

JUN 29 2010



The Honorable Mike Rounds
Governor of South Dakota
500 East Capitol Avenue
Pierre, South Dakota 57501

Dear Governor Rounds:

This letter provides approval of an extension of South Dakota's current Workforce Investment Act (WIA) and Wagner-Peyser Act (W-P) State Plan and waivers for Program Year (PY) 2010.

Training and Employment Guidance Letter (TEGL) No. 21-09, issued on April 15, 2010, provides guidance for states to secure approval of their WIA/W-P State Plans and waivers for PY 2010, and included the option to receive an extension of the existing State Plan and waivers for an additional year without submitting a formal request.

Extension of State Plan

South Dakota's existing State Plan will expire on June 30, 2010. This letter constitutes a written determination under WIA Section 112 (29 USC 2822) that the Employment and Training Administration (ETA) is extending the approval of South Dakota's State Plan for WIA Title I and the Wagner-Peyser Act for Program Year 2010, July 1, 2010 through June 30, 2011.

The Grant Officer will issue a Notice of Obligation for the "July portion" of the WIA formula allocations for Adult and Dislocated Worker programs, effective July 1, 2010, under the PY 2010 Annual Funding Agreement. The W-P program's Annual Funding Agreement for PY 2010/Fiscal Year 2011 will be sent to the designated state grantee agency for signature and return to the Grant Officer for execution, effective July 1, 2010. The W-P Annual Funding Agreement will provide for the initial base allocation of PY 2010 funds.

Performance Levels

Once the final goals are established, the Regional Administrator's letter advising the State of the PY 2010 WIA and W-P final performance goals constitutes a modification to the State Plan. ETA will incorporate South Dakota's final performance goals for PY 2010 into the Regional and National Office copies of the State Plan. Please include these final PY 2010 goals in the State's official copy of the State Plan.

Waivers

As part of the State's extension of the WIA/W-P State Plan, and as described in TEGL 21-09, ETA has made determinations regarding an extension of South Dakota's PY 2009 waivers of statutory and regulatory requirements under WIA for PY 2010. The State also submitted a request for a new waiver (copy enclosed). The State's request for the new waiver is 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 extensions as well as its submission of a new waiver request 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. 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.

Extension of Waivers

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 was previously granted 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 an extension of this waiver through June 30, 2011. 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. As stated in ETA Training and Employment Guidance Letter (TEGL) No. 14-08, Section 19, issued on March 18, 2009, this waiver does not apply to funds made available through the American Recovery and Reinvestment Act of 2009. However, the State is permitted to transfer up to 30 percent of ARRA funds between programs under WIA and under the Department of Labor Appropriations Act of 2009. This authority is discussed in TEGL No. 14-08, Change 1.

New Waiver Requests

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

The State is requesting 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, 2011.

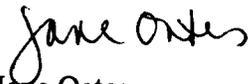
This waiver permits the State to negotiate and report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The State will no longer negotiate and report to ETA on the following WIA measures: WIA adult and dislocated worker credential 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.

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 TEGL No. 14-00, Change 3, 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 Plan for PY 2010. If you have any questions related to the issues discussed above, please contact Bernarda Cutter, the Federal Project Officer for South Dakota, at (972) 850-4618 or Cutter.Bernarda@dol.gov.

Sincerely,



Jane Oates
Assistant Secretary

Enclosure

cc: Pamela S. Roberts, Secretary, South Dakota Department of Labor
Joseph C. Juarez, Regional Administrator, ETA Dallas Regional Office
Janet Sten, Federal Coordinator for Plan Review and Approval
Thomas Martin, Grant Officer
Bernarda Cutter, Federal Project Officer for South Dakota

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Jane Oates
Assistant Secretary

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Joseph C. Juarez, Regional Administrator, ETA Dallas Regional Office
Janet Sten, Federal Coordinator for Plan Review and Approval
Thomas Martin, Grant Officer
Bernarda Cutter, Federal Project Officer for South Dakota



STATE OF SOUTH DAKOTA
M. MICHAEL ROUNDS, GOVERNOR

May 14, 2010

Joseph C. Juarez
Regional Administrator
U. S. Department of Labor/ETA
A. Maceo Smith Federal Building
525 South Griffin Street, Room 317
Dallas, TX 75202

Dear Joseph,

Enclosed is South Dakota's request for a waiver of the Performance Measures for employment and training activities authorized under the Workforce Investment Act to be replaced with Common Measures as authorized by the U.S. Department of Labor.

Common Measures are an integral part of the Employment & Training Administration's performance accountability system. The value of implementing Common Measures is the ability to describe in a similar manner the core purposes of the workforce system.

A simplified and streamlined accountability system will enhance our quality of service to the public. We request the authority to begin implementation of Common Measures on July 1, 2010.

Thank you for your time and favorable consideration to this request.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Michael Rounds".

M. Michael Rounds

MMR:ls

South Dakota Request for Waiver to Section 136(b) of WIA

South Dakota is seeking a waiver of the Performance Measures for employment and training activities under the Workforce Investment Act (WIA) to be replaced with the Common Measures as authorized by U.S. DOL under TEGL 17-05.

Our intent with this waiver is to streamline and simplify the performance accountability system. Placing a focus on integrated service and reporting only Common Measures will reduce redundancy and lessen the burden of reporting 15 core measures and two satisfaction measures. A move to Common Measures will allow program staff to focus on providing a quality service for employers and individual job seekers, rather than concentrating on an unwieldy methodology for tracking and reporting performance. Common Measures will provide for accountability, improve program management, and reduce the associated costs.

Statutory and Regulatory requirements to be waived

WIA established 17 indicators of performance under Section 136 (b) of WIA. Regulations for WIA authorize waivers under 20 CFR 661.410. By minimizing the different reporting and performance requirements, common measures will foster integration of service delivery, reduce barriers to cooperation among programs, and enhance the effectiveness of the workforce system. The proposed waiver will simplify and streamline the performance accountability system.

State or Local Statutory or Regulatory Barriers

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

Goals of the Waiver and Programmatic Outcomes

The essential benefit is a simplified and efficient performance measurement system. The waiver will result in a cost effective and understandable methodology for our partners and service providers. The waiver will present reduced paperwork and staff time associated with data collection, analysis, and reporting. Having an integrated system provides a more useful tool for administrative purposes leading to better coordination among partner programs serving the public.

South Dakota has a highly integrated system of employment services. The move to Common Measures will certainly enhance our effective delivery model. Aligning Wagner-Peyser and WIA performance will lead to a comprehensive service with common goals.

Common Performance Measures and the data collected will provide needed information to oversee the workforce investment system in our state. This will enhance our ability to assess the impact of our workforce development efforts. Utilizing Common Measures will provide a clear understanding of federal and state expectations for performance.

We believe the move to Common Measures will improve WIA service to the state and provide accurate information to the public, our partners, and Congress. This will

demonstrate we are meeting the needs of business and job seekers while contributing to the economic growth of our state and nation.

Individuals Affected by the Waiver

Adopting Common Measures will have a positive impact on the management of programs and delivery of service. All customers of the state's workforce system will benefit from implementation of the waiver through an improved.

Process to Monitor Implementation

The South Dakota Department of Labor (DOL) is the administrative entity for Wagner-Peyser and WIA in the state. DOL will monitor the implementation and impact of the waiver as we work toward the anticipated outcomes. This will be accomplished through performance reporting and discussions with our program staff and employment partners. State oversight and evaluation will identify any concerns and address issues. State policies will be modified as needed to implement Common Measures.

Opportunities for comment on the waiver request have been made available to the public. The notice of waiver request was posted on the DOL website and public notice was published in the state's major newspapers. No comments were received.

South Dakota is designated as a single service area with the South Dakota Workforce Development Council (WDC) serving as both the local and state board. The WDC consists of members representing business, community based organizations, and labor organizations. The request for waiver was provided to the WDC prior to the regular scheduled April meeting and posted on the agenda as an action item. The WDC did not receive any comments from the public. The council discussed the request and voted unanimously to accept the waiver and implement the use of Common Measures once approved by U.S. DOL.