



STATE OF ARIZONA

OFFICE OF THE GOVERNOR

1700 WEST WASHINGTON STREET, PHOENIX, AZ 85007

JANET NAPOLITANO
GOVERNOR

MAIN PHONE: 602-542-4331
FACSIMILE: 602-542-7601

June 28, 2004

Ms. Emily Stover DeRocco
Assistant Secretary, U.S. Department of Labor
Employment and Training Administration
S-2307
Frances Perkins Building
200 Constitution Avenue, NW
Washington, DC 20210

Dear Assistant Secretary DeRocco:

I am requesting a waiver that would allow the Governor's Council on Workforce Policy the ability to provide Local Workforce Investment Boards with policies and procedures that would enable the transfer of up to 100% of each program year allocations between the Adult and Dislocated Worker funding streams, beginning in Program Year 2004. This request is submitted according to the guidelines identified in WIA Section 189(i)(4)(B) and WIA Final Rules at 20 CFR Section 661.420(c).

Providing Arizona's local workforce investment boards with greater flexibility in the administration of their finances continues to be crucial in these times of limited funds and fiscal challenges. This waiver will continue to ensure a more effective delivery of WIA programs and services throughout Arizona. Additionally, the Workforce Investment Act prescribes a strong role for local workforce investment boards and the private sector in strategic planning, policy development and oversight of the local workforce investment system and its activities. This waiver will allow workforce investment boards flexibility, which is a key element in the development of comprehensive systems designed to meet the needs of the local areas.

Attached please find a brief statement that explains the goals of the waiver, actions taken to remove any state and local barriers, programmatic outcomes, and the process used to monitor progress.

If you have additional questions or concerns, please contact Lela Alston of the Arizona Department of Economic Security at 602-542-1784 or Lalston@azdes.gov. Thank you for your attention to this matter.

Yours very truly,

A handwritten signature in black ink, appearing to read "Janet Napolitano".

Janet Napolitano
Governor

Cc: Mr. John Humphrey
Interim Regional Administration
U.S. Department of Labor, Region 6

would also help support local service plans that must integrate the cultural, educational, and employment-related needs unique to each workforce community.

State or Local Statutory Regulatory Barriers:

There are no state or local statutory or regulatory barriers to implementing the waiver. GCWP and DES-EA policies are in compliance with current Federal guidelines. Upon notification of approval of this waiver request, state policies will be issued to comply with the terms of the waiver. The state policies will outline specific actions each LWIB must take in requesting the Governor's approval to modify the LWIB's most current transfer rate (%) between the Adult and Dislocated Worker funding streams. Specific actions will include, but are not limited to, a formal request to be submitted by the LWIA to the GCWP for review and action, and formal modification of the LWIB's Local Plan if approval of a new transfer rate is granted.

Goals to be Achieved by the Waiver:

- Enhance the ability of local boards to respond to workforce and economic dynamics within their local areas.
- Increase local flexibility in the design of adult and dislocated worker service plans.
- Improve performance outcomes.
- Improve the ability of local boards to design programs and provide targeted assistance in response to customer needs.
- Enhance the local board's ability to respond to employer needs for workers trained in employer-specific skills.

Programmatic Outcomes to be Achieved by the Waiver:

The responsibility of LWIBs is to plan, oversee, and evaluate the delivery of WIA employment and training programs in their respective areas through the One-Stop service delivery system. Because of Arizona's size, its population distribution, its cultural diversity, and the remoteness of many of its communities, customer needs vary greatly from one local workforce investment area to another. The flexibility to transfer funds between the adult and dislocated worker programs allows LWIBs to respond more effectively to their individual communities.

With the waiver, LWIBs would be obliged to design programs that speak to the service priorities among their customers, and that lead to customer employment and eventual self-sufficiency. The waiver would also help position Arizona's workforce as a better skilled, and more competitive one in the wake of a broader economic picture.

Individuals Impacted by the Waiver:

The waiver is expected to benefit LWIBs, One-Stop partner programs, employers, service providers, and WIA customers overall.

- LWIBs will have the flexibility to design programs based on local needs and priorities.
- One-Stop partner programs will be able to better align their service offerings with those of the local WIA programs.

- Employers will be better served through participants that acquire skills specific to each employer's needs.
- WIA program participants will receive services appropriate to the participant group(s) for which they are eligible.
- Increased utilization of funds will result in more participants being served in the aggregate.

Process Used to Monitor Progress in Implementing the Waiver:

Arizona's program and fiscal monitoring system has been developed with input from the Department of Labor Employment Training Administration Region 6 Office. The State's performance tracking system continually assesses the effectiveness of the State's WIA Programs. The State will pay specific attention to the effects of implementation of this waiver. Waivers will not be granted to local workforce areas until appropriate policies and guidelines have been reviewed by the Governor's Council on Workforce Policy and approved by the Governor. These policies and guidelines will ensure that appropriate funding levels remain allocated to the needs of dislocated workers.

Process for Notice to Local Boards and the Opportunity to Comment:

Notice to LWIBs will occur via electronic submittal of this waiver request to all boards for their comment, prior to formal submittal of the request to the USDOL-ETA. In the months preceding the electronic submittal, some local program directors have given preliminary endorsement for this waiver request both verbally and in writing.

07/14/2004

OFFICE OF WORKFORCE INVESTMENT/ETA

LETTER

Originator: Napolitan, Janet (Gov)
Addressee: DeRocco, Emily Stover
Organization: State of Arizona

Constituent:

Correspondence Date: 06/28/2004 Date Received: 07/13/2004 Due Date: UND

CORRESPONDENCE ID: 392211 Letter Type Code: C WH Sys ID:

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Information Copies:
Subject: Waiver Request
Enter Date: 07/14/2004
CloseOut Oper: Closeout Date:
Final Signature: Signature Date:
Remarks:

Status Milestones

Table with 4 columns: Agency Code, Action Code, Date Assigned, Operator. Rows include ASET, OWI/ETA, and DOSO/OWI/ETA.