



JUN 29 2016

The Honorable Pete Ricketts
Governor of Nebraska
P.O. Box 94848
Lincoln, NE 68509-4848

Dear Governor Ricketts:

After careful review, the U.S. Departments of Labor and Education (Departments) are pleased to inform you that we have determined that Nebraska's four-year Workforce Innovation and Opportunity Act (WIOA) Combined State Plan (Combined State Plan or State Plan), submitted on March 31, 2016, is substantially approvable. Therefore, the Departments have approved your Combined 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 sections 102(c)(3)(A) and 103(b)(1) of WIOA.

This decision does not constitute a determination on the program-specific requirements of the Combined State Plan for the program administered by a Federal agency other than the Departments of Education and Labor: the Temporary Assistance for Needy Families program authorized under 42 U.S.C. 601 et seq., administered by the Department of Health and Human Services. You will receive information about the approval status of this portion of the Combined State Plan from the Department of Health and Human Services within the 120-day timeframe for approval of this portion of your Combined State Plan.

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 Nebraska 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 Combined State Plan, subject to conditions, after reviewing it in light of the requirements contained in sections 102 and 103 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, as well as the program-specific requirements for the included Department of Labor and Education programs. 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.

This decision also constitutes a written determination that covers the program-specific requirements for the Combined State Plan programs that Nebraska included in its State Plan and are administered by the Department of Labor: the Jobs for Veterans State Grants program authorized under 38 U.S.C 4100, et. seq.; the Senior Community Service Employment Program authorized under title V of the Older Americans Act of 1965; the Trade Adjustment Assistance for Workers program authorized under chapter 2 of title II of the Trade Act of 1974; and the Unemployment Insurance program authorized under State unemployment compensation laws in accordance with applicable Federal law.

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, Nebraska 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, Nebraska must provide the Departments with an action plan for correcting each of those deficiencies to WIOA.Plan@dol.gov. Nebraska 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 Award and Grant Award Notifications used to award Nebraska’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 Nebraska 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 Nebraska to address, the Departments will monitor Nebraska’s progress to ensure that the State Plan fully

reflects WIOA's planning requirements. If Nebraska fails to make progress in remedying the deficiencies in the State Plan, the Departments may take enforcement actions that are available to them, and Nebraska'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 Nebraska use to establish negotiated levels of performance, which are incorporated into the Combined 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 Nebraska 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 Nebraska 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 Combined 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.

Sincerely,



Portia Wu
Assistant Secretary
Employment and Training Administration



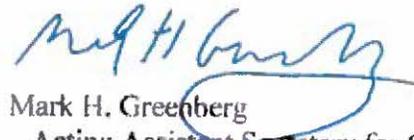
Johan E. Uvin
Deputy Assistant Secretary
Delegated the Duties of the Assistant Secretary for Career, Technical, and Adult Education



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



Janet LaBreck
Commissioner
Rehabilitation Services Administration



Mark H. Greenberg
Acting Assistant Secretary for Children and Families
U.S. Department of Health and Human Services



for Mike Michaud
Assistant Secretary
Veterans' Employment and Training Service

Attachment

cc:

Christine Quinn, Regional Administrator
John Albin, State Workforce Agency
Vicki Bauer, State Adult Education Agency
Mark Schultz, Nebraska Vocational Rehabilitation

Pearl Van Zandt, Nebraska Commission for the Blind and Visually Impaired
Samuel Pierre, Federal Panel Lead
Cecilia Coatney, JVSG
Madhavi Bhadbhade, DVET
Taryn Galehdari, SCSEP
Douglas J. Weinberg, TANF
Evan E. Littrell, UI

ATTACHMENT A

Nebraska Combined State Plan Deficiencies

Following is an itemized list of the Nebraska Combined State Plan sections that the Departments determined were deficient, including a summary of the reason for the deficiency. Nebraska 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 Nebraska in making the required revisions to its State Plan. Items below reflect the corresponding requirement in the State Plan ICR.

Common Elements

- **II.a.2.A — The State's Workforce Development Activities.** The State's response lacked adequate analysis of the State's workforce development activities, including education and training activities, of the core programs and Combined State Plan partner programs included in this Plan.
- **II.b.3 — Performance Goals.** The State's response is not adequate because it did not provide the expected levels of performance for each of the performance accountability indicators described in section 116(b)(2)(A) of WIOA and section II.b.3 of the ICR. Specifically, the State provided an expected level of performance of '0' instead of 'baseline' for the AEFLA program in Tables 1-4. The State also did not include the expected levels of performance for the indicators for the Youth program in Tables 2-4. Finally, the State did not include expected levels of performance for the Adult and Dislocated Worker programs in Table 4.
- **II.c.2 — State Strategy (Alignment of Core Programs).** The State's response lacked adequate details in its description of how the strategies will align the core programs, Combined State Plan partner programs included in this Plan, and required and optional one-stop partner programs to achieve fully integrated customer services consistent with the strategic vision and goals described in this Plan.
- **III.a.1 — State Board Functions.** The State provided a response to this element; however, it did not describe how the Board will implement its functions.
- **III.a.2.A — Core Program Activities to Implement the State's Strategy.** The State's response lacked adequate detail in its description of the program activities and how such activities are aligned. Specifically, the State did not address the involvement of the AEFLA and VR programs and each of the Combined State Plan partners included in this Plan.
- **III.a.2.B — Alignment with Activities outside the Plan.** The State did not adequately address how Registered Apprenticeship, training, human services, and other programs will be aligned with one-stop partner activities.

- III.a.2.C — Coordination, Alignment and Provision of Services to Individuals. The State provided a response to this element; however, it did not address how it will align and coordinate the provision of services to individuals in coordination with AEFLA, Temporary Assistance for Needy Families (TANF), Senior Community Service Employment Program (SCSEP), and other partner programs.
- III.a.2.D — Coordination, Alignment and Provision of Services to Employers. The State's response lacked adequate detail in its description of how it will coordinate and align core programs, Combined State Plan partner programs included in this Plan, required and optional one-stop partner programs to provide comprehensive, high-quality services to employers.
- III.a.2.F Partner Engagement with Other Education and Training Providers. The State's response lacked adequate detail in its description of how the State's strategies will engage the State's other education and training providers, including providers on the State's eligible training provider list, as partners in the workforce development system to create a job-driven education and training system.
- III.a.2.G — Leveraging Resources to Increase Educational Access. The State's response lacked adequate detail in its description of how the State's strategies will enable the State to leverage other Federal, State, and local investments that have enhanced access to workforce development programs at the institutions described in section III.a.2.E of the Plan.
- III.a.2.H — Improving Access to Postsecondary Credentials. The State provided a response to this element; however, it did not address how the State's strategies will improve access to activities leading to recognized postsecondary credentials, including Registered Apprenticeship certificates.
- III.b.2 — State Operating Systems and Policies (Policies). The State provided a response to this element; however, it did not provide a process for developing guidelines for one-stop infrastructure funding.
- III.b.3.A — State Agency Organization. The State's response did not adequately describe the organization and delivery systems at the State and the local level for all core and Combined State Plan Partner programs included in this Plan.
- III.b.3.B.i— Membership roster. The State provided a response to this element; however, the State must clarify member organizational affiliations on the roster and correct discrepancies in the State Plan regarding the total number of board members.
- III.b.4.B — Assessment of One-Stop Partner Programs. The State's response lacked adequate detail in its description of the process of how it will assess the one-stop partner programs and identify which partner programs will be assessed.
- III.b.5.A.i — Distribution of Funds for Title I Youth Activities. The State policy for distribution of Youth funds to local areas must reflect that each local area 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.A.ii — Distribution of Funds for Title I Adult Training Activities. The State policy for distribution of Adult funds to local areas must reflect that each local area 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.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 local area 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's response lacked adequate detail in its description of how it is distributing AEFLA 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 title II of WIOA; and (3) describe how it will determine demonstrated effectiveness, including how eligible agencies will establish that eligible providers are organizations of demonstrated effectiveness.
- III.b.5.B.2 — Ensure direct and equitable access. The State's response lacked adequate detail in its description of its competitive process in a manner that indicates it directly funds its grants and contracts rather than funding a sub-State entity to conduct a competition. The Plan did not indicate that all applications are treated in the same manner in terms of review and evaluation.
- III.b.6.D — Privacy Safeguards. The State's response lacked adequate detail in its description of the privacy safeguards incorporated in the State's workforce development system, including safeguards required by section 444 of the General Education Provisions Act (20 U.S.C. § 1232g) and other applicable Federal laws.
- III.b.7 — Priority of Service for Veterans. The State's response lacked adequate detail in its description of how it will implement and monitor the priority of service for veterans' provisions in compliance with the Jobs for Veterans Act, codified at 38 U.S.C. § 4215.

Title I

- VI.a.1.A — Identify the regions and the local workforce development areas designated in the State. The State's response lacked adequate detail in its description because the State must reconfigure its regions so that the two counties that comprise the Greater Lincoln local workforce development area are not split between two Regions.
- 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 provided a

response to this element; however, it was through the inclusion of a web link. All content required to respond to this element must be put in the portal rather than provided through a link

- VI.a.2.B — Describe how the State intends to use Governor’s set aside funding. Describe how the State will utilize Rapid Response funds to respond to layoffs and plant closings and coordinate services to quickly aid companies and their affected workers. The State provided a response to this element; however, it did not describe the actual strategy (ies) for use of Governor’s set aside funding.
- VI.a.2.D — Describe how the State provides early intervention (e.g., Rapid Response) to worker groups on whose behalf a Trade Adjustment Assistance (TAA) petition has been filed. The State provided a response to this element; however, it did not describe how it uses its Rapid Response efforts to provide early intervention to worker groups on whose behalf a TAA petition has been filed.
- VI.b.1 — Work-Based Training Models. The State provided a response to this element; however, it did not describe its work based learning strategies and how such strategies will ensure high quality training for participants and employers.
- VI.b.2 — Registered Apprenticeship. The State provided a response to this element; however, it did not describe how and with whom it will build the partnerships needed to incorporate Registered Apprenticeship (RA) into its workforce strategies.
- VI.b.3 — Training Provider Eligibility Procedure. The State provided a response to this element; however, it did not describe procedures for outreach to RA programs to identify interest in being on ETPL and/or a mechanism for an RA program to indicate interest in being on the list.
- 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 provided a response to this element; however, it did not describe how it will implement and monitor the provision of priority of service for public assistance/low-income individuals and basic skills deficient individuals throughout its local workforce system. The State referenced policies in its response. All content required to respond to this element must be put in the portal.
- VI.c.1 — Identify the State-developed criteria to be used by local boards in awarding grants for youth workforce investment activities and describe how the local boards will take into consideration the ability of the providers to meet performance accountability measures based on primary indicators of performance for the youth program as described in section 116(b)(2)(A)(ii) of WIOA in awarding such grants. The State provided a response to this element; however, it did not identify the criteria to be used by local boards in awarding grants.

- VI.c.2 — Describe the strategies the State will use to achieve improved outcomes for out-of-school youth (OSY) as described in 129(a)(1)(B), including how it will leverage and align the core programs, and Combined State Plan partner programs included in this Plan, required and optional one-stop partner programs, and any other resources available. The State provided a response to this element; however, it did not address its strategies for improved outcomes for OSY, including identification of which core and partner programs will be engaged and how the engagement will occur.
- VI.c.3 — Describe how the State will ensure that all 14 program elements described in WIOA section 129(c)(2) are made available and effectively implemented. The State's response lacked adequate detail in the description of what the State will do to ensure the availability and effective implementation of the 14 youth program elements at the local level.

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 did not provide adequate detail in its response to this element and must provide specific information on training for staff beyond just Wagner-Peyser and UI. The State did not describe strategies for supporting training and awareness on UI eligibility issues and referrals to UI staff for adjudication for all core partner program staff.
- VI.e.1 — Agricultural Outreach Plan (AOP) Assessment of Need. The State provided a response to this element; however, it did not describe the needs of the State's farmworkers.
- 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 identify the source of the data it included in the response and did not differentiate between peak and low seasons.
- VI.E(3)(B) Marketing the employment service complaint system to farmworkers and other farmworker advocacy groups. The State must describe how it partners with the UI program in its response to this element.
- VI.e.2.C — Increasing outreach worker training and awareness across core programs including the Unemployment Insurance (UI) program and the training on identification of UI eligibility issues. The State must address how it ensures that the information on the employment service complaint system and other advocacy groups gets to the farmworkers.

- 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 provided a response to this element; however, it did not describe how it will continue future collaborative efforts with the NFJP grantee.
- VI.e.4.B — Review and Public Comment. In developing the AOP, the SWA must solicit information and suggestions from NFJP grantees, other appropriate MSFW groups, public agencies, agricultural employer organizations, and other interested organizations. In addition, at least 45 calendar days before submitting its final AOP, the SWA must provide a proposed plan to NFJP grantees, public agencies, agricultural employer organizations, and other organizations expressing an interest and allow at least 30 days for review and comment. The SWA must: 1) Consider any comments received in formulating its final proposed AOP; 2) Inform all commenting parties in writing whether their comments have been incorporated and, if not, the reasons therefore; and 3) Transmit the comments and recommendations received and its responses with the submission of the AOP. The State provided a response to this element; however, it did not address whether comments were received, and, if so, by which organization(s) and how the comments were addressed.

Adult Education and Family Literacy Act Program

- VI.a — Aligning of Content Standards. The State provided a response to this element; however, it did not indicate that the alignment of its adult education content standards will be in place no later than July 1, 2016.
- VI.b — Local Activities. The described activities do not meet the statutory definitions for these activities. The activities listed in the Plan are not consistent with those listed in WIOA. The list of local activities is inaccurate, in that “career pathways” and “transition to postsecondary education” are not themselves local AEFLA activities consistent with the definition of “adult education and literacy activities” in section 203(2) of WIOA.
- VI.d.1 — Integrated English Literacy and Civics Education (IELCE) Program. The State’s response lacked adequate detail in its description of how the State will establish IELCE programs that provide educational services consisting of literacy and English language acquisition (ELA) integrated with civics education that includes instruction on the rights and responsibilities of citizenship and civic participation.
- VI.e.1 — State Leadership. The State provided a response to this element; however, it did not address how the State will use section 223 funds to support required activities under section 223(a)(1)(D) of WIOA.
- VI.f — Assessing Quality. The State’s response lacked adequate detail in its description of how it will assess the quality of its professional development programs designed to improve: (1) instruction in the essential components of reading instruction, (2) instruction related to

the specific needs of adult learners, (3) instruction provided by volunteers or paid personnel, and (4) dissemination of information about models and promising practices.

Unemployment Insurance

- VII.a.1 — Transmittal Letter. The State must include the entire SQSP as approved for FY16. The State must specifically note where the org chart can be located as well in the “note.”
- VII.a.3 — The State Plan Narrative. The State’s response did not include the approved SQSP Narrative for FY16. The State must ensure that the target and performance listed for “Facilitate Reemployment of Claimants” are consistent with what is in the approved SQSP. The State also must ensure that Assurance H is consistent with what is in the approved SQSP-- it does not appear to match the approved Plan.
- VII.a.4 — Corrective Action Plans (CAPs). The State must submit the SQSP CAPs as approved for its FY16 SQSP. For the lite plan, the State must submit CAPs for NonMon, Time-Lapse, NonMon Quality - Seps, UI Integrity Measure - BYE. All CAPs should include the entire summary of the SQSP to include sections A, B, C, and D.
- VII.a.5 — UI Program Integrity Action Plan (UI IAP). The State’s response did not include the approved IAP for FY16.

Senior Community Service Employment Program

- VII.c.5 — Provide the ratio of eligible individuals in each service area to the total eligible population in the State. (20 CFR 641.325(a)). The State did not address the element; it did not provide a table that reflects the ratio of eligible individuals in each service area to the total eligible population in the State.