Building *Enterprise-Ready* Places, People, Programs, and Regional Identity

Today, citizens in the 37-county West Alabama – East Mississippi (WAEM) WIRED zone are just beginning to identify this area as a "region." Parts of it lie in West Alabama, East Mississippi, the Black Belt, and the Pine Belt. Perhaps the only across-the-region attribute is an historic one that applies to a much broader area, that of an area with a low-skill, low-wage workforce. The WAEM WIRED grant proposes to change this, to transform the perception and reality of this area into a region that attracts, grows, and retains people, jobs, and wealth. This will be done through a layered, but integrated "build-it" process.

WAEM's vision is to transform a mostly rural collection of people and places into an enterprising region known for its innovative programs in entrepreneurship, workforce development, and wealth creation. We call that being "*Enterprise-Ready*."

"Building *Enterprise-Ready* places, people, programs, and regional identity" is our mission.

An *Enterprise-Ready* place is a community:
- with infrastructure, workforce, and incentives ready to retain and attract industry;
- with training, coaching, financing, and facilities ready to support entrepreneurs who grow community-based jobs and bring wealth to communities;
- where business formation and innovation occur easily and often; and
- with leaders who have a "can do" attitude and find assets to build on and opportunities to seize.

Enterprise-Ready people:
- have skills and credentials needed to keep and attract growth industries and high-paying jobs;
- start new and innovative businesses and become successful business and civic entrepreneurs;

- are students who graduate from high school ready to take on technology-based jobs; and
- have "can do" attitudes that help them build, innovate, work hard, and move ahead.

Enterprise-Ready programs are those innovative programs that:
- help people and places become *Enterprise-Ready*;
- coach people and communities to engage in *Enterprise-Ready* development activities; and
- train and educate students, workers, entrepreneurs, leaders and others in *Enterprise-Ready* skills.

An *Enterprise-Ready* region is one:
- full of *Enterprise-Ready* places and people, communities, workers, entrepreneurs, students, and leaders…with an array of E*nterprise-Ready* programs to support them;
- that knows, and builds on, its competitive strengths;
- that engages its diverse citizens and communities around innovative regional opportunities; and
- that builds a regional development agenda with the scale and clout of the whole region behind it.

"*Enterprise-Ready*" can be defined as "prepared for and committed to value-added 'build-it' activity," whether individually based, organization based, community based, or region based. The WAEM Place Building Process focuses on asset-based economic development, enterprise friendly communities with entrepreneur support systems, innovative workforce systems, and skill development as key value-adding activities for *Enterprise-Ready* regional transformation.

> **Goal 1** – *Stand-up and embed the capacity to identify key assets and strengths, target opportunities, and recruit champions to build an Enterprise-Ready region.*

Region building takes the commitment of time and resources from institutions and champions. Prior to this grant, The Montgomery Institute (TMI) was the only institution with a mission to work across the Alabama and Mississippi state lines to recruit champions and do region building. The Commission on the Future of East Mississippi and West Alabama initiated by TMI laid the groundwork for this WIRED initiative. Eight community and junior colleges, four in West Alabama and four in East Mississippi, joined with TMI to pursue the WIRED grant. All, through their presidents, pledged to stand-up and embed in their institutions the capacity required by Goal 1. As a result, the WAEM Alliance was formed by these colleges in January 2008.

Region building also takes the engagement of communities and citizens from across the region. The Goal 1 Region Building Process, guided by the RUPRI Center for Regional Competitiveness, brought together leaders and potential champions from across the region to engage in enterprise and innovation based planning and development activities. The highlight of this

work was a Governors' Summit hosted by Gov. Bob Riley and Gov. Haley Barbour. Leaders participating in these events learned the language of enterprise and innovation, worked together to identify key regional assets and regional approaches to leveraging those assets, and began forming regional networks and identity.

Work at the top, however, is insufficient to transform a region. So, Goal 1 also addresses developing *Enterprise-Ready* champions at the community level. As Indiana has learned through its Rural Indiana Strategy for Excellence, "strong leadership and civic engagement is a precursor to, not a follower of, economic growth and development." When local and regional champions align their focus, regional identity begins to form.

Goal 2 – *Cultivate community and regional entrepreneurship.*

The next layer of the development process focuses on transforming the way the region and its communities create jobs. While continuing what the Council for Adult and Experiential Learning (CAEL) calls "the great buffalo hunt," which is to lure major employers to the area, the region must build strategies to create and retain jobs from other sources. This is especially true for rural communities. Drawing from the new Appalachian Regional Commission Strategic Plan and other successful rural endeavors, Goal 2 seeks to identify and cultivate entrepreneurs who will use local assets (Goal 1) as the cornerstones for new businesses and job opportunities. North Carolina is finding this approach works through its Institute for Rural Entrepreneurship. Goal 2 stands up and embeds at community and junior colleges the capacity to coach rural places as they transform into *Enterprise-Ready* communities and provide support, technical assistance, education, and training to entrepreneurs. With extensive training from the RUPRI Center for Rural Entrepreneurship, the colleges have engaged in Place Building and begun to build regional networks. Such entrepreneurial activity, integrated with Goal 1's development activities, begins transformation of community and regional civic culture to one with an *Enterprise-Ready* focus.

The MyBiz Alabama-Mississippi Entrepreneur Network (MyBizAM) consists of local, state, and national Resource Partners identified and profiled by college and TMI staff. The related MyBiz.AM website provides a zipcode-based, searchable database to allow entrepreneurs to find nearby service providers who can meet particular needs. Both states are moving to extend MyBizAM beyond the WAEM Region to serve both states in their entirety.

On September 6, 2007, the WAEM Commission affirmed merging Goal 1 and Goal 2 processes into the WAEM Place Building Program.

Goal 3 – *Credential, certify, and transform to a regionally-branded workforce.*

The third layer of the development process relies on building innovative, *Enterprise-Ready* access and delivery workforce systems at community and junior colleges to brand the regional

workforce, improve skills, and enhance economic developers' chances of keeping and luring business and industry.

Goal 3 drew on the assets, gap, and trend analyses in Goal 1 and guidance from the region's economic developers to:

1) identify and target advanced manufacturing for which innovative workforce systems should provide training; other sectors to be developed include entrepreneurship (see Goal 2), wood products, healthcare, tourism, innovative energy, warehouse and distribution, high technology, branded foods, and business services;
2) establish a regional Workforce Training Framework to guide development of advanced manufacturing training systems;
3) identify an Amatrol-based Anytime Anywhere e-Learning System for advanced manufacturing training system with innovative access and delivery of needed skill training;
4) provide Career Readiness Certification and a regional Modern Multi-skill Manufacturing (M3) Credential system; and
5) identify technology needed to enhance such systems.

Enterprise-Ready leaders, entrepreneurs, and training systems are coming together in the WAEM Region to create the reality of an *Enterprise-Ready* regional identity. This model conforms with the model presented by the Rural Policy Research Institute in its March 2006 presentation, "The Current U.S. Rural Policy Framework: Toward a Regional Innovation Strategy."

Goal 4 – *Engage high schools and youth in regional branding and Enterprise-Ready activities*.

The fourth layer of the development process is to build a pipeline of future entrepreneurs, skilled workers, and local leaders to sustain the growth of the region. Goal 4 seeks to integrate *Enterprise-Ready* activities into high school curricula and youth (age 16+) programs. We seek to bring a balance to the "take-a-job" bias embedded in most "career readiness" programming by infusing "make-a-job" entrepreneurship perspectives in high school and youth activities. We also seek to provide better access for students to community and junior college *Enterprise-Ready* programs.

WAEM colleges have worked with local school districts to bring Rural Entrepreneurship through Active Learning (REAL) and the NFTE-based Southern Your Entrepreneur (SYE) programs to enterprising youth. Likewise, access to the Amatrol Anytime Anywhere e-Learning System has been made available to instructors at the Region's high schools. In some cases, dual enrollment opportunities have been created between the colleges and their local schools.

Local and regional leaders developing and implementing these four layers of *Enterprise-Ready* activity, community and junior colleges building capacity to support such activity beyond the grant period, and regional networking and engagement will result in economic transformation and build a new identity for the region.

Driving this process will be the managing entity for the grant, The Montgomery Institute (TMI). TMI is a regional non-profit focusing on citizen leadership. In 2003 the Southern Growth Policies Board designated TMI as a "Southern Innovator in Leadership Development and Civic Engagement."

The eight WAEM community and junior colleges are the platforms upon which these rural development strategies will be built. The community and junior college presidents will provide leadership by serving as chairs of the key WIRED initiative committees.

Research universities in the region will bring knowledge and technical assistance to support development of the systems envisioned in the grant. We will complement that expertise with other proven experts in specific fields, such as RUPRI and CAEL to enhance university capacities.

The U.S. Department of Labor expects WIRED grant recipients to use innovative approaches to integrate and transform workforce and economic development in their regions. Innovation for the rural WAEM region can and will come from several directions:
- Innovation in access to and delivery of programs and services;
- Innovation-focused, multi-partner, regional leadership networks, organizations, research, and outreach;
- Innovation capacity development at the local, district, and regional levels; and
- Cultivating entrepreneurship with innovative support systems.

The heart of this initiative will be the provision of a process for innovation, not a prescription for innovation.

Section 2: WIRED Goals

(See above and following detailed plan)

Section 3: GOVERNANCE

Alabama Governor Bob Riley and Mississippi Governor Haley Barbour executed a "Joint Memorandum of Understanding between the State of Alabama and the State of Mississippi Governing the Start-up of the West Alabama and East Mississippi WIRED Grant." This MOU provides the governance structure for the grant in the form of a West Alabama – East Mississippi WIRED Commission. Prior to the grant's demise, the Commission will form a regional council to help sustain the regional identity and approaches to development created during the grant period.

The Commission must positively affirm adoption of a plan, budget, or policy before it can be implemented. The fiscal agent is the Office of Workforce Development (OWD) at the Alabama Department of Economic and Community Development. The managing entity is The Montgomery Institute (TMI). These are the two executive entities that bring plans, budgets, and policies before the Commission for review and affirmation.

As the fiscal agent, OWD manages the budget and accounting process. Sub-recipient contracts blessed by the Commission are executed by OWD. Changes to budgets, other than reallocation within major line items, must be approved by OWD and affirmed by the Commission. Budget changes within major line items, e.g., four laptops will be purchased instead of three but funds are available in the Supply line item, must be approved by OWD. Equipment expenditures of over $5,000 require additional review by the Department of Labor.

As the managing entity, TMI manages the implementation of the grant with assistance from two gubernatorial designees. Governor Haley Barbour has designated a senior manager from the Mississippi Development Authority and current president of TMI as the grant's program director. Governor Bob Riley has designated a program officer from Shelton State Community College as the grant's associate director. These two designees and TMI staff are the management team for the grant, and thereby bring input from the two Governors into the management process.

The detailed scope of work for each sub-recipient grant must be approved by TMI and affirmed by the Commission. Changes to the scope of work must be approved by TMI and affirmed by the Commission. The scope of work for each sub-recipient will provide for TMI oversight of sub-recipient activities and input into hiring related to the grant.

OWD has executed sub-recipient grant agreements with TMI, MDA (now completed), and Shelton State Community College as directed by the start-up MOU. The fiscal agent has also executed sub-recipient agreements with the other seven community and junior colleges with clearly defined scopes of work and budgets and requirements for TMI and OWD oversight.

Since approval of a Commission affirmed implementation plan, TMI has provided periodic monthly management reports to the Commission, the fiscal agent, and the Department of Labor. The fiscal agent provides financial reports on a periodic basis to the same entities.

Section 4: OPERATIONS

The grant program director, the associate director, and the TMI staff meet and work together daily on grant implementation. Regular discussions are held with the fiscal agent. Additional discussions are held with key partners such as community and junior colleges, universities, economic and community developers, and so on. As plans, programs, and budget requirements are developed, these are reviewed by the fiscal agent and TMI then presented to the Commission for review and affirmation.

Expenditures in accordance with the budget are handled by TMI and other sub-recipient grantees with discussion and oversight from the fiscal agent.

Within the plan of work (implementation plan), four major committees were established to provide develop action plans based on goal strategies. These committees were co-chaired by community and junior college presidents and staffed by the TMI management team. TMI was responsible for populating the membership of the committees. TMI solicited input for committee membership from community and junior colleges, universities, community and economic developers, business and industry leadership, civic leaders, and non-profit/faith-based organization leaders.

The committees had limited but diverse membership. To provide for greater participation and input from partners and interested citizens, two procedures were be followed. First, proposals and information developed by committees were placed on the Collaborative Workspace for review and comment by partners. This input was provided to committees to advise their decisions. Second, the Governors' Summit, regional conferences, and other events were posted on the WAEM.us website and announced in the media. Partners and citizens with interest in the WAEM WIRED initiative participated in these events. In addition to these procedures, activities at the local level continue to provide many opportunities for direct partner and citizen engagement.

Committees recommended plans and actions. Proposals not clearly defined and affirmed by the Commission have been submitted to the Commission for review and affirmation. Examples: 1) The plan of work specifically called for a governor-convened conference. This event would not require further Commission review. 2) The plan of work called for a committee to develop a plan for Enterprise Ready Communities. This plan was affirmed by the Commission before it was implemented.

In addition to the operational items discussed above, operations of the grant include the following:

The grant and plan of work call for community and junior colleges to play key roles in implementing the plan. As noted, the community and junior college presidents have co-chaired major committees. They have also formed the WAEM Alliance to oversee regional credentials as well as cooperative workforce training initiatives. The presidents continue to be strong allies in region building.

Another key working group has been the workforce directors from each community college, who have also been partially funded by the grant. Each of these directors was assigned to one of the major committees. They have gathered as taskforce facilitated by TMI to develop the WAEM Workforce Training Framework and its components. They also have overseen college staff hired by the grant.

The plan of work provided for community and junior colleges to hire field staff to help implement Goals 1 and 2. These staff members have worked at the local level with guidance from workforce directors and oversight from TMI to implement these goals.

The plan of work calls for a major regional summit convened by the two Governors to prepare plans to develop important regional assets and take advantage of key opportunities identified in Goal 1. TMI and the Goal 1 committee will be responsible for inviting a diverse group of leaders from around the region to participate in this meeting and take leadership roles to implement adopted plans. Such leaders will be drawn from community and economic developers, business and industry leadership, civic leaders, and non-profit/faith-based organization leaders.

The plan of work also called for civic engagement activities in Goals 1 and 2. Community and junior colleges were responsible for inviting diverse groups of leaders from the communities to participate in these activities and take leadership roles to implement adopted plans. Such leaders have been drawn from community and economic developers, business and industry leadership, civic leaders, and non-profit/faith-based organization leaders. The Governors' Summit on May 14, 2007, in Monroeville, AL, was a highlight of these activities.

TMI in conjunction with community and junior college partners has developed and implemented a regional communication plan. A communications specialist and an information technology specialist were hired at TMI to help put together and to coordinate this plan. They manage the WAEM.us website, the MyBiz.AM website, the WAEM Collaborative Workspace, and WAEM Newsflashes for the grant. Duties include direct contact with every partner to make sure they have access to the Collaborative Workspace. TMI uses its own the Collaborative Workspace extensively (after the first DOL website at Arizona State became defunct) to make plans and documents available to partners for review and input.

In regard to tools, TMI expect received a grant from Microsoft to obtain Microsoft Project to help manage the project.

Section 5: BUDGET ALLOCATIONS AND FISCAL MANAGEMENT

1. <u>Program Integrity</u>

   The Alabama Department of Economic and Community Affairs (ADECA), Office of Workforce Development (OWD), Workforce Development Division (WDD) is the state administrative entity (and has been since the Legislature established the Department in the early 1980s) for the various Federal grant programs such as the Workforce Investment Act (WIA) as well as several discretionary grants from the U. S. Department of Labor. The WDD is the Grantee and fiscal agent for the WIRED Grant (West Alabama/East Mississippi (WAEM)) project. As with all of our Federal programs, the WDD's fiscal and programmatic staff as applicable will provide grant administration, Federal reporting of grant activities to include costs, oversight and monitoring of the WIRED sub-recipients such as The Montgomery Institute, the various

colleges, and other sub-recipients, which receive WIRED grant funds. At the end of the four year term of the WIRED Grant, the WDD will complete the Closeout Package and submit it to the U. S. Department of Labor. The WDD has well experienced people, whose intent with this an all grants is to ensure that grant funds are efficiently managed and that grant funds are expended for the activities and purposes for which they were obtained as well as to preclude the expenditure of any funds for unallowable costs and activities. The experience of the WDD coupled with that of experienced contractors should ensure that we meet the employment and training needs of WAEM's service population. The WDD also is the administrative entity for the Alabama Local Workforce Investment Area (65 counties). It is ADECA's intent that the state WDD entity will administer the WAEM Project as it is the USDOL Grantee and ultimately responsible for ensuring that grant funds are expended in accordance with the WIRED Grant's approved budgets and for activities allowed in the USDOL approved WIRED Grant document.

ADECA/WDD utilizes the Alabama Department of Economic and Community Affairs Policies and Procedure Manual and the Alabama State Personnel Policies and Procedures Manual for Merit System Employees. WDD has an active capacity building effort to improve the knowledge and effectiveness of its staff.

2. Fiscal Integrity

The ADECA/WDD has years of Federal Grants management experience and has the required fiscal capability to properly track, report, and account for Federal (as well as State General) funds.

ADECA/OWD/WDD has developed a comprehensive property management system, covering both internal (ADECA/WDD) and external (subcontractor) procedures for property acquisition, the transfer/loaning of property, lost, stolen, or destroyed property, inventory.

Only authorized personnel identified by the ADECA and OWD's Directors will be allowed to sign documents requesting the disbursing funds. Other duties will be assigned to provide adequate separation of duties for internal control purposes. ADECA/WDD has systems, which will provide the mechanism to properly control and report funds received and disbursed under the WAEM WIRED Project.

Financial and compliance audits will be performed in accordance with provisions of the ADECA Audit Policy, as amended for each sub-grantee who receives $25,000 or more during the sub-grantee's fiscal year to include in-house administrative costs and program costs.

State-level programmatic/fiscal oversight is viewed as a particularly effective means of ensuring that both USDOL and state program policies are properly observed. The state's program monitoring policies and procedures are continually evaluated against the informal needs of staff managers and general standards of system integrity.

Monitors provide program operators the appropriate onsite technical assistance, and often refer sub-recipient staff to other state agency staff whose assistance might enable them to improve their respective programs. The state of Alabama has established methods of administration, which have been certified by the U.S. Department of Labor's Directorate of Civil Rights and which ensure compliance with the nondiscrimination provisions.

WDD's state program monitoring section will play a critical role in ensuring the maintenance of program integrity and to provide ongoing program evaluation and planning. There will be oversight, monitoring, and fiscal review activities to identify areas on non-compliance and to provide technical assistance where appropriate.

As noted earlier and to reiterate, Federal funds received from the U.S. Department of Labor are administered by the ADECA/OWD/WDD. The ADECA Fiscal and Audit Manager functions as the Comptroller and determines and provides fiscal policy and guidance to the WDD Division Director, the OWD Director and ADECA Director.

3. Electronic Reporting

State staff submits the NJFP quarterly reports. Reports are electronically submitted to the USDOL via the Enterprise Information Management System (EIMS). Data is entered in the State Management Information System by the customer service staff. Customer service staff is connected via our integrated management system (AlaWorks) thus allowing for timely reports to the USDOL.

Section 6: ANTICIPATED TECHNICAL ASSISTANCE REQUESTS

Technical assistance requests from the ETA Resource Team included:
1. CAEL review and participation in workforce systems assessment for Goals 3 and 4.
2. RUPRI support for Goals 1 and 2 through the Center for Regional Competitiveness and the Center for Rural Entrepreneurship (paid by WAEM WIRED).

Other technical assistance requests are detailed in the goal statements. Substantial assistance is needed for Goals 1, 2, 3, and 4. Organizations like the RUPRI, CAEL, the Southern Rural Development Center, regional research universities, and others have played vital roles.