



**JUN 29 2016**

The Honorable Terry Branstad  
Governor of Iowa  
1007 East Grand Avenue, G-9  
Des Moines, IA 50319-0001



Dear Governor Branstad:

After careful review, the U.S. Departments of Labor and Education (Departments) are pleased to inform you that we have determined that Iowa's four-year Workforce Innovation and Opportunity Act (WIOA) Unified State Plan (Unified State Plan or State Plan), submitted on March 31, 2016, is substantially approvable. Therefore, the Departments have approved your Unified State Plan, which covers the period July 1, 2016 through June 30, 2020, subject to conditions discussed below. Although the Departments have approved the four-year plan, you must submit a State Plan modification in 2018, as required by section 102(c)(3)(A) of WIOA.

WIOA represents a fundamental transformation of the workforce system to deliver integrated, job-driven services to job seekers, workers, and employers. It supports the development of strong regional economies, and it improves performance accountability so that consumers and investors can get information about programs and services that work. The Departments are encouraged by the progress that Iowa has made to implement and operationalize WIOA. We look forward to working with you to continue this important work to strengthen your current plan to continue to take the workforce system to a new level of innovation.

The Departments approved your Unified State Plan, subject to conditions, after reviewing it in light of the requirements contained in section 102 of WIOA and the WIOA State Plan Information Collection Request (ICR), Required Elements for Submission of the Unified or Combined State Plan and Plan Modifications under the Workforce Innovation and Opportunity Act. This decision constitutes a written determination that covers the joint planning elements, or "common elements," as well as the program-specific requirements for the six core programs: the Adult, Dislocated Worker, and Youth programs authorized under title I of WIOA and administered by the Department of Labor; the Adult Education and Family Literacy Act (AEFLA) program authorized under title II of WIOA and administered by the Department of Education; the Employment Service program authorized under the Wagner-Peyser Act (Wagner-Peyser), as amended by title III of WIOA and administered by the Department of Labor; and the Vocational Rehabilitation program, authorized under title I of the Rehabilitation Act of 1973, as amended by title IV of WIOA, and administered by the Department of Education.

The Departments have approved the State Plan subject to conditions because there are a number of deficiencies set forth in Attachment A to this letter that must be remedied. No later than September 1, 2016, Iowa must correct the deficiencies identified in Attachment A that can be fully remedied by that date by submitting revised State Plan descriptions that comply with statutory and ICR requirements to the portal at <https://rsa.ed.gov/>. We expect that by September 1, 2016, States will make maximum efforts to correct the deficiencies that can be corrected by that date. However, we recognize that some deficiencies will take longer to remedy. For those deficiencies identified in Attachment A that cannot be remedied by September 1, 2016, Iowa must provide the Departments with an action plan for correcting each of those deficiencies to [WIOA.Plan@dol.gov](mailto:WIOA.Plan@dol.gov) by September 1, 2016. Iowa must include in its action plan the specific steps that will be taken to remedy the deficiencies, benchmarks that will be used to monitor progress, and the timeline for correcting each of the remaining deficiencies. Your acceptance of any funds pursuant to this approval with conditions constitutes your agreement to remedy each of the deficiencies identified in Attachment A to the satisfaction of the Departments, and the Notices of Obligation and Grant Award Notifications used to award Iowa's funds will include this condition.

The Departments recognize the unique challenges states faced in developing the initial State Plan required by WIOA, particularly given that: the State Plan requirements under WIOA are substantially different from those required by the Workforce Investment Act of 1998 (WIA); the State Plan information collection request was published on February 22, 2016; and the final regulations are not expected to be publicly available until late June. As such, the Departments are exercising the transition authority provided by section 503 of WIOA to develop a process that ensures the orderly transition from the requirements of WIA to those of WIOA and its strategic vision. As part of this process, however, it is critical that Iowa work to address the deficiencies in the State Plan in the manner described above and to the satisfaction of the Departments. In the case of those deficiencies that require a longer period for Iowa to address, the Departments will monitor Iowa's progress to ensure that the State Plan fully reflects WIOA's planning requirements. If Iowa fails to make progress in remedying the deficiencies in the State Plan, the Departments may take enforcement actions that are available to them, and Iowa's funding could be affected.

Finally, per the Departments' State Plan ICR, the State Plan included expected levels of performance for certain primary indicators of performance. Those indicators are the basis for negotiations that the Departments and Iowa use to establish negotiated levels of performance, which are incorporated into the approved Unified State Plan and will apply for the first two years.

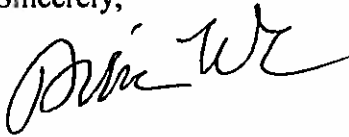
For the WIOA Adult, Dislocated Worker, Youth, and Wagner-Peyser programs, the Department of Labor is using transition authority in WIOA sec. 503(a) to extend the negotiation period for those indicators past June 30, 2016; negotiations are to conclude no later than August 15, 2016. For the AEFLA program, the Department of Education will complete negotiations by June 30, 2016. For the Vocational Rehabilitation program, the Department of Education is using the transition authority to take the time necessary to implement a negotiation process for the first time for this program, and the program, therefore, will not have negotiated indicators of performance for the first two years of this Plan. For all WIOA core programs, all primary

indicators of performance that are not subject to negotiations are designated as baseline indicators for these two years. For those indicators not subject to negotiations, the State was not required to include expected levels of performance in the State Plan.

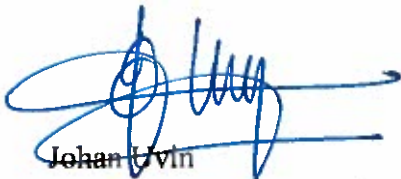
The Departments will provide ongoing technical assistance to help Iowa realize the vision of WIOA. Following the release of the final regulations, the Departments will provide training on the final regulations and issue additional guidance. The Departments' staff will work with you and your agencies and staff to address important qualitative issues in the initial State Plan that are not listed on the attachment because they do not rise to the level of non-compliance, in order to help Iowa better position itself to submit a 2018 State Plan modification that reflects its significant experience in implementing WIOA, and articulates the integration and innovations it has undertaken. In other words, the Departments anticipate that the 2018 State Plan modification will be a key step in demonstrating the workforce system transformation envisioned by WIOA.

We appreciate your efforts in submitting this Unified State Plan and commitment to working together with other States and the Departments to support the public workforce system. We look forward to working with you to ensure that the revisions are submitted in a timely manner. If you have any questions, please contact Christine Quinn, Employment and Training Administration, Chicago Regional Administrator, (312) 596-5403 and email: [Quinn.Christine@dol.gov](mailto:Quinn.Christine@dol.gov).

Sincerely,



Portia Wu  
Assistant Secretary  
Employment and Training Administration



Johan Uvin  
Deputy Assistant Secretary  
Delegated the Duties of the Assistant Secretary for Career, Technical, and Adult Education



Sue Swenson  
Acting Assistant Secretary  
Office of Special Education and Rehabilitative Services



Janet LaBreck  
Commissioner  
Rehabilitation Services Administration

Attachment

cc:

Christine Quinn, Regional Administrator  
Beth Townsend, State Workforce Agency  
Alex Harris, State Adult Education Agency  
David Mitchell, Vocational Rehabilitation Services  
Bruce Snethen, Department for the Blind  
Caneshia McAllister, Federal Panel Lead

## Attachment A

### **Iowa Unified State Plan Deficiencies**

Following is an itemized list of the Iowa Unified State Plan sections that the Departments determined were deficient, including a summary of the reason for the deficiency. Iowa must submit revisions for these items in its State Plan or describe its action plan for addressing them no later than September 1, 2016, as described in the Departments' decision letter. The Departments will provide technical assistance to assist State in making the required revisions to its State Plan. Items below reflect the corresponding requirement in the State Plan ICR.

#### **Common Elements**

- II.b.3 — Performance Goals. The State provided a response to this element that is inconsistent with expected levels of performance information provided in Appendix 1.
- II.c.1 — State Strategy (Industry or Sector Partnerships). The State provided a response to this element; however, it did not address specific strategies the State plans to implement, including industry or sector partnerships related to in-demand industry sectors and occupations and career pathways.
- III.a.2.A — Core Program Activities to Implement the State's Strategies. The State's response lacked adequate detail in its description of aligning the activities across core programs. Additionally, any content required to respond to this element must be included in the Plan that is submitted through the portal, rather than provided through a link.
- III.a.2.B — Alignment with Activities outside the Plan. The State's response lacked adequate detail regarding alignment with one-stop partners and activities.
- III.a.2.C — Coordination, Alignment and Provision of Services to Individuals. The State's response lacked adequate detail regarding which programs will coordinate activities and resources.
- III.a.2.D — Coordination, Alignment and Provision of Services to Employers. The State's response lacked adequate detail in relation to the coordination strategies with employers.
- III.a.2.E — Partner Engagement with Educational Institutions. The State's response lacked adequate detail regarding the role of education partners in the Iowa Collaboration for Youth Development.
- III.a.2.F — Partner Engagement with Other Education and Training Providers. The State's response lacked adequate detail about specific strategies to engage other education and training providers, including partner engagement within the Iowa Collaboration for Youth Development.

- III.a.2.G — Leveraging Resources to Increase Educational Access. The State provided a response to the element; however, it did not address specific strategies to leverage other Federal, State, and local investments.
- III.a.2.H — Improving Access to Postsecondary Credentials. The State’s response did not adequately summarize relevant parts of Table 19 in Section III.a.2.C of the Plan submitted through the portal, which the State references in this section.
- III.a.2.I — Coordinating with Economic Development Strategies. The State provided a response to this element; however, it did not specifically identify the economic development entities or provide information regarding the strategies and activities being coordinated. The State must also summarize information from Table 19 in Section III.a.2.C of the Plan submitted through the portal.
- III.b.1.B — State Operating Systems and Policies (Data Collection). The State provided a response to this element; however, it did not address the Vocational Rehabilitation (VR) program in this section.
- III.b.3.B.i. — State Board. The Departments have determined that Iowa may not use an alternative State entity to fulfil the rule of the State Board as the entity is not “substantially similar” to the State Board described in WIOA section 101(a)-(c) as required by WIOA section 101(e)(1). Iowa must appoint a State Board that conforms to membership requirements at section 101(b).
- III.b.5.A.iii – Distribution of Funds for Dislocated Worker Employment and Training Activities. The State policy for distribution of dislocated worker funds to local areas must be updated to reflect that each region is guaranteed to receive an allocation percentage for a year that is no less than 90% of the average allocation percentage of the local area for the prior two years.
- III.b.5.B.i — Multi-year grants or contracts. The State did not describe how it is distributing AEFLA program funds within the State. The State did not: (1) adequately describe the State’s competitive process and identify how many years will be awarded in multi-year grants or contracts; (2) address how the State will make the application available to all eligible providers consistent with WIOA; and (3) describe how it will determine if eligible providers are organizations of demonstrated effectiveness.
- III.b.6.B — Assessment of Participants’ Post-Program Success. The State provided a response to this element; however, it did not address assessing the progress of participants in postsecondary education. The goals proposed in this section are not consistent with the levels of performance in Appendix 1. In addition, the State referred to the WIA performance system in this section instead of the WIOA performance accountability system.

## Title I

- VI.a.1.A — Identify the regions and the local workforce development areas designated in the State. The State did not adequately identify its regions. The response must differentiate the State’s local areas, which it referred to as regions, from regions as WIOA defines them.
- VI.a.1.B — Describe the process used for identifying regions and planning regions under section 106(a) of WIOA. This must include a description of how the State consulted with the local boards and chief elected officials in identifying regions. The State provided a response to this element; however, it did not include how criteria for “performed successfully” and “sustained fiscal integrity” are determined and applied.
- VI.a.1.D — Provide the appeals process referred to in section 121(h)(2)(E) of WIOA relating to determinations for infrastructure funding. The State did not address this element in its Plan and must provide the process for determining infrastructure funding prior to 2018.
- VI.a.2.A — Provide State policies or guidance for the statewide workforce development system and for use of State funds for workforce investment activities. The State’s response is not adequate because it did not include information about the policies developed.
- VI.a.2.C — In addition, describe the State policies and procedures to provide Rapid Responses in cases of natural disasters including coordination with FEMA and other entities. The State provided a response to this element; however, it did not include details regarding how Rapid Response will be deployed and how coordination with FEMA will occur.
- VI.b.1 — Work-Based Training Models. The State provided a response to this element; however, it did not include how it will ensure high quality training for both participants and employers.
- VI.b.2 — Registered Apprenticeship. The State provided a response to this element; however, it did not identify strategies and details about how Registered Apprenticeship is incorporated into the State’s strategies and services.
- VI.b.3 — Training Provider Eligibility Procedure. The State provided a response to this element; however, it is largely non-compliant with Training Employment and Guidance Letter 41-14, and it must be revised.
- VI.b.4 — Describe how the State will implement and monitor the priority for public assistance recipients, other low-income individuals, and individuals who are basic skills deficient in accordance with the requirements of WIOA sec. 134(c)(3)(E), which applies to individualized career services and training services funded by the Adult Formula program. The State did not provide adequate detail in its response to this element regarding monitoring procedures.
- VI.b.5 — Describe the State’s criteria regarding local area transfer of funds between the adult and dislocated worker programs. The State provided a response to this element; however, it

did not address the criteria for transfer of funds between adult and dislocated worker programs.

### **Wagner-Peyser**

- VI.a.2 — Describe strategies developed to support training and awareness across core programs and the Unemployment Insurance program, and the training provided for Employment Services (ES) and WIOA staff on identification of Unemployment Insurance (UI) eligibility issues and referral to UI staff for adjudication. The State provided a response to this element; however, it did not identify how staff will be trained to identify UI eligibility issues and make referrals to UI for adjudication.
- VI.b — Explain how the State will provide information and meaningful assistance to individuals requesting assistance in filing a claim for unemployment compensation through one-stop centers, as required by WIOA as a career service. The State provided a response to this element; however, it did not identify how it will provide assistance to customers in filing a UI claim.
- VI.e.1 — Agricultural Outreach Plan (AOP) Assessment of Need. The State did not provide adequate detail in its response to this element and must, at a minimum, include an assessment of the unique needs of Migrant and Seasonal Farm Workers (MSFWs).
- VI.e.1.A — An assessment of the agricultural activity in the State means: 1) identifying the top five labor intensive crops, the months of heavy activity, and the geographic area of prime activity; 2) Summarize the agricultural employers' needs in the State (i.e. are they predominantly hiring local or foreign workers, are they expressing that there is a scarcity in the agricultural workforce); and 3) Identifying any economic, natural, or other factors that are affecting agriculture in the State or any projected factors that will affect agriculture in the State. The State did not provide adequate detail in its response to this element and must include discussions regarding the top five labor intensive crops, season/geographical location of those crops, and identification of natural or economic factors that will impact agriculture in the State.
- VI.e.1.B — An assessment of the unique needs of farmworkers means summarizing Migrant and Seasonal Farm Worker (MSFW) characteristics (including if they are predominantly from certain countries, what language(s) they speak, the approximate number of MSFWs in the State during peak season and during low season, and whether they tend to be migrant, seasonal, or year-round farmworkers). The State did not provide adequate detail in its response to this element and must include more information about the characteristics of MFSWs in the State. The response also must provide an estimate on migrants versus seasonal workers and information regarding the primary language of migrants in the State.
- VI.e.2.B — Providing technical assistance to outreach workers. Technical assistance must include trainings, conferences, additional resources, and increased collaboration with other organizations on topics such as one-stop center services (i.e. availability of referrals to training, supportive services, and career services, as well as specific employment



opportunities), the employment service complaint system, information on the other organizations serving MSFWs in the area, and a basic summary of farmworker rights, including their rights with respect to the terms and conditions of employment. The State provided a response to this element; however, it did not address outreach worker training in areas of referrals, complaint system, and a basic summary of farmworker rights.

- VI.e.3.C — Marketing the Agricultural Recruitment System to agricultural employers and how it intends to improve such publicity. The State provided a response to this element; however, it did not include a discussion of the Agricultural Recruitment System to agricultural employers.
- VI.e.4.A — Collaboration. Describe any collaborative agreements the state workforce agency (SWA) has with other MSFW service providers including NFJP grantees and other service providers. Describe how the SWA intends to build upon/increase collaboration with existing partners and in establishing new partners over the next four years (including any approximate timelines for establishing agreements or building upon existing agreements). The State must include clarification of whether the State Workforce Agency has collaborative agreements in place and how they intend to build upon and increase existing agreements.
- VI.e.4.E — State Monitor Advocate (SMA). The Plan must contain a statement confirming the State Monitor Advocate has reviewed and approved the AOP. The State's response did not include an affirmative statement that the SMA approved the AOP.

#### **Adult Education and Family Literacy Act Program**

- VI.c — Corrections Education and other Education of Institutionalized Individuals. The State did not describe how it will carry out activities in a way that is consistent with section 225 of WIOA.
- VI.d.1— Integrated English Literacy and Civics Education Program (establish and operate). The State did not adequately describe how it will establish and operate Integrated English Literacy and Civics Education programs under Section 243 of WIOA, for English language learners who are adults, including professionals with degrees and credentials in their native countries.
- VI.d.2 — Integrated English Literacy and Civics Education Program (funding). The Plan did not indicate how the grants and contracts awarded with section 243 funds will be competed and will comply with the requirements of Subpart C of title II of WIOA.
- VI.e.1 — State Leadership. The Plan did not indicate how the State will use AEFLA program funds under section 223 of WIOA to support required activities under sections 223(a)(1)(B), 223(a)(1)(C), and 223(a)(1)(D) of WIOA.
- VI.f — Assessing Quality. The State did not adequately describe how the eligible agency will assess the quality of providers of adult education and literacy activities under title II and

take actions to improve such quality. The Plan did not sufficiently describe how the State will use these assessments and evaluations to improve the quality of such programs.