser web-based software based on the PIRL, including the validation rules established by DOLETA and the reports related to the PIRL database. The software was developed according to the

PIRL Schemas CSV files and the potential to be used by the sixteen programs included in PIRL. The PRIS improved the functionality of the software platform to become a useful tool for American Job Center partners to help them deliver WIOA services. For PY 2020, DEDC procured a second phase to implement a configurable integration platform to match data from WIOA required partners to facilitate Workforce Innovation and Opportunity Act (WIOA) common performance reporting and evaluation while maintaining the present legacy applications and functionality of the Participant Record Information Layout (PRIS) system.

However, the new software faces some challenges that arise from a change in an approach, methodologies, and systems:

- PRIS faced the first challenge during the SIAC data migration process. The database reported about 40,000 data entry errors, which were required to be fixed by WDP and local board staff.
- The second challenge was presented by uploading the PRIS database through WIPS due that the WIPS did not validate the PRIS database, The Northeast Region of DOLETA provided technical assistance to MIS staff and the DEDC contractor for database repair and technical adjustments to the software.
- The natural disasters delayed the implementation of the PRIS, including the development of the second phase of the project, creating uncertainty among the Local Boards.

Following we present the data from PRIS, included in the ETA 9169 and ETA 9173 reports for PY 2019:

#### TITLE I PROGRAMS PARTICIPATION LEVELS

**NOTE: WIPS was unable to certify the data submitted through the PRIS software, although the data was uploaded successfully. Once WIPS certify the report we can submit the performance for PY 2019. The Annual Report Narrative PY 2019 is labeled as DRAFT.**

##### Program Year 2019 Participants by Title I Program

Type of Service	Adults	Dislocated Workers	Youth	TOTAL
Career Services				
Training Services				
TOTAL				

##### Program Year 2019 Exiters by Title I Program

Type of Service	Adults	Dislocated Workers	Youth	TOTAL
Career Services				
Training Services				
TOTAL				

### Effectiveness in Serving Employers performance indicator pilot approach

For WIOA Title I Programs, the PR selected approach for measuring Effectiveness in Servicing Employers performance indicators, utilizing the PIRL database fields, will be the Retention, with Same Employer, in the 2<sup>nd</sup> and 4<sup>th</sup> Quarters after Exit Rate. We expected to negotiate the indicator in PY 2020.

### Title I Programs Performance Accountability System:

- Performance Measure or goals and progress towards meeting them.

Performance Indicators	PY 2019	
	Rate	Actual
<b>Adult Program</b>		
Employment Rate Second Quarter After Exit	72%	
Employment Rate Fourth Quarter After Exit	50%	
Median Earnings Second Quarter After Exit	\$2,890	
Credential Attainment Rate	69%	
Measurable Skill Gains		
Effectiveness in Serving Employers - Retention with the Same Employer		
<b>Dislocated Worker</b>		
Employment Rate Second Quarter After Exit	73%	
Employment Rate Fourth Quarter After Exit	52%	
Median Earnings Second Quarter After Exit	\$3,454	
Credential Attainment Rate	73%	
Measurable Skill Gains		
Effectiveness in Serving Employers - Retention with the Same Employer		
<b>Youth</b>		
Employment Rate Second Quarter After Exit	51%	
Employment Rate Fourth Quarter After Exit	54%	
Median Earnings Second Quarter After Exit		
Credential Attainment Rate	48.4%	
Measurable Skill Gains		
Effectiveness in Serving Employers - Retention with the Same Employer		

Negotiated performance levels for All Local Areas for Title I for program years 2020-2021

WIOA Performance Measures	Final Negotiated Goals	
WIOA Adults	PY 20	PY 21
Employment (Second Quarter after Exit)	60.0%	62.0%
Employment (Fourth Quarter after Exit)	45.0%	47.0%
Median Earnings	\$2,880	\$2,980
Credential Attainment Rate	46.0%	47.0%
Measurable Skill Gains	24.0%	25.0%
Effectiveness in Serving Employers - Retention with Same Employer		
WIOA Dislocated Workers		
Employment (Second Quarter after Exit)	62.0%	64.0%
Employment (Fourth Quarter after Exit)	48.0%	50.0%
Median Earnings	\$3,444	\$3,544
Credential Attainment Rate	50.0%	51.0%
Measurable Skill Gains	16.5%	17.5%
Effectiveness in Serving Employers - Retention with Same Employer		
WIOA Youth		
Employment (Second Quarter after Exit)	42.0%	44.0%
Employment (Fourth Quarter after Exit)	42.0%	44.0%
Median Earnings	\$2,880	\$2,980
Credential Attainment Rate	46.0%	47.0%
Measurable Skill Gains	29.1%	30.1%
Effectiveness in Serving Employers - Retention with Same Employer		

### III. USE OF APPROVED WAIVER'S FLEXIBILITIES

On June 12, 2018, the U.S Department of Labor approved the waiver request of certain statutory and regulatory provisions of the Workforce Innovation and Opportunity Act (WIOA). This action was taken under the Secretary's authority to waive certain requirements of WIOA Title I, Subtitles A, B, and E, and Sections 8 - 10 of the Wagner-Peyser Act in WIOA Section I 89(i). Puerto Rico workforce development system has seven (7) waivers approved until June 30, 2020:

1. Waiver of WIOA Section 134(c)(3)(H)(i) and 20 CFR 680.720(b) to increase on the job training (OJT) employer reimbursement up to 90 percent.

The reduced match requirement for employers, particularly new start-ups and small to medium-sized businesses, provide an attractive and cost-effective financial incentive,

increasing the opportunity to utilize the OJT model for hiring and training new workers. This waiver allows Puerto Rico's businesses to adapt more rapidly to technological and general marketplace changes by improving their capacity to expand and remain competitive with affordable OJT options uniquely designed to achieve their specific development goals. From an economic development standpoint, increasing the number and quality of the labor force increases the competitiveness of Puerto Rico's transforming economy.

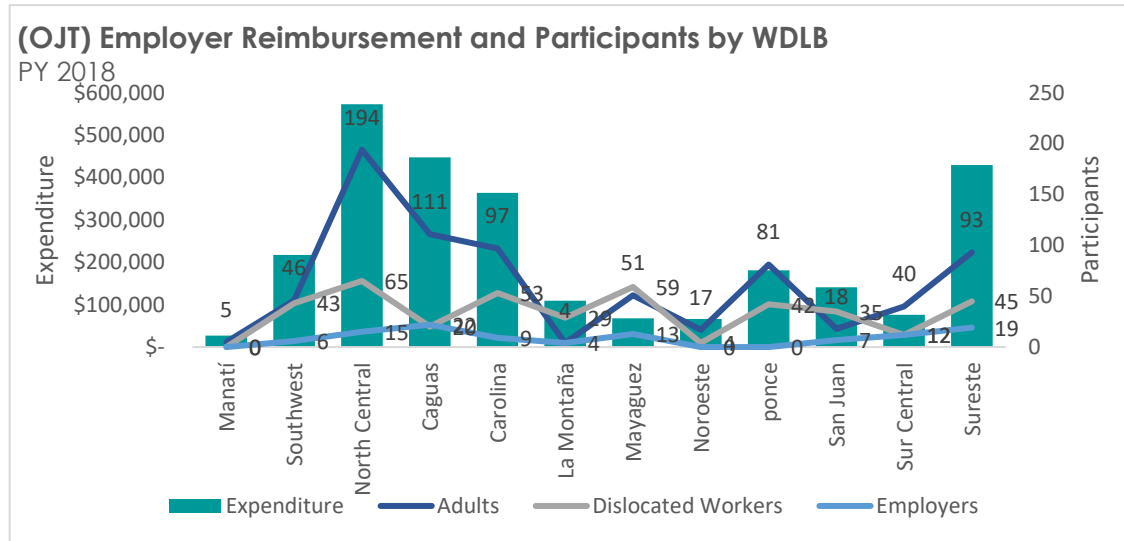
Thirteen Local Workforce Development Boards used this waiver in the PY 2019 with a participation of 111 employers and 1,536 employees, 951 adults, and 585 dislocated workers, with a total expenditure of \$2,236,226. In the 2018 program year, twelve Local Workforce Development Board used this waiver with 107 employers and 1,164 employees, 757 adults, and 407 dislocated workers. The waiver has been responsible for increasing employee and employer participation. Between 2018 and 2019, employee participation increased by 31.9%, while the employer participation increased by 3.74%. For the next program year, the participation may reach 2,036 employees and 115 employers. This waiver has been a great tool to help local boards to attract new employers to the workforce system.

Table 1 - Total OJT Participants:

Category	PY 2018	PY 2019	Growth Rate
Employers	107	111	3.74%
Adults	757	951	25.63%
Dislocated Workers	407	585	43.73%
<b>Total Employees</b>	<b>1164</b>	<b>1536</b>	

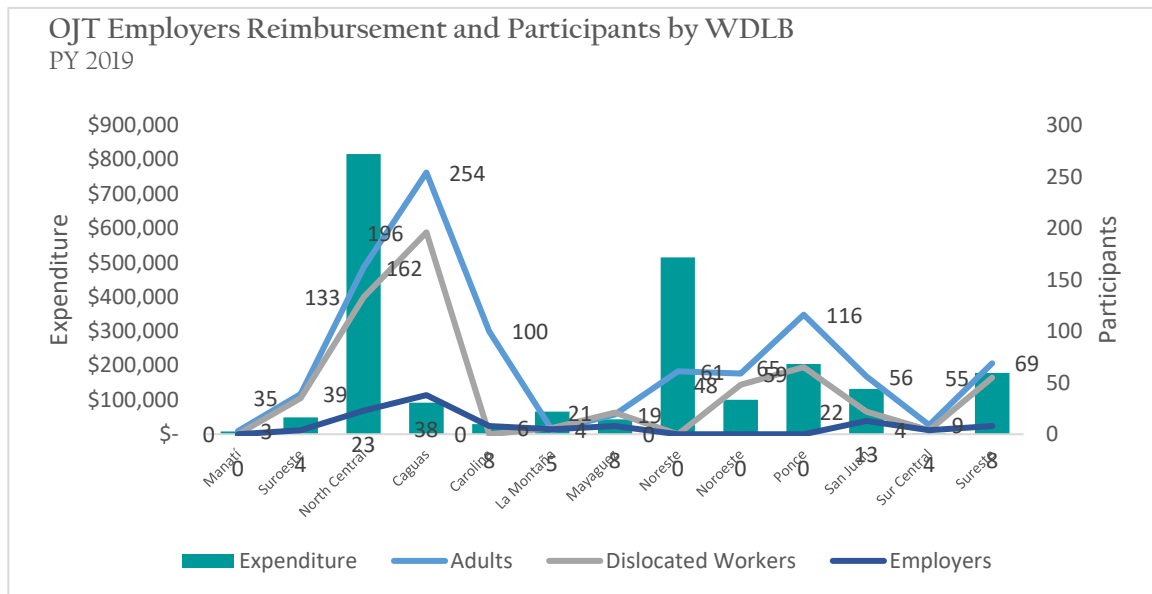
Between 2018 and 2019, the number of dislocated workers has increased, representing a growth rate of 43.73%. Adult employees sustained an increase of 25.63% for the same period.





Source: Puerto Rico Workforce Development Program (2020)

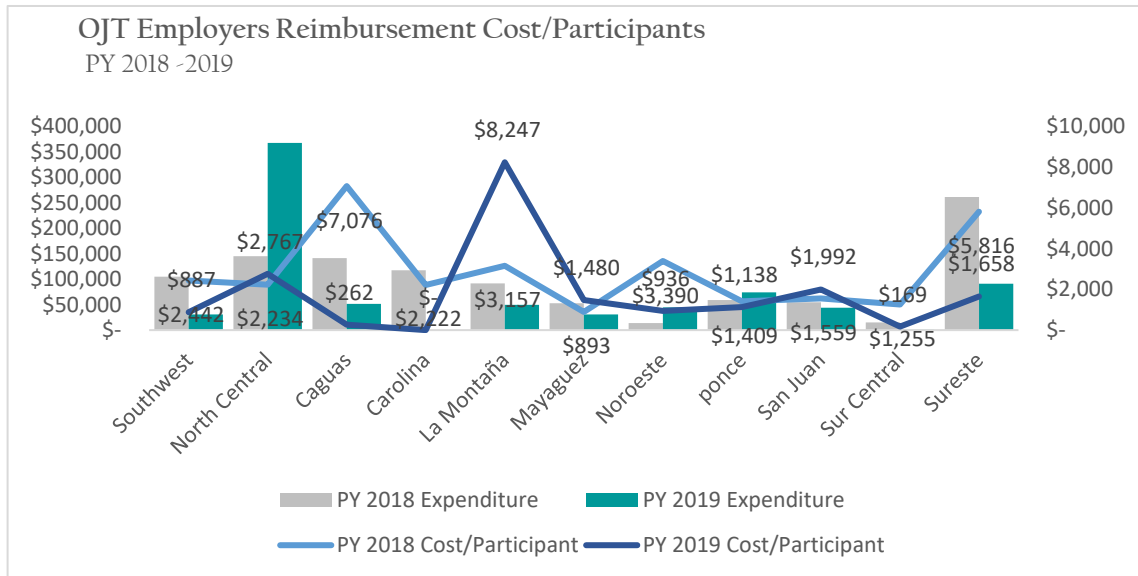
In the program year 2019, the local boards that benefited most from the waiver according to the information provided on their expenditures are Norte Central (816,061), Noreste (100,701), and Ponce (204,561).



According to the information provided in the table below, between 2018 and 2019, there was a 36% reduction in employer reimbursement. This reduction does not imply a decrease in participants, but rather a reduction in the participant's cost.

As previously mentioned, there was a 37% reduction in the average cost per participant. The local boards in Norte Central, La Montaña, and Mayagüez increased the average cost per participant between 2018 and 2019.





Based on the labor and business sector background in Puerto Rico, the impact of the waiver to extend the OJT reimbursement up to 90% significantly promote job skills improvement, job creation, and business sustainability of regions in Puerto Rico. According to the local areas' data, a considerable increase is expected in the participation of employers, adults, displaced workers, and youth. In some local areas, the growth rate doubled the number of participants served by the program.

2. Waiver of WIOA Section 134(d)(5) to allow up to 50% percent of Adult and Dislocated Workers funds to be used for the provision of transitional jobs

The local Board did not use this waiver in PY 2019. In the Unified Plan 2020-23, wasn't submitted the requests to continue with this waiver. However, the State Board has the discretion to evaluate its need in the future and submit through a state plan modification.

3. Waiver of the requirement under WIOA 129(a)(4), and consistent with 20 CPR 681.410 that states and local areas must expend a minimum of 75 percent out-of-school-formula funds on youth workforce activities for out-of-school youth (OSY).

According to the data shown in table 4, in-school youth participation has increased by 15.5% between 2018 and 2019. It is essential to highlight the importance of this increase; Puerto Rico has experienced an overall reduction in its population, while youth participation in the WIOA program has reflected increases. As previously

expressed, the youth population has reduced substantially in recent years, and the Puerto Rican population has aged.

Table 2 - In-School-Youth Participation

#	AJC	In-School-Youth	
		PY 2018	PY 2019
1	Bayamón	60	103
2	Sur Central	448	202
3	Suroeste	74	187
4	Caguas	438	534
5	La Montaña	210	453
6	Noroeste	18	19
7	Ponce	340	337
<b>Total</b>		<b>1588</b>	<b>1835</b>

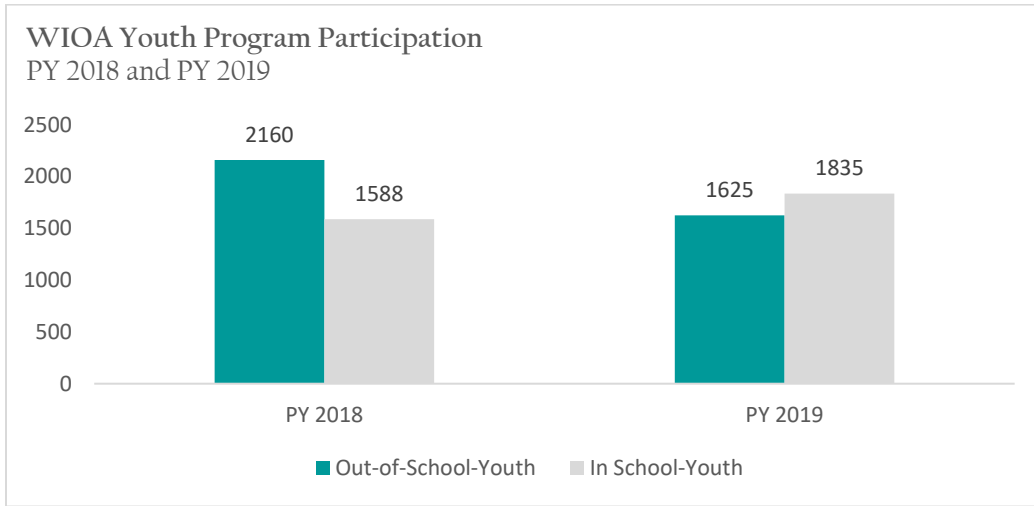
Out-of-school youth participation has experienced a 24.7% reduction between the 2018 and 2019 program years. It is of utmost importance for Puerto Rico to continue efforts to provide employment and education services for out-of-school youth. Given the economic crisis that the island is experiencing, it is necessary to promote the holistic development of young people to foster their economic self-sufficiency to the extent that barriers to employment and access to education are broken down.

Table 3 -Out-School-Youth Participation

#	AJC	Out-Of-School-Youth	
		PY 2018	PY 2019
1	Bayamón	97	56
2	Sur Central	179	81
3	Suroeste	298	-
4	Caguas	878	689
5	La Montaña	140	288
6	Noroeste	96	42
7	ponce	472	469
<b>Total</b>		<b>2160</b>	<b>1625</b>

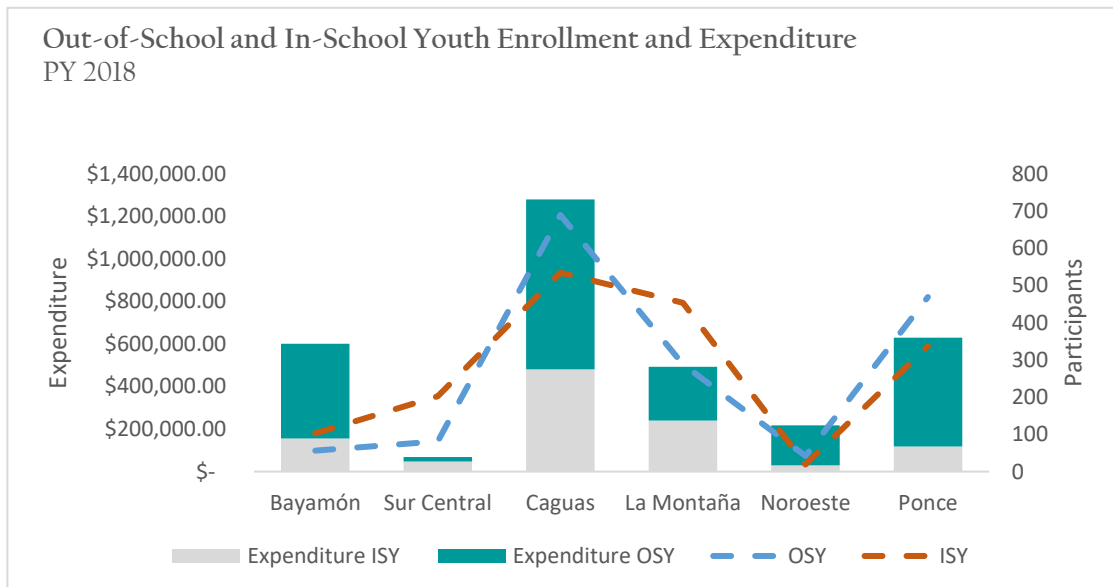
The figure below shows the participation of OSY and ISY for the 2018 and 2019 program year. The approval of waivers in previous years has had a significant effect on

increasing in-school youth participation. As previously indicated, not all data from the fifteen local areas are included, only those interested in the waiver.



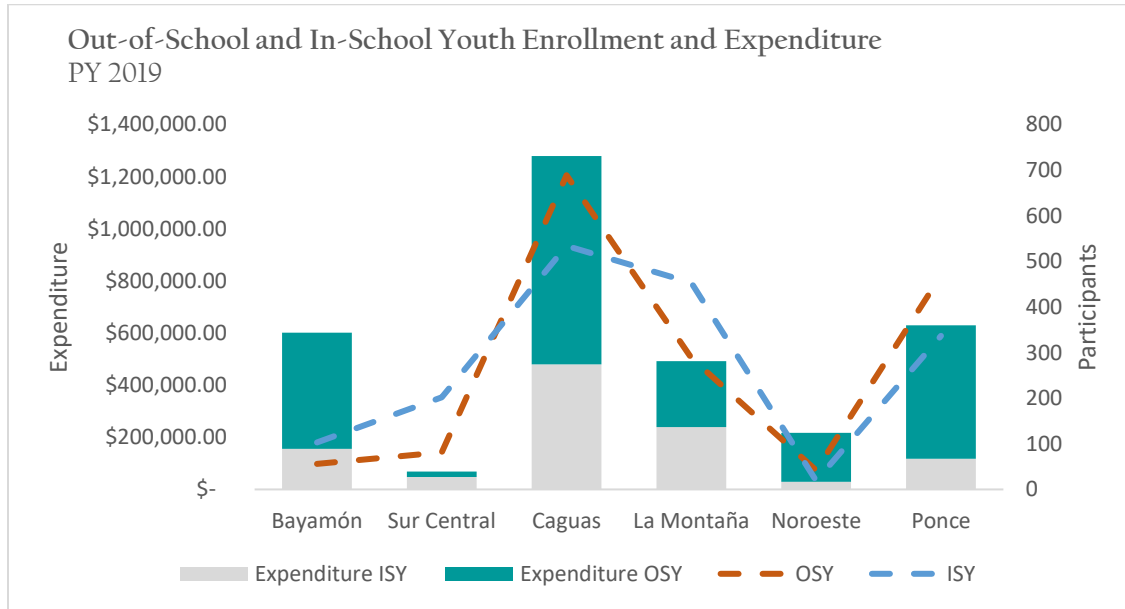
### WIOA Youth Program Expenditure

The local areas that used the waiver in the aggregate, reported expenditures of \$4.8 million during the 2018 program year. Of this group, the local area of Caguas-Guayama reported the highest expenditures and the largest number of participants. Local areas such as La Montaña, Bayamón, and Sur-Central reported more ISY participants than OSY. The figure below shows the relationship between participation and expenditures in the WIOA Youth Program.



Expenditure on the WIOA Youth Program reached just over \$4 million, according to information provided by local areas that used the waiver during the 2019 program year. Expenditures for the 2019 program year represent a smaller amount compared to the

2018 program year. One of the main reasons for this reduction in spending is the decrease in OSY participants; specifically, there was 535 youth between 2018 and 2019. On the other hand, the ISY has increased between both periods, reflecting an increase of 247 participants. The following figure shows the relationship between expenditures and participants in the WIOA Youth Program for the 2019 program year.



The average cost for an out-of-school participant was \$1,588.52 for the 2018 program year compared to \$1,577.67 for the 2019 program year, representing a difference of \$10.85 per participant. Total expenditure for the 2018 program year was \$3,431,200 compared to \$2,563,712 for the 2019 program year, representing a decrease of \$867,488.

Table 4 - Out-Of-School Cost/Participant (in dollars)

#	AJC	Out-Of-School-Youth			
		PY 2018 Expenditure	PY 2018 Cost/Participant	PY 2019 Expenditure	PY 2019 Cost/Participant
1	Bayamón	520,204.00	5,362.93	445,351.00	7,952.70
2	Sur Central	54,915.00	306.79	20,258.00	250.10
3	Suroeste	440,215.00	1,477.23	347,102.00	-
4	Caguas	1,369,810.00	1,560.15	798,393.00	1,158.77
5	La Montaña	384,087.00	2,743.48	252,904.00	878.14
6	Noroeste	303,068.00	3,156.96	188,430.00	4,486.43
7	Ponce	358,901.00	760.38	511,274.00	1,090.14
Total		3,431,200.00	1,588.52	2,563,712.00	1,577.67

The average cost for an in-school participant was \$928.01 for the 2018 program year compared to \$906.99 for the 2019 program year, representing a difference of \$21.01 per

participant. Total expenditure for the 2018 program year was \$1,405,000 compared to \$1,494,724 for the 2019 program year, which represents an increase of \$89,724.

Table 5 - In-School Cost/Participant (in dollars)

#	AJC	In-School-Youth			
		PY 2018 Expenditure	PY 2018 Cost/Participant	PY 2019 Expenditure	PY 2019 Cost/Participant
1	Bayamón	143,499.00	2,391.65	156,117.00	1,515.70
2	Sur Central	227,723.00	508.31	48,112.00	238.18
3	Suroeste	275,353.00	-	423,494.00	-
4	Caguas	414,752.00	946.92	480,467.00	899.75
5	La Montaña	129,112.00	614.82	239,505.00	528.71
6	Noroeste	115,771.00	6,431.72	28,987.00	1,525.63
7	Ponce	98,790.00	290.56	118,042.00	350.27
<b>Total</b>		<b>1,405,000.00</b>	<b>928.01</b>	<b>1,494,724.00</b>	<b>906.99</b>

4. Waiver to permit the Government to exclude individuals affected by the disaster from the calculation of state and local performance measures identified in WIOA 116(b)

The outcomes of this waiver cannot be determined so far since the use of it is directly related to the performance reports. As mentioned earlier in this report, PR has the PRIS, the new system for reporting the performance measures aligned with PIRL elements that could be submitted through WIPS. At this moment the PRIS is not able to calculate the effect of this waiver.

5. Waiver of statewide required activities described in WIOA Sections 129(b)(1)(A) and 134(a)(2)(vi) to conduct evaluations under section 116(b) of activities authorized under this chapter and chapter 3 in coordination with evaluations carried out by the Secretary under section 169(a).

PR didn't make evaluations in PY 2019. However, DEDC is currently conducting an evaluation of the workforce development system.

6. Waiver from the requirement outlined in the WIOA Section 116 and 122, and 20 CFR 677.230 and 20 CFR 680.400 thru 680.530, which required the collection and reporting of performance-related data on all students participating in training programs listed on the ETP
7. The outcomes of this waiver cannot be determined so far since the use of it is directly related to the performance reports. As mentioned earlier in this report, PR has the PRIS, the new system for reporting the performance measures aligned with PIRL elements that could be submitted through WIPS. At this moment the PRIS is not able to calculate the effect of this waiver.

8. Waiver of Section 181(e) to permit funds to be used to capitalize on small businesses that were affected by the hurricanes. The waiver requests up to \$5,000 per affected business.

More details on the implementation of this waiver can be found in the NDWG funds section. Through the initiative called Capitalización de Negocios (CAPINEG by its Spanish acronym) 1,453 small businesses received orientation from which 620 applied for the funds. The Evaluation Committee evaluated all the applications and approved 499. Total funds approved were \$2,222,800.17 for business capitalization.

#### IV. NATIONAL DISLOCATED WORKERS GRANTS (NDWG)

##### PR DISASTER-2017 HURRICANE IRMA & MARÍA GRANT

In September 2017, the Department of Economic Development and Commerce (DEDC) requested a National Dislocated Worker Grant (NDWG) under the category of Emergency/Disaster due to the impact of hurricanes Irma and María in Puerto Rico. The total allocation under the NDWG to address the emergency caused by the hurricanes was \$11 million. The proposed use of the allocation included the creation of temporary jobs to assist in recovery and cleaning tasks, the purchase of five mobile units to offer on-site services throughout the 15 Local Areas, and the implementation of the business capitalization waiver approved to PR under this emergency. Subsequently, the \$2.5 million intended for the purchase of the five mobile units were unauthorized because the purchase process was not fulfilled within the approved timeframe. Below are the results of the implementation of the grant:

- The funds awarded through the NDWG were used to create temporary jobs for dislocated workers to assist with clean-up, recovery, and humanitarian efforts, as outlined in Section 170(d)(4) of WIOA, across Puerto Rico. Under this initial Grant, 1,274 dislocated workers were recruited in temporary job activities at a total cost of \$4,750,000.
- Under CAPINEG initiative the WDP awarded up to \$5,000 to small business affected by the hurricanes. The WDP provided orientations to 1,453 small business and received 620 applications. The Committee approved 499 applications. Total funds approved were \$2,222,800.17, with a balance of \$277,199.83, related to the \$2,500,000 approved for business capitalization.

#### V. SERVICES PROVIDED DURING COVID-19 PANDEMIC

As mentioned in the Introduction, Puerto Rico faced some earthquakes and the COVID-19 pandemic. The COVID-19 pandemic forced the total lockdown of the Puerto Rico government and private sector, from March to May 2020, except for those operations declared essential. The governor issued several executive orders loosening the initial measures. Nevertheless, it

was not until July 2020 that the Government resumed face-to-face operations, although most agencies continue to work partially remotely. All this caused a delay in the delivery of services.

The Covi-19 has presented new challenges in the delivery of services, but the Local Boards serve their clientele by adjusting its procedures to make them available through remote or remote service, establishing security protocols as well, as adjusting and preparing their AJC to be safe to participants as well as protect staff. However, the Local Board founded different strategies to continue to provide service to participants and employers that includes:

- Acquisition of all the necessary personal protective equipment for employees, establish protocols for the workplace environment to prevent COVID contagious. These protocols include orientations, posters with COVID19 information are installed, and acrylic and other necessary protection barriers were installed in the public workplace areas.
- Acquisition of computers, printers, and internet access, among other technology, were acquired to give the AJC the staff the tools to maintain the continuity of services to participants.
- Local Boards developed health and security public policies to deliver service in the emergency arising from the COVID-19 Pandemic. Those policies will be used beyond the pandemic in case of new emergencies. Some example is: the North Central Local Board approved the "Public Policy to Authorize Teleworking to Offer Activities to Clients, Employer Participants, and Service Providers; approved public politics to continue the payment for the participants of the OJT and Work Experience Programs that activities were suspended or canceled for the pandemic.
- Technology devices and media used for outreach, intake, case management and support services for the participants, like web, Microsoft Teams, Skype, Zoom, TTY, tablets, cell phones assignment to staff and case managers to contact and interview participants, use of WhatsApp, fax, email to receive and send documents, coordination of virtual workshops, among others.
- For employers, Local boards continue offering services through teleworking, using social networks to create a link with businesses and industries to disseminate information, job offers, training, and relevant information about the AJC services.
- The AJCS re-opened for the public in limited circumstances. Some LWDBs used automatic systems to offer an appointment to their clients. The purpose is to follow social distance recommendations to prevent contagion.
- Service Providers continue offering services via virtual communication.
- Career Planners use car services to collect participant's documents, among others.
- Use Microsoft Teams for virtual meetings and orientations.
- Some WDLB requested the Service Providers to present a Contingency Plan, to be reviewed and approved by the Local Board in order to carry out the activity.



- Also, some AJC partners are providing virtual services: Employment Service (PRDOLHR); Veteran Services (PRDOLHR); Youthbuild (Pathstone, Inc.); The Second Chance Act; SCEP (AARP, Youthbuild, PRDOLHR); Job Corps; CDBG (Acción Social); among others.

### COVID-19 Layoff Aversion Fund

In order to support small business employers facing financial impacts and potential layoffs from the novel-coronavirus 2019 (COVID-19), the Puerto Rico State Workforce Development Board (SWDB) established the *COVID-19 Layoff Aversion Fund*. The fund will provide grants to small employers experiencing economic stresses in order to prevent potential layoffs or facility closures during COVID-19.

The SWDB has designated \$8M of state Rapid Response funding for the *COVID-19 Layoff Aversion Fund*. Applications will be accepted beginning April 6, 2020 and continuing through 30 calendar days following the discontinuation of the State of Emergency related to COVID-19, or until funds are exhausted.

Eligible applicants include businesses or industry associations that:

- Have a business location in Puerto Rico
- Have 500 employees or less
- Are up-to-date on Unemployment Insurance (UI) taxes and are in good standing with the Commonwealth of Puerto Rico
- Can demonstrate a need for layoff aversion support due to the impacts of COVID-19

Employers must utilize the funds to create solutions that mitigate layoffs. Requests must be reasonable, necessary, and directly related to preventing potential layoffs or facility closures as a result of COVID-19. All applications will be reviewed by the WDB. Examples of permissible activities include, but are not limited to:

- Purchasing remote access equipment or software that allows employees to work from home rather than being laid off (e.g. computers, printers, telephones, headsets, video conferencing software, etc.);
- Paying for services or tools for restaurants or retail establishments to convert to online sales or delivery during Shelter at Home orders;
- Purchasing cleaning/sanitation supplies and/or services that will allow an essential small business to maintain an on-site workforce by reducing the exposure to COVID-19; and/or
- Other creative approaches and strategies to reduce or eliminate the need for layoffs.

**Statistics:**

Covid-19 Funds	Amount
Applications	746
Approved applications	389
Approved amount	\$ 4,524,125.69
Jobs saved	9,331

**VI. DISABILITY RESOURCE COORDINATION COOPERATIVE AGREEMENT FOR HURRICANE MARÍA RELIEF EFFORTS**

The DEDC was awarded the Disability Resource Coordination Cooperative Agreement for Hurricane María Relief Efforts, with \$1M. The performance period covers from January 18, 2018, to December 31, 2020. Through this project, DEDC's Workforce Development Program (WDP) helped individuals to connect with disabilities with the workforce system, supporting their efforts to obtain or return to the workforce as soon as possible.



Anyone with a verifiable disability and affected by Hurricane María was eligible to apply for services through the Grant. The DEDC expected to serve 100 individuals, according to the needs of those individuals. The services DEDC provided under the DRCCA included identification of Services; connection or referral to



services; provide or obtain services or equipment; access to WIOA – AJC's Services and Follow-up. The WDP/DEDC recruited two navigators who, with the support of AJC's staff and DEDC, assisted people with disabilities in obtaining access to services and resources that could provide emergency benefits and crucial services.

By the end of PY 2019, the WDP delivered equipment to 68 participants.

**VII. REGISTERED APPRENTICESHIP**

For PY 2019-2020, the Registered Apprenticeship program in Puerto Rico had a significantly increment with five new programs registered. These were:

- Two in textile manufacturing Puerto Rico Industries for the Blind and Hardwick Tactical
- Two in the medical devices industry: Coopervision of PR, LLC, and Boston Scientific
- One in aerospace manufacturing: Hamilton Sundstrand, a.k.a Collins Aerospace

All these programs represent a huge training opportunity for more than 450 new apprentices. Despite the changes caused for the COVID-19 pandemic, employers have continued with their plans to expand and develop human capital.

On the other hand, as part of the DOL Office of Apprenticeship training, our personnel assigned to the program traveled from March 8-14 to the New Jersey State Office of Apprenticeship. They had the opportunity to exchange experiences and learn directly from veteran program sponsors and staff from the state's Workforce Development Systems.

On July 1, 2019, Puerto Rico received the Apprenticeship State Expansion Grant's approval, where USDOL awarded \$ 709,753.20 to support the activities of the program, including the OJL and Related Instruction. Together with the leverage made with the WIOA funds, these funds represent the viability of more employers to establish their apprenticeship programs.

This year and for the second time, Puerto Rico was present during National Apprenticeship Week 2019. Among the events held, the most important was delivering the official proclamation to the company Puerto Rico Industries for the Blind for its effort and dedication in register an apprenticeship program for people with disabilities and little or no employment experience. This program opened the doors for 125 individuals to have the opportunity to receive structured training specially created considering their limitations and needs; and the best a recognized credential that allows them to continue their career pathway.

## VIII. LOCAL BOARDS STRATEGIES AND APPROACH

### Carolina Local Board Job Search Assistance with Placement for Former Offenders

This initiative provides services to 8 participants, through a collaboration between the Carolina Local Board and the Puerto Rico Department of Corrections and Rehabilitation (PRDCR). A referral, case management and monitoring process was established to help the ex-offenders to complete successfully the activity and get a job. At the end, 5 participants finished the successfully the activities and get a job in the state of Alaska.

### San Juan Local Board Cooperative Approach

In San Juan Local Board, a group of 7 participants from Cantera town, a very low-income community, received entrepreneurial training. The participants acquired the necessary skills to set up and manage a restaurant under a cooperative approach. Despite the shutdown due to the pandemic, they continued training and completed the course online. They are currently in the process of obtaining the state permissions to open a business and completing their



cooperative agreement and financial aids. Their goal is to serve the people from their own community and be able to be self-sufficient.

### Entrepreneur Youth raised in the Southwest Local Area

In Southwest Local Area, a low-income youth without any job experience offered her first experience at Walgreens Pharmacy in San Germán. She performed an efficiently job that she was assigned as train the trainer for new employees. At the end of her participation she received an excellent evaluation and received a full time offer with an initial wage of \$10.00 per hour. The job helped her to develop management skills, later with the help of her mother, she bought the key to a small grocery store that she runs with her brother. She became a young businesswoman.



### Norte Central Business Services

Aurora Industries, LLC; manufactures military clothing for the United States Department of Defense. The company has 506 employees. They participated in an On-the-Job-Training to train 75 new employees in the occupation of Sewing Machine Operator for their facilities in two municipalities Camuy and Quebradillas. Due to the increase in the demand for its latest product, the company acquired other buildings adjacent to the headquarters to further develop its employees' staff. Once the company faced Hurricane María, it had empathy with its employees in which they received a 2-week pay and other materials delivered. Besides this atmospheric issue, the company is struggling with the COVID -19, which continues to battle. From this situation, the company took another turn in the manufacture of military clothing. At present, they are developing masks for several clients in the military.



### North Central Individuals with Barriers to Employment

The North Central AJC create the initiative Dress to Success to empower low-income clients to achieve economic independence by providing a network of support, professional interview



attire, and the development tools to help participants thrive in work and life. We serve many clients, especially single parents, with employment barriers, limited education, poor work skills, and work history. Clients' needs will meet through three, no-cost, key activities: provide them with professional attire to clients in active work

searching or newly employed; a counseling program - with a professional networking group and learning community- which includes two Occupational Counselors, who are offering monthly meetings to address topics around five fundamental pillars: work/life balance, health and wellness, leadership and civic engagement, the unwritten rules of the workplace, and financial planning. AJC career resources help clients in research to obtain and retain employment. The counselor's role is essential in youth development to make educational and employment decisions that support job loss experiences, job anxiety, and other work issues.

### OSY in the North Central Local Area

AJC received Pedro. He is a shy, conservative, 19-year-old out of school youth, with barriers with the English Language. His family income came from the SNAP. After several interviews the youth determined eligible for the Achievement Improvement / Basic Skills Tutoring workshop "Conversational English combined with Education and Literacy Financial Concepts. He received his first job experience with the employer A & A Wireless to develop interpersonal and occupational customer service skills to obtain employability skills. The employer retained Pedro for his excellent performance, responsibility, punctuality, maturity, and teamwork. This youth continued postsecondary education with an Individual Training Account and began studies in Computer Science at the Inter-American University of Puerto Rico, where he is currently studying while working.



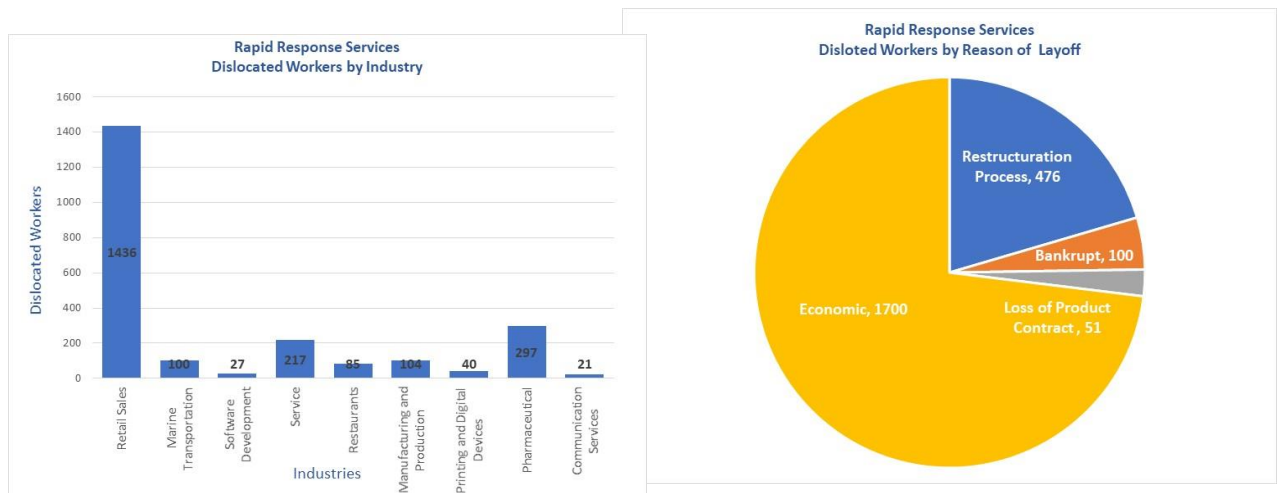
## IX. RAPID RESPONSE SERVICES

Rapid Response Services present a radiography picture of the economic situation facing the island. It is essential to highlight the Rapid Response services provided to meet the needs of the employers and dislocated workers of Puerto Rico. Rapid Response activities assist dislocated workers in obtaining reemployment, as soon as possible, through services such as:

1. Coordination of Rapid Response services by working with company management and, as applicable, organized labor representatives;
2. Provision of on-site services including information on assistance programs such as unemployment insurance compensation, job search assistance, and retraining opportunities; and
3. Immediate referrals to WIOA and other public programs available in the local area, which respond to workers' reemployment and readjustment needs.



In PY 2019, Rapid Response delivered services to 33 companies/business that announced closures or layoffs throughout the island with a total of projected dislocated workers of 2,327 and a targeting total of 2,327 dislocated workers. The Workforce Development Program (WDP), as part of the Rapid Response services, included employer coordination, coordination with core programs and other government agencies, information workshop, resume writing, and job fairs. The following graphs shows the dislocated workers distribution by industry and reason of layoff.



## X. TECHNICAL ASSISTANCE

Puerto Rico has received technical assistance coordinated by ETA Northeast Region, aimed to improve the design of the AJC, improve the state and local governance, reporting, monitoring, and planning process: Some of the ongoing TA coordinated by DOLETA are, WIPS System; SWIS system; WIOA Eligible Training Providers; Data Validation; Memorandum of Understanding (MOU); Performance Reporting; Primary Indicators of Performance, among others.

## XI. WAGNER-PEYSER PROGRAM WIOA ANNUAL STATEWIDE

### INTRODUCTION

This Performance Report Narrative is submitted in compliance with TEGL 5-18, *Workforce Innovation and Opportunity Act (WIOA) Annual Statewide Performance Report Narrative*, November 7, 2018. The report contains performance progress for the Wagner-Peyser Program during PY2018. The information contained herein is to be incorporated in the Statewide Performance Report Narrative to be submitted to the USDOL on or before the due date of December 1, 2020.

## WAGNER-PEYSER PERFORMANCE ACCOUNTABILITY

### EFFECTIVENESS IN SERVING EMPLOYERS

One of Wagner-Peyser activities under Section 7(a) of the Wagner-Peyser Act of 1933 is for the appropriate recruitment services and special technical services for employers. Certain career services must be available to local employers. Specifically, the labor exchange activities (exchange work) and labor market information described in section 678.430(a)(4)(ii) and (a)(6). These services are provided by Wagner-Peyser within the American Job Centers in Puerto Rico. Wagner-Peyser Business Specialists have the responsibility to perform outreach to employers and provide them with staff-assisted services designed to educate them about and engage them in the local job market/economy and the range of services available through the local One-Stop Delivery System. These services are provided in a variety of service interventions including orientation sessions, initial site visits, labor market information, rapid response, etc.

*Performance Measures on Services to Employers:* In terms of reporting performance measure on services to employers under WIOA, the USDOL/ETA are still developing the performance goals to be applied under WIOA. Therefore, no reporting performance measures are provided. Notwithstanding with the above, Wagner-Peyser implemented tools and resources to obtain data on services to employers, although in a limited way. An internal system is in place to collect data from business specialists, including LVERs, to report on services provided to employers in the local service area which includes some of the performance measures established in the WIOA. Although data have been collected it is not tabulated as of the date of this report.

*Out of State Employers:* Public Law 87 of June 22, 1962, as amended, also known as the *Promotion of Employment Opportunities Abroad*, is a law enacted by the Puerto Rico legislature that currently requires from employers or persons who want to recruit workers in Puerto Rico to perform work in the United States, to obtain an authorization from the Secretary of Labor to engage in such active recruiting. This opened the door for Wagner-Peyser to provide business services to employers in the mainland USA and assist them to conduct out-of-the state recruitment efforts for the hiring of qualified candidates with special skills. Most of these jobs are on a temporary basis while others require the worker to relocate permanently.

During PY2019 forty-five (45) U.S. employers engage in out-of-state recruitment in Puerto Rico due to the high costs of H2-B visas. The following figure shows a general overview of the activities under this non-federal program.



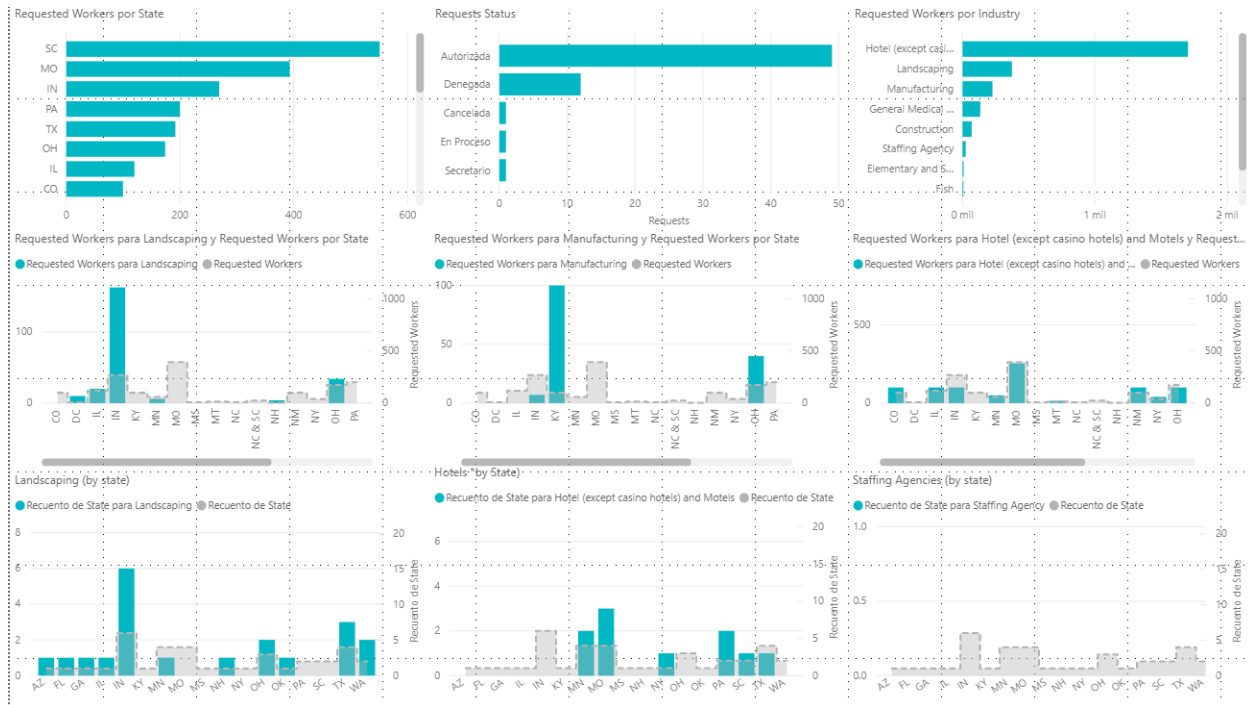


Figure 1: Services to Out-of-State Employers during PY 2019

We will continue to assist out-of-state employers who are in search of qualified candidates to fill their job vacancies in several industries such as landscaping, hospitality, manufacturing, health, and many others.

**WOTC Program:** Under the WOTC program, 920 workers were certified eligible for the employer to claim a tax credit for employing eligible workers under the program. The number of employers who benefit from this program was not available at the time of this report.

#### JOBS FOR VETERANS STATE GRANT

The Jobs for Veterans LVER Program contacted 645 employers during PY2019 obtaining 279 job orders for a total of 140 employment opportunities for veterans.

Emplo yer Conta cts	Services to Employers					Outcomes / Goals				
	Inf o	Suppo rt	Recruit ment	Strateg ic Planni ng	Economic Develop ment	Rapid Respo nse	Job Develop ment	Agreed to Employ	Intervie wed	Accept ed Resum e
645	656	25	111	68	0	0	6	9	4	9

Under the JVSG DVOP Program, 96 eligible veterans were referred to this program with 35 veterans employed in a suitable job. Figure 3 present a dashboard showing the overall performance for the DVOP program.

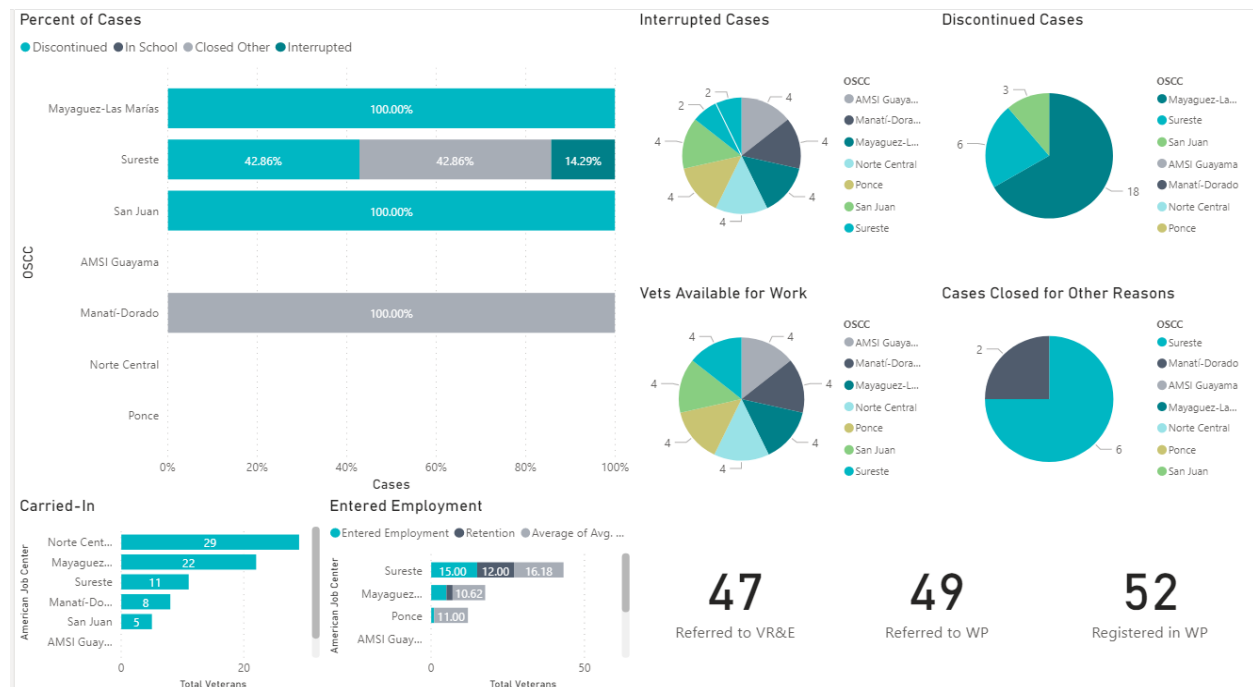


Figure 2: JVSG DVOP Program Performance Overview

**WAGNER-PEYSER PERFORMANCE MEASURES OR GOALS AND PROGRESS TOWARDS MEETING THEM:** By mid of 2020, the new system PRIS enter operational. PIRL data was reported to USDOL/ETA by DDEC on behalf of Wagner-Peyser. From the report obtained for the 4QTR of PY2018, it appears that there are some issues to still be addressed in the PRIS reporting module. For the WP report, no exiters were shown, therefor no performance data was calculated. In addition, we found that no wage data was included in the PIRL report for PY2018 submitted by DDEC. This situation has impeded PRDOLHR to comply with the reporting requirements under WIOA for the Wagner-Peyser, MSFWs and JVSG programs.

Wagner-Peyser has in place a limited data collection system that provides information to overview operation and performance of programs from a managerial perspective. This data collection system in based on lists and libraries created in MS SharePoint Online allowing Wagner-Peyser to obtain data for services provided to job seekers and the total amount of job seekers to which career services were provided.

In the absence of a WIOA compliant system, Wagner-Peyser is unable to determine any performance deficiencies on the primary indicators of performance, which may describe any factors impacting performance. Therefore, there is no way to determine if we met the negotiated performance goals for PY2018 and PY2019.

The following graphics shows services provided to job seekers by Wagner-Peyser program during PY2019. This is the only data available for Wagner-Peyser as an internal report to account for services provided to job seekers.

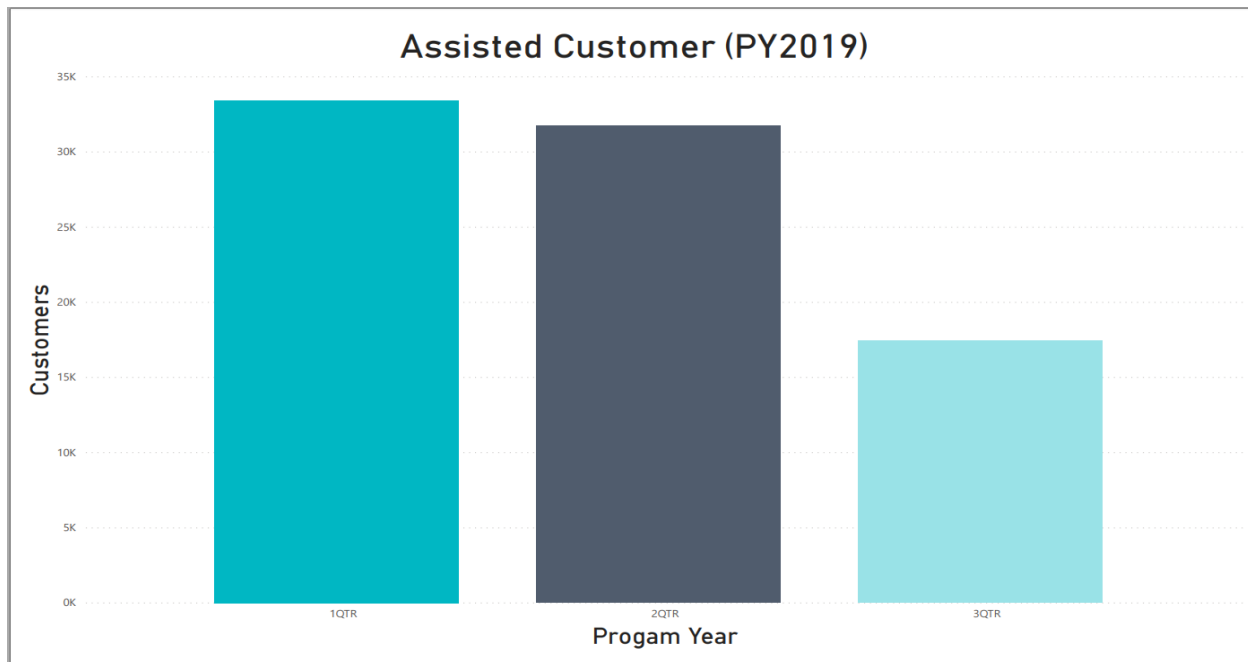


Figure 4: Assited Customers by Quarter

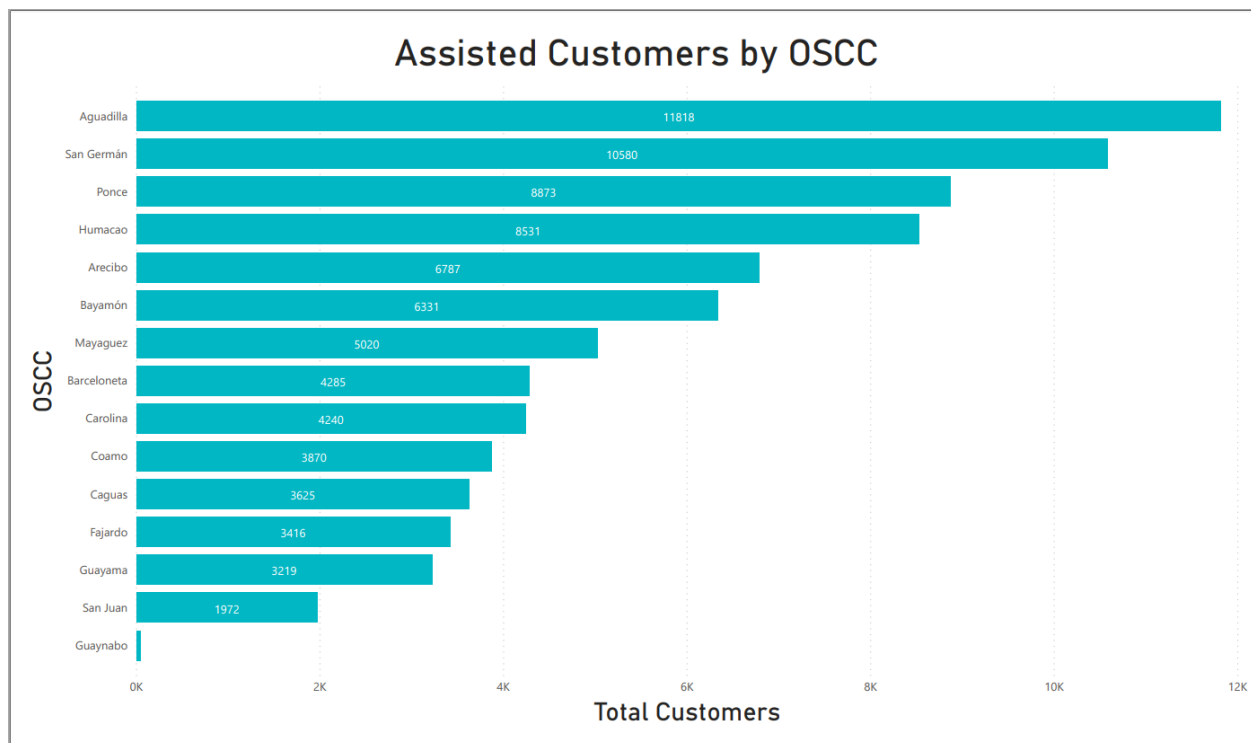


Figure 3: Wagner-Peyser Assisted Customers by Local Service Area

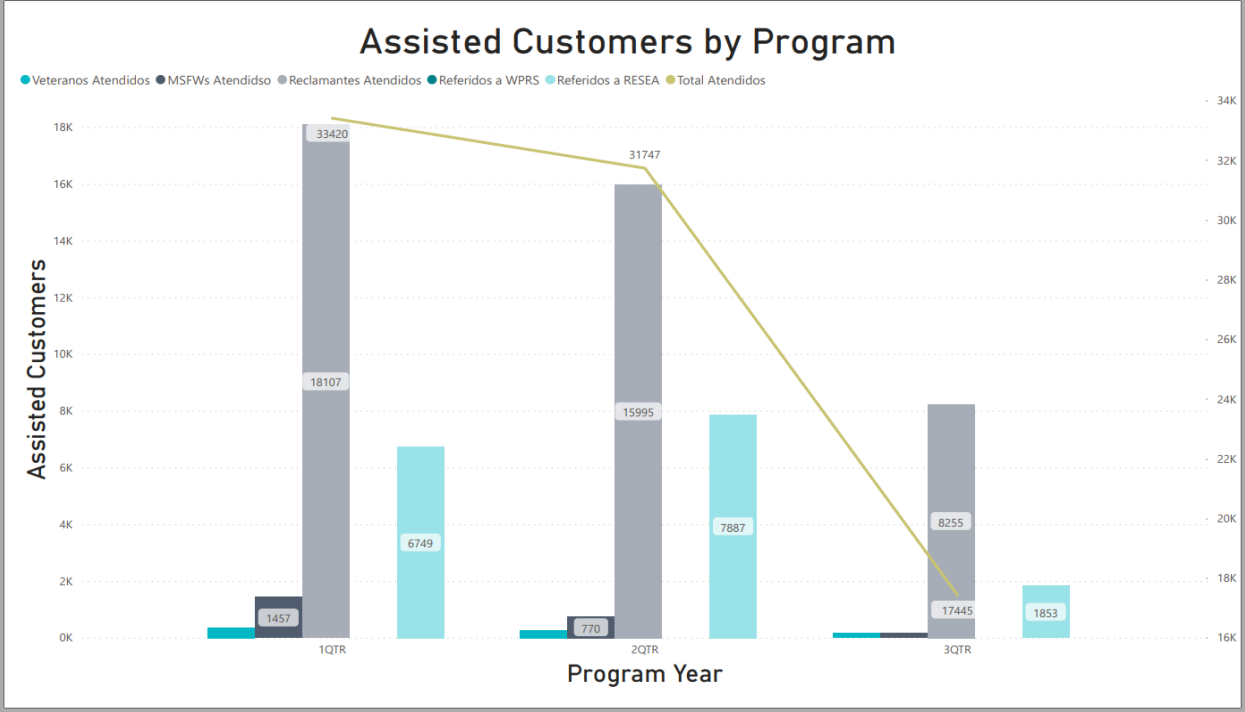


Figure 5: Wagner-Peyser Assiteed Customers by Program

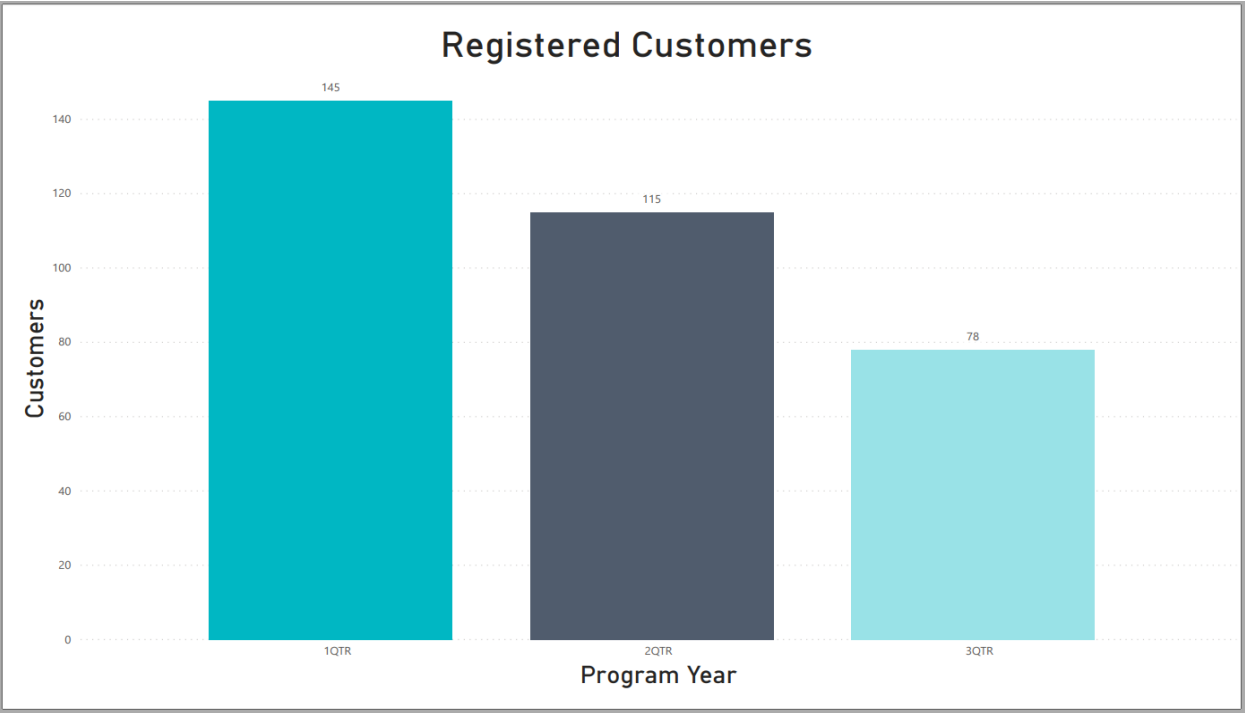


Figure 6: Registered Persons in Wagner-Peyser by Quarter



Figure 7: Registered Customers in Wagner-Peyser by Local Service Area

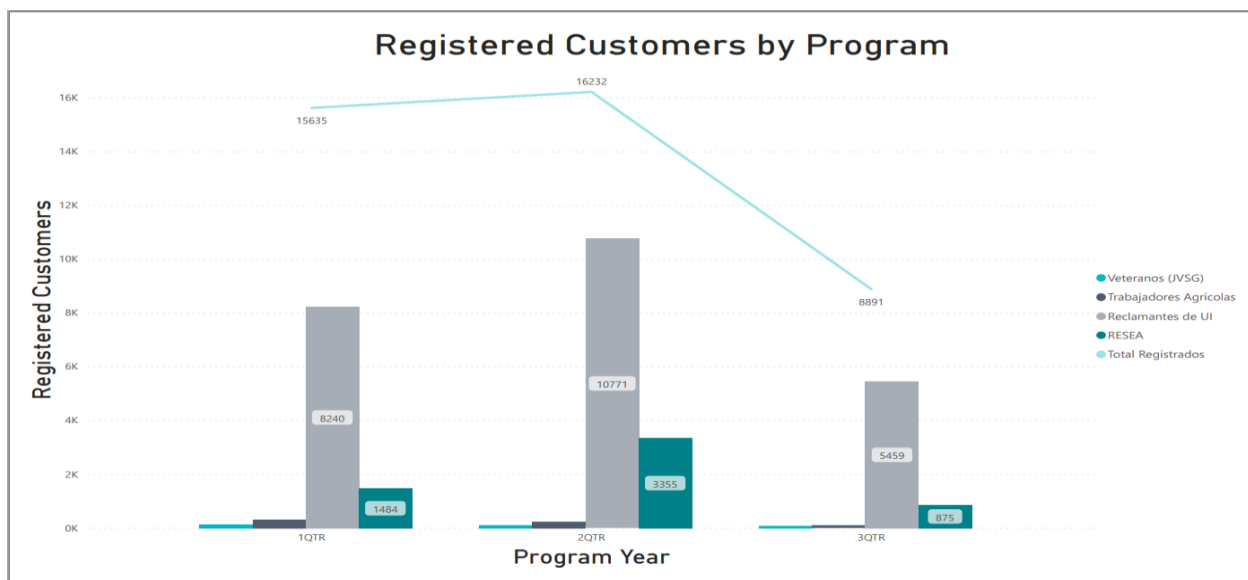


Figure 8: Registered Customers in Wagner-Peyser by Program

### RAPID RESPONSE ACTIVITIES

Due to the COVID-19 emergency, Wagner-Peyser participation in Rapid Response is on hold. All services are to be provide remotely.

### ACTIVITIES UNDER SECTION 7(B) OF WAGNER-PEYSER ACT

As of the date of this report, no activities were conducted under Section 7(b). Over \$1.2 million are available in the governor's reserve.