



TRI-COUNTY WORKFORCE INVESTMENT BOARD, INC.

SPECIFICATIONS FOR Self Employment Assistance Program (SEA)

PROPOSALS DUE: December 2, 2008

ABSOLUTELY NO EXCEPTIONS

Questions can be submitted in writing to

Tri-County Workforce Investment Board, Inc.

112 Hollywood Drive

Suite 201

Butler, PA 16001

ATTN: Mary

PHONE: (724) 282-9341, ext. 35

FAX: (724) 282-4896

EMAIL: msalony@tcwib.net

Part I: Background and Purpose

Congress' passage of the Workforce Investment Act in August 1998 resulted in a transformation of job training and employment services. The purpose of the Workforce Investment Act, is to "provide workforce investment activities, through statewide and local workforce investment systems, that increase the employment, retention, and earnings of participants, and increase occupational skill attainment by participants, and, as a result, improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the Nation."

In the local area, (Butler, Armstrong and Indiana Counties), the local Boards of County Commissioners established a Workforce Investment Board (WIB) that will implement the Workforce Investment Act. This Board's mandate is to provide key policy decisions affecting the local workforce development system, and to identify and certify One-Stop Career Centers in the three county area. The local WIB is committed to bringing together the efforts of workforce development, economic development and education to ensure that there is a greater level of integration and cooperation both locally and regionally.

In keeping with this mission and vision, the TCWIB is committed to offering area residents an opportunity to improve the local economy and their own financial situation by providing assistance and training leading to the development of entrepreneurial ventures. The attached Self Employment Assistance (SEA) description outlines the current SEA program design strategy, the SEA activities, the connections between local economic and workforce development entities and the overall philosophy of the local SEA program. Indiana University of PA (IUP) is one of the current training providers, and is used in the description of needed services. Wherever possible, IUP is merely referred to as the training provider.

The Self Employment Assistance Program is provided through Pennsylvania's Department of Labor and Industry. This unique program brings together a "new arsenal of tools and resources to assist and stimulate local workforce and economic development."

Self-help initiatives like the SEA program provide people with the opportunity to start and operate a business while collecting regular unemployment compensation benefits.

The SEA program is a voluntary program for individuals who are eligible for unemployment compensation, identified through the Commonwealth's profiling system as likely to exhaust their regular UC benefits, able to satisfy local requirements, and interested in becoming self-employed.

SEA participants will be afforded waivers from some UC requirements, including disqualification for self-employment, availability for work, refusal of suitable work, and deductibility of self-employment income once you've enrolled in the program.

At a minimum SEA participants must receive a total of 15 hours of individual business counseling, a minimum of 20 hours of business training, and technical assistance. TCWIB expects the successful bidder to offer a program which exceeds minimum expectations. Typically, the service provider will offer a series of classes throughout the year based on the number of interested and eligible applicants identified by CareerTrack (TCWIB's WIA Title 1 Service Provider).

Part II: Statement of Work and Scope

The Tri-County WIB is soliciting proposals for the assistance of a local college, university, small business development center, small business incubator or similar agency or company to offer training and support to local unemployed residents who are interested in beginning a small business venture. The successful provider will offer a regularly repeatable 6-8 week program consisting of a combination of lecture and practical activities leading to the development of a viable business idea, a workable business plan and a logical plan of action for beginning a small business. The successful provider must also make available follow-up opportunities or activities. See ATTACHMENT A for a program description. The successful provider will follow this proven model or offer a similar plan of action.

The scope of the Providers involvement will be:

- ✓ To work with WIB staff and CareerTrack Staff (designated Title 1 provider) to establish a seamless transition for participants to move through the process from eligibility to assessment to training to business implementation ;
- ✓ To offer technical expertise to both customers and providers to ensure the success of the endeavor;
- ✓ To provide all necessary training to customers with regard to developing a viable business plan and implementation plan.

The products of this effort will be:

- a. A well thought out plan of action for conducting the necessary activities;
- b. A tightly organized schedule of activities and deliverables to be accomplished throughout the training period;
- c. A follow up report assessing each cohort of customers and identifying programmatic needs;
- d. Recommendations for identifying opportunities for collaboration with education, economic development, partner agencies within workforce development and the private sector with regard to the SEA program;

Part III: Submission Information

Successful respondents to this RFP will submit a proposal consisting of a combination of narrative explanation and graphical examples. The narrative section of the proposal should give an overview of the plan for facilitating the process and an explanation of results, continuing actions and follow-up. This plan should be no longer than 20 pages and may include narrative descriptions, samples, graphics, etc.

Costs for this proposal will be judged separately. The budgetary section must include a line item breakdown of costs for the proposal. The budget should include costs for a regularly repeatable class. Providers should not assume a certain number of classes per year, as TCWIB is constrained by appropriations and recruitment numbers.

Part IV: Amount of funding available and period of contract

Approximately, \$15,000 per class will be available from SEA funds. TCWIB is interested in serving the entire Tri-County Area. Contracts will be awarded for a period beginning at the execution of the contract and will end June 30, 2008 with a possible annual renewal based on performance and funding for up to five additional years.

Part V: Technical Information

Proposal should be submitted in two parts, separating cost and narrative sections, as they will be judged separately.

All proposals become the property of TCWIB, Inc.

TCWIB, Inc. reserves the right to accept or reject any and/or all proposals and to perform the work in whole or in part.

TCWIB, Inc. will maintain a record of all potential respondents who receive a copy of the specifications and of all proposals subsequently received.

TCWIB will enter into a contract with the successful provider which will further define roles and responsibilities of all parties.

Narrative proposals and Budget Narratives should be emailed to msalony@tcwib.net before the close of business on December 2, 2008. A paper copy should also be sent to Tri-County Workforce Investment Board, Inc., Attn: Mary Salony, 112 Hollywood Drive Suite 201 Butler, PA 16001.

Criteria for Selection

Understanding of the problem 20 points

Soundness of the approach	25 points
Contractor qualifications	25 points
Cost	30 points

ATTACHMENT A

Local Area SEA Program Design Strategy

The Tri-County WIB is partnering with CareerTrack, Inc. (the selected Title 1 service provider for adult and dislocated services in the WIA), the local Bureau of Unemployment Compensation and a selected local university, small business development center, small business incubator or similar agency or company to administer a program to serve eligible participants who have been targeted for the SEA program. All the aforementioned partners will adhere to the eligibility guidelines outlined by the Department of Labor. These include:

- ✓ File for UC and be determined financially eligible and meet all other UC eligibility criteria
- ✓ Be profiled as likely to exhaust UC
- ✓ Have received at least 1 week but not more than 10 weeks on their benefits claim
- ✓ Be determined suitable for the program
- ✓ Be at least 18 years old
- ✓ Attend an initial SEA orientation session
- ✓ Have a viable business concept
- ✓ Locate new business in Pennsylvania
- ✓ Work full-time at becoming self-employed while collecting SEA benefits
- ✓ Have never collected SEA benefits from a prior application
- ✓ Sign a SEA Participant Agreement

Eligible participants receive a notification letter explaining the SEA program and their eligibility for services. CareerTrack, Inc., as the local Title 1 provider, is responsible for ensuring eligibility, conducting an in-depth assessment, completing the necessary reports, maintaining the files and conducting follow-up with the participants. As a partner in the local CareerLinks in Butler, Armstrong and Indiana Counties, CareerTrack is able to make participants aware of the various CareerLink services open to them.

The beginning step in the process involves clients making an inquiry and then entering into an orientation program. During orientation, the partners explain the eligibility requirements of SEA, as well as reporting requirements, the process and requirements of the program, the local labor and economic conditions, data on the success of the training program and providers, and the realities of starting a self-employment venture. During this intake period, the participant plans are considered for feasibility by both CareerTrack and the training provider. Once the participant has begun the process, he or she will be scheduled for multi-day assessment of cognitive, affective and psychomotor skills. The culmination of the orientation and assessment process occurs when a participant begins the formalized training with the training provider.

TCWIB is currently enjoying the success of a unique curriculum for training participants in the SEA program. The 6-8 week program includes a mix of classroom training and other formalized activities in conjunction with individual business counseling that TCWIB plans will more than meet the minimum 20 and 15 hours required of the program. Currently classes and seminars will be offered in Armstrong and Indiana Counties. This must continue, and the WIB is also interested in any plans to offer convenient training for Butler County residents. As stated above, the normal SEA training session last 6-8 weeks with participants meeting regularly to cover all aspects of the SEA program and fully design a workable concept for a business. As the program nears its end, participants will complete their business plan, and have a solid idea for taking the initial steps to creating a successful small business. The training provider and CareerTrack will note their successes and offer ongoing assistance upon program completion.

Current Vendors and Partners

CareerTrack, Inc.

Butler Office
Pullman Commerce Center
112 Hollywood Drive, Suite 104
Butler, PA 16001
Larry Garvin

Armstrong Office
77 Glade Drive
Kittanning, PA 16201
Amanda Riskosky

Indiana Office
300 Indian Springs Rd.
Indiana, PA 15701
Bill Clevenger

Indiana University of PA
Department of Management
304 Eberly College of Business
Indiana, PA 15705-1071
Stephen Osborne, Ph.D.
Thomas Falcone, DBA

Slippery Rock University of PA
School of Business
110 Eisenberg Classroom Building
Slippery Rock, PA 16057-1326
Olu, Ijose, Ph.D.

Armstrong County CareerLink
77 Glade Drive, Kittanning, PA 16201

Butler County CareerLink
Pullman Commerce Center
112 Hollywood Drive, Suite 101, Butler, PA 16001

Indiana County CareerLink
300 Indian Springs Road, Indiana, PA 15701

Typical Client Pathway

Customers making application for Unemployment Compensation are profiled to determine the likelihood that they will exhaust their benefits. Individuals who are determined eligible based on the profiling will receive a letter indicating the services available to them with regard to SEA. The CareerTrack staff will openly recruit these profiled individuals and schedule intake and orientation meetings. In cooperation with training providers and the other CareerLink partners, CareerTrack has developed a streamlined process to conducting orientation to the SEA program and to explain the various core, intensive and training services available at the CareerLink or through partnering agencies. During orientation, the partners explain the eligibility requirements of SEA, as well as reporting requirements, the process and requirements of the program, the local labor and economic conditions, data on the success of the training program and providers, and the realities of starting a self-employment venture. During this intake period, the participant plans are considered for feasibility by both CareerTrack and the training provider. Once a participant is made fully aware of all the requirements and expectations of the SEA program, he/she will sign a SEA Participant Agreement. If it is determined that the plan is not feasible, the participant may receive individual services leading to program enrollment or he/she may be referred to other more suitable services through Title 1 of WIA or through the services of another CareerLink partner. Further, CareerTrack and the training provider can recommend at any time during the intake and program operation phases that a participant might be better suited to pursue another form of support other than self-employment. In this case, Title 1 or other CareerLink services will be offered again.

A major tool for focusing the efforts of the partners and the participant will be the Individual Service Strategy (ISS). The ISS is developed in conjunction with recommendations from the training provider based on one-to-one meetings between the CareerTrack case manager and the participants and on formalized assessment results. Prior to beginning the assessment process, a CareerTrack case manager will meet individually with each participant to determine suitability,

seriousness, adequacy of resources and support and to go over the policies and procedures of CareerTrack and its partners. In addition, CareerTrack and the training provider may have a credit check completed on interested participants to eliminate individuals who would not realistically be able to secure the necessary funds to begin their venture. Again, the participant will be made aware of the various services available through the CareerLink and other entities. This process begins the development of the ISS.

Once the participant has begun the process, he or she will be scheduled for multi-day assessment of cognitive, affective and psychomotor skills. CareerTrack has an eclectic assessment process consisting of the Test of Adult Basic Education (TABE) for Reading, the Wide Range Achievement Test (WRAT) and the Science Research Associates (SRA) Index for Math. These are supplemented by the System for Assessment and Group Evaluation (SAGE) battery of tests and the Career Ability Placement Survey (CAPS) to measure attitude, work aptitudes, learning styles, etc. These assessments have been augmented with the Wonderlic Entrepreneurial Quotient (EQ), to measure leadership ability, risk tolerance and other entrepreneurial strengths. The results of these assessments are discussed with the participant and the partners to determine suitability for self-employment. Again, if a participant is not suitable for program entry at that time, he/she may be referred to other services or may be asked to brush up certain skills prior to entry. The participant ISS is updated based on the scores.

The culmination of the orientation and assessment process occurs when a participant begins the formalized training with the training provider. The Tri-County WIB and CareerTrack have been utilizing the services of the Indiana University of Pennsylvania's Management Services Group (MSG). This confederation of consulting units instituted in 1991 by the College of Business at IUP support on-going and start-up businesses in the region. The following is an explanation of the current methods used by TCWIB, CareerTrack and IUP to deliver the SEA program. We consider this to be relatively proprietary information and would appreciate communication before material is duplicated in any form. As stated above, IUP is one of the current training providers, and they are listed occasionally to give examples of what the WIB is seeking. When appropriate, the term training provider is used.

The MSG utilizes teams of professors, experienced business people and business analysts to work with clients to organize or reorganize efforts and to develop business plans, financial plans and marketing strategies. Members of these consulting teams provide area businesses with information on the latest trends in business and industry. Among the constituents of the MSG are the Small Business Incubator, the Small Business Development Center, the Small Business Institute and the Government Contracting Assistance Program. As part of its outreach program through the College of Business, MSG works closely with SPEDD, Inc., which manages the IUP Small Business Incubator. SPEDD manages and provides services to an international network of business incubators. The IUP Small Business Incubator, therefore, is connected to incubators throughout the world.

IUP has developed a unique curriculum for training participants in the SEA program. The 6-8 week program includes a mix of classroom training and other formalized activities in conjunction with individual business counseling that TCWIB plans will more than meet the minimum 20 and 15 hours required of the program. Currently classes and seminars will be offered in Armstrong and Indiana Counties. The following is a description of the overall content of the training program:

Program Content

- The nature of entrepreneurship
- The role of small businesses in today's economy
- The support available to small businesses

- Functional/Support areas of business
 - Accounting
 - Finance
 - Marketing
 - MIS
 - Operations
 - Small business management
- Business plan management
- Bank financing for entrepreneurs and small businesses

Methods of Delivery

- Entrepreneurship/Small Business Management materials
- Lecture
- Class discussion (Q&A)
- Guest speakers
 - Bank lenders
 - Small Business Development Center (SBDC) consultants
 - Government Contracting Assistance Program (GCAP) professionals
 - Small Business Incubator Manager
 - Successful entrepreneurs
- Specialized tours or visits

Evaluation

- Regular attendance
- Assignments
- A written competency exam (geared toward program participants and confined to major areas/concepts)
- A start-up plan

Counseling will be provided to assist participants in developing their business plans/marketing or financial plans. Each participant will receive up to 30 hours of individual counseling packages on accounting systems, operations plans, etc.

In addition, any participant who successfully completes the business training and either successfully launches a business or is very likely to do so will be eligible for up to 300 hours of Small Business Institute (SBI) assistance. Further, any participant needing counseling on government contracting issues will receive services from GCAP.

Individual success will be measured in terms of benchmarks. Benchmarks will be noted and recorded on the participant ISS when business training and business counseling is completed. The completion of the business plan will also be noted.

IUP and CareerTrack will share responsibility for notifying TCWIB, UC and other CareerLink partners with regard to individuals no longer participating in the program, individuals not meeting benchmarks in a timely manner, benefits allowance availability issues and the participants functioning as self-employed who no longer participate in either training or counseling.

The participant ISS will state the required training benchmarks. Failure to meet these benchmarks will result in one-to-one counseling followed by potential removal from the program. This information will also be noted on the ISS. IUP and CareerTrack will report these instances

to the appropriate CareerLink partner for follow-up and make a report to the WIB and UC representatives.

Reporting

CareerTrack will comply with all reporting guidelines outlined by the Department of Labor and will provide the appropriate data entry of claimants, participants and services provided through entry on the state computer system, the completion of required reports and compliance with any required monitoring. It is understood that the Department of Labor envisions reports being submitted through a SEA module on the State CareerLink System, and that hard copy reports may also be required. CareerTrack will submit a monthly and quarterly report as required. Reports will cover all areas required by the state, including but not limited to: participants enrolled in the program; services provided to each participant; number of participants completing the program; number of participants terminated from the program; legal business names filed; business addresses; business activity and products or services; EIN/UIAN if available; start dates; number of employees at start up; amount of quarterly business income; number of employees and wages paid for quarter; etc.

Outcomes

Each participant who completes the program and has the aptitude and skills to successfully begin a business will achieve the following outcomes:

- Certificate of completion of “Introduction to Business and Entrepreneurship”
- Counseling from the SBDC and GCAP
- Counseling from the SBI, if qualified
- A business plan
- Financial counseling based on viability of business plan

In addition, participants will be eligible for the following assistance at no charge or at a reduced rate from IUP:

- 150 + hours of SBDC assistance (free)
- 1200 + hours of SBI assistance (free to participants who have initiated their business or who have a viable plan)
- Ongoing GCAP counseling (free)
- Consideration for space in the two Indiana County Small Business Incubators located in the Robert Shaw building at IUP and in the Innovation Center in Blairsville (low cost)

Monitoring

TCWIB will provide both fiscal and programmatic monitoring to the SEA program as part of its regular monitoring process. The TCWIB monitor will use a standardized monitoring tool to interview program providers, partners and participants. The monitor will also review the files, contracts and documentation for appropriateness and will give close scrutiny to the expenditure of SEA funds. In addition, CareerTrack will assign a case manager to closely monitor the progress of the participants and to work with the subcontractor. The case manager will contact the participants at least monthly and will participate in the compiling of data for required reports.

The fiscal staff of TCWIB will also provide monthly financial summary expenditure reports that include sufficient detail to derive average cost per SEA participant and close out reports that also include this sufficient detail.

Coordination and Linkages

The Tri-County Workforce Investment Board, Inc. has developed a comprehensive strategic plan outlining the WIB's goals to become the convener of the successful but disconnected efforts of workforce development, economic development and education. The unique makeup of the local WIBs provides an excellent opportunity for the area's business, education and service agency leaders to provide leadership in the coordination of local and regional policies. The WIB is committed to the success of the SEA program as it furthers the members' goals of strengthening the local economy and represents the ultimate linkage between workforce development, economic development and education.

In partnering with the IUP MSG, the WIB and CareerTrack are engaged in a much greater level of linkage with local economic development. Not only are several members of the WIB also members of the Chambers of Commerce in the three counties, but they also serve on such agencies as the Community Development Corporation and the Center for Economic Operations (CEO). The IUP MSG is also a component of the Indiana County CEO. Other organizations in the CEO include the Indiana Chamber of Commerce, Indiana County Office of Planning and Development, Indiana County Tourist Bureau and Indiana County Development Corporation. As active members of these agencies, the WIB members and MSG are in a unique position to network with all of the other economic development organizations on the region.

The development of the CareerLink system in Pennsylvania has created a unique opportunity for employers and job seekers to access a full array of services in a one-stop setting. By coordinating the efforts of all of the key partners in PA's workforce development, economic development and education systems, previous "random acts of improvement" are now streamlined and connected into a system. The result is a seamless web of services to all customers and increased customer choice. As stated numerous times within this plan. The CareerTrack agency is a partner in the local CareerLinks and uses their time with SEA participants to fully explain the entire core, intensive and training services available to them both as program participants and later as potential employers.