The Honorable Scott Walker  
Governor of Wisconsin  
115 East State Capitol  
Post Office Box 7863  
Madison, Wisconsin 53707

Dear Governor Walker:

The Employment and Training Administration (ETA) acknowledges receipt of Wisconsin’s proposed State Integrated Workforce Plan for Title I of the Workforce Investment Act (WIA), the Wagner-Peyser Act (W-P), including the W-P Agricultural Outreach Plan, and plans for coordination with Trade Adjustment Assistance (TAA) on September 14, 2012. ETA also acknowledges receipt of Wisconsin’s subsequent withdrawal of its proposed State Integrated Workforce Plan on November 29, 2012. In its request for withdrawal of the proposed State Plan, Wisconsin also requested an extension of its currently approved WIA-Wagner Peyser State Plan and approved waivers and its PY 2011 Agricultural Outreach Plan to allow the State adequate time to prepare a new five-year State Integrated Workforce Plan.

**Extension of State Plans**

Wisconsin’s existing WIA/W-P State Plan and W-P Agricultural Outreach Plan will expire on December 31, 2012. This letter constitutes a written determination under WIA Section 112 (29 USC 2822) that ETA is temporarily extending approval of both Wisconsin’s State Plan for WIA Title I and the Wagner-Peyser Act, and Wisconsin’s W-P Agricultural Outreach Plan, through June 30, 2013. Wisconsin must submit a full State Integrated Workforce Plan to ETA for Program Years 2013-2016 no later than May 1, 2013, in accordance with guidance provided in the Training and Employment Guidance Letter No. 21-11.

The State is eligible to receive WIA formula allotments for Adult, Dislocated Worker, and Youth programs, and W-P program allotments, effective July 1, 2012 through June 30, 2013.

**Performance Levels**

Program performance goals for PY 2012 WIA and Wagner-Peyser have been reached in negotiations between the ETA Regional Administrator and your state workforce agency. Wisconsin’s goals were transmitted to the agency in the Regional Administrator’s letter dated October 19, 2012. This letter also indicated that Wisconsin’s final performance goals for PY 2012 will be incorporated into the Regional and National Office copies of the State Plan. Please include these final PY 2012 goals in the State’s official copy of the extended WIA/W-P State Plan. For your convenience, your final negotiated performance goals are enclosed with this letter.
Waivers

As part of the State’s request to extend its currently approved WIA/W-P State Plan, the State requested a temporary extension of its previously approved waivers of statutory and regulatory requirements under WIA for PY 2012. In a letter dated June 14, 2012 (copy enclosed), ETA provided the disposition of the State’s waivers. This letter extends approvals for those waivers under the same terms and conditions through June 30, 2013. This action is taken under the Secretary’s authority at WIA Section 189(i) to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the Wagner-Peyser Act.

The approved waivers are incorporated by reference into the State’s WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and this action constitutes a modification of the State Plan. A copy of this letter should be filed with the State’s WIA Grant Agreement and the extended State Plan. In addition, as described in TEGL No. 29-11, the State should address the impact these waivers have had on the State’s performance in the WIA annual performance report, due on October 1 of each year.

ETA’s Chicago Regional Office will contact the State to provide technical assistance as it develops its State Integrated Workforce Plan. If you have any questions related to the issues discussed above, please contact Catherine Brooks, the Federal Project Officer for Wisconsin, at (312)-596-5531 or Brooks.Catherine@dol.gov.

Sincerely,

Jane Oates
Assistant Secretary

Enclosures

cc: Byron Zuidema, Regional Administrator, ETA Chicago Regional Office
    Catherine Brooks, Federal Project Officer for Wisconsin
# Workforce Investment Act and Wagner-Peyser Act

## Performance Levels for PY 2012

### Wisconsin

#### Workforce Investment Act Performance Levels

<table>
<thead>
<tr>
<th>Measure</th>
<th>PY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Entered Employment Rate</td>
<td>71.0</td>
</tr>
<tr>
<td>Adult Employment Retention Rate</td>
<td>84.0</td>
</tr>
<tr>
<td>Adult Six-months Average Earnings</td>
<td>$11,054</td>
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</table>

#### Dislocated Worker Measures

<table>
<thead>
<tr>
<th>Measure</th>
<th>PY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dislocated Worker Entered Employment Rate</td>
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<tr>
<td>Dislocated Worker Employment Retention Rate</td>
<td>93.5</td>
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<tr>
<td>Dislocated Worker Six-months Average Earnings</td>
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#### Youth Measures

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<tr>
<th>Measure</th>
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</thead>
<tbody>
<tr>
<td>Youth Placement in Employment or Education</td>
<td>60.0</td>
</tr>
<tr>
<td>Youth Attainment of Degree or Certificate</td>
<td>69.3</td>
</tr>
<tr>
<td>Youth Literacy and Numeracy Gains</td>
<td>35.0</td>
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</tbody>
</table>

#### Wagner-Peyser Act Performance Levels

<table>
<thead>
<tr>
<th>Measure</th>
<th>PY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entered Employment Rate</td>
<td>58.0</td>
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<tr>
<td>Employment Retention Rate</td>
<td>84.0</td>
</tr>
<tr>
<td>Six-months Average Earnings</td>
<td>$13,000</td>
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</tbody>
</table>
November 29, 2012

Byron Zuidema, Regional Administrator  
U.S. Department of Labor  
Employment and Training Administration  
230 South Dearborn Street 8th floor  
Chicago, Illinois 60604

Dear Mr. Zuidema:

Wisconsin submitted its Program Year 2012 (PY12) State Integrated Workforce Plan for the Workforce Investment Act (WIA), the Wagner-Peyser Act (WP) and the Agricultural Outreach Plan (AOP) on September 14, 2012. Since then, the Governor's Council on Workforce Investment has been in the process of being reconstituted effective at their last meeting on October 11, 2012.

To ensure that the State Plan is a viable document for the five year cycle, we are requesting to withdraw the Plan submittal. We request to have the approved PY11 WIA/WP Stand A one Plan with the continuation of the previously approved Waiver Plan extended through June 30, 2013. It is understood that the recently negotiated State performance levels for PY12 will remain in effect and will continue to be retroactively effective July 1, 2012.

We are also requesting to have the approved PY11 AOP Plan extended through June 30, 2013.

It is anticipated that a revised State Integrated Workforce Plan for the WIA, the WP Act and the AOP will be submitted no later than May 1, 2013. This timeline will provide the opportunity to include the updated Governor's Council membership, include any new initiatives, and include the proposed PY13 State performance goals for negotiation. It is understood that the final performance goals for PY12 that you confirmed in your correspondence dated October 19, 2012, will remain in effect for PY12.

We appreciate your consideration of these requests and any further guidance to execute the withdrawal and extension requests. We look forward to continuing to work together as we refine our State Integrated Workforce Plan and enhance our employment and training system in Wisconsin.

Should you have any questions regarding the request to withdraw the September 14, 2012 Integrated Workforce Plan or the request to extend the approved PY11 WIA/WP and AOP Stand A Plans, please contact Jane Pwasarat at jane.pwasarat@wisconsin.gov or 608-244-3344.

Sincerely,

Lisa Boyd

cc: Cathy Brooks, U.S. Department of Labor/ETA

DET-5130-E (R. 01/09/2012)  
http://dwd.wisconsin.gov/
The Honorable Scott Walker  
Governor of Wisconsin  
115 East State Capitol  
Post Office Box 7863  
Madison, Wisconsin 53707

Dear Governor Walker:

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

Extension of State Plan

Wisconsin's existing State Plan will expire on June 30, 2012. This letter constitutes a written determination under WIA Section 112 (29 USC 282:4) that the Employment and Training Administration (ETA) is temporarily extending the approval of Wisconsin's State Plan for WIA Title I and the Wagner-Peyser Act into PY 2012, for the period July 1, 2012 through December 31, 2012. The State already received its formula allotment for the WIA Youth program for PY 2012. The State is eligible to receive WIA formula allotments for the Adult and Dislocated Worker programs under the PY 2012 Annual Funding Agreement. The W-P Annual Funding Agreement for PY 2012/Fiscal Year 2013 will provide the W-P Act initial base allocation of PY 2012 funds.

Performance Levels

Wisconsin requested to temporarily extend its existing PY 2011 WIA and W-P performance goals for a portion of PY 2012. ETA has incorporated these performance goals, identified as PY 2012 performance goals, into the Regional
and National Office copies of the State Plan. Please include these PY 2012 goals in the State’s official copy of the State Plan. As required by TEGL 21-11, the State must renegotiate its new PY 2012 goals upon submission of its full State Plan.

Waivers

As part of the State’s extension of the WIA/W-P Act State Plan, and as described in TEGL No. 21-11, the State requested temporary extensions of Wisconsin’s PY 2011 waivers of statutory and regulatory requirements under WIA for PY 2012. The disposition of the State’s waiver extensions is outlined below. This action is taken under the Secretary’s authority at WIA Section 189(i) to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the Wagner-Peyser Act.

Extension of Waivers

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

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

This waiver permits the State to negotiate and report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The State will no longer negotiate and report to ETA on the following WIA measures: WIA adult and dislocated worker credential rates; participant and employer customer satisfaction; older youth measures; and younger youth measures. The State will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and WIA Dislocated Worker programs. The State will use the three youth common performance measures to negotiate goals and report outcomes for the WIA Youth program. Workforce Investment Act Standardized Record Data system (WIASRD) item 619, Type of Recognized Credential, should be completed for each individual as appropriate, regardless of this waiver to report on common performance measure outcomes only.
Waiver of the provision at 20 CFR 663.530 that prescribes a time limit on the period of initial eligibility for training providers.

The State was previously granted a waiver of the time limit on the period of initial eligibility of training providers provided at 20 CFR 663.530. The State is granted an extension of this waiver through December 31, 2012. Under the waiver, the State is allowed to postpone the determination of subsequent eligibility of training providers. The waiver also allows the State to provide an opportunity for training providers to re-enroll and be considered enrolled as initially eligible providers.

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

The State was previously granted a waiver to permit an increase in employer reimbursement for on-the-job training through a sliding scale based on the size of the business. The State is granted an extension of this waiver through December 31, 2012. Under the waiver, the following reimbursement amounts will be permitted: 1) up to 90 percent for employers with 50 or fewer employees, and 2) up to 75 percent for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent reimbursement) will continue to apply. When determining the funding source for on-the-job training, the State must use the appropriate program funding for the appropriate WIA-eligible population. The State and local areas may provide on-the-job training to individuals 18 years of age or older with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local areas may provide on-the-job training to dislocated workers with WIA Dislocated Worker funds. On-the-job training provided with statewide funds must serve WIA eligible individuals.

Waiver of the required 50 percent employer contribution for customized training at WIA Section 101(8)(C).

The State was previously granted a waiver of the required 50 percent employer contribution for customized training to permit the use of a sliding scale for the employer contribution based on the size of the business. The State is granted an extension of this waiver through December 31, 2012. Under the waiver, the following sliding scale is permitted: 1) no less than 10 percent match for employers with 50 or fewer employees, and 2) no less than 25 percent match for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent contribution) continue.
to apply. When determining the funding source for customized training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State and local areas may provide customized training to individuals 18 years of age or older with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local areas may provide customized training to dislocated workers with WIA Dislocated Worker funds. Customized training provided with statewide funds must serve WIA eligible individuals.

Waiver of WIA Section 133(b)(4) to increase the allowable transfer amount between Adult and Dislocated Worker funding streams allocated to a local area.

The State was previously granted a waiver to permit an increase in the amount a state is allowed to transfer between the Adult and Dislocated Worker funding streams. The State is granted an extension of this waiver through December 31, 2012. Under the waiver, transfer authority is limited to 50 percent. This limitation provides states flexibility while ensuring consistency with Congressional intent regarding the level of funding appropriated for the WIA Adult and Dislocated Worker programs.

Waiver of WIA Section 134(a) to permit local areas to use a portion of local funds for incumbent worker training.

The State was previously granted a waiver to permit local areas to conduct allowable statewide activities as defined under WIA Section 134(a)(3) with local WIA formula funding, specifically incumbent worker training. The State is granted an extension of this waiver through December 31, 2012. Under this waiver, the State is permitted to allow local areas to use up to 10 percent of local Dislocated Worker funds and up to 10 percent of local Adult funds for incumbent worker training only as part of a layoff aversion strategy. Use of Adult funds must be restricted to serving lower income adults under this waiver. ETA believes limiting incumbent worker training to the specified level and requiring it to be a part of layoff aversion is the best use of funds in the current economic climate where serving unemployed workers is a paramount responsibility of the workforce system. All training delivered under this waiver is restricted to skill attainment activities. Local areas must continue to conduct the required local employment and training activities at WIA Section 134(d), and the State is required to report performance outcomes for any individual served under this waiver in the Workforce Investment Act Standardized Record Data system (WIASRD), field 309. TEGL No. 26-09, Section 7A, “Workforce Investment Act (WIA) Waiver Policy and Waiver Decisions for PY 2009 and
2010” and TEGL No. 30-09, “Layoff Aversion Definition and the Appropriate Use of Incumbent Worker Training for Layoff Aversion Using a Waiver” provide policy guidance related to implementation of this waiver.

The approved waivers are incorporated by reference into the State’s WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and this constitutes a modification of the State Plan. A copy of this letter should be filed with the State’s WIA Grant Agreement and the approved State Plan. In addition, as described in TEGL No. 29-11, the State should address the impact that these waivers have had on the State’s performance in the WIA annual performance report, due on October 1 of each year.

We look forward to receiving your full State Plan for PY 2012 and working together as you implement your State workforce strategies. If you have any questions related to the issues discussed above, please contact Catherine Brooks, the Federal Project Officer for Wisconsin, at 312-596-5531 or Brooks.Catherine@dol.gov.

Sincerely,

Jane Oates
Assistant Secretary

Enclosure

cc:    Byron Zuidema, Regional Administrator, ETA Chicago Regional Office
       Catherine Brooks, Federal Project Officer for Wisconsin