

South Carolina Department of Employment and Workforce



Program Year 2010
Workforce Investment Act Annual Report
Prepared for the U.S. Department of Labor
Employment and Training Administration

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Introduction

Over the past year, South Carolina has and is still undergoing several changes. On March 30, 2010, House Bill 3442 was enacted, creating a new cabinet agency, the South Carolina Department of Employment and Workforce (SC DEW or DEW). It placed all workforce programs and services administered by the former Employment Security Commission under the newly created agency. By Executive Order, administration of the Workforce Investment Act (WIA) and Trade Adjustment Assistance (TAA) programs were transferred from the SC Department of Commerce to DEW. The Department of Employment and Workforce is integrating services and transforming the emphasis on unemployment insurance to a new primary focus on reemployment.

Simply, DEW is working to put South Carolinians back to work.

The South Carolina Department of Employment and Workforce was formed to promote the availability of a qualified workforce in order to gain a competitive economic development advantage. Creation of the agency will help accelerate job seekers' skill attainment and employment and move workers to self-sufficiency. It will also result in more available funds to drive employment, simplify the workforce system for business owners, be a catalyst for gaining jobs, and, ultimately, increase the prosperity of the State of South Carolina.

During Program Year 2010 (PY 10), South Carolina made great progress in transforming the workforce system and implemented several key strategies to get South Carolinians back to work such as

- Reconstitution of the State Workforce Investment Board;
- Operation of One-Stops;
- Integrated Data Management and Service Delivery System
- Integration of Business Services at the State Level; and
- Establishment of Local Business Services Teams and Certification.

Additional improvements and changes to our workforce system are expected throughout Program Year 2011 with consideration that our state has a new governor, Governor Nikki R. Haley. In addition, up until September 1, 2011, DEW continued to have an interim executive director. A new executive director, General Abraham J. Turner, has been appointed by Governor Haley to lead the Department of Employment and Workforce.

Program Year 2010 State Highlights

Reconstitution of the State Workforce Investment Board (SWIB)

Newly elected Governor Nikki R. Haley began reconstituting the State Workforce Investment Board in PY 10. This restructuring was done to promote economic recovery in our state and continue movement towards an employer-driven workforce system. The previous SWIB, which was structured according to the membership requirements under the Job Training Partnership Act (JTPA), made great strides in improving the workforce system and laid a foundation that the reconstituted SWIB can build upon. The new SWIB, a 31-member board, will be comprised of majority business professionals as legislated in the Workforce Investment Act of 1998. The Board also includes four members from the South Carolina General Assembly: two from the House and two from the Senate. Other members on the SWIB will include workforce partners such as the SC Department of Social Services; SC 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 State Workforce Investment Board. Governor Haley has designated the executive director of the SC Department of Employment and Workforce to fill her seat on the SWIB. She has selected Robert Michael Johnson, CEO of Cox Industries, Inc., to chair the Board.

Operation of One-Stops

During PY 10, another major structural change occurred regarding operation of one-stop centers in the state. The SC Legislative Audit Council (LAC), which conducts independent, objective performance audits of state agencies and programs, made the recommendation that the SC Department of Employment and Workforce should not both oversee, as the statewide administrative agency for the WIA program, and operate one-stop career centers. *"Because the Governor and the Department of Employment and Workforce oversee the local workforce investment boards, the department could be viewed as having an advantage when local workforce investment boards select operators for one-stop career centers,"* according to the LAC.

The SC Department of Employment and Workforce accepted the LAC's recommendation and took the opportunity to restructure and refocus. Prior to this change, DEW served as the one-stop operator in nine of South Carolina's 12 workforce areas. Discontinuing the role of one-stop operator allows DEW and its staff to focus on core services and better engage and assist local workforce investment boards with their mission. Effective July 1, 2011, the Department of Employment and Workforce no longer operates one-stop centers in the state. As always, going forward, under federal law 29 USC 2841(d)(2), local workforce investment boards will select one-stop career center operators through a competitive process or through an agreement with a consortium of three or more one-stop partners; however, SCDEW will no longer be an operator option for them.

Integrated Data Management and Service Delivery System - SCVOS

On August 30, 2010, South Carolina integrated Wagner-Peyser data management and service delivery into the SC Virtual OneStop (SCVOS) system, where it now resides with Workforce Investment Act and Trade Adjustment Assistance participant and service data. Previously, Wagner-Peyser was managed in a separate system, forcing many customers to maintain jobseeker accounts in two disparate systems. With this integration, South Carolina has tremendous opportunities for collaboration and cooperation in the realm of service delivery.

SCVOS is an excellent data management and service delivery tool by which workforce programs can effectively connect jobseeker and employer customers. It is the goal of the South Carolina workforce system to ensure that all of our customers, regardless of the program by which they are served, have access to this robust automated system. In order to ensure that this service is universally available to customers, staff from all three programs have access to the labor exchange functions within SCVOS.

South Carolina anticipates that the use of SCVOS across programs for labor exchange services will markedly improve each program's performance in various measures, as all programs will have the opportunity to share the fruits of the employment efforts of their partners. Additionally, this universal approach toward facilitating employment has created seamless service delivery for our customers across programs.

Integration of Business Services at the State Level

Part of the restructuring of the public workforce system includes a renewed focus on the business community. The Business Services Department at the Department of Employment and Workforce was created to streamline and integrate business services at the state and local workforce levels in order to increase business retention and promote rapid reemployment. Through the integration of WIA and Wagner-Peyser services, in collaboration with economic development allies, the public workforce system can assist businesses throughout the entire economic cycle, from expansion, to down-sizing, to stabilization, to growth.

Business services staff promote the workforce system and engage new and expanding companies upfront to help these employers understand and prepare for their workforce needs. Utilizing On-the-Job Training and Incumbent Worker Training funds with labor exchange services is critical to helping companies successfully accomplish their workforce implementation plans. Matching threatened worker groups identified during Rapid Response with recruiting businesses promotes rapid reemployment.

Existing companies are encouraged to promote business retention through proactive layoff aversion strategies. Businesses are informed of all the resources that are available in the workforce system and services are brokered by experienced consultants. Businesses in distressed industries are shown how to align with growing industries through the leveraging of Incumbent Worker Training funds, Labor Market Information, tax incentives, and business consultation services.

Down-sizing companies are provided Rapid Response services with a primary emphasis on layoff aversion. Through the brokering of economic and workforce development services, layoffs are averted or reduced when the company is stabilized. For those events that cannot be averted, worker groups are assessed, provided core services, and aligned with recruiting companies.

Establishment of Local Business Services Teams and Certification

Local Business Services Teams were established across the state to include a cross-section of workforce professionals who provide specialized services to businesses in their areas. The SCDEW Business Services Department facilitates monthly meetings with state and local team members to build and strengthen workforce program linkages and alignment, discuss business services delivery, and share best practices.

To ensure the delivery of high-quality services to all businesses through an integrated workforce system, the Business Services Department has procured a business consultation curriculum where, upon completion, local workforce area business services teams are certified as experts in engaging businesses, integrating services, and increasing the take-up rate of business utilization of the public workforce system. The year-long training consists of online and classroom sessions focused on topics such as business communications, business relationship development, human resource services, and economic development.

SCDEW, in partnership with the Hayes Approach, will train more than 200 workforce business services staff statewide. Training sessions will culminate with the Business and Employer Services Certification Exam in mid 2012. Participants who pass the test will gain certification approved by the National Association of Workforce Development Professionals.

WorkReady SC

WorkReady SC, South Carolina's WorkKeys[®] based Career Readiness Certificate (CRC) Initiative continues to make great strides.

In PY 10,

- ✓ South Carolina's total number of Career Readiness Certificates surpassed 155,000, ranking us 2nd in the nation.
- ✓ Nearly 25,000 CRCs were awarded to South Carolina job seekers and workers.

- ✓ Some 91 businesses are now employer partners and Recognize, Request, or Require WorkKeys® assessments of their workforce.
- ✓ Of CRCs awarded, there were 41 Platinum; 3,200 Gold; 14,042 Silver; and 7,451 Bronze.

On-the-Job Training (OJT) National Emergency Grant (NEG) Initiative

In PY 10, the South Carolina Department of Employment and Workforce developed an implementation plan of how our state would use the National Emergency Grant (NEG) to provide On-the-Job Training (OJT) for dislocated workers. The \$1.3 million dollar grant, funded with American Recovery and Reinvestment Act of 2009 (ARRA) resources, 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 offers another tool in helping dislocated workers and businesses recover from the effects of the economic downturn by addressing the skill gaps that can hinder an individual from fully performing a new job.

Since implementing the initiative, South Carolina has faced many challenges executing the grant and has made several modifications to better assist employers and dislocated workers. Initially, the grant restricted project operators to serving dislocated workers who 1) were unemployed 26 weeks or more; 2) were not eligible for Trade Adjustment Assistance services; and 3) met a minimum required WorkKeys® assessment score. In addition, employer recruitment efforts were restricted to a limited number of high-growth industries.

The grant, unfortunately, was also initiated during the same time South Carolina enacted the Unemployment Insurance tax rate increase for businesses, which affected their hiring practices and placed greater emphasis on using contracted staff through placement agencies. Moreover, several employers have refused to use programs supported through stimulus dollars and been hesitant to employ the prolonged unemployed.

Shortly after the end of the PY 10 year, SCDEW, in collaboration with US DOL, made changes and enhancements to the OJT-NEG initiative in an effort to increase participation levels and grant activity. Modifications have included reducing the required number of weeks of unemployment from 26 weeks to 17 weeks, removing the minimum score requirement for the WorkKeys® assessment as deemed necessary by local area staff, and expanding the target occupation industries. Additionally, the grant was

WorkReady SC Employer Spotlight Itron, West Union, SC

Itron-Oconee, a branch of Itron, Inc., manufactures instruments for measuring and testing electricity and electrical signals. The upstate South Carolina plant has 749 employees, 413 of which are hourly. With the goal of having skilled and trained employees, Itron profiled 100% of all of its hourly production positions and WorkKeys® tested its workforce. Itron highlights include:

- 99% or 410 of 413 employees have completed the WorkKeys® test
- 98% or 405 of 413 have completed all testing, scoring at least a Level 3 in Reading, Math, Locating Information, and Observation
- WorkKeys® is now required in hiring hourly production workers.

expanded to include the Midlands and Greenville local workforce investment areas (LWIAs) for a total of eight areas participating. Some areas are expected to continue enrollments through March with the grant ending in June 2012. SCDEW is increasing the frequency of OJT-NEG reporting requirements for LWIAs and continues to closely monitor the efforts and progress of each local project operator.

Workforce Data Quality Initiative

The South Carolina Department of Employment and Workforce (SC DEW) was named a grantee in the US Department of Labor's Workforce Data Quality Initiative (WDQI), receiving \$289,417 to establish linked data systems that will enhance policymakers' decision making abilities based upon program data. Participant-level data will be linked with other statewide data then used to develop a workforce longitudinal data system. The following goals will be carried out through the grant initiative:

- Contribute SC DEW data extracts to the South Carolina Office of Research and Statistics' (ORS) statewide data warehouse, including data from:
 - UI benefits,
 - UI wages,
 - Wagner-Peyser (Employment Services),
 - Workforce Investment Act, and
 - Trade Adjustment Assistance
- Link SC DEW longitudinal data with existing data at ORS from the South Carolina Departments of Education, Social Services, and Vocational Rehabilitation.
- Incorporate educational and training information, including the WIA Eligible Training Provider List, into the SC Virtual OneStop system, thereby assisting workforce system customers in evaluating training choices.
- Utilize the analysis of the proposed linked longitudinal data systems to advise and inform policymakers and program managers about the effectiveness of workforce and partner programs.

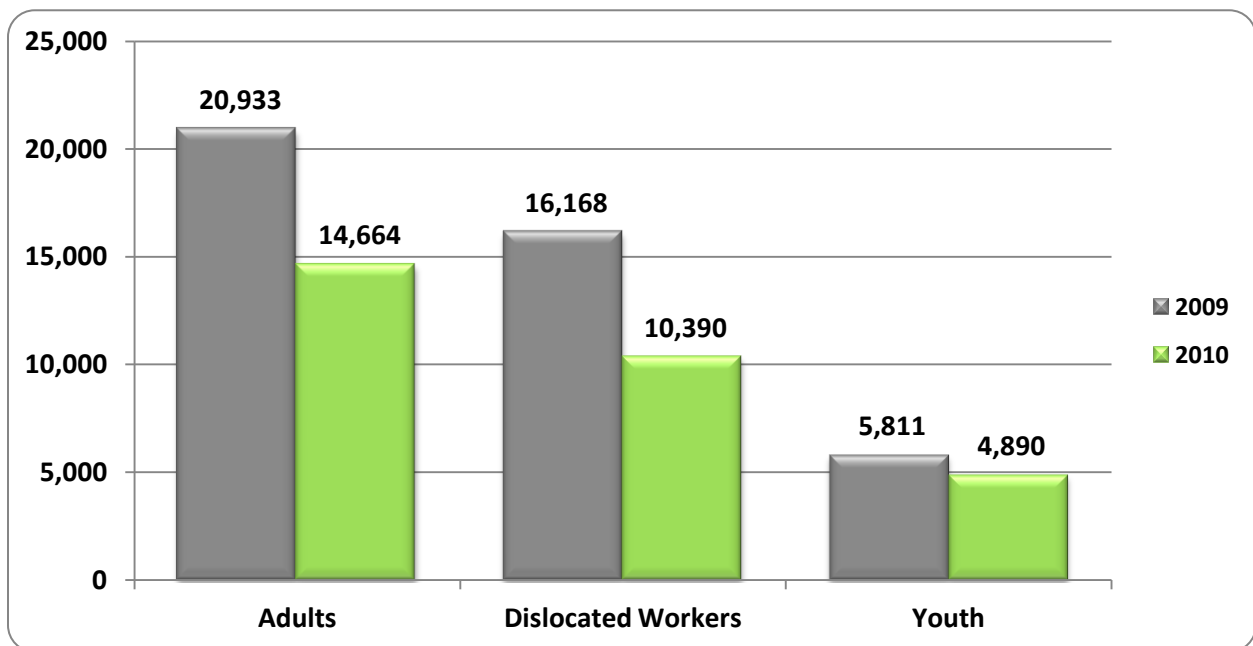
Program Year 2010 WIA Common Measures Results

The South Carolina Department of Employment and Workforce leverages its federal Workforce Investment Act (WIA) funds through partnerships with other state agencies, 12 local workforce investment boards (LWIBs), local governments, economic development agencies, and community-based organizations. WIA funds provide business services for employers and opportunities for individual job seekers to increase their skills and gain employment. South Carolina's investment of \$57 million in WIA funding during Program Year 2010 (PY 10) produced notable returns.

Participants Served

- During PY 10, South Carolina served over **14,600** adults, nearly **10,400** dislocated workers, and nearly **4,900** youth participants through WIA-funded programs in our 12 local workforce investment areas (LWIAs).
- However, PY 10 reflects a decrease in participation levels from PY 09 in all customer groups: 30% decrease in the number of adults served, a 36% decrease in dislocated workers, and a 16% decline in the number of youth served.

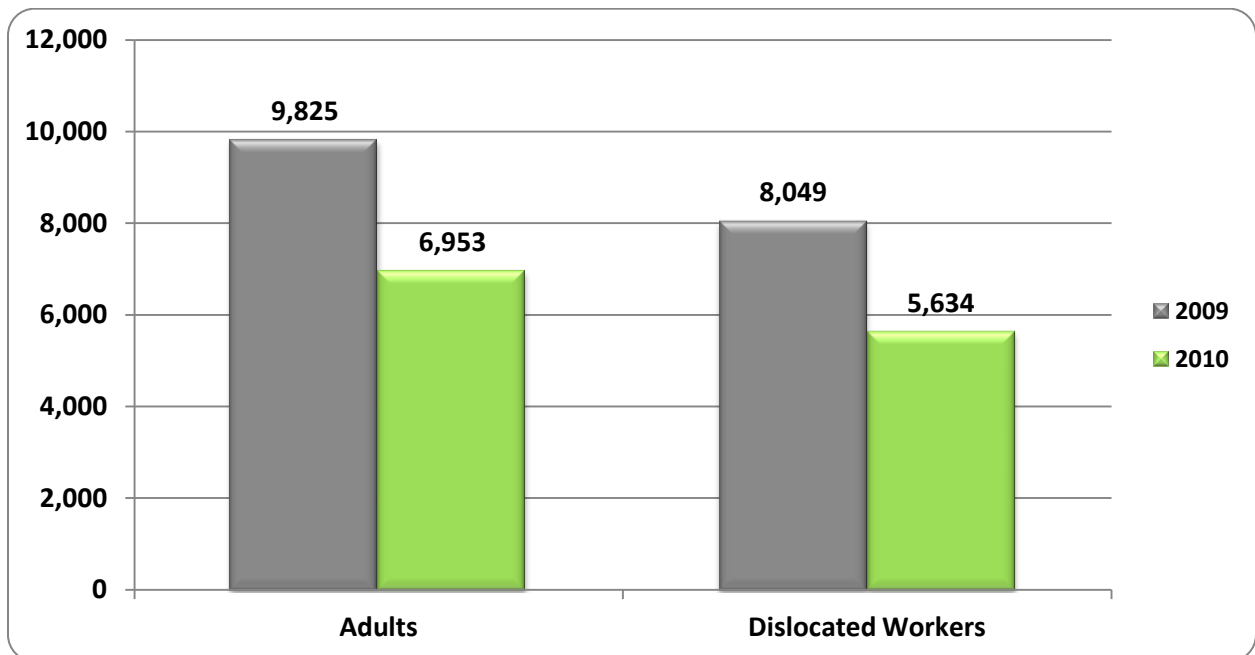
Figure 1. Number of Adult, Dislocated Worker, and Youth Participants Served South Carolina, PY 2009-2010



Participants in Training

- The reduced availability of WIA and ARRA funds resulted in significant decreases in the number of adults and dislocated workers receiving training.
- In PY 10, over **6,900** adults and over **5,600** dislocated workers received training during their participation in WIA.
- From PY 09 to PY 10, the percentage of training participants decreased by 29% for adults and 30% for dislocated workers.

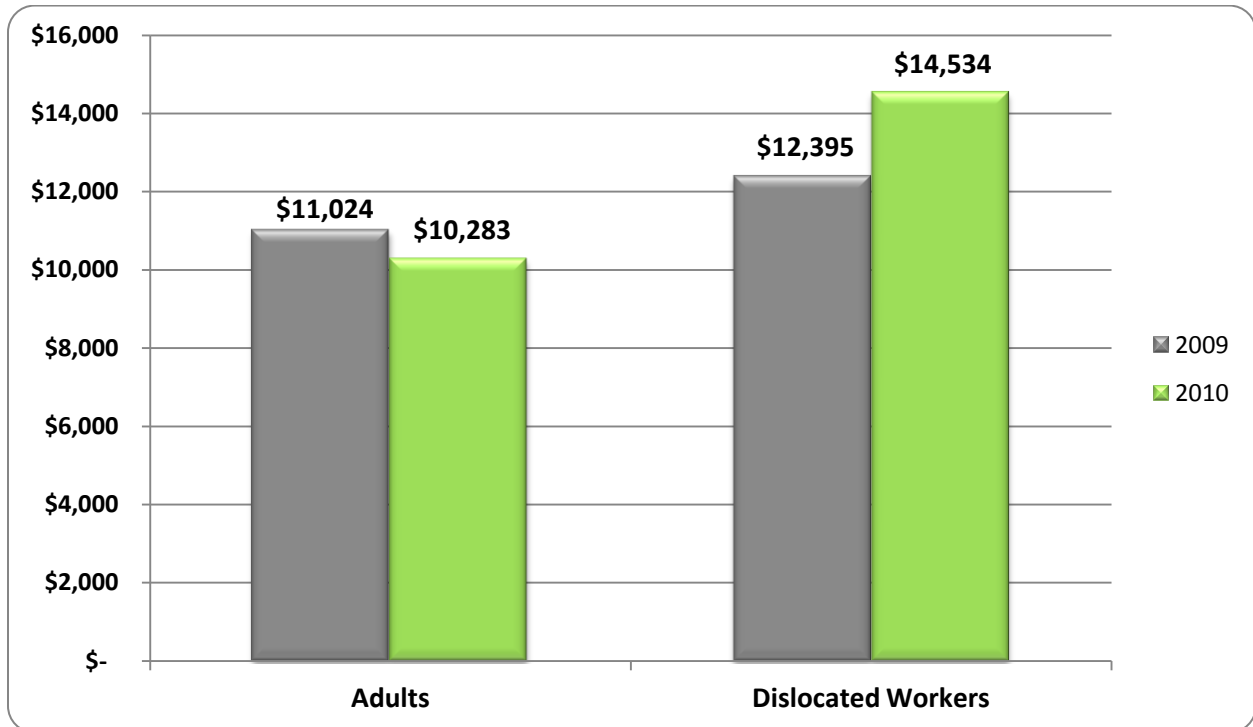
**Figure 2. Number of Adults and Dislocated Workers in Training
South Carolina, PY 2009-2010**



Earnings of Adult and Dislocated Worker Participants

- The average six-month earnings for dislocated workers increased by \$2,139 or 17% from PY 09 to PY 10, while earnings for adults decreased by \$741 or 7% for this same time period.

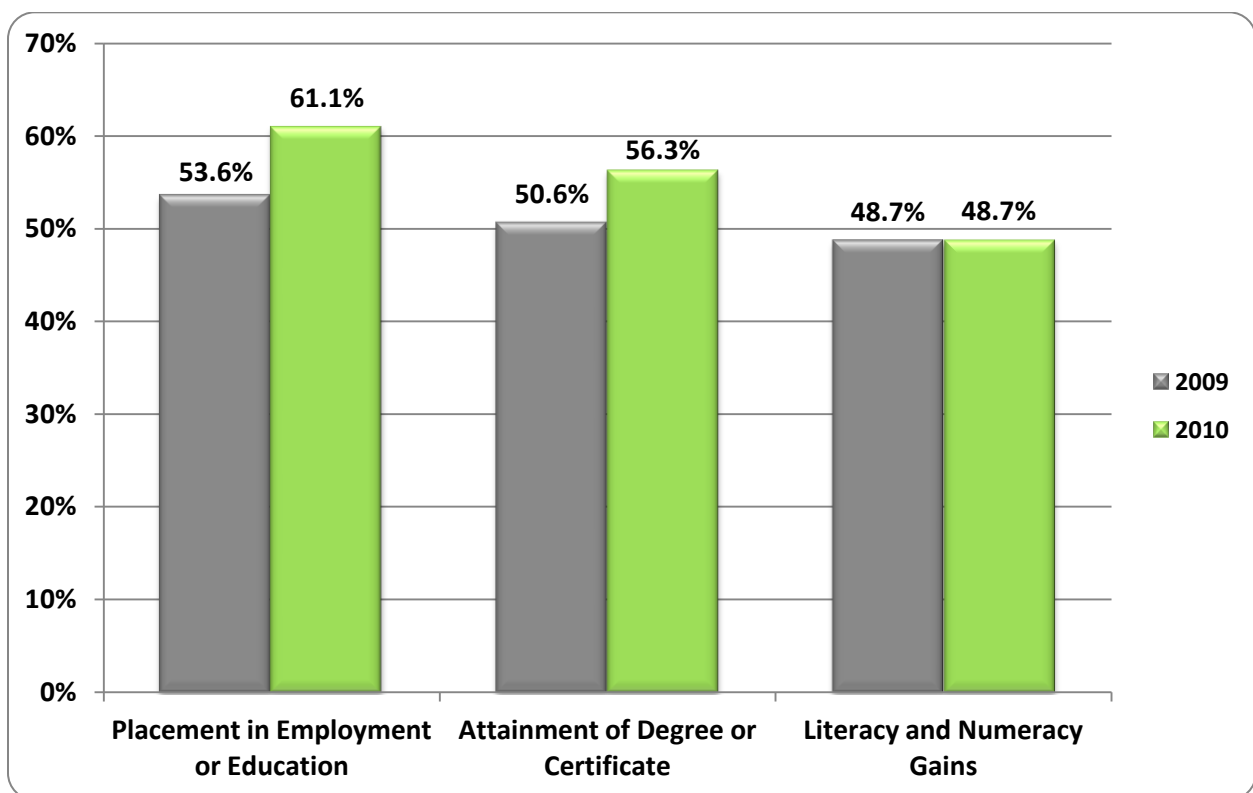
**Figure 3. Average Earnings of WIA Adults and Dislocated Workers
South Carolina, PY 2009-2010**



Youth Outcomes

- Youth outcomes presented an upward trend in PY 10. South Carolina exceeded all youth performance measures against the United States Department of Labor's (US DOL) goals.
- Rates for placement in employment or education increased by 14%, attainment of degree or certificate increased by 11%, and literacy and numeracy gains remained at the same level as PY 09.

**Figure 4. WIA Youth Outcomes
South Carolina, PY 2009-2010**



Summary of WIA Common Measures

In PY 10, actual performance against negotiated US DOL goals resulted in South Carolina exceeding eight measures and achieving 99.5% of goal on one measure.

**Table 1. WIA Common Measures Outcomes
South Carolina, PY 2010**

Group	Performance Measure	Negotiated Goal	Actual Performance	PY 2010 Outcome
Youth (14-21)	Placement in Employment or Education	61.0%	61.1%	Exceeded
	Attainment of Degree or Certificate	55.0%	56.3%	Exceeded
	Literacy or Numeracy Gains	45.0%	48.7%	Exceeded
Adults	Entered Employment Rate	60.0%	59.7%	Met
	Retention Rate	82.0%	83.0%	Exceeded
	Average Earnings	\$9,613	\$10,283	Exceeded
Dislocated Workers	Entered Employment Rate	64.0%	68.2%	Exceeded
	Retention Rate	87.8%	88.3%	Exceeded
	Average Earnings	\$12,400	\$14,534	Exceeded

From PY 09 to PY 10, significant increases were achieved in seven out of nine performance measures as illustrated below.

**Table 2. Comparison of WIA Common Measures
South Carolina, PY 2009-2010**

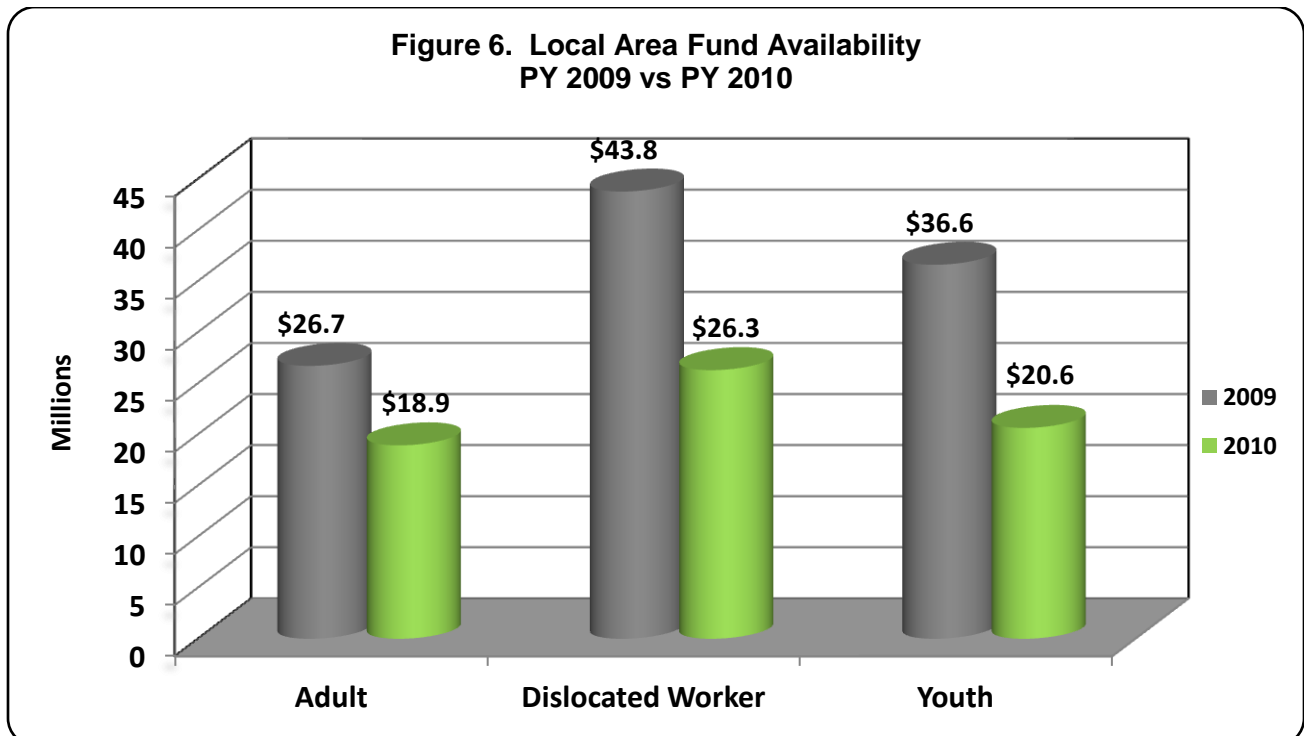
	PY 2009	PY 2010	Change
WIA Youth (14-21) Outcomes			
Placement in Employment or Education	53.6%	61.1%	↑
Attainment of Degree or Certificate	50.6%	56.3%	↑
Literacy and Numeracy Gains	48.7%	48.7%	—
Adult Outcomes			
Entered Employment Rate	56.7%	59.7%	↑
Employment Retention	81.3%	83.0%	↑
Average Earnings	\$11,024	\$10,283	↓
Dislocated Workers Outcomes			
Entered Employment Rate	60.4%	68.2%	↑
Employment Retention	85.3%	88.3%	↑
Average Earnings	\$12,395	\$14,534	↑

South Carolina showed significant progress on all of its performance measures except average six-month earnings for adults in PY 10. Literacy and numeracy gains for youth remained constant. Comparatively, local workforce investment areas were able to serve more customers in PY 09 than in PY 10 through the availability of ARRA funding. As ARRA funding began to subside in PY 10, WIA participation and funding dipped as illustrated below.

Figure 5. Number of Adult, Dislocated Worker, and Youth Participants Served South Carolina, PY 2009-2010



Figure 6. Local Area Fund Availability PY 2009 vs PY 2010



**Table 3. Local Workforce Investment Area WIA Common Measures Outcomes
South Carolina, PY 2010**

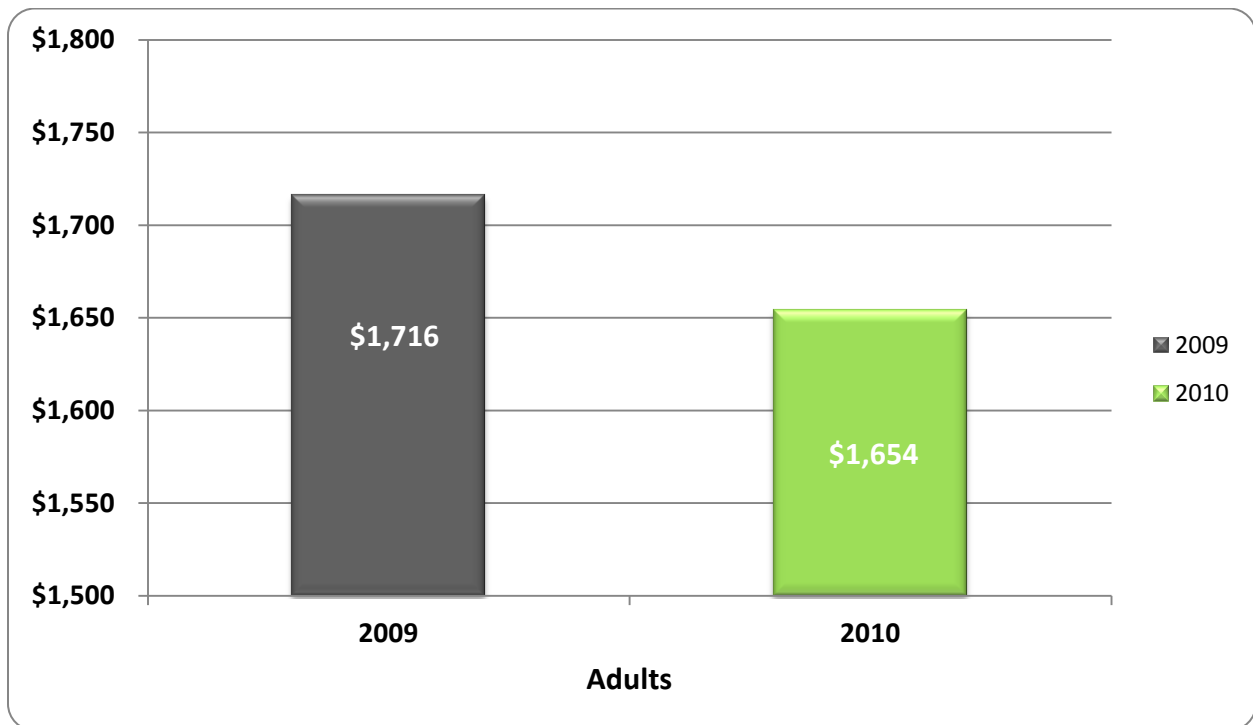
Performance Measure	Group	80% of Goal	Goal	State	Worklink	Upper Savannah	Upstate	Greenville	Midlands	Trident	Pee Dee	Lower Savannah	Catawba	Santee-Lynches	Waccamaw	Lowcountry
Placement in Employment or Education	Youth (14-21)	48.8	61.0	61.1	71.7	82.4	68.5	52.3	70.4	63.4	59.8	53.1	52.0	60.0	35.1	58.7
Attainment of Degree or Certificate	Youth (14-21)	44.0	55.0	56.3	59.9	64.0	66.9	47.7	59.4	66.7	72.9	30.4	50.4	31.8	39.2	47.7
Literacy or Numeracy Gains	Youth (14-21)	36.0	45.0	48.7	58.5	59.2	86.3	43.5	49.1	54.1	66.1	33.5	45.1	66.4	29.6	37.2
Entered Employment Rate	Adults	48.0	60.0	59.7	58.2	62.2	71.9	61.0	66.4	56.2	61.5	59.3	54.0	61.9	56.4	61.3
	DW	51.2	64.0	68.2	59.8	74.1	77.4	68.6	70.7	73.3	70.0	72.1	58.6	61.4	64.2	65.4
Employment Retention Rate	Adults	65.6	82.0	83.0	84.3	84.2	84.8	82.6	84.8	81.4	82.6	83.7	82.2	84.6	82.5	78.9
	DW	70.2	87.8	88.3	87.1	90.7	89.4	91.6	86.7	89.5	90.4	88.4	84.6	85.7	88.9	90.6
Six-Month Average Earnings	Adults	Goal		9,613	10,813	9,093	11,461	10,278	10,700	9,687	9,660	8,755	10,818	10,563	9,500	8,568
		Actual		10,283	11,622	8,773	11,361	10,473	9,672	10,907	10,618	9,008	10,454	10,367	9,341	8,085
	DW	Goal		12,400	12,000	12,000	12,400	14,600	14,000	12,120	10,700	12,000	13,725	12,000	12,450	11,100
		Actual		14,534	14,807	12,509	14,427	18,424	14,513	16,646	12,092	12,655	13,437	11,551	20,957	12,896

COLOR CODE	Exceeding Goal	Meeting Goal	Not Meeting Goal
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Program Year 2010 Cost Per Participant

- South Carolina served 24,595 adults in PY 10 and 36,321 in PY 09. Adults include participants from both adult and dislocated worker fund streams, minus those who self-served. Through the American Recovery and Reinvestment Act of 2009 (ARRA), local workforce areas experienced an increase in Program Year 2009 funding and participation numbers. This increase led to a greater number of participant carryovers, and, as a result, Program Year 2010 led to fewer new WIA program enrollees.
- For PY 10, the per participant cost for adults was **\$1,654** compared to \$1,716 in PY 09. This decrease in the cost per adult participant is a reflection of the decrease in funding and the number of adults participating in training for PY 10.

**Figure 7. Cost Per Adult Participant
South Carolina, PY 2009-2010**

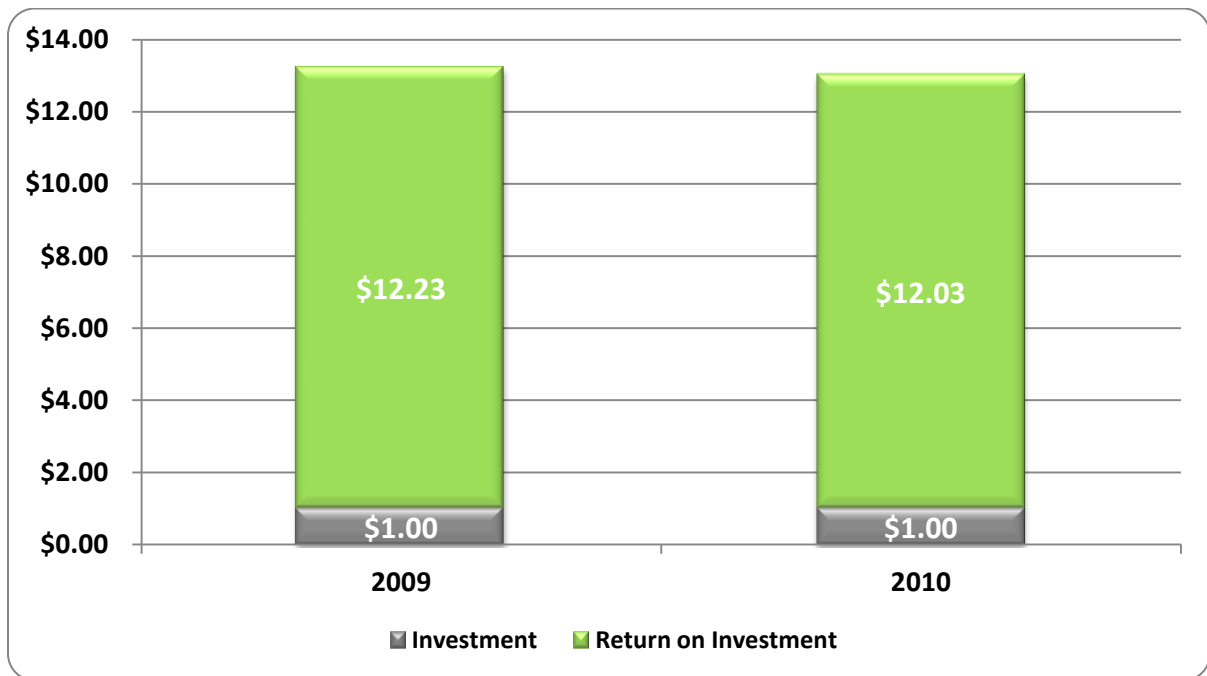


Program Year 2010 Business Services Results

Incumbent Worker Training Continues to Provide Strong Return on Investment

- Incumbent Worker Training (IWT) partnerships with South Carolina businesses increased the workplace skills of **4,889** workers in PY 10, with an average investment of **\$407** per worker trained.
- A total of **\$1,990,158** in statewide funds was invested in IWT partnerships.
- Using a conservative minimum hourly wage estimate of \$7.25 per hour, WIA's \$2 million investment resulted in a return of at least \$23 million into the state's economy in recurring annual wages – **a 1,203% annual return on investment or a return of \$12 for every \$1 invested.**

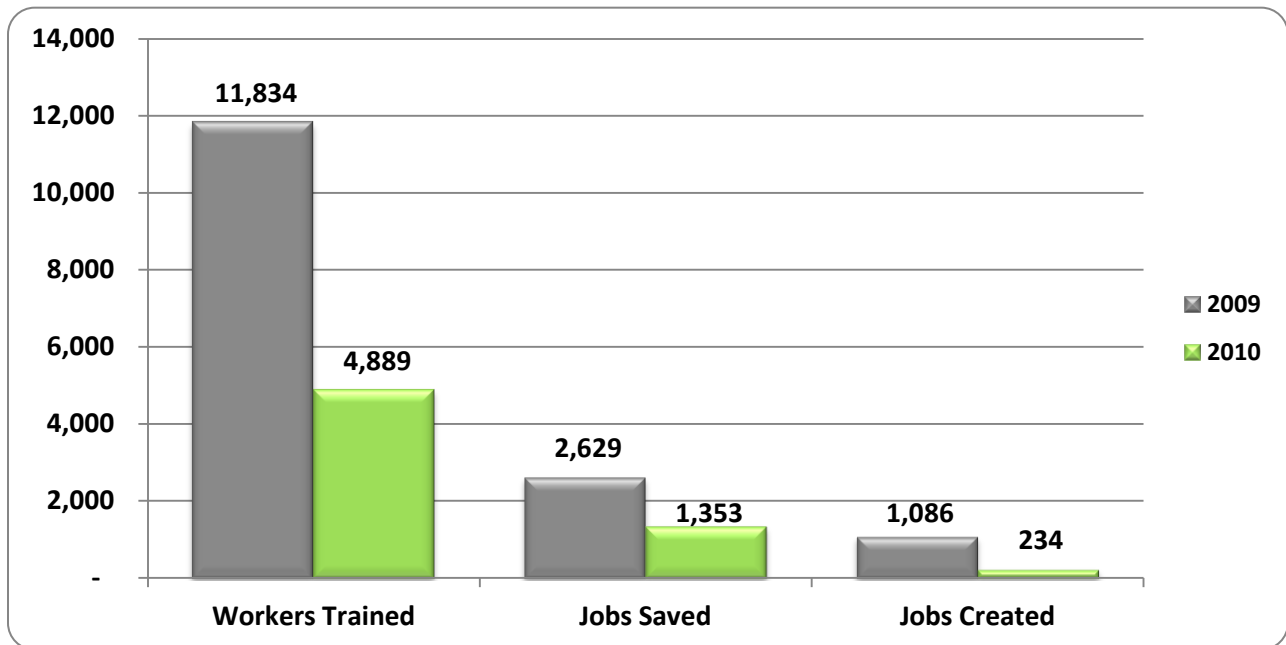
**Figure 8. Return on Investment for Incumbent Worker Training
South Carolina, PY 2009-2010**



Note: The minimum hourly wage estimate used for 2009 and 2010 was \$7.25 per hour.

- IWT funding in PY 10 was reduced by more than half or 56.5% compared to funding available in PY 09. As such, the number of workers trained, jobs saved, and jobs created were significantly less.
- The return on the \$2 million investment resulted in **1,353** jobs saved and **234** jobs created as reported by businesses.

**Figure 9. Incumbent Worker Training Outcomes
South Carolina, PY 2009-2010**



Waivers

South Carolina has utilized several waivers that have added flexibility to ensure access to training opportunities, increase fiscal accountability and fund utilization, and strengthen workforce and economic development partnerships. Waivers have allowed local areas to meet the ever-changing needs of both job seekers and businesses within their regions. The waivers discussed below are in priority order based on overall utilization and impact.

1. Transfer Authority Between Adult and Dislocated Worker Fund Streams

South Carolina has had a long standing waiver allowing local fund transfer authority between adult and dislocated worker fund streams. Over the years, the flexibility has gone from 50% to 100% back to 50% where it currently stands. Fund transfer flexibility has been promoted in South Carolina as an overall fiscal management strategy that ensures non-disruptive customer service and timely expenditure of WIA funds. Federal to state and state to local allocation formulas do not accommodate the reality of present and fluctuating needs within workforce areas. Local areas typically transfer dislocated worker funds to adult funds, which increases fiscal capacity to serve a greater number of adult customers. Since local areas can request additional assistance funds from Rapid Response for unmet needs in serving dislocated workers, there is no impact on present or future dislocated worker customers. Additionally, the worker groups certified under Trade petitions utilize Trade Adjustment Assistance funds for training versus WIA funds. Such resource sharing allows local areas to identify excess capacity quickly and transfer WIA resources to serve additional adults in need of intensive services and training. Recent history relevant to fund transfers is as follows:

**Table 4. Transfer Authority Between Adult and DW Fund Streams Data and Outcomes
South Carolina, PY 2008-2010**

	PY 08	PY 09	PY 10
# of LWIAs Utilizing Transfer	10 of 12 LWIAs	9 of 12 LWIAs	9 of 12 LWIAs
Transfer Average	44%	49%	36%
Annual Fund Utilization	Adult – 86% DW – 81%	Adult – 82% DW – 88%	Adult – 76% DW – 63%
Total Participants Served	Adult – 16,874 DW – 13,501	Adult – 20,933 DW – 16,168	Adult – 14,628 DW – 10,393

Fund transfers in PY 10 were lower than in previous years largely due to the availability of ARRA funding and the need to expend ARRA funds by June 30, 2011.

2. On-the-Job Training (OJT) Reimbursement for Small Businesses

Another long held waiver that provides added flexibility for small businesses and OJT participants is the OJT reimbursement waiver. From PY 05 to PY 08, South Carolina was permitted to provide an OJT wage reimbursement of 75% to small businesses (100 or fewer employees). In PY 09, US DOL increased the reimbursement rate for small to medium-size businesses and allowed the following sliding scale OJT wage reimbursement: up to 90% for employers with 50 or fewer employees and up to 75% for employers with 51-250 employees. For employers with more than 250 employees, a 50% reimbursement rate applies. Small businesses have historically made significant contributions to our state's economy; yet they generally have fewer resources to recruit and provide training. Marketing OJT to small businesses has been a key part of local area business services strategies. Although OJT, overall, in our state declined in PY 10, of the OJT sponsored businesses, 83% of them represented small to medium-size employers that would be eligible for the waiver. With limited funding for regular OJT, funding is often stretched to serve as many participants as possible, thus, the waiver was not used as extensively in PY 10. However, small business participation in OJT remains strong with 63% of all small businesses utilizing the available waiver and 71% of the total 272 OJT participants receiving training through small businesses. The impact of the OJT reimbursement for small businesses waiver has been described as very beneficial by LWIAs:

The waiver was an incentive for smaller businesses to hire individuals during this economic downturn. One construction company would not have had 5 OJT positions if not for the waiver. – Lower Savannah LWIA

It allowed us to place two WIA Participants who may not have been placed without the OJT opportunity. – Greenville LWIA

We're able to engage the smaller businesses that may not otherwise be able to participate in OJT. – Santee-Lynches LWIA

Historically, WIA participants who receive training produce higher performance outcomes. This is significantly increased when training is provided through an OJT versus classroom approach.

**Table 5. Entered Employment Rate
South Carolina, PY 2010**

	Total Results	Participants Who Received Training	Participants Who Received OJT
	PY 10	PY 10	PY 10
Adult	59.7%	66.1%	86.6%
Dislocated Worker	68.2%	72.7%	94.9%

3. Individual Training Accounts (ITAs) for Youth

South Carolina received US DOL's approval on the ITAs for Youth waiver in January 2010. The availability of the waiver has resulted in a streamlined approach to serving out-of-school youth and an increase in youth training. The majority of South Carolina's youth participants are out-of-school, 78% in PY 10, and are most in need of flexibility and a variety of training options.

4. Rapid Response Funds for IWT

South Carolina has been permitted to use 20% of its WIA funds reserved for Rapid Response activities for Incumbent Worker Training as part of layoff aversion strategy. Thus far, one company has been served under the waiver with other businesses anticipated to benefit from it in PY 11. In PY 10, an upstate South Carolina based manufacturing and custom metal fabrication company underwent a competitiveness review by the SC Manufacturing Extension Partnership. The study showed that implementing a documented quality management system would allow the business to compete for more lucrative contracts. It also indicated that providing welding training to employees would increase the quality of the products and the productivity of the workforce. Rapid Response funds were used to support this business by funding ISO 9001-2008 and a welding training and certification program to assist the company in averting layoffs while becoming more competitive nationally and globally.

Program Year 2010 State Evaluations

South Carolina continued implementation and began development of projects and processes that promote and foster continuous improvement in the efficiency and effectiveness of the statewide workforce investment system, employability of job seekers, and competitiveness of employers. Tools and projects such as the Job Seeker and Employer Surveys, Local Workforce Investment Board Standards, and One-Stop Certification Standards help identify continuous improvement needs. The Jobs for America's Graduates – South Carolina (JAG-SC) program is a long-standing initiative of the State Workforce Investment Board that has been systematically evaluated with proven successes.

Job Seeker and Employer Surveys

In PY 10, a Job Seeker Survey and an Employer Survey were developed to measure customer satisfaction with services and assistance received through local one-stop centers. Data and feedback collected from the surveys will identify process improvement needs and shape future plans and goals. The information will be shared with local workforce investment boards and their one-stop centers as a tool for recognition and improvement. In addition, DEW employees who serve on LWIBs, along with business leaders, educational representatives, and local elected officials, will be made aware of pertinent customer/stakeholder information that requires attention and action. Both survey instruments will be launched in PY 11.

Local Workforce Investment Board Standards Update

A key focus of the South Carolina State Workforce Investment Board is to assist local boards in building their capacity to become workforce development leaders in their regions. To accomplish this, Local Workforce Investment Board Standards were developed by a group of local board chairs and adopted by the SWIB. SC DEW has begun the process of assessing LWIBs against these Standards. Six of 12 reviews have been completed thus far, with all reviews expected to be completed in PY 11.

Local boards are reviewed against the Standards, not each other. They are assessed on the following elements:

- Board establishment
- Strategic planning
- Resource alignment
- Support of a quality one-stop system
- Support of youth
- LWIB program and funding oversight
- Fiscal and performance accountability

The Local Board Standards review process requires LWIBs to submit information to SC DEW staff as supporting evidence of meeting each of the seven principle elements of the Standards. This information is assessed by SC DEW staff and a Review Team, which consists of a member of the SWIB and a representative from education, economic development, and business. The Review Team goes on-site to evaluate local boards and interviews community stakeholders such as mandated partners, service providers, local WIB members, elected officials, and economic developers. During the review, the Team asks stakeholders questions relevant to their partnership and involvement with their local workforce investment board.

After each Local Board Standards Review, the local workforce investment board is provided with a report that indicates the LWIB's WIA Board Certification Compliance and highlights the Board's strengths, areas of concern, and recommended strategies for improvement. The outcomes and information provided can be used as a guide to assist the local board in measuring its progress towards becoming a high-performing board and meeting all elements of the Local Board Standards. In addition, information gained during the on-site and desk review of each LWIB will be used to develop promising practices to be shared statewide.

LWIBs achieving a satisfactory rating on all Standards will receive incentive funding and be recognized as a High-Performing Board during next year's annual Workforce Development Partnership Symposium. It is anticipated that a panel workshop will also be held during the Symposium sharing promising practices of local workforce boards around the state.

One-Stop Certification Standards Update

In an effort to provide consistent, excellent service to businesses and job seekers in South Carolina, the State Workforce Investment Board included the goal of creating a one-stop certification system in its 2006 and 2010 Strategic Plan. In January 2010, the SWIB approved One-Stop Certification Standards with three phases of implementation: self-assessment, technical assistance, and certification.

Research and planning of the Standards began in 2007 with a report outlining the best practices of eleven states that had previously implemented a certification process. During Program Years 2008 and 2009, system-wide workgroups consisting of all levels of workforce professionals from frontline staff to agency heads; workforce partners; SWIB members; and members of the business community collaborated to create Standards for job seekers, business services, and one-stop management.

The Department of Employment and Workforce recently issued a tool to assist Local Workforce Investment Boards with a self-assessment of each one-stop in the local area against the Standards. The completed assessments are expected to be returned to

DEW by October 31, 2011, where they will be used to determine the level and types of technical assistance needed in each local area to aid with certification readiness. Many local areas have already completed the self-assessment evaluation and begun implementing the Standards.

Implementation of the Standards and certification process will continue through 2013. At that time, it is expected that all one-stop centers will meet the required Standards, resulting in a consistent, high level of service for all customers of the South Carolina workforce system.

Jobs for America's Graduates-South Carolina Performance Outcomes

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 Jobs for America's Graduates model which has a long history of achieving extraordinary outcomes.

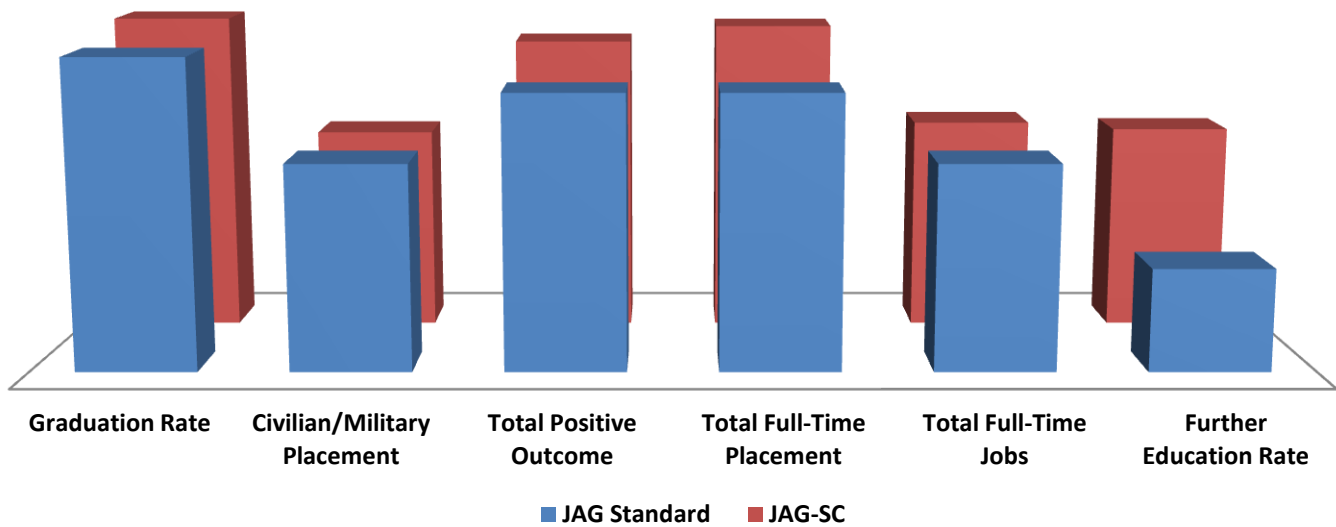
JAG-SC participants, on average, have six documented barriers to success (e.g., teen parenting, excessive absenteeism, low income household, or substance abuse). South Carolina's JAG program has been a consistent high performer on JAG national standards showing steady decreases in school absences and constant increases in GPA and the return to school rate.

The JAG model uses the National Data Management System (NDMS), a web-based computerized system to track and report participants served, services delivered, and outcomes achieved. Career Specialists, who are responsible for teaching and leading JAG students, are required to capture data and information in NDMS. Program managers and supervisors use the reports to evaluate process and performance outcomes.

JAG-SC exceeded JAG National Standards on all five performance outcomes for the class of 2009-2010, one year after follow-up, in the following areas:

- Graduation Rate;
- Civilian/Military Placement;
- Total Positive Outcome;
- Total Full-Time Placement; and
- Total Full-Time Jobs.

**Figure 10. JAG-South Carolina
Class of 2009-2010 Follow Up Outcomes**



	Graduation Rate	Civilian/Military Placement	Total Positive Outcome	Total Full-Time Placement	Total Full-Time Jobs	Further Education Rate
JAG Standard	90%	60%	80%	80%	60%	30%
JAG-SC	95%	60%	88%	93%	63%	61%

Program Year 2010 Statewide Activities Highlights

In PY 10, South Carolina committed nearly \$7.5 million in WIA funding for statewide activities. These funds supported efforts aimed at increasing the job-readiness of the state's workforce, providing a pipeline of workers with the skills demanded by existing and prospective employers, and capacity building at the state and local levels. Initiatives supported by WIA Reserve funds are outlined in the table and further explained below.

**Table 6. State Reserve Funds Allocations
South Carolina, PY 2010**

Initiative	Amount
Nursing Capacity Initiative	\$750,000
Local Area Participant Capacity	\$1,000,000
Incentive Funds for Local Area Performance in PY 09	\$1,000,000
Jobs for America's Graduates - South Carolina (JAG-SC)	\$1,000,000
One-Stop Certification Activities	\$1,000,000
Incumbent Worker Training	\$2,000,000
<i>ARRA Supported State Reserve Activities</i>	
Workforce Development Partnership Symposium	\$50,000
WorkKeys[®] Module in SCVOS	\$90,000
WorkKeys[®] Job Profiling	\$100,000
Apprenticeship Projects	\$150,000
Technology Upgrade in One-Stops	\$350,000
Total	\$7,490,000

Nursing Capacity Initiative

To address nurse faculty shortages that cause thousands of qualified nursing candidates to be turned away yearly, the State Workforce Investment Board, in collaboration with the South Carolina Nurses Foundation, is supporting the Nursing Capacity Initiative aimed at increasing the number of nursing instructors in the state.

- The SWIB allocated \$750,000 in PY 10 to the Nursing Capacity Initiative, a \$1.9 million multi-year effort to build the capacity of nursing instructors. The grant funded program, which is in its second year, provides stipends for as many as 25 master's and doctoral candidates who are pursuing graduate degrees to teach nursing science courses to undergraduate and graduate students. Recipients of the stipends are required to teach nursing and/or nursing related courses for up to three years, depending on the stipend amount, after earning their degree.
- As of July 2011, 10 students have graduated: 4 doctoral and 6 master's degree recipients. Six of them have secured teaching positions at Orangeburg-Calhoun Technical College, Trident Technical College, Clemson University, Bob Jones University, and the Medical University of South Carolina.

Local Area Participant Capacity

With ARRA funding going away, the State Workforce Investment Board recognized that there may be a need for training and capacity assistance by local workforce investment areas in PY 10. Local areas requesting support were able to sustain training and supportive services to WIA participants.

Incentive Funds for Local Area Performance in PY 09

For PY 09 local area performance, \$1 million from PY 10 State Reserve funding was approved by the State Workforce Investment Board to be awarded in incentive funds to local areas. Incentive funds for PY 10 performance will be awarded from PY 11 funding based on LWIAs' performance outcomes on US DOL common measures and the LWIAs' ability to 1) expend a minimum of 75% of total available funds in each of the three fund streams (Adult, Dislocated Worker, and Youth); and 2) identify three to five high-growth or high-demand industries and/or occupations in the LWIA to target training for WIA participants. Identification of high-demand industries can be conducted through professional consultation or documented research.

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

The JAG-SC program, which is highlighted under PY 10 State Evaluations, is also mentioned here as it is primarily supported with SWIB State Reserve funding.

- Approximately \$1 million in WIA statewide funding was invested in the Jobs for America's Graduates - South Carolina program during PY 10 along with leveraged support from other non-WIA resources. The program delivered dropout prevention services and employability skills training to 1,018 students.
- JAG-SC now operates in 24 schools around the state. In PY 10, the program expanded to four additional sites in Laurens, Greenville, and Colleton Counties.

One-Stop Certification Activities

In 2010, the South Carolina State Workforce Board and the workforce system approved the One-Stop Certification process, creating statewide Standards for Job Seeker Services, Employer Services and One-Stop Management. These One-Stop Certification Standards are the foundation for transforming the workforce system.

As a part of the One-Stop Certification Standards, one-stops are required to provide a high level of services to businesses and job seekers as defined in the Standards. The SWIB is supporting local areas with implementing the Standards in several ways, including support of Business Services training and a rebranding initiative for one-stops centers.

Business and Employer Services Certification training promotes the delivery of consistent, comprehensive, and high-quality services to businesses and will provide each workforce area with the tools that are required for the Employer Services Standards.

JAG-SC a Shining Star in Serving Youth

- 94% Graduation Rate for the Class of 2010-2011
- 97% Return to School (retention) Rate among all 2009-2010 non-seniors entering the fall 2010 term.
- An additional 241 youth from the 2009-2010 class received post-secondary follow-up services. Final outcomes included:
 - 60% Civilian Job Placement Rate
 - 63% Further Education Rate
 - 93% Full-time Placement Rate
 - 88% Total Positive Placement Rate, participants positively engaged in either school, work, or military service.
- JAG-SC recognized as
 - a "5-of-5" Top Performing State exceeding and documenting all five National JAG Performance Goals
 - serving one of the most diverse populations
 - maintaining one of the highest Participant Contact Rates of 98%.

The certification program will include the nationally recognized curriculum from Dynamic Works Institute as well as practice activities, workplace applications, and individualized instruction. Upon completion of the program, participants will not only achieve professional certification but will also experience increased confidence and skill in identifying and serving the needs of the business community.

The State Workforce Investment Board also approved funding for the professional development and promotion of single statewide brand and outreach campaign for all one-stop career centers throughout the state. The branding campaign will establish a brand identity for the local one-stop centers that speaks to both employers and job seekers about the services offered and resources available. This rebranding contributes significantly to getting people back to work and matching good people with good quality jobs. The new brand name for the workforce system will be SC Works.

New South Carolina One-Stop Brand



Incumbent Worker Training

The State Workforce Investment Board's investment in IWT produced strong results. The investment of \$2 million saved 1,353 jobs and created 234 new jobs. This investment resulted in a return into the state's economy in recurring annual wages of \$12 for every \$1 invested – a 1,203% annual return on investment.

Program Year 2010 ARRA Supported State Reserve Activities

Workforce Development Partnership Symposium

In PY 10, the SC Department of Employment and Workforce held the annual Workforce Development Partnership Symposium, a training and staff development event for individuals involved in the workforce investment system in South Carolina. Symposium participants typically consist of State and Local Workforce Investment Board members, state and local workforce development professionals, including staff from partner agencies and institutions. With funding reductions, local workforce investment areas struggled with sending LWIB members and staff to the Symposium. The SWIB provided funding to the local workforce areas to assist local board members in attending the Symposium.

The Workforce Development Partnership Symposium attracted more than 400 attendees. The Symposium theme was *The Roadmap to Reemployment*. This year's event incorporated the Palmetto Workforce Partnership Awards (PWPA), which recognize three businesses - small, medium, and large – for the jobs they provide and their contributions to their communities. The SWIB makes six award presentations each year in the following categories: W. Perry Gaines Outstanding Private Sector Volunteer; Joe A. Young Outstanding Local Workforce Investment Board; Outstanding One-Stop Center; Outstanding One-Stop Center Employee; WIA Youth Achievement; and Outstanding WIA Alumnus. Poster boards were also awarded this year recognizing both State Workforce Investment Board and PWPA winners.

WorkKeys® Module in SCVOS

DEW purchased the WorkKeys® Module through Geographic Solutions to allow WIA, Wagner-Peyser, and TAA case managers to input WorkKeys® scores into the SC Virtual One-Stop System, an integrated case management and service delivery system. The Module enables participants and employers to see occupations relative to scores and employers to see potential candidates by WorkKeys® scores. Economic developers will also be able to use the Module to collect data and identify Career Readiness Certificate holders by their WorkKeys® scores and geographic area.

WorkKeys® Job Profiling

Through the years, the SWIB has been an avid supporter of the WorkReady SC initiative and WorkKeys® in our state. With available ARRA funding, the SWIB allocated money to local workforce investment areas to conduct job profiling in their areas. Eight LWIAs requested and received the funding to support local area staff in job profiling occupations for local area employers.

Apprenticeship Projects

Despite the reduced availability in funding, the SWIB has also continued to place emphasis on developing apprenticeship programs in the state. American Recovery Reinvestment Act (ARRA) funds were available to fund the following apprenticeship programs:

- Aiken Technical College – Working Crew Leaders
- BP America, Inc. Cooper River – Maintenance Mechanic and Control Equipment Electrical Technicians
- Computer Science Corporation – Information Technologists
- Horsehead Corporation – Operator Technicians

Over the years, the SWIB has supported more than 20 apprenticeship projects around the state. WIA Reserve grant funded projects have served more than 500 apprentices in the fields of health care, computer technology, construction, and manufacturing.

Technology Upgrade in One-Stop Centers

This opportunity was a direct result of the State Workforce Investment Board setting aside resources from the American Recovery and Reinvestment Act of 2009. State Reserve funds were used to upgrade circuits to increase bandwidth and enable installation of Voice-Over-Internet-Protocol (VOIP) in one-stop centers around the state. LWIAs were able to purchase equipment needed to configure and support VOIP to include the following: proper data circuit (4Mbps); infrastructure upgrades (sufficient power over Ethernet switches); and vendor certified telephone sets and equipment installation, as required. This new technology provided better quality of service, increased functionality and user ability, and a long-term cost savings for current services.

Apprenticeship Program Spotlight: Computer Science Corporation (CSC) Information Technology

In 2011, a \$150,687 grant was awarded by SCDEW on behalf of the State Workforce Investment Board to CSC to train 15 apprentices for a new career in information technology. The program focused on recruiting and training entry level workers in Product Lifecycle Management (PLM). CSC serves a number of aerospace clients who build jet engines and request expertise in PLM. The process includes managing the entire lifecycle of a product – from conception, through design and manufacture, to service and disposal.

“It is a cost effective way to bring in resources and give employees a skill that is also a career,” said Gary Adams, Center Director of CSC. Apprentices earned necessary skills through what CSC calls the Teamcenter Apprenticeship Program. Entry level employees earn competitive salaries, and the use of the apprenticeship program allows CSC to keep overhead expenses and billable rates down. All of the apprentices officially graduated from the program on June 3, 2011.