



DEC 13 2012

The Honorable Chris Christie
Governor of New Jersey
The State House
P.O. Box 001
Trenton, New Jersey 08625

Dear Governor Christie:

This letter provides approval of those portions of the New Jersey Unified State Plan that relate to Title I of the Workforce Investment Act (WIA), the Wagner-Peyser Act (W-P), including W-P Agricultural Outreach Plan, plans for coordination with Trade Adjustment Assistance (TAA), and Title V of the Older Americans Act. The Employment and Training Administration (ETA) received the State's proposed Unified State Plan on September 19, 2012. This letter also addresses New Jersey's WIA waiver requests.

Training and Employment Guidance Letter (TEGL) No. 21-11, issued on March 27, 2012, and TEGL No. 21-11, Change 1 issued on August 8, 2012, provide guidance for states to submit their State Workforce Plans and waivers for Program Year (PY) 2012 and beyond. We appreciate the State's responsiveness to this guidance, and especially the State's efforts in developing a Unified Plan.

Plan Review and Approval

The Department of Labor, Employment and Training Administration (ETA) has reviewed the New Jersey Unified State Plan in accordance with Title I of WIA, the Wagner-Peyser Act, the Trade Act (as amended), the corresponding regulations, the Unified Plan Requirements (<http://www.doleta.gov/usworkforce/wia-planning/docs/unified-planning-guidance.pdf>), Title V of the Older Americans Act and corresponding regulations, TEGL No. 21-11, and corresponding Change 1. Pursuant to 20 CFR 661.230(e), this letter constitutes a written determination under WIA Section 112 (29 USC 2822), and WIA section 501 (20 USC 9271) which pertains to State Unified Plans, that ETA is approving those portions of the New Jersey Unified State Plan that relate to Title I of WIA, the Wagner-Peyser Act, and TAA for Program Years 2012-2016, July 1, 2012 through June 30, 2017. The annual W-P Agricultural Outreach Plan is approved for the period July 1, 2012 through June 30, 2013. The Senior Community Service Employment Program (SCSEP) State Plan has been reviewed by both ETA and the Administration on Aging, and is approved for Program Years 2012-2015, July 1, 2012 through June 30, 2015.

The State is eligible to receive WIA formula allotments for Adult, Dislocated Worker, and Youth programs, and W-P program allotments, effective July 1, 2012 through June 30, 2017.

Unified Plan Partner Programs

New Jersey's Unified Plan includes the Vocational Rehabilitation Program (VR), Adult Education and Family Literacy Programs (AEFL), Temporary Assistance for Needy Families (TANF), the Food Stamp and Employment Training Program (FSET), and Veterans' Programs. In accordance with WIA section 501 (20 USC 9271), the Departments of Education (for both VR and AEFL), Health and Human Services, Agriculture, and the Department of Labor Veterans' Employment and Training Service (VETS) have the authority to approve those portions of the Unified Plan relating to their respective programs. ETA provided these offices with a copy of your Unified State Plan and a copy of this letter.

Performance Levels

Each year, the Regional Administrator negotiates the Program Year's WIA and W-P performance goals with each state. As required by TEGL Nos. 21-11 and 38-11 dated June 18, 2012, negotiations must be completed by December 31, 2012 for PY 2012. Once the final goals are established, the Regional Administrator's letter advising the State of the PY 2012 WIA and W-P final performance goals constitutes a modification to the Unified State Plan. ETA will incorporate New Jersey's final performance goals for PY 2012 into the Regional and National Office copies of the Unified State Plan. Please include these final PY 2012 goals in the State's official copy of the Unified State Plan.

Waivers

As part of New Jersey's Unified State Plan, the State submitted waiver requests for waivers of statutory and regulatory requirements under WIA (copy enclosed). The State's requests for waivers are written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c). The disposition of the State's waiver requests is outlined below. This action is taken under the Secretary's authority at WIA Section 189(i) to waive certain requirements of WIA, Title I, Subtitles B and E, and Sections 8-10 of the Wagner-Peyser Act.

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

The State requested 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 approval of this waiver through June 30, 2017. 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 area 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 area may provide customized training to dislocated workers with WIA Dislocated Worker funds. Customized training provided with statewide

funds must serve WIA eligible individuals.

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

The State requested a waiver to permit an increase in the amount a state is allowed to transfer between the Adult and Dislocated Worker funding streams. The State is granted an approval of this waiver through June 30, 2017. Under the waiver, transfer authority is limited to 50 percent. This limitation provides states flexibility while ensuring consistency with Congressional intent regarding the level of funding appropriated for the WIA Adult and Dislocated Worker programs.

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

The State requested 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 approval of this waiver through June 30, 2017. 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.

Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth.

The State requested a waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts (ITAs) for older youth and out-of-school youth program participants. The State is granted an approval of this waiver through June 30, 2017. Under this waiver, the State can use ITAs for older youth and out-of-school youth program participants. The State must continue to make the 10 youth program elements available as described at WIA Section 129(c)(2). The State should ensure that funds used for ITAs are tracked and that the ITAs are reflected in the individual service strategies for these youth.

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

The State requested 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 approval of this waiver through June 30, 2017. 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 funds for the appropriate WIA-eligible population. The State and local area 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 area may provide on-the-job training to dislocated workers with WIA Dislocated Worker funds. On-the-job training provided with statewide funds must serve WIA eligible individuals.

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

The State requested a waiver that allows the State to replace the 17 performance measures under WIA Section 136(b) with the common measures. The State is granted an approval of this waiver through June 30, 2017. This waiver permits the State to negotiate and report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The State will no longer negotiate and report to ETA on the following WIA measures: WIA adult and dislocated worker credential rates; participant and employer customer satisfaction; older youth measures; and younger youth measures. The State will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and WIA Dislocated Worker programs. The State will use the three youth common performance measures to negotiate goals and report outcomes for the WIA Youth program. 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 requested a waiver of the time limit on the period of initial eligibility of training providers provided at 20 CFR 663.530. The State is granted an approval of this waiver through June 30, 2017. Under the waiver, the State is allowed to postpone the determination of subsequent eligibility of training providers. The waiver also allows the State to provide an opportunity for training providers to re-enroll and be considered enrolled as initially eligible providers.

Waiver of WIA Section 123 that requires that providers of Youth program elements be selected on a competitive basis.

The State requested a waiver of the requirement for competitive procurement of service providers for three youth program elements. The State is granted an approval of this waiver through June 30, 2017. Under this waiver, the State is permitted to allow its One-Stop Career Centers or partner agencies to directly provide the youth program elements of supportive services, follow-up services, and work experience. In utilizing this waiver for these elements, the State and local areas must still meet Office of Management and Budget requirements (codified in 29 CFR 95.40-95.48 and 97.36) and all state and local procurement laws and policies.

Waiver of the WIA regulations at 20 CFR 666.100 to exempt the state from including credential attainment outcomes for participants enrolled in on-the-job training in the credential performance measure calculations.

The State requested a waiver to exempt it from including credential attainment outcomes in the credential performance measure calculations for participants enrolled in on-the-job training. The State is granted an approval of this waiver through June 30, 2017. The State must continue to report outcomes in the Workforce Investment Act Standardized Record Database (WIASRD) for participants enrolled in on-the-job-training.

Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) to exempt a state from the requirement to provide local workforce investment area incentive grants.

The State is requesting a waiver of the requirement to provide local workforce investment areas incentive grants to reward regional cooperation, local coordination of activities, and exemplary performance. The State is granted this waiver effective July 1, 2011 through June 30, 2013.

Waiver of the provision at 20 CFR Sections 663.500 and 663.510(d) requiring local board recruitment and application of new training providers to the statewide Employment and Training Provider List.

New Jersey requested a waiver of 20 CFR Sections 663.500 and 663.510(d) requiring local board recruitment and application of new training providers to the statewide Employment and Training Provider List (ETPL). The State wishes to fully utilize a statewide online ETPL registration and eligibility determination system and thereby reduce staffing burden on the local areas. Local Workforce Investment Boards will continue to be utilized as local area experts in the establishment and refinement of the ETPL and related processes.

ETA has determined that this waiver is not needed. The process and procedures the State describes in its request align with the requirements in 20 CFR Sections 663.500 and 663.510(d).

The approved waivers are incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and are incorporated into the Unified

State Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and with the approved Unified State Plan. In addition, as described in TEGGL No. 29-11, the State should address the impact these waivers have had on the State's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to working together as you implement your Unified State Plan for PY 2012 and beyond. Thank you for adopting the American Job Center brand; we are available to provide technical assistance as needed. If you have any questions related to the issues discussed above, please contact Thomas Dalton the Federal Project Officer for New Jersey, at 617-788-0113 or Dalton.Thomas@dol.gov.

Sincerely,



Jane Oates
Assistant Secretary

Enclosures

cc: Brenda Dann-Messier, Assistant Secretary for Vocational and Adult Education, U. S. Department of Education
George Sheldon, Acting Assistant Secretary for Administration for Children and Families, U. S. Department of Health and Human Services
Edward Anthony, Deputy Commissioner, Rehabilitation Services Administration, U.S. Department of Education
Audrey Rowe, Administrator, Food and Nutrition Service, U. S. Department of Agriculture
John Moran, Deputy Assistant Secretary, Veterans' Employment and Training Service
Holly O'Brien, Regional Administrator, ETA Boston Regional Office
Tom Dalton, Federal Project Officer for New Jersey

From: [Eckenroth, Christina - ETA](#)
To: [Dalton, Thomas - ETA](#)
Subject: FW: NJDLWD PY 12 proposed goals

Tom,
As requested

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From: Eckenroth, Christina - ETA
Sent: Thursday, October 11, 2012 3:29 PM
To: 'Clark, Mary Ellen'; 'Horst, Michele'
Cc: 'Reenstra, Steve'; McLaughlin, Kathleen - ETA; Dalton, Thomas - ETA; Ekhaton, Amy - ETA CTR; Lirag, Ernesto - ETA
Subject: NJDLWD PY 12 proposed goals

Please be advised that the Regional Office met to discuss the New Jersey Department of Labor and Workforce Development's (NJDLWD) proposed performance goals for Program Year (PY) 2012 for the Workforce Investment Act (WIA) and Wagner-Peyser (W-P) program.

This email serves as an informal notification that ETA is willing to accept the negotiated PY 2012 measures as they are outlined below. In the review, the Regional Office considered NJDLWD's past performance, any supporting documentation provided by NJDLWD, regression model outcomes incorporating demographic and economic factors, and GPRA standards.

Please indicate if NJDLWD is willing to accept the measures outlined below or if the State would like to schedule a conference call with the Region to discuss them further. If the goals are acceptable ETA will adjust them accordingly in our reporting system and send the State a formal letter shortly.

Program Year 2012 performance levels should be incorporated into the official State Plan. Please contact me with any questions or concerns.

Thank you for your assistance,

Christina

Regional Response

Performance Measures	NEW JERSEY			
	Proposed	ETA		
	PY 12	Acceptable		
WIA Adults				
Entered Employment	81.9%	Accept		
Retention	83.7%	84.0%		
Earnings Change	\$12,303.00	Accept		
Credentials				
WIA Dislocated Workers				

Entered Employment	80.4%	82.3%		
Retention	84.9%	87.1%		
Earnings Change	\$16,744.00	\$18,390.00		
Credentials				
WIA Youth				
Placement in Emp or Educ	61.7%	65.2%		
Attainment of Degree or Cert	76.3%	77.2%		
Literacy Numeracy Gain	65.4%	Accept		
W-P Labor Exchange (LEX)				
Entered Employment	40.4%	45.0%		
Retention	74.7%	77.0%		
Earnings Change	\$15,655.00	\$16,435		

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