



DEPARTMENT OF  
**LABOR & INDUSTRY**  
COMMONWEALTH OF PENNSYLVANIA

DEPUTY SECRETARY  
WORKFORCE DEVELOPMENT  
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December 17, 2003

Ms. Lenita Jacobs-Simmons  
Regional Administrator  
U.S. Department of Labor  
Employment and Training Administration  
Suite 852 East  
The Curtis Center  
170 South Independence Mall West  
Philadelphia, PA 1910-3315

*Bowman  
cc: Donahue  
Miller  
Baillie  
Jacobs-Simmons*

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RECEIVED  
U.S. DEPT OF LABOR  
ETA - PHILA, PA

Dear Ms. Jacobs-Simmons:

Enclosed is Pennsylvania's request for a waiver of the performance measures for employment and training activities authorized under the Workforce Investment Act, the Wagner-Peyser Act, the Jobs for Veterans Act, and Trade Act, and to replace them with the new common performance measures issued by the Office of Management and Budget.

Pennsylvania believes that a simplified and streamlined performance accountability system is crucial to the seamless delivery of services. Because of the magnitude of the improvement to the workforce development system and local operations that approval of this waiver would provide, the Commonwealth would like to begin implementation of the requested changes, upon approval by the U.S. Department of Labor, as soon as possible in the current program year (PY 2003).

Our intention is to begin using the common performance measures on a trial basis beginning January 1, 2004, for the programs listed in the opening paragraph of this letter. As part of the trial, the measures will also be used as a test for additional programs: the State-funded programs of community college workforce programs; Customized Job Training; WEDnet; and Secondary and Adult Vocational Education programs; and the Federal/State-funded programs of Carl Perkins Vocational and Technical Education funding; Adult Basic Education and Literacy (ABLE); Temporary Assistance for Needy Families (TANF); and Office of Vocational Rehabilitation programs.

During the trial period the Commonwealth proposes to collect data such as wage rate, hours worked, and other information that may be useful to assess system performance, but is not otherwise available. Additionally, for this trial implementation of the measures, the Commonwealth proposes to develop and use a performance adjustment factor (analogous to the "Regression Model" in the Job Training Partnership Act). This performance adjustment factor would take into account distinct economic, demographic, and other differences across a state as diverse as Pennsylvania, that affect performance, and that impact meaningful assessment of one Local Area's performance relative to another's. Even though no performance adjustments based on such factors will be allowed following USDOL's

implementation, I believe that in developing and using this tool, our performance negotiations with the Local Areas and with USDOL will be enhanced.

In order to facilitate both the trial and full implementation phases of Pennsylvania's Performance Management Plan:

- I am seeking your assistance to begin discussion with other Departments that provide Federal funding for employment and training programs.
- Pennsylvania is willing to work cooperatively with other states that are also interested in piloting implementation of the common measures.
- The Commonwealth may request Federal discretionary funding to aid our initiation and establishment of this pilot project. Uses of funds to assist in the development and implementation of this new measures system, and to work toward the desired outcomes of the Commonwealth, include:
  - negotiation of an incentive allowance for Local Workforce Investment Areas to address and meet the proposed standards;
  - purchase and testing of new data-collection software and techniques that would be valid, effective, and efficient; and
  - provision of technical assistance and training for Local Areas to transition more effectively to the new standards – especially considering the challenges of implementing standards across historically diverse disciplines and programmatic silos.

In accordance with WIA Sec. 189(i)(4)(B)(v) and §661.420 (c)(5)(iv) of the WIA Final Regulations, a public notice seeking public review and comment on the waiver request was posted on the Commonwealth's paworkforce website. Comments were received from three Workforce Investment Boards, in consultation with their WIA Title I Program Operators. The comments were considered and recommendations have been incorporated into the waiver request.

I hope you will consider the enclosed request and determine its inherent value to the improvement of the Commonwealth's workforce investment system, and that the request is consistent with the principles and intent of the Workforce Investment Act of 1998 and pending WIA Reauthorization legislation.

If you have any questions or need additional information concerning this plan, please contact me at phone number (717) 705-2630 and e-mail [svito@state.pa.us](mailto:svito@state.pa.us).

Thank you for your consideration of this request for waiver.

Sincerely,



Sandi Vito

Enclosure

### WIA Waiver Request

<b>Statutory/Regulatory Provision:</b>	Performance Measures for Workforce Investment Act Title I; Wagner Peyser Act (Labor Exchange); Jobs for Veterans Act of 2002 (Title 38 USC); and Trade Act (proposed)						
<b>Citations:</b>	Workforce Investment Act §189(i)(4), §129, §134, §168; 20 CFR WIA Final Rules §652.3 §661.400, §661.410, §661.420, §666.100; Wagner-Peyser Act as amended, Section 10(c) and 3(c); Title 38 United States Code as amended by the Jobs for Veterans Act of 2002; the proposed Trade Act performance measures						
<b>Entity:</b>	PA Department of Labor and Industry						
<b>Contact:</b>	Sandi Vito	<b>Phone:</b>	717-705-2630	<b>Fax:</b>	717-787-8826		
<b>Address:</b>	7 <sup>th</sup> & Forster Sts.	<b>City:</b>	Harrisburg	<b>State:</b>	PA	<b>Zip:</b>	17120
<b>Duration:</b>	<b>From:</b>	[as of date of approval]	<b>To:</b>	June 30, 2004			
<b>Governor:</b>	Ed Rendell						

**Justification------(Narrative 1)**

The Commonwealth of Pennsylvania seeks a waiver of the 17 (15 core and 2 customer satisfaction) indicators of performance for employment and training activities authorized under sections 129 and 134 of the Workforce Investment Act; the four Labor Exchange Performance Measures authorized under the Wagner-Peyser Act; the three Veterans Performance Measures authorized under Title 38 United States Code as amended by the Jobs for Veterans Act of 2002; and the proposed Trade Act performance measures. This waiver request will enable Pennsylvania's workforce development partners to implement the eight (4 adult and 4 youth) new common performance measures being finalized by the United States Department of Labor (USDOL) and five other Federal agencies. The Commonwealth would like to begin trial implementation of this change as soon as possible in the current program year (PY 2003).

These new measures focus on attainment of education and credentials, placement and retention in employment, and efficiency. Pennsylvania's intent mirrors that of the Workforce Investment Act and WIA Reauthorization — to simplify and streamline the performance accountability system that is an integral part of a reformed workforce development system. This request is in keeping with the Commonwealth's vision of a more knowledgeable, skilled, engaged and flexible workforce. It has been our experience, and is the consensus opinion

of most workforce development professionals, that the current performance measurement system is too cumbersome to be a viable program management tool across Departments. A set of clear and understandable outcome measures will ensure accountability across all workforce development programs, while improving program management and performance.

Common performance measures across programs, and data collected for them, will also provide necessary information to help effectively oversee the workforce investment system. They will enhance the Commonwealth's ability to assess the effectiveness and impact of workforce development efforts. Common measures will provide a more comparable means of determining performance of the various programs, accomplishing this through a system-wide perspective. Such a cross-program strategy is consistent with the move toward integration of programs as embodied in the Workforce Investment Act's one-stop system.

### Outcomes/Benefits------(Narrative 2)

#### *Goals to be Achieved by the Waiver:*

- Provide for a simplified and streamlined performance measurement system.
- Provide for integrated system-wide performance accountability.
- Provide commonality across workforce development programs.
- Reduce paperwork and labor costs associated with performance data collection.
- Provide clear and understandable information to Congressional and legislative leaders and the general public concerning the use of public funds and return on investment.
- Provide a more useful program management tool.
- Provide for customer-driven instead of program-driven outcomes.
- Provide for better service coordination and information sharing among programs.
- Serve as a catalyst to begin the process of using the common performance measures across programs.

*Description of the Individuals Impacted by the Waiver:* Approval of this waiver will positively impact all customers of the workforce investment system by providing accountability while improving program management and performance.

### Monitoring/Evaluation Process------(Narrative 3)

*Description of the Process to Monitor Progress:* The Pennsylvania Department of Labor and Industry is the State administrative entity for the Workforce Investment Act, the Wagner-Peyser Act, Veterans Programs, and Trade Act. The Pennsylvania Department of Labor and Industry will monitor the implementation and impact of the waiver, as well as progress toward expected outcomes, through a combination of performance reporting from the local level, and discussion with stakeholders. State oversight and evaluation will make effective

use of these means to identify obstacles and address them. The State will review applicable policies and procedures and modify them accordingly.

The Commonwealth will submit both an interim and a final report to the USDOL detailing the impact of this waiver. Moreover, Pennsylvania invites USDOL to participate in State discussions throughout year one of implementation to monitor and evaluate progress.

The Commonwealth may develop and submit to USDOL and other Departments appropriate additional waiver requests to accomplish the goals of this trial implementation of the common measures.

**Other Comments Provided-----(Narrative 4)**

Consistent with the general waiver request, the State is adhering to publication requirements to insure the broadest participation possible, including informing appropriate partners and interested parties, such as labor, community based organizations, local workforce boards and the Pennsylvania Workforce Investment Board. A public comment period was provided from October 31, 2003 through November 14, 2003.