



MAR 17 2003

The Honorable Bob Holden
Governor of Missouri
Jefferson City, Missouri 65101

Dear Governor Holden:

It is with pleasure that I respond to the State of Missouri's request for a waiver of statutory and regulatory requirements under the Workforce Investment Act (WIA), in accordance with the Secretary's authority to waive certain requirements of WIA Title I, subtitles B and E and sections 8-10 of the Wagner-Peyser Act. This authority is granted to the Secretary by section 189(i)(4)(A) of the Workforce Investment Act (WIA or the Act), and in the implementing regulations at 20 CFR 661.420.

These waivers grant states flexibility in program design for seamless program delivery and improved customer service, in exchange for accountability and agreed-to programmatic outcomes. We hope that these changes will assist your state in meeting its workforce needs and improving programmatic outcomes at the local level and statewide.

We appreciate the state's cooperation in working with our Kansas City office to provide supplemental information on the waiver submission so that an informed decision could be made on the state's request. We also appreciate the state's patience while we considered how best to implement the request and what timetable would be most appropriate. We are pleased to be able to respond positively to your request.

Waiver: Waive the WIA regulation at 20 CFR 667.160, which implements the WIA Title I provisions relating to the recapture and reallocation of unobligated balances of youth funds (WIA section 128(c)) and adult funds (WIA section 133(c)).

The State of Missouri is requesting a waiver of 20 CFR 667.160, which implements the provisions of WIA sections 128(c)(2) and 133(c)(2) relating to the recapture and reallocation by a state of its unobligated balances of youth funds and adult funds, respectively. The proposed waiver would enlarge the fund balances subject to



recapture by also permitting the state to recapture and reallocate obligated but unexpended adult and youth funds. The stated purpose of the request is to promote a higher rate of expenditure of funds by local areas than is the case at present, in order to ensure that local workforce programs are fully implemented and to provide more customers with the services they need.

Missouri proposes to modify the obligation-based recapture and reallocation procedures in the state plan by adding additional state recapture criteria based on expenditures of adult and youth funds and performance. In its request, Missouri maintains that the rescission of unexpended WIA funds in the 2001 Supplemental Appropriation Act is an indication of Congressional intent to achieve a higher rate of expenditures. The state says that certain WIA provisions prevent it from increasing the rate of local area expenditures, particularly the recapture and reallocation provision and the prohibition in section 189(g)(2) on deobligating funds that are being expended at a rate consistent with the state plan. Under the proposed waiver, obligated but unexpended funds above specified thresholds (80% of most recent year Adult and Youth funds, 85% of Dislocated Worker funds, and 100% of prior year funds) would be reallocated to local workforce investment boards (LWIBs) with acceptable expenditure and performance histories.

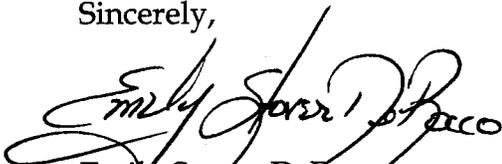
The waiver is written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c) and appears to meet the standard for approval at 20 CFR 661.410(e). Based on the state's request (copy enclosed), we are granting a waiver of the recapture and reallocation provisions of WIA sections 128(c)(2), 133(c)(2) and 20 CFR 667.160 to also permit recapture and reallocation of obligated but unexpended balances of local area funds, using the expenditure levels specified in the state's request, i.e., 80% of most recent year Adult and Youth funds, 85% of Dislocated Worker funds, and 100% of prior year funds. As requested, total unexpended funds subject to recapture and reallocation in any funding stream would have to exceed \$200,000 before the state procedures would be applied to that funding stream.

The state's waiver request contemplated the implementation of new procedures based on financial results through the end of the quarter ending September 30, 2002, if the request was approved. The initial recapture and reallocation under the new procedures would have involved unexpended Program Year (PY) 2001 and earlier years' funds; subsequent reallocations of PY 2002 and later program year funds would be based on financial results through June 30 of each succeeding year. We believe implementation of the waiver on this basis would cause hardship to some local areas unable to accomplish all the administrative actions necessary to advance their expenditure timetables so as to avoid reallocation of PY 2001 funds based on the state's revised allocation policy. Accordingly, the requested waiver is effective July 1, 2002, and, under the state's proposed policy, will first apply to unexpended balances of PY 2002 and earlier year funds on hand June 30, 2003.

The granted waiver is incorporated by reference into the state's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and also constitutes a modification of Missouri's approved five-year strategic plan. A letter is being sent to your WIA state liaison that supplements this notification letter and spells out the terms and conditions of this waiver. A copy of both letters should be filed with the state's WIA Grant Agreement and the state's approved five-year plan, as appropriate.

We look forward to continuing our partnership with you and to the achievement of better workforce investment outcomes and the improvement of the lives of many of the residents of Missouri. We are prepared to entertain other state and local-level waiver requests that the state may wish to submit, consistent with the provisions of the Act and regulations.

Sincerely,



Emily Stover DeRocco

Enclosures



Bob Holden
Governor

DIVISION OF WORKFORCE DEVELOPMENT

Joseph L. Driskill
Director

421 East Dunklin Street
Post Office Box 1087
Jefferson City, MO 65102-1087
(573) 751-3999
Fax (573) 751-4088

Rick Beasley
Director

August 21, 2002

Herman Wallace, Associate Regional Administrator
Employment and Training Administration
U.S. Department of Labor
City Center Square
1100 Main Street, Suite 1050
Kansas City, MO 64105

Dear Herman:

The purpose of this letter is to clarify the issues Bob Wilson discussed with the Division of Workforce Development (DWD) staff regarding Missouri's waiver request of June 18, 2002. In response to these discussions, I am enclosing a copy of the single comment we have received to date. Should we receive additional comments, I will forward them to you.

One of the issues discussed with staff relates to the state's request to waive 20 CFR, Section 667.160 and implement an expenditure-based requirement (in addition to the obligation requirement). Our intent is not to eliminate the reference to obligation, but to expand the Governor's authority beyond the inference that his authority ends with obligation. In other words, we would look at his authority based on obligation first, but as that allows no action to be taken (under current Missouri policy as outlined in our plan), would move to the expenditure based authority as requested.

Another issue raised was the ability of locally "obligated funds" to be recovered and returned to the state. Within standard contract language, any local contracts have historically included language establishing fund availability for one year, with extension provisions if funds are available; therefore allowing any contracted obligations to be returned to the state if required at the end of each contract year. While the funds are fully obligated at the local level, that obligation is only in effect so long as funds would be available. These provisions were critical to our ability to comply with the Dislocated Worker Rescission during June of this year.

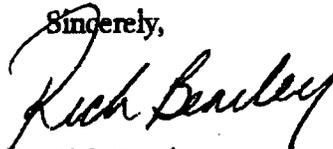
Staff discussion also led to a necessary clarification regarding administrative funds. In order to reflect the intent of Section 667.160 (b) & (c), the state will adjust our issuance and also adjust our waiver request to include the language "less any amount reserved (up to 10 percent) for the costs of administration". In essence, this change would allow any funds available for recapture to be based on expenditure of program funds only.

Herman Wallace
August 21, 2002
Page 2

I hope these clarifications will assist the U.S. Department of Labor in responding to our request. We are concerned that the policy outlined in our modification becomes effective on September 30, 2002, and hope to have approval to implement that policy prior to that date.

If any further clarification is necessary, please feel free to contact Roger Baugher at (573) 751-7897, Steve Kraus at (573) 751-7797 or my office at (573) 751-3349.

Sincerely,



Rick Beasley
Director

RB/rb

Enclosure



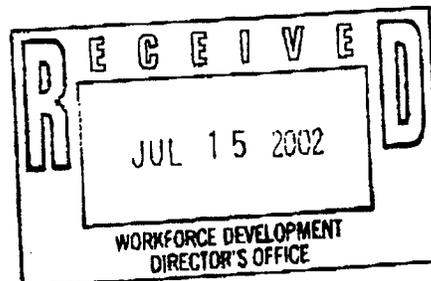
DEPARTMENT OF WORKFORCE DEVELOPMENT

St. Charles County Government

Donald N. Holt
Executive Director

July 11, 2002

Rick Beasley, Acting Director
Division of Workforce Development
(Attn: Planning and Research)
PO Box 1087
Jefferson City, MO 65102-1087



Dear Mr. Beasley:

I am writing to offer my comments on the Waiver Request pertaining to the proposed deobligation/reobligation policy. The Act (WIA) states in Sec. 1, Title I, Subtitle E, SEC. 189(i)(4)(A)(i), that requirements relating to allocation of funds to local areas and functions of local areas and boards are exceptions to the waiver process. This would seem to clearly communicate that Congress did not intend this to be within the Secretary's waiver authority. Further, as one of the seven key principals of the Act is a "Strong role for local workforce investment boards and the private sector," this seems an unnecessary and inappropriate infringement on the roles of the WIB and the Local Elected Official responsible for the area.

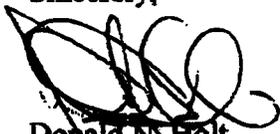
In the body of the waiver request there is discussion of the inferred Congressional intent embodied in the Supplemental Appropriations Act, 2001 (Public Law 107-20). I cannot agree with the interpretations contained in this discussion. Congress has not amended the Act and one could easily draw a different conclusion from that lack of action. Given more recent Congressional sentiment as expressed in the current Congressional supplemental budget process, it would appear that the focus of the discussion has changed. Given this change, your proposed action lacks a foundation.

The narrative of the request then moves on to a discussion of "obligations" verses "expenditures." The argument is grounded in the fact that WIB's are prohibited from providing services and this gives them less control over expenditures. While there are many conclusions that could be drawn from this statement, I have difficulty with what is being conveyed by your narrative. Are you advocating changed accounting and spending policies? Are we saying that a WIB/grant recipient should write contracts exceeding available resources because the sub-recipients may not spend out their contract? (This is an especially interesting position as the State is prohibited from this type of approach.)

Page 2

Let us move to the bottom line, do we have funds in local systems that are over two years old? If we do, then by all means, recover and reallocate those funds as provided for in the Act. If not, failing Congress amending the Act, let us move forward and address the other challenges we all face.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald N. Holt", written over a printed name.

Donald N. Holt
Executive Director



OFFICE OF THE GOVERNOR
STATE OF MISSOURI
JEFFERSON CITY
65101

www.gov.state.mo.us

BOB HOLDEN
GOVERNOR

STATE CAPITOL
ROOM 216
(573) 751-3222

June 18, 2002

Mr. Herman Wallace, Associate Regional Administrator
Employment and Training Administration
U.S. Department of Labor
City Center Square
1100 Main, Suite 1050
Kansas City, MO 64105

Dear Mr. Wallace:

On behalf of the State of Missouri, I hereby request a waiver for the requirements in 20 CFR, Section 667.160 of the Workforce Investment Act (WIA) Final Regulations. This waiver would allow the state to implement an expenditure-based requirement for the local Workforce Investment Boards, in addition to the obligation requirement referenced in the regulation.

The WIA of 1998 authorizes the U.S. Secretary of Labor to waive certain statutory and regulatory provisions of the Act. This waiver authority gives states increased flexibility for implementing reforms to the workforce development system.

On July 24, 2001, Congress passed the Supplemental Appropriations Act, 2001 (Public Law 107-20), which evaluates WIA funding needs based on the rate of expenditure, rather than obligation, as stated in the Act. It is necessary to take steps to ensure that an adequate level of expenditure is maintained by the local areas and that is reflected in the state's overall expenditures. The Missouri Division of Workforce Development's (DWD) deobligation/reobligation policy (Issuance 18-01), which was approved by the Missouri Training and Employment Council, establishes the state's rate of expenditure for the local areas.

Enclosed for your review is Missouri's "Waiver Request Plan," which includes DWD Issuance 18-01. I respectfully request that you to approve this request for a waiver to ensure that Missouri's local workforce investment systems are fully funded, implemented and expended. I trust the result would be our ability to serve more customers throughout our state.

Sincerely,

A handwritten signature in black ink that reads "Bob Holden".

Bob Holden
Governor

Enclosure

WAIVER REQUEST

Statutory or Regulatory Requirement to be Waived

The State of Missouri requests that 20 CFR, Section 667.160, be waived and the Governor allowed to implement an expenditure-based requirement in addition to the obligation requirement referenced in the regulation.

The current wording of the question, "What reallocation procedures must the Governors use?" along with the wording of the answer to the question, "(a) The Governor may reallocate youth, adult and dislocated worker fund . . .," limit the Governor's option to impose a reallocation process on the local areas to the obligation-based process outlined in the regulation.

Waiving this portion of the regulations will allow the State to institute its expenditure-based deobligation/reobligation policy at the local level. The Workforce Investment Act (WIA), as passed by the One Hundred Fifth Congress in January of 1998 and the regulations finalized on August 11, 2000, established a process that makes funding available for two years at the local level and three years in total. Success or failure is measured on "obligation" of funds, not expenditure of those funds. In that framework, it made sense to limit the Governor's power to impose additional restrictions on the local Workforce Investment Boards (WIBs).

However, the world has changed in the last two years. The current Congressional intent, as expressed in the Supplemental Appropriations Act, 2001 (Public Law 107-20), is to evaluate WIA's needs based on the rate of expenditure, not the obligation. The administration, in the form of the President's 2003 Budget and the Assistant Secretary's Budget testimony, indicates that funding decreases will maintain the same level of service because they anticipate large amounts of unspent grant funds. These actions, along with the urgency contained in communications with ETA, make it clear that a new method of evaluation is in place for the States. Therefore, it is necessary for the Governor to take steps to ensure that an adequate level of expenditure is maintained by the local areas, as well.

In addition, WIA Title I, Subtitle E, Section 189(g)(2), seems to provide a statutory basis for an expenditure-based evaluation as it states that "no amount of funds described in this paragraph shall be deobligated on account of a rate of expenditure that is consistent with a State plan . . ." The State's deobligation/reobligation policy in effect establishes the State's "rate of expenditure" and was included in the State Plan Modification Number 2, which was recently submitted to the U.S. Department of Labor (DOL) for approval.

Furthermore, Missouri has followed the intent of WIA and prohibited the local WIBs from operating programs themselves. Thus, without this waiver, the WIBs will be virtually fully obligated when they issue their funding to their program operators at the beginning of each program year. This makes the "obligation" requirement meaningless as a tool to ensure that the maximum number of individuals are served with each year's funding.

The impact at the local level will be considerable levels of unexpended funds, which will reflect in the State's overall expenditure level and, in turn, at the national level. Since Congress determines the WIA budget based on expenditure levels, decreases in future funding at all levels will result.

The Supplemental Appropriations Act, 2001 instructs the U.S. Secretary of Labor to report expenditures to Congress. This legislation appears to contradict WIA, which was based on obligations rather than expenditures.

The goal of Missouri's Strategic Five-Year State Workforce Investment Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act "is to provide an environment which supports a market-driven workforce preparation system, developed locally, that has clear goals and provides accountability to its customers." The goal of Missouri's Waiver Request is to ensure that the programs of the local workforce investment system are fully-funded, implemented and expended so that more customers are provided the services they need to maintain this market-driven system.

Actions the State has Taken to Remove Barriers

On February 6-7, 2002, officials of the Missouri Division of Workforce Development (DWD) attended the U.S. DOL State Administrators Meeting in Chicago. At this meeting, the U.S. DOL Regional Director encouraged DWD to develop procedures to increase local expenditures, since several regions in the State had considerable amounts of unexpended funds. DWD reviewed local expenditures for PY 2000 and PY 2001 and had found that PY 2000 expenditures in some regions were low, but attributed that to the implementation process of WIA. However, when DWD reviewed PY 2001 expenditures, they found that several regions still had very low expenditure levels. DWD realized that the current policy of allowing local regions to expend funds at their own rate, had, in fact, created a barrier for fully implementing WIA in those regions with low expenditures.

As a result of these findings and the meeting with the Regional Director, DWD began procedures to develop a policy that would encourage local expenditures. On April 9th, the Missouri Training and Employment Council (MTEC), the State WIB, approved the current DWD deobligation/reobligation policy (Issuance 18-01, dated April 19, 2002). This issuance is included as an attachment.

Goals and Expected Programmatic Outcomes of this Waiver

The immediate goal of this Waiver Request would be to increase the local expenditure rates to at least the following levels by the end of each Program Year:

Adult	80% of formula funds
Youth	80% of formula funds
Local Administration	80% of formula funds
Dislocated Worker	85% of formula funds

This higher rate of expenditure will result in more clients receiving WIA services, which will then result in improved local and State performance outcomes.

Individuals Affected by the Waiver

Individuals seeking employment and training and businesses would both be affected by the granting of this waiver. Requiring the local WIBs to expend the majority of their formula funds by the end of each year will result in expanded employment, training and employer services, particularly in those regions that had the low expenditure rates.

Processes Used to:

Monitor the Progress in Implementing the Waiver

Should this request be granted, DWD will provide written notice to all regions, including the implications regarding expenditure levels. DWD will monitor the expenditure levels of each region to ensure that they are consistent with the levels established in the deobligation/reobligation policy.

Provide Notice to Any Local Board Affected by the Waiver

Prior to the submission of this Waiver Request, DWD will inform all regions of its intent via a hard copy memorandum, as well as an email memorandum, with this plan attached.

Provide any Local Board Affected by the Waiver an Opportunity to Comment on the Request

A 30-day comment period from the date of written notification will be given to allow local WIBs an opportunity to provide comments on the Waiver Request. Copies of any comments received will be forwarded to the U.S. DOL's regional office in Kansas City.

Ensure Meaningful Public Comment on the Waiver Request

A 30-day comment from the date of publication on MTEC's website will be given to allow the public an opportunity to provide comments on this request. Copies of any comments received will be forwarded to the U.S. DOL's regional office in Kansas City.

Attachment

DWD Issuance 18-01 (Reobligation/Deobligation Policy for Local Areas), April 19, 2002

April 19, 2002

DWD ISSUANCE 18-01

Subject: Workforce Investment Act Reobligation/Deobligation Policy

1. Purpose: To provide policy on Workforce Investment Act Reobligation/Deobligation for Local Areas

The Workforce Investment Act provides for de-obligation of funds from local Workforce Investment Areas based upon failure to meet minimum obligation requirements specified in the Act and regulations. The Missouri Training and Employment Council policy which prohibits Workforce Investment Boards (WIB) from operating programs means all the areas by complying with the policy will be virtually fully obligated regardless of their expenditure pattern. The Congress and the US Department of Labor (USDOL) utilized a minimum expenditure requirement of 85% on Dislocated Worker Program as the basis for rescinding Dislocated Worker funds this year and has incorporated projections of unexpended funds into the computation of funding in the President's FY '03 Budget proposal. For these reasons the State feels it is necessary to impose an expenditure requirement on the Local Workforce Investment Areas as a method to ensure that the maximum available funding is provided for Missouri's citizens'.

2. Substance: Each Local Workforce Investment Board for their Title I Adult, Youth, and Local Administration formula funds must expend all funds from any prior year plus at least 80% of their current year allocation by June 30 of each year (September 30, 2002 for PY'01 funds). The Local Workforce Investment Board for their Title I Dislocated Worker formula funds must expend all funds from any prior year plus at least 85% of their current year allocation by June 30 of each year (September 30, 2002 for PY'01 funds). Allocation refers to the local area original formula allocation adjusted as appropriate by transfers between programs that have been approved in the local Workforce Investment Area Plan. The higher expenditure requirement for the Dislocated Worker program reflects the rate USDOL used in their analysis plus it reflects that the State is providing Rapid Response funds to each area for Training which DWD Issuance 18-01 should allow them to attain a higher overall expenditure rate.

These rates are the historical expenditure levels required in Employment & Training programs prior to WIA.

Those WIBs who fail to meet the minimum expenditure levels would have the amount below the minimum expenditure level de-obligated from them. The areas that met or exceeded both their performance numbers and minimum expenditure levels in the prior year would be eligible to receive a portion of these funds. The performance evaluation for the purposes of re-obligation of these funds only shall be based on the fourth quarter performance data, so that the funds are available in a timely manner. The annual performance for all other purposes including the sanction policy shall continue to be based on the final data included in the annual report. If the total amount de-obligated was more than \$ 200,000 per program, the state would reallocate by a formula based on their prior year expenditures. If the amount de-obligated was less than \$ 200,000 per program, the state would have the discretion to make awards to the highest performing areas. This would prevent the policy forcing the state to make insignificant awards that do not justify the additional work required to accept the funds. A maximum re-obligation of 30% of an area's current year allocation will be applied to ensure that areas receiving additional funds can be expected to expend them during that year. All the substate allocated funds must be allocated to some region so, if the maximum 30% re-obligation would cause any funds to remain unobligated, then the amount to be de-obligated will be reduced proportionally until it equals the amount to be re-obligated.

3. Action: This information should be distributed to appropriate staff.
4. Contact: If you have any questions, contact Steve Kraus at (573) 751-7797 or my office at (573) 751-3349.

Rick Beasley, Acting Director

RB/RB/dp

c: DWD Admin Group
DWD Central Office Managers
Regional Managers
WIB Chairs
WIB Contacts



Bob Holden
Governor

DIVISION OF WORKFORCE DEVELOPMENT

Joseph L. Driskill
Director

April 19, 2002

DWD ISSUANCE 18-01

Subject: Workforce Investment Act Reobligation/Deobligation Policy

1. Purpose: To provide policy on Workforce Investment Act Reobligation/Deobligation for Local Areas

The Workforce Investment Act provides for de-obligation of funds from local Workforce Investment Areas based upon failure to meet minimum obligation requirements specified in the Act and regulations. The Missouri Training and Employment Council policy which prohibits Workforce Investment Boards (WIB) from operating programs means all the areas by complying with the policy will be virtually fully obligated regardless of their expenditure pattern. The Congress and the US Department of Labor (USDOL) utilized a minimum expenditure requirement of 85% on Dislocated Worker Program as the basis for rescinding Dislocated Worker funds this year and has incorporated projections of unexpended funds into the computation of funding in the President's FY '03 Budget proposal. For these reasons the State feels it is necessary to impose an expenditure requirement on the Local Workforce Investment Areas as a method to ensure that the maximum available funding is provided for Missouri's citizens'.

2. Substance: Each Local Workforce Investment Board for their Title I Adult, Youth, and Local Administration formula funds must expend all funds from any prior year plus at least 80% of their current year allocation by June 30 of each year (September 30, 2002 for PY'01 funds). The Local Workforce Investment Board for their Title I Dislocated Worker formula funds must expend all funds from any prior year plus at least 85% of their current year allocation by June 30 of each year (September 30, 2002 for PY'01 funds). Allocation refers to the local area original formula allocation adjusted as appropriate by transfers between programs that have been approved in the local Workforce Investment Area Plan. The higher expenditure requirement for the Dislocated Worker program reflects the rate

USDOL used in their analysis plus it reflects that the State is providing Rapid Response funds to each area for Training which DWD Issuance 18-01 should allow them to attain a higher overall expenditure rate. These rates are the historical expenditure levels required in Employment & Training programs prior to WIA.

Those WIBs who fail to meet the minimum expenditure levels would have the amount below the minimum expenditure level de-obligated from them. The areas that met or exceeded both their performance numbers and minimum expenditure levels in the prior year would be eligible to receive a portion of these funds. The performance evaluation for the purposes of re-obligation of these funds only shall be based on the fourth quarter performance data, so that the funds are available in a timely manner. The annual performance for all other purposes including the sanction policy shall continue to be based on the final data included in the annual report. If the total amount de-obligated was more than \$ 200,000 per program, the state would reallocate by a formula based on their prior year expenditures. If the amount de-obligated was less than \$ 200,000 per program, the state would have the discretion to make awards to the highest performing areas. This would prevent the policy forcing the state to make insignificant awards that do not justify the additional work required to accept the funds. A maximum re-obligation of 30% of an area's current year allocation will be applied to ensure that areas receiving additional funds can be expected to expend them during that year. All the substate allocated funds must be allocated to some region so, if the maximum 30% re-obligation would cause any funds to remain unobligated, then the amount to be de-obligated will be reduced proportionally until it equals the amount to be re-obligated.

3. Action: This information should be distributed to appropriate staff.
4. Contact: If you have any questions, contact Steve Kraus at (573) 751-7797 or my office at (573) 751-3349.

Rick Beasley, Acting Director

RB/RB/dp

c: DWD Admin Group
DWD Central Office Managers
Regional Managers
WIA Local Contacts

May 29, 2002

Mr. Herman Wallace, Associate Regional Administrator
Employment and Training Administration
U.S. Department of Labor
City Center Square
1100 Main, Suite 1050
Kansas City, Missouri 64105

Dear Mr. Wallace:

The State of Missouri requests a waiver for the requirements in 20 CFR, Section 667.160 of the Workforce Investment Act (WIA) Final Regulations. This waiver request will allow the State to implement an expenditure-based requirement on the local Workforce Investment Boards (WIBs) in addition to the obligation requirement referenced in the regulation.

The Workforce Investment Act (WIA) of 1998 authorizes the U.S. Secretary of Labor to waive certain statutory and regulatory provisions of the Act. This waiver authority gives states increased flexibility for implementing reforms to the workforce development system.

On July 24, 2001, Congress passed the Supplemental Appropriations Act, 2001 (Public Law 107-20), which evaluates WIA's funding needs based on the rate of expenditure, rather than obligation, as stated in WIA. As Governor, I feel it is necessary to take steps to ensure that an adequate level of expenditure is maintained by the local areas, which, in turn, reflects in the State's overall expenditures. The Missouri Division of Workforce Development's (DWD) deobligation/reobligation policy (Issuance 18-01), which was approved by the Missouri Training and Employment Council (the State WIB), establishes the State's rate of expenditure for the local areas.

Enclosed for your review is the State's "Waiver Request Plan," which includes DWD Issuance 18-01. I ask that you approve this request so that Missouri's local workforce investment systems are fully funded, implemented and expended, resulting in more customers being served statewide.

Sincerely,

Bob Holden
Governor

Enclosure