U.S. Department of Labor

Assistant Secretary for
Employment and Training
Washington, D.C. 20210

JUL 19 2002

The Honorable Michael F. Easley
Governor of North Carolina
Raleigh, North Carolina 27699-0301

Dear Governor Easley:

It is with pleasure that I respond to the State of North Carolina'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.

The following is the disposition of the state's waiver submission.

Waiver: Subsequent Eligible Training Provider (ETP) Requirements; All student reporting requirement (WIA Sec. 122(c) and (d) and 20 CFR 663.535(c) and (d))

The state, as part of a modification to its approved five-year strategic plan, appears to be requesting a waiver (copy enclosed) of the section 122 (c) and (d) requirements and proposes an alternative subsequent eligibility determination process. The state's request primarily relates to those requirements related to performance data collection and the "all student" reporting requirement. The proposed process substantially changes the statutory elements used to determine subsequent eligibility of training providers in such a way that we believe is not consistent with the key reform principles on performance accountability and customer choice. Among other things, in addressing the "all student" issue, the state's proposes to initially collect data only on WIA participants and not on other non-WIA program participants. The process also establishes a rolling three-year threshold of 25 WIA-funded students before a training provider's individual program performance would be compared to

the state-established performance standards, instead of annually, as required by the statute and regulations. The state also proposes other policies regarding definitions of completers and permitting programs falling below the 25 WIA-funded students in a three-year period to retain their eligibility to receive referrals from local WIA programs.

Based on the state's current request (copy enclosed), we are not approving the request to waive subsequent eligibility requirements at WIA sections 122(c) and (d), and set forth at 20 CFR 663.535(c) and (d), including the "all student" reporting requirement for subsequent eligibility at WIA section 122(d)(1)(A)(i) and 20 CFR 663.535(c)(1), at this time. We also are not approving the alternative subsequent eligibility determination procedures proposed by the state, which we believe are inconsistent with the key reform principles of performance accountability and customer choice. This particular requirement is subsumed in the broader policy determination with regard to the overall eligible training provider impediments to full implementation of the states' five–year strategic plans, as identified by the WIA Readiness Workgroups, and as currently being discussed within the WIA Reauthorization process. Pending the national resolution of these issues, we are not prepared to waive such a critical component of the WIA key principles of increased accountability and customer choice.

Although we are not now prepared to waive this particular provision, we believe that there is some confusion in the field concerning what potential providers must do to meet this requirement. We are therefore, under separate cover, providing your WIA state liaison with some clarification on this issue, including some alternative options to satisfy this requirement, which may not require a waiver. Additionally, we wish to assist the state in addressing the issue of declining eligible training providers, which directly impacts on customer choice in accessing training services, one of the key reform principles of WIA.

Accordingly, the state is granted a waiver of the time limit on the period of initial eligibility of training providers at 20 CFR 663.530 to extend the period of initial eligibility through June 30, 2004. The effect of this waiver is to extend the period of initial eligibility of providers through Program Year (PY) 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 North Carolina's approved five-year strategic plan. A letter is being sent to your state WIA Liaison, which supplements this notification letter and spells out the terms and conditions that apply to the granted waivers. A copy of each letter 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 development outcomes and the improvement of the lives of many of the residents of North Carolina. We are prepared to entertain other state and local-level waiver requests that North Carolina may wish to submit, consistent with the provisions of the Act and regulations.

Sincerely,

Emily Stover DeRocco

Enclosure

North Carolina
Department of Commerce
Workforce Development

Michael F. Easley, Governor **James T. Fain III, Secretary**

February 14, 2002

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

ATTN: Mr. Eric Johnson, Director, Office of Career Transition Assistance

Dear Assistant Secretary DeRocco:

On behalf of Governor Michael F. Easley, a request to waive certain portions of Section 663.535 of the Workforce Investment Act Final Rule and to modify a section of North Carolina's 5-Year WIA Plan is hereby submitted. The provision in question concerns the determination of subsequent eligibility of training providers to receive WIA resources. The requirement for training providers to submit information on all students has posed unique challenges to the data collection, information management, and reporting systems used by both private and public training providers within the state.

We propose a modified version of subsequent eligibility determination until all of the necessary data collection systems and processes are in place. Attached are Sections III.B.3.c. through Section III.B.3.g. of the state's 5-Year Plan that describe North Carolina's approach to this issue. This modification has been approved by the North Carolina Commission on Workforce Development, the state's Workforce Investment Board, and has gone through a 30-day public review and comment process. No comments have been received.

We believe that this method will retain program accountability, yet not limit customer training options by making training provider eligibility decisions using incomplete, unreliable data. These interim measures will provide a wider window of performance to better evaluate the effectiveness of training programs. Additionally, this approach balances the desire not to place an undue burden on training providers to submit data in a format in which they are unfamiliar, with the necessity to provide some performance data for customers and program operators. The increased opportunity to appraise a program's long-term benefits will ultimately enhance a future customer's ability to make a more informed decision.

Should you or your staff have any questions about the waiver request or the Plan revision, please contact me at (919) 715-3300.

Thank you for your consideration of this important request.

Sincerely,

Daniel L. Giddens
Senior Policy Associate

c: Anna Goddard, Regional Administrator

enclosure

III.B.3.c. Selection of Service Providers for Individual Training Accounts

III.B.3.c.i. Identify policies and procedures your State established for determining the initial eligibility of local level training providers, how performance information will be used to determine continuing eligibility (including a grievance procedure for providers denied eligibility), and the agency responsibility for carrying out these activities.

The State of North Carolina through its Commission on Workforce Development has defined the following policies and procedures for establishing the initial and subsequent eligibility of training providers. The Commission on Workforce Development issued a common Internet-based statewide training provider application through the North Carolina State Training, Accountability and Reporting System (NC STARS), found on-line at www.ncstars.org.

INITIAL ELIGIBILITY DETERMINATION PROCEDURES

1. An agency, institution, or organization meeting either of the following categories is automatically eligible to be a provider for the first application period, and as such meets initial eligibility to receive funds under Title I of the Workforce Investment Act:
   a. A post-secondary educational institution that is eligible to receive Federal funds under Title IV of The Higher Education Act of 1965; **and** provides a program that leads to an associate degree, baccalaureate degree, or certificate; **OR**
   b. An entity that carries out programs under the Act of August 16, 1937, commonly known as the "National Apprenticeship Act."
2. Agencies, institutions, and organizations not eligible under Item 1 above may apply for initial eligibility to receive funds under Title I of the Workforce Investment Act, by completing an on-line application through the NC STARS automated training provider database. The applicant must indicate in the on-line application form which local Workforce Development Board(s) within the state the agency, institution, or organization wishes to review the application.
3. An agency, institution or organization applying for inclusion on the certified training provider list must apply by course or curriculum. A local Workforce Development Board cannot certify an agency, institution or organization as an entity, but rather must do so by specific course and/or curriculum. Through use of the Internet based NC STARS all training provider applications are submitted to the state and to each local area.
4. Workforce Development Board(s) review and certify applicant eligibility on-line by course or curriculum.
5. The information (if data is available) required from all agencies, institutions, and organizations applying for certification as an eligible training provider is:
   - Program completion rates for all individuals enrolled
   - Percentage of all individuals enrolled who obtain unsubsidized employment
   - Wages at placement for all individuals enrolled
   - If applicable, the rate of North Carolina state-recognized or industry-recognized licensure, certification, degrees, or equivalent attained by all program graduates (For example, Certified Nurse Aide, Licensed Practical Nurse.)
   - Credentials awarded
   - Program cost information to include tuition and fee requirements
6. Initial eligibility will be for a period of twenty-four (24) months, January 1, 2000 through December 31, 2001.

SUBSEQUENT ELIGIBILITY DETERMINATION PROCEDURES

Following the 24-month initial eligibility period, North Carolina plans to implement a graduated process to determine the continued eligibility of training providers. The data collection, information management, and reporting systems used by the private and the publicly-funded training institutions within the state continue to evolve in order to capture and process all relevant data elements used to determine training provider eligibility. This sometimes seems a daunting task, but improvements to the process continue to be made.

Another issue in the ability to fairly determine the subsequent eligibility of training providers is the low numbers of individuals enrolled into training across the state. That problem is compounded when attempting to analyze performance by each program offered by a training provider. A reliable assessment of performance measures by program, by provider, for the purpose of determining subsequent eligibility cannot be made at this time.

In order to retain program accountability, yet not limit customer training options by making training provider eligibility decisions using incomplete data, North Carolina will put in place the following policies:

- Initially, only the performance of WIA-funded customers will be tracked. The Unemployment Insurance database will be used to collect employment, and wage information. The performance of the non-WIA funded customers will be measured as quickly as the required data collection systems and processes are in place.
- Use a minimum threshold of 25 students served over a 3-year rolling period, before a training provider's individual program performance would be compared to the State-established performance standards. Using a lower number of customers would not produce an accurate picture of provider performance.
- Allow programs falling below the threshold of 25 WIA-funded students in a 3-year period to retain their eligibility to receive referrals from local WIA programs.
- Define the completion of training by a customer as the receipt of a degree, diploma, or a certificate.
- Use a sample from North Carolina's Common Follow-up System (described in Section III.B.3.c.v) to compare with the Unemployment Insurance database to determine the percentage of customers who were employed following academic program completion, and their placement wages.
- Delay until Program Year 2003 the tracking of the rate of licensure or certification and the percentage of all completers who attain industry-recognized occupational skills.
- Require training providers to continue to submit program cost information annually.

The above interim measures will provide a wider window of performance to better evaluate the effectiveness of training programs. Additionally, this approach balances the desire not to place an undue burden on training providers to submit data in a format in which they are unfamiliar, with the necessity to provide some performance data for customers and program operators. The increased opportunity to appraise a program's long-term benefits will ultimately enhance a future customer's ability to make a more informed decision.

ON-THE-JOB TRAINING PROVIDERS AND CUSTOMIZED TRAINING PROVIDERS

On-the-Job (OJT) training providers and customized training providers will not be subject to the eligible training provider requirements set forth in this plan. Local Workforce Development Boards have the discretion of requiring local OJT and customized training providers to complete an application, however the applications are not required to be submitted to the State, but may be used by the local Workforce Development Boards as management tools to review the performance of the training providers.

SELECTION OF ELIGIBLE YOUTH ACTIVITIES PROVIDERS

A local Workforce Development Board identifies eligible providers of youth activities through the local Youth Council. Providers of youth activities are not subject to the Training Provider System outlined above and are not eligible to receive Individual Training Account (ITA) resources. Eligible youth activity providers are subject to the State's performance indicators established for youth programs.

APPEALS/GRIEVANCES

The approval or disapproval of a training providers' application is made available to the public, including the providers, through the on-line Internet application process in the NC STARS system. Local Workforce Development Boards make determinations about training providers' training programs on-line. The NC STARS system will contain an identifier that defines whether or not the training providers' program meets the minimum state performance, once established. If a training provider's program does not meet the minimum state performance benchmark, local workforce development boards will not be able to offer ITAs for that particular training program.

Training providers may request from the local Board the reason(s) for failure to approve a training program, if for a reason other than that the provider did not meet State minimum performance. Each local Workforce Development Board shall develop a written appeal process, which provides the opportunity for the applicant to meet with an appeal committee.

III.B.3.c.ii Describe how the State solicited recommendations from Local Boards and training services providers and interested members of the public, including representatives of business and labor organizations, in the development of these policies and procedures.

The State has selected a standard application approach so that consistent information is gathered from each provider in order to build the Statewide Consumer Report.

A workgroup comprised of potential training providers, local Workforce Development Board members and staff, State Commission members and staff, partner agency staff and interested members of the public, business, and organized labor were solicited to assist the State in the development of a standard training provider application. Prior to the development of NC STARS, a draft application document was developed by the workgroup and disseminated to potential training providers and others across the State to gather feedback and to solicit comments, suggestions and/or recommendations. The following steps were implemented to ensure interested parties had the opportunity to comment on the training providers' certification system.

- Workgroup developed a draft application, process and policies for the selection of training providers that included initial and subsequent eligibility determination.
- Public hearings and meetings were held with potential providers and others to gather input.

- Comments and suggestions were incorporated into the State's application process and in the development of the "Eligible Training Provider" policy.
- Applications were distributed to current and potential providers, all Local Workforce Investment Areas , JobLink Career Centers, and Workforce Development Boards.
- Applications were completed and submitted to local boards, until NC STARS was operational. Local boards submitted all applications to the State for entry into the initial providers system. Once the NC STARS was operational, applications were and are completed and submitted on-line to local boards.
- Local boards review the on-line applications and make a determination as to whether the training offered is on the list of high demand occupations for that geographic area. If the training offered is in a high demand occupation, the board approves the training for WIA individual training account financial support.

III.B.3.c.iii. How will the State maintain the provider list?

The State will maintain the eligible training providers list via the Internet, as NC STARS. The web address is available statewide and all workforce development boards, JobLink Career Centers, training providers, and the public have access to NC STARS. All workforce development agencies in the State are linked to the NC STARS site. The web site is: www.ncstars.org.

III.B.3.c.iv. What performance information on training providers will be available at every One-Stop Center?

Performance information on training providers will be made available on-line at every JobLink Career Center in accordance with Section 122, through NC STARS and the on-line Consumer Guide. Performance data on providers that were automatically initially eligible will not be available during the first twenty-four (24) month period.
All providers submit the following information for the initial eligibility period:

- Program completion rates for WIA individuals enrolled in the applicable course or program.
- Percentage of WIA individuals enrolled that obtained unsubsidized employment in the applicable course or program.
- Wages at placement for WIA individuals enrolled in the applicable course or program.
- If applicable, the rate of North Carolina state-recognized or industry-recognized licensure, certification, degrees, or equivalent attained by all graduate in the applicable course or program.
- Program costs including tuition and all fees.

Performance data consistent with the list below will be made available as the data collection, management information, and reporting systems of training providers evolve .

- Program completion rates for WIA individuals enrolled.
- Percentage of WIA individuals enrolled who obtain unsubsidized employment.
- Wages at placement for WIA individuals enrolled.
- If applicable, the rate of North Carolina state-recognized or industry-recognized licensure, certification, degrees, or equivalent attained by all program graduates. (For example, Certified Nurse Aide, Licensed Practical Nurse.)
- Credentials awarded;
- Program cost information to include tuition and fee requirements;
- Accreditation by recognized agencies, if appropriate.

III.B.3.c.v. Describe the State's current capacity to provide customers access to the statewide list of eligible training providers and their performance information.

North Carolina has the capacity to provide customers access to the statewide list of eligible training providers and their performance information through the Internet and various agencies' web sites. North Carolina post secondary education and training information is available in the Microcomputer based system of the NC State Occupational Information Coordinating Committee, "NC Careers" and the "Micro-OIS." "NC Careers," available in schools, agencies and JobLink Career Centers, helps customers access and link self-assessment information to occupational choices, to post secondary training providers, their program offerings, and institutional profiles, including costs, fees, and financial aid. It can include "other" JobLink Career Center system providers and distance learning. Plans are underway for an Internet version. The list of eligible training providers and performance information will be available on the Internet and every JobLink Career Center and local Workforce Development Board in the State have access to the information.

North Carolina has in place a Common Follow-up System (CFS) which provides information on the educational, employment and earnings outcomes of participants in publicly supported employment, training and educational programs for use in planning, policy-making, program evaluation and career planning. The development of the interagency CFS has been a collaborative effort by the State agencies of the NC State Occupational Coordinating Committee (SOICC) from 1992 to the present. The purpose is to follow, over time, the education and training histories and the employment and wages of former participants in the State's education and training programs. The Consumer Guide information from the CFS is available on the NC Employment Security Commission web site and copies will be distributed to each JobLink Career Center and local Workforce Development Board.

Portions of the CFS will be modified to incorporate the additional performance and cost information elements required for training provider approval.

III.B.3.c.vi. Describe the process for removing providers from the list.

North Carolina is building its training providers list to serve a broader audience than just the WIA system. Therefore, NC STARS allows any training provider to enter their course and program information into the system. As the required data is available, the State will determine minimum performance indicators for providers who wish to be eligible to receive referrals of WIA customers. NC STARS will indicate whether training providers' programs meet the minimum state performance indicators for subsequent eligibility. Local boards may approve only those training providers' programs that meet the minimum state performance indicators. All requirements, sanctions, and the appeals processes are available on-line through the NC STARS automated training provider approval process. Since NC STARS is a live on-line system, training providers will not be removed from the list except for the following reasons.

> ***Accuracy of Information:*** If a local Workforce Development Board or State staffs determine that a provider has intentionally provided inaccurate information on the NC STARS application, that provider will lose eligibility for two years from the date of determination. Upon such determination, all local Workforce Development Boards, JobLink Career Centers operators and other training providers will be notified immediately of the removal of a provider from the NC STARS.

Non-compliance: If a local Workforce Development Board or the State staffs determine that a provider has violated any requirement under the Workforce Investment Act, that provider may lose eligibility for a period of one year, or other sanctions may be imposed. Upon such determination, all local Workforce Development Boards and JobLink Career Center operators will be notified what conditions/sanctions have been imposed and the training provider's application will be removed from NC STARS. Other sanctions include the repayment of funds; loss of eligibility for inclusion on the NC STARS for a period of three years, or both. Loss of eligibility for a period of one year shall be the penalty (or sanction) for failure to submit performance information, or filing erroneous reports. Loss of eligibility for a period of three years and/or repayment of funds will be the penalty for submission of incorrect data to deliberately misrepresent the performance of the training provider and/or violations of the Workforce Investment Act and Regulations.

Lack of Performance: Once the State minimum performance is established, if the annual review and reporting process indicates that a provider's program did not meet the applicable performance criteria during the previous program year, that provider's program will not be approved for the next program year. Local Workforce Development Boards and JobLink Career Centers operators will be notified. Such information will be maintained in NC STARS. All requirements, sanctions, and the grievance processes will be transmitted to training providers in writing so they will be aware of their responsibility, rights and sanctions.

Repayment: A provider whose eligibility is terminated may be liable for re-payment of WIA funds received for the program during any period of non-compliance.

Appeals: A provider of training services whose eligibility has been terminated can appeal that determination by:

- Submitting a written request for a hearing to the Commission on Workforce Development. This hearing--conducted by the State Commission--must take place within 30 calendar days of receipt of the request by the State Commission;

- The hearing shall include a rendering as to why the eligibility was terminated by the State and an appeal by the training provider as to why the decision should be reversed or a compromise established; and

- Within 10 working days of the hearing, a final judgment by the State will be rendered and will include the length of time the provider must remain ineligible, if any, and conditions that will justify re-establishing eligibility.

III.B.3.d. What is your State's current capacity to deliver high quality employment statistics information to customers--both job seekers and employers--of the One-Stop system?

The Labor Market Information (LMI) Division of the Employment Security Commission of North Carolina has the responsibility for developing and managing a comprehensive state labor market information system. The Bureau of Labor Statistics' (BLS) federal/state cooperative statistical programs forms the foundation of this system. The cooperating states are responsible for collecting the pertinent data, assuring their validity and reliability and transmitting these data elements to BLS. Economic data available from BLS Programs are labor force statistics that include employment, unemployment and unemployment rates; industry employment and wages; hours and earning for selected industries; occupational employment and wages and layoff and plant closing statistics. These data are available for the state and selected sub-state areas

including counties, metropolitan statistical areas, planning regions, service delivery areas and specialized geographies.

In addition to BLS programs, the LMI Division produces industry and occupational projections for many geographical areas utilizing industry and occupational data from the BLS fed/state cooperative programs, the Census and State Office of Budget and Management. LMI Division staff conducts approximately 2,000 Alien Wage Certifications each year as part of the larger agency Alien Certification Program to assure that legal requirements for fair wage standards are met by employers of alien workers. The Applied Research Unit within LMI conducts specialized research into economic factors of prime importance to the state and area labor markets. The JobLink Career Centers' LMI Program is responsible for the development and dissemination of labor market information products for LMI staff and the customers we serve.

Currently North Carolina has high quality electronic information delivery systems that have been designed and developed by LMI staff to meet the needs of both the job seeker and the employer. Products such as the Human Resource Information System (HRIS); State and Area Research and Analysis System (SARAS) and the North Carolina Navigator; commonly known as the Navigator, are convenient, user friendly tools that can be used for job search, career exploration, research and analysis, fiscal planning and economic development.

The Navigator is an interactive system accessible through the Internet. It is a comprehensive resource that furnishes job and career information, employment resources such as child-care, transportation, education, housing and other community resources and research information on the labor force and other key economic factors. By having the system available through the Internet, any individual having access to a computer with the appropriate software, whether it is located in a Job Service Office, JobLink Career Center, community college, personnel office, school guidance office or at home has access to the system. A user friendly, graphical interface makes gaining access to the Navigator features as easy as pointing and clicking on the appropriate text or icon. No special programming skills or detailed knowledge of computers are required to successfully use the system.

The Navigator is currently made up of five components or modules. The first is the Job and Career Navigator that focuses on career exploration and job search information. The ALMIS Employer Database is the source for the local employer information contained in the Navigator. The second is the Employment Resource Navigator. This component provides information on community resources and services such as child-care, training and transportation. The third module is the Research Navigator. This provides access to a series of studies on the North Carolina economy and related topics, including A Study of the Working Poor and NC Works. Fourth is the Consumer Guide module. This contains employment and wage outcome information on programs and services offered through several state agencies. Information is available on curriculum programs offered by the University of North Carolina system and the North Carolina Community College system. Users may query data either by school or curriculum. Fifth is the North Carolina Government Navigator that provides information on state and federal agencies. The Navigator is a dynamic system and will continue to expand as new modules are developed.

The HRIS was designed to aid users with the analysis of economic, demographic and labor market date. Detailed information on employment, income, population, labor force, occupational supply, occupational demand and several other related elements are available for the state, counties, planning regions, broad geographic regions, metropolitan statistical areas and customizable regions. Data are also available for other regions and areas, such as Bureau of

Labor Statistics Southeast Region and the United States. This stand-alone executable program can easily be loaded to any computer meeting the minimum system requirements or to a LAN-based computer network.

The SARAS was developed to provide a convenient, flexible way to display summary and comparative data through a client/server environment. Computers at remote locations can access the system through a server and as updated information becomes available, it is loaded onto the server, thereby providing up-to-date information to the user. Detailed information on population, income, occupational wages, industry data, industrial and occupational projections, labor force, mass layoff statistics and other data are available for the southeast region, state, counties, planning regions, broad geographic regions and metropolitan statistical areas. Descriptive tables are provided for analysis. Summary information for many data elements may be displayed on color-coded maps. An Internet version of this application is being developed and was made available to the public during calendar year 1999.

ESC currently serves as the host agency for a cooperative effort with the Division of Employment and Training, Department of Public Instruction, North Carolina Community College System, Division of Vocational Rehabilitation, Division of Services for the Blind, Division of Social Services, the University of North Carolina, N.C. Department of Labor and the Department of Correction to conduct follow-up research on completers and enrollees of publicly funded/supported programs. The objective of this system is to track the educational, employment, earnings and occupational experience of these individuals. A report evaluating the performance of the programs is prepared annually for the Legislature and shared with the participating agencies for their own use in evaluating their programs.

The NC State Occupational Coordinating Committee (NC SOICC) continues to promote interagency collaboration and to develop and deliver career information and career development resources to support JobLink Career Centers' and workforce development agencies' programs and customers. These products and services, which complement Employment Statistics systems, include the state's career information system, videos, publications, Internet services and staff development training on the use of resources.

III.B.3.e. Describe how the work test and feedback requirements [under 7(a)(3)(F) of the Wagner- Peyser Act] for all UI claimants are met. How is information provided to the UI agency regarding claimant registration, claimant job referrals, and the results of referrals?

In North Carolina, employment service (ES) and unemployment insurance (UI) functions are fully integrated within the Employment Security Commission. Individuals applying for UI benefits are routinely registered for employment, their applications are screened against open job listings, and referrals to employers are made when the applicant's qualifications match the employer's requirements listed on the job order. All services, including job referrals, are keyed into ESC's automated management information system. Local offices receive an electronically generated "Negative Referral Report" twice weekly. This report, available to ESC UI staff, lists all negative referral results, e.g. "failed to report for interview" or "failed to accept job offer". ESC UI staff use the information from this report to initiate the UI fact finding and adjudication processes required for "failure to report" and "job refusal" issues. Centers not staffed full-time by ESC have procedures in place for referring customers needing additional UI services to an affiliate ESC office. Claimants visit the ESC office every four to six weeks, at the discretion of the Local Office Manager, for a staff review of their continuing eligibility for benefits and work search efforts. Job development contacts, referrals to training and the provision of other services often grow out of these reviews. Active claimant applications are available for job matching and

referral. Our vision is to have the work test and feedback requirements, administered by the appropriate staff, integrated in the State's system of JobLink Career Centers.

III.B.3.f. Describe how the Wagner-Peyser Act staff participate (if applicable) in the conduct of the Eligibility Review Program reviews. Describe the follow-up that occurs to ensure that UI eligibility issues are resolved in accordance with section 5(b)(2) of the Wagner-Peyser Act.

Wagner-Peyser staff conducts initial eligibility reviews for individuals filing initial claims for unemployment insurance in N.C. These interviews are conducted to review the claimants' work history, to identify restrictions that limit the claimants' availability for full-time employment or that might prevent them from accepting work and to examine the reasonableness of employment expectations and wage demands. Availability issues discovered during these reviews are reported to UI staff for their information and disposition. Additionally, claimants with barriers to employment are scheduled to return to the local ESC office where these barriers are discussed and a mutually acceptable work search plan is developed. The purposes of this review and the work search plan are to help the claimant-overcome barriers and to expedite the claimant's timely return to employment. The work search plan includes the actions that the claimant will take and the services, which ESC will provide in order to achieve reemployment as soon as possible.

If availability issues are not identified during the initial eligibility review, claimants are scheduled to return for additional reviews at intervals of no more than six weeks during the life of their claim. During these sessions, Wagner-Peyser staff reviews the claimant's work search efforts, discusses future work search plans and reviews their continuing eligibility for UI benefits.

III.B.3.g. Describe how the State will disseminate a list of eligible youth providers.

The State will include eligible youth training providers in the overall workforce development system approach of NC STARS. This approach makes the information available via the Internet to all local workforce investment areas, JobLink Career Centers and the public via NC STARS.