



**REPUBLIC OF PALAU**

**WORKFORCE INNOVATION AND OPPORTUNITY ACT TITLE I**

**ANNUAL STATEWIDE PERFORMANCE**

**REPORT NARRATIVE**

**For the Period July 01, 2020 to June 30, 2021**

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## **Introduction**

Each state that receives an allotment under WIOA Section 127 (Youth activities) or Section 132 (Adult and Dislocated Worker activities) must prepare and submit a WIOA Annual Statewide Report Narrative of performance progress to the Secretary of Labor in accordance with with the “WIOA Common Performance Reporting – OMB Control 1205-0526”. The WIOA Annual Statewide Performance Report Narrative serves as a complement to the WIOA Annual Statewide Performance Report (ETA 9169) requirements as defined in OMB Control 1205-0526 and in Training and Employment Guidance Letter (TEGL) 10-16, Change 1.

### **STRATEGIC VISION**

Surangel Whipps, Jr. is the 10<sup>th</sup> President of the Republic of Palau. He was elected into office in November 2020, and sworn in to the Office of the President in January of 2021. President Whipps, Jr.’s platform envisions Palauans to have improved quality of life through incentives and opportunities that would enable them to pursue their rights to a happy and comfortable life. For him, the people of Palau are the force that drives the progress of our island nation; hence, his slogan, “*A Kot a Rechad er Belau*” (Palauan People First). In response to unfair treatment in the workplace, lack of career opportunities for Palauans, challenges hindering young Palauan entrepreneurs, and the unchecked exploitation of Palau’s natural resources, the slogan represents the conviction that Palauans must secure the opportunities Palau has to offer, and the commitment to push for the improved welfare of the Palauans to be foremost in their country by their government. Palau Workforce Innovation and Opportunity Act (WIOA) Office is integral to his plan in focusing on providing Palauans with the necessary skills and employment to assist them move forward and acquiring these opportunities, especially during the COVID-19 pandemic. Palau WIOA is tasked to bring the President’s vision into light and to facilitate job creation and training programs in order to promote the hiring and retention of the Palauan citizens in coordination with national and state entities. By doing so, Palau WIOA will uphold the President’s vision in improving the quality of life for the people of Palau through the incentives and opportunities that WIOA can provide.

### **WIOA Formula Funded Programs**

Palau receives Workforce Innovation and Opportunity Act (WIOA) funds based on a formula established by the Act. These funds are commonly referred to as WIOA “State Formula Funds”. The Palau Workforce Innovation and Opportunity Act Title I Office/American Job Center is the designated administrative entity for WIOA State Formula Funds of Adult, Dislocated Worker, and Youth.

Palau is a single-delivery state, meaning there is only one Workforce Development Board for the entire area. As of June 22, 2021, the President of the Republic of Palau, Surangel Whipps, Jr., appointed new members for the State Workforce Development Board (SWDB. There are nine (9) members of the SWDB. The members consist of the President/his designee representing the Office of the President, a representative of President of the Senate, a representative of House of Delegates, the President and the Vice President of the Chamber of Commerce, the Chair of the Palau National Scholarship Board, the Chair of the Foreign Investment Board, the Minister of Finance, and the Minister of Human

Resources, Culture, Tourism, and Development. The purpose of the SWDB is to effectuate the requirements of U.S Public Law 113-128 and supervise the Local Workforce Development Board in its efforts to facilitate job creation and training programs and promote the hiring and retention of Palauan citizens in coordination with national and state entities.

President Whipps, Jr. has also appointed new members for the Local Workforce Development Board (LWDB). There are eleven (11) members who represent community stakeholders from the private and public sectors of the Republic. The members represent the following private and public agencies: Palau Livestock Association, Palau Taiwan Farmers Association, Palau Aquaculture Alliance, Palau Chamber of Commerce, Palau Community Action Agency, Division of Youth and Career Development, Palau Tourism and Hospitality School of Excellence, Division of Finance and Accounting, Belau Boater's Association, Bureau of Human Resources, and Ministry of Finance. The purpose for the LWDB is to manage the program staff and ensure sufficient training to implement the requirements of U.S Public Law 113-128; to keep records that are sufficient to permit the preparation of reports under U.S Federal law and permit the tracing of funds to a level of expenditure adequate to ensure that the funds have not been spent unlawfully; to maintain records and reports of general performance; and to maintain standardized records that can be reviewed for consistency and compliance with U.S Federal Law.

Formal agreements have been developed and signed by workforce partnership with the WIOA Office and the State Board that include Palau Community College, the Ministry of Education, Ministry of Health, the Chamber of Commerce, and the Ministry of Finance. The agreements set forth collaborative services offered by each partner agency to all workforce customers.

### **WIOA Four Year Unified State Plan**

In Program Years 2018 and 2019, programs were carried out in accordance with the strategies outlined in the Republic of Palau Four Year Workforce Strategic Plan for Title I of the Workforce Innovation and Opportunity Act for Program Years 2016-2020.

Palau requested for Youth Program Waiver for Program Year 2020 which was conditionally approved pending actual program activities report. Although the implementation and continuous efforts to complete the CARES Act grants, Pandemic Unemployment Assistance (PUA) and Federal Pandemic Unemployment Compensation (FPUC), has overwhelmed Palau WIOA, we were able to implement the Youth Program through the Ministry of Human Resource, Culture, Tourism, and Development (MHRCTD) in the Summer of 2021. As of January 2022, COVID-OMICRON found it's way into Palau via travelers. The Republic is adjusting to the pandemic, which has affected the Youth Program for Summer 2022. However, WIOA will continue to coordinate with MHRCTD in reorganizing how the Youth Program will be implemented for Summer 2022.

Palau is currently participating the pilot for Effectiveness in Serving Employers, as a single state service delivery area, the State Board and WIOA Office, utilizing the VOS System, will identify workforce customers as both employers and job seekers. Again, Palau as a small and single state service delivery area, has not developed evaluation or related research projects and uses the VOS system for its workforce delivery to both employers and job seekers.

Palau as a small and single state service delivery area, uses the VOS system for its workforce delivery to both employers and job seekers, and surveys have not been undertaken to include customer satisfaction at this time.

### **WIOA Adult and Dislocated Worker Programs**

As a small and single service delivery area, services to adults and dislocated workers are offered through Palau Workforce Innovation and Opportunity Act Office (Palau WIOA Office)/American Job Center (AJC). Programs and services to adults continue to focus on eligible adults and dislocated workers customers must receive at least one career services in the three categories of Basic Career Services, Individualized Career Services, and Follow-Up Services.

Eligibility of individuals to workforce services funded under the Workforce Innovation and Opportunity Act Title I programs are stated in established state workforce policies. The State Board has incorporated the policies to include veterans and their spouses who meet the WIOA eligibility requirement, to fall under the category of priority customers of workforce services. All state workforce policies have been adopted and certified by the State Board.

Priority for services continues to be given to veterans and eligible veteran spouses, disabled individuals, dislocated workers, displaced homemakers, women, training opportunities for non-traditional employment, low-income individuals, and individuals with multiple barriers consistent with the WIOA laws and regulations.

### **Rapid Response**

Not more than 25% of the dislocated worker funds will be allocated to statewide rapid response activities. The State Board and its Executive Committee will determine the criteria for awarding funds to rapid response activities, as the needs arise and are identified, through the WIOA Office to provide services that include but not limited to:

- Assistance and training to individuals, whenever applicable, in case of natural disaster, and
- In case of mass layoff, do on-site contact with employers for:
  - Layoff plans and schedule of employer
  - Economic development plans to avert layoff
  - Identify affected dislocated workers and needs

On a given program year, if there are no rapid response activities, due to absence of massive layoffs of workers for reasons of plant closure or government closeout, the rapid response funds will be used at the end of each program year as additional dislocated worker funds for displaced homemakers workforce activities including the required percentage for statewide activities.

From June 1, 2020 to June 30, 2021, Palau WIOA was engulfed by the implementation and continuous disbursement of Pandemic Unemployment Assistance (PUA) and Federal Pandemic Unemployment Compensation (FPUC) grants. This was the response to the massive layoffs due to the COVID-19. At the time that PUA and FPUC was implemented, COVID-19 was non-existent in the Republic; however, the government closed its borders in March 2020 to prevent COVID-19 from entering the small island nation. By closing the borders to keep Palau COVID free, the tourism industry rapidly declined, which then affected other private and public sectors. PUA and FPUC was disbursed by WIOA to all who had lost their jobs or were facing a reduction of hours due to COVID-19. All WIOA Title 1 programs were put on hold as this was the order of business from June 2020 until the end of CARES Act in September of 2022.

## **WIOA Youths**

Palau has adopted and added on to the criteria currently being used by the State Board's Executive Committee and the Youth Council the most significant change to the youth formula program under WIOA that focus resources primarily on OSY (Out of School Youth) and that increases the minimum percentage of program funds required to be spent on OSY from 30 to 75 percent includes a major focus on providing youth with work experience opportunities with a requirement that local areas must spend a minimum of 20 percent of local area funds on work experience including the new five program elements of:

1. Financial literacy
2. Entrepreneurial skills training
3. Services that provide labor market and employment information about in-demand industry sectors or occupations available in the local areas
4. Activities that help youth prepare for and transition to postsecondary education and training
5. Education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster.

Additional youth eligibility criteria established by the State Board as a youth who:

- is currently attending an educational program, has previously dropped out of educational program or has poor attendance patterns in educational program during the last school year, and has below average grades;
- is not attending an educational program, has no vocational/employment goal, and has a poor work history or no work history or has been fired from a job in the last six months;
- deficient in basic literacy skills and who cannot compute or solve problems, read, write, or speak English, at or below grade level 4.

The State Board's Executive Committee and the Youth Council determine the criteria for serving youth following required WIOA youth eligibility criteria, the new U. S. DOL youth criteria, and the State Board's additional youth criterion. The membership of these two groups consists of representatives of agencies working with youths or dealing with youth issues on a daily basis. These individuals were instrumental in developing the policies of services to youths. Each agency has their own application forms for their particular program that meets the requirements of their respective funding entity. Through collaborative partnership and periodical meetings of the minds, there has been

eliminated duplication of similar assessments and provision of required documents.

State workforce policies were established in latter part of 2014 and early 2015 to incorporate all required youth components, have been adopted and certified by the State Board. The general flow of WIOA youth customers will start at Intake and after all required documents have been submitted to the Intake Staff shall then be certified of their eligibility to workforce activities by the Executive Director. The eligibility determination and certification that follows is inclusive to identified barriers and family income level.

1. Providing an objective assessment of their academic skill levels, skill levels, and service needs, which include a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes, supportive service needs, and developmental needs, if they have not already received this service from partner agencies;
2. Developing an Individual Service Strategy that shall identify an employment goal, which may not be required if a recent similar document has already been developed by partner agency under another education or training program; and
3. Providing preparation for postsecondary educational opportunities, linkages between academic and occupational learning, preparation for employment, and effective connections to intermediary organizations that provide strong links to the job market and employers.

The State Board, its Committee, and the Youth Council have designed its youth program to follow the youth program components required by WIOA and:

### **Connecting WIOA with Youth Development**

(All youth need help to grow into healthy and productive adults):

PHYSICAL & MENTAL HEALTH -	Guidance and counseling Supportive services
INTELLECTUAL HEALTH	-Tutoring, study skills, dropout prevention Alternative secondary schools Supportive services
CIVIC AND SOCIAL INVOLVEMENT EMPLOYABILITY	-Leadership development -Occupational skills training Work experience Summer employment

Palau does not receive NEG or Trade grants. WIOA participants are tracked using the Hire Palau Virtual One-Stop System (VOS) and submits

its quarterly performance report through the WIPS (Workforce Integrated Performance System).

No.	WIOA Indicators Description	Performance Measure	Benchmark / Target	2021
1	Adult			
		Employment 2nd Quarter After Exit	52%	0%
		Employment 4th Quarter After Exit	50%	0%
		Median Earnings in the 2nd Quarter		
		after Exit	\$ 1,820	\$ 1,820
		Credential Attainment Rate	42%	0%
		Measurable Skill Gains	50%	0%
2	Dislocated Worker			
		Employment 2nd Quarter After Exit	52%	0%
		Employment 4th Quarter After Exit	50%	0%
		Median Earnings in the 2nd Quarter		
		after Exit	\$ 1,820	\$ 2,415
		Credential Attainment Rate	40%	0%
		Measurable Skill Gains	50%	0%
3	Youth			
		Education and Employment Rate 2 <sup>nd</sup>	53%	0%
		Quarter after Exit		
		Education and Employment Rate 4 <sup>th</sup>	60%	0%
		Quarter after Exit		
		Median Earnings 2 <sup>nd</sup> Quarter After Exit	\$1,655	\$1,655
		Credential Attainment Rate	40%	0%
		Measurable Skill Gains	50%	0%

Due to the overwhelming workload for CARES Act – PUA and FPUC grants, Palau WIOA was unable to meet the benchmark targets for Title I programs in PY2021. Those who were laid off due to COVID-19 were no longer seeking jobs or needing WIOA’s assistance because they were receiving PUA and FPUC benefits. Employers who were affected by the closing of the Republic’s borders due to COVID-19 were not searching for employees or needing employment training because the tourism industry had shut down. For PY2022 Palau WIOA began coordination with the Ministry of Human Resource, Culture, Tourism, and Development (MHRCTD) by implementing projects under Title I that should yield productive results before the end of the 4<sup>th</sup> Quarter. With the support of MHRCTD and it’s assistance in initiating programs for Adult, Youth, and Dislocated Workers, Palau WIOA Title I programs will be assisting in employment and training for Palauan citizens who recently were laid off or had their hours further reduced due to COVID-Omicron being present on the island.