

WIOA ANNUAL REPORT



JULY 1, 2018 – JUNE 30, 2019

The Workforce Innovation Opportunity Act Annual Report from
the South Carolina Department of Employment and Workforce



Welcome

South Carolina ended the program year with an unemployment rate of 3.5 percent. While this is cause for celebration, it has also highlighted a problem—employers are having a difficult time finding suitable candidates for employment. Employers who call South Carolina home have been pleased with the state’s resources and friendly business environment. But, I heard three reoccurring themes as I spent my first few months with the agency traveling the state and listening to business and local leaders:

- Immediate programs and action are needed to address specific vacancies today.
- Rural areas in the state need help connecting jobseekers and employers.
- Small businesses struggle, not just with finding employees, but knowing where to go to get help.

In this report, you will see how the S.C. Department of Employment and Workforce, and its participation in the SC Works system, as a participant and leader, is committed to focusing on these three themes.

As part of the mission of the Workforce Innovation and Opportunity Act, this agency prepares jobseekers and matches them with employers to fill jobs. In pursuing this mission, our agency is being creative and taking unique approaches that may move the needle in terms of workforce development. Focusing on providing

training where there are jobs and providing job applicants who meet the requirements of employers increases the chances of both short- and long-term success.

At the same time, the S.C. Department of Employment and Workforce is working in a number of areas to improve the effectiveness of the workforce system in the state:

- WIOA State Plan that establishes a platform for cooperation and supports more efficient and less duplicative resources;
- State Workforce Development Board whose priorities address needs at a local level in order to make a statewide impact; and
- Regional Partnerships where businesses drive the conversation about workforce programs and rally together to tap into resources and support.

At the end of this report, you will find our expectations for the next program year. My initial meetings allowed me to understand needs and opportunities within the state. I am very excited about the programs we are implementing and expanding that will address these needs and opportunities.

When the system works, so do the people.

G. Daniel Ellzey
Executive Director
S.C. Department of Employment and Workforce

Regardless of how we do it, our goal is to connect jobseekers with open jobs.

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Aligning the Vision for Holistic Action

- Progress made in achieving the state's strategic vision and goals, as described in the state's Unified State Plan, for developing its workforce and meeting employer needs in order to support economic growth and economic self-sufficiency.

A modification to South Carolina's Unified State Plan received approval from the U.S. Department of Labor in June 2018. One key revision to the plan was to incorporate the State Workforce Development Board's vision, objectives and strategies for advancing the public workforce system in order to truly create a state strategic plan that transcends WIOA- authorized programs and fully incorporates the contributions of all agencies and organizations that have a stake in the inputs or outcomes of the workforce system more broadly.

There are a number of high-impact activities taking place across the state that ultimately advance the state's strategic vision for workforce development. Having a clearly defined vision statement and objectives have ensured that resource investments at the state and local levels are directly aligned to a specific objective, thereby advancing the vision. Efforts to advance the vision are discussed throughout the Annual Report.

The South Carolina WIOA Unified State Plan can be viewed by clicking [here](#) or visiting SCWorks.org, clicking the Workforce Development icon, clicking Document Directory and then clicking the links to the S.C. WIOA State Plan – Modified 2018.



Board Funded Initiatives

- Activities provided with the funds reserved by the Governor
- Progress made toward implementing sector strategies and career pathways. The discussion may include: business engagement -strategies, work-based learning (including apprenticeship), work experience for youth and adults, transitional jobs, and incumbent worker training strategies and policies in the state.

The State Workforce Development Board (SWDB) utilizes the Governor's Reserve to invest in and incubate meaningful workforce development strategies that align with the state's vision of cultivating a skilled workforce that is responsive to the needs of business and industry. At the beginning of PY '18, the SWDB approved \$5,150,000 in funding to support occupational training in high-demand, high-growth industries; sector strategies and career pathways; employment and training programs that serve individuals with barriers to employment; and capacity building efforts to ensure that:

- South Carolinians are informed about the services available through SC Works,
- Center staff are trained and equipped to provide high quality service delivery, and
- SC Works centers have current and robust technology resources to provide quality services to jobseekers and businesses.

Examples of SWDB-funded initiatives are described below.

1. INCUMBENT WORKER TRAINING

Historically, the SWDB has allocated anywhere from \$750,000 to \$1,500,000 to support Incumbent Worker Training. Funding is awarded to Local Workforce Development Boards that demonstrate a need for funding and the ability to successfully implement an IWT program. In PY '18, \$1,500,000 was awarded to local areas to provide training to approximately 285 incumbent workers at 74 businesses. Areas of training range from industry-relevant certifications, such as quality systems and lean principles to strategic planning, sales and marketing, and leadership. While PY '18 grants will not end until April 2020, an analysis of PY '16 and PY '17 IWT data suggests that more than 60% of trainees will earn a credential and roughly 17% will receive a pay increase upon completion of the training.

2. SECTOR STRATEGIES AND CAREER PATHWAYS

South Carolina adopted sector strategies in PY '14 as a promising approach for aligning partners and their resources to the needs of business and industry. Since the adoption of sector strategies, DEW has largely led the conversation and efforts to utilize this approach as the framework for the state's workforce system. The SWDB has supported this approach by investing in technical assistance for the state and regional leadership teams and provided funding to assist the regions with launching and growing industry-led sector partnerships.

A number of steps were taken in PY '18 to evolve sector strategies beyond a DEW-led initiative to a model that is sustainable and system-driven at both the state and regional levels:

- Enhanced collaboration and communication among education, economic development and workforce partners.
- Updated the State Workforce Gap Analysis, which identified a shortage of workers in critical occupations.
- Passed SC WIN legislation investing an additional \$17M in training that targets the critical shortage occupations.
- Braided sector-focused priorities into initiatives funded by the State Workforce Development Board.
- Included as part of the Education and Economic Development Act Coordinating Council's (EEDA) strategic priorities.
- Provided to regional sector planning teams to support their operational needs.

As a result of these efforts, PY '18 was a milestone year resulting in the launch of two industry-led sector partnerships. South Carolina's first manufacturing partnership launched in the Greater Upstate Region, followed by a second manufacturing partnership in the Central Region. By the end of PY '18, approximately 50 businesses were engaged through sector partnerships.

SUCCESS STORY: CONTINUATION OF LOCAL TRANSPORTATION MODELS

Noteworthy in PY '18 was the continuation of local transportation models for employment and training needs, which were initiated in PY '17 through SWDB funding by local government and businesses partnering to remove transportation as a barrier for workers:

- The route created in the Pee Dee Area to provide transportation to employees of Harbor Freight and Perdue resulted in widespread community support for public transportation in that area. As a result, public transportation will be introduced in Dillon County before the year ends, funded through local government and business contributions for the next two years.
- The route created in Anderson County for employment and training needs received local support once the SWDB funds were depleted, with Anderson County approving funds to sustain the route for another two years.
- The route created in Colleton County for employment and training related needs received a national innovation award and Colleton County has approved funding to sustain the route.

3. PRIORITY POPULATIONS REPORT AND ADVISORY COUNCIL

The Priority Populations Committee (PPC) of the SWDB aims to strengthen South Carolina's workforce system through the development of strategies and policies that ensure priority populations are served with focused efforts on youth with barriers, ex-offenders, veterans, individuals with disabilities, homeless, long-term unemployed, and low-income individuals.

The Priority Populations Advisory Council (PPAC) was formed in PY '18, which consists of subject matter experts concerning one or more of the priority populations. The PPAC will provide recommendations to the PPC in achieving established objectives. The first task of the PPAC was to identify areas of greatest need by completing an asset map and gap analysis of the statewide resources and programs for priority

populations. The gap analysis identified three main barriers to accessing employment and training activities: identification and vital records, affordable housing, and reliable transportation. The PPAC is addressing transportation by providing recommendations on promising practices for increasing the use of available transportation resources as well as identifying through a data-driven analysis, opportunities for employers to contribute to transportation solutions.

The report, Priority Populations: A Statewide Scan of Current Services and Key Recommendations, can be found [here](#) or viewed online at www.scworks.org/docs/librariesprovider6/document-directory/priority-populations---a-statewide-scan-final.pdf?sfvrsn=734d7590_2.

4. SC WORKS OUTREACH

The SWDB allocated funding to develop and implement an SC Works outreach campaign. The purpose of the campaign is to build awareness and usage of the SC Works system by both businesses and jobseekers through the use of several media resources, including internet, business publications, radio and social media.

Of the \$225,000 allocated by the SWDB, \$45,000 was awarded to local areas for use in the development and implementation of local campaigns that align with the theme and goals of the statewide campaign. Examples of how local areas are using these grants include: movie theatre commercials, Every Door Direct Mail Service through the United States Postal Service, on-site radio activations in partnership with local radio stations, vehicle vinyl wraps which serve as a mobile billboard, social media awareness campaigns, placement on monitors at local Department of Motor Vehicle offices, strategic promotion via the local area regional transportation authority and banner postings at local sports games.

Success of the statewide outreach campaign will be measured by increases in website and center traffic. Preliminary results of the outreach campaign indicate a 59% increase in website traffic.

5. SC WORKS CENTER TECHNOLOGY ENHANCEMENT

The SC Works centers play a vital role in preparing a skilled workforce through the provision of job search assistance, access to partner resources, and information on available training and educational opportunities. To support these services, the State Workforce Development Board awarded \$1,080,754 in Technology Enhancement Grants to Local Workforce Development Areas. The funding was used for the purchase of technology upgrades; including, but not limited to, new computers, projectors, smartboards, software and assistive technology for individuals with disabilities.

Through the grant, LWDA's purchased greeter kiosks that can be used in conjunction with the SC Works Online Services system greeter kiosk module. The greeter kiosks streamline the intake and reception of visitors, ensuring that all visitors are able to access the assistance they need during their visit. The greeter kiosks also provide the added benefit of collecting data on visitors to the centers, allowing the SC Works centers to easily access information on their center's traffic and common requests for assistance.

Wagner-Peyser

- Activities provided under the Wagner-Peyser Act Employer Service section.

In addition to the Title I reserve funds allocated by the SWDB, Wagner-Peyser (Title III) reserve funds are also used to support promising workforce development models targeting individuals with significant barriers to employment.

1. BACK TO WORK

In 2015, the agency began piloting the Back to Work program in Columbia, SC to help homeless individuals enter the workforce through an intensive six-week employment boot camp. This program provides participants assistance with transitioning to housing, as well as the necessary career guidance and soft skills training to maintain gainful employment and independence, creating a comprehensive approach for long-term success. The department works with multiple community and faith-based organizations across the state to help these individuals prepare for and find employment. This program has been successful in helping individuals who were formerly homeless, drug-addicted or had other significant barriers to employment gain self-sufficiency.

In PY '18, the Back to Work program expanded to nine new locations across the state, serving a total of 93 individuals. Overall, 65% of Back to Work participants became employed or enrolled in training upon completion of the program.

SUCCESS STORY: TRANSITIONS/MIDLANDS HOUSING ALLIANCE

In PY Year '17, Transitions/Midlands Housing Alliance received \$140,987 in funding to establish the Transitions Works program. Transitions Works assists homeless individuals with gaining steady employment that will ultimately lead that individual into sustainable, permanent housing. The funding was utilized to support a Transitions Jobs Case Manager and establish a career center on site at Transitions. The Transitions Jobs Case Manager has been instrumental in developing relationships with local businesses to help participants find employment.

As of November 7, 2019, 95 individuals have been enrolled in the program, with 73 placed into employment (77%) and 20 permanently housed.

Henry* is an excellent example of the success of Transitions Works. Henry arrived at Transitions/Midlands Housing Alliance in 2018 after losing his home and employment due to health issues. The loss of his job led to poor decisions, resulting in a criminal background that posed a significant barrier to regaining employment. After joining Transitions Works, Henry was in the first group of participants to become employed through a connection the Transitions Jobs Case Manager established with McEntire Produce. Within two months, Henry was promoted to a salaried employee, which then led to a supervisory position. As a result, Henry is currently planning his move into permanent housing. Henry moved into his own home on November 15, 2019.

*Names have been changed to protect the individual's identity.

2. SECOND CHANCE INITIATIVE

In partnership with the S.C. Department of Corrections, the Second Chance initiative was created to help returning citizens learn a skill and understand how to successfully search for a job. Helping individuals prepare for employment allows them to gain confidence, purpose and direction, helping to reduce the rate of recidivism. Through this initiative, SC Works provides a full-time employee, acting as a coach, and other materials necessary to assist returning citizens in work-skills training.

Ninety days prior to release, ex-offenders are taught employment and soft skills in a classroom setting for one hour each day. During the last 30 days, participants work directly with an SC Works counselor to become registered in SC Works Online Services and craft a resume in order to apply for jobs online once released. A critical component of the success of this initiative is the Federal Bonding Program and the Work Opportunity Tax Credit, which give businesses the tools to confidently employ this underutilized workforce.

In PY '18, 2,206 individuals were enrolled in the Second Chance Program. Approximately 1,790 or 81% of enrollees completed the program and roughly 72% of program completers entered employment upon release from prison.

Second Chance Program		
Location	Enrolled	Completed
Manning Correctional	1,788	1,443
Camille Griffin Graham Correctional	418	347

SUCCESS STORY: OPERATION EDUCATE

Operation Educate, an initiative of the Upstate Workforce Board, provides pre-release soft skills and occupational skills training to inmates at the Spartanburg County Detention Center. In PY '16, Operation Educate served 51 inmates through a Reentry Employment and Training grant from the SWDB. Fifty inmates completed occupational skills training and 88% of participants entered employment upon release.

Operation Educate received additional funding through a SWDB Workforce Innovation Grant in PY '17 to allow them to replicate and expand the successes of the initial program. So far, the program has served 82 participants and, of the participants released from the detention center, 36 have entered employment.

Because of the program's success year after year, the Upstate Local Workforce Development Area was awarded funding through the Workforce Opportunity for Rural Communities (WORC) initiative, which will sustain the program through September 2022.

For more information, click [here](#).

Rapid Response and Layoff Aversion

- Rapid response activities and layoff aversion.

The state's approach to layoff aversion includes a number of strategies, including early identification of at-risk businesses, assessment of needs through a no-cost competitiveness review that outlines critical areas of concern and immediate and future needs of the business, and delivery of services to address risk factors. In PY '18, the state Rapid Reemployment team developed and launched a Rapid Response Manual, toolkit, and training to ensure consistent delivery of Rapid Response services. Four trainings were delivered across the state, with approximately 175 attendees.

1. EARLY IDENTIFICATION OF AT-RISK BUSINESSES

Early identification of at-risk businesses is typically accomplished through regular business engagement by DEW and partner agency business consultants, including engagement by the SC Manufacturing Extension Partnership (MEP) and the S.C. Department of Commerce. Business engagement typically occurs at the local-level, through the coordinated efforts of Integrated Business Services Teams (IBSTs). Representation on these teams varies by local area, but generally includes workforce, economic development, human services and education partners. Teams meet at least quarterly as an opportunity to strengthen partnerships, share best practices and align business engagement and outreach efforts.

Sector partnerships can also be leveraged as an early identification tool. For business leaders, sector partnerships serve as a place to efficiently and effectively collaborate with industry peers and public partners to tackle common issues that impact the sector's competitiveness, such as the need for a skilled workforce, infrastructure improvements, supply chain coordination and others. Many of the issues that affect businesses in a targeted industry, and that may ultimately put the business at-risk of layoff or closure, can be addressed through a high-performing sector partnership.

2. SERVICE DELIVERY TO AVERT A LAYOFF OR CLOSURE

There are a number of resources and services that may be available to an at-risk business through Title I, Title III, and partner programs, such as:

- Employee training, to include work-based literacy,
- Connecting the business to short-term compensation programs, loan programs, etc.,
- Linking the business to economic development activities,
- Conducting a supplier analysis,
- Assisting with the development of in-state business connections and networking, and
- Removing barriers that may be preventing efficient operations or stifling growth.

The state reserves a portion of the Title I Dislocated Worker allotment to support Rapid Response activities, including Rapid Response Incumbent Worker Training (IWT). Rapid response IWT is limited to training that will avert a layoff or closure. In PY '18, \$672,155 was awarded to 15 at-risk businesses to provide training to approximately 461 workers. Similar to IWT funded through the Governor's Reserve, areas of training vary widely depending on the needs of the business, from quality systems and lean principles to strategic planning, sales and marketing, and leadership.

4. RAPID RESPONSE ACTIVITIES

In the instances where a layoff or closure cannot be avoided, the following are examples of resources and services that are available to businesses and their employees:

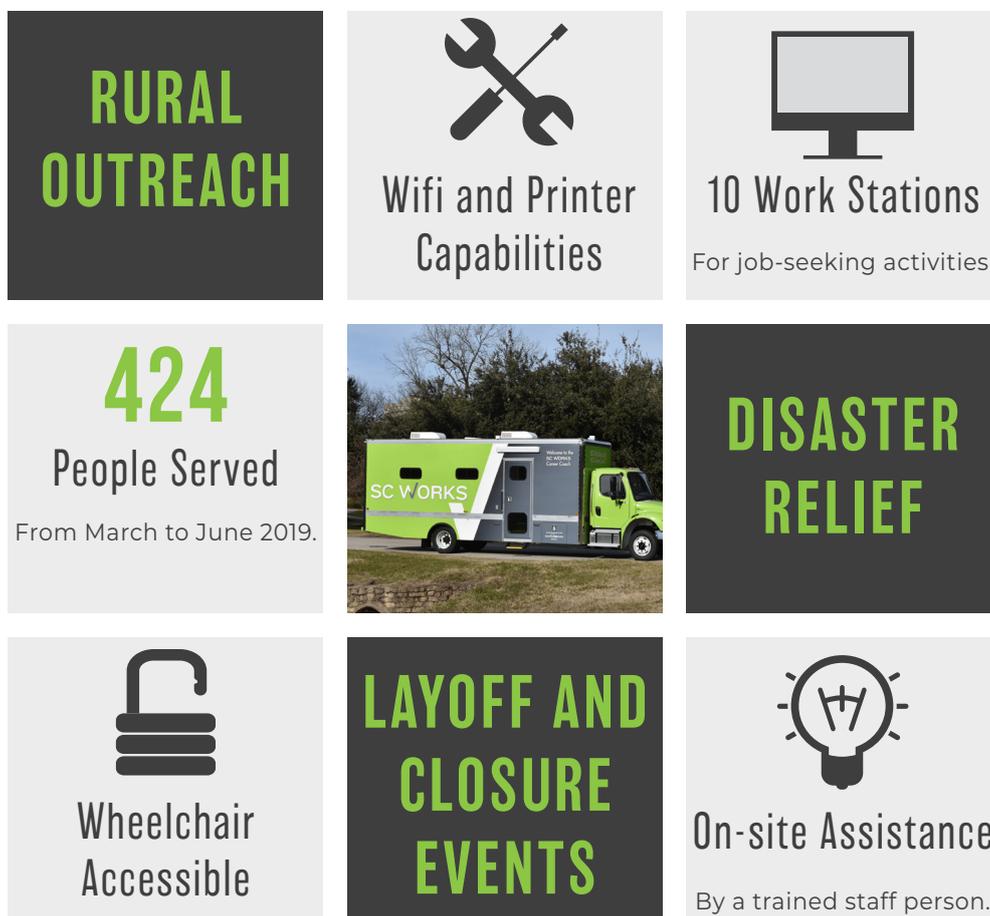
- Understanding Unemployment Insurance Benefits,
- Personalized job search assistance and job referrals,
- Resume writing/updating,
- Computer literacy workshops,
- Individual school and training opportunities, and
- Work readiness assessment.

During the program year, 413 Rapid Response services were provided to a total of 208 companies. Overall, the team provided:

- 196 Management Meetings
- 192 Group Informational Sessions
- 25 On-Site Services

3. PROMISING PRACTICE: CAREER COACH

The SC Career Coach has been on the road since March 2019 and is a mobile extension of our SC Works centers. The primary purpose of the mobile unit is to respond to layoff and closure events and to provide on-the-ground services following a disaster. The mobile unit is also being used to serve rural communities with limited access to Internet. The SC Career Coach is staffed with a full-time Workforce Consultant and is equipped with 10 work stations for job-seeking activities and WiFi and printer capabilities. Approximately 424 people have been served from March to June 2019.



5. DISLOCATED WORKER GRANTS



On September 15, 2018, Hurricane Florence reached parts of South Carolina causing widespread power outages, downed trees and catastrophic flooding along the coast and rivers that resulted in significant damage to private residences, businesses and roads.

Following Hurricane Florence, the state requested a National Dislocated Worker Grant (NDWG) in the amount of \$500,000 to provide temporary jobs for clean-up and recovery in the Pee Dee Local Workforce Development Area. The Pee Dee Area made contact with local officials and community-based organizations to identify worksites and develop position descriptions. The positions involved coordinating volunteers and/or donations; assessing damage, clean-up, and recovery needs; coordinating clean-up and recovery efforts being led by state, local, and community-based organizations (e.g. long-term recovery groups); and providing

additional support to local governments that had an increased workload as a result of the disaster.

Participants are co-enrolled in the local WIOA Adult or Dislocated Worker Programs, which provide case management, career services, supportive services, and follow-up. As of June, 30, 2019, 7 out of 24 participants had completed the DWG program.

Historically, state Rapid Response staff and local program staff have participated in disaster recovery meetings and town halls to provide information to employers and affected workers on the resources and services available to them through SC Works. In response to Hurricane Florence, South Carolina partnered with Tennessee to utilize two of their career coaches to make SC Works services available in disaster affected areas.

Success Story: Homeless Individual Receives Services Following Hurricane Florence

Sandy* was forced from her home due to the impacts of Hurricane Florence and learned about SC Works services at the FEMA disaster site. A Workforce Consultant assisted Sandy in evaluating her work history, strengths and needs. While Sandy had a temporary roof over her head, she required food, clothing and additional resources. The Workforce Consultant was able to connect her to resources through the local Chamber of Commerce. A resume was created for Sandy and she was advised to target her network for job leads, as she was noted as having a strong network of supporters. She followed through with this advice and was able to secure a private home health aide job that was in her acceptable income range within a week of meeting with the Workforce Consultant.

*Names have been changed to protect the individual's identity.

ROI Analysis

- Include a brief description of: (a) current or planned evaluation and related research projects, including methodologies used; (b) efforts to coordinate the development of such projects with WIOA core program, other state agencies, and local board; (c) a list of completed evaluation and related reports and links to where they were made accessible to the public electronically; (d) state efforts to provide data, survey responses, and timely site visits for Federal evaluation, and (e) any continuous improvement strategies utilizing results from studies and evidence-based practices evaluated.

The unemployment rate in South Carolina is below 4 percent and employment levels are at an all-time high. Employment growth rates have consistently exceeded the national average, with South Carolina's employment growth having averaged 1.9 percent annually since 2009, compared to 1.2 percent for the United States as a whole. Yet despite these positive trends, there is still a significant segment of the population that requires assistance finding and/or returning to work, especially those who require additional education or training in order to meet industry skill requirements.

The State Workforce Development Board, which includes representatives from the state's high-growth industries, the state technical college system, as well as the WIOA core partners, is acutely aware that the shortage in skilled workers is potentially hindering business growth. While the board maintains oversight of SC Works performance with federal measures, it commissioned a Return-On-Investment (ROI) evaluation to assess the effectiveness of the WIOA program in increasing the employment outcomes, wage obtainment and reducing social benefit costs of program participants. The University Of South Carolina Darla Moore School Of Business was procured to conduct the analysis with the understanding that the evaluation would highlight strengths as well as areas for future improvement.

South Carolina's WIOA program was evaluated over a five-year time period from PY '12 through 2016. This five-year period was chosen because it best satisfies the following conditions: (1) minimizes the influence of any recession-driven labor market trends; (2) maximizes the number of observations for analysis; (3) estimates ROI using a period of time comparable to similar studies on workforce programs administered in other states.

ROI calculations were conducted using two methodologies: a (1) before-and-after program participation approach as well as a (2) propensity score matching approach. A before-and-after approach directly compares the wages of program excitors immediately before-and soon -after program participation. Any increase in wages observed between these two time frames is considered a benefit to the individual from participating in the given program. The propensity score-matching technique attempts to separate individuals into a "treatment" group that goes through an intensive workforce program and a "control" group that has similar characteristics to the program participants but does not receive intensive assistance and/or training. This further refines how much of any wage increase observed before and after the program is directly attributable to program participation. The analysis was conducted statewide as well as for the four workforce regions.

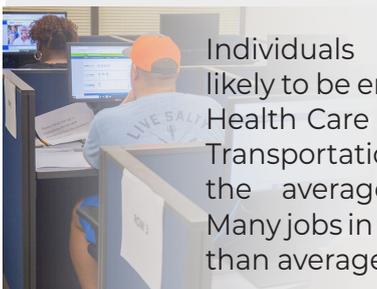
The Key Highlights from the ROI Analysis Are:



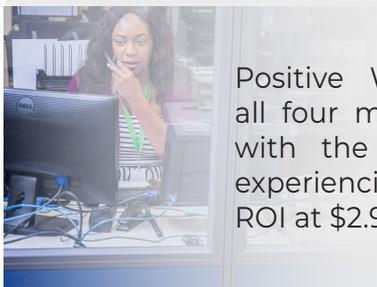
For every \$1 invested in the WIOA program, a total of \$2.80 in social benefits (lower social assistance costs and increased state and federal taxes) is realized over five years.



Participation in WIOA raised average participant earnings \$4,643 per year post-exit.



Individuals exiting WIOA are more likely to be employed in Manufacturing, Health Care and Social Assistance, and Transportation and Warehousing than the average workforce participant. Many jobs in these industries pay higher than average wages.



Positive WIOA ROIs exist across all four major regions of the state with the Greater Upstate region experiencing the highest five-year ROI at \$2.95.

This ROI analysis reinforced that the WIOA program is instrumental in aligning jobseekers to employment opportunities that lead to sustainable wage increases and reduced demand for social benefits. Discovering the impact for older workers, the SWDB will explore whether older workers should be added to the state's identified priority populations. Most notably, the ROI has instilled the need for the SWDB to create a Data Taskforce, forming a group of cross-partner data experts who will evaluate South Carolina's educational and workforce programmatic outcomes through comprehensive analyses, driving future workforce policies and practices.

The ROI analysis was presented to the SWDB at its September 26, 2019 meeting.



Customer Satisfaction

- Describe the state's approach to customer satisfaction, which may include such information used for one-stop center certification, in accordance with 20 CFR 678.800. This description should include: 1) the state's methodologies; 2) the number of individuals/employers who were provided customer satisfaction outreach, the response rate, and efforts made to improve the response rate; 3) the results and whether the results are generalizable to the entire population of customers; and 4) a description of any continuous improvement processes for incorporating the customer satisfaction feedback.

South Carolina's labor exchange and case management system includes a Survey Module which will allow staff to create custom questionnaires for jobseekers, employers or other staff. The questionnaires will result in useful information including service quality, recommended improvements to service delivery, improvements to accessibility, and can allow for targeted surveys for specific industries and occupations within zip codes, counties, geographic regions or statewide.

Surveys for individuals, employers and staff will be created by the end of the calendar year that focus on workplace, customer satisfaction, and system performance.

Technical Assistance

- Any technical assistance needs of the state workforce system.

South Carolina has met the expectations of WIOA and created Planning Regions (four in the state). However, with the exception of successfully standing up sector strategies, we are not truly integrated regionally. We are interested in how other states have overcome the local area barriers and are successfully carrying out the expectations outlined in WIOA Section 106 (c)(1)(B-H).

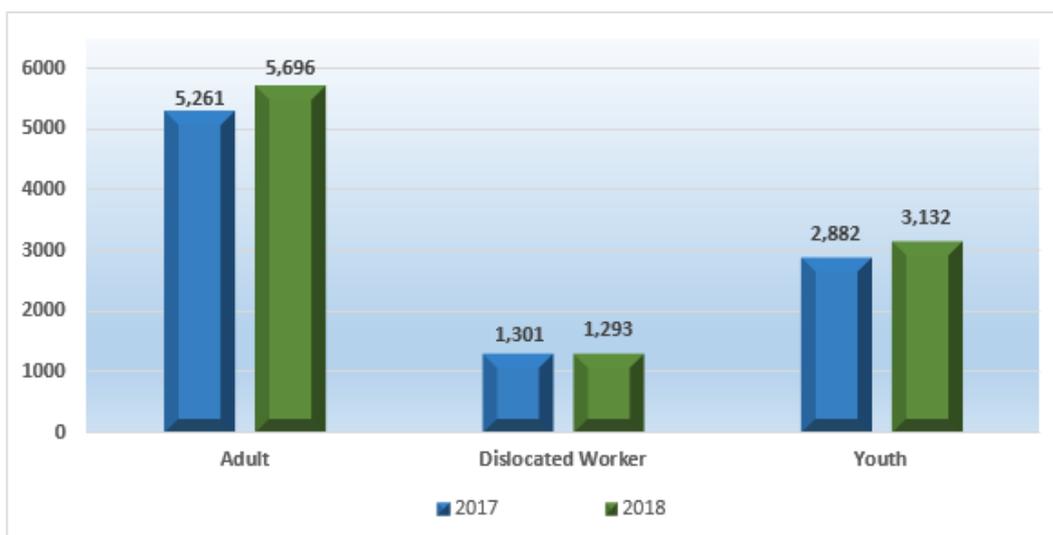
Performance Measures

- The state's performance accountability system, including: -Any specific state performance measures or goals and progress towards meeting them. -Any performance deficiencies on the primary indicators of performance, which may include descriptions of any factors impacting performance. - The state's common exit policy, including which ETA-funded partner programs are included in the state's common exit policy. - Negotiated performance levels for local areas for titles I and III core programs for program years 2017-2018.

1. PARTICIPANTS SERVED THROUGH WIOA TITLE I PROGRAMS

- During PY '18, South Carolina served almost 5,700 adults, nearly 1,300 dislocated workers, and over 3,100 youth participants through WIOA-funded programs in our 12 local workforce development areas (LWDAs).
- Program Year 2018 results reflect a 8.3% increase in the number of adults served, a 0.6% decrease in dislocated workers, and a 8.7% increase in youth.

**Number of Adult, Dislocated Worker, and Youth Participants Served
South Carolina, Program Year 2017-2018**

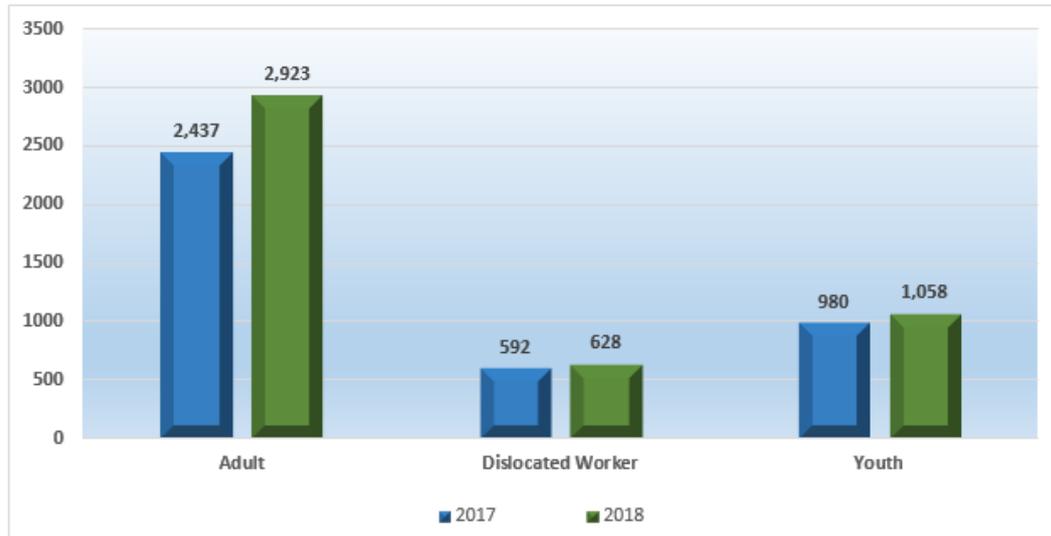


2. PARTICIPANTS RECEIVING TRAINING SERVICES

- During PY '18, more than 2,900 adults, over 600 dislocated workers, and roughly 1,000 youth received WIOA-funded training services statewide.
- From PY '17 to PY '18, the percentage of participants receiving training services increased by 19.9% for adults, 6.1% for dislocated workers, and 8.0% for youth.

2. PARTICIPANTS RECEIVING TRAINING SERVICES, CONTINUED

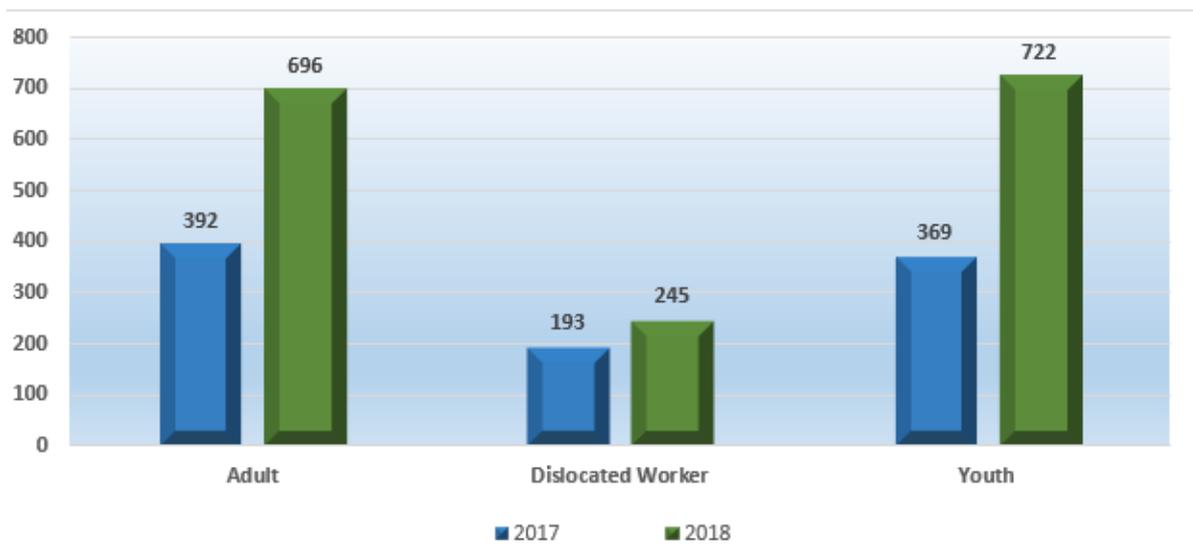
Number of Adult, Dislocated Worker, and Youth Participants Received Training Services
South Carolina, Program Year 2017-2018



3. PARTICIPANT CREDENTIAL ATTAINMENT RATE

- During PY '18, almost 700 adults, 245 dislocated workers, and over 720 youth earned credentials.
- From PY '17 to PY '18, the percentage of participants receiving credentials increased by 77.6% for adults, 26.9% for dislocated workers, and 95.7% for youth.

Number of Adult, Dislocated Worker, and Youth Participants Receiving a Credential
South Carolina, Program Year 2017-2018



4. WIOA PRIMARY INDICATORS OF PERFORMANCE

PY'18 Title I performance is summarized below by Local Workforce Development Area. Overall, the state met all Adult, Dislocated Worker, and Youth performance measures. Only one local workforce development area did not meet the Employment Rate in the Second Quarter after Exit indicator.

WorkLink					Pee Dee				
Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score	Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score
Employment Rate Q2	104.6%	124.8%	107.0%	112.2%	Employment Rate Q2	105.2%	98.4%	93.5%	99.0%
Employment Rate Q4	112.6%	112.2%	115.4%	113.4%	Employment Rate Q4	113.3%	109.9%	106.2%	109.8%
Median Earnings	110.6%	118.8%	N/A	114.7%	Median Earnings	105.0%	112.2%	N/A	108.6%
Credential Rate	132.6%	166.7%	115.4%	138.2%	Credential Rate	100.6%	124.5%	106.9%	110.7%
Measurable Skill Gains	N/A	N/A	N/A	N/A	Measurable Skill Gains	N/A	N/A	N/A	N/A
Overall Program Score	115.1%	130.6%	112.6%		Overall Program Score	106.0%	111.2%	102.2%	
Upper Savannah					Lower Savannah				
Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score	Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score
Employment Rate Q2	106.1%	103.6%	112.7%	107.5%	Employment Rate Q2	111.6%	97.1%	106.1%	105.0%
Employment Rate Q4	112.5%	114.6%	114.9%	114.0%	Employment Rate Q4	113.3%	108.4%	114.5%	112.1%
Median Earnings	110.4%	125.0%	N/A	117.7%	Median Earnings	125.1%	126.1%	N/A	125.6%
Credential Rate	145.7%	144.0%	110.1%	133.3%	Credential Rate	107.1%	102.9%	112.8%	107.6%
Measurable Skill Gains	N/A	N/A	N/A	N/A	Measurable Skill Gains	N/A	N/A	N/A	N/A
Overall Program Score	118.7%	121.8%	112.6%		Overall Program Score	114.3%	108.6%	111.1%	
Upstate					Catawba				
Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score	Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score
Employment Rate Q2	106.0%	116.5%	113.7%	112.1%	Employment Rate Q2	108.9%	107.5%	109.5%	108.6%
Employment Rate Q4	104.1%	111.8%	118.8%	111.6%	Employment Rate Q4	114.4%	124.2%	115.7%	118.1%
Median Earnings	107.3%	100.7%	N/A	104.0%	Median Earnings	119.5%	118.6%	N/A	119.0%
Credential Rate	130.4%	126.5%	112.6%	123.2%	Credential Rate	140.7%	159.1%	103.7%	134.5%
Measurable Skill Gains	N/A	N/A	N/A	N/A	Measurable Skill Gains	N/A	N/A	N/A	N/A
Overall Program Score	112.0%	113.9%	115.1%		Overall Program Score	120.9%	127.3%	109.6%	
Greenville					Santee-Lynches				
Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score	Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score
Employment Rate Q2	102.6%	99.3%	87.1%	96.3%	Employment Rate Q2	111.5%	89.9%	92.3%	97.9%
Employment Rate Q4	116.3%	100.9%	107.1%	108.1%	Employment Rate Q4	117.3%	111.6%	99.9%	109.6%
Median Earnings	109.8%	162.4%	N/A	136.1%	Median Earnings	104.6%	118.5%	N/A	111.6%
Credential Rate	84.4%	122.0%	103.5%	103.3%	Credential Rate	133.7%	115.8%	100.6%	116.7%
Measurable Skill Gains	N/A	N/A	N/A	N/A	Measurable Skill Gains	N/A	N/A	N/A	N/A
Overall Program Score	103.3%	121.1%	99.2%		Overall Program Score	116.8%	109.0%	97.6%	
Midlands					Waccamaw				
Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score	Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score
Employment Rate Q2	95.2%	101.1%	98.4%	98.2%	Employment Rate Q2	108.1%	112.0%	107.2%	109.1%
Employment Rate Q4	100.1%	107.5%	120.1%	109.3%	Employment Rate Q4	119.0%	104.6%	111.6%	111.7%
Median Earnings	108.9%	105.0%	N/A	107.0%	Median Earnings	127.2%	137.2%	N/A	132.2%
Credential Rate	109.4%	121.0%	96.0%	108.8%	Credential Rate	122.2%	135.2%	84.3%	113.9%
Measurable Skill Gains	N/A	N/A	N/A	N/A	Measurable Skill Gains	N/A	N/A	N/A	N/A
Overall Program Score	103.4%	108.6%	104.9%		Overall Program Score	119.1%	122.2%	101.0%	
Trident					Lowcountry				
Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score	Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score
Employment Rate Q2	104.2%	105.5%	107.6%	105.7%	Employment Rate Q2	90.5%	77.3%	88.8%	85.5%
Employment Rate Q4	106.8%	113.3%	118.1%	112.8%	Employment Rate Q4	104.0%	93.6%	85.5%	94.3%
Median Earnings	108.3%	100.2%	N/A	104.2%	Median Earnings	107.0%	128.4%	N/A	117.7%
Credential Rate	134.5%	163.0%	81.9%	126.5%	Credential Rate	142.0%	157.8%	105.3%	135.0%
Measurable Skill Gains	N/A	N/A	N/A	N/A	Measurable Skill Gains	N/A	N/A	N/A	N/A
Overall Program Score	113.5%	120.5%	102.5%		Overall Program Score	110.9%	114.3%	93.2%	

The Department of Employment and Workforce negotiated Wagner-Peyser (WP) performance goals with the US Department of Labor. Since the agency is responsible for operating the WP program, all local areas were expected to achieve the state goals for PY '17 and '18 and were successful.

	Program Year 2017			Program Year 2018		
	Employment Q2	Employment Q4	Median Earnings	Employment Q2	Employment Q4	Median Earnings
Negotiated Goal	64.0%	66.0%	\$4,405	67.5%	67.0%	\$4,300
Percent of Goal-State	111.9%	108.0%	102.0%	104.4%	103.0%	120.3%
Percent of Goal-WorkLink	114.4%	109.5%	116.3%	111.4%	107.6%	134.2%
Percent of Goal-Upper Savannah	119.1%	114.7%	104.7%	112.0%	112.1%	121.7%
Percent of Goal-Upstate	118.3%	112.9%	111.2%	108.7%	108.2%	135.6%
Percent of Goal-Greenville	118.9%	115.0%	128.7%	107.4%	109.1%	156.2%
Percent of Goal-Midlands	107.2%	104.4%	92.3%	101.8%	98.5%	99.1%
Percent of Goal-Trident	109.7%	102.4%	106.6%	93.2%	95.1%	157.5%
Percent of Goal-Pee Dee	111.1%	106.4%	95.2%	102.7%	101.8%	105.0%
Percent of Goal-Lower Savannah	109.4%	107.6%	104.8%	103.7%	101.8%	129.2%
Percent of Goal-Catawba	114.5%	112.4%	102.6%	106.5%	102.5%	124.1%
Percent of Goal-Santee-Lynches	108.6%	106.2%	96.3%	104.3%	104.0%	101.3%
Percent of Goal-Waccamaw	112.0%	105.6%	92.8%	106.4%	104.9%	109.9%
Percent of Goal-Lowcountry	105.8%	103.5%	92.8%	95.6%	93.7%	97.3%

5. TITLE I AND TITLE III NEGOTIATED LEVELS OF PERFORMANCE FOR PY '18 AND '19

Performance Measures	Final Goals PY '18	Final Goals PY '19
WIOA Title I Adults		
Employment (Second Quarter after Exit)	76.8%	76.8%
Employment (Fourth Quarter after Exit)	73.0%	73.0%
Median Earnings	\$4,908	\$4,908
Credential Attainment Rate	51.9%	51.9%
Measurable Skill Gains	Baseline	Baseline
Effectiveness in Serving Employers	Baseline	Baseline
WIOA Title I Dislocated Workers		
Employment (Second Quarter after Exit)	80.1%	80.1%
Employment (Fourth Quarter after Exit)	76.0%	76.0%
Median Earnings	\$6,405	\$6,405
Credential Attainment Rate	48.6%	48.6%
Measurable Skill Gains	Baseline	Baseline
Effectiveness in Serving Employers	Baseline	Baseline
WIOA Title I Youth		
Employment (Second Quarter after Exit)	76.6%	76.6%
Employment (Fourth Quarter after Exit)	69.0%	69.0%
Median Earnings	Baseline	Baseline
Credential Attainment Rate	68.1%	68.1%
Measurable Skill Gains	Baseline	Baseline
Effectiveness in Serving Employers	Baseline	Baseline
WIOA Title III Labor Exchange (LEX)		
Employment (Second Quarter after Exit)	67.5%	67.5%
Employment (Fourth Quarter after Exit)	67.0%	67.0%
Median Earnings	\$4,300	\$4,300
Effectiveness in Serving Employers	Baseline	Baseline

6. SOUTH CAROLINA SPECIFIC PERFORMANCE INDICATORS

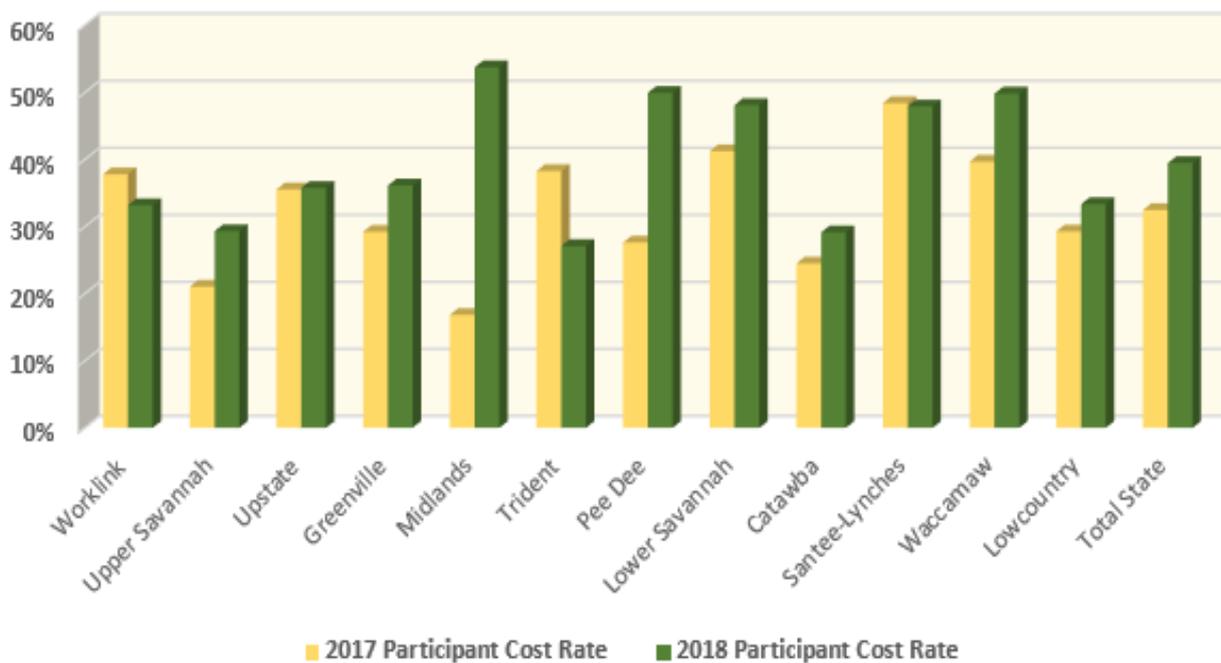
South Carolina has three financial performance measures that have been implemented in order to ensure and promote fiscal responsibility across the state.

Participant Cost Rate

An analysis of WIA/WIOA local workforce development area expenditures was conducted for PY 2012-2016. On average, a majority of the 12 local workforce areas expended less than 30 percent of their allocated Adult, Dislocated Worker and Rapid Response for Additional Assistance funds on participant costs such as training, basic skills upgrading and GED participation, supportive services necessary to enable an individual to participate in WIOA activities, assessments, testing, and work-based learning wages and/or stipends. State Instruction 17-04, Participant Cost Rate Policy, was issued by the State Workforce Development Board requiring LWDAs to meet a minimum participant cost rate of 30 percent.

This fiscal performance requirement stimulated a 21.88% increase in participant costs across the State from PY 2017 to 2018.

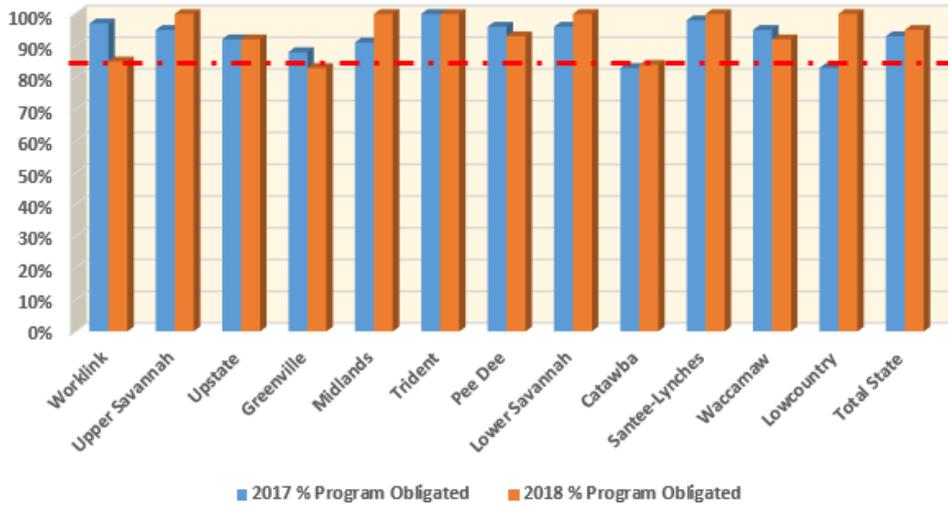
Adult/DW/RRA Participant Cost Rates for PY 2017-2018



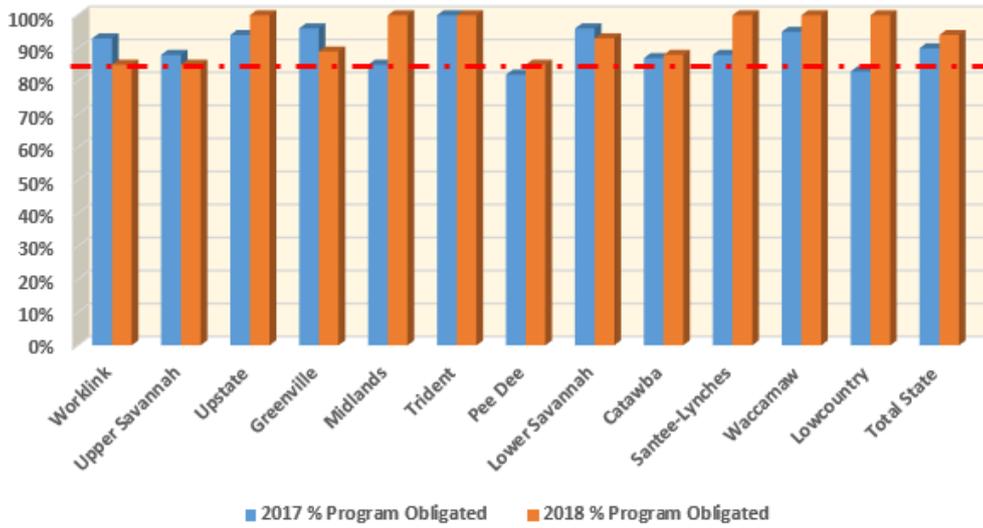
Obligation Rate

State Instruction 11-15, WIA Obligation and Expenditure Requirements, requires that each Local Workforce Development Board obligate at least 80% of the program portion of its current PY/FY allocation for each of the Title I funding streams: Adult, Dislocated Worker and Youth, by June 30 of each program year. The charts below represent local workforce development area obligation rates for PY '17 and '18. There were no LWDAs below the required rate for PY '18.

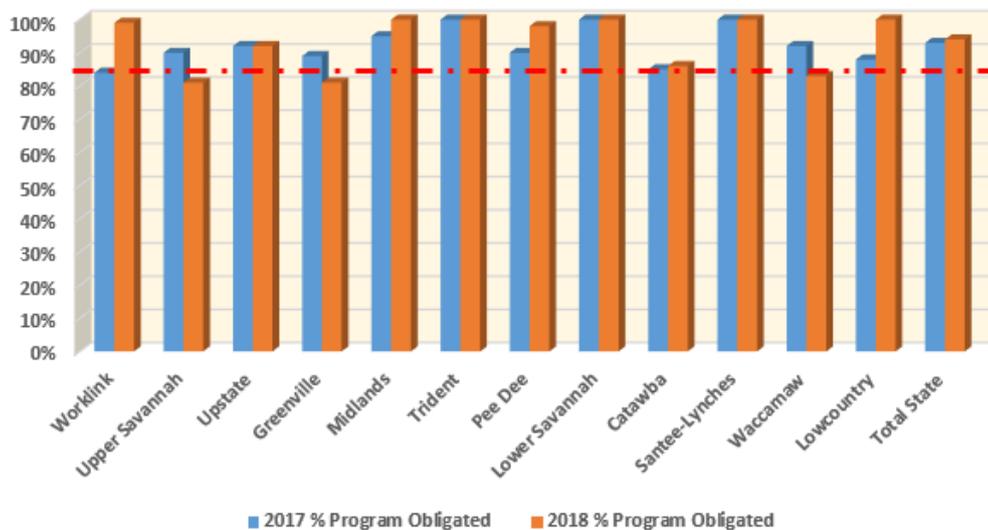
Adult Program Fund Obligation PY 2017-PY 2018



Dislocated Worker Program Fund Obligation PY17-PY18



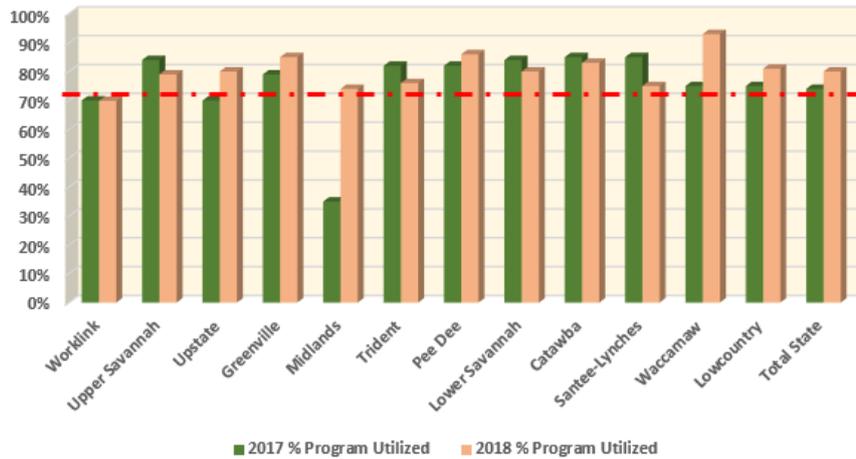
Youth Program Fund Obligation PY 2017-PY 2018



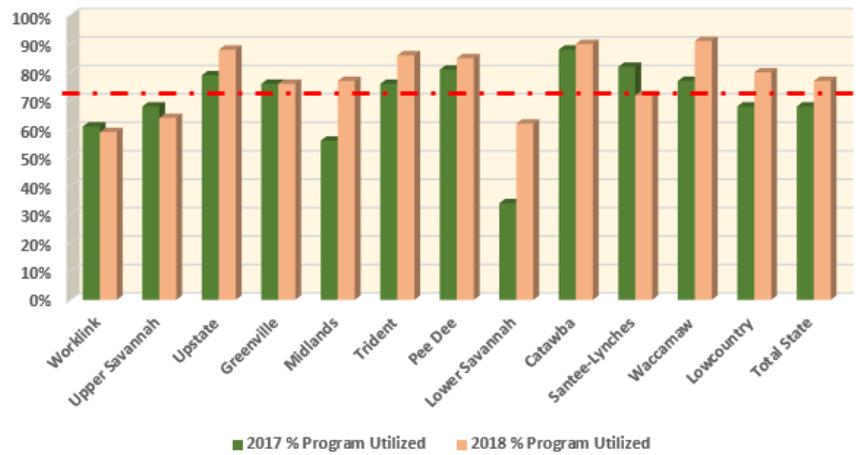
WIOA Fund Utilization Rate

The State Workforce Development Board issued State Instruction 17-05, WIOA Fund Utilization Rate, in response to WIOA Public Law 113-128, Section 116(b)(2)(B), requiring a minimum fund utilization rate of 70% for WIOA Title I (Youth, Adult, Dislocated Worker). This is calculated by dividing total expenditures by total available funds, which includes unexpended carry-in fund plus the current annual allocation. The chart below represents local workforce development area fund utilization rates for PY '17 and '18.

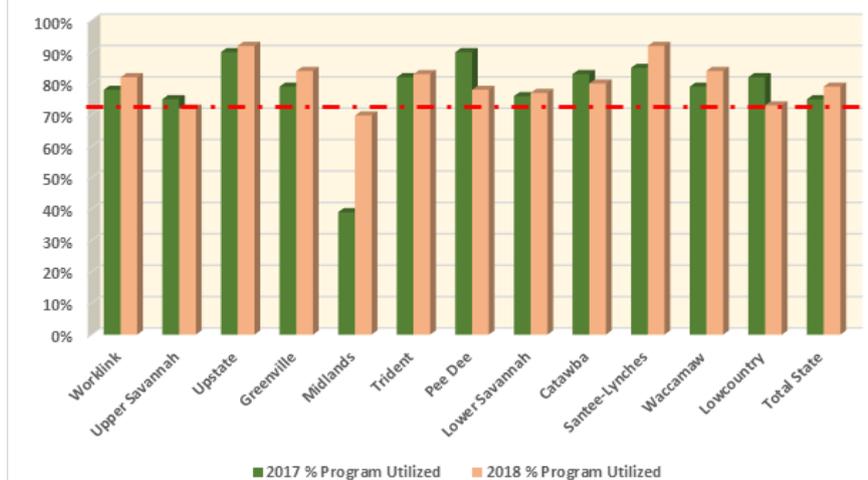
Adult Fund Utilization Rate PY 2017-PY 2018



Dislocated Worker Fund Utilization Rate PY 2017-PY 2018



Youth Fund Utilization Rate PY17-PY18



Effectiveness In Serving Employers

- Identify the two approaches the state has chosen for the Effectiveness in Serving Employers performance indicator pilot. If the state is piloting a state-established measure of Effectiveness in Serving Employers, or has any other metrics to assess employer engagement, describe the measure or metric as well.

South Carolina is piloting the Employer Penetration Rate and Repeat Business Customer Rate to measure Effectiveness in Serving Employers (ESE). Approximately 19,400 business establishments, as defined by the Bureau of Labor Statistics Quarterly Census of Earnings and Wages program, received a service in PY '18, up from 15,388 in PY '17. A comparison between PY 2017 and 2018 ESE measures is below:

Pilot Approach	PY 2017		PY 2018	
	Numerator/ Denominator	Rate	Numerator/ Denominator	Rate
Employer Penetration Rate	15,388/133,644	11.5%	19,441/138,167	14.1%
Repeat Business Customer Rate	7,450/15,844	47.0%	10,908/28,882	37.8%

Data Validation

- The state's approach to data validation and ensuring data integrity, including a description of the methodology of any validation activities that occurred.

South Carolina utilizes Geographic Solutions's Virtual One-Stop system for case management and labor exchange services. DEW works closely with the vendor to ensure that performance requirements are met via the Participant Individual Record Layout elements. Staff also monitor and implement data changes and edit checks issued by the Workforce Integrated Performance System team.

South Carolina's approach to ensuring data integrity of participant information is centered on monitoring of data in South Carolina Works Online System (SCWOS) and conducting reviews of physical participant files including source documentation compiled and maintained at the local area level. During the monitoring process, the following information is reviewed to validate a sampled portion of the data being reported to the state:

1. Eligibility determination, including a review of the adequacy of applicable supporting documentation.
2. SC Works centers processes for data entry and retention of supporting documentation.
3. Documentation to substantiate activities and case notes being entered in SCWOS.
4. Verification and authorization of training activities to validate allowable supporting services.
5. Authorization of business service agreements such as On-the-Job Training and work experience to support participant related activities.
6. Comprehensive review of SCWOS detailed reports and ad hocs designed to identify outlier data sets that should be further reviewed.

Waivers

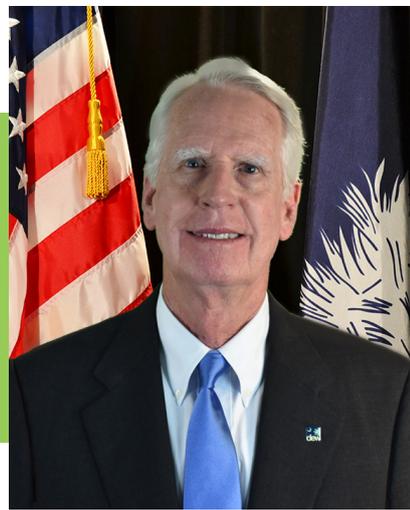
- Identify each waiver that the state has had in place for at least one program year and provide information regarding the state's progress toward achieving the goals and performance outcomes in ETA's letter of approval for the waiver. Discuss how activities carried out under each approved waiver have directly or indirectly affected state and local area performance outcomes. To the extent possible, provide quantitative information.

South Carolina has been approved for a waiver from the requirement to get performance information on all students in programs on the Eligible Training Provider List (ETPL). The waiver has been helpful in allowing us to keep an adequate list to include providers unwilling to send personal student information. There has been action statewide to collaborate with other agencies and organizations to create a statewide database to house the information needed for WIOA and much more. The Coordinating Council on Workforce Development has written potential legislation that would make this possible. South Carolina is interested in practices of other states that receive the data required for performance reporting from training providers for all students, specifically from states that do not have legislation in place to force data sharing. Our Regional Office has attempted to provide assistance with this issue.

In PY '18 further guidance was provided by the Department of Labor (DOL) on the language in the waiver. South Carolina was advised that while a waiver is in place until June 30, 2020, South Carolina must take in to account all student data with regards to continued eligibility. In an effort to demonstrate to DOL the burdens imposed on training providers, and to mitigate a complete deficit to South Carolina's ETPL, a Memorandum of Agreement (MOA) with providers pertaining to reporting requirements was revised. The revised MOA added language that allowed providers to remain on the ETPL if a demonstrated reporting burden was communicated with the state.

While performance information on all students was strongly encouraged but not required by South Carolina for PY '18, the review of WIOA participant performance data continued. Reports have been utilized and communicated on a consistent basis with Local Workforce Development Areas (LWDAs) regarding: total number of participants served, total number of participants who received training, median earnings, credential rate, measurable skill gains, employment rate Q2 and Q4 measures.

Our Next Step



The year to come will be filled with many exciting programs that, while supporting the requirements needed for federal compliance, will touch jobseekers and employers in new and hopefully more effective ways. These programs will address the specific needs of employers, rural areas and small employers in particular.

Employers: As mentioned earlier, our state enjoys record low unemployment. While that is great news for our employees, it places a strain on employers who have difficulty finding qualified jobseekers to reach their businesses full capacity. In an effort to address this issue, the S.C. Department of Employment and Workforce is working to tap into the job pools made up of the underemployed, those working non-traditional shifts and jobseekers currently not in the workforce.

Rural Initiative: Almost immediately upon my arrival, our department implemented a Rural Initiative. This initiative was aimed at providing services and training for rural residents that will allow them to fill openings with employers in their communities. To bring our services to these individuals, we began implementing the following efforts:

- An overhaul of the 135 Connections Points in the state.
- Expansion of the current Community Outreach Locations that are within community centers, mayor's offices and other locations.
- Having our SC Career Coach, a mobile unit with computers, WiFi, and staff assistance similar to that found in our brick and mortar work centers, on the road every work day that it is available.
- Pilot programs aimed at conducting training for specific employers that have openings and are hiring.

Small Employers: While larger employers extensively utilize the services of our department many small employers do not because they are not aware of the services. To overcome this problem, and better serve small South Carolina employers, the following efforts are being conducted throughout the state:

- Industry-specific job fairs in rural areas aimed at small employers.
- System Fairs to teach small employers how they can utilize the workforce system to gain qualified employees.
- Personal visits to small employers to educate the owners and managers of the free services.

We are taking on the exciting challenge of low unemployment and doing great things in South Carolina. All of this and more will be included in next year's report, which will cover my first full year as executive director, and we look forward to sharing that with you.

G. Daniel Ellzey
Executive Director, S.C. Department of Employment and Workforce