U.S. Department of Labor

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

SIMS # 670456

JAN 18 2012

The Honorable Robert Bentley
Governor of Alabama
State Capitol
600 Dexter Avenue
Montgomery, Alabama 36130-2751

Dear Governor Bentley:

We are pleased to be able to respond to your requests for a waiver of statutory and regulatory requirements under the Workforce Investment Act (WIA) submitted on November 30, 2011. These requests are written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c), and meet the standard for approval at 20 CFR 661.420(e). The following is the disposition of the State's submission (copy enclosed). 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.

Requested Waivers:

Waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) to exempt the state from the requirement to conduct evaluations.

The State is requesting a waiver of the requirement to conduct evaluations of workforce investment activities for adults, dislocated workers, and youth in order to establish and promote continuous improvement of the statewide workforce investment system. The State is granted this waiver effective July 1, 2011 through June 30, 2012. This waiver only applies to Program Year 2011 WIA funds.

Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) to exempt a state from the requirement to provide local workforce investment area incentive grants.

The State is requesting a waiver of the requirement to provide local workforce investment areas incentive grants to reward regional cooperation, local coordination of activities, and exemplary performance. The State is granted this waiver effective July 1, 2011 through June 30, 2012. This waiver only applies to Program Year 2011 WIA funds.

Waiver of 20 CFR 665.200(b)(3) to exempt the state from the requirement to disseminate training provider performance and cost information.

The State is requesting a waiver of the requirement to disseminate training provider performance and cost information. The State is granted this waiver effective July 1, 2011 through June 30, 2012. This waiver only applies to Program Year 2011 WIA funds.

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 it 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 described by TEGL No. 09-10, the State should address the impact its waivers have had 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 Terri Lonowski, the Federal Project Officer for Region III, at (404) 302-5377 or Lonowski.Terri @dol.gov.

Sincerely,

Jane Oates
Assistant Secretary

Enclosure

OFFICE OF THE GOVERNOR

ROBERT BENTLEY
GOVERNOR

STATE CAPITOL
MONTGOMERY, ALABAMA 36130

(334) 242-7100
FAX: (334) 242-3282

STATE OF ALABAMA

November 30, 2011

Division of Workforce System Support
Employment and Training Administration
U.S. Department of Labor
200 Constitution Avenue, NW, Room S-4231
Washington, D.C. 20210

Attn: Federal Coordinator for Plan Review and Approval

RE: Workforce Investment Act (WIA) Waiver Requests for Program Year 2011 Pursuant to Training and Employment Guidance Letter (TEGL) Number 9-11, Dated October 26, 2011

The State of Alabama is requesting waivers of the Workforce Investment Act (WIA) requiring the conduct of evaluations of workforce investment activities for adults, dislocated workers, and youth; waiver of the requirement to provide incentive grants to local areas; and waiver of the requirement to disseminate training provider performance and cost information for Program Year 2011 (July 1, 2011 – June 30, 2012) per TEGL 9-11, dated October 26, 2011. This request is due to recent Congressional actions that decreased the Governor's 15 Percent Workforce fund reserve to five (5) percent. Without sufficient funding, the above-noted activities can no longer be included in the activities and/or services provided with Governor's Set Aside funds.

We are very proud of our statewide Individual Training Account program, which has served thousands of dislocated workers who received services from our State Rapid Response Team since 2000 and the statewide Incumbent Worker Training program used for layoff aversion through upgrading and/or new skills attainment by the state's employers for their workers. These programs were largely funded with the (10 percent) funds, which are no longer available for these uses. The requested waivers, if granted, will allow our WIA state workforce professionals to utilize the remaining Five (5) Percent Governor's Set Aside funds to ensure the integrity of the State's Workforce Investment Act system and comply with the grant administration, oversight and monitoring, and reporting requirements of the WIA.

Thank you for your prompt and favorable response to this request. If you should have any questions, please contact Bill Hornsby, Supervisor, Workforce Development Division, State Programs and Divisional Budget Management Section at 334.242.5847 or e-mail: bill.hornsby@adeca.alabama.gov.

Sincerely,

Robert Bentley
Governor

RB:BEH:kcs

Attachment

pc: Jim Byard
Helen Parker
Andy Gill

Attachment III

Workforce Investment Act Waiver Request Template
Required Statewide Activities

To submit a waiver request, e-mail this completed form (or state-developed form) along with a cover letter to WIA.Plan@dol.gov and the appropriate ETA regional administrator.

ETA will also accept hard copy submissions with an original signature sent to the Federal Coordinator for Plan Review and Approval and to the appropriate ETA Regional Administrator. The address for the Federal Coordinator is as follows:

Division of Workforce System Support
Employment and Training Administration
U.S. Department of Labor
200 Constitution Ave., NW, Room S-4231
Washington, DC 20210
ATTN: Federal Coordinator for Plan Review and Approval

Date: **November 30, 2011**

State: **Alabama**

Agency: **Alabama Department of Economic & Community Affairs**

Statutory and/or regulatory requirements to be waived

We are requesting a waiver of:

Waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) requiring the conduct of evaluations of workforce investment activities for adults, dislocated workers, and youth.

Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) requiring provision of incentive grants to local areas.

Waiver of 20 CFR 665.200(b)(3) requiring dissemination of training provider performance and cost information.

Actions undertaken to remove state or local barriers

There are no state or local barriers.

Goals and expected programmatic outcomes of waiver

The reduction to five percent in the WIA allotment for Program Year 2011 Governor's Reserve funds restricts the state's ability to effectively fund and carry out all of the required statewide workforce investment activities. The current funding level in the Governor's Reserve is insufficient to cover the cost of evaluations, incentive grants to local areas, and dissemination of training provider performance and cost information. The state's reduced funds are being used to cover the following required activities:

§ 665.200

(b) Disseminating:
(1) The State list of eligible providers of training services (including those providing non-traditional training services), for adults and dislocated workers;

(2) Information identifying eligible providers of on-the-job training (OJT) and customized training;
(4) A list of eligible providers of youth activities as described in WIA section 123;
(f) Providing technical assistance to local areas that fail to meet local performance measures.
(g) Assisting in the establishment and operation of One-Stop delivery systems, in accordance with the strategy described in the State workforce investment plan. (WIA sec. 112(b)(14))
(i) Operating a fiscal and management accountability information system, based on guidelines established by the Secretary after consultation with the Governors, chief elected officials, and One-Stop partners, as required by WIA section 136(f). (WIA secs. 129(b)(2), 134(a)(2), and 136(e)(2))

Also, some carryover funds and some current year 5 percent administrative funds are being used to fulfill prior obligations made to dislocated workers through the State's statewide Individual Training Account (ITA) program, which is linked to services provided by the State Rapid Response Team and has been a great asset for dislocated workers and our Rapid Response Team. Incumbent Worker Training programs approved and operational prior to July 1, 2011 are being supported until current programs reach their termination dates. Some carryover funds are also available for local areas to use for staff and subrecipient staff capacity building and training. Funds are also being used by the state in regard to WIA grant administration, oversight and monitoring, reporting to the USDOL, and may be used for state WIB support as necessary.

Our goal in seeking this waiver is to ensure that the state may prioritize the use of Governor's Reserve funds for the required activities we deem most essential to the basic functions of the workforce investment system.

Individuals impacted by the waiver

This waiver will provide the state agency with more flexibility in directing Governor's Reserve funds to those activities that best preserve basic functions of the statewide workforce investment system.

Process for monitoring progress in implementation

The State will monitor progress and ensure accountability for Federal funds in connection with these waivers by reviewing monthly expenditure, performance and other reports, through regular contact with the ETA Regional Office liaisons, and through its monitoring and performance accountability system.

Notice to affected local boards

Address how local boards affected by the waiver were notified of the request.

Local workforce administrative entities will be provided a copy of this proposed waiver request as well as the USDOL/ETA's reply to this request. Local areas have already been notified (during a recent WIA Roundtable Meeting) that no incentive grants will be made in Program Year 2011 due to the loss of Governor's 10 Percent WIA funds.

Public Comment

Provide a description of the proactive solicitation of public comments. At a minimum, post the proposed waiver request to the state's official website or in the newspaper for comment. Ideally, develop a targeted outreach strategy to collect input and comment from all affected stakeholders. Submit any comments or concerns collected in this manner and the outcome of the state's review of the public comments received.

The proposed waiver request was posted on the agency's official website with instructions regarding the submittal of comments and closing date for comments.