EXECUTIVE SUMMARY

During April-May 2013, the Employment and Training Administration's (ETA's) Atlanta Regional office conducted a review of South Carolina's Department of Employment and Workforce (SCDEW) program operations under the Workforce Investment Act (WIA) of 1998, to include the Senior Community Service Employment Program (SCSEP) operated under the Lieutenant Governor's Office on Aging (LGOA). The review team used the ETA Core Monitoring Guide and a supplemental review manual developed by the Atlanta Regional office as tools to guide the review.

The review focused on compliance with Federal requirements for grants operated by the state; but it also assessed the alignment of state resources, strategic initiatives, and coordination and communication among workforce development agencies responsible for implementing the state's workforce development strategic vision.

In 2010, South Carolina's delivery system was comprised of 18 comprehensive centers and 51 satellite/affiliate sites. By July, 2012, the state's delivery system slightly increased the number of comprehensive centers from 18 to 19, but greatly decreased affiliate sites from 51 to 37. In Program Year (PY) 12 the number of comprehensive centers dropped from 19 to 15 sites, while satellite sites slightly increased from 37 to 40. More changes are expected in 2013, more likely a greater reduction in both comprehensive and satellites.

The One-Stop (also known as the American Job Center network (AJC) vision is of a transformed system in which fragmentation and duplication are replaced by comprehensive, integrated and individualized services. In the new system, all customers are provided choices, high quality services and information, and programs and entities are held accountable not only for performance outcomes, but for the experiences of the people the system is intended to serve. To achieve this system transformation, four major principles are important; 1) universality that allows all job seekers and employers to have access to a defined set of core services; 2) customer choice and satisfaction as the linchpin of the new system, relating to both the ease and access and the completeness of the information provided to system users; 3) integration of services provided by multiple agencies but aimed at replacing fragmentation and duplication with "use-friendly" coordination and consolidation, and 4) accountability and a focus on results.

A primary priority of Governor Nikki Haley, as detailed in the state's strategic plan, is to develop a competitive workforce to attract business and industry to the state. The governor's vision and workforce plan identify as critical the need for "technical and occupational training… as the state moves toward a greater demand for middle-skilled workers"…; and that "industry-based training is important to continue to prepare for the future."

To achieve this, a focus on and allocation of scarce resources to training will be critical in helping individuals acquire the skills necessary to achieve the governor's priorities.

Because the AJC system is the delivery mechanism for developing skilled workers to meet business and industry needs, it is an important vehicle to accomplishing the governor's economic and workforce development vision. As a key vehicle, the organization of the AJC system, its cost, the integration of services and process put in place to provide a seamless service delivery framework – are key factors not only for individual local area but for the state system. While local workforce investment areas are authorized to develop local systems that meet their needs, collectively, the system must be designed and structured to achieve the governor's overall statewide workforce priorities.

To a large extent, South Carolina has reached a high-level of achievement in putting a good delivery system in place, including the following accomplishments:

- A functional AJC network throughout the state;

- Each local area has established at least one comprehensive center in compliance with WIA; networks of satellite/affiliate sites are developed to supplement the system;

- A statewide business engagement strategy is developed, with each local area functioning under one statewide umbrella for serving the employer community;

- Local areas are providing WIA services through key delivery points and the state has been instrumental in helping local boards and local elected officials establish these delivery systems;

- A comprehensive One-Stop certification system has been implemented statewide, including One-Stop service standards designed to assess three key areas of focus: 1) Employer services, 2) Job seeker services, and 3) One-Stop management;

- A self-assessment of local areas was conducted statewide, with the results being used to provide technical assistance to boards and board staff in preparation for One-Stop certification application; and

- The LGOA and the SCDEW collaborated to achieve an integrated State Plan.

Overall, South Carolina has made great progress; however, improvements are needed in key areas of the statewide implementation of the workforce development system. The call for improvements should not be attributed only to the few local areas visited; they seem to reflect a systemic trend. It is recommended that the state include the state and local workforce investment boards as well as the LGOA in the process to address them collectively.

While the state has made great progress in creating a functional statewide AJC system, there are a number of findings requiring correction by the state grantees.

Each of the findings summarized below are described in more detail in the report. The report concludes with program highlights and promising practices identified by the reviewers. The performance outcomes presented during the exit conference are included in Appendix A.

Finding#1: The board membership for the Santee-Lynches WIB shows only one labor representative and no community-based organization representation. Also, One-Stop partner's representatives for WIA, W-P, UI, and TAA are not represented on the board. Please refer to 20 CFR 661.315.

Finding #2: Cost sharing agreements have not been developed among all required partners and not all are paying their fair share of the operating cost of the One-Stop delivery system. The cost for operating the One-Stop system is only shared among few partners, particularly between W-P and WIA programs. 20 CFR 662.270 requires that "……each partner must contribute a fair share of the operating costs of the One-Stop delivery system proportionate to the use of the system by individuals attributable to the partner's program…." Additionally, cost for programs linked to the One-Stop centers through electronic or other technology-based means only that are shared by partner programs should be allocated to those partner programs based on the benefits derived therefrom.

Finding #3: At the time of the review, the SCDEW and Upstate LWIB have not reached cost-sharing agreement and appear to be at an impasse. The law requires at WIA 121(c) (1) the local workforce board must develop a memorandum of understanding (MOU) with each One-Stop partner. The law at WIA 121(d) (2) (A) (ii) also requires that each MOU contain an agreement on "how the costs of such services and the operating costs of the system will be funded".

Finding #4: The SCDEW has issued some policies to guide local areas in One-Stop operations, including policies on coordination between partners and functional supervision. The state is commended for guidance to the system. However, guidance has not been provided on the integration of services (core, intensive, and training) to ensure the operation of seamless integrated programs among partners. Please refer to 20 CFR 652 (Introduction and section I.A. WIA Principles) and 20 CFR 662.250.

Finding #5: Although the SCSEP sub grantees have MOUs in place with the LWIBs, cost sharing agreements are not consistently cited in these MOUs.

Finding #6: Although Goodwill Industries of Upstate\Midlands has indicated that they provide staff to the South Carolina Works AJC system in Greenville and other AJCs, a visit to the McAlister Square One-Stop Career Center in Greenville and an analysis of career center services provided revealed that the Goodwill Industries staff provided to the center are there to provide services for an Advanced Manufacturing discretionary grant awarded to Goodwill Industries of Upstate\Midlands. The national AARP SCSEP grantee appeared to be providing the SCSEP program services in the McAlister One-Stop Career Center.

Finding #7: Goodwill Industries of Upstate/Midlands serves many of their SCSEP program participants through the Goodwill Industries Job Connection Centers located throughout the state. The Goodwill Industries Job Connection Centers provide many of the same services that are provided through the South Carolina Works One-Stop Career Center system which includes core and intensive services. This provision of services in the Goodwill Industries Job Connection Centers appears to be a duplication of services.

Finding #8: Problem of undercounting of WIA participants: As a result of the process in One-Stop centers for serving W-P and WIA participants, the state is undercounting WIA participants. Additionally, the practice of WIA-funded staff providing services for W-P customers without enrollment in WIA is resulting in the improper accounting of funding resources. Reference: TEGL 17-05, Attachment D.

Finding #9: Lack of compliance with requirement to make partners core services available in comprehensive centers: WIA requires that all required partners must make available to participants through the One-Stop system the core services that are applicable to the partner's program (WIA 121(b)(1)(A); 662.230). Partners should use a portion of funds made available to the partner's program (to extend not inconsistent with the Federal authorizing legislations) to create and maintain the One-Stop delivery system; and provide core services applicable to their program (WIA 134(d)(1)(B). Required partners must also participate in the operation of the One-Stop system consistent with the terms of the MOU and requirements of authorizing laws (WIA 121 (b) (1) (B); 662.230(d) enter into a MOU with the Local Board regarding the operation of the One-Stop system WIA 121(c) and provide representation on the Local Board; (WIA 117(b)(2)(A)(vi); 662.230(e). The review shows partners' core services are not available in all comprehensive centers.

Finding #10: Lack of determination and documentation of the need for service: While local areas are providing services, the documentation for the needs for training services are not fully established and assessment results are not interpreted to support the need for the mix and appropriateness of services recommended in individual employment plans. 20 CFR 663.310(b); 20 CFR 663.320; Preamble of 20 CFR Part 652 et al.

Finding #11: Requirement to develop and disseminate training provider performance and cost information: WIA requires, as part of the required statewide activities, that the state develop performance and program costs information for providers on the state's ETPL described in 20 CFR 663.540. The state's waiver to be exempted from this requirement was denied in December 2012, and the requirement to develop and disseminate statewide provider consumer reports is in effect; however, the state does not have provider performance, cost and other relevant consumer information available for system customers (20 CFR 663.540); (20 CFR 665.200(b)(3).

Finding #12: Requirement to conduct evaluations: The state is required in WIA 136(e) and 20 CFR 665.200(d) to conduct evaluations of workforce investment activities for adults,

dislocated workers and youth to help establish and promote continuous improvement with workforce services and activities. The state has not conducted or provided information on what evaluations have been conducted.

Finding #13: Data mismatch is not reflective of actual performance which is a violation of the 2012 REA grant-UIPL 10-12,5B.

Finding #14: The Sumter significant local office did not have a bilingual outreach worker staff on board at the time of the review.

Finding #15: An analysis of the grantee's performance management systems indicated that the grantee is not managing sub-grantee performance.

Finding #16: An analysis of sub-grantee enrollments indicate that the South Carolina SCSEP grant is currently under- enrolled. Both sub-grantees are currently not meeting projected enrollment goals but the Experience Works, Inc., sub-grantee is significantly below projected enrollments.

Finding #17: The ETA reviewers found the SCDEW does not conduct checks and balances to ensure that the FARS and the SAP/SCEIS are reconciled at month's end and reflected accurately in the quarterly financial status report, ETA-9130, submitted to ETA and balancing the general ledger (29 CFR 97.30 (c)). No one at the SCDEW verifies and ensures at month's end that there are no misapplied funds to the wrong program. Therefore, co-mingling and misapplying payments may occur.

GRANT SPECIFICATIONS

Awardee/Grant Title/ Project:

SCDEW:

- WIA Title I
    - Adult programs
    - Dislocated Worker programs
    - Youth programs
- Unemployment Insurance (UI) programs Reemployment Assistance
- Trade Adjustment Assistance (TAA)
- W-P programs
    - Employment Service
    - Veterans services
    - Work Opportunity Tax Credit (WOTC) program
    - Migrant Seasonal Farmworkers (MSFW) services

LGOA:

- SCSEP

Period of Performance Covered in the Report

- July 1, 2010, through March 31, 2013

SCOPE OF THE REVIEW

The scope of this consolidated review covered the activities funded under the grants listed earlier in this report. The purpose of the review was to assess the roles and impacts of various workforce development organizational components on the delivery of services and performance outcomes. The grantee's compliance with applicable laws and regulations were also assessed during the review.

A primary goal of the review was to obtain a comprehensive picture of the state's workforce development system. In other words, the review sought to determine the alignment of state strategic initiatives, resources and activities, and coordination among workforce development agencies involved in the implementation of the state's workforce development strategic vision.

A subsequent goal was to determine if an analysis of expenditures/contracts could inform leadership of possible opportunities for savings. The savings realized may be utilized to provide additional training and other services to participants using the same investments.

The five broad areas covered in the review and discussed in the report are:

1. The grantees' workforce system, administration, and oversight;
2. State strategic planning;
3. Service delivery design and integration of services;
4. Participant reporting systems and performance accountability; and
5. Financial accountability.

Sites Visited

- SCDEW, Columbia, South Carolina
- Midlands Columbia Comprehensive AJC, Columbia, South Carolina
- Greenville Comprehensive AJC, Greenville, South Carolina
- Liberty Comprehensive AJC, Liberty, South Carolina
- SC Works Upstate Workforce Board, Spartanburg Comprehensive AJC and the Spartanburg Workforce Center (UI only), Spartanburg, South Carolina

- SC Works Santee Lynches Workforce Board; Sumter Comprehensive AJC, Sumter, South Carolina
- SC Works WorkLink Workforce Board; Anderson Comprehensive AJC, Anderson, South Carolina

Closeout Conferences

Two review closeout conferences were conducted by the review team staff. The first was a conference call on May 1, 2013, with a relatively small group of SCDEW staff. The formal briefing was in person, and was held on June 25, 2013, in conjunction with the South Carolina State Workforce Investment Board (SWIB) meeting. SCDEW staff and representatives from the LGOA, SC Works LWIAs, and other partners were in attendance. Both conferences served to summarize the purpose, scope, and results of the review and to allow for questions from grantee representatives and in-depth answers from ETA Review Team. On July 25, 2013, the state provided additional information which has been incorporated in the report.

METHODOLOGY

In the conduct of this review, the ETA Core Monitoring Guide and supplements were utilized (a complete listing of the documents are in Appendix A). The ETA Review Team requested copies of financial and participant documents, policies and procedures issued by the state in preparation for the onsite review; additional documents were requested of the state and the local workforce areas visited while onsite. The Review Team facilitated in-person interviews of staff, board members, service providers, business and job seeker customers to include observation of AJC staff conducting workshops. Upon return to the Regional office several follow up interviews were conducted telephonically. The document reviews and interviews were used to evaluate grantee's compliance to federal requirements and overall administration of programs indicated above.

REVIEW AREAS AND RESULTS

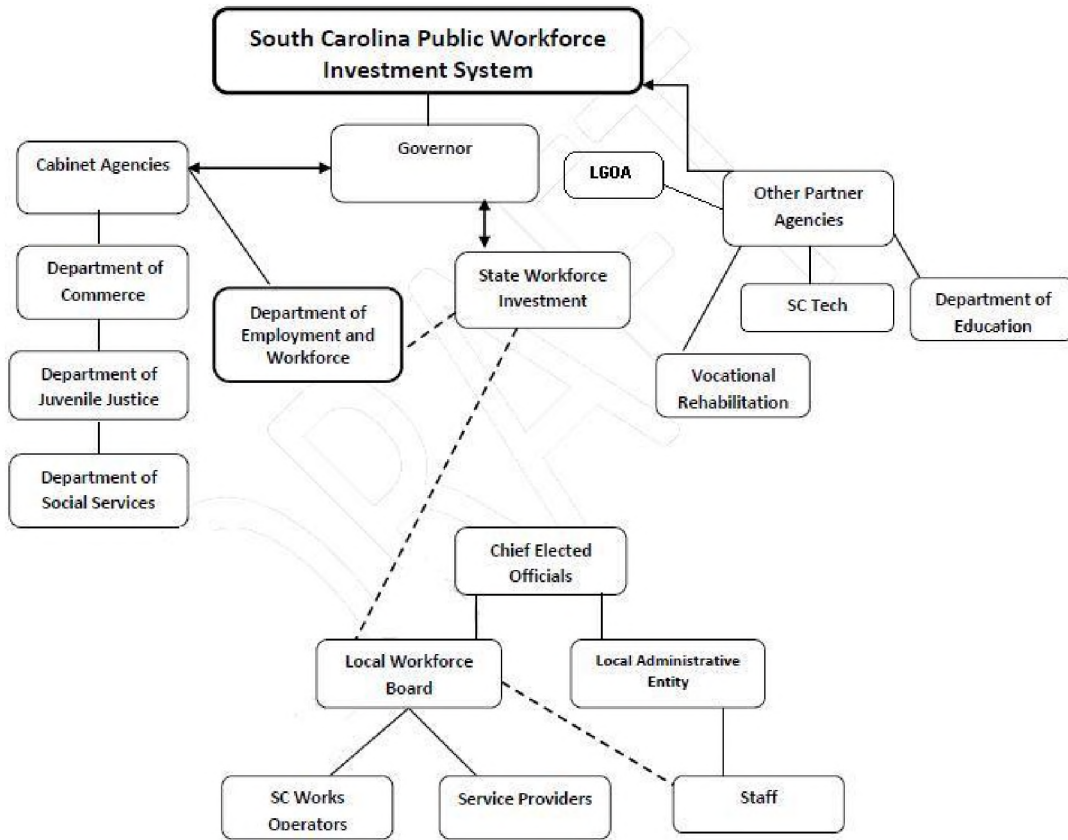## Area 1: Workforce System, Administration, and Oversight

The SCDEW is responsible for securing gainful employment for South Carolina citizens, finding employees for companies, providing UI benefits, collecting unemployment taxes, and compiling and disseminating state/federal employment statistics. The SCDEW's primary goal is to match jobseekers with employers in the most efficient and effective manner possible. In pursuit of this goal, the agency offers a variety of services to assist both corporate and private citizens. The SCDEW staff members are also assigned to a SWIB committee to provide guidance and information as it relates to their area of expertise.

Please refer to the below chart for a description of the workforce system in the state.

Chart 1

The SCDEW is also the state administrative entity for the federal WIA funds. In this role, the agency works with the SWIB, the 12 Local Workforce Investment Boards (LWIBs), and partners in carrying out services and training to meet the needs of both jobseekers and businesses. A State Board Initiatives Unit of the SCDEW provides direct support to the SWIB, coordinating meeting logistics, presentations, researching and compiling reports and other information necessary to assist the SWIB with decision making as well as implementing and/or managing initiatives of the SWIB.

The SWIB assists and provides advice to the governor on workforce development issues, particularly those pertaining to the implementation of the Workforce Investment Act. The SWIB is charged with assisting the governor in creating a competitive workforce advantage and ensuring that a high quality and effective workforce system that will improve the lives of all South Carolinians exits. The SWIB also works with local workforce investment boards which are responsible for working directly with businesses, agency offices and other partners on the local level to deliver services and programs.

Local boards provide oversight of WIA in their defined LWIAs and oversee local South Carolina Works Centers (or AJCs) which include a variety of workforce partners and programs.

Cabinet level and non-cabinet state agencies are involved in the workforce investment system. The SCDEW operates as a cabinet agency under the Office of the Governor and interrelates with other cabinet agencies such as the Department of Commerce (DOC), the Department of Social Services (DSS) and the Department of Juvenile Justice (DJJ). The DOC is the state's lead economic development agency. The DSS administers Temporary Assistance for Needy Families and the Supplemental Nutrition Assistance Program, while the DJJ is responsible for providing rehabilitation and custodial care for juveniles who are on probation, incarcerated or on parole for a criminal or status offense. The Executive Director of the SCDEW has been appointed to the SWIB as the governor's representative. The Executive Director of DSS is also an appointed member of the SWIB.

Non-cabinet agencies involved in the workforce investment system include the Department of Education (DOE), Department of Vocational Rehabilitation, and the State Board for Technical and Comprehensive Education. The DOE, which is headed by an elected State Superintendent of Education, administers the K-12 system including Carl Perkins funding for the secondary schools and Adult Education. The Department of Vocational Rehabilitation, which administers the Rehabilitation Act programs that are designed to prepare disabled persons to achieve and maintain competitive employment, is led by a board appointed by the governor. The State Board for Technical and Comprehensive Education is appointed by the governor and operates the State Technical College System, while the Director of the agency is a hired position.

The South Carolina Senior Community Service Employment Program (SCSEP) grant is administered by the South Carolina Lieutenant Governor's Office on Aging (LGOA). The LGOA is a state agency aligned under the state Department of Health and Human Services. The LGOA participated in the state strategic planning process with the SCDEW.

Area 2:   Workforce Development Strategic Planning in South Carolina

The SWIB is a board established by the governor in accordance with the requirements of WIA section 111 and 20 CFR 661.200. Upon taking office, Governor Haley reconstituted the SWIB with the focus on continued movement towards an employer-driven workforce system.

According to 20 CFR 662.200(b), membership of the SWIB must meet the requirements of WIA section 111(b). The State Board must contain two or more members representing the categories described in WIA Section 111(b)(1)(C)(iii)-(v), and special consideration must be given to chief executive officers of community colleges and community based organizations in the selection of members representing the entities identified in WIA Section 111(b)(1)(C)(v). The review found

United States Department of Labor

the SWIB composition to be in compliance. The 31member board is comprised of majority business professionals as legislated in the WIA. It also includes four members from the South Carolina General Assembly: two from the House and two from the Senate. Other members on the SWIB include workforce partners such as the DSS; State Office of Veterans Affairs; Goodwill Industries; and GLEAMNS Human Resources Commission, Inc., a community action agency. Youth and labor organizations are also represented on the SWIB. Governor Haley selected Mr. Robert Michael Johnson, CEO of Cox Industries, Inc., to chair the Board.

During our review, eight board members and the State Board Initiatives Manager (Ms. LaCrystal Jackson) were interviewed. The board members are: Mr. Mikee Johnson, SWIB Chair, CEO of Cox Industries, Inc.; Ms. Lillian Koller, Director DSS; Mr. Isaac Dickson, Vice President of The Hiring Authority; Mr. Michael Sexton, President of Piedmont Bushings & Insulators; Mr. Thomas Freeland, President of Overhead Door Company of Greenville; Mr. Nick Foong, Campus President of Virginia College in Columbia; Mr. Charles Brave, International Longshoremen Association in Charleston; and Mr. Pat Michaels, President/Chief Executive Officer of Goodwill Industries of Upstate/Midlands.

The SWIB is intended to be a conduit by which workforce development partners and partnerships are formed and enhanced. Their oversight of the public workforce system and South Carolina Works AJCs is central to facilitating decision making and providing guidance towards that end. Overall, it appears that the SWIB members are executing their duties effectively. As a fairly new board the learning curve has been steep for most SWIB members. However, ongoing opportunities for gaining a deeper understanding of roles and responsibilities are being provided to these SWIB members. Among other activities, a practice has been established whereby a different partner presents to the Board at each meeting.

In accordance with 20 CFR 661.205 (a) the State Board assisted the governor in the development of the State Plan. Strategic priorities and objectives for South Carolina are clustered into three categories in the plan:

- Create greater alignment with and partnership among workforce development, economic development, education, and community-based organizations;

- Improve service delivery to businesses and jobseekers; and

- Promote and champion the public workforce system through advocacy, outreach, and simplified communication of the workforce development system's structure and services.

The board has made varying degrees of progress in implementing components of the above priorities. Board members volunteer as committee chairs or co-chairs for the priorities and objectives. Throughout the interview process, it became clear that the vastness of the strategic priorities is such that it would prove productive to narrow the focus and gain traction (and quick

wins) and then expand the focus. Central to this suggestion are the recent budget reductions which have resulted in diminished resources available to the SWIB.

The board members noted a problem in the communication process between the SWIB and each of the LWIAs. To address this, each of the board members "adopted" a local area and made it a practice to attend and participate in LWIB meetings. They not only share the statewide vision, they also seek input to take back to the full board. We view this strategy for facilitating local strategic planning as a best practice (WIA 112(b) (2) and 20 CFR 661.350 (a) (13). The board has not yet identified sectors to strategically focus upon, but acknowledges that this is a logical next step.

It is worthwhile to note that one board member hired an individual through an LWIA's on-the-job training (OJT) program. Although he is very satisfied with the individual hired, he said he would not recommend other business owners use the OJT program at this time. According to the board member, the process was not customer-focused and characterized the process as cumbersome and difficult. The observations were shared with the SWIB to provide insight from a business perspective and an opportunity for improvement.

At the time of the review several board members expressed concern regarding Mr. Abraham Turner's resignation from the SCDEW and the likelihood of it taking quite some time to fill the vacancy. This issue has been resolved with the confirmation of Ms. Cheryl Stanton as the Executive Director.

Generally speaking, board members expressed satisfaction with the staff support from the SCDEW, except for not having complex materials in enough time to review them before the SWIB meetings. Board staff members are viewed as hard working and dedicated to creating a world class system for the state. Board members would like to receive additional feedback on performance metrics. Specifically, a data-driven way of measuring progress against the Strategic Plan was mentioned several times.

In order to improve the operation of the SWIB, it is recommended the SCDEW consider the following suggestions:

- Assure more lead time is provided regarding delivery of materials which require a vote and are of a complex nature to board members.

- Develop a Web site/portal to contain SWIB information including scheduled meetings of the SWIB and subcommittees; minutes; the State Plan; and links to LWIAs sites. This would create easy access to important board information.

- Improve full-board engagement throughout the entire strategic planning process.

- Take steps to target select initiatives from the broad range of strategic priorities and objectives outlined in the five year strategic plan. Limited resources available to the board make it wise to develop a prioritized approach to yield maximum results.

- Actively seek and incorporate board members feedback regarding workforce system services they have used. This candid insight is invaluable in process improvement.

- Expand leveraging board member's connections to promote expanded engagement of the business community.

- Simplify performance data to a format easy for board members to gain a clear understanding of how the state compares to itself from time period to time period and develop data-driven metrics measuring progress against the Strategic Plan.

While the governor and the SWIB are responsible for statewide governance, LWIBs and chief elected officials are the primary entities responsible for local governance under WIA. The State Plan and the policies enacted by the SWIB set the framework for which the LWIBs plan and administer services. Working together, they determine how best to structure the local service delivery system, identify strategic priorities for services in the workforce area, set local policies for service delivery and provide oversight to the operations and performance of the local service delivery system. Good working relationships between local boards and chief elected officials are a critical part of effective local governance.

The strategic role of local boards is an especially critical element of successful local WIA systems. WIA positions local boards to help make sure that public resources available for workforce development are used in ways that have the greatest positive impact on the local area's workforce needs. For this potential to be realized, each local board must carefully define and then act from a strategic role it defines for itself.

Defining a strategic role challenges LWIBs to: understand customer needs, define its strategic role, understand the capacities and limitations of the local workforce development system, focus their attention and efforts, marshal available resources and WIA investments to respond to the area's most critical workforce needs, and develop and pursue a strategic agenda. Moreover, the goals of WIA, and the possibilities it allows for local system improvement is fully realized if boards establish strategic roles for themselves. Only from a strategic perspective can local boards provide an essential bridge between the public resources available for workforce development and the needs of local workforce development system customers, and especially the local system's employer customers.

Our review looks not only at the programs being operated, but the strategic priorities the boards and local elected officials have identified, the policies they have developed and the operations and delivery systems instituted to carry out the strategic vision and priorities of the local area.

The results show that the three local areas visited have functioning workforce investment boards that have established AJCs and service delivery systems, and developed strategic objectives to guide the local areas' investments. These areas of reviews are explained later in this report.

The Upstate local area is a three-county workforce investment area; Spartanburg County serves as its fiscal agent. Local Elected Official (LEO) and One-Stop operator agreements have been developed and executed with the board. With declining allocations of workforce funds, yet increasing needs for job seeker services, the board is being creative in developing partnerships, and pooling other resources to supplement WIA funds and achieve its strategic goals. As part of the design and governing structure, the board created Future Corporation - a 501c3 non-profit formed to obtain grants and utilize these resources for training and workforce-related activities. The board is also engaged in a regional partnership of 10 surrounding counties; including three adjacent local areas (Greenville, Upper Savannah and WorkLink) to foster cooperation and collaboration among public, private and non-profit leaders and coordinate a collective approach to enhancing worker's skills, economic development, education and training and employer services. In the Upstate LWIA, both workforce opportunities and challenges exist.

The area also comprises a mix of rural and urban demographics; unemployment is as high as 16 percent in some counties and many workers are laid-off from declining industries. Adult and dislocated workers must be outfitted with new skills to take advantage of new employment opportunities. Additionally, a growing manufacturing base provides the local area a good foundation upon which to develop a workforce system to respond to the skills requirements of employers in manufacturing. However, the area also faces challenges in developing a pipeline of skilled workers in manufacturing, particularly among young people who do not view careers in manufacturing as an attractive career alternative. To meet job seekers' and employers' needs, the Upstate board and local elected officials have identified strategic priorities and defined key areas of focus and investments. The board has targeted four in-demand industries: 1) advanced manufacturing, 2) healthcare, 3) installation maintenance and repair, and 4) logistics and transportation. Demand occupations n these industry sectors are targeted for WIA investments.

The ETA reviewers compared the occupations in which training was being provided to the local area's targeted industries to determine if WIA investments are being strategically targeted to meet employer's skills needs and achieve the board's planned objectives. The result shows the majority of the top 20 WIA adult and dislocated worker training occurring in industries and occupations targeted by the board. The majority of training investments for adult and dislocated workers are in healthcare occupations, welding, welder fitters; and manufacturing-related occupations, along with occupations in transportation.

Santee-Lynches, another local area visited, are a four-county workforce area located in the central midlands of South Carolina; the Santee Lynches Council of Governments serves as its fiscal agent and administrative entity. Local elected official and AJC operator agreements have been executed.

The local area is approximately 70 percent rural – presenting the board with, among other challenges, the need to address transportation for adult and dislocated workers participants, particularly with declining WIA resources. The board has developed partnership with a regional transportation entity and secured grant from the South Carolina Department of Transportation (SCDOT) and other external resources to supplement WIA investment and help stretch limited training dollars. High unemployment in rural counties has also posed particular challenges to the board. In Lee County for example, unemployment rates hover many times above the state average. The area's economy once an almost exclusively agricultural economy is shifting to manufacturing industries with aggressive manufacturing industry recruitment from regional economic and workforce development leaders.

A number of manufacturing companies have already relocated here, including Continental Tires and Boeing prompting the board to explore strategies in serving sector employers, including utilizing alternative assessment tools to custom fit specific employer's needs. The board has been closely involved in identifying current adult and dislocated worker skills to meet these companies staffing needs. As advanced manufacturing sector grow, skills gap for adult and dislocated workers also pose challenges for the board. The board is addressing these challenges by developing strategic focus in key areas of training and service delivery. Santee Lynches has identified 4 areas of strategic investments and industry focus for training: 1) healthcare; 2) advanced manufacturing; 3) logistics/transportation; and 4) service retail.

The reviewer's assessment of the local area's training investments compared to its targeted industry and occupations show that WIA investments are concentrated in many of the top occupations identified and targeted by the board. The board is commended for focusing resources in these targeted industries; however, training is heavily concentrated in healthcare, one of the targeted area but less in advanced manufacturing related occupations. The board should consider increasing training and focus in advanced manufacturing related occupations, particularly for young adult.

SC WORKS
WORKLINK
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WorkLink is a three-county workforce area; the Appalachian Council of Government is the fiscal agent and administrative entity of the area. One of the board's strategic goals is to better understand the skill level of the workforce and to give job seekers a clear picture of the skill levels they need to qualify for and be successful in the jobs they want. The board has collected labor market information data, consulted with business and economic development and is crafting a plan to move forward.

Each of the three workforce boards highlighted in this report is comprised of subcommittees – a governing structure designed to help accomplish the varying tasks and challenges of the boards. As part of its program design, each board has developed strategies to serve the business community, including business service teams which are discussed later in the report.

The composition of the local board forms the fabric of the local workforce investment area's capacity to function effectively in developing strategic directions and meeting business and industry's needs. The WIA specifies minimum requirements for the composition of the local boards. In general, these minimum requirements assure that boards will be representative of business in each local area, and that educational entities, labor organizations, community-based organizations, economic development entities, One-Stop partners and other local system stakeholders will be represented on local boards.

An effectively functioning local board is a prerequisite to a strong local WIA system. Only by recruiting and engaging community and business leaders as board members can local board provide the leadership and direction needed to address a local area's workforce development challenges. The ongoing effectiveness of local boards also requires that vacancies, which naturally occur, be filled timely.

With limited exceptions, the ETA reviewers found board memberships to meet the requirements outlined in the law. All three local workforce areas have developed active, functioning and very engaged board members. A review of the board composition for the Santee-Lynches WIB found that one labor representative and two community-based organizations are currently not represented on the board. AJC partner representatives for WIA, W-P, UI, and TAA are also not represented on the board.

Finding #1: The board membership for the Santee-Lynches WIB shows only one labor representative and no community-based organization representation. One-Stop partner's representatives for WIA, W-P, UI, and TAA are also not represented on the board. Please refer to 20 CFR 661.315.

Finding Recommendation #1: We recommend that the board fill these membership vacancies in compliance with WIA 117: The local area should provide the name, organizational affiliation, and contact information of the new members in response to the finding.

While LWIB meetings are held periodically and AJC veteran representative staff members are notified of the dates and times, very few if any of these AJC veteran representatives actually attend and participate in these LWIB meetings. Though it is important to cultivate employers for veteran hires outside the LWIB arena, sharing and receiving information during these functions / meetings is vital to serving the total veteran population. It is especially important for the LWIB membership to understand the new roles of the veteran outreach mission. The LWIB members should understand the reasoning why and how they are serving the veteran populations (intensive, ex-offender, disabled) and the outcomes being attained for these individuals. The "80 /20 rule" will soon be in place, with veteran staff only seeing 20 percent of the total veteran population. These changes and sharing of information such as mentioned above are important resources which must be tapped by the LWIBs. Inclusion of LWIB members at veteran training events, such as the one sponsored by the National Veterans Training Institute (NVTI) in February 2013, would expand the board members' knowledge on the veterans outreach mission.

The WIA provides local workforce boards (with agreement from the Chief Elected Official), the primary responsibility to establish the One-Stop delivery system, including the selection of One-Stop operators. Prior to 2012, a majority of South Carolina's One-Stop centers were operated by the SCDEW (formerly the Employment Security Commission). Since 2011, the SCDEW stopped serving as One-Stop operator. Local boards have since selected an increasing number of private sector providers to serve as One-Stop operators. As a result, the state's One-Stop operations have gradually shifted from a consortia-based management to a mostly private-for-profit based management system. It is important to note that the law allows both a consortia as well as competitive methods to be used in the selection of One-Stop operators and that private-for-profit operators are not prohibited. And while it is not conclusive that the shift from consortia-based to private non-profit or private-for-profit based is costing more, there are strong indications that a significant amount of WIA dollars are being spent on One-Stop operations which seems to result in less dollars being spend on training. The state, local boards and all partners must work closely together to re-evaluate the costs of operating these centers and its impact on the level of services provided statewide.

In addition to selecting One-Stop operators, the WIA requires local boards to develop and enter into memorandums of understanding (MOU) with One-Stop partners. The WIA also requires each partner to pay its fair share of the operating cost of the One-Stop delivery system. A review of MOUs and cost sharing agreements in local areas indicates that while MOUs are being executed, each required partner is not paying its fair share of the One-Stop operating cost. While the state has provided guidance in MOUs and cost sharing methodologies, cost sharing agreements in the local areas are primarily between the LWIBs (WIA programs) and the SCDEW (W-P and TAA programs). Many mandated partners are not contributing their fair share of cost for operating the One-Stop delivery system – a violation of the WIA requirements and a practice that appears to put considerable financial burden on the ETA-funded programs.

Additionally, while South Carolina has a good One-Stop framework in place, key areas of the state's service delivery system need improvement. Although not all partners are co-located, the state and local boards have made concerted efforts to co-locate required partners in the comprehensive centers or provide their services through electronic means.
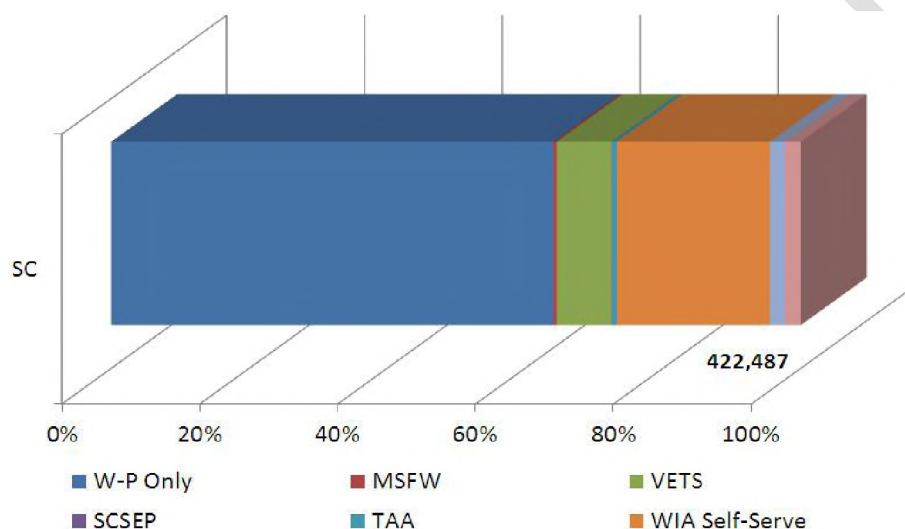
It is important to note that partner programs are not integrated into a seamless delivery system as required under the WIA. W-P program services, a major component of the service mix in One-Stop Career Centers is not fully integrated with the WIA services and W-P core services are not integrated as a gateway to accessing WIA services.

In many cases, some W-P funded core services that are mandated to be provided by the program are being provided by WIA-funded staff. Moreover, a clearly defined effective system is not yet in place to move individuals from one tier of service to another and to access the full array of services in the One-Stop. This is resulting in individuals lingering in W-P core services for

extended periods of time even when there is clear evidence other services (i.e. training) will enhance their employment opportunities. Because most intensive services allowed under W-P are not yet clearly defined, these services are not provided prior to individuals accessing WIA intensive and training services. Please refer to Chart 2 for the distribution of services in the South Carolina Works system.

Chart 2
Services Received by SC Works Participants

In terms of information for and access to universal services, individuals are receiving services, but more often they are referred only to the services or partners upon request and are not exposed to the universal services available in the comprehensive center. The participant intake system in these centers should be improved to provide information on all universal services.

Finding #2: Cost sharing agreements have not been developed among all required partners and not all are paying their fair share of the operating cost of the One-Stop delivery system. The cost for operating One-Stop system is only shared among few partners, particularly between W-P and WIA programs. 20 CFR 662.270 requires that "…… Each partner must contribute a fair share of the operating costs of the One-Stop delivery system proportionate to the use of the system by individuals attributable to the partner's program…." Additionally, costs for programs linked to the One-Stop Career Centers through electronic or other technology-based means only that are shared by partner programs should be allocated to those partner programs based on the benefits derived therefrom.

Finding Recommendation #2: The state, in partnership with local workforce boards and the appropriate local elected officials, should develop an action plan on how to integrate all required partners' core services into the One-Stop system and how the costs will be shared.

Finding #3: At the time of the review, the SCDEW and Upstate LWIB have not reached cost-sharing agreement and appeared to be at an impasse.

The law requires at WIA 121(c) (1) the local workforce board must develop a MOU with each One-Stop partner. The law at WIA 121(d) (2) (A) (ii) also requires that each MOU contains an agreement on "how the costs of such services and the operating costs of the system will be funded".

Finding Recommendation #3: We recommend that the SCDEW and Upstate LWIB reach agreement and provide copy of the signed cost sharing agreement in response to this finding:

Finding #4: The SCDEW has issued some policies to guide local areas in One-Stop operations, including policies on coordination between partners and functional supervision. The state is commended for guidance to the system. However, guidance has not been provided on the integration of services (core, intensive, and training) to ensure the operation of seamless integrated programs among partners. Please refer to 20 CFR 652 (Introduction and section I.A. WIA Principles) and 20 CFR 662.250.

Finding Recommendation #4: We recommend that the state develop policies on providing information to customers about the availability of the full array of services: These policies and procedures are needed to ensure AJC customers have access to information about the full array of services, including information on all partner services (WIA 134 (c) (1) (A-E)).

Turning to the provision of WIA youth services in the One-Stop system, the WIA requires that 10 program elements be made available to all youth who are served by the WIA youth system. The 10 elements are:

1. Tutoring, study skills, and dropout prevention strategies;
2. Alternative secondary school offerings;
3. Summer employment opportunities linked to academic and occupational learning;
4. Paid and unpaid work experience;
5. Occupational skill training;
6. Leadership development;
7. Supportive services;
8. Adult mentoring for at least 12 months;
9. Comprehensive guidance and counseling; and
10. Follow-up activities for no less than 12 months after completion of participation.

The review found all 10 program elements were available and accessible to youth in the three local areas.
Center staff members interviewed by the ETA reviewers were able to identify the agency that provided each service, and also discussed the services accessible by their partnering agencies. All WIA youth provider contracts were competitively bid for these services.

The Youth Council in each of the three LWIBs had all the members required and represented in the appropriate category. Local area staff reported that the Youth Council members were involved in developing the youth portion of the local plan in accordance with WIA Section 117 (h) (4), and remains very active in making recommendations to the LWIB.

Each LWIA is formally notified of the list of approved waivers. Policy development is limited to the use of the Rapid Response and Local Funds for Incumbent Worker waivers as the requirements for the use of incumbent worker training waivers has been stringently defined by the ETA. Refer to Table 1. While there is no requirement to mandate policy for the usage of waivers, state policy issuances would greatly assist the implementation of approved waivers.

Table 1
Approved Waiver Requests

Program Year 2010	Program Year 2011	Program Year 2012
Adult DW Transfer	Adult DW Transfer	Adult DW Transfer
Employer Contribution for Customized Training	Employer Contribution for Customized Training	Employer Contribution for Customized Training
Emp. Reimbursement OJT	Emp. Reimbursement for OJT	Emp. Reimbursement for OJT
Rapid Response for IWT	Rapid Response for IWT	Rapid Response for IWT
Local Funds for IWT	Local Funds for IWT	Local Funds for IWT
WISARD for IWT	WISARD for IWT	WISARD for IWT
Youth ITAs	Youth ITAs	Youth ITAs
Common Measures	Common Measures	Common Measures
EPTL	EPTL	EPTL
	Incentive Grants Local Areas	
	Disseminating Training Vendor Performance and Cost Information	
	Conducting Evaluations	

While waiver usage varied by LWIA, the Employer Contribution for Customized Training and the Local Funds for Incumbent Worker Training waivers were not utilized in Program Years 2010 thru 2012. The Common Measures, Eligible Training Provider List, and Youth ITA waivers were utilized in all of South Carolina's 12 LWIAs.

The state indicated that approved waivers are implemented to local areas by sending out a listing of approved waivers. State policy was only developed and disseminated to implement the Rapid Response and Local Funds for Incumbent Worker waivers since the policy and program requirements for the use of incumbent worker training waivers have been strictly defined by the National Office.

The state reports that waivers are monitored by using financial reports, the SCWOS system, annual reports, state rapid response for incumbent worker training instruments, OJT reports, Notice of Funds Authorizations, and administrator's meetings. Additionally, the state utilizes a Fund Transfer Request Form to track the funding transfers of the Adult Dislocated Transfer Waiver.

Observation: There was minimal policy developed for local area implementation of waivers. State Policy was only developed for the Rapid Response for Local Funds for Incumbent Worker Waivers.

Observation Recommendation: Although there is no specific policy to mandate policy development for waivers, policy development is a good practice that would greatly assist local area implementation of approved waivers.

Observation: There were two waivers that were not utilized from Program Year (PY) 2010 through 2012.

Observation Recommendation: We highly recommend the utilization of all approved waivers since the non- usage of a waiver indicates that there is not a continued need for this waiver. This could affect the future approval of waivers that are not being utilized.

The state tracks waiver usage through financial reports, the SCWOS system, annual reports, state Rapid Response for incumbent worker training instruments, OJT reports, Notice of Funds Authorizations, and administrator's meetings. Additionally, the state utilizes a Fund Transfer Request Form to track the funding transfers of the Adult Dislocated Transfer Waiver.
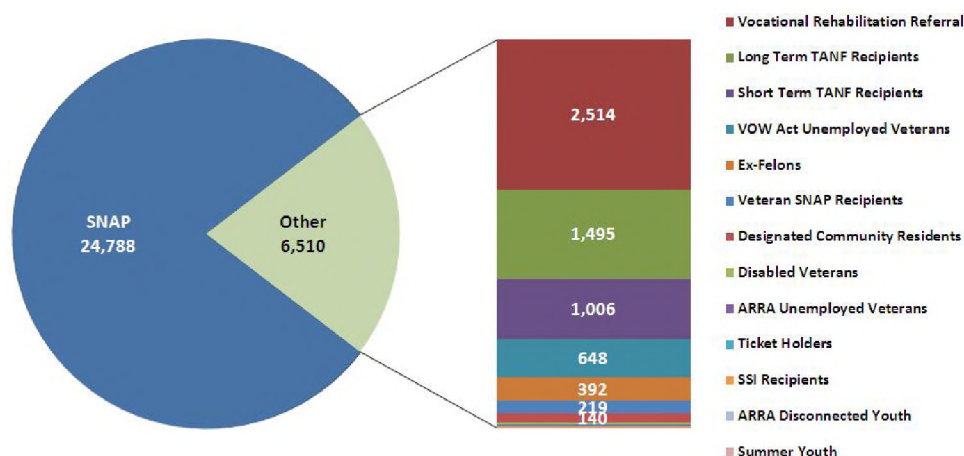
Additionally, a significant tool used in career centers to enhance employment opportunities for disadvantaged individuals is the WOTC. The WOTC is a Federal tax credit available to employers who hire and retain qualified individuals from specific target groups with significant barriers to employment. Qualified job seekers include veterans, cash welfare recipients, Food Stamp recipients, Vocational Rehabilitation participants, ex-offenders, Supplemental Security Income (SSI) recipients, and individuals who live in Empowerment Zones or Rural Renewal Counties.

The SCDEW is committed to promoting WOTC to employers. There are Memorandums of Agreements in place that outline the responsibilities of agencies and collaborative working relationships on state and local levels. A system is in place for verifying the eligibility of WOTC applicants and negotiating formal cooperative agreements with the LWIAs, Department of Vocational Rehabilitation (VR), Department of Veteran Affairs (VA), employment networks and other state and local agencies or organizations.
The state WOTC coordinator trains state and participating agency staff, and provide monitoring, and technical assistance used for conducting target group preliminary eligibility determinations and issuing Conditional Certifications where appropriate.

Chart 3
Distribution of WOTCs through the Second Quarter of Fiscal Year 2013

The efforts to automate WOTC and develop data interface partnerships with fellow state agencies led to 80 percent of applications having an automated determination. Businesses are often in receipt of a certification within one week of submission, a process that previously took months. This automated determination process afforded the WOTC office the ability to release 18,665 certifications within days of legislative program reauthorization on January 1, 2013. According to a number of WOTC consultants representing businesses across the nation, the WOTC office stood out as one of only a handful of state WOTC offices equipped to release the certifications in such a timely manner. In the past twelve months the WOTC office has issued a total of 46,657 certifications, representing in excess of $128 million in tax savings.

Another ETA grant to be implemented through the AJC system in South Carolina is the SCSEP grant. The SCSEP is administered by the South Carolina LGOA. The LGOA is the state grantee for South Carolina's SCSEP program and is a state agency aligned under the state Department of Health and Human Services (DHHS).

The sub-grantees for LGOA are Goodwill Industries of Upstate/Midlands South Carolina and Experience Works, Inc., a national grantee. Additionally, AARP Foundation (formerly the American Association of Retired Persons), a national grantee also provides SCSEP program services in South Carolina. The LGOA serves 16 of South Carolina's 46 counties and national contractors serve the remaining 30 counties.

In an effort to more effectively integrate SCSEP services into the SC Works system, the LGOA's SCSEP Coordinator participates in SWIB meetings and has collaborated with SCDEW staff to integrate the SCSEP plan into South Carolina's Integrated Workforce Plan. This strategic outreach was the result of the LGOA taking a proactive approach in more effectively integrating the SCSEP program services. The LGOA's sub-grantees also have signed MOUs with the

LWIBs in the counties where they are serving SCSEP participants and a staff member from the Goodwill Industries of Upstate/ Midlands South Carolina serves on the SWIB.

Finding #5: Although the SCSEP sub-grantees have MOUs in place with the LWIBs, cost sharing agreements are not consistently cited in these MOUs.

Finding Recommendation #5: WIA Regulations 662.270 requires MOUs to describe the particular funding arrangements for services and operating costs of the One-Stop delivery system: Each partner must contribute a fair share of the operating costs of the One-Stop delivery system proportionate to the use of the system by individuals attributable to the partner's program.

Because a comprehensive AJC is required is each LWIA, it is recommended that AJC cost sharing arrangements for the Goodwill Industries of Upstate/Midlands be included in the AJC MOUs with all comprehensive AJCs.

A sub-grantee assessment was done on Goodwill Industries of Upstate/Midlands, South Carolina by the ETA reviewer. Goodwill Industries of Upstate/Midlands has operated as a SCSEP sub-grantee for a year and a half and is currently in the second year of operation as a SCSEP grantee.

Goodwill Industries of Upstate/Midlands has signed and executed MOUs with the Upstate, Greenville, Midlands, and WorkLink LWIBs to provide SCSEP services. The President and CEO of Goodwill Industries serves on the SWIB and the Project Director serves on Partnership Committees for the Greenville and Midlands LWIBs. Goodwill Industries of Upstate/Midlands indicated that they provide staff to the South Carolina Works AJC system in addition to providing SCSEP services through the Goodwill Industries of Upstate/Midlands Job Connection centers throughout South Carolina.

Finding #6: Although Goodwill Industries of Upstate/Midlands has indicated that they provide staff to the South Carolina Works AJC system in Greenville and other AJCs, a visit to the McAlister Square One-Stop Career Center in Greenville and an analysis of career center services provided revealed that the Goodwill Industries staff provided to the center are there to provide services for an Advanced Manufacturing discretionary grant awarded to Goodwill Industries of Upstate/Midlands. The national AARP SCSEP grantee appeared to be providing the SCSEP program services in the McAlister One-Stop Career Center.

Finding Recommendation #6: The regulation at 20 CFR 641.200 says the SCSEP is a required partner under the WIA. As such, it is a part of the AJC delivery system. When acting in their capacity as WIA partners, the SCSEP grantees and sub-recipients are required to follow all applicable rules under WIA and its regulations at 20 CFR 662.200 through 662.280.

Additionally, 20 CFR 662.230(a) requires all One-Stop partners to make available to participants through the One-Stop delivery system the core services that are applicable to the partner's programs. Although the SCSEP program services are being provided by the AARP Foundation in the McAlister One-Stop Career Center, Goodwill Industries of Upstate/ Midlands, as a state sub-grantee, also has a regulatory requirement to provide SCSEP services in the AJC service delivery system. Since there are competing SCSEP program service providers in this LWIA, the LWIB must re-evaluate the One-Stop Career Center partnership service delivery regulatory requirements for each SCSEP program provider.

Finding #7: Goodwill Industries of Upstate/Midlands serves many of their SCSEP program participants through the Goodwill Industries Job Connection Centers located throughout the state. The Goodwill Industries Job Connection Centers provide many of the same services that are provided through the South Carolina Works One-Stop Career Center system which includes core and intensive services. This provision of services in the Goodwill Industries Job Connection Centers appears to be a duplication of services.

Finding Recommendation #7: 20 CFR 652.250 describes where and to what extent the One-Stop partners must make available the applicable core services. Since WIA 134(C) requires core services be provided, at a minimum, at a comprehensive career center, the regulation requires that the core services applicable to the partner's program be made available by each partner at the comprehensive center. To avoid duplication of services traditionally provided under the W-P this requirement is limited to those applicable core services that are in addition to the basic labor exchange services traditionally provided in the local area under the W-P program.

The LGOA developed the required administrative policies and procedures to administer the SCSEP program. The SCSEP policies have been integrated in the agency's SCSEP Policy and Procedural Manual and have been disseminated to the SCSEP sub-grantees. Personnel policies and procedures have also been developed and administered and are being retained in LGOA's Personnel Manual.

The grantee indicated that they monitor the two sub-grantees once a year and technical assistance visits are also conducted. A written monitoring tool is being utilized to conduct monitoring visits. The LGOA SCSEP Coordinator conducts program monitoring and the LGOA fiscal staff conducts the financial monitoring of the sub-grantees. The LGOA doesn't provide annual SCSEP training to the two sub-grantees; however, it provides training on specific program topics as needed and provides in-house training. Although the state SCSEP grantee has provided training to the SCSEP sub-grantee, the training has been very targeted and limited to one or two program elements on a non-annual basis. A broader array of training options as well as more frequent training should be provided to the SCSEP sub-grantees.

Area 3: Product Delivery and Integration of Services

The WIA defines the services that local systems are to provide through their AJC One-Stop delivery systems. For adults and dislocated workers, a mix of core, intensive and training services must be made available through the One-Stop delivery system as determined by each LWIB. The WIA establishes a tiered system of services for adults and dislocated workers: core services that are made available universally to all adults and dislocated workers, intensive services made available to adults and dislocated workers who have received at least one core service and who require more intensive services to obtain employment, and training services to adults and dislocated workers who have been provided with at least one intensive service and who require training to obtain employment.

The process that is used to demonstrate compliance with the WIA requirements is an important gatekeeping function that is critical in determining suitability, reporting appropriately, and ensuring that individuals are accessing and receiving the right kinds of services. It is also critical in ensuring that the various programs in the One-Stop are providing their core services as required by the WIA.

The quality of services and dedication of the W-P and the WIA staff members in the three local areas visited are impressive. Case managers and Employment Service (ES) staff members pay close attention to the needs of customers coming through the comprehensive centers. However, the processes in place for customer access to these services are not in accordance with the WIA requirements. In two local areas, Santee-Lynches and WorkLink, ETA reviewers found that WIA-funded staff provides core services that W-P staff would otherwise provide as part of the universal services available through the W-P program. WorkLink staff indicated the WIA-funded staff members are providing these services because the W-P staff does not provide them. In Santee-Lynches, intake process for both the W-P and the WIA programs show the WIA-funded staff members are providing W-P core services but failed to count these individuals as WIA participants per the guidance provided in TEGL No. 17-05.

Also, in the WorkLink LWIA, individuals are processed through a lengthy eight-step "suitability" process, resulting in WIA-funded staff providing core services to some individuals who never become WIA participants. A similar process is used in the Upstate local area, although their service level is not as comprehensive. While countable core services are provided, this area participant suitability assessment process vastly excludes WIA adults and dislocated workers participants from WIA outcome counts. The process also creates hurdles for individuals who are in need of and seeking training services.

South Carolina has seen its funding decreased steadily over the years.
A growing majority of services now provided to AJC job-seeking adults and dislocated workers are core and intensive services. While the state has increased the number of individuals receiving core and intensive services, those having access to and receiving training services have decreased by 26.3 percent for dislocated workers over time.

Although the decrease in WIA funding is a major factor, there are other factors contributing to the decrease in the provision of training services. As indicated above, the multi-step intake process for accessing training services appears to significantly impact the number of individuals receiving training services. Based on interviews with participants, ETA reviewers found some dislocated workers who demonstrated the need for short-term or long-term vocational training to become job ready were channeled through a series of intensive services. In addition to the multi-step screening process, a system is not in place to help customers and case workers determine (on an ongoing and periodic basis) if the quality of core and intensive services provided are effective enough for an individual to obtain and retain employment. And if not, a timely decision should be made to provide access to training services.

South Carolina is to be commended for providing services to the most in-need (people with multiple barriers to employment) among its job seekers. It is noted that the participant population served includes 76.6 percent low-income adults, 30 percent single parents, 42 percent recipients of other public assistance, over 60 percent female, 58 percent African-Americans and nearly 2 percent TANF recipients. The dislocated worker population served includes 17 percent single parents, 6.5 percent veterans, 51 percent female and nearly 49 percent African-American.

Another factor that appears to impact the available funds for training and other potential services is the cost of AJC operations. While these centers are providing good services, a cursory review of AJC operation contracts shows a significant percentage of local monies are funding AJC operations, including staff and other operational costs. In one contract, the cost of staff salary and fringe benefits was nearly 40 percent of the total WIA One-Stop budget. The staff cost alone nearly doubled the total funds allocated to ITA/customer individualized training; and overhead costs, including facilities/rent, non-expendable equipment, operating costs is nearly 57 percent of the total funds allocated to ITA. These contracts also include profits – some as high over $80,000 or 5 percentage of the total budget. The layers of staff charged to the grants include One-Stop regional managers, area managers, and program managers. And while these costs may be allowable and can be classified as program costs, the more funds allocated to the overall One-Stop operations, the less funding is available for ITAs, core and intensive services.

The state's VOS system has the capacity to produce many useful analysis and DEW staff have provided ongoing data and data analysis to local staff. However, in the local area visited staff is having difficulty tracking performance in real time. The state's quarterly ad hoc report (query of follow-up on participants with missing wage records is a useful tool; however, staff consider these ad hoc reports not timely and after-the-fact outcomes and are without merit in providing local areas an opportunity to develop proactive solutions to participant follow-up and improve performance outcome until in many instances, and it is too late.
In WorkLink for example, the local staff indicated that they have asked the One-Stop operator to produce ETO (Effort-to-Outcome) report to help provide real-time data. This contractor-generated report is then used as a basis for determining if the contractor has achieved a level of performance for which profit will be paid. The lack of real-time data appears to affect more than

participant performance as it put locals at a disadvantage in developing reliable quarterly performance reimbursement agreements based on state-generated outcome data.

Also contributing to One-Stop operational cost is the number of comprehensive centers created in local areas. One three-county local board contracted to fund three comprehensive centers – one for each county. And while the law allows local boards, in collaboration with the local elected official to determine the structure of its One-Stop delivery system, these arrangements may reduce the amount of funds available to serve more people and meet the level of needs.

Finding #8: Problem of undercounting of WIA participants: As a result of the process in One-Stop Career Centers for serving W-P and WIA participants, the state is undercounting WIA participants. Additionally, the practice is resulting in WIA funds being used to provide services for W-P customers resulting in the improper accounting of funding resources. WIA-funded staff is providing services without enrollment in WIA. Reference: TEGL 17-05, Attachment D.

Finding Recommendation #8: The state should develop a system that prevents undercounting of WIA participants:

Finding #9: **Lack of compliance with requirement to make partners core services available in comprehensive centers:** WIA requires that all required partners must make available to participants through the One-Stop system the core services that are applicable to the partner's program; (WIA 121(b)(1)(A); 662.230. Partners should use a portion of funds made available to the partner's program (to extend not inconsistent with the Federal authorizing legislations) to create and maintain the One-Stop delivery system; and provide core services applicable to their program (WIA 134(d)(1)(B). Required partners must also participate in the operation of the One-Stop system consistent with the terms of the MOU and requirements of authorizing laws; (WIA 121 (b)(1)(B); 662.230(d), enter into a MOU with the Local Board regarding the operation of the One-Stop system; (WIA 121(c) and provide representation on the Local Board; (WIA 117(b)(2)(A)(vi); 662.230(e).

Our review of comprehensive centers shows the following partners are not providing core services attributable to their programs through the comprehensive One-Stop Career Center nor through effective electronic means:

WorkLink LWIA's Missing Partners:
> Adult Education
> Vocational Rehabilitation (VR)
> Vocational Education,
> Community Services Block Grant, and
> Housing and Urban Development (HUD).

Upstate LWIA's Missing Partners:
> Vocational Education/Community College

Community Service Block Grant
Housing and Urban Development (HUG)
Unemployment Insurance (UI); UI is located at a separate location outside of the center. Also, information on accessing UI services is not readily available to customers flowing into the center.

Santee Lynches LWIA's Missing Partners:
Adult Education/Literacy
WtW (SSA)
Title V (OAA)
Vocational Rehabilitation
Community Service Block Grant, and
Housing and Urban Development (HUD)

Finding Recommendation #9: The state and local areas should come in compliance with WIA requirements: The state and local areas should provide evidence that required partners have made available their core services in the comprehensive One-Stop Career Centers as required by WIA. The response should include the name of the partner, a copy of the MOU, list of the partner services and method of how the services are being provided. If at the time of the state's response, agreement has not been reached or how services will be made available, a plan and timeline should be provided on how this will be accomplished.

Observation: One-Stop operating cost appears to be high. An analysis of the cost of One-Stop operations in local areas appears to be high, potentially impacting WIA resources available to serve more individuals. Many factors are contributing to high operational costs, including multiple layers of staff/personnel charged to the program, facility costs, profit margins, and the number of fully operated comprehensive centers. Some results include:
- Staff cost alone nearly doubled the total cost of ITA for Adult and DW combined.
- Overhead costs, including facility, rent, non-expendable equipment, and operating costs are sometimes nearly over 50 percent of total cost allocated to ITAs
- Staff/personnel costs in some contracts are almost 40 percent of total budget and nearly double funds allocated to ITA/training.
- There appears to be multiple layers of management costs – in some areas, there are Regional Managers, Area Managers, Program Managers, etc. - all charged to the grant.

Some areas are funding multiple comprehensive centers (sometimes one for each county in the local area). And while this is not prohibited, it appears to be costly, staff intensive and pulls program resources in operational expenses. It also applies cost-sharing pressures on other One-Stop partners and may be contributing to the difficulty in recruiting and retaining partners.

Observation Recommendation: We strongly recommend that the state, in collaboration with local boards and the chief local elected official(s), examine the cost of operating One-Stop

Career Centers and as necessary, develop cost-saving strategies - particularly operating and overhead cost-saving mechanism and use these savings to serve more participants.

Assessment, IEP Development and Documentation of Needs:
The assessment of participant skills, abilities, aptitudes and the use of the information to develop Individual Employment Plans (IEPs) is a critical service strategy. 20 CFR 663.245 outlines what an IEP should contain: identification of the participant's goals, the appropriate achievement objectives and the appropriate combination of services for the participant to achieve the employment goals. The use of assessment results in developing the IEP is the key to an effective plan. The Preamble emphasizes that "the purpose of assessment should be "to help individuals and program staff make decisions about appropriate employment goals and to develop effective service strategies for reaching those goals…" The preamble also asserts that "meaningful service planning cannot occur in the absence of effective assessment practices."

Under, WIA assessment and the determination of needs are conditions for providing services, particularly training services to participants (20 CFR 663.320). Our review of participant files in all three local areas shows that while assessments are conducted, the assessment results are not properly interpreted and/or considered to determine an individual's need for service. Therefore, documentation is insufficient to support the connection between assessment(s) and an individual's training plan. The absence of an effective method to determine suitable program services, and the appropriate mix, creates a risk of local areas enrolling individuals in inappropriate training, which may create questionable program costs and unsuccessful reemployment objectives inconsistent with 20 CFR 663.320.

It is important for the state, in collaboration with local areas to determine and recommend for the delivery system the best and appropriate assessment tool(s) to help case managers and participants determine skills level, including occupational skills needs, aptitude, interest, etc. and use these results in developing individual plans. We believe that with turnovers of staff, retirement attritions, etc. it is important for the state to look at collaborating with locals on selecting a set of assessment tool(s) and conducting training on the administration, interpretation, and use of such tools in the statewide system.

Finding #10: Lack of determination and documentation of the need for service: While local areas are providing services, the documentation for the needs for training services are not fully established and assessment results are not interpreted to support the need for the mix and appropriateness of services recommended in individual employment plans. 20 CFR 663.310(b); 20 CFR 663.320; Preamble of 20 CFR Part 652 et al.

Finding Recommendation #10: The state should enhance the system for assessing participants, utilizing assessment results to document the needs for services, and developing effective IEPs.

WorkKeys Assessment and use of results: WorkKeys assessment is being widely used in all comprehensive centers visited, and possibly statewide. As a primary source of intensive services

and gateway to WIA training services, staff indicate nearly all participants are assessed using this instrument and in developing the IEPs. However, our review shows the results are not being interpreted and used to document the need for training. Except in limited cases where reading and math scores are obtained, case managers found it difficult to discern valuable occupational skills information from test results sufficient to guide both participants and case managers to make informed choices on the mix of services. Thousands of program funds are being expended on this instrument. However, it does not appear that the results gained from the tool are providing the level of information needed to make informed choices about service activities. Expending funds without demonstrating the need and or usefulness, reasonableness, necessity, and allocable cost could potentially result into questioned cost. The state and local areas should look into whether or not WorkKeys provides the appropriate set of occupational and other key information needed to develop effective service strategies for participants.

Eligible Training Provider Consumer Report: WIA requires a consumer report system as a supplement to the Eligible Training provider List. Under 20 CFR 663.555, the state is required to develop and disseminate the state list with accompanying consumer reports containing performance information. The information must be made available throughout the One-Stop system as a core service to the general public, to WIA participants, and to participants whose training is supported by other One-Stop partners. The report is the vehicle for informing the customers of the One-Stop delivery system about the performance of training providers and programs in each local area. It is intended to provide information necessary for adult and dislocated workers to fully understand the options available to them in choosing a program of training services from providers. While South Carolina has developed a good eligible training provider system, the state does not have a consumer report system for use by local areas and customers in helping customers to make informed choices about training providers. Currently, the state does not have a waiver that exempts the state from the requirement to disseminate training provider performance and cost information.

Finding #11: Requirement to develop and disseminate training provider performance and cost information: WIA requires, as part of the required statewide activities, that states must develop performance and program cost information for providers on the state's ETPL, as described in 20 CFR 663.540. The state's waiver to be exempted from this requirement was denied in December, 2012, and the requirement to develop and disseminate statewide provider consumer reports is in effect; 20 CFR 663.540; 20 CFR 665.200(b) (3).

Finding Recommendation #11: To comply with the WIA requirement, a statewide consumer report must be developed to use in program selection and analysis: The report should be made widely available for all consumers. The framework for the type of performance data included in the consumer report, the measurement period and an implementation timeline should be addressed in the state's response to this comprehensive review.

Finding #12: Requirement to conduct evaluations – WIA 136(e) and 20 CFR 665.200(d) require states to conduct evaluations of workforce investment activities for adults, dislocated

workers and youth to help establish and promote continuous improvement with workforce services and activities. South Carolina has not conducted or provided information on what evaluations has been conducted.

Finding Recommendation #12: It is recommended that South Carolina conduct evaluation(s) of workforce activities necessary to improve system services as appropriate: One area of possible focus is youth. The state could conduct evaluations on the concentration of youth particularly older youth in the state and use the information to conduct targeted programs for talent development to meet the governor's strategic goals.

Observation: Improvement of ETPL - Improvement is needed in the state's eligible training provider system. The state should examine the process and criteria used at the local level to approve training programs. The system should be examined to ensure that curriculums developed by providers and programs approved at the local level are such that participants can complete training services in reasonable timeframe, minimize prolonging training unnecessarily, and possibly costing the programs more funds due to the training durations. Interviews with participants and some board members indicated that some training programs are designed to prolong training time and possibly increase cost. One participant indicated that outdated equipment is being used by training providers such that upon training completion, it is difficult to be hired by employers.

Observation Recommendation: We recommend the following:

- That the state establishes a group or committee or body to assess the statewide ETPL system.
  - The group of advisor should consist, at a minimum:
    - Community college president(s) and or institutions of higher learning
    - Individuals with optimum leadership responsibilities
    - Reform-minded and local board members (i.e. Dr. Booth, President of Tri-County Tech, Board Chairman Wood of Santee Lynches, etc. – please note that the above names are suggestions only, the state may select membership as appropriate);
    - Key business and industry representatives;
    - Current and former participants with experience and knowledge of system flaw in curriculum, i.e. Mr. Dan Eanes, DW participant in Upstate workforce area
    - State workforce investment board members
    - Other providers or stakeholders
- Examine the development of training curriculums that are put on the statewide ETPL.
- Assess content, duration, and concentration of courses that allow training to be conducted in reasonable timeframes that enables the acquisition of skills needed by business and industry.

- Examine the cost associated with prolong training due to loosely constructed curriculum; the impact on ITAs, number of individuals trained or not trained, and supportive services costs such as transportation, childcare, etc.
- Assess the pricing pattern of providers, particularly providers that offer the same training course and curriculum in multiple locations but may charge more for the same curriculum depending on the LWIA's ITA cap.
- Examine the pricing pattern of providers. For example, assess providers who charge Trade participants more for the same training in the same local area and with the same curriculum than they charge WIA participants.
- Examine the cost of similar programs among providers (i.e. community college vs. private-for-profit and or other providers). Pricing patterns show significant cost differences between providers for relatively the same programs.
- Our assessment also shows that individuals are incurring huge amounts of debts (i.e. federal, personal, private loans, etc.) to supplement WIA training due to the high cost of training with certain providers. The state should evaluate this, particularly since the state does not have a consumer report system. The state should assess how One-Stop operators are making information available to customers on cost and cost comparison and how they are documented to ensure participants have information to make informed choices in selecting providers.

Observation: Lack of effective participant follow-up: Follow-up of participants, particularly Adult and Dislocated Worker participants who have exited training does not appear to be effective and it is significantly impacting performance outcomes and the collection of training-related employment data. WIA 134(d) (1) (K) requires that follow-up services be provided for "participants in workforce investment activities…who are placed in unsubsidized employment" for 12 months.

Follow-up activities are basically contact exercises and not meaningful services. Follow-up conducted is primarily to see if the individual is employed. Follow-up should be meaningful service activities that help individuals without jobs to obtain jobs. For those with jobs, but who may need assistance to retain those jobs, follow-up activities should be developed. Our review found that most follow-ups are simply to determine know whether someone is employed or not employed and to case note that a follow-up was conducted.

As needed, the state should provide effective statewide guidance on the process, intensity, timeframe, and if appropriate, minimum frequency with which follow-up should be conducted. One local board indicated that the state had advised that local staff conduct follow-up only on individuals that appear in an ad hoc report, which state staff create quarterly, and those with missing wages. As a result, follow up activities appear to be reactive rather than proactive and key post-program follow-up strategies that could help increase enter-employment rate, retention rate and increase earnings are not being implemented consistently and effectively.

Observation Recommendation: We recommend the state develop guidance to improve follow-up activities at the local level. Additionally, the state should develop real-time data on and make it available to One-Stop operators so they can conduct proactive assistance strategy to get people employed or retained in employment. Currently local staff view the ad hoc report as a reactive exercise and not very useful in improving performance outcomes.

Observation: Lack of real time data for One-Stop operators and local program analysts – Access to key program reports and the ability to conduct participant data analysis in real time should be provided to LWIA staff and or One-Stop operators (if the operator is contracted to provide core, intensive, and or training services and as allowed by the LWIA). Some local providers with full responsibility for services and outcomes either do not have the capacity to conduct real time analysis of program participant data or do not have the system knowledge and capacity to assess data that enables them to help impact participant outcomes until it is almost too late. Access and or training should be provided to enable One-Stop operators to conduct analysis that enable them to provide real time assistance to participants and to understand, manage, and meet their sub-grantee responsibilities.

Observation Recommendation: Currently local staff view the quarterly ad hoc report as a reactive exercise and not very useful in improving performance outcomes. We recommend the state work with local areas, One-Stop operators, and any other partners to develop appropriate reports these partners find useful.

Business Relationships

South Carolina is commended for developing a statewide business engagement system. While currently in the early stages, we believe the state will have one of the best integrated statewide business services systems in the region upon completion. One of the featured components of the state system is a matrix for measuring how the state and local areas are meeting business' needs. The arrangement will incorporate local areas' business services under one statewide umbrella, thus creating a framework for integrated business engagement strategy while providing local areas the flexibility to manage their own operations.

The WOTC State Program Manager goes out with the Business Services Teams to meetings when possible to meet with employers in the state. She obtains lists of businesses from the Chamber of Commerce and makes contact with these businesses. This is a selling point for the program as it informs employers about the benefits of WOTC and it keeps the employers who are participating interested in the program.

In 2011, she spoke at a Veterans Job Fair after the VOW initiative was introduced; she spoke to Women Business Leaders groups, and she also speaks to other local groups in the area.

In-house mandatory power point training has been customized to train the staff on the WOTC program. April is the proposed month this will take place. It will consist of the presentation followed by questions that each person must answer. The state staff has a full understanding on

how to process the certification requests and the backlog of certification processing is down from 10 months to 4 months. Employers who submit incomplete or incorrect certification requests are notified immediately and this information is not processed until all documentation requested is completed.

Local Level
Business engagement strategies are also being developed at the local level. All three areas visited (Santee Lynches, WorkLink, and Upstate) local areas have establish teams of business services staff that comprise multiple program representatives. Of the three areas, Upstate has the most advanced and well-organized business services operation. Although still evolving, the Upstate Board has been able to merge fragmented multi-systems into one unit. The integrated team consolidates multiple programs under one framework. The staff assignment is well developed to eliminate duplicative contacts and targeted industry sectors have been identified with sectors assigned to key staff. We recommend that other locals explore Upstate's organizational and engagement strategies.

Santee Lynches has also developed a business services team organized by program partners. Business contacts are coordinated and all results are pooled to benefit partner programs. The team praised the state for providing technical assistance.

WorkLink is the least developed of the three areas but the one that has put key strategies in place. One feature of WorkLink's approach is the involvement of economic development and community college representatives in developing a unified team approach. The local area should continue to work on organization and ensure that multiple partners are permanent members of the team.

Area 4: Participant Reporting Systems and Performance Accountability

The management information system for WIA, TAA, and Wagner-Peyser (W-P) is the Web-based South Carolina Works Online Services (SCWOS) system developed by Geographic Solutions, Inc. The WIA service delivery and case management components of the system have been deployed in South Carolina since October of 2002, and have been continuously upgraded and enhanced.

The Trade Adjustment Assistance (TAA) module was added in 2008 to track the participants in that program. This portion of the system includes a module which tracks Trade Readjustment Allowance (TRA) payments and is updated daily.
Wagner-Peyser, the state job matching system which integrates employer and jobseeker data, was implemented in 2010 and has enhanced their ability to track services across programs.

SCWOS also includes four Unemployment Insurance (UI) interfaces. These interfaces help enter automatic registrations of UI claimants into the system if accounts do not exist already. These interfaces produce files which provide information about UI claimants, including if they

are registered for work, if they have reported for mandatory profiling workshops, and what kinds of occupations they are looking for. South Carolina is also now requiring one work search through SCWOS every week for all UI claimants. UI staff has access to SCWOS and can see all services and benefits provided to a UI claimant in real time. For example, UI staff can verify that a claimant should be waived from the work search requirement by checking the WIA and/or TAA training activity code timeframe in a participant's record. The program integration and interfaces of SCWOS all help support coordinated implementation of state strategies and training and employment activities.

To further utilize SCWOS to coordinate services, several workforce partners, such as staff of the Vocational Rehabilitation Department, Department of Social Services, and others, have viewing access to SCWOS. South Carolina Works Center staff also has viewing access to partner agency systems such as the Children's Health Insurance Program to assist in participant eligibility and services.

SCWOS desktop and onsite monitoring is conducted at both the state and local levels. During the monitoring process, SCDEW staff reviewed local area policies and processes for compliance with WIA law and regulations. Performance monitoring coupled with the ability to view and track user service data enhances and improves both the state's and local areas' ability to make effective WIA program policies.

WIA Youth

The WIA Youth portion of the review focused on systems, procedures, and program operational practices that are necessary for seamless service delivery, and performance outcomes that are acceptable for both the in and out-of-school youth. The review found that the state grantee has operating systems in place to provide the full-range of services required by the WIA. In both South Carolina Works Upstate and in the Santee Lynches local areas the operational costs in the WIA Youth budgets for out-of-school youth are disproportionate compared to funding decisions for the in-school youth.

The state had partners co-located in the One-Stop Career Center but did not have a collective system that provided universal services to customers that access the One-Stop Career Center. Participants are routinely referred to the services or partners they inquire about instead of being exposed to the comprehensive services that are available in the One-Stop Career Center. One-Stop Career Centers in all three local areas did not have information on the services that were available to older youth. Recruitment services, Labor Market Information, career exploration materials, and workshops for older youth were some of the services lacking in the One-Stop Career Centers. Generally, the youth program services offered to young people are not located at the One-Stop Career Centers but are located at other workforce program partner sites.

Participants eligible to be served by the formula grants are found in the regulations at 20 CFR 663, and 20 CFR Part 664. The reviewer reviewed 10 participant files (five files for in-school

youth at the Youth Stop Program site and five files at the out-of-school Achieve site) from the Santee Lynches local area. Two participants that were participating in the program at each site were interviewed. During the participant file review at WorkLink, 15 files were reviewed.

The review revealed that the files contained sufficient documentation that supported the WIA Youth eligibility criteria for the participants enrolled in the program. However, the reviewer was unable to determinate what the case notes disclosed about the participants receiving appropriate and effective services in South Carolina Works Upstate and Santee Lynches local areas because hard copies of the notes were not kept in the participant files. It was reported that the case notes were maintained in the state's automated South Carolina Occupational Information System. The reviewer was able to verify that this was also the case at the WorkLink local area and reviewed the case notes in SCWOS.

The Individual Service Strategy (ISS) plans developed for the participants did not always contain a series of training activities supported by results from the assessments. Staff indicated a variety of assessment tools were used to identify training needs before participants were placed in training. Evidence of training participants in the demand occupations was lacking in the ISS plans. Youth training activities may need to be re-evaluated to concentrate in the occupational areas with high-demand jobs. Advanced Manufacturing is one of the high-growth sector industries in the state.

Veterans

All staff members recognize a priority of service for veterans. Upon first entry point, an initial application identifying veteran /spousal status is completed; the applicant is provided an orange job search form which differentiates service priority among veteran and non-veteran applicants. A veteran may request either Veteran or Wagner-Peyser (W-P) staff provide job search assistance. As mentioned above, veteran staff should provide service to veterans having barriers or needing extensive services to the extent possible thereby allowing W-P staff to provide services to the vast majority of veterans who are not in need of a more intensive service level.

Using the National Directory of New Hires, State Directory of New Hires helps to identify those veterans that have obtained employment and improves the America Job Center/One-Stop Career Center placement rate.

This resource also helps inactivate veterans that are no longer seeking services so that both Veteran staff and W-P staff can focus their efforts on those needing assistance.

Unemployment Insurance/Reemployment and Eligibility Assessment Grant

A review of SCDEWs UI Reemployment and Eligibility Assessment Grant (REA) was conducted. The UI REA program is designed to address the reemployment needs of UI claimants and to prevent and detect UI improper payments, both of which are high priorities for

the Department. ETA is focused on connecting UI claimants with reemployment and training services through the workforce investment system by linking them to services through the AJC. The workforce system is a single, comprehensive, integrated entity in which UI provides a core service. The UI REA program in a state provides claimants a full array of services available at AJCs and also ensures that claimants comply with all UI eligibility requirements. For many individuals, the UI program provides an entry point into the service delivery system.

To counter the distancing of Reemployment Services, two systems were developed: Worker Profiling and Reemployment Services, which were established by Federal law in 1993 (Social Security Act) and requires states to refer UI claimants who are at risk of long-term joblessness to mandatory Reemployment Services; and the Workforce Investment Act (WIA) of 1998, which requires local areas to establish One-Stop Career Centers that provide various employment services within a local labor market assembled in one location.

Customers have access to job search and placement assistance through Web-based systems or direct staff-assisted services. Employers are engaged through job development and job fairs. Employment information systems for UI claimants and job seekers are maintained and accessible through online portals and in AJC.

SCDEW directors oversee REA grant services in sixteen high-activity offices throughout the state. At the 35 state-wide AJCs, managers are responsible for the administration of Reemployment Services. UI claim applications are received online, telephone, and in-person. State-Merit UI employees provide Reemployment Services to claimants in the local offices. One-on-one and in-person service is conducted.

For selection in the REA program, the state selects a certain number of claimants who have monetarily valid claims and have been separated due to lack of work. Claimants who are fired or quit, employer-filed claims with callback dates within six weeks, claimants who are selected for Worker Profiling, and certified as Trade-eligible are not included in the selection process. The comparison group selected for the REA sample is from the remainder of UI claimants.

The review team evaluated SCDEW's capacity to perform the managerial functions that are required when operating Federally-funded workforce development programs. The reviewer observed administration of services within workforce centers, reviewed systems necessary to connect UI claimants to Reemployment Services and evaluated participant information.

South Carolina is operating as directed in the grant. Mechanisms are in place to process claimant issues and their potential disqualification of UI benefits. Once issues have been identified by automated system edits (able, available and actively seeking work, no shows for orientation, refusal of services) services are no longer required unless the claimant initiates the contact. Once contact is reestablished, fact finding is conducted by REA personnel and a UCB-102AV is processed the same day to adjudicators for a determination. This process saves trust fund money and is being conducted by law.

A review of the Midlands Columbia Comprehensive AJC was conducted to observe the delivery of services for the REA claimants. Management and staff conducted themselves with the utmost professional courtesy and provided excellent customer service. South Carolina has the following processes and services available to UI claimants connecting them with Reemployment Services:

UI claimants selected for participation are required to participate within 14 days of the initial claim in reemployment services and one-on-one orientations. Failure to participate without good cause will result in an issue being generated in the data system for that UI claimant. Adjudication of issues resulting from a claimant not reporting is made in accordance with the state's UI Claims Taking Manual and UI instruction letters. Review of participant disqualifications, reschedules, and no-shows reveal consistent decisions and scheduling policy to be sound and effective.

Claimants reporting for an REA receive one-on-one services which begin with an Eligibility Review (ER) which verifies UI eligibility.

Those with issues on their claim are withdrawn from the REA process. If no issues are discovered that affect eligibility, the REA process continues and claimants begin receiving counseling and job search information.

The data provided as part of the initial REA interview consists of, but is not limited to, the following:

- Registration in the SCWOS is verified. Registration is encouraged at the time of claim filing and subsequent visits. Job matching occurs when new jobs become available.
- Based upon the claimant's work history, resume, and transcripts, a basic assessment of employability skill level is conducted during the initial REA visit. The information is used to determine potential needs and identify workforce partners to which the participant may be referred (i.e., WIA, Adult Ed.)
- Labor Market Information (LMI)
- Job Search assistance
- Referral to Supportive Services
- Resume review, critique, and recommendation (resume types, samples, etc.)
- Career Center workshop calendar and description of workshops offered
- Listing of job search websites; national, state, local, and private industry

The professionalism displayed by the staff members reflected a genuine concern and interest in the employment success of the participant. Job search information was shared and handouts were provided as a reference. Perhaps the most impressive aspects of the session were the direct examples that staff provided to the customer. A tutorial for navigating the South Carolina Works website was given. Also, staff reviewed the claimant's current resume, provided feedback,

suggested a functional resume style, and then produced a sample, from which the claimant could use to recreate his/her own.

The same one-on-one professionalism and claimant contact in Spartanburg was observed.

Though the UI operation is currently located in a building five blocks from the Upstate WIB office, there is a plan to move and have both programs under one roof.

Financial Management activities were not reviewed during this on-site review. The results of the on-site review conducted in June 2012, showed that all financial systems and processes appeared to be sound. Funding is being managed appropriately and financial data is accurately tracked and reported in the ETA 9130 report.

The Facilitation of Reemployment Report for the Fiscal Year 2011 reflects the percent of UI claimants who are reemployed within the quarter following the quarter in which they received their first UI payment. The Acceptable Level of Performance (ALP) reemployment rate for Fiscal Year 2011 was 46 percent. The state's actual reemployment rate as reported for the four quarters/ending December31, 2011, is 56.72 percent which is over 9 percent above their assigned reemployment rate. South Carolina has seen a continual decrease in their overall unemployment rate over the past several months.

During the June 2012 review SCDEW received a finding that no formal, specific Individual Employment Plan (IEP) issued to REA participants was in place. This is required as part of the REA process and is used to place the onus on the participant so that they will take responsibility for their job search activities and referrals. ETA recommended the state needed to create some type of document that serves as an official IEP. Basically, this serves as a contract whereby the claimant acknowledges receipt of REA services and information and commits to following up with future REA visits as well as contacting referrals provided by local staff (i.e., job referrals, partner referrals, workshops, etc.). A formal document that the participant sign's (Claimant Work Search Plan Agreement, UCB-267) signifying their understanding of the program requirements is now standard operating procedure in all interviews.

Review of ETA 9129 outcomes reporting for the quarter ending December 31, 2011, comparison and REA group statistics show the following:
- average duration of claims higher for the comparison group than the REA group,
- benefits per claimant of $1,204.20 for the comparison group with the REA group benefits of $1,521.29,
- percent exhausting 0.6 percent for the comparison group and 0.1 percent for the REA group,
- percent reemployed 10.4 percent for the comparison group and 12.0 percent for the REA group,

- data shows participates in the REA group as having shorter duration, higher cost to the UI trust fund, lower exhaustion rate and a higher reemployment rate than those in the comparison group who are NOT receiving REA service.

This data mismatch has been reviewed with staff programmers and REA staff to attempt to identify where errors are located. This was also a problem in the REA review in May 2012. And since they could not correct the data from our visit to submit their package for the 2013 grant, SCDEW withdrew its request for REA SBR funding for 2013. South Carolina has a history of providing exemplary customer service to program participants. The performance reports for programs such as REA should reflect this service in order to provide accurate data to the public. This will also reflect the good work done by the public servants at SCDEW. The administration of the REA grant in South Carolina is strong and it is expected that with the implementation of an updated profiling model the data for this program will better reflect the actual services being provided to REA participants.

Finding #13: Data mismatch is not reflective of actual performance. Violation of the 2012 REA grant-UIPL 10-12,5B

Finding Recommendation #13: A programming team should be formed immediately to coordinate with the regional office and national office staff to correct the programming inconsistencies:

Trade (TRA/TAA)

The SCDEW administers the Trade Adjustment Assistance (TAA) Program as an agent for the US Department of Labor (USDOL). The "Rules of Engagement" are delineated in a Secretary-Governor agreement which is updated when new legislation or interpretation is mandated. The Trade Adjustment Assistance (TAA) Program is a Federal program, financed through Federal funds and all rules are promulgated and interpreted by Federal statue.

During the review we interviewed officials responsible for administering the TAA training Program, the TRA benefit unit, and the TAA (TAPR) reporting units. The onsite review was conducted at the State Office, Midlands Columbia Comprehensive AJC, Greenville Comprehensive AJC and the Training program in Liberty, South Carolina. Forty participant case files and 7 appeal decisions were reviewed and several TAA case managers and 7 adversely affected workers were interviewed. All of the claimants interviewed gave favorable ratings about their experience in the TAA program.
They repeatedly cited how helpful their case manager was, how thankful they were to be in the program, and were happy with the training programs they participated in.

The participant files were all in good order with a summary sheet on top which delineated all pertinent data. Most of the online case notes, affiliated with the files, clearly documented claim activity. Those records reviewed that did not have great case notes were prepared prior to case

management training. Overall these case files were an indicator of how efficiently the TAA operation in South Carolina is being administered.

There are current procedure manuals which are constantly being updated. The state has developed an excellent process map and there is a well-defined course of action in place to monitor all TAA activity at the AJCs. The TAA unit has ongoing communication, constant training, and an overwhelming desire and purpose for continuous improvement. The adversely affected worker's welfare is at the center of all activities and re-employment is their foremost goal.

Observation: Co-enrollment with WIA has been mandated since 2002, yet South Carolina is not 100 percent co-enrolled.

Observation Recommendation: We recommend that the adversely affected worker (AAW) needs to be co-enrolled as they are dislocated workers also. TAA funding would take precedence but the AAW would be entitled to any and all applicable WIA benefits.

Observation: <u>Repeat</u> - The state has been advised that every approved training package should include a skill component which can lead to a credential and reemployment.

Observation Recommendation: All training packages which include soft skill remediation (GED, ESOL etc.) should be coupled with skill training.

Veterans

All staff members recognize a priority of service for veterans. Upon first entry point, an initial application has to be filled out identifying the applicant's veteran /spouse status and once identified the veterans receive an orange job search form which gives the veteran priority of service over non veterans. The veteran can request veteran staff or Wagner-Peyser (W-P) staff to assist the job search effort. As mentioned above, veteran staff should see veterans with barriers, needing extensive services as much as possible, and allow the vast majority of veterans to receive services by W-P staff.

Staff is using the National Directory of New Hires and State Directory of New Hires helps to identify those veterans who have obtained employment and improves the America Job Center/One-Stop Career Center placement rate. This resource also helps inactivate veterans that are no longer seeking services so that both veteran staff and W-P staff can focus their efforts on those needing assistance.

The reviewers found SCDEW to have an above average Veterans Program and is operating in a most effective and efficient manner with a staff that appears to be dedicated and very knowledgeable of the program.

Observation: Workforce Investment Board meetings are held monthly and veteran staff has been notified of the dates and times, yet veteran staff cannot attend the meetings.

Observation Recommendation: Membership and attendance on the Workforce Investment Board is a vital link that veteran staffs are required to participate in. Though it is important to cultivate employers for veteran hires outside the WIB arena, sharing and receiving information during these functions / meetings is vital to serving the total veteran population. It is especially important for the Board to understand the new roles of the veteran outreach mission. WIB staff needs to understand the reason why they are serving the veterans and not the veteran staff who will only be seeing certain veteran categories (intensive, ex-offender, disabled). The "80/20 rule" will soon be in place with veteran staff only seeing 20 percent of the total veteran population. These changes and sharing of information is an important resource which must be tapped into. Inclusion of Board members to veteran training events, such as the one sponsored by the National Veterans Training Institute (NVTI) in February 2013, would have also expanded the Boards knowledge on the veterans outreach mission.

Observation: Documentation of intensive services is lacking and though Individual Development Plan (IDP) transactions had been posted, skill assessment tools were not being used and documented. Review of three case files (Mr. Isaiah Gamble, Mr. William A. Honeycutt, and Mr. Boyd Alexander) show an appropriate use of referral to support services and using case notes to reflect the ongoing situation so that the veteran can receive appropriate services in staged time periods. Actual skill assessments with recommendations on how to proceed after participating in skill assessment should be documented as well.

Observation Recommendation: Skill assessment tools such as www.MyNextmove.org , www.careeronestop.org or O*NET www.onetonline.org are online tools to assist veterans in exploring careers and preparing for and making informed employment and education choices and who's use should immediately be implemented.

Migrant and Seasonal Farmworkers

The agribusiness of agriculture and forestry in South Carolina is one of the largest economic clusters and major economic engines in the state. Together, they have a direct and indirect economic impact of $33.9 billion a year, provide $7.5 billion in labor income, and create and support almost 200,000 jobs in the state. South Carolina ranks near the top nationally in several categories of fruit and vegetable production.   In a normal production year, South Carolina peaches rank second in the nation for the fresh market. South Carolina also ranks at or near the top nationally in fresh market production of leafy greens such as collards, kale, turnips, and mustard. In addition, items such as tomatoes and watermelon consistently rank in the top ten each year in overall production. Row crops are generally produced on over 1.3 million acres of crop and account for millions of dollars in annual cash receipts. Traditional crops include corn, cotton, hay, oats, peanuts, soybeans, tobacco, and wheat. Aside from conventional uses, field crops like corn and soybeans are used for producing renewable fuels.

All state workforce agencies are required to take appropriate actions to ensure that the delivery of all workforce development, benefits and protection services are provided to migrant and seasonal farmworkers (MSFWs) and to ensure that equity measures are administered. Each state is to appoint a Monitor Advocate; this position is full-time in states having significant MSFW activity. South Carolina is a significant state and has six significant local AJCs. South Carolina appointed a merit staffed bilingual State Monitor Advocate (SMA) in June 2011. The state approved formal and informal training for the SMA. In review of the state and local offices, problem areas are cited as either findings or observations when required procedures have not been implemented or actions have not been taken; staff is not adequately knowledgeable of regulations or accompanying procedures, or records are not complete and maintained as required by regulations.

The SMA/Outreach Workers provide farmworkers an explanation of workforce services available, including the availability of referrals to agricultural and nonagricultural employment, training, and supportive services, and other job development services will be provided in a language readily understood by them. Outreach workers are required to be bilingual and to provide language appropriate services as needed, and to be familiar with working and living conditions of the MSFW. It is necessary for Outreach workers to develop relationships with other farmworker organizations in order to provide MSFWs with information about other area organizations that are available to serve them. If they observe, have reason to believe, or are in receipt of information regarding a suspected violation of employment-related laws or employment service regulations by an employer, the outreach worker shall document the suspected violation and provide the information to the SCDEW AJC Manager and overseeing Area Director. The SC DEW AJC Manager and Area Director will provide assistance in the preparation of Employment Services (ES) service and non-ES complaints. Complaints which will be recorded using the ES Complaint Log and resolved using the ES Complaint System. Complaints from MSFWs should be brought to the attention of the SMA.

Finding #14: The Sumter significant local office did not have a bilingual outreach worker staff on board at the time of the review.

Finding Recommendation #14: 20 CFR 258 requires that each significant local office have bilingual staff in order to adequately provide for services to migrant and seasonal farmworkers in the language that will ensure understanding of the services and benefits available to them.

A small sample of agricultural and non-agricultural job orders was reviewed and all orders appear to contain all required elements. The Regional Monitor Advocate (RMA) reviewed the most recent outreach logs, quarterly reports and complaint logs and deemed that they were to be in compliance. In addition, the RMA reviewed the policies and guidance issued by the state to all levels of workforce to promote consistent service delivery to migrant and seasonal farmworkers.

The SMA assessed all previously issued guidance and procedures and recommendations to the SWA that were accepted and a plan of action implemented.

The SMA recommended the revision of the MSFW outreach plan, development and issuance of statewide directives on the delivery of services to MSFWs, to include training to all appropriate staff, and to encourage MSFW outreach time distribution in accordance Federal regulations. The SWA presented the proposed PY 2013 Agricultural Outreach Plan (AOP) to the SWIB during the formal exit conference.

It was noted that all of the significant local AJCs have been monitored by the SMA and that findings noted by the SMA had either been corrected or that corrective actions were underway. However, the bilingual outreach position in Sumter was vacant during the ETA review.

The areas covered in the review were provision of services to MSFWs, outreach, and collaboration efforts. States are required to ensure that the services provided to MSFWs are qualitatively equivalent and quantitatively proportionate to the services provided to other jobseekers. SWAs and AJCs should strive to increase the number of MSFWs participating in all labor exchange activities, increase the number of agricultural employers utilizing labor exchange services, encourage the use of the Agricultural Recruitment System (ARS), encourage the participation of MSFWs who wish to transition to higher wage jobs and obtain permanent year-round employment in areas outside of agricultural work, continue to enhance collaboration with organizations that provide services to MSFWs, and facilitate full integration of MSFWs and agencies that serve them into the One-Stop Career Centers.

Migrant Indicators of Compliance reports for the state as a whole are generated on a quarterly basis and reported to ETA via the Web-based LEARS. Another element of performance is judged on the amount and quality of outreach services to MSFWs. Outreach goals are to ensure all MSFWs are aware of the employment services available and the benefits derived if services are used. Another important purpose of the program is to document and monitor complaints (employment service and non-employment service), ensuring MSFW complaints are processed within prescribed time-frames.

The state met and or exceeded each of the migrant indicators of compliance during PY 2010, PY 2011 and PY 2012.

PY 2012 as of June 30, 2013

Equity Activities/Items	MSFWs Data (ETA Form 5148)		Non-MSFWs Data		Equity Level Indicators (minimum 4 out of 5)	
	Number	%	Number	%	Yes	No
Total Applications	1,931		437,773			
1. Referred to Jobs	1,635	84.7	212,171	48.5	•	
2. Received Staff Assisted Services	1,620	83.9	242,592	55.4	•	
3. Referred to Supportive Services	108	5.6	6,303	1.4	•	
4. Career Guidance	13	.7	11,253	12.6	•	

5. Job Development Contacts	2	.4	552	.3	•	

The RMA is aware that Career Guidance and Job Development Contact are calculated based on the number of the Complete Applications (not the Total Applications); there is no category to enter "complete applications on the 5148 for the ratio to be properly calculated.

Service Activities/Items	Compliance Level	Actual Level	Service Level Indicators (minimum 4 out of 7)	
			Yes	No
1. Placed in a job	42.5%	65.82%	•	
2. Placed in a job at are above adverse effective wage or $.50 above minimum wage	14%	9.37%		•
3. Placed in long-term non-agricultural job	3%	13.67%		
4. Reviews of significant offices	100%	100%	•	
5. Field checks conducted	25%	25%	•	
6. Outreach contacts per staff day	5	9	•	
7. Timely process of employment service related complaints	90%	100%	•	

Source: Labor Exchange Agricultural Reporting System (LEARS) PY 2013 4th Quarter, certified August 27, 2013

The state reported receiving a total of 1,931 MSFW applications for PY 2012; this is significant in that the state has noted a steady decline in the number of MSFWs in the state over the previous 10 years. As the number of available domestic workers decline, there is an increase in the number of temporary guest agricultural job orders submitted to meet the needs of the agricultural employers.

PY	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total MFW Applications	3657	4872	4341	4130	3704	3150	2644	3264	*606**	1049	1931
Total H2A Ag Orders	22	19	27	27	41	47	43	29	36	41	76
H2A Wkr Referrals	775	392	507	457	622	397	805	311	905	632	554

* Appears to be an anomaly in the data reported for PY 2010 from the 5148, LEARS PY 2002 through 2012

Senior Community Service Employment Program

An assessment of participant files was conducted to determine if SCSEP program services are being provided to SCSEP participants in accordance with the SCSEP Program Guidelines and the SCSEP 2012 Grant Program Assurances. Participant files were only assessed for Goodwill Industries of Upstate/Midlands South Carolina because this sub-grantee was selected for an on-site assessment.

Overall, participant files for Goodwill Industries of Upstate/Midlands were well organized and indicated that program services are being delivered in accordance to SCSEP Program Guidelines. The participant files adequately documented services provided to participants and the error rate for missing documents was extremely low.

Recommendations: None.

Discussions with the South Carolina Lieutenant Governor's Office on Aging staff revealed that that the sub-grantee does not have a performance management system in place that manages sub-grantee performance.

Additionally, an analysis of the SCSEP PY 12 Grant outcomes indicated that the South Carolina PY 12 SCSEP Grant was under-enrolled. Both sub-grantees were under-enrolled but the Experience Works, Inc., sub-grantee was significantly under-enrolled.

Finding #15: An analysis of the grantee's performance management systems indicated that the grantee is not managing sub-grantee performance.

Finding Recommendation #15: 20 CFR 641.700-750 defines the performance management system for grants awarded by the U.S. Department of Labor (USDOL) and 20 CFR 641.700(d) indicates that core indicators of performance are applicable to grantees without regard to whether the grantee operates the program directly or through sub-contracts or sub-grants. Grantees are required to ensure that sub-grantees are collecting and reporting program data. To implement a performance management system to manage sub-grantee performance, we recommend that the grantee 1) set internal performance goals for sub-grantees, 2) compare performance outcomes with the performance outcomes of other states, 3) analyze how services are being charged to determine duplication of services and 4) utilize labor market information. State grantees can set additional performance measures, and can set goals for sub-grantees.

Finding #16: An analysis of sub-grantee enrollments indicate that the South Carolina SCSEP grant is currently under-enrolled. Both sub-grantees are currently under-enrolled but the Experience Works, Inc., sub-grantee is significantly under-enrolled.

Finding Recommendation #16: WIA 641.700 defines performance level standards for SCSEP grants and WIA 641.700 (5) specifically articulates a performance standard for enrollment: The implementation of a stronger performance management system would also assist the grantee with resolving under-enrollment issues since an enhanced analysis of Labor Market information would provide solutions for under-enrollment issues.

The state submitted an *Updated Integrated Workforce Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act* for the period July 1, 2012 through June 30, 2017. SCDEW met all service level goals for PY 2012.

The state grantee has an effective performance accountability system in place that complies with the requirements of WIA and the Wagner-Peyser Act. Annually, the state conducts onsite monitoring of its local areas to ensure that systems were in place in order to maintain compliance with all statutes and applicable regulations. Quarterly WIA and W-P summary reports regarding Common Measure performance are distributed to all LWIAs. Using monitoring reports which include the LWIA's last PY performance compared to the current status, the state works with the LWIA to provide technical assistance to improve performance and help LWIAs learn to use ad hoc reports.

State staff shared ad hoc reports they use to gauge their economic and development conditions in comparison with other similarly operating states. Additional ad hoc reports were previewed on the state's SCWOS system.

During the review the state indicated that they would be revising their Standard Operating Procedures (SOP) to include a stricter sanctions policy.

In the integrated plan, the state identified a project referred to as Evaluation of Workforce Activities. However, during the early part of the Program Year (PY), the state determined that the purchase of Statistical Program for (SPSS) software would better fit their need for mining the data.

In March 2013, several Performance and Reporting Unit staffs attended SPSS training put on by the Atlanta Regional office. These staffs expect to use SPSS on a routine basis for conducting quarterly analyses of their WIASRD submission.

Several projects identified in the state's plan have not started yet and in at least one case the state has decided the use of an alternative method to evaluate the WIA and W-P programs.

South Carolina Work Ready Communities

Project Objectives
The intent of the initiative is to facilitate better alignment between community development and economic development. Partners involved with this project include technical colleges, vocational rehabilitation, DSS, HHS, Department of Education, and Adult Education. DEW is the lead entity responsible for pooling the funds together. DEW has attended academy sessions hosted by ACT.

Overall Status
1. This initiative was projected to start about April 1, 2013. The start of the initiative hinged on contract execution given fund sources provided by different agencies. The duration of this initiative is anticipated to be a two-year contract.
2. This initiative is being funded by a number of federal agencies.

3. Of the total pooled funding, 72 percent of these projected funds are Wagner-Peyser (W-P) 10 percent funds, 7.3 percent of WIA funds will be used for job profiling.
4. At the time of the review, 34 out of 46 LWIAs submitted an application to participate in this project with the goal in mind to become designated as a WorkReady Community.
5. Actions that have been taken or will be taken prior to implementation are:
   - A conference call was held on Monday, March 11, 2013, with ACT. The purpose of the call was to discuss the final negotiations of contract language.
   - The state needs to write Memorandums of Understanding (MOUs) with each agency.
   - SCDEW will be the fiscal agent for the initiative. Elisabeth Kovacs will be the point of contact (lead). Specifically, the initiative will be managed out of the office of Workforce Development Department, State Board Initiatives Unit with coordination of the state's financial department.
   - The state expects to revisit the goals listed below:
     - The state expects to exceed goal #1.
     - The state is still gathering data for goals 2 and 3; in order to identify a more specific baseline.

The state requested clarification on whether use of W-P funding would be an allowable initiative and was provided a positive response during the review.

Evaluation of Workforce Activities

Project Objectives
As identified in South Carolina's *Updated Integrated Workforce Plan for Title I of the Workforce Investment Act of 1998 and Wagner-Peyser Act* State Plan, the grantee will conduct an evaluation of the Workforce Investment Act, Trade Adjustment Assistance and Wagner-Peyser programs to identify the current service delivery methods impact on the long-term employability of job seekers. The analysis will include a comparison of the unit costs to administer core and training services against the Retained Employment performance realized by participants. The return on investment (ROI) estimate will be provided for a three-year and five-year period. This project has not begun and no timeline has been implemented.

South Carolina Chamber Of Commerce 2020 Education Project

Project Objectives
The project objectives outlined in the State's Plan are as follows:
1. 99 percent of all high school students will have electronic Individual Graduation Plans (eIGP).
2. 85 percent of all South Carolina high school students will graduate on time as measured by the U.S. Dept. of Education's Uniform Graduation Rate formula.
3. 80 percent of South Carolina four-year-old, at-risk youth (free and reduced lunch) will complete 4-K.

4. South Carolina will be in the top five states in average 4th and 8th grade student NAEP score improvement.
5. 50 percent reduction of the student achievement gap on PASS testing from 2009 results.
6. All high school seniors will have a WorkKeys (including soft skills) certificate.
7. 15,000 GEDs (including WorkKeys certification) will be awarded annually.
8. South Carolina will have 10 times (or 2000) more businesses offering registered apprenticeships versus the 2009 baseline.
9. South Carolina will exceed the national average for adults holding two or four year degrees.
10. South Carolina will have a clear, coherent standardized pathway for adults to further their education.

At the time of the review and exit conference, this project had not begun. The project will be managed by the South Carolina Chamber of Commerce. During interviews with state staff it was indicated that SCDEW would assist in the attainment of the educational goals listed above, where applicable.

Area 5:   Financial Accountability

Financial management systems are part of the overall organizational administrative systems that support grant functions or are those activities necessary for the operation of a project but not related to the direct provision of services. The ETA reviewers found the LGOA to have adequate controls in place to ensure fiscal integrity for its SCSEP grant from ETA. With limited exceptions, the ETA reviewers also found the SCDEW to have appropriate controls in place to ensure fiscal integrity. The ETA reviewers found the SCDEW does not conduct checks and balances to ensure that Financial Accounting and Reporting System (FARS) and South Carolina Enterprise Information System (SAP/SCEIS) are reconciled at month's end, creating an environment where co-mingling or misapplying payments are likely to occur. Also, there is little assurance the quarterly Financial Report, ETA-9130, submitted to ETA is correct and resulted in excessive cash on hand earlier in the year.

With respect to the capacity of the LGOA to perform the financial management functions required when operating Federally funded workforce development grants and assure that proper safeguards are in place to protect grant assets, the SCSEP grantee established and has maintained over several years an effective financial management system. Adherence to standards for financial management systems is evident and assured in managing ETA grants. More specifically, the ETA reviewers found the following areas to be operating properly.

- The organization had a system in place to track expenditures that were compared to the actual budget.

- The grant recipient maintained a separate budget for the two sub-grantees. Each sub-grantee had an approved budget that was compared to actual expenditures.

- Each sub-grantee submitted a cash draw only when an expense was incurred or the receipt of an invoice from a vendor or an administrative cost. The cash draw down was as close as possible to actual expenditures.

- Each sub-recipient submitted a cash request through their accounting system. This transmission created a voucher and the department expedited the process to draw down funds. The SCSEP grantee received the funds from the Payment Management System (PMS) and an electronic funds transfer was sent to the sub-grantee(s).

- The SCSEP grantee was aware of the requirements of earning program income and grantee had reported program income earned and the total amount expended.

- In accordance with OMB Circulars A-87, A-122 and A-21 which governed the costs allocation and allowable costs, the SCSEP grantee only allocated the costs to the grant based on the budget approval in the statement of work.
- The grantee maintained effective control, integrity and accountability for the SCSEP grant in accordance with 29 CFR 97.20(a) (2) (b) (3) and 29 CFR 92.21(3). The separation of duties and safeguard measures were identified in their manuals policies and procedures.
- ETA reviewers found the SCSEP financial management function at the Goodwill Industries of Upstate/Midlands has the necessary safeguards are in place to protect sub-grant assets.

Turning to SCDEW's capacity to perform the financial management functions required when operating Federally-funded grants, it was evident the grantee largely enacted and adhered to proper safeguards to protect grant funds for WIA, W-P, TAA and other Federally-funded activities. More specifically, the ETA reviewers found:

- The SCDEW had a system in place to track expenditures that were compared to the actual budget. The supporting documentation, general ledger, and ETA-9130 reconciled to the Payment Management System (PMS). The total cash drawn down equals the total payments of allowable and allocable costs incurred by the grant (29 CFR 97.20).
- The SCDEW is aware of the requirements for earning, spending and reporting program income. The South Carolina State Treasury Office reconciles bank statements and manages all cash receipts and cash disbursements for the SCDEW (29 CFR 97.25).

- There is written evidence such as timesheets, indicating that cost being allocated to the grant are being treated consistently over time and within the accounting system are necessary and reasonable and allocated to the grant based on the benefit received (29 CFR 97.20 (3).

- The SCDEW has a system in place to ensure the program is incurring necessary and reasonable costs and is only charging allowable and allocable costs to the grant and posted to FARS and SAP/SCEIS.

Finding #17: The ETA reviewers found the SCDEW does not conduct checks and balances to ensure that the FARS and the SAP/SCEIS are reconciled at month's end and reflected accurately in the quarterly financial status report, ETA-9130, submitted to ETA and balancing the general ledger (29 CFR 97.30 (c)). No one at the SCDEW verifies and ensures at month end that there are no misapplied funds to the wrong program. Therefore, co-mingling and misapplying payments may occur.

Finding Recommendation #17: Monthly checks and balances to the General Ledger and ETA-9130 should be reconciled to FARS and SAP/SCEIS to ensure accuracy in compiling data reported on the ETA-9130.

An accountant should be assigned to perform the validation weekly or monthly prior to reporting on the quarterly financial report. This recommendation will enable the SCDEW to maintain accurate records and reporting in both accounting systems (FARS and SAP/SCEIS) and prevent the possibility of having excess cash on hand. Cash on hand in the amount of $1,058,774.08 was reported on Grant #UI-18046-09-55-A-45 for several quarters without an explanation; therefore, if someone was conducting frequent checks and balances, the SCDEW could have prevented the excess cash on hand reported on quarter ending December 2012.

- The SCDEW submits their quarterly reports in a timely manner. The accounting systems are SAP/SCEIS and FARS. Both accounting systems provide detail and summary reports of cash receipts, cash disbursements, journal entries, and a general ledger outlining all transactions on a daily and monthly. The organization has maintained its books of account on an accrual basis since 2009. The general ledger accountants post all invoices. The reporting requirements are set forth in accordance to 29 CFR 97.41.

- ETA reviewers found the financial management functions at the Upstate LWIB in Spartanburg, the South Carolina Works Santee-Lynches LWIB and the South Carolina Works WorkLink LWIB have the necessary safeguards in place to protect sub-grant assets.

Workforce Development Highlights

South Carolina Work Ready Communities (SCWRC)

In PY 11, South Carolina was selected as one of four states to participate in the first ACT Certified Work Ready Communities Academy, an intensive year-long series of workshops and trainings for state-level leadership teams on how to build certified work ready communities. Through the initiative, South Carolina formed a multi-agency, public-private partnership.

The collaborative partnership is leveraging the National Career Readiness Certificate (NCRC™), a work readiness credential, to measure and close the skills gap and educate individuals and businesses on the value of the NCRC and community certification. Certified Work Ready Communities create a framework for community-based workforce development that links education and workforce development to the economic needs of the state and empowers counties and the state with actionable data to drive economic growth. The South Carolina Work Ready Communities initiative is a locally driven approach that will create an inventory of skill sets and connect job seekers with job opportunities. All 46 counties in South Carolina have applied and been approved as Work Ready Communities in Progress.

Jobs for America's Graduates – South Carolina (JAG-SC)

South Carolina has operated the Jobs for America's Graduates-South Carolina (JAG-SC) program since 2005. The program provides at-risk youth with support to reach graduation while preparing them for full-time employment and/or post-secondary educational opportunities. JAG-SC, supported primarily by SWIB State Reserve funds, is operated in 24 schools around the state. The program is based on the national JAG's model which has a long history of achieving extraordinary outcomes.

- For the 3rd successive year JAG-SC received the '5 of 5' state award, meaning the program met or exceeded all the JAG national standards.

- A song written by the Colleton County High School JAG students, "If It Is To Be, It Is Up To Me" was adopted as the JAG National Anthem. The students performed the song at the JAG National Awards Luncheon in Washington, D.C. in November 2012.

- Two JAG-SC students were awarded 2013 Smith Scholarships for $2,000. Of the 104 scholarship applications submitted by JAG students from 18 states, ten $2,000 scholarships and five $1,000 scholarships were awarded.

- Mr. Darnell Williams, JAG alumnus from Swansea High School, was a speaker at the JAG National Awards Luncheon in November 2012.

Rapid Response services included proactively engaging at-risk businesses through strong partnerships with the Department of Commerce and the South Carolina Manufacturing Extension Partnership (MEP). As a result, more than $1,000,000 of the Rapid Response funds set aside with the DOL approved waiver was used to train 900 threatened workers.

<u>**Services to Homeless Veterans:**</u> North Charleston

X-Mas Under The Bridge (Article from local newspaper)

Community Comes Together To Assist Families Living In Wooded Area

For 15 women, 8 with children, Santa came early. A few weeks ago the employees of several local veterans' assistance agencies learned the women and their children had been living in seclusion in a wooded area on the Charleston peninsula. Since being discovered, the women and their children all have been found transitional housing. A Christmas feast and gift presentation is planned for December 21, at Unity Church, 2535 Leeds Avenue at Dorchester Road.

Navy veteran Mr. Samuel Graham recently met a homeless woman whom he introduced to a female acquaintance. His acquaintance took the woman to her house, offered the woman a home-cooked meal, a shower and some clothes. During their discussion the woman told Graham's acquaintance of several other women living with their children in a nearby wooded area.

Graham and his acquaintance learned that 15 women who all are military veterans and 19 children, afraid of the risks they might face at local shelters for the homeless, had formed a community who dwelled in the woods. Several of the women had jobs, but couldn't afford housing and all the school age children were attending nearby schools. Graham shared the story with another friend, who contacted friends of hers in an effort to find ways to help the women.

She contacted the veteran's employment representatives for the South Carolina Department of Employment and Workforce Trident SC Works Center. The veteran staff began working to find jobs for the women. Two found full-time employment immediately, while several are now working temporary assignments. This combined effort involved several agencies and individuals from the community, displaying the true meaning of partnership.

The women were in the situation through no fault of their own; they served their country and returned to civilian life facing various challenges that include post-traumatic stress disorder, unemployment and homelessness. She emphasized that none of the women are substance abusers or prostitute themselves.

All the women and their children are now either in transitional housing or shelters for women and children. A Christmas feast and gifts for the families was held on December 21, at a local church in the area.

Homeless Veterans Stand Down: Spartanburg

The first Upstate Stand Down was held on October 18, 2012, and was a resounding success. In excess of 200 veterans and their family members received services from 20 plus community agencies and employers. The Stand Down was being held as a way to bring information and resources to homeless veterans in Spartanburg, Cherokee, Union, and Greenville counties. The SCDEW veteran staff in the region was responsible for employer recruitment and informing homeless veterans in their areas to attend.

Hiring Our Heroes Hiring Fairs: (4 Events)

Myrtle Beach, Jan 16, 2013:

Total number of Employers: 30
Total number of Veteran Job Seekers: 298
Number of résumés collected: 523
Number Interviews conducted: 213
Number Provisional/Conditional jobs offered: 82 (27.5 percent of job seekers)
Number of firm jobs offered: 30 (10.1 percent of job seekers)

Columbia, March 5, 2013:

Total number of Employers: 70
Total number of Veteran Job Seekers: 581
Number of résumés collected: 1,721
Number Interviews conducted: 278
Number Provisional/Conditional jobs offered: 81 (13.9 percent of job seekers)
Number of firm jobs offered: 18 (3.1 percent of job seekers)

Sumter, April 4, 2013:

Total number of Employers: 22
Total number of Veteran Job Seekers: 137
Number of résumés collected: 210
Number Interviews conducted: 25
Number Provisional/Conditional jobs offered: 15 (10.9 percent of job seekers)
Number of firm jobs offered: 2 (1.5 percent of job seekers)

Greenville, May 21, 2013:

Total number of Employers: 54
Total number of Veteran Job Seekers: 146
Number of résumés collected: 516
Number Interviews conducted: 169
Number Provisional/Conditional jobs offered: 18 (12.3percent of job seekers)
Number of firm jobs offered: 0 (0 percent of job seekers)

SCWOS iPhone and iPad Application

In PY 12, South Carolina released the **SC Works Online Services (SCWOS) iPhone and iPad mobile app** for download from the Apple Store.

The app allows jobseekers to:

- Access the entire SCWOS database right on their iPhone or iPad;
- Search for a job based on your current location using the unique "Jobs Nearby" function, and pinpoint jobs on a map for easy reference ;
- Save and share favorite jobs via e-mail, Facebook, and Twitter
- Login to their account so that all job search activity is recorded.

SCWOS is South Carolina's most comprehensive job-search tool and also serves as the data management and service delivery system for WIA, TAA, and Wagner-Peyser.

On-the-Job Training - National Emergency Grant Initiative

Starting in Program Year 2010, the South Carolina Department of Employment and Workforce and local workforce investment boards (LWIBs) implemented the On-the-Job Training (OJT) - National Emergency Grant (NEG) to provide services to dislocated workers. The $1.3 million grant, which was funded through the American Recovery and Reinvestment Act (ARRA) of 2009, was awarded to meet the widespread scope of recession-related layoffs and aid in the ability of the workforce system to assist laid-off workers. The OJT-NEG grant served dislocated workers who were unemployed after January 2008 and had been unemployed for at least 15 weeks. Through the grant, individuals received training assistance in targeted occupational industries as determined by the local workforce investment area (LWIA). Nine out of twelve LWIAs participated in the OJT-NEG: WorkLink, Greenville, Upstate, Catawba, Waccamaw, Lower Savannah, Upper Savannah, Pee Dee, and Midlands.

The grant faced some start-up challenges but ended September 30, 2012, with positive results. South Carolina initially anticipated providing 230 dislocated workers with OJT opportunities. South Carolina exceeded this goal by more than 13 percent, jumpstarting re-employment for 260 dislocated workers, as employers created both training and job opportunities for these individuals.

To build upon the successes of the OJT-NEG, South Carolina was recently awarded a $1.2 million Dislocated Worker Training National Emergency Grant from the U.S. Department of Labor (USDOL) to provide 223 dislocated individuals with classroom and OJT.

Workforce Development Partnership Symposium

Annually, the State Workforce Investment Board and the South Carolina Department of Employment and Workforce host a Workforce Development Partnership Symposium, a training and staff development event for individuals involved in the workforce investment system in South Carolina. Symposium participants include State and Local Workforce Investment Board members, workforce and economic development professionals, and staff from partner agencies and institutions. The Workforce Development Partnership Symposium, which has been held for more than 20 years, attracts more than 200 attendees.

The workforce conference also provides an opportunity to honor business leaders for their impact on the development of the Palmetto State's workforce as well as volunteers, LWIBs, and South Carolina Works Centers. Awards are also given to WIA participants, acknowledging them for their diligence and perseverance in overcoming obstacles to complete training and obtain self-sustaining employment.

Promising/Best Practices

Our review of the state system also looked at areas where the state and local investment entities have developed some very good promising practices in policy development, integration, special initiatives, programs One-Stop operations, and other areas to enhance their statewide system. The following are promising practices that were highlighted from activities reviewed.

SCDEW

- South Carolina is commended for its focus on serving the hard-to-serve adult, dislocated worker, and youth population.

- A statewide One-Stop certification is developed; framework will help guide system enhancements and service quality.

- Self-assessment of local areas has been developed and will serve as effective vehicle for TA to local boards and staff in preparation for One-Stop certification.

- A statewide business engagement system is developed to integrate employer services among state and local areas.

- REA developed an assessment tool; the 4R program assists REA staff to work with clients. Refer (if education ranges from high school diploma, general educational development (GED), or higher, good work history with no lengthy gaps, skilled in growing occupations). Refresh (if education ranges from HS diploma, GED or higher, good work history (five years) but with some gaps and shorter than "refer" category skilled in growing occupation. Retrains refers to education ranges from less than HS diploma or GED to higher, good work history and skilled, but in declining occupations. Remediate refers to no diploma or GED, little work history, and skills deficient.

- TAA - South Carolina has a very comprehensive assessment system to include an assessment for learning disabilities, and other hidden barriers to success to insure that the adversely affected worker has every opportunity for success in the re-employment arena.

- South Carolina has independently developed a process for OJT for the TAA worker. They have brought in experts and specialists who have customized an OJT program for South Carolina with reference guides, a procedure manual, desk guides and printed material.

- South Carolina has developed a project to help re-employ an entire town (Liberty) decimated by the closure of the town's only industry which had employed 90 percent of the residents. Most of the workers did not have a high school diplomas or GEDs. The state formed a partnership with the nearby community college/technical school, and developed a holistic process to enable the workers to get to become re-employable. They have enjoyed much success with this process.

- An interview with a claimant led to an idea which is very innovative and on the drawing board. In developing an entire training package the state will include 1-2 months of soft skill training (after the skill training) to teach the claimant significant skills to look for and keep a job. This will help the claimant who is often concerned knowing that when training ends so does the income support (TRA).

- Veteran staff is highly driven to help veterans and go to great lengths to show how much they care for other veterans. They have several "success stories" published in the United States Department of Labor electronic newsletter describing how veterans from the homeless to the ex-offenders can be motivated enough to start working after learning a new trade.

- In the state office, the Program Manager attends meetings with the Business Services Team when possible and meets with employers to inform them about the benefits of the WOTC program. She has done presentations at a Veterans Job Fair, Women Business Leaders groups, and other local groups in the area. The unit will be implementing a customized in-house mandatory power point training program for the staff on the WOTC program. April was the proposed month to begin this program. It will consist of the presentation followed by questions that each person must answer.

- The State Monitor Advocate developed, updated and issued Policies for delivery of services to MSFW, to include distribution to the LWIBs.

- The SWA has established a toll-free farmworker 24-hour hotline with Spanish option. The Posters with the 24-hour hotline were strategically distributed in places where MSFWs work, live, and gather.

Upstate LWIA

- Upstage's business services system is a model for integrating multiple partners' employer services under one roof.
- Development and focus on key industry sectors, occupations and investments of focused areas.
- Youth Program: The computer labs at the Achieve and Youth Stop sites are exemplary practices established as a result of successfully leveraging funds/resources and establishing partnerships. Over 15 modern computers were purchased for out-of-school students at the Achieve program with grant funds from the Women Giving Grant. The partnership with AT&T and a $100,000 grant from the collaborative funded a modern up-to-date computer lab for the in-school participants at the Youth Stop Program. The computer lab is second to none. It is interesting to note that these investments were supplemental funds (outside of WIA funding) made available to the local area from other partners associated with the formula grant.

Santee Lynches

- The local board chair and board membership are very engaged and strategic. They use economic data and LMI information to develop strategic goals and initiative.
- Strong investment in OJT with very good return on investment. Of the three areas visited, Santee Lynches has among the best OJT outcomes.
- The majority of the school districts (five out of six) in the Santee Lynches local area have accepted an offer from Central Carolina Technical College that guarantees free tuition for current 10th grade students that maintain a C average in their grades and test ready for admission into college. Because this area is rural, has high dropout rates, and high unemployment rates this best practice is an incentive that should motivate youth not only to complete high school but enroll in college and pursue training opportunities that leads to employment in high demand occupations.

WorkLink

- WorkLink has implemented key strategic planning/action tools recommended by ETA to make improvement in Youth Council activities.

- The Youth Council members used strategies recommended by USDOL staff to develop their youth plan for the local area. The Youth Council's action plan included goals and objectives that addressed four critical challenges the LWIA faced: the coordination of

system-wide services was lacking; youth lacked work ethics; soft and basic skills were lacking for the workplace, and fragile family units lacked a structured support system. These factors contributed to the region's high school dropout rate, the absence of high school diplomas, degrees, and credentials needed for employment in the workforce. By factoring these critical strategies into the local youth plan, the Council enhanced the state's overall comprehensive workforce plan.

SCSEP
- The state LGOA SCSEP Coordinator has been proactive in initiating attendance and participation in the South Carolina state board meetings and collaborating with SCDEW staff for the purpose of integrating the SCSEP state plan into the South Carolina Employment and Workforce's (SCDEW) State Integrated Workforce Plan. As a result of this collaboration, the SCSEP State Plan was successfully integrated into SCDEW's Integrated Workforce Plan.
- Goodwill Industries of Upstate/Midlands has good internal management systems in place for effectively managing grant services and outcomes.
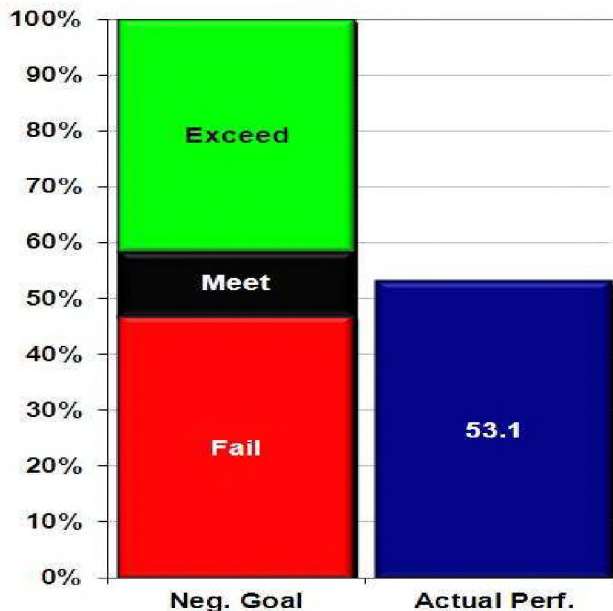
Appendix A

Performance Outcomes

Characteristics of Wagner-Peyser Act Participants

Category	South Carolina
Percent age 17 and under	0.5
Percent age 18 to 44 years	67.6
Percent age 45 to 54 years	19.3
Percent age 55 years and older	12.6
Percent disabled individual	2.5
Percent high school dropout	14.5
Percent with post-secondary degree	15.1
Percent eligible UI claimant	52.1
Percent Veteran	8.0
Percent MSFW	0.4
Percent not employed at participation	87.7
Percent received staff-assisted services	67.3
Percent received career guidance	*20.5*
Percent received job search assistance	*49.3*
Percent referred to employment	*36.0*

PY 2012, 3rd Quarter Outcomes for the Wagner-Peyser Act Program: Entered Employment Rate

National Rank 36 out of 53 States and Territories

PY 2012, 3rd Quarter Outcomes for the Wagner-Peyser Act Program: Employment Retention Rate

National Rank 21 out of 53 States and Territories

PY 2012, 3rd Quarter Outcomes for the Wagner-Peyser Act Program: Average 6-Month Earnings

National Rank <u>48</u> out of 53 States and Territories
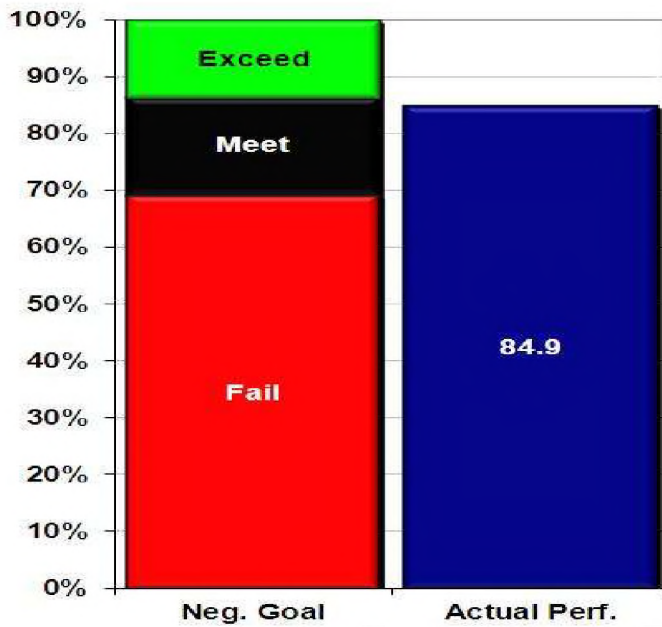
Characteristics of WIA Adults

	South Carolina	Worklink	Upstate	Santee-Lynches
% Age 18-21	6.4	7.0	10.4	7.6
% Age 22-44	65.9	62.9	61.5	60.4
% Age 65 Plus	7.6	8.2	8.6	8.9
% Female	60.7	57.7	56.0	54.2
% Black	58.2	28.8	43.7	61.2
% Hispanic	3.2	2.7	2.8	1.3
% Veteran	5.7	4.7	5.0	10.3
% Single Parent	30.3	23.9	23.0	27.6
% Low Income	76.6	73.2	70.7	70.6
% H.S. Diploma or Equivalent	81.0	69.0	91.2	90.8
% Associate's Degree	4.4	4.4	4.9	5.4
% Bachelor's Degree	5.1	3.8	6.0	6.2
% Long-term Unemployed (26+ Wks.)	30.1	32.4	28.0	30.5
Avg. Weeks in Program	42.1	33.1	48.8	31.5
% Received Core and Intensive Services	100.0	100.0	100.0	100.0
% Received Training Services	50.2	52.9	39.9	42.3
% Pre-program Employ. (2nd and/or 3rd Qtrs.)	65.5	64.7	68.3	64.3
Pre-program Earnings (2nd + 3rd Qtrs.)	$5,045	$5,530	$5,989	$5,500
% Post-program Employ. (2nd and/or 3rd Qtrs.)	70.9	71.4	76.8	69.9
Post-program Earnings (2nd + 3rd Qtrs.)	$6,146	$6,723	$8,255	$6,372
% Attained Recognized Credential	23.5	19.1	21.8	19.0

PY 2012, 3rd Quarter Outcomes for the WIA Adult Program: Entered Employment Rate

National Rank <u>32</u> out of 53 States and Territories

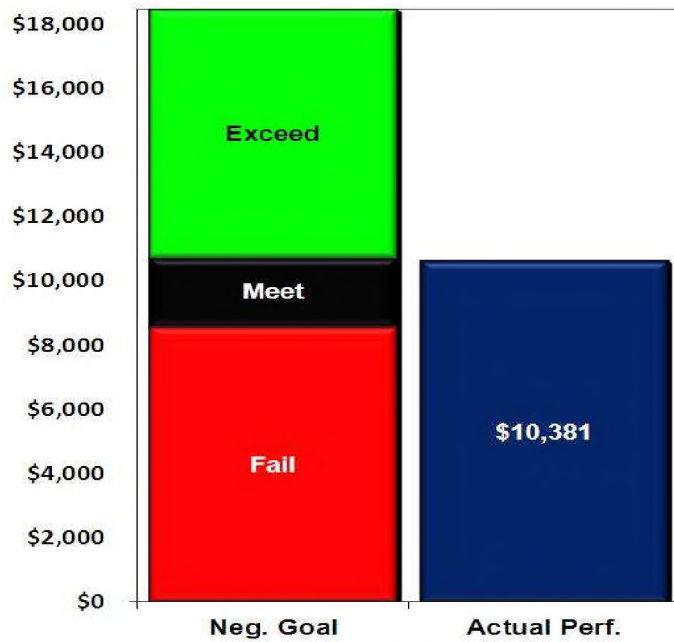**PY 2012, 3rd Quarter Outcomes for the WIA Adult Program:
Employment Retention Rate**

National Rank <u>21</u> out of 53 States and Territories

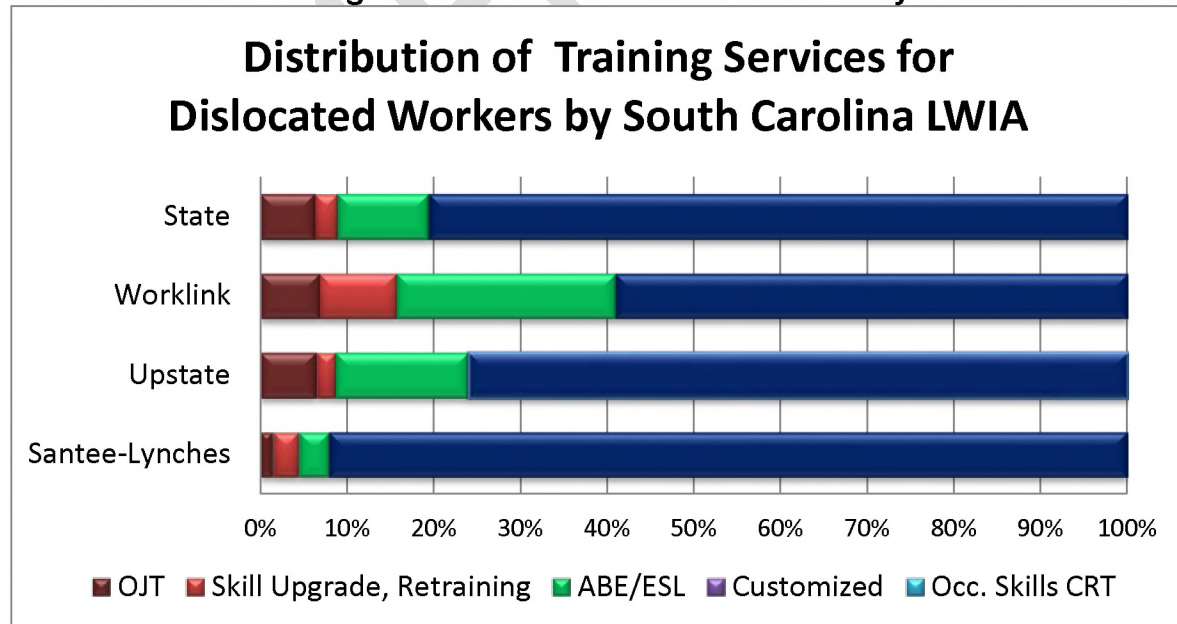**PY 2012, 3rd Quarter Outcomes for the WIA Adult Program:
Average 6-Month Earnings**
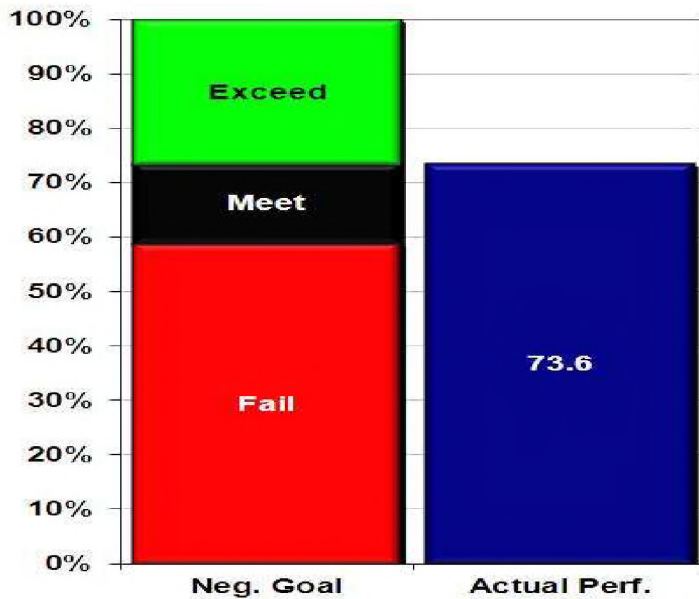
National Rank 48 out of 53 States and Territories

Characteristics of WIA Dislocated Workers

	South Carolina	Worklink	Upstate	Santee-Lynches
% Age 22-44	48.2	40.9	47.4	45.6
% Age 55-Plus	19.5	26.4	19.0	20.0
% Female	51.3	48.3	51.9	55.6
% Black	48.7	19.4	39.1	70.9
% Hispanic	2.0	1.7	2.0	1.0
% Veteran	6.5	5.9	6.1	6.5
% Single Parent	17.1	12.8	14.1	15.6
% Low Income	1.9	0.2	3.7	2.0
% H.S. Diploma or Equivalent	86.4	73.6	86.0	88.3
% Associate's Degree	5.5	5.8	6.2	4.6
% Bachelor's Degree	6.8	5.0	6.0	2.9
% Long-term Unemployed (26+ Wks.)	14.8	14.5	13.2	16.2
Avg. Weeks in Program	65.1	65.4	69.9	56.8
% Received Core and Intensive Services	100.0	100.0	100.0	100.0
% Received Training Services	55.3	56.0	40.7	44.6
% Pre-program Emp. (2nd and/or 3rd Qtrs.)	87.0	87.2	88.8	82.4
Pre-program Earnings (2nd + 3rd Qtrs.)	$12,342	$11,445	$12,466	$10,256
% Post-program Emp. (2nd and/or 3rd Qtrs.)	73.1	67.1	74.7	64.0
Post-program Earnings (2nd + 3rd Qtrs.)	$9,814	$9,083	$10,863	$6,562
% Attained Recognized Credential	25.1	21.6	18.3	16.0

Distribution of Training Services for Dislocated Workers by South Carolina LWIAs

Distribution of Training Services for Dislocated Workers by South Carolina LWIA
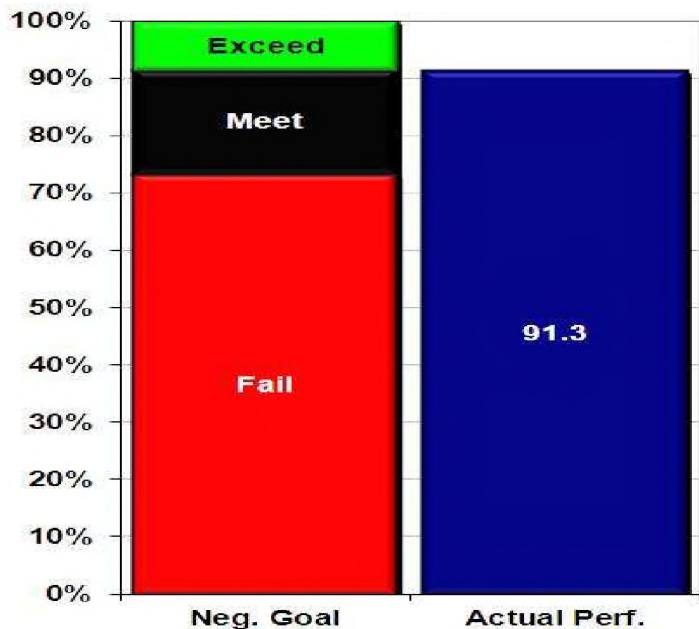
PY 2012, 3rd Quarter Outcomes for the WIA Dislocated Worker Program: Entered Employment Rate

National Rank <u>35</u> out of 53 States and Territories

PY 2012, 3rd Quarter Outcomes for the WIA Dislocated Worker Program: Employment Retention Rate

National Rank <u>17</u> out of 53 States and Territories

PY 2012, 3rd Quarter Outcomes for the WIA Dislocated Worker Program: Average 6-Month Earnings

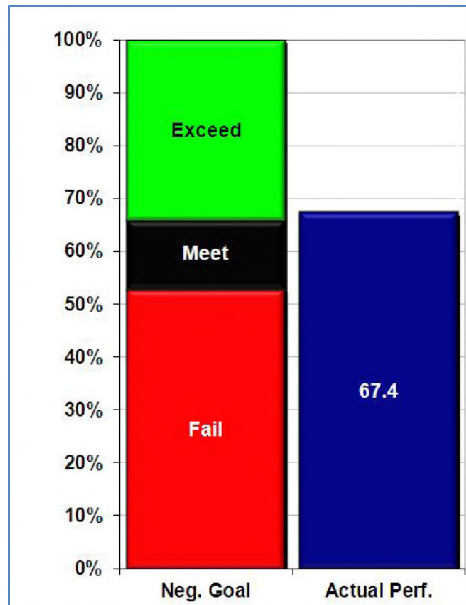
National Rank <u>38</u> out of 53 States and Territories

Characteristics of WIA Youth

	South Carolina	Worklink	Upstate	Santee-Lynches
% Age 14-17	28.0	25.7	42.1	14.6
% Age 18-21	71.9	74.3	57.9	85.4
% Female	61.1	60.5	60.5	59.0
% Black	69.6	16.0	43.6	71.9
% Hispanic	2.3	2.6	5.4	2.5
% Pregnant or Parenting	25.6	25.0	28.0	29.6
% Low Income	98.9	100.0	99.5	97.0
% H.S. Graduate or Equivalent	26.6	2.6	5.1	28.3
% In-School at Participation	22.7	0.0	35.4	7.6
% Basic Skills Deficient	71.1	53.1	38.7	71.0
% Offender	11.6	18.8	12.0	7.8
% Received Leadership Services	48.3	40.5	78.7	71.0
% Received Education Services	92.1	99.3	99.5	89.9
% Received Employment Services	41.3	31.9	45.4	27.7
Average Weeks in Program	45.2	41.4	34.5	26.7
Pre-program Emp. (2nd and/or 3rd Qtrs.)	50.4	42.9	55.5	37.7
Pre-program Earnings (2nd + 3rd Qtrs.)	$1,636	$1,230	$1,778	$1,153
Post-program Emp. (2nd and/or 3rd Qtrs.)	63.1	62.5	67.0	48.6
Post-program Earnings (2nd + 3rd Qtrs.)	$3,047	$3,750	$3,398	$1,815
% Attained a Recognized Credential	48.5	70.7	71.8	37.6

PY 2012, 3rd Quarter Outcomes for the WIA Youth Program:
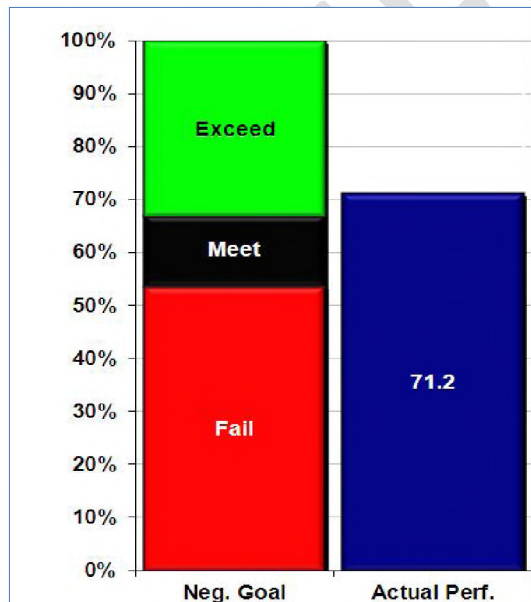
Placement in Employment or Education

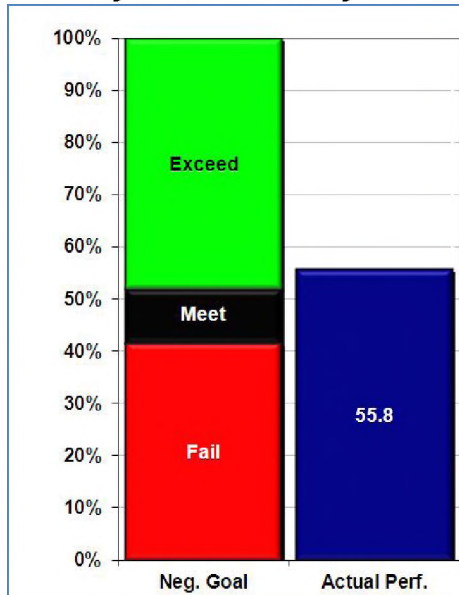**National Rank 25 out of 53 States and Territories**

PY 2012, 3rd Quarter Outcomes for the WIA Youth Program: Attainment of a Degree or Certificate

National Rank 13 out of 53 States and Territories

PY 2012, 3rd Quarter Outcomes for the WIA Youth Program: Literacy and Numeracy Gains

 National Rank 16 out of 53 States and Territories

Top 10 WIA Training Occupations (PYs 2010 - 2012)

O*NET Training Job Title	Number	Pct. Emp. Post-Prog.	Post-Prog. Earnings
Nursing Assistants	3,175	79.3	$5,773
Heavy and Tractor-Trailer Truck Drivers	1,570	79.2	$8,441
Medical Assistants	1,070	78.6	$6,878
Medical Records and Health Information Technicians	659	76.6	$7,658
Registered Nurses	586	82.4	$11,309
Welders, Cutters, and Welder Fitters	568	79.3	$9,612
Computer User Support Specialists	454	68.6	$9,427
Heating and Air Conditioning Mechanics and Installers	416	76.4	$13,096
Licensed Practical and Licensed Vocational Nurses	379	82.4	$9,532
Welding, Soldering, and Brazing Machine Setters, and Operators	337	74.5	$8,786

Appendix B

Resources

- ETA's Core Monitoring Guide with the Formula Grant Supplement, dated April 2012
- Unemployment Insurance Program Letter (UIPL) No. 10-11, Fiscal Year (FY) 2011
- Unemployment Insurance (UI) Reemployment and Eligibility Assessment (REA) Grants
- Information Collection Request for the ETA 9128, Reemployment and Eligibility: Assessment Workloads Report ETA 9129, Reemployment and Eligibility Assessments Outcomes Report: Extension Without Change, Comment Request, 73 Federal Register 73957 (December 4, 2008);
- Employment and Training (ET) Handbook No. 401, 4th Edition, Revised ET Handbook No. 401, Unemployment Insurance Reports Handbook
- ET Handbook No. 402, 5th Edition, Revised ET Handbook No.402, Unemployment Insurance Reports (UIR) User Manual – Web Version;
- Training and Employment Notice No. 31-09, Cross-Program Collaboration for Reemployment and Eligibility Assessment (REA) Grants