



**DEC - 7 2012**

The Honorable Mary Fallin  
Governor of Oklahoma  
Capitol Building  
2300 Lincoln Blvd., Rm. 212  
Oklahoma City, Oklahoma 73105

Dear Governor Fallin:

This letter provides approval of Oklahoma's State Integrated Workforce Plan for Title I of the Workforce Investment Act (WIA), the Wagner-Peyser Act (W-P), including W-P Agricultural Outreach Plan, and plans for coordination with Trade Adjustment Assistance (TAA). The Employment and Training Administration (ETA) received the State Plan on September 12, 2012. This letter also responds to Oklahoma's WIA waiver requests.

Training and Employment Guidance Letter (TEGL) No. 21-11, issued on March 27, 2012, and TEGL No. 21-11, Change 1 issued on August 8, 2012 provide guidance for states to submit their State Workforce Plans and waivers for Program Year (PY) 2012 and beyond. We appreciate the State's responsiveness to this guidance.

#### Plan Review and Approval

ETA has reviewed the Oklahoma State Integrated Workforce Plan in accordance with Title I of WIA, the Wagner-Peyser Act, the Trade Act (as amended), the corresponding regulations, the State Integrated Workforce Plan Requirements for Workforce Investment Act Title I/Wagner-Peyser Act and Department of Labor Workforce Programs (<http://www.doleta.gov/usworkforce/wia-planning/docs/integrated-planning-guidance.pdf>), and TEGL No. 21-11 and the corresponding Change 1. Pursuant to 20 CFR 661.230(e), this letter constitutes a written determination under WIA Section 112 (29 USC 2822) that ETA is approving the WIA Title I, W-P and TAA portions of Oklahoma State Plan for the period July 1, 2012 through June 30, 2017, PY 2012-PY 2016. The annual W-P Agricultural Outreach Plan is approved for the period July 1, 2012 through June 30, 2013.

The State is eligible to receive WIA formula allotments for Adult, Dislocated Worker, and Youth programs, and W-P program allotments, effective July 1, 2012 through June 30, 2017.

### Performance Levels

Each year, the Regional Administrator negotiates the Program Year's WIA and W-P performance goals with each state. As required by TEGE Nos. 21-11 and 38-11 dated June 18, 2012, negotiations must be completed by December 31, 2012 for PY 2012. Once the final goals are established, the Regional Administrator's letter advising the State of the PY 2012 WIA and W-P final performance goals constitutes a modification to the State Plan. ETA will incorporate Oklahoma's final performance goals for PY 2012 into the Regional and National Office copies of the State Integrated Workforce Plan. Please include these final PY 2012 goals in the State's official copy of the State Plan.

### Waivers

As part of Oklahoma's State Integrated Workforce Plan, the State submitted waiver requests for waivers of statutory and regulatory requirements under WIA (copy enclosed). The State's requests for waivers are written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c). The disposition of the State's waiver requests is outlined below. This action is taken under the Secretary's authority at WIA Section 189(i) to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the Wagner-Peyser Act.

#### Waiver of WIA Section 133(b)(4) to increase the allowable transfer amount between Adult and Dislocated Worker funding streams allocated to a local area.

The State requested a waiver to permit an increase in the amount a state is allowed to transfer between the Adult and Dislocated Worker funding streams. The State is granted this waiver through June 30, 2017. Under the waiver, transfer authority is limited to 50 percent. This limitation provides states flexibility while ensuring consistency with Congressional intent regarding the level of funding appropriated for the WIA Adult and Dislocated Worker programs.

#### Waiver to permit the State to replace the performance measures at WIA Section 136(b) with the common measures.

The State requested a waiver that allows the State to replace the 17 performance measures under WIA Section 136(b) with the common measures. The State is granted this waiver through June 30, 2017.

This waiver permits the State to negotiate and report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The State will no longer negotiate and report to ETA on the following WIA measures: WIA adult and dislocated worker credential rates; participant and employer customer satisfaction; older youth measures; and younger youth measures. The State will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and WIA Dislocated Worker programs. The State will use the three youth common performance measures to negotiate goals and report

outcomes for the WIA Youth program. Workforce Investment Act Standardized Record Data system (WIASRD) item 619, Type of Recognized Credential, should be completed for each individual as appropriate, regardless of this waiver to report on common performance measure outcomes only.

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

The State requested 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, 2017. 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 and local area may provide customized training to individuals over age 18 with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local area may provide customized training to dislocated workers with WIA Dislocated Worker funds. Customized training provided with statewide funds must serve WIA eligible individuals.

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 requested 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, 2017. 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.

Waiver of WIA Section 134(a) to permit local areas to use a portion of local funds for incumbent worker training.

The State requested to permit local areas to conduct allowable statewide activities as defined under WIA Section 134(a)(3) with local WIA formula funding, specifically incumbent worker training. The State is granted this waiver through June 30, 2017. Under this waiver, the State is permitted to allow local areas 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), field 309. TEGL No. 26-09, Section 7A, "Workforce Investment Act (WIA) Waiver Policy and Waiver Decisions for PY 2009 and 2010" and TEGL No. 30-09, "Layoff Aversion Definition and the Appropriate Use of Incumbent Worker Training for Layoff Aversion Using a Waiver" provide policy guidance related to implementation of this waiver.

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

The State requested 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, 2017. 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 and local area may provide on-the-job training to individuals over age 18 with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local area 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.

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 requested a waiver to permit use of rapid response funds to conduct allowable statewide activities as defined under WIA Section 134(a)(3), specifically incumbent worker training. The State is granted this waiver through June 30, 2017. 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 Workforce Investment Act Standardized Record Data system (WIASRD), field 309. TEGL No. 26-09, Section 7A, "Workforce Investment Act (WIA) Waiver Policy and Waiver Decisions for PY 2009 and 2010" and TEGL No. 30-09, "Layoff Aversion Definition and the Appropriate Use of Incumbent Worker Training for Layoff Aversion Using a Waiver" provide policy guidance related to implementation of this waiver.

Waiver of 20 CFR 666 and 667.300(a) to reduce the collection of participant data for incumbent workers.

The State requested a waiver of the requirements to reduce the data collection burden for employers participating in WIA-funded incumbent worker training programs. The waiver permits the State to discontinue the collection of the following Workforce Investment Act Standardized Record Data (WIASRD) elements: single parent (117), unemployment compensation eligible status at participation (118), low income (119), TANF (120), other public assistance (121), homeless individual and/or runaway (125), and offender (126). The State is granted this waiver through June 30, 2017.

Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth.

The State requested a waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts (ITAs) for older youth and out-of-school youth program participants. The State is granted this waiver through June 30, 2017. Under this waiver, the State can use ITAs for older youth and out-of-school youth program participants. The State must continue to make the 10 youth program elements available as described at WIA Section 129(c)(2). The State should ensure that funds used for ITAs are tracked and that the ITAs are reflected in the individual service strategies for these youth.

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 through June 30, 2013.

Waiver of WIA Section 123 that requires that providers of Youth program elements be selected on a competitive basis.

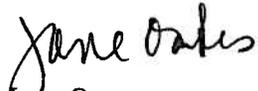
The State has withdrawn this waiver request.

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 are incorporated into the State Integrated Workforce Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and with the approved State Plan. In addition, as described in TEG L No. 29-11, the State should address the impact these 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 working together as you implement your State Integrated Workforce Plan for PY 2012 and beyond. Thank you for co-branding as a proud partner of American Job Center brand; we are available to provide technical assistance as needed.

If you have any questions related to the issues discussed above, please contact Felecia Blair, the Federal Project Officer for Oklahoma, at (972) 850-4643 or [Blair.Felecia@dol.gov](mailto:Blair.Felecia@dol.gov).

Sincerely,



Jane Oates  
Assistant Secretary

Enclosures

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

**From:** Murelio, April [April\_Murelio@odoc.state.ok.us]  
**Posted At:** Friday, November 02, 2012 12:53 PM  
**Conversation:** Oklahoma's 5-Year Strategic Workforce Plan  
**Posted To:** WIA.PLAN

**Subject:** Oklahoma's 5-Year Strategic Workforce Plan

Attached is Oklahoma's 5-Year Strategic State Workforce Plan. The plan was approved at the August 3, 2012 Governor's Council for Workforce and Economic Development meeting (State WIB). It was also posted to the Oklahoma Department of Commerce's website for a 30-day comment period, and no comments were received. It has also been reviewed and approved by our regional DOL office.

If you have any questions, feel free to contact Norma Noble at (405) 815-5278 or email [norma\\_noble@okcommerce.gov](mailto:norma_noble@okcommerce.gov), or myself at this email address and/or 918-594-8344.

**April C. Murelio**

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### **WIA Waiver Requests:**

To make the best use of resources, Oklahoma continues to take advantage of federal waiver opportunities to seek relief from provisions that restrict flexibility and creativity or limit efficiencies. Oklahoma submitted waiver requests covering a broad array of workforce issues as part of the revised Strategic Two-Year Workforce Investment Plan in 2009.

The waivers were extended thru June 30, 2012. The requested waivers were developed with local workforce boards and other stakeholders. They have provided the authority to increase local control of program delivery, improve the ability of the local workforce boards to respond quickly to the changing needs within their workforce areas and to increase flexibility at the local level to serve business and industry. No state or local statutory or regulatory barriers to implementing the requested waivers exist.

The *WIA Waiver Requests* section was included in the State Plan when it was posted for public comment. No comments were received on the State Plan or on this section.

### ***Waiver Extension Requests***

Oklahoma requests the following waivers be extended to June 30, 2017.

#### **Waiver to use common measures in lieu of performance measures for Workforce Investment Act Title I and the Wagner-Peyser Act**

Oklahoma was previously granted a waiver that allows the State to replace the 17 performance measures under WIA Section 136(b) with the common measures. Oklahoma will negotiate and report WIA outcomes against the common performance measures only. Oklahoma will no longer negotiate and report to ETA on the following WIA measures: WIA Adult and Dislocated Worker credential rates; participant and employer customer satisfaction; older youth measures; and younger youth measures. The implementation of this waiver has allowed Oklahoma to successfully integrate Labor Exchange and WIA staff across the state. As Oklahoma expands with true "system integration," the necessity for simplified performance measures will become more important than ever.

***Goals, Outcomes, and Individuals/Entities Impacted:*** Oklahoma's intent mirrors that of the Workforce Investment Act and WIA reauthorization: to simplify and streamline the performance accountability system. Duplicative performance measurements cause local workforce areas to focus on meeting program performance rather than meeting the needs of employers and participants. Refocusing them away from individual program performance to integrated services and Common Measures remains an integral part of the reformed workforce development system.

Similarly, continuation of the historic WIA measures with Common Measures compels staff to spend even more time focusing on program outcomes rather than the needs of employers and job seekers. This request is in keeping with the Governor's Council mission of advancing demand-driven workforce and economic development systems. It has been Oklahoma's experience, and is

the consensus opinion of most workforce development professionals, that the 17 indicators of performance are too cumbersome to be a viable program management tool across departments. One set of clear outcome measures across workforce development programs ensures accountability, improves program management and performance, and facilitates service integration.

Common performance measures across programs and data collected for them also provide necessary information to help effectively oversee the workforce investment system. The use of Common Measures enhances Oklahoma's ability to assess the effectiveness and impact of workforce development efforts. Using the Common Measures provide a clear means of determining program performance, accomplishing this through a system-wide perspective. Such a cross-program strategy is consistent with Oklahoma's overall move toward integration of programs and the non-duplication of services to benefit all customers of the workforce investment system.

Oklahoma continues to collect and report all fields as required by the Workforce Investment Act Standard Record Data, including all information pertaining to older and younger youth participants. Oklahoma conducts customer satisfaction surveys for employers and job seekers on a quarterly basis.

*Monitoring:* Oklahoma will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and Dislocated Worker programs. Oklahoma will use the three youth common performance measures to negotiate goals and report outcomes for the WIA Youth program. The Workforce Investment Act Standardized Record Data System (WISARD) item 619, Type of Recognized Credential, will be completed for each individual as appropriate regardless of this waiver to report on common performance measure outcomes only. State regulations and policy statements are in compliance with current federal law.

Adult, Dislocated Worker and Youth program enrollments, service levels and program outcomes are monitored and analyzed on a monthly and quarterly basis using our comprehensive case management system, Oklahoma Service Link (OSL). In addition, program monitors conduct comprehensive compliance monitoring on an annual basis utilizing reports generated from Oklahoma Service Link. Oklahoma issued OETI 01-2007 clearly outlining requirements for common measures. In addition OSWDI-02-2012 clearly outlines documentation requirements for eligibility, program service delivery and program outcomes for Adult programs. OETI 22-2009 does the same for the Youth programs.

This waiver request was included in the State Plan when it was posted for public comment. No comments were received on the State Plan or on this waiver request.

**Waiver of the required 50% employer contribution for customized training at WIA section 101 (B)(c)**

Under this waiver, Oklahoma uses the following scale: (1) no less than 10% match for employers with 50 or fewer employees, and (2) no less than 25% match for employers with 51 to 250

employees. For employers with more than 250 employees, the current statutory requirements (50% contribution) continue to apply.

*Goals, Outcomes, and Individuals/Entities Impacted:* Customized training optimizes the resources available under workforce development initiatives to meet the needs of employers and job seekers. Customized training focuses on employers' and job seekers' needs while minimizing programmatic and bureaucratic barriers. Many small businesses are excluded from these funds because they can't meet the match requirement. This waiver enables local workforce boards to provide funds for customized training on a sliding scale that opens the door for more small business participation in the Oklahoma workforce development system.

Allowing businesses to apply the sliding match scale increases employer participation in WIA customized training programs at the local level. The sliding scale answers employers' primary reason for not participating in customized training. Employers further benefit by having a labor pool with the marketable skills they require. Local workforce boards increase participation rates for skilled job seekers that receive training and find employment.

*Monitoring:* When determining the funding source for customized training, Oklahoma uses the appropriate program funds for the appropriate WIA-eligible population. Oklahoma and the local workforce areas provide customized training to individuals over age 18 with WIA Adult funds and gives priority to low-income individuals when funds are limited. Oklahoma provides customized training to dislocated workers with WIA Dislocated Worker funds. Customized training provided with state funds must serve WIA eligible individuals.

Upon receipt of this waiver, all customized training programs will be monitored and analyzed on a monthly and quarterly basis using our comprehensive case management system, Oklahoma Service Link (OSL). In addition, program and financial monitors conduct comprehensive compliance monitoring on an annual basis utilizing reports generated from Oklahoma Service Link and local area fiscal records. The State continues to make adjustments to monitoring performance requirements to ensure that performance goals and objectives are met for all WIA customized training programs. Customized training contract provisions address specific performance measures for each project.

In accordance with the current monitoring plan, ODOC will conduct financial and program monitoring for all local areas annually and conduct monthly desk monitoring of reported expenditures and cash requests. Accounting records are reviewed to track all funding utilized to the maximum allowed and approved. In addition, the funding will be tracked to the associated performance outcomes to ensure that all funds were used in accordance with training design and service delivery.

This waiver request was included in the State Plan when it was posted for public comment. No comments were received on the State Plan or on this waiver request.

**Waiver of WIA section 101 (31)(B) to increase the employer reimbursement for on-the-job training (OJT) to a sliding scale based on the size of the business**

Oklahoma operates under a previously granted waiver that allows an increase in employer reimbursement for on-the-job training through a sliding scale based on the size of the business. Under the waiver, Oklahoma uses the following re-imbursements for OJT: (1) up to 90% for employers with 50 or fewer employees, and (2) up to 75% for employers with 51 to 250 employees. For employers with more than 250 employees, Oklahoma applies a 50% reimbursement.

When determining the funding source for OJT, Oklahoma uses the appropriate program funds for the appropriate WIA-eligible population. Oklahoma and the local areas may provide OJT to individuals over age 18 with WIA Adult funds and provides priority to low-income individuals when funds are limited. OJT may be provided to dislocated workers to WIA Dislocated Worker funds. OJT provided with statewide funds must serve WIA eligible individuals.

***Goals, Outcomes, and Individuals/Entities Impacted:*** Small to mid-sized businesses benefit from this waiver because it serves as an attractive incentive to participate in OJT programs that they might not otherwise be able to afford. Further, it provides them with highly skilled employees, which enables them to meet current market demands as well as expand capacity for growth. Job seekers, particularly the dislocated worker, long-term unemployed and other target populations, benefit by augmenting their education and training with on-the-job experience and avenues to employment that might otherwise be closed.

***Monitoring:*** Upon receipt of this waiver, OJT contracts will be monitored and analyzed on a monthly and quarterly basis using our comprehensive case management system, Oklahoma Service Link (OSL). In addition, program and financial monitors conduct comprehensive compliance monitoring on an annual basis utilizing reports generated from Oklahoma Service Link and local area fiscal records. The State continues to make adjustments to monitoring performance requirements to ensure that performance goals and objectives are met for all WIA OJT programs. OJT trainings contract address the employer's intent to retain the participant in subsidized employment and ensure objectives are met for all WIA OJT contracts.

The State monitors all OJT programs, comparing actual performance with contract benchmarks. Accounting records are reviewed to track all funding utilized to the maximum allowed and approved. In addition, the funding will be tracked to the associated performance outcomes to ensure that all funds were used in accordance with training design and service delivery. The State continues to make adjustments to monitoring performance requirements to ensure that performance goals and objectives are met for all WIA OJT programs.

This waiver request was included in the State Plan when it was posted for public comment. No comments were received on the State Plan or on this waiver request.

**Waiver of WIA section 134 (a)(1)(A) to permit up to 20% of state rapid response funds to be used for incumbent worker training**

Under this waiver, Oklahoma uses up to 20% of Rapid Response funds for incumbent worker training only as part of a lay-off aversion strategy. All training is delivered under this waiver is restricted to skill attainment activities.

*Goals, Outcomes, and Individuals/Entities Impacted:* Program participants benefit because local workforce boards have the added flexibility to design programs based on local needs and priorities, more customers have access to essential services; local areas can target more resources to layoff aversion activities involving incumbent worker training; and the State is able to more effectively target resources where most needed to provide incumbent worker and other activities. By increasing the skill base of employees in local business and industry, Oklahoma's employer community strengthen their standing in competitive markets, leading to more robust local economies and a faster recovery for those companies experiencing cut backs and/or closure.

The waiver benefits employers, incumbent workers, job seekers, youth, WIBs, service providers, and Workforce Oklahoma center staff. The flexibility of these funds authorized under this waiver encourages local areas to increase their services and become more responsive and innovative to meet existing and new customers' needs.

Economic sectors, types of training and employers will be selected based potential impact to local economy. Each situation will be analyzed and addressed on an individual basis. Each local area will be required to justify how employers were selected as well as provide documentation of the employer's commitment to retain employees or pay a higher wage as a result of the training provided.

*Monitoring:* Oklahoma reports performance outcomes for any incumbent workers served under this waiver in the WISARD, field 309. Oklahoma uses TEGL No. 26-09, Section 7A, "Workforce Investment Act (WIA) Waiver Policy and Waiver Decisions for PY2009 and 2010" and TEGL No. 30-09, "Layoff Aversion Definition and the Appropriate Use of Incumbent Worker Training for Layoff Aversion Using a Waiver" provides policy guidance related to the implementation of this waiver. State regulations and policy statements are in compliance with current federal law.

This waiver request was included in the State Plan when it was posted for public comment. No comments were received on the State Plan or on this waiver request.

**Waiver of WIA Section 134(a) to permit local areas to use a portion of local funds for incumbent worker training**

Oklahoma allows local workforce areas to use up to 20% of local Dislocated Worker funds for incumbent worker training only as part of a lay-off aversion strategy. All training delivered under this waiver is restricted to skill attainment activities. Local workforce areas are still required 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 WISARD, field 309

As with the waiver of WIA section 134 (a)(1)(A) to permit up to 20% of state rapid response funds to be used for incumbent worker training, Oklahoma uses FEGL No. 26-09, Section 7A, "Workforce Investment Act (WIA) Waiver Policy and Waiver Decisions for PY2009 and 2010" and FEGL No. 30-09, "Layoff Aversion Definition and the Appropriate Use of Incumbent Worker Training for Layoff Aversion Using a Waiver" as guidance. State regulations and policy statements are in compliance with current federal law.

**Goals, Outcomes, and Individuals/Entities Impacted:** 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. Under this waiver, Oklahoma's workforce system improves the ability of local workforce boards to respond to changes within their local areas; provides greater flexibility in designing and implementing WIA programs, and increases local control for program delivery.

Further, the State can increase employer/board collaboration to address industry needs and the need for employer-driven 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, and increase the numbers of incumbent workers trained across the state.

This waiver benefits local workforce boards, employers, job seekers, service providers, and Oklahoma communities. The flexibility of these funds authorized under this waiver encourages local areas to increase their services and become more responsive and innovative to meet existing and new customers' needs.

Economic sectors, types of training and employers will be selected based potential impact to local economy. Each situation will be analyzed and addressed on an individual basis. Each local area will be required to justify how employers were selected as well as provide documentation of the employer's commitment to retain employees or pay a higher wage as a result of the training provided.

**Monitoring:** The Oklahoma Department of Commerce (ODOC) is the State administrative entity for the Workforce Investment Act and will monitor service delivery and outcomes under the waiver as required by an annual on-site review.

In accordance with the current monitoring plan, ODOC will conduct financial and program monitoring for all local areas annually and conduct monthly desk monitoring of reported expenditures and cash requests. Accounting records are reviewed to track all funding utilized to the maximum allowed and approved. In addition, the funding will be tracked to the associated

performance outcomes to ensure that all funds were used in accordance with training design and service delivery.

This waiver request was included in the State Plan when it was posted for public comment. No comments were received on the State Plan or on this waiver request.

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

Under this waiver, Oklahoma will 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.

***Goals, Outcomes, and Individuals/Entities Impacted:*** This waiver improves services through increased customer choice in accessing training opportunities in demand occupations; increases the number of training providers; provides local workforce areas more flexibility in securing service providers; promotes better use of service providers in rural areas, and eliminates duplicate processes for service providers.

Further, the number of training providers in workforce areas increase, and training services for eligible participants are available in a faster and more efficient manner. Many local areas find it difficult to secure training providers willing or able to provide the information required for subsequent eligibility so that training services in demand occupations can be provided to eligible participants. In many instances, providers have elected not to participate in the ETP because the data cannot be easily provided. As a result, approved training programs are severely limited particularly in rural areas.

***Monitoring:*** The State uses OSL as the mechanism for dissemination of information pertaining to WIA approved training providers. Each local area's demand occupation policy is reviewed prior to the approval of each training provider and each training program. The State program staff reviews each application for initial and subsequent approval prior to publication on OSL. State provides direction to the Local Areas and the process is monitored through regular dialogue with local areas, employers, and training providers and through contact with local workforce board staff.

In addition, State program monitors conduct comprehensive compliance monitoring onsite to review the training services provided in coordination with the ETP system and the local areas demand occupation policy. State provides direction to the local Progress is monitored through regular dialogue with local areas, employers, and training providers and through contact with local workforce board staff.

This waiver request was included in the State Plan when it was posted for public comment. No comments were received on the State Plan or on this waiver request.

**Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts (ITAs) for older and out-of-school youth program participants**

This waiver enables local areas to continue utilizing ITAs for older and out-of-school youth program participants who are age 18 or older, regardless of the participant's age at the time of enrollment. Oklahoma tracks funds used for ITAs, and the ITAs are reflected in the individual service strategies for these youths.

***Goals, Outcomes, and Individuals/Entities Impacted:*** This waiver improves increased customer choice in accessing training opportunities in demand occupations and provides local workforce areas more flexibility in securing service providers for older and out-of-school youth; promotes better use of service providers in rural areas; and eliminates duplicate processes for service providers.

***Monitoring:*** The State provides direction to the local workforce boards to use the Eligible Training Provider System for older and out-of-school youth; identify the criteria for determining when the use of Individual Training Accounts is appropriate; provide guidance on how to assist youth in choosing appropriate training providers, and in modifying local plans. Progress is monitored through regular dialogue with local areas, employers, and training providers and through contact with local workforce board staff.

In addition, State program monitors conduct annual comprehensive compliance monitoring onsite of the comprehensive assessment tools, the ISS and ITA to assure the needs of the youth are addressed as outlined in local area policy. The State also provides direction to the local areas through regular dialogue with local board staff and service provider staff.

In accordance with the current monitoring plan, ODOC will conduct financial and program monitoring for all local areas annually and conduct monthly desk monitoring of reported expenditures and cash requests. Accounting records are reviewed to track all funding utilized to the maximum allowed and approved. In addition, the funding is tracked to the associated performance outcomes to ensure that all funds are used in accordance with training design and service delivery.

This waiver request was included in the State Plan when it was posted for public comment. No comments were received on the State Plan or on this waiver request.

***Request to Discontinue an Existing Waiver***

For 2012-2017, Oklahoma requests that its previously approved waiver concerning the competitive procurement of follow-up services for youth be discontinued. The State has found that this waiver is an impediment to the State's efforts to ensure separation of local workforce investment boards, Workforce Oklahoma one-stop center operators, and WIA Title I provider staff as required by Oklahoma's two-year certification process for local boards.

### *New Waiver Requests*

**Pursuant to WIA Section 189 (i)(4)(B) and the WIA Federal regulations at 20 CFR 661.320, The State of Oklahoma requests a waiver to increase the allowable transfer amount between Adult and Dislocated Worker streams allocated to a local area**

*Statutory or Regulatory Requirements to be Waived:* WIA Section 133 (b)(4) (29 USCA section (i)(4)(B) and WIA Regulations 20 CFR section 667. There are no state or local statutory or regulatory barriers to implementing this waiver. Upon notification of approval of this waiver, ODOC will amend policy to comply with the waiver.

*Goals, Outcomes, and Individuals/Entities Impacted:* Oklahoma intends to increase the State's and local boards' ability to respond as needed to changes within the state and or region. This waiver will also allow greater flexibility in designing and delivering services to adults and dislocated workers as appropriate. This waiver would increase the use of WIA programs by adults and dislocated workers and result in more job seeker services.

Currently, local areas have the ability to transfer up to 30% of funds between the Adult and Dislocated Worker programs. The State requests a waiver to allow local areas to transfer up to 40% of funds between programs to allow greater customization of service delivery, maximize use of limited funds, and redirect resources where demand is greatest. This waiver will allow local areas to serve greater numbers of low-income adults in areas where unemployment is low and to quickly serve greater numbers of dislocated workers in areas that experience sudden increases in unemployment due to mass layoffs or Rapid Response events.

This waiver will give greater access to employment and training services to those most in need and will give local areas greater flexibility to design their programs based on local economic conditions and priorities.

*Monitoring:* The State requires the use of OSL electronic case management system to store all eligibility, programmatic and outcome documentation pertaining to each individual's program participation. State staff reviews and analyzes enrollment, service levels and program performance on a quarterly basis or more often if needed. To provide for the financial oversight of Transfer of Funds requests ODOC has issued policy at OWDI 03-2012. Upon approval of this waiver, the policy shall be re-issued to allow for a maximum of 40% transferrable amount between said programs. The policy requires that the LWIBs demonstrate board approval of the transfer and submit an impact study to outline the advantages of the transfer on local area performance and outcomes. In accordance with the current monitoring plan, ODOC will monitor all local areas annually and conduct monthly desk monitoring of expenditures and cash requests. Accounting records are reviewed to track all funding utilized to the maximum allowed and approved. In addition, the funding will be tracked to the associated performance outcomes to ensure all funds are used in accordance with the scope of work outlined in the impact study.

The State also provides direction to the local areas through regular dialogue with local board staff and service provider staff. ODOC continually reviews performance reports and compares

performance against negotiated goals. Monthly expenditure reports and enrollment reports will be monitored on a regular basis.

This waiver request was included in the State Plan when it was posted for public comment. No comments were received on the State Plan or on this waiver request.

**Pursuant to WIA Section 189 (1)(4)(B) and the WIA Federal regulations at 20 CFR 661.320, The State of Oklahoma requests a waiver to reduce the collection of participant data for incumbent workers**

***Statutory or Regulatory Requirements to be Waived:*** WIA Regulations 20 CFR 666 and 20 CFR 667.300(a) There are no state or local statutory or regulatory barriers to implementing this waiver. Upon approval of this waiver, ODOC will issue policy to clarify data collection requirements for incumbent workers.

***Goals, Outcomes, and Individuals/Entities Impacted:*** To reduce the burden for employers participating in WIA-funded incumbent worker training, the waiver permits the State to discontinue the collection of the following Workforce Investment Act Standardized Record Data (WIASRD) elements: single parent (117), unemployment compensation eligible status at participation (118), low income (119), TANF (120), other public assistance (121), homeless individual and/or runaway (125), and offender (126). This waiver will enable the State to streamline the data capture requirements so employers are not unnecessarily burdened with federal data requirements.

The basic information collected on incumbent workers will be collected in a confidential manner either onsite or at the American Job Center based on the contractual agreement between the employer and the LWIB. The case file data will be collected electronically and housed in the OSL system.

Additionally, the waiver strengthens the ability of Oklahoma's workforce system to meet lay-off aversion needs, coordinate with economic development strategies, and develop employer linkages. Economic sectors, types of training and employers will be selected based potential impact to local economy. Each local area will be required to justify how employers were selected as well as provide documentation of the employer's commitment to retain employees or pay a higher wage as a result of the training provided.

One of the primary reasons that local workforce boards provide incumbent worker training is to improve regional economies by upgrading the skills of the existing workforce, enabling both the employer and the individual worker to improve competitiveness. Additionally, as workers improve their skills and climb the career ladder, the vacancies created by the promotions are backfilled with dislocated workers, the long-term unemployed, etc. Thus, the program builds employer usage of and satisfaction with the public workforce system.

Employers have been reluctant to utilize incumbent worker funds because of the data collection requirements. Awarding this waiver will address the issues Oklahoma has had with meeting employers lay-off aversion needs by addressing the issues employers have had with requesting

personal information from potentially impacted employees. Should this waiver be granted, elimination of the collection of personal demographic information that does not apply to employed individuals will greatly simplify the enrollment process and lessen the burden on the participants and the employers.

**Monitoring:** The State requires the use of the OSL electronic case management system to store all eligibility, programmatic and outcome documentation pertaining to each individual's program participation. State staff review and analyze enrollment, service levels and program performance on a quarterly basis or more often if needed.

In addition, State program monitors conduct annual comprehensive compliance monitoring onsite of program expenditures and discretionary grants to assure that contract requirements are being met for all WIA programs. The State also provides direction to the local areas through regular dialogue with local board staff and service provider staff. ODOC continually reviews performance reports and compares performance against negotiated goals. Monthly expenditure reports and enrollment reports will be monitored on a regular basis. State administrators continually review performance reports and compares performance against negotiated goals. Monthly expenditure reports and enrollment reports will be monitored on a regular basis.

This waiver request was included in the State Plan when it was posted for public comment. No comments were received on the State Plan or on this waiver request.

**Pursuant to WIA Section 189 (i)(4)(B) and the WIA Federal regulations at 20 CFR 661.320, The State of Oklahoma requests a waiver of the requirement to provide local workforce investment areas incentive grants to reward regional cooperation, local coordination of activities and exemplary performance**

**Statutory or Regulatory Requirements to be Waived:** WIA Section 134 (a)(2)(B)(iii) and 20 CFR 665 200 (e) There are no state or local statutory or regulatory barriers to implementing this waiver.

**Goals, Outcomes, and Individuals/Entities Impacted:** The reduction to five percent in the WIA allotment of the governor's reserve has restricted the State's ability to carry out required statewide workforce investment activities. The reduction in funding has not eliminated the state's requirements to cover the following activities:

- Operation of fiscal and management accountability systems;
- Submission of required reports to the U.S. Department of Labor;
- Dissemination of the list of eligible training providers;
- Providing technical assistance to poor performing local areas, and,
- Assisting in the establishment of a one-stop delivery system.

In addition to the required activities, Oklahoma is currently working to establish the first fully integrated workforce system in the country. This system will utilize a common data portal and informational video to provide job seekers and employers with information pertaining to services available to them through the Oklahoma workforce system.

Although Oklahoma does intend to grant incentive awards to local workforce investment areas for PY11 due the timing of this waiver request, the continuation of the current funding level in the Governor's reserve is insufficient to continue to fund incentive grants to local areas. Historically Oklahoma has set aside up to \$200,000 to grant incentive awards to LWIBs. The reduction from 15% to 5% of the statewide activities funds has greatly affected the state's ability to conduct the following required activities: State administration of the WIA program, dissemination the list of eligible providers of training services, funding the operation of the State's WIA case management and MIS system, providing technical assistance to local areas and carrying out federal reporting requirements. Approval of this waiver will ensure that the State may prioritize the use of the governor's reserve funds for the activities the State deems most essential to the basic functions of the workforce investment system in Oklahoma.

**Monitoring:** The implementation of this waiver will be monitored by ODOC to ensure accountability for Federal funds by reviewing monthly expenditure reports, performance and other reports, through regular contact with the ETA Regional Office liaison, and through its monitoring and performance accountability system.

This waiver request was included in the State Plan when it was posted for public comment. One comment was received on this waiver request from the Central Oklahoma Workforce Board. As a result of this comment a change in the waiver request was made to award incentive grants for program year 2011.