



JUN 4 - 2012

The Honorable Tom Corbett
Governor of Pennsylvania
Main Capitol Building
Harrisburg, Pennsylvania 17120

Dear Governor Corbett:

This letter provides approval of an extension of Pennsylvania's current Workforce Investment Act (WIA) and Wagner-Peyser Act (W-P) State Plan for a portion of Program Year (PY) 2012. This letter also provides approval of extensions for Pennsylvania's waivers. Training and Employment Guidance Letter (TEGL) No. 21-11, issued on March 27, 2012, provides guidance for states to secure approval of their WIA/W-P State Plans and waivers for PY 2012. In accordance with TEGL No. 21-11 and your extension request, the Commonwealth must submit a full five-year WIA/W-P State Plan and annual W-P Agricultural Outreach Plan by September 15, 2012.

Extension of State Plan

Pennsylvania's existing State Plan will expire on June 30, 2012. This letter constitutes a written determination under WIA Section 112 (29 USC 2822) that the Employment and Training Administration (ETA) is temporarily extending the approval of Pennsylvania's State Plan for WIA Title I and the Wagner-Peyser Act into PY 2012, July 1, 2012 through December 31, 2012. The Commonwealth has already received its formula allotment for the WIA Youth program for PY 2012. The Commonwealth is eligible to receive WIA formula allotments for Adult and Dislocated Worker programs and W-P initial base program allotments under the PY 2012 annual funding agreement for WIA and the PY 2012/Fiscal Year 2013 annual funding agreement for W-P.

Performance Levels

Pennsylvania requested to temporarily extend its existing PY 2011 WIA and W-P performance goals for a portion of PY 2012. ETA has incorporated these performance goals, identified as PY 2012 performance goals, into the Regional and National Office copies of the State Plan. Please include these PY 2012 goals

in the Commonwealth's official copy of the State Plan. As required by TEGL 21-11, the Commonwealth must renegotiate its new PY 2012 goals upon submission of its full State Plan.

Waivers

As part of the Commonwealth's extension of the WIA/W-P State Plan, and as described in TEGL No. 21-11, the Commonwealth requested temporary extensions of Pennsylvania's PY 2011 waivers of statutory and regulatory requirements under WIA for PY 2012. The disposition of the Commonwealth's waiver extensions 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 Commonwealth 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 Commonwealth is granted an extension of this waiver through December 31, 2012. 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 Commonwealth to replace the performance measures at WIA Section 136(b) with the common measures.

The Commonwealth was previously granted a waiver that allows the Commonwealth to replace the 17 performance measures under WIA Section 136(b) with the common measures. The Commonwealth is granted an extension of this waiver through December 31, 2012.

This waiver permits the Commonwealth to negotiate and report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The Commonwealth 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 Commonwealth will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and WIA Dislocated Worker programs. The Commonwealth 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 Commonwealth was previously granted 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 Commonwealth is granted an extension of this waiver through December 31, 2012. 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 Commonwealth must use the appropriate program funds for the appropriate WIA-eligible population. The Commonwealth 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 Commonwealth 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 WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) to exempt the Commonwealth from the requirement to conduct evaluations.

The Commonwealth was previously granted a waiver of the requirement to conduct evaluations of workforce investment activities for adults, dislocated workers, and youth in order to establish and promote continuous improvement of the statewide workforce investment system. The Commonwealth is granted this waiver an extension of this waiver through December 31, 2012.

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 Commonwealth was previously granted 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 Commonwealth is granted this waiver an extension of this waiver through December 31, 2012.

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

The Commonwealth was previously granted 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 Commonwealth is granted an extension of this waiver through December 31, 2012. 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 Commonwealth must use the appropriate program funds for the appropriate WIA-eligible population. The Commonwealth 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 Commonwealth 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 the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth.

The Commonwealth was previously granted 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 Commonwealth is granted an extension of this waiver through December 31, 2012. Under this waiver, the Commonwealth can use ITAs for older youth and out-of-school youth program participants. The Commonwealth must continue to make the 10 youth program elements available as described at WIA Section 129(c)(2). The Commonwealth 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) to permit local areas to use a portion of local funds for incumbent worker training.

The Commonwealth has withdrawn its request to extend this waiver.

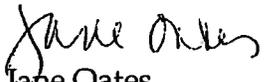
Waiver of WIA Section 134(a)(1)(A) to permit a portion of the funds reserved for rapid response activities to be used for incumbent worker training.

The Commonwealth has withdrawn its request to extend this waiver.

The approved waivers are incorporated by reference into the Commonwealth'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 Commonwealth's WIA Grant Agreement and the approved State Plan. In addition, as described in TEGP No. 29-11, the Commonwealth should address the impact these waivers have had on the Commonwealth's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to receiving your full State Plan for PY 2012 and working together as you implement it. If you have any questions related to the issues discussed above, please contact Michael Toops, the Federal Project Officer for Pennsylvania, at 215-861-5217 and Toops.Michael@dol.gov.

Sincerely,


Jane Oates
Assistant Secretary

Enclosure

cc: Lenita Jacobs-Simmons, Regional Administrator, ETA Philadelphia
Regional Office
Michael Toops, Federal Project Officer for Pennsylvania



pennsylvania
DEPARTMENT OF LABOR & INDUSTRY

BUREAU OF WORKFORCE DEVELOPMENT PARTNERSHIP

April 13, 2012

Division of WIA Adult Services and Workforce System
Employment and Training Administration
U.S. Department of Labor
200 Constitution Ave., NW, Room S-4209
Washington, DC 20210
ATTN: Heather Fleck

Dear Ms. Fleck:

In response to guidance provided in Training and Employment Guidance Letter (TEGL) No. 21-11, *Requirements for 2012 State Workforce Plans*, dated March 27, 2012, Pennsylvania is requesting a temporary extension of its current Strategic State Plan for Title I of the Workforce Investment Act (WIA) and the Wagner-Peyser Act State Plan, six currently-approved waivers, and current negotiated performance targets, into PY 2012, terminating with the U.S. Secretary of Labor's approval of Pennsylvania's Integrated Workforce Plan (PY 2012-2016). Pennsylvania's six currently-approved waivers are:

- Common Measures – Replace performance measures for Workforce Investment Act Title I; Wagner-Peyser Act (Labor Exchange); Jobs for Veterans Act of 2002 (Title 38 USC); and Trade Act with common performance measures.
- Allow individual training accounts for older & out-of-school youth.
- Allow up to 50% transfer between WIA Adult and Dislocated Worker funding streams.
- Permit use of local workforce investment area formula funds and statewide Rapid Response funds for statewide activities, including incumbent worker training as part of a layoff aversion strategy.
- Customized Training - Replace the required 50% customized training employer match with a match using a sliding scale from 10% to 50%.
- On-The-Job Training - Replace the 50% maximum employer reimbursement of the wage rate with a reimbursement rate from 10% to 50%

TEGL No. 21-11 allows states approved for temporary extension of their current state plan to submit the PY 2012-2016 workforce plan from April 17 through September 15, 2012. The commonwealth anticipates submission of its state integrated workforce plan (PY 2012-2016) to the U.S. Department of Labor on or before August 31, 2012. The added time will accommodate more meaningful and integrated strategic planning, including greater involvement of partners in the state's planning process, as Pennsylvania continues to refine implementation of Governor Tom Corbett's vision for workforce development in the commonwealth.

If you have any questions regarding this request, or would like additional information, please contact me at (717) 705-8821 or Michael White, Supervisor, Planning Coordination Services at (717) 214-7173.

Sincerely,

Daniel D. Kuba
Director



pennsylvania

DEPARTMENT OF LABOR & INDUSTRY

BUREAU OF WORKFORCE DEVELOPMENT PARTNERSHIP

April 13, 2012

Division of WIA Adult Services and Workforce System
Employment and Training Administration
U.S. Department of Labor
200 Constitution Ave., NW, Room S-4209
Washington, DC 20210
ATTN: Heather Fleck

Dear Ms. Fleck:

In response to guidance provided in Training and Employment Guidance Letter (TEGL) No. 21-11, *Requirements for 2012 State Workforce Plans*, dated March 27, 2012, Pennsylvania is requesting a temporary extension of its current Strategic State Plan for Title I of the Workforce Investment Act (WIA) and the Wagner-Peyser Act State Plan, six currently-approved waivers, and current negotiated performance targets, into PY 2012, terminating with the U.S. Secretary of Labor's approval of Pennsylvania's Integrated Workforce Plan (PY 2012-2016). Pennsylvania's six currently-approved waivers are:

- Common Measures – Replace performance measures for Workforce Investment Act Title I; Wagner-Peyser Act (Labor Exchange); Jobs for Veterans Act of 2002 (Title 38 USC); and Trade Act with common performance measures.
- Allow individual training accounts for older & out-of-school youth.
- Allow up to 50% transfer between WIA Adult and Dislocated Worker funding streams.
- Customized Training - Replace the required 50% customized training employer match with a match using a sliding scale from 10% to 50%.
- On-The-Job Training - Replace the 50% maximum employer wage reimbursement with a reimbursement rate from 50% to 90%, based upon a sliding scale.
- Exempt the state from the requirement to conduct evaluations and provide local workforce investment area incentive grants.

TEGL No. 21-11 allows states approved for temporary extension of their current state plan to submit the PY 2012-2016 workforce plan from April 17 through September 15, 2012. The commonwealth anticipates submission of its state integrated workforce plan (PY 2012-2016) to the U.S. Department of Labor on or before August 31, 2012. The added time will accommodate more meaningful and integrated strategic planning, including greater involvement of partners in the state's planning process, as Pennsylvania continues to refine implementation of Governor Tom Corbett's vision for workforce development in the commonwealth.

If you have any questions regarding this request, or would like additional information, please contact me at (717) 705-8821 or Michael White, Supervisor, Planning Coordination Services at (717) 214-7173.

Sincerely,

Daniel D. Kuba
Director