



**NOV 10 2009**

The Honorable Brad Henry  
Governor of Oklahoma  
State Capitol  
Oklahoma City, Oklahoma 73105

Dear Governor Henry:

As part of Oklahoma's modification to the State Plan for Title I of the Workforce Investment Act (WIA) and the Wagner-Peyser Act, the State submitted waiver plans to request that the State's waivers of statutory and regulatory requirements under WIA be approved for the remainder of Program Year (PY) 2009 (copy enclosed). These requests are written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c) and appear to meet the standard for approval at 20 CFR 661.420(e). The following is the disposition of the State's submission. This action is taken under 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.

In a letter dated June 29, 2009, ETA granted Oklahoma approval of the following waivers through June 30, 2010:

- Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth; and
- Waiver to permit the State to replace the performance measures at WIA Section 136(b) with the common measures.

The approvals for these waivers remain in effect. The letter dated June 29, 2009 granted temporary extensions of the remainder of Oklahoma's waiver requests. The previous approval of the extensions is hereby terminated and replaced by decisions set forth in this letter. Unless otherwise indicated, all waiver approvals that follow apply to both WIA formula funds and funds made available under the American Recovery and Reinvestment Act of 2009 (ARRA).

**Requested Waivers**

Requested Waiver: Waiver of the required 50 percent employer contribution for customized training at WIA Section 101(8)(C).

The State is requesting a waiver of the required 50 percent employer contribution for customized training to permit the use of a sliding scale for the employer contribution based on the size of the business. The State is granted this waiver through June 30, 2010. Under the waiver, the following sliding scale is permitted: 1) no less than 10

percent match for employers with 50 or fewer employees, and 2) no less than 25 percent match for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent contribution) continue to apply. When determining the funding source for customized training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State may provide customized training to low-income adults with WIA Adult funds, and may provide customized training to dislocated workers with WIA Dislocated Worker funds. Customized training provided with statewide funds must serve WIA eligible individuals.

Requested Waiver: Waiver of WIA Section 101(31)(B) to increase the employer reimbursement for on-the-job training.

The State is requesting a waiver to permit an increase in employer reimbursement for on-the-job training through a sliding scale based on the size of the business. The State is granted this waiver through June 30, 2010. Under the waiver, the following reimbursement amounts will be permitted: 1) up to 90 percent for employers with 50 or fewer employees, and 2) up to 75 percent for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent reimbursement) will continue to apply. When determining the funding source for on-the-job training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State may provide on-the-job training to low-income adults with WIA Adult funds, and may provide on-the-job training to dislocated workers with WIA Dislocated Worker funds. On-the-job training provided with statewide funds must serve WIA eligible individuals.

Requested Waiver: Waiver of the provision at 20 CFR 663.530 that prescribes a time limit on the period of initial eligibility for training providers.

The State is requesting a waiver of the time limit on the period of initial eligibility of training providers provided at 20 CFR 663.530. The State is granted this waiver through June 30, 2010. Under the waiver, the State is allowed to postpone the determination of subsequent eligibility of training providers. The waiver also allows the State to provide an opportunity for training providers to re-enroll and be considered enrolled as initially eligible providers.

Requested Waiver: Waiver of WIA Section 134(a) to permit local areas to use a portion of local funds for incumbent worker training and other statewide activities.

The State is requesting a waiver to permit local area formula funding to be used for statewide activities, including incumbent worker training and other activities. The State is partially granted this waiver through June 30, 2010. Under this waiver, the State will be permitted to use up to 20 percent of local Dislocated Worker funds for incumbent

worker training only as part of a layoff aversion strategy. ETA believes limiting incumbent worker training to the specified level and requiring it to be a part of layoff aversion is the best use of funds in the current economic climate where serving unemployed workers is a paramount responsibility of the workforce system. All training delivered under this waiver is restricted to skill attainment activities. Local areas must continue to conduct the required local employment and training activities at WIA section 134(d), and the State is required to report performance outcomes for any individual served under this waiver in the Workforce Investment Act Standardized Record Data system (WIASRD).

The State also requested the use of local funds for other statewide activities for the purpose of innovative training and service delivery approaches. ETA is not approving the portion of the waiver request to fund other statewide activities. ETA believes maximizing the use of formula funding at the local level for WIA services is the best use of those funds in the current economic climate. The approval for the waiver for use of local funds for statewide activities, other than incumbent worker training, expires on the date of this letter. No new obligations are permitted effective the date of this letter; obligations made while this waiver was in effect may be fulfilled.

Requested Waiver: Waiver of WIA Section 134(a)(1)(A) to permit a portion of the funds reserved for rapid response activities to be used for incumbent worker training.

The State is requesting a waiver to permit use of rapid response funds for incumbent worker training. The State is granted this waiver through June 30, 2010. Under this waiver, the State is permitted to use up to 20 percent of rapid response funds for incumbent worker training only as part of a layoff aversion strategy. ETA believes limiting incumbent worker training to layoff aversion is the best use of funds in the current economic climate where serving unemployed workers is a paramount responsibility of the workforce system. All training delivered under this waiver is restricted to skill attainment activities. The State is required to report performance outcomes for any incumbent workers served under this waiver in the WIASRD. ETA Training and Employment Guidance Letter No. 14-08, Section 19, issued on March 18, 2009, explained that in order to apply this waiver to funds made available through the ARRA, states needed to submit a detailed justification. Because record numbers of unemployed individuals continue to seek the services of the workforce system, ETA believes that the use of ARRA funds for incumbent worker training would be inappropriate, and these funds should be devoted to serving those participants without jobs. Therefore, this waiver does not apply to funds made available through the ARRA.

Requested Work-Flex Designation: Approval of the State's work-flex plan.

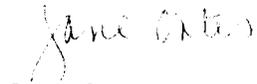
The State requests work-flex authority under WIA Section 192 and approval of its work-flex plan to allow One-Stop Centers to directly provide follow-up services, train

younger and in-school youth with Individual Training Accounts, allow local areas to transfer up to 50 percent of funds between the Adult and Dislocated Worker funding streams, use WorkKeys to determine basic skills deficiency in WIA youth eligibility determinations, and use up to 15 percent of local funds for incumbent worker training. ETA is granting an extension of the State's work-flex plan through June 30, 2010. Under its work-flex authority, the State may grant waivers of WIA provisions applicable to local areas in accordance with 20 CFR 661.430(a).

The approved waivers are incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and this constitutes a modification of the State Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and the approved State Plan. In addition, as required by TEGP No. 14-00, Change 3, the State should address the impact of these waivers on the State's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to continuing our partnership with you and achieving better workforce outcomes. If you have any questions related to the issues discussed above, please contact Joseph Juarez, the Regional Administrator for Region IV, at 972-850-4600 or [Juarez.Joseph@dol.gov](mailto:Juarez.Joseph@dol.gov).

Sincerely,



Jane Oates  
Assistant Secretary

Enclosure

cc: Felecia Blair, Federal Project Officer for Oklahoma, ETA Dallas Regional Office  
Joseph Juarez, Regional Administrator, ETA Dallas Regional Office

# Waiver Requests

Oklahoma submits the following waiver requests for approval for the remainder of Program Year 2009:

1. **Request waiver for use of the eligible training provider system for older and out-of-school youth.**
2. **Request for waiver of performance measures for Workforce Investment Act Title I and the Wagner-Peyser Act and will use common measures instead.**
3. **Request to waive procurement requirements for youth activities under the Recovery Act.**
4. **Request to waive Youth Common Measures under the Recovery Act.**
5. **A waiver to request allowance of up to 50% of the statewide WIA/ARRA Rapid Response funds for the purpose of providing an Incumbent Worker Training fund and program in Oklahoma.**
6. **A waiver to modify subsequent eligibility determination and the reinstatement of initial eligibility for all training providers on the statewide eligible training provider list.**
7. **Work-Flex:** Oklahoma makes this request under the authority of §189(i) and §192 of Public Law 105-220, the Workforce Investment Act of 1998.
8. **Customized Training/OJT Waiver:** The State will follow the guidance in TEGL 13-06. The proposed employer match sliding scale will range from 10 to 50 percent, based on guidance in the TEGL.
9. **Local Activities Funds:** Allows use of up to 25% of local formula funds to be used as flexible local activity funds.

**(1.) Waiver for use of the eligible training provider system for older and out-of-school youth and waiver of the prohibition on the use of Individual Training Accounts for youth under WIA/ARRA.**

Submitted in abbreviated waiver request to DOL on April 13, 2009.

**(2.) Request for waiver of performance measures for Workforce Investment Act Title I and the Wagner-Peyser Act and will use common measures instead.**

Submitted in abbreviated waiver request to DOL on April 13, 2009

**(3.) Request to waive procurement requirements for youth activities under ARRA**

This request was submitted as a separate waiver request in May 2009.

**(4.) Request to waive youth common measures under ARRA**

This request was submitted as a separate waiver request in May 2009.

**(5.) A waiver to request allowance of up to 50 percent of statewide WIA/ARRA Rapid Response funds to be used to support Incumbent Worker Training**

The Oklahoma Department of Commerce (ODOC), the state's WIA/ARRA Fiscal Agent, requests a waiver to allow 50 percent of WIA and ARRA Rapid Response funds to be used to support Oklahoma Incumbent Worker Training (IWT) activities as needed. A waiver would provide Oklahoma with the needed flexibility to meet the growing demand for innovative and effective incumbent worker training.

**Waiver Duration:** July 1, 2009 through June 30, 2010

This waiver request is written in the format identified in WIA Section 189(i)(4)(B) and in WIA Regulations 20 CFR 661.420 (c) of the Regulations.

**A. Statutory Regulations to be Waived:**

Oklahoma requests the waiver of WIA Section 134(a)(2)(A) and WIA Regulations 20 CFR 665.310 through 20 CFR 665.330 that establish allowable statewide Rapid Response activities and uses for set-aside Rapid Response funds.

**B. Goals to be Achieved by the Waiver:**

1) Broadly speaking, this waiver will enhance the state's efforts job retention and rapid re-

employment as well as providing new job prospects for presently employed individuals. The state and national economy will benefit from the increased productivity and upward mobility of workers.

2) The State of Oklahoma knows from experience that there is a deep reservoir of demand for incumbent worker training. This waiver will provide additional resources for a key state initiative to boost creativity and innovation in incumbent worker training and to supply the skills that challenge Oklahoma employers.

3) The state believes its partners and local workforce investment boards are ready to embrace incumbent worker training as an activity integrated into our industry sector / layoff aversion strategies. Creating more flexibility within WIA regulations through this waiver is critical to this effort.

4) The state expects incumbent worker training funds to benefit key industries and local economies by providing a means to upgrade the skills so critical to employers. The intention is to seek proposals for Incumbent Worker Training projects that will most assist in layoff aversion and that are incorporated into regional industry sector strategies. By building business partnerships within regions and within industry sectors, we expect that there will also be substantial savings in training expenses. Local boards will be required partners at the regional level. The partnerships of Sector Strategies Initiatives across Oklahoma's Workforce Investment Regions will ensure that critical skills within key industries will be upgraded.

5) With the availability of this funding, the State of Oklahoma will continue to make WorkKeys and Career Ready Certificates available to the existing workforce, thus providing a tool to identify the skills levels of these workers and the opportunity to increase their levels of proficiency. We will also have the capacity to provide Job Profiling to Oklahoma businesses, thus establishing the valid skill levels of specific company occupations.

### **C. State or Local Statutory or Regulatory Barriers**

There are no state or local barriers to implementing the requested waiver.

### **D. Description of Waiver Goal and Programmatic Outcomes**

This waiver will give state and local employment and training staff the resources to respond expeditiously to the needs of businesses and workers for upgraded skills. Businesses that need highly skilled workers within their present labor force will have the opportunity to acquire them. One of the major costs of businesses is turnover. This waiver will allow businesses to retain workers, thus recognizing a cost savings to businesses and to the Unemployment Insurance (UI) system. This is particularly important to small businesses, given their greater difficulty in hiring and retaining qualified workers and the impact a high UI experience rating can have on their bottom line.

By upgrading the skills of our incumbent workers, they will quickly move into more specialized jobs within their industries, creating new job possibilities for our lower skilled workforce to enter.

The average incumbent worker will gain a great deal from this waiver. The worker will retain employment thus avoiding the mental, physical, and financial stress that comes from unemployment. The worker will gain upgraded skills that will allow him/her to better work within an expanding and more complicated economy. And in the event that a worker does get laid off after receiving incumbent worker training, they will need fewer (if any) dislocated worker program dollars to get them back on their feet and in a new career.

The state will establish performance measures and standards that will assess the effectiveness and efficiency of the activities allowed under this waiver. It is expected that the measures and standards will include, but not be limited to demonstration of one or more of the following categories:

- Demonstrate business was able to avoid/ reduce layoffs
- Demonstrate increases in productivity through measurements
- Demonstrate that funds used to train incumbent workers resulted in lowering turnover rates
- Demonstrate increased pay to employees who complete the training program
- Increase retention of their existing workforce and retaining workers
- Demonstrate the skills received are those that will transfer to another employer

The use of rapid response funds for Oklahoma's Incumbent Worker Training will not diminish the ability of Oklahoma to provide dislocated worker services as needed.

#### **E. Description of the Individuals Impacted by the Waiver**

Employers and incumbent workers will be impacted by the waiver. Employers will have the human resources to remain competitive, and perhaps expand. Workers will keep good jobs, improve their skills, and increase their confidence that they can compete in a more technologically sophisticated, knowledge based global economy. Many workers will receive pay increases.

#### **F. Description of the Monitoring Process**

This waiver will be incorporated into the administrative entity's monitoring procedures including a periodic review of how well the measures/standards are being met.

#### **G. Opportunity for Local Boards to Comment on the Waiver Request**

The Governor's Council (State WIB) has included incumbent worker training as a high priority within its strategic plan. This waiver request is a result of implementation of that plan that was approved in December of 2008.

Local Workforce Investment Boards have been sent a copy of this waiver request and have been asked for their comments.

## **H. Public Comment on the Waiver Request**

In addition to sending this request directly to local boards, it has also been sent to state partners thru the Workforce Solutions Staff Team. It has also been placed on the Workforce page of the Oklahoma Department of Commerce web site, [www.okcommerce.gov](http://www.okcommerce.gov), for public review and comment. All comments received will be reviewed and included where appropriate.

Eight comments received have been from Oklahoma employers who are participating in the Registered Apprenticeship Program. Each asked that we consider allowing Incumbent Worker Training funds be used to upgrade the skills of currently employed Registered Apprentices.

One comment of support was received from an administrator of a local workforce board.

### **(6.) Waiver to modify subsequent eligibility determination and the reinstatement of initial eligibility for all training providers on the statewide eligible training provider list**

The Oklahoma Employment Security Commission, the administrative entity for the Workforce Investment Act, is requesting a waiver of Section 122(c) and (d) and CFR 661.530, concerning the eligibility of training providers until June 30, 2010. Additionally, the State wishes to revert back to the initial eligibility requirements for inclusion on the Eligible Training Provider List (ETPL), as provided for under WIA Section 122(b) and Title 20 CFR Section 663.530, related to eligible training provider provisions.

This waiver request is being written in the format identified in WIA Section 189(i)(4)(B) and WIA Regulations 661.420(c).

**A. Statutory Regulations to be Waived:** WIA Section 122(c) and (d) and WIA Regulations at Section 661.530 address the time limit for initial eligibility that would be waived with an extension of the initial eligibility period to June 30, 2011. WIA Section 122(b) and Title 20 CFR Section 663.530, related to eligible training provider provisions.

**B. Goals to be achieved by the waiver:** The goals to be achieved by the waiver include:

- Retain current approved eligible providers and continue to increase their numbers thereby providing quality customer choice for Oklahoma job seekers
- Alleviate providers' concerns with the types and amount of required information
- Have sufficient time to develop an effective and efficient method of collecting data from training providers
- Increase the amount and accuracy of WIA performance information from training providers
- Provide increased training opportunities for Oklahoma WIA participants residing close to border areas (Arkansas, Texas, Kansas, Missouri) where attending training would be more convenient and practical. These states currently have similar waivers and refuse to report to Oklahoma WIBs the performance data. This severely limits customer choice.

- C. **State or Local Statutory or Regulatory Barriers:** There are no state or local statutory or regulatory barriers to implementing the requested waiver.
- D. **Description of the Waiver Goal and Programmatic Outcomes:** The waiver will allow Oklahoma the time necessary to thoroughly assess the eligible training provider process and determine best practices for data collection and dissemination. The reversion back to initial eligibility will afford Oklahoma job seekers an opportunity to take advantage of the wide array of programs provided by the State's training providers.

OESC has worked in conjunction with the 12 local WIBs to market the concept of the ETPL to training providers throughout the state. For the most part, efforts have been successful. Once the period of initial eligibility began, the State worked with local WIBs to further educate training providers on the data collection and performance requirements of the subsequent eligibility process. Several concerns have been identified by training providers:

- Creating and maintaining a system that would collect the data required around the WIA regulations would be costly and burdensome
- For many of the providers, the relatively small number of WIA-eligible participants accessing their training services through Individual Training Accounts did not justify the resources that would have to be committed to collecting the data required.
- The occurrence of potential violations of data privacy – especially related to the Family Educational Rights Privacy Act.
- WIA data requirements would present an additional burden to the amount of data already being collected from students at a time when most businesses, schools, and colleges are trying to streamline processes and be more customer friendly

These concerns have led several potential training providers to forego completing the training provider application and many current providers to state that they would be unable to comply with the requirements for subsequent eligibility certification. The loss of a number of training providers, especially in the state's community college and comprehensive university systems, will have a negative impact in rural areas, where the number of eligible training providers is already very limited. The lack of eligible training options would virtually shut down the ITA effort in many of the state's rural One Stop Centers. This waiver would allow current providers to stay on the ETPL, and provide participants with the training option choices mandated by the Act.

- E. **Individuals affected by the Waiver:** This waiver will positively impact Oklahoma's public and private training providers. As indicated earlier, these mandated reporting requirements are so burdensome and costly that some providers have found it necessary for them to end WIA participation. The waiver would alleviate this problem by allowing the State to retain providers that are currently participating and also allow for the reinstatement of past providers.

The waiver would also have a positive impact on WIA training participants. It gives greater choice, not only among in-state providers, but also with providers located in

border states where an Oklahoma WIA participant may find it more convenient to attend training.

- F. **Discussions with local WIBs:** Local WIBs and service providers urged the State to seek this waiver. The submission of this waiver has been discussed with local Oklahoma WIB staff and service providers. They are supportive of this request.
- G. **Description of the Process to Monitor Progress:** The Director of OESC's Workforce Integrated Programs Division and staff will monitor the progress of the above-mentioned actions and related activities.
- H. **Public Comment on the Waiver Request:** This waiver will be posted on the Oklahoma Department of Commerce web site ([www.okcommerce.gov](http://www.okcommerce.gov)) for a period no less than 15 days to solicit public comment. In addition, copies of the waiver request will be sent to local WIBs, service providers, members of the Governor's Council for Workforce and Economic Development, and other individuals and entities as appropriate for comment.

#### **(7.) Work-Flex**

The State of Oklahoma is requesting an extension as a designated Work-Flex State by the U.S. Department of Labor until June 30, 2010. Oklahoma makes this request under the authority of §189(i) and §192 of Public Law 105-220, the Workforce Investment Act of 1998.

*The process by which local areas in the State may submit and obtain approval by the State of applications for waivers of requirements applicable under Title I of WIA, including provisions for public review and comment on local area waiver applications.*

Local areas will submit requests for waivers to ODOC, Legal Division & the Deputy Secretary of Commerce for Workforce Development. ODOC will begin consultations with officials from the Workforce Integrated Programs Division of the Oklahoma Employment Security Commission to obtain recommendations relating to program policy. The local area submitting the request for waiver must also publish the request on its website and/or in the legal notices of one local newspaper with a primary circulation in the local workforce area. If the request is posted to the local area's website, it must remain on the website for at least two weeks and interested parties must be informed on how to comment on the proposed waiver, either by e-mail or regular mail. If the waiver is published in a local newspaper, it must run in two consecutive editions. Expense to publish the waiver request will be borne by the requesting local area.

All public comments received from the local area will be forwarded to ODOC with the waiver request. A review of the waiver and related comments and recommendations from OESC will be conducted by ODOC workforce and legal staff. A recommendation for approval or denial will be forwarded to the Deputy Secretary of Commerce for Workforce Development. Once a decision on the waiver has been made, a letter will be forwarded to WIB staff and the WIB chairperson regarding that decision and next steps.

It is the goal of ODOC to have waiver requests granted or denied within 45 days of receipt.

Below are examples of statutory and regulatory requirements of Title I that are likely to be waived by the State under the plan.

Statutory and Regulatory Provisions to be Waived

### **(8.) Customized Training and On the Job Training Waiver**

The State submits this request for a waiver to change the required 50% employer contribution for customized training or On-the-Job training at WIA 101 (8)(C) & (31)(B) to a contribution based on a sliding scale, ranging from 10 to 50 percent, based on guidance in TEGL 13-06.

#### **Goals to be achieved by this waiver**

- Increase flexibility at the local level to serve business and industry through a demand-driven approach to their specific needs
- Equip workers with relevant job training with relevant skills that lead to targeted industry sectors
- Improve the ability of WIBs to work with the private sector and respond quickly to changes in their areas
- Increase local flexibility for design and control of training programs

#### **Programmatic Outcomes**

- Increase the percentage of employers using customized training as a means to hire and retain skilled workers
- Increase the percentage of workers trained and hired through customized training and OJT programs

#### **Individuals Impacted by this Waiver**

Employers will benefit from the waiver due to the reduced match requirement. This will make customized training a more attractive option for acquiring workers trained to their specifications.

The waiver will impact the provision of training services through customized and OJT Training to Adults, Older Youth, and Dislocated Workers eligible for services under WIA. In particular, ARRA/WIA eligible individuals with multiple barriers to employment, low basic skills, and English language proficiency stand to benefit the most from customized training.

#### **Process to Monitor Progress in Implementing the Waiver**

The State will monitor customized and OJT training programs. Technical assistance during the implementation phase of the waiver will cover areas such as procurement, contracting, and program design. The State will monitor performance reports and compare actual performance with contract benchmarks. The State will continue to make adjustments to monitoring

performance requirements to ensure that performance goals and objectives are met for all ARRA/WIA customized training programs. The State will monitor progress on this, and all waivers under Work-Flex. Provisions in contracts for customized training/OJT programs will address specific performance measures for each project.

### **(9.) Request for waiver for local activity funds**

The State of Oklahoma requests a waiver under the authority of the Secretary of Labor to waive certain requirements of the Workforce Investment Act, Title I, subtitles B and E and sections 8-10 of the Wagner-Peyser Act and ARRA. This authority is granted to the Secretary of Labor under Section 189 of WIA and in the implementing regulations at 20 CFR 661.420 until June 30, 2010.

Oklahoma is seeking a waiver from the provisions of Sections 129 (regarding use of funds for youth activities) and 134 (regarding use of funds for employment and training activities) of WIA, as well as a waiver from the provisions of 20 CFR 663.145. This waiver would allow local workforce investment boards in Oklahoma to use up to 25% of the funds allocated to them under Sections 127, 128, 132, and 133 of WIA and ARRA in the same manner and fashion as Statewide Activity Funds are used under Sections 129 and 134 of WIA and 20 CFR 665.200, 665.210, and 665.220(including incumbent worker training).

#### **Purpose**

The purpose of the waiver is to gain additional flexibility for WIBs in the use of WIA/ARRA formula funds to meet demands of local workforce development area employers, incumbent workers, job seekers, and youth.

#### **Waiver Request**

To meet the demands of employers, incumbent workers, job seekers, and youth, this waiver seeks additional flexibility needed by the local WIBs by expanding the allowable uses of formula funds. This expanded use encompasses activities allowed under the uses of Statewide Activity Funds authorized in WIA/ARRA. Oklahoma is seeking a waiver that allows local WIBs, upon request, to use up to 25% of their formula funds for these expanded purposes. For clarity, these expanded use funds will be referred to as *Local Activity Funds*.

The State of Oklahoma expects the following sequence to take place upon implementation of the

1. Local WIBs would analyze changing economic conditions in their areas and the demands of employers in order to identify a need for additional flexibility.
2. WIBs would submit a request, as a local plan amendment to the Governor, for a portion of the area's formula funds to be designated as Local Activity Funds to be used consistent with the activities allowable under Statewide Activity funding.
3. The individual WIB's plan amendment would specify a dollar amount or a certain percentage of the formula funds and the type of fund (Youth, Adult, or Dislocated Worker) to be designated as Local Activity Funds.

4. The plan amendment will also describe the anticipated services to be provided.
5. The plan amendment will include an assurance from the WIB that all services required by WIA/ARRA will be provided.
6. The plan amendment will include an acknowledgement from the WIB that all performance targets and expenditure benchmarks will be met.
7. The Governor would notify WIBs of approved plan amendments and contract amendments would be initiated to reflect the additional performance expectations.

### **Description of the individuals affected by the waiver**

The waiver will benefit employers, incumbent workers, job seekers, youth, WIBs, service providers, and One Stop center staff. The flexibility of these funds authorized under this waiver would encourage WIBs to increase their services and become more responsive and innovative to meet existing and new customers' needs.

### **State or local statutory and regulatory barriers to implementation**

There are no state or local statutory or regulatory barriers to implementing the proposed waiver. Upon notification of approval of the waiver request, state policy will be amended to comply with the terms of the waiver, and applicable policies and procedures will be developed and issued to local WIBs.

### **Goals to be achieved by the Waiver**

This waiver is instrumental as a component in Oklahoma's workforce strategy, which is consistent with national policy direction, to develop a more integrated, efficient, and effective workforce system.

#### *Local responsiveness for program effectiveness*

- Improve the ability of local WIBs to respond to changes within their local areas
- Provide greater flexibility to local WIBs in designing and implementing WIA/ARRA programs
- Increase local control for program delivery

#### *Statewide program effectiveness*

- Increase employer/board collaboration to address industry needs and worker training
- Enhance employment, re-employment, and job retention for job seekers and workers by providing education, training, and other services necessary to assist individuals in moving along the wage and skill continuum
- Enhance effective access of individuals and businesses to training and employment services that meet a local area's workforce needs
- Contribute to maintaining and increasing the availability of a quality mix of jobs in all Oklahoma communities.

## **Outcomes/Benefits**

The most immediate outcome of the waiver will be to increase the numbers of incumbent workers who would not otherwise be trained. That impact will be felt widely across the state. This waiver will benefit local WIBs, employers, job seekers, service providers, and Oklahoma communities. The following are specific impacts of the proposed waiver:

- Program participants will benefit because local WIBs will have added flexibility to design programs based on local needs and priorities
- More customers will have access to essential services
- Local WIBs will be able to target more resources to layoff aversion activities involving incumbent worker training
- The State will be able to more effectively target resources where most needed to provide incumbent worker and other activities.
- Oklahoma will benefit from results of this waiver through an improved economy. By increasing the skill base of employees in local business and industry, Oklahoma's employer community would strengthen their standing in competitive markets, leading to more robust local economies.

## **Monitoring/Evaluation Process**

The Oklahoma Employment Security Commission (OESC) is the State administrative entity for the Workforce Investment Act and American Recovery and Reinvestment Act and will monitor service delivery and outcomes under the waiver as required by an annual on-site review and issue a report to the Oklahoma Department of Commerce.