



JUL 15 2013

The Honorable John Hickenlooper
Governor of Colorado
136 State Capitol
Denver, Colorado 80203-1792

Dear Governor Hickenlooper:

The Employment and Training Administration (ETA) is pleased to respond to your requests for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, Subtitles B and E, and sections 8-10 of the Wagner-Peyser Act. The original requests were written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c), and meet the standard for approval at 20 CFR 661.420(e). The following is the disposition of the State's waiver extension requests (copy enclosed).

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

The State has requested an extension of the waiver of the requirement to conduct evaluations of workforce investment activities for adults, dislocated workers, and youth in order to establish and promote continuous improvement of the statewide workforce investment system. The State is granted an extension of this waiver through June 30, 2014.

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 has requested an extension of the 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 an extension of this waiver through June 30, 2014.

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. 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 continuing our partnership with you and achieving better workforce outcomes. If you have any questions related to the issues discussed above, please contact Cynthia Green, the Federal Project Officer for Colorado, at (972) 850-4619 and Green.Cynthia@dol.gov.

Sincerely,



Gerri Fiala
Acting Assistant Secretary

Enclosure

cc: Nickolas Lalpui, Acting Regional Administrator, ETA Dallas Regional Office
Cynthia Green, Federal Project Officer for Colorado

JOHN HICKENLOOPER
Governor

ELLEN GOLOMBEK
Executive Director



DEPARTMENT OF LABOR AND EMPLOYMENT
OFFICE OF THE EXECUTIVE DIRECTOR

633 17th Street, Suite 1200
Denver, Colorado 80202-3629

June 18, 2013

Mr. Nicholas Lalpui
Acting Regional Administrator, Region IV
US Department of Labor, Employment and Training Administration
525 Griffin St., Room 317
Dallas, TX 75202
ATTN: Frank Stluka and Cynthia Green

Dear Mr. Lalpui,

Nick

On behalf of the Colorado Department of Labor and Employment, the state operational entity for the Workforce Investment Act (WIA), I am respectfully requesting approval for extension of the enclosed WIA Statewide Activities Waiver for the State of Colorado. This waiver was previously approved by USDOL in March 2013, was developed in accordance with WIA, Section 189(i)(4); 20 CFR 661.400 – 661.420, and is being submitted per Training and Employment Guidance Letter 27-12 referencing the development and submission guidelines for waiver requests.

The waiver contains the request for extension of the following WIA provisions through June 30, 2014:

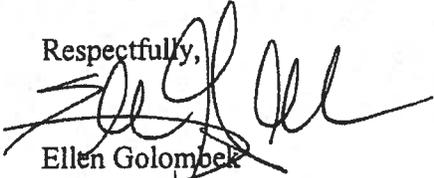
- Waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) requiring the conduct of evaluations of workforce investment activities for adults, dislocated workers, and youth.
- Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) requiring provision of incentive grants to local areas.

Within the waiver document, the Financial Analysis section has been revised to reflect fiscal impacts for program year 2013.

As required we have included a description of the process by which notice and opportunity to comment on the Plan was provided to the Local Workforce Investment Boards and other interested parties. All comments received regarding this plan will be forwarded to USDOL after the 30 day comment period has been completed.

We appreciate the opportunity to submit Colorado's revised waiver, and look forward to receiving the Secretary's approval. We have also appreciated the technical assistance provided by regional office staff regarding waiver preparation. If you have any questions, please do not hesitate to contact Nina Holland at 303-318-8806, or by email at nina.holland@state.co.us

Respectfully,


Ellen Golombek
Executive Director

REQUEST FOR EXTENSION OF WAIVER – STATE OF COLORADO
Workforce Investment Act Waiver Request Template
Required Statewide Activities

Date: Updated June 2013

State: Colorado

Agency: Colorado Department of Labor and Employment

Statutory and/or regulatory requirements to be waived

- Waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) requiring the conduct of evaluations of workforce investment activities for adults, dislocated workers, and youth.
- Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) requiring provision of incentive grants to local areas.

Actions undertaken to remove state or local barriers

There are no state or local barriers.

Goals and expected programmatic outcomes of waiver

The reduction to five percent in the WIA allotment for Program Year PY11, PY12 and PY13 Governor's Reserve funds restricts the state's ability to effectively fund and carry out all of the required statewide workforce investment activities. The current funding level in the Governor's Reserve is insufficient to cover the cost of evaluations, incentive grants to local areas, and dissemination of training provider performance and cost information. The state's reduced funds are being used to cover the following required activities:

1. operating fiscal and management accountability information systems (WIA Section 134(a)(2)(B)(vi) and 20 C.F.R. 665.200(b)(1)),
2. submitting required reports (WIA Section 136(f)),
3. disseminating the list of eligible training providers for adults and dislocated workers (WIA Section 134(a)(2)(B)(i) and 20 C.F.R. 665.200 (b)(1)), and youth activities (20 C.F.R. 665.200(b)(4)),
4. providing technical assistance to poor performing local areas (WIA Section 134(a)(2)(B)(iv) and 20 C.F.R 665.200(f)), and
5. assisting in the establishment and operation of one-stop delivery systems described in subsection (c). (WIA Section 134(a)(2)(B)(v), and 20 C.F.R 665.200(g-h))

Our goals in seeking this waiver are to ensure that

- the state may prioritize the use of Governor's Reserve funds for the required activities we deem most essential to the basic functions of the workforce investment system
- the system continues to meet or exceed the Common Measures performance outcomes through maximization of the reduced resources
- fiscal and program integrity are maintained through utilization of the remaining Governor's Reserve to support the five required activities listed above

Financial Analysis

The five required statewide activities are listed above in order of priority for use of the Governor's Reserve funds. The costs of these activities are being covered by the WIA 5% set aside, cost savings being achieved through technology solutions such as Smart Forms and Adobe Connect meetings, plus reduction in staff costs as a result of not back filling vacancies. These strategies are sufficient to allow coverage of the five required activities, but not the three being waived (evaluations, performance incentive grants, and dissemination of ETPL performance and cost data). The waived activities would require approximately \$650,000 of additional funds, formerly charged to the WIA 10% set aside that are no longer available. Elimination of the waived activities would have little to no impact on current workforce system services to WIA participants. Rather, impacts are expected to the ability of the state's workforce system to develop new and innovative service strategies and evaluate their effectiveness.

PY2013 Governor's Set Aside 5%	\$1,904,184
Amount of Carry Over Funds from Prior Years	\$ 351,278
Total Available	\$2,255,462
Estimated Cost of All Required Activities and State Admin Functions	\$3,082,227
Estimated Costs of Discretionary Activities	\$ 177,933
Total Estimated Costs	\$3,260,160
Shortfall to cover all PY 2013 Required Activities	\$ 826,765
Estimated cost of each waiver activity:	
1. Evaluations	\$ 125,000
2. Performance Incentive Grants	\$ 500,000

Individuals impacted by the waiver

This waiver will provide the state agency with more flexibility in directing the Governor's Reserve funds to those activities that best preserve basic functions of the statewide workforce investment system. This will ensure that all customers and target groups will continue to receive quality services (e.g. there will be no direct impacts to WIA participant services) and encourage the state's training providers to continue usage of the Eligible Training Provider List.

Process for monitoring progress in implementation

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

Notice to Affected Local Boards and Public Comment

The waiver, along with the state plan, will be reviewed by the Colorado Workforce Development Council. Then it will be published for a period of 30 days on the public web sites maintained by the Colorado Department of Labor and Employment and the Colorado Workforce Development Council, allowing for public comment on its content and potential impact. In addition, a copy of the waiver will be available for public inspection at CDLE offices, and electronic copies of the waiver will be sent via e-mail to local Boards and workforce

centers. Comments received will be provided with submission of the state and waiver plans.

United States Department of Labor, Employment and Training Administration
WIA/W-P Waiver Request Form
Last updated 8-19-2011
OMB Number 1205-0398
