U.S. Department of Labor

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

DEC 10 2012

The Honorable Terry Branstad
Governor of Iowa
State Capitol
Des Moines, Iowa 50319-0001

Dear Governor Branstad:

This letter provides approval of Iowa's State Integrated Workforce Plan for Title I of the Workforce Investment Act (WIA), the Wagner-Peyser Act (W-P), including the 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 19, 2012. This letter also responds to Iowa'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 Iowa 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 Iowa's 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

Program performance goals for PY 2012 WIA and Wagner-Peyser have been reached in negotiations between the ETA Regional Administrator and your state workforce agency. Iowa's goals were transmitted to the agency in the Regional Administrator's letter dated November 21, 2012. This letter also indicates that Iowa's final performance goals for PY 2012 will be incorporated 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. For your convenience, your final negotiated performance goals are enclosed with this letter.

Waivers

As part of Iowa's State Integrated Workforce Plan, the State submitted waiver requests for waivers of statutory and regulatory requirements under WIA (copy enclosed). The State's request for waivers 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 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 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 an approval of 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 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 an approval of 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.

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 TEGL 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. As discussed in TEGL 36-11, we strongly encourage State WIA grantees to adopt the use of the American Job Center brand for your physical One-Stop Career Centers and online tools. We are available to provide technical assistance. If you have any questions related to the issues discussed above, please contact Marium Baker, the Federal Project Officer for Iowa, at 312-596-5526 or Baker.Marium@dol.gov.

Sincerely,

Jane Oates
Assistant Secretary

Enclosures

cc: Byron Zuidema, Regional Administrator, ETA Chicago Regional Office
Marium Baker, Federal Project Officer for Iowa

Workforce Investment Act and Wagner-Peyser Act
Performance Levels for PY 2012

Iowa

Workforce Investment Act Performance Levels

Adult Measures	PY 2012
Adult Entered Employment Rate	65%
Adult Employment Retention Rate	82%
Adult Six-months Average Earnings	$11,700

Dislocated Worker Measures	PY 2012
Dislocated Worker Entered Employment Rate	77%
Dislocated Worker Employment Retention Rate	92%
Dislocated Worker Six-months Average Earnings	$15,000

Youth Measures	PY 2012
Youth Placement in Employment or Education	74.6%
Youth Attainment of Degree or Certificate	56.2%
Youth Literacy and Numeracy Gains	35%

Wagner-Peyser Act Performance Levels

Measures	PY 2012
Entered Employment Rate	65%
Employment Retention Rate	82%
Six-months Average Earnings	$13,000

Terry E. Branstad, Governor

Kim Reynolds, Lt. Governor

Teresa Wahlert, Director

IOWA WORKFORCE DEVELOPMENT

Smart. Results.

September 20, 2012

Byron Zuidema
Regional Administrator
US Department of Labor/ETA
230 South Dearborn Street, 6th Floor
Chicago, IL 60604

Dear Byron:

Attached is a copy of the electronic submission for Iowa's Integrated Workforce Plan for Workforce Investment Act Title I/Wagner-Peyser Act and Department of Labor Workforce Programs for July 1, 2012, through June 30, 2017. This plan was posted for public comment on the IWD website, www.iowaworkforce.org, on Monday, August 20, 2012, for thirty (30) days. No comments have been received.

In addition, this plan was approved as amended by the State Workforce Investment Board at their Thursday, Sept. 6, 2012, meeting.

Iowa's Labor Market Information Division Administrator is Jude Igbokwe. His contact information is as follows:

Jude Igbokwe, Ph.D
Administrator/Labor Market & Workforce Information Division
Iowa Workforce Development
1000 E. Grand Ave.
Des Moines IA 50319
Jude.igbokwe@iwd.iowa.gov
Phone: 515.281.5193
Fax: 515.281.8195

If you need additional information, please contact Barbara Bobb at 515.725.0445 for questions regarding Iowa's Workforce Investment Act program, or myself regarding Wagner-Peyser and any other program or policy referenced in our integrated plan. My phone number is 515.281.9322. Thank you.

Sincerely,

Lori Adams, CPM
Administrator/Workforce Services Division

Attachment C - IOWA
Waivers Requests for Program Year 2012

Waiver I

Iowa Workforce Development (IWD), the State administrative entity for the Workforce Investment Act (WIA), is requesting a waiver to:

A. Permanently Waive Performance in the Subsequent Eligibility Determination for Eligible Training Providers

Iowa is fortunate to have been consistently successful in having subsequent eligibility determination waived since 2004 with the last waiver request in place through June 30, 2009. However, with the waiver period nearing its end, current Eligible Training Providers will once again begin expressing their concerns over performance tracking.

Iowa markets the Workforce Investment Act's (WIA) concept of Eligible Training Providers (ETP) and for the most part, has experienced success. However many of Iowa's training providers are finding that the reporting requirements are not realistic, based on the limited number of enrollments and the cost of developing a reporting system that would gather information relating to wages and/or placement of those individuals participating in their programs. Data for those participants who received assistance through an Eligible Training Provider under WIA is available at this time; however, data for all individuals participating in educational programs is not easily captured by the Eligible Training Providers. Iowa Workforce Development is concerned that performance-tracking requirements have the potential of causing Eligible Training Providers to opt out of the Eligible Training Provider List (ETPL). This could create limited training choices for rural areas and threaten the Individual Training Account System (ITA). Permanently waiving the reporting requirements for Eligible Training Providers would keep previously approved providers on the ETPL and provide customers with training option choices. Some Eligible Training Providers that are on Iowa's list do not have the capability to collect the required performance data.

Some of the concerns expressed by training providers are noted below:

- Creating and maintaining a system that would collect required WIA data would be costly and burdensome, especially for smaller training providers.

- For many providers, the relatively small number of WIA-eligible participants accessing training services through their ITAs would not justify the resources that would have to be committed to collect required data.

- Many training providers do not have systems in place or the staff available to produce required performance information.

- The majority of training providers on the Eligible Training Provider List do not have production data available to meet subsequent eligibility requirements.

- There may be potential violations of data privacy especially related to the Family Educational Rights Privacy Act (FERPA).

- WIA data requirements might 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 to be more customer friendly and cost efficient.

Currently the RWIB's do not have sufficient data to make informed decisions about which training providers should be re-certified. Since information on employment and earnings come from the unemployment insurance wage system, there is a tremendous delay in obtaining wage information for the quarter after exit and three quarters after exit. A provider denied subsequent eligibility could consider any decisions made by the RWIB's regarding provider's eligibility arbitrary and open to challenge.

Iowa Workforce Development as administrative entity makes all decisions regarding which providers are on the Eligible Training Provider List.

Iowa understands the need for accountability and supports efforts to ensure that customers are making informed decisions based on quality data. However, when the ability to effectively collect required data is severely limited, the resulting chaos could destroy customer choice and severely limit the use of Individual Training Accounts (ITAs). The primary goal of this request to permanently waive subsequent eligibility determination is to ensure that WIA participants are able to continue to choose a wide variety of effective and quality training opportunities.
Waiver Plan.

Section 189(i)(4) of the Workforce Investment Act permits a state to seek waivers of statutory or regulatory requirements, as well as setting forth what information must be provided in seeking such a waiver. The waiver request format follows WIA Section 189(i)(4)(B) and WIA Regulation at 20 CFR Part 661.420.

1. Statutory Regulations to be waived:

WIA Regulations at Section 663.530-540 (WIA Section 122(c)(5)), specifies the time limits for initial eligibility and/or subsequent eligibility.

2. Describe action the State has undertaken to remove State or local statutory or regulatory barriers:

Iowa has implemented the Eligible Training Provider process as required under WIA laws and regulations. No additional State requirements have been added to impede this process; therefore, there are no additional State regulatory barriers that need to be removed.

3. Waiver goals and measurable programmatic outcomes, if the waiver is granted:

a. Continue to increase the number of Eligible Training Providers and retain those already approved to ensure maximum customer choice. A measurable outcome would be the monitoring of the number of Eligible Training Providers. Iowa currently has many approved training providers of which most are based at a state university, community college or college of technology. These providers have expressed their concern about the type, amount and cost of data collection for subsequent eligibility and would choose not to participate or not re-apply for the ETPL.

b. Maintain the highest level of provider accountability and satisfaction by developing and implementing a customer friendly system. Satisfaction level and error rate monitoring are measurable outcomes.

c. Research the potential of developing an online initial eligibility application process. Monitoring the use of online applications may be used to determine measurable outcomes.

d. Add a feedback screen to the existing online ETPL application to enable Iowa Workforce Development to capture comments regarding the use of the system.

4. Describe any individuals affected by the waiver:

The waiver will affect either directly or indirectly all statewide participant training customers, training service providers, the Iowa RWIB and the general business community. The largest direct impact is anticipated to affect individual training customers and training providers with the former experiencing either the greatest cost or benefit.

5. Describe the processes used to:

(i) Monitor the progress in implementing the waiver:

Progress will be monitored in two phases related to the system's design, development, and implementation. Progress will be measured by the number of ETPL approvals. Internet usage will be monitored by observing the number of provider users and other customers. Satisfaction will be monitored to ensure that all users have a quality experience. Iowa Workforce Development will monitor the ETPL site on a frequent basis.

(ii) Provide notice to any Local Board affected by the waiver:

Iowa has 15 regions and these RWIB's have local board responsibilities. The draft waiver was posted on the State WIB website, and all RWIB members were notified it was available for review and comment.

(iii) Provide any Local Board affected by the waiver an opportunity to comment on the request:

Iowa has 15 regions and these RWIB's have local board responsibilities. The draft waiver was posted on the State WIB website, and all RWIB members were notified it was available for review and comment.

(iv) Ensure the opportunity for meaningful public comment, including comment by business and organized labor, on the waiver:

A general public comment period was provided through posting the proposed Waiver request on the State WIB website for 30 days, and notifying all RWIB members and RWIB interested persons it was available for review and comment. After the public comment period, the proposed Waiver request will be presented to the State WIB Executive Committee for approval, during a publicly noticed meeting.

Waiver II

1. Identify the statutory or regulatory requirements that are requested to be waived and the goals that the state intends to achieve as a result of the waiver:

Iowa is requesting an extension to the existing waiver to allow the transfer of 50% of funds between Adult and Dislocated Worker funding streams. This waiver will allow regional boards to respond to specific needs in their areas that may be created by significant numbers of worker dislocations, changes in the local economic environment, intent to increase services to specific populations, rescission of previously allocated funds, and reduction in annual formula allocation or similar issues. This request is a waiver from the Workforce Investment Act Section 133(b)(4), and 20 CFR667.140.

Iowa is committed to customer service, and this waiver will provide the flexibility to meet customer needs as they arise. The waiver will support both federal and state goals to support the local direction for resource use, will continue to emphasize the training element of the WIA program, and will provide the flexibility of merged funding streams while maintaining core service delivery in the One-Stop Centers supported by Wagner-Peyser funding streams.

Regional Workforce Investment Boards must initiate any requests for the transfer of funds. State policies have been established to ensure that such transfers will not negatively affect performance achievement or the potential to acquire additional program resources, such as National Emergency Grants. In such cases, the state will have the authority to deny transfer requests.

2. Describe the actions that the State has undertaken to remove State statutory or regulatory barriers.

There are no state statutory or regulatory barriers to implementation of this waiver.

3. Describe the goals of the waiver and the expected programmatic outcomes if the request is granted:

- Allow the maximum flexibility to ensure that all WIA eligible adults and dislocated workers may receive services.
- Allow the Regional Workforce Investment Boards to respond to significant worker dislocations. This applies specifically to dislocations that may be numerous in one region but more than one location, none of which have the same NAICS codes, but the number does not meet the 50 or more required for National Emergency Grants
- Response to rescissions mandated by Congress to allow the continuation of obligations made to current enrollments for the completion of necessary services or training plans.
- Response to congressional reductions in annual formula allocations. The ability to move funds will allow the Regional Workforce Investment Boards to meet the needs of the regional eligible populations seeking assistance under the WIA Program.

4. Describe the individuals impacted by the waiver:

Allow the local RWIBs increased flexibility to transfer funds between the adult and dislocated worker programs will result in expanded services to businesses in the region and increased employment and training opportunities. This would positively affect businesses and those individuals seeking employment and training services.

5. Describe the process used to monitor the progress in implementing such a waiver, and the process by which notice and an opportunity to comment on such request has been provided to the local board:

The local Customer Service Provider will provide written notice to all RWIBs regarding any implementation of programmatic changes made possible due to the increased flexibility allowed by the waiver. The State Workforce Program Coordinators and Administrator for the Workforce Investment Act will monitor the expenditure levels of each local area to ensure they are consistent with the levels established by the fund transfer. Additionally, all funds transfers will be incorporated into the regional contract by the Financial Management Department at the State Level.

RWIBs requesting fund transfers between programs will be required to provide the following information to their designated Workforce Program Coordinator and Financial Management. The RWIB will be required to provide the following information:

- Effective date of the fund transfer;
- Amount of funds to be transferred;
- Local RWIB's assessment of conditions creating a need for the transfer; and
- How the transfer will meet contracted performance targets and critical workforce needs of the region.

Waiver III

Common Measures and Integrated Performance Waiver

Iowa Workforce Development is requesting a wavier under the authority of the Secretary of Labor to waive performance-reporting requirements of the Workforce Investment Act, Title I, Subtitles B and E. Section 136(b) of WIA provides that State performance measures for WIA shall consist of seventeen (17) specific core indicators of performance and customer satisfaction. Iowa is requesting a waiver to reporting the 17 measures required under WIA 136(b), and the performance measures applicable to Employment Services (ES), veterans' services and Trade services. Iowa Workforce Development as the State of Iowa's administrator for the Workforce Investment Act is requesting is requesting to eliminate the required seventeen performance measures (15 core and two customer satisfaction performance measures) and replace them with the common measures delineated in TEGL 28-04.

For Program Year 2012, the state of Iowa would be operating under nine measures: Adult/Dislocated Worker Entered Employment, Adult/Dislocated Worker Retention, Adult/Dislocated Worker Earnings Change, Youth Placement in Employment or Education, Youth Attainment of a Degree or Certificate, and Youth Literacy and Numeracy Gains.

The waiver will allow Iowa to align with the common measures developed by the United States Department of Labor and begin implementation of these measures on July 1, 2012. Through this waiver, Iowa is hoping to mitigate the potential confusion of the current reporting system by discontinuing the use of the 17 performance measures and reducing them to the six common performance criteria called for under Adult and Youth common measures. This will also allow Iowa to begin the recovery process of having failed multiple measures for two consecutive years.

Iowa has embarked on a service delivery model process that will ensure services are integrated at the front line level and unified at the management level. Granting this waiver would complement our efforts through the provision of common workforce system performance measures and make Iowa's workforce system more efficient and effective. By refocusing the local regions' performance assessment from individual program performance measures to universal outcome measures, service integration can be enhanced.

The common measures will also be easier to manage and more clearly understood by Regional Workforce Investment Boards (RWIB), businesses, and workforce investment system partners.

This waiver request adheres to the format provided in WIA Section 189(i)(4)(B) and WIA Regulations 20 CFR 661.420(c).

1. Statutory or Regulatory Requirement to be Waived

Iowa is seeking a waiver of certain provisions of the requirements of the Workforce Investment Act of 1998, Sections 136(b)(2) and (c)(1) of the Act, as well as accompanying regulations at 20 CFR 666.100(a) and 666.300(a), which specify certain required state and local performance measures for WIA Title 1B programs.

The State of Iowa requests a waiver of the 17 indicators of performance for employment and training activities authorized under Sections 136(b) and 134 of the WIA; the four Labor Exchange Performance Measures authorized under the Wagner-Peyser Act; the three Veterans Performance Measures authorized under Title 38 United States Code as amended by the Jobs for Veterans Act of 2002; and the three Trade Act performance measures.

This waiver request will enable Iowa's workforce development system to fully implement the six (three adult and three youth) common measures finalized by the USDOL and five other agencies. The State of Iowa would implement these common measures by July 1, 2012.

2. Actions Undertaken to Remove State or Local Barriers

There are no known state or local statutory or regulatory barriers to implementing this waiver. Upon notification on the approval of this waiver, Iowa Workforce Development will incorporate it into policy and distribute the new policy to the local regions. Nothing in this waiver is intended to prevent the State or any Regional Workforce Investment Board from implementing additional measures to assess performance.

3. Goals and Expected Programmatic Outcomes of this Waiver

The goal of this waiver request is to improve case management integration through the use of common measures that will capture the effectiveness of the system across all partners. It should minimize program silos, and decrease frustration over conflicting and confusing data collection requirements between partners. The excessive number of performance measures (the continuation of the historic WIA performance measures with the common measures) compel staff to spend time focusing on program outcomes – time that could be better spent by focusing on the needs of employers and job seekers. Reporting on only the common measures removes that barrier and allows for improved service delivery. This will also provide the State the opportunity to recover from missing the performance measures two years in a row.

This waiver would have the following goals and programmatic outcomes:

- Further the integration of Iowa Workforce Development programs and enhance productivity
- Provide a simplified and streamlined performance measurement.

- Improve One-Stop case manager integration through the use of common measures which capture the effectiveness of the system across all partners

- RWIBs will be able to respond to the needs of employers and job seekers without the limitations imposed through siloed performance reporting. Applying common measures across all programs will promote service delivery designs that are based on employer needs rather than siloed program requirements.

- Elimination of the OJT credential will provide greater flexibility for this training activity.

- Simplify the youth measures by removing the complexity and allowing them to become more achievable.

- Reduce the administrative costs for reporting. Cost savings will be immediate with the discontinuance of administering the Customer Satisfaction Surveys.

- Removes barriers to co-enrollment and promotes more integrated case management.

- Focus the maximum amount of resources on employment outcomes

4. Individuals Impacted by this Waiver

A granting of this waiver would be in alignment with Iowa's strategic goal of streamlining the performance accountability system so that there is an increased focus on the system's performance. Employers, job seekers and field staff will also benefit from this waiver. The implementation of the waiver will allow staff to focus on the needs of employers, find job seekers to match those needs, and maximize integrated services to achieve the best outcomes. Additionally, moving to common measures will foster increased focus in adult programs on employment and youth programs on education and attainment of a degree or certificate.

5. Processes for Monitoring Progress in Implementation

Iowa Workforce Development is the entity responsible for the programs affected by this waiver, and if this waiver is granted, Iowa Workforce Development will assume the lead role in monitoring the implementation of the waiver. Iowa is prepared to be fully operational for the implementation of common measures data collection and reporting on July 1, 2012. Training has and will continue to be provided to Iowa Workforce Development staff and partner staff so both are prepared for the transition. Iowa Workforce Development will monitor the progress of this waiver implementation by providing a means for reporting the impact on the number of individuals served and the performance results achieved following the adoption of common measures.

Notice to Affected Local Boards

Prior to the submission of the waiver request, Iowa Workforce Development will inform all regions of its intent via a presentation by state Workforce Investment Act Program Coordinators

to all of the Regional Workforce Investment Boards in Iowa. A copy of the waiver request will be provided via e-mail and to the Regional Workforce Investment Boards at their meetings.

A 30-day comment period from the date of written notification will be given to allow Regional Workforce Investment Boards an opportunity to provide comments on the waiver request. The waiver request will also be posted on Iowa Workforce Development's website. Copies of any comments received will be forwarded to the U.S. Department of Labor's regional office in Chicago.

Public Comment

A 30-day comment period from the date of publication on the Iowa State Workforce Investment Board's website (http://www.iowaworkforce.org/) will be given to allow the public an opportunity to provide comments on this request. Copies of any comments received will be forwarded to the U.S. Department of Labor's regional office in Chicago.