



## WIOA Program Year 2018 Annual Narrative

### Year in Review

In Program Year 2018, the State of South Dakota continued to experience a low unemployment rate paired with a high labor force participation rate. These two factors created challenges for businesses in our state seeking a skilled workforce, but also opened the door to increased partnerships that resulted expanded Registered Apprenticeship Programs (RAPs). DLR used funding from U.S. DOL to provide technical assistance to develop 14 new South Dakota RAPs and three national programs. As a result, 17 new training opportunities not previously formalized are available to South Dakotans.

South Dakota businesses continue to get creative to assist with their workforce needs. DLR has assisted businesses in these efforts by continuing activities of the Career Launch SD youth program, providing soft skills training to area schools, partnering with the Department of Education to offer National Career Readiness Assessments for students, and creating the South Dakota Week of Work initiative for work-based learning opportunities for students.

DLR has focused on to aligning various workforce programs and will continue to improve upon this in future years. Continued encouragement to enroll individuals to the greatest extent possible resulted in an increase in participation and co-enrollments. These efforts expand access to services to assist individuals to gain meaningful employment and advance along their career pathway.

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## Economic and Workforce Information Analysis

### **Population and Population Projections**

South Dakota's total population began an upward trend in 1990 which continued through 2018. According to the U.S. Census Bureau, our population increased by 83,000 (10.4%) between 2008 and 2018, exceeding the U.S. population increase of 7.6% over the same time period. Some of the largest growth has taken place in our two Metropolitan Statistical Areas (MSAs), Rapid City and Sioux Falls. Nearly half of South Dakota's population 414,400 (47%) resides in either the Sioux Falls or Rapid City MSAs. Between 2017 and 2018, growth remained consistent in comparison to previous years with the MSAs growing at a slightly faster pace than the rest of the state.

Population projections for the 2010-2035 time period released by the South Dakota State Data Center show South Dakota's total population will reach 889,400 by the year 2020. This reflects an increase in the core potential workforce (age 16-64) of approximately 14,000 (2.7%).

Although most of the counties in South Dakota are expected to show population declines, the Rapid City (Custer, Meade and Pennington counties) and Sioux Falls (Lincoln, McCook, Minnehaha and Turner counties) MSAs will be the fastest growing areas in the state.

### **Labor Force Participation**

Current Population Survey (CPS) figures from the U.S. Bureau of Labor Statistics (BLS) show South Dakota's labor force participation rate was 68.7% in 2018. In other words, nearly 70% of all (non-institutionalized) residents age 16 years and older were in the labor force, either working or looking for work. This compares to a 2018 national average of 62.9%. Historically, South Dakota consistently has higher rates of labor force participation compared to the nation.

Youth in South Dakota were also active labor force participants. In 2018, 46.0% of the state's youth (age 16-19 years) were in the labor force, compared to the national rate of 35.1%. At the other end of the age spectrum, South Dakota's labor force participation rate of 65 and over is 24.6% compared to the national average of 19.6%.

### **Labor Force and Unemployed**

South Dakota's labor force continues to grow, indicating a healthy labor market. The number of unemployed began to increase in March 2016 and continued this movement through most of 2017 before it began to level off and remain stable throughout 2018. The 2018 annual unemployment rate was 3.0% in South Dakota, compared to the national rate of 3.9%.

Unemployment rates by educational attainment level indicate the highest unemployment rates in South Dakota correlate with residents who have an educational attainment level of 'high school graduates, no college' (3.5%) and 'less than a high school diploma' (3.3%). In contrast, the lowest unemployment rates are for those residents which have an educational attainment level of 'Bachelor's degree and higher' (0.9%). Higher levels of educational attainment also correlate with higher earnings levels.

### **Not in the Labor Force**

Doing special tabulations of unpublished Current Population Survey (CPS) data from BLS, we can get statistics on the reasons why 207,800 South Dakota civilians were not in the labor force in 2018. The largest group was those who did not want a job, at 195,600. Of the 12,200 individuals who indicated they wanted a job, 7,000 indicated they had not searched for work within the last year.

### **Workforce Demand**

The most complete and detailed indicator of workforce demand is occupational demand projections. This data provides an estimate of the number of workers who will be needed to fill job openings created by employment growth within industries where the occupation is found, as well as those needed to fill openings created by workers who will leave the labor force (for reasons including retirement) and by those who will transfer to other occupations. Including all three of these demand indicators, South Dakota is projected to need an average of 58,885 workers a year across all occupations to 2026.

### **Hot Careers**

DLR encourages the use of occupational demand data and wage estimates to help education and training program planners make better-informed decisions about the feasibility of programs offered. This helps ensure an adequate return on investment – not only with the greater likelihood of a trainee or graduate finding employment in an occupation related to the program, but also of being able to increase his or her earning potential.

To this end, the Labor Market Information Center (LMIC) identifies high demand-high wage occupations as “Hot Careers.” To be a hot career, an occupation must meet three criteria: be projected to show employment growth; be among the 30 with the highest projected demand for workers; and have an average wage above the median wage across all occupations using 2017 wage data. The list of Hot Careers and a number of resources on each one, including a link to current job openings, is available on the LMIC website ([https://dlr.sd.gov/lmic/menu\\_hot\\_careers.aspx](https://dlr.sd.gov/lmic/menu_hot_careers.aspx)). For more economic and workforce information on South Dakota, view the 2018 South Dakota Workforce Report at [https://dlr.sd.gov/lmic/publications/labor\\_market\\_reports/workforce\\_report\\_2018.pdf](https://dlr.sd.gov/lmic/publications/labor_market_reports/workforce_report_2018.pdf).

## **Workforce Development Council**

The conclusion of PY18 also completed the second year the South Dakota Workforce Development Council (WDC) was under new a new Executive Director and a strategy to engage the Council as much as possible. WDC continued to meet quarterly and use focused meeting agendas with items surrounding training opportunities in South Dakota. Over half of the meetings concluded with tours of job service offices and businesses around South Dakota, as well as the state’s only Job Corps location in Nemo. The Council heard testimony at each meeting from participants of a variety of WIOA programs. The WDC approved the Eligible Training Provider List (ETPL) in May.

As a new addition this year, DLR began introducing the State Unified Workforce Plan in March, garnering ideas from the Council on the focus and strategies before a draft began. The Council also approved the vision, goals, and priorities of the Plan at the May meeting.

## **WIOA Overview**

With a low unemployment rate and advanced technology, South Dakota One-Stop Career Centers, or Job Service offices, have seen a decrease in foot traffic. As a large, but rural state, staff have been equipped with laptops, hot spots, portable scanners, and printers to allow DLR to meet our customers at their location.

Throughout Program Year 2018, representatives from WIOA Title I, II, III, IV, met on a regular basis. Known as the Core Program Alignment Consortium (CPAC), the meetings of this group foster discussions regarding current changes and facilitate the alignment of efforts for the future. In 2018, CPAC took steps to prepare for the WIOA 2020 Unified State Workforce Plan. This included a priority discussion with the South Dakota Workforce Development Council (WDC) and a WIOA Core Program partner meeting.

Starting in January 2019, individuals receiving services through Reemployment Services (RES) are enrolled in Wagner-Peyser and Title I Adult, Dislocated Worker, and Youth programs as applicable. Increased coordination between these programs has assisted Re-Employment Services (RES) participants in receiving services beyond the initial and subsequent meetings, further supporting their return to the workforce.

In March of 2019, seventeen new RAPs became available in our state. These programs were developed with funding through the U.S. DOL State Apprenticeships Expansion grants and intensive technical assistance by DLR and Office of Apprenticeship State Director.

Further improvements included WIOA statewide funding to help offer the Bring Your 'A' Game Soft Skills Curriculum to students and employers across the state based on employer demand, and an enhanced electronic payment system for participants and providers to receive funding through direct deposit or debit card.

DLR continues to find ways to develop field staff knowledge of policy and procedures in order to serve the public. The process to communicate changes to the 16 DLR job service offices continues to improve. A policy memo process is distributed to provide updates and highlight changes, followed by webinars to review the changes and answer questions with all job service office staff statewide. Additionally, several trainings took place through the year including the case management training provided by Maher and Maher courtesy of U.S. DOL and offered to approximately 50 DLR job service office staff.

While there is much success to be proud of, DLR continues to experience challenges related to the maintenance and development of our management information system, data sharing with partner agencies, and the approval process and reporting related to the Eligible Training Provider List (ETPL).

Changes to our management information system, SDWORKS, require collaboration among our state information technology bureau, the vendor, and DLR technical services, reporting, program, and fiscal staff. It can be difficult to make progress as a small state with limited staff. Additionally, some proposed projects could improve South Dakota's compliance with WIOA, with greater efficiencies and more reliable data. As a minimally funded state, however, these improvements are not financially feasible.

Sharing data between WIOA programs presents a challenge in South Dakota because only Title I and Title II use the same application system to manage information, with Title IV and Title III each having unique applications. These applications have been developed and customized over a long period of time, making it difficult to use one system and disregard years of work. The variety of information management in South Dakota WIOA creates difficulty in sharing of data to improve the customer's experience, case management across programs, reporting, and meeting performance.

The ETPL approval process and reporting requirements have discouraged training providers in our state from submitting an application to be included on the ETPL. South Dakota is a small state with minimal budget and a small number of training providers. The ETPL process creates unnecessary administrative burden internally and duplicative work for training providers who have already met the requirements of the South Dakota Department of Education. DLR continues to adjust the process and seek a manageable method.

## Title I Youth

The DLR WIOA Title I Youth Program continues to improve service delivery and engage youth statewide. Job service staff have been equipped with laptops, hot spots, portable printers, and scanners to allow for more flexibility in the location of meeting customers. South Dakota has seen a 57% increase in Title I Youth participation from PY2017, reaching 213 additional youth participants. This includes a 40% increase in out-of-school participation. This increase is a result of:

- Partnerships with other South Dakota state agencies;
- Approval of a federal waiver;

- Increased funding to in-school-youth;
- Increased outreach and case management training; and
- Internal encouragement from the top down to get out into the community.

Through a federal waiver, DLR was allowed to allocate up to 50% of Title I Youth funds to in-school youth participants. As a result, DLR recruited over 70 new participants and increased in-school youth participation by more than 225%.

To increase case manager confidence in the WIOA Title I Youth program, an essential function of program growth and development, intensive two-day training was provided to job service office staff in the Fall of 2018. This training reviewed eligibility, service definitions, and data entry.

A low unemployment rate and high workforce participation rate has increased South Dakota employers’ interest in working with young adults in their communities. In the spring of 2019, Pierre Job Service partnered with the local school district and area employers to connect 126 students to a job shadow in an occupation of their interest. This provided a career exploration activity for these students and a recruitment tool for local businesses.

South Dakota Title I Youth program growth goes beyond enrolment numbers. Considerable improvement is evident in all recorded performance indicators. In PY18, DLR exceeded all negotiated levels for credential attainment and employment rate in second and fourth quarters. DLR median earnings and skills gain attainment have also experienced considerable growth in PY18.

**Success Story**

**Hero** completed his high school diploma in August 2018 through Boxelder Job Corps and came to DLR for assistance after graduation. Hero’s mother passed away when he was a child and he recently came to the United States with his grandmother from Myanmar (formerly Burma). He learned to speak English but was still struggling to find employment on his own. Hero lacked a stable residence. His goal was to find a career and secure housing so he could take care of his grandmother.

Hero became a participant of the WIOA Title I program and received career exploration services which determined welding could be a field of interest. He improved his application skills by preparing a master application and resume and completed a mock interview. The WIOA Title I program also helped him with some immediate financial needs.

Hero completed a Terex Utilities application. DLR staff reached out to the human resource contact at Terex Utilities and offered an On-the-Job Training (OJT). Hero started as a 3rd shift welder making \$17.20 per hour plus a 12% shift differential. Evening shifts worked best with Hero’s schedule.

DLR staff assisted both Terex Utilities and Hero through the OJT, which better prepared Hero for success. Hero completed the OJT period earning a Measurable Skills Gain. Hero has plans to purchase his first car so he will no longer need to rely on others for transportation.



## Title I Adult and Dislocated Worker

DLR will enroll anyone over the age of 18 and interested in receiving individualized services into the WIOA Title I Adult program. Funding for services is reserved for those individuals with a barrier to employment. The goal of the Title I Adult and Dislocated Worker programs is to ensure each person has a road map with the steps, resources, and training necessary to reach their goal. Despite limited funding, DLR provides intensive and supportive and training services to help these individuals overcome obstacles to employment. Those eligible for funding include:

- Displaced homemakers
- Low-income individuals
- Native American, Alaska Natives, and Native Hawaiians
- Individuals with disabilities
- Older individuals (55 or over)
- Ex-offenders
- Homeless Individuals
- Youth who have aged out of the foster care system
- Individuals who are English language learners; who have low levels of literacy and individuals facing substantial cultural barriers
- Migrant seasonal farmworkers
- Individuals within two years of exhausting lifetime eligibility under TANF
- Single parents (including single pregnant women)
- Long-term unemployed (27 Consecutive weeks or more)
- Basic Skills Deficient
- High School Dropout
- Underemployed
- Substance abuse
- Veterans, *note: Self-identified Veterans receive Veteran's Priority of Service (POS)*

Enrollment into the Title I Dislocated Worker program is similar to the Title I Adult program, but the individual must meet the definition of a dislocated worker. All dislocated workers are also co-enrolled into Wagner-Peyser and the WIOA Title I Adult program. The number of dislocated workers in the past year has increased due to improved coordination with the Re-employment Services program. Employers often contact DLR for information about recruiting impacted employees when a layoff occurs. DLR assists by organizing job fairs and hiring events so affected workers can step into another position immediately.

The emphasis to enroll to the greatest extent possible and not pre-determine outcomes has resulted in an 87% increase from PY17 to PY18 in our Adult Program participation, and a 174% increase in the Dislocated Worker Program participation.

### **Success Story**

**Danielle (Dani)** visited the Madison Local Office in November to discuss re-careering. She was employed but did not feel she was on a career path, and her compensation was not adequate to pay her bills. Through an initial assessment, it was determined she was a good candidate for the WIOA Title I Adult Program.

Dani inquired about a job opening at Hyland Machining, a metal fabrication company for over 20 years. The company was looking for machine operators, and the DLR Madison Job Service office has a good working relationship with Hyland. DLR was able to make the connection, and Hyland interviewed Dani for an On-the-Job Training (OJT). Dani was hired and started on November 20 at \$14 per hour. The OJT was a success and finished on December 28.

Dani was employed full-time at Hyland after the OJT, and her wage increased \$3 per hour. The owner of the business, Jeff Hyland, said Danielle is a hard worker and is always happy. Meegan, the office manager, says Dani is a very good match for them. Danielle thanked DLR for connecting her with Hyland because her new employment would not have been possible without DLR assistance.

When DLR last heard from Dani, she was working a day shift and supervising another worker but would soon be promoted to night shift supervisor once additional experience on machine set-up was completed.

As a machine operator/machinist, Dani is a non-traditional worker.



## Title II Adult Education and Literacy

South Dakota's WIOA Title II Program is under the supervision of the Workforce Training Division. DLR, as the responsible State Agency, has long been committed to serving adults who are most in need of literacy services. These demographics include:

- Adults who are low-income or have minimal literacy skills;
- Learners with disabilities, single parents;
- Displaced or dislocated workers; and
- Those with limited English proficiency.

Other populations served include:

- Unemployed and underemployed persons;
- Young adults;
- Offenders in correctional institutions; and
- Ex-offenders.

These individuals may perform at lower educational levels (below the 9.0 grade level equivalency) and generally demonstrate a need for reading, writing, and math skills in order to obtain or retain employment.

Improving the literacy, numeracy, and oracy skills of our workforce leads directly to a stronger economy. The instruction, activities, and services provided by the Adult Education and Literacy (AEL) programs promote family literacy, obtainment of a high school diploma equivalency, employment, and self-sufficiency. Language instruction methodologies, such as workplace literacy, and action-research projects were again priorities for the Integrated English Literacy and Civics Education program. These efforts support our non-native speakers, immigrants, and former refugees in achieving linguistic, economic, and civic integration.

In PY18, WIOA Title I supported three *AEL Special Projects* as allowable State Employment and Training Activities [under WIOA Section 134(a)(3)(A)(viii)(II)(dd)]: *Career Navigation*, *Distance Education*, and *Weekend ESL*.

### ***Career Navigation***

The AEL program at Lutheran Social Services of South Dakota's Center for New Americans delivered, for a second year, an innovative and successful Career Navigation project. The project made a significant difference for English learners in the community. The adult learners tended to have lower literacy-levels, which required more intensive case-management to navigate the local workforce system, obtain employment, and explore their ongoing career pathways.



During PY18, 86 adults enrolled in Career Navigation services and 43 obtained employment. This project was a crucial support to the Center for New Americans' clients. Half of enrollees achieved self-sufficiency through obtaining a job or job-advancement. Further career navigation was initiated for those who did not obtain employment. These clients were a diverse cohort, hailing from 20 different countries including Sudan/South Sudan, Ethiopia, Eritrea, Democratic Republic of Congo, Bhutan, Burundi, Somalia, Kenya, Vietnam, Mexico, Brazil, Honduras, El Salvador, Guatemala, Iraq, Liberia, Sierra Leone, Senegal, Cameroon, and Ukraine.

Although this essential project provided just 10 hours per week of case management, the endeavor demonstrates a high return on investment. The need for this support in the Sioux Falls community continues to exceed its capacity. This project allows the Center for New Americans to provide career and employment assistance to non-native English speakers who do not qualify for such assistance through Office of Refugee Resettlement grants available to residents during their first five years after arriving to the United States with refugee status. This service has provided employees to 19 different employers in the Sioux Falls area. The average wage of the clients who attained employment was \$10.99, with a median of \$12.00. Of the 43 jobs attained, four of these were part-time and 39 were full-time.

### ***Distance Education***

Under a special project, Cornerstones Career Learning Center provided Adult Basic/Secondary Distance Education via a Virtual Learning Environment. This initiative yet affords approximately 30 hours per week of staff-time for this project. Staff work in Google Classroom, facilitate student communication, monitor student-work in ReadWorks, conduct administrative tasks, help with Khan Academy and GED Academy, align curriculum, and provide technical support.

There exists a need for virtual learning in South Dakota as part of the Adult Education and Literacy Program; additionally, there are primary and itinerant/satellite job service offices without access to local WIOA Title II instruction, activities, and services. Some WIOA Title II subrecipients are responsible for providing services to large geographical areas. Although these service-areas have several communities with populations over 1000 residents, it is often not viable (or fiscally responsible) to maintain brick and mortar adult education programs in these communities.

During PY18, the Distance Education program had a total of 100 referrals, and 45 of the students became federal WIOA Title II Participants. These adult learners averaged 19 hours a month of web-based instruction; however, across Periods of Participation, limited Measurable Skill Gains (MSGs) were made.

The project is making some progress in terms of raising awareness of its availability (i.e., eliciting referrals from other AEFLA providers and statewide One-Stop offices). Lack of internet access across rural geography poses a challenge. It is estimated about 88,000 South Dakotans lack high-speed internet access. In early 2019, Governor Kristi Noem tasked the Governor's Office of Economic Development with spearheading this broadband challenge. The Governor noted she was grateful for the partnership of the Legislature as South Dakota approved \$5 million in (federal) grant money to launch the State's broadband development program—*Connect South Dakota*.

A smaller but extant problem is that adults without the requisite digital literacy often seem reluctant to receive such training. Moreover, adult education programs continue to struggle with student-retention.

The whole program is administered from one town in South Dakota, thus a lot of our success depends on the work being done "on the ground" in the adult education centers throughout the state. Although the project cannot mandate that other locations screen and orient their students for the Distance Education Program, DLR produced the *Distance and Blended Learning Handbook* for those teacher and administrators interested in best practices.

Despite the funding and staffing situations, DLR will continue to make the program available to eligible participants to the greatest possible extent.

### ***Weekend ESL***

Under another special project, Cornerstones Career Learning Center also delivered instruction, activities, and services to support incumbent workers in the Huron area with Limited English Proficiency or Basic Skills Deficiency by providing specific Adult Education opportunities via an alternative classroom schedule. This Weekend ESL project supports classes

on both Saturday and Sunday to meet the needs of workers; many are employed in meat-packing, manufacturing, hospitality, and food-processing.

During PY18, the Weekend ESL program had a total of 87 enrollments, 56 of them became federal WIOA Title II Participants. These weekend-students averaged nearly 53 hours of instruction during the program year; across the Periods of Participation, 14 MSGs were made. The provider continues to make modifications to the curricular offerings to include more workplace skills and digital literacy.

This project continued to serve a need in the area communities. Given the continued low unemployment rate, business-expansion, and the number of unfilled positions, overtime was regularly available in the Huron service-area; therefore, the availability of overtime ultimately affected this project's participation and performance rates. Anecdotally, several students reported they have been able to transition to different jobs, often in the same company, as their English skills have increased. Moreover, the Title II subrecipient's willingness to deliver instruction on both Saturday and Sunday makes it truly a special offering.

### Title III Wagner-Peyser

The primary function of the Wagner-Peyser Act is to provide universal access of labor exchange services to job seekers. Labor exchange services are considered a type of career service under WIOA and are available to all individuals legally entitled to work in the United States. There are no eligibility criteria. U.S. DOL has implemented a pilot program through WIOA to measure effectiveness in serving employers. Through these measures, DLR is focusing efforts specifically on employee retention and repeat services to businesses.

DLR provides services designed to assist employers in recruitment. Training opportunities are also available for businesses to help develop the soft skills necessary to increase retention. DLR is part of a cohesive network of state agencies, nonprofit organizations, post-secondary, and other education and training providers working together to provide quality services to businesses by coordinating resources to increase program effectiveness. In PY18, 11,017 participants were served in Wagner-Peyser with career services. All three negotiated goals for PY18 were met: employment rate for 2<sup>nd</sup> quarter after Exit was 70.1% (goal of 70%), employment rate for 4th quarter after Exit was 72% (goal-61.4%), and median earnings was \$5,236 (goal of \$4,800).

### Rapid Response

DLR administers the Rapid Response system to help employers and workers in a time of transition; before, during and after layoffs and closures. In PY 2018, DLR assisted 41 employers with Rapid Response activities. While not all resulted in a Rapid Response event, employees of the companies were given the opportunity to visit their local DLR job service office and received the same information if they had attended a Rapid Response informational meeting. This creates a great alternative for businesses with a limited number of employees impacted or if an employer is not interested in hosting a Rapid Response event.

The Rapid Response Team consists of the state Labor Program Specialists, Local Office Managers, Reemployment Assistance (RA) Representatives, and Employment Specialists from the local job service office. The involvement of job service office staff is essential to increase the likelihood of follow up communication, providing a familiar face and name to those affected.

DLR typically becomes aware of a layoff or closure from the affected business prior to the event, and the nearest job service office schedules a Rapid Response meeting to provide the employer and employees with information regarding the services DLR can provide through the transition period. Sometimes, DLR job service offices may find out about the layoff or closure from an individual impacted by the layoff, by the RA Division, or through some form of social media. No matter how the information on the layoff or closure is received, it is still the goal of DLR to provide the individual with all the information that would be typically presented at an informational meeting. The local office manager will also attempt to contact the affected business to offer additional services as appropriate.

Layoff aversion consists of strategies and activities to prevent or minimize the duration of unemployment resulting from a layoff or closure. Incumbent worker training, allowing the employer to upgrade skills of employees, is one of the aversion methods used in South Dakota. Aversion strategies and activities may include providing assistance to employers in managing reduction in force. This may include early identification of businesses at risk of a layoff. Aversion strategies require ongoing engagement, partnerships, and relationship building with businesses and the local community, and assist individuals in keeping an existing job or quickly transitioning to a new one. This helps the employee to maintain financial integrity and build experience. The employer may retain a dependable employee and save money.

DLR also offers a Job Search Assistance Program (JSAP) class to anyone who has been laid off or desires to improve their chances of obtaining employment. DLR will set up job fairs for employees affected by the layoff or closure so they will have a job to transition to immediately or shortly after the lay-off. Job service offices co-enroll these individuals into Title I Adult and Dislocated Worker programs whenever possible.

## Trade Adjustment Assistance

The Trade Adjustment Assistance (TAA) program is designed to assist workers who have lost their jobs as a result of foreign competition. There are currently nine active certifications offering TAA services to individuals in South Dakota. The TAA Labor Program Specialist has aggressively investigated all lay-offs and closures for the possibility of trade impacted layoffs. These efforts have resulted in a new certified petition. Although the state's economy continues to be strong and DLR has found many former dislocated workers are employed in similar occupations to their former jobs, those who did not find employment have pursued new career fields and are attending post-secondary training funded by TAA.

During the federal reporting period beginning October 2017 through the end of September 2018, South Dakota served five TAA participants with some form of assistance or training. At the end of June 2019, South Dakota had 80 TAA participants for a 1,500% change. By improving our investigative process, we have had an increase in petitions filed and approved.

## Registered Apprenticeship Program

The DLR Registered Apprenticeship vision is to provide South Dakota businesses a proactive strategy to engage individuals in their communities, improve their skills set, and fill workforce needs. Registered Apprenticeship Programs (RAPs) provide employers a proven business model to develop fully trained employees.

When evaluating the existing RAP presence in South Dakota, programs primarily existed in the building trades and construction industries and tended to be highly male dominated; only four females were participating at the time. The lack of program diversity and half of South Dakota's workforce being women, provided DLR with the vision to build RAPs as a method to meet employers' unique workforce needs while engaging females in non-traditional trades.

In Fall 2018, an application process for Start Today SD Incentive Funding was released. The program provided a maximum of \$30,000 per business to help offset the initial startup costs when developing Pre- and Registered Apprenticeship programs. Forty applications were scored based on priority factors, such as key industries, career pathway model, pre-apprenticeship linkage, partner collaboration, and under-represented population recruitment. During the 2018 National Apprenticeship Week, DLR announced the 17 organizations selected to receive the Start Today SD Incentive, totaling \$490,000. These organizations represented hospitality, advanced manufacturing, retail, agriculture, building trades, automotive, construction, and healthcare industries. Over the next four months, DLR and U.S. DOL joined forces to offer intensive guidance and technical assistance as the organizations developed RAPs to meet and enhance their workforce needs.

On April 30, 2019, DLR and U.S. DOL held a ‘*Future Focused*’ event to celebrate the accomplishments over the previous three years. Fourteen RAPs were officially registered with U.S. DOL and three organizations implemented National Apprenticeship Programs. A signing ceremony took place, as well as workshops to learn the RAPIDS data entry process, and meeting training needs of both businesses and individuals through WIOA. South Dakotans now have access to 17 new RAPs as a result of the Start Today SD Incentive.

The desired outcomes of the Start Today SD Incentive were to improve the perception and feasibility of RAPs, streamline the process of technical assistance from the U.S. DOL, diversify and increase the types of programs offered, and increase the number of apprentices overall, specifically the female population. The incentive:

- Created an outreach campaign, which significantly improved regional recognition through social media, a branded microsite, TV and radio commercials, and paid search engine marketing.
- Added 14 new sponsors and three businesses signing National Programs in a four-month program development timeframe due to the collaboration between DLR and U.S. DOL. This equated to 15% growth in one day.
- Discredited the myth apprenticeships are only in the trades occupations, adding variety of new industries and occupations
- Met South Dakota’s grant objectives by adding 300 apprentices. The number of female apprentices increased by 15%. In addition, Round 3 funding was doubled based on our performance success.

Overall, this incentive was successful because employers stepped up to provide their own innovative solutions to their workforce needs.

While DLR has seen much success with their Registered Apprenticeship efforts, it has not been without challenges. The Start Today SD Incentive utilized performance-based contracts which relied on a strong partnership with the U.S. DOL Office of Apprenticeship State Director to provide guidance, technical assistance, and overall approval of programs. As a single region state, South Dakota only has one Office of Apprenticeship staff to provide oversight and technical assistance to the entire state, resulting in a communication bottleneck. To combat this challenge, DLR acted as the point-of-contact for technical assistance questions and planned all in-person and Skype workshops. Weekly update meetings were held with the State Director to ensure the organizations were on track to complete development within the timeframe for the ‘*Future Focused*’ event.

The size of South Dakota always provides challenge in itself, covering only 75,885 square miles. More than half of South Dakota’s 882,000 residents live in rural communities lacking traditional post-secondary training options, and some areas do not have broadband capabilities to support online classes. Employers in these areas face the same skills gap employers in urban areas face. Because of the Start Today SD Incentive, many rural businesses have developed RAPs to train employees and retain community members. RAPs are becoming recognized as a viable post-secondary training option for South Dakota’s workforce.

In addition to the above accomplishments, DLR collaborated with five sub-recipients and two contractors, Lake Area Technical Institute (LATI), Mitchell Technical Institute (MTI), Southeast Technical Institute (STI), Associated General Contractors (AGC), South Dakota Association of Plumbing, Heating and Cooling Contractors (PHCC), Midwestern Mechanical (MWM), and Independent Electrical Contractor (IEC) to build RAPs. The chart below illustrates outcomes.

	<i>Programs Developed/ Expanded</i>	<i>Apprentices</i>	<i>Pre-Apprentices</i>
<b>LATI</b>	2	9	5
<b>MTI</b>	2	4	341
<b>STI</b>	3	2	10
<b>AGC</b>	2	66	0
<b>PHCC</b>	1	5	0
<b>IEC</b>	1	234	0
<b>MWM</b>	1	31	0

## General Education Development

During the PY2018, 715 South Dakotans earned a **General Educational Development** (GED®) credential. The majority of credential earners were white males ages 20-24 who had finished their sophomore year of high school. While the national pass rate during the program year was 79%, South Dakotans had a pass rate of 87%. Test scores were equal to or above the national pass rate in each subject.

<i>South Dakota</i>		<i>Ages 16 – 17</i>	<i>Corrections</i>
Passed GED	715	94	266
Pass rate	87%	90%	88%

For a South Dakotan who does not have a high school diploma, possessing a GED credential remains a viable path to advancing education, expanding job opportunities, and increasing earning potential.

<i>GED Pass Rate</i>		
	United States	South Dakota
Social Studies	90.00%	90.00%
Science	93.00%	96.00%
Reasoning Through Language Arts	89.00%	90.00%
Math	85.00%	89.00%

## Re-employment Services

The Reemployment Services and Eligibility Assessment (RESEA) is referred to in South Dakota as the Re-employment Services (RES) program. This program is intended to help individuals receiving Reemployment Assistance return to the workforce quickly. RES provides claimants with entry to a wide array of available resources that support re-employment and connect claimants to the direct provision of intense career services as appropriate. RES was developed to supplement rather than replace current re-employment activities provided by the integrated workforce system.

All RES participants are co-enrolled in the WIOA Title I Adult, Dislocated Worker, and Youth program as appropriate. The services available to the claimant through WIOA Title I helps ease the burdens they are facing and decreases the duration of their period of unemployment.

RES guidance and training was provided to South Dakota job service staff in January 2019 to align RESEA with WIOA Title I services. Implementation of new procedures began across the state on January 22, 2019. Updates to the DLR management information system, SDWORKS, will be completed in three phases. The first phase was released in January 2019, when a claimant is referred to RES, a letter is generated from the South Dakota Reemployment Assistance Division and a work registration record is created. This automation sets up the participant registration in SDWORKS for the RES program. Looking forward, the second and third phases of the RES information management project will export case notes from the SDWORKS system to the RA Division system and import RA fact finding notes from the RA system to SDWORKS.

### **Success Story**

**Teresa**, a Native American female, was a dislocated worker from the Dakotah Pride Treatment Center. She was referred to DLR through RES. She was a licensed Addiction Counselor laid-off due to lack of funding in October 2017. She had post-secondary education in addiction counseling but did not have a degree. She had been grandfathered in by the State to be a licensed addiction counselor and was able to continue with accreditation courses through her employment. However, after the lay-off, her license and career path were in jeopardy.

Serving as the guardian for her two elementary age grandchildren, Teresa needed to maintain a stable home environment while unemployed and did not want to move from the area. She was co-enrolled into Title I Adult and Dislocated Worker, and an employment plan was developed. Her objectives were to update her resume and search for online courses to complete by her June 2018 certification deadline. DLR provided Support Services to assist with transportation to workshops to earn Continuing Education Credits (CECs). Teresa completed the required CECs and

retained her license through the South Dakota Board of Addiction and Prevention Professionals (BAPP). She also worked on Teknimedia courses to improve her computer skills in Excel.

In the fall of 2018, Indian Health Service received a grant specifically to address addiction in youth, Teresa’s specialty area. She submitted her updated resume, cover letter, and application. She was hired on January 8, 2019 as a full-time Youth Addiction Counselor earning \$25 per hour.

## Research and Evaluation

DLR job service offices offer a variety of services to individuals, including On-The-Job Trainings (OJTs) which provide participants with the opportunity to gain the knowledge and skills essential to becoming an experienced employee. During an OJT, an employer can recuperate up to 50 % of the wage rate during the specific training period.

DLR compared outcomes where Support Services were offered to those who participated in an OJT to those participants that did not receive a supportive service during their OJT. South Dakota evaluated 2nd and 4th quarter after exit employment rates, 2nd and 4th quarter median wages, and retention with the same employer.

### Analysis

In reviewing employment rates at the 2nd and 4th quarter after exit, individuals who received a Support Service during the duration of their OJT had similar employment rates in the 2nd quarter after exit to those who had not received a support service. The group with a Support Service during their OJT experienced a decrease in 4th quarter after exit employment rates by 15.8%, while the 4th quarter after exit employment rate stayed flat for those who received a Support Service.

Median wages after exit showed the individuals who received a Support Service during the duration of their OJT actually had an increase in their 4th quarter after Exit median wages by \$178, while those without a Support Service saw a decrease between 2nd and 4th quarter after exit of nearly \$340.

<i>Exited Participants who received an OJT</i>						
	2nd Quarter after Exit: 01/01/2017 – 12/31/2017			4th Quarter after Exit: 01/01/2017 – 12/31/2017		
<b>OJTs Overall</b>						
Employment Rate	38	44	86.4%	35	44	79.5%
Median Earnings	\$5977.57			\$5983.50		
Retention Rate with the same Employer				30	38	78.9%
<b>OJTs with Support Services</b>						
Employment Rate	21	25	84%	21	25	84%
Median Earnings	\$5960.00			\$6137.97		
Retention Rate with the same Employer				18	21	85.7%
<b>OJTs with no Support Services</b>						
Employment Rate	17	19	89.5%	14	19	73.7%
Median Earnings	\$5995.14			\$5654.47		
Retention Rate with the same Employer				12	17	70.6%

Based on the data, a Support Service during an OJT increases the likelihood a participant will be employed both 2nd and 4th quarter after exit and more likely to maintain similar median earning in the 2nd and 4th quarter after exit. The correlation could be due to the fact that individual who received funding in Title I came into the program with a variety

of barriers to employment, ranging anywhere from being low income, to an ex-offender, to a single parent. While an OJT can help open doors for the individual, barriers to employment can be insurmountable while learning a new job.

### **Next Steps**

DLR continues to gain insight for case management training through analysis of programs. As a result of the analysis of the correlation between OJT Support Services and participant outcomes, the importance of thorough case management by interview and assessment of an individual's needs is even more critical. Staff are being trained in an ongoing process through one-on-one technical support from Labor Program Specialists and other formal training to heighten their awareness of providing Support Services to increase the likelihood of a positive outcome for the individual in training.

## **Customer Satisfaction**

In PY2018, DLR used Survey Monkey to develop and conduct two surveys, one for job seekers and another for businesses. The job seeker survey was sent quarterly to participants who exited the Wagner-Peyser program in the previous quarter. DLR requires all programs using SDWORKS to enroll participants in Wagner-Peyser, so this population provides feedback on all programs. Employers are surveyed annually, based on those who received services in the previous year.

Responses were collected and calculated for both employers and participants. While the opportunity to take the survey was optional for both, outcomes were favorable and response rates increased from previous years. The response rate is 4.29% (244 responses to 5,687 surveys emailed) for participants and 4.43% (129 responses to 2,909 surveys emailed) for employers. Participants reported an overall satisfaction rate of 82%, with 86% believing their Employment Specialist showed a high level of professionalism and knowledge. A high number of respondents, 76%, stated all or most of their needs were met. Employers reported an overall satisfaction rate of 84%, with 69% stating their Employment Specialist displayed a high level of professionalism and knowledge. Over half of employers reported all or most of their needs were met.

Based on employer feedback, DLR plans to focus efforts on business engagement in PY19 and continuing into PY20. The survey will be adjusted to include service-related questions and a place for customers to provide their contact information for follow up if desired. These adjustments are based on feedback from respondents and job service office staff. Results from the survey will also be shared with Job Service Office managers on a quarterly basis, more frequently than in the past.

## **Additional Statewide Activities**

WIOA statewide funding is essential for operation of the federal programs DLR offers and for continued workforce development in our state. This funding is utilized for the South Dakota Workforce Development Council, Rapid Response activities, staff training, job service office monitoring, One-Stop Career Center certification, maintenance and development costs related to the management information system, SDWORKS, and implementation of the Eligible Training Provider List (ETPL). DLR also provides services that benefit a large number of employers and individuals in our state with this funding. Due to limited program funding, DLR also utilizes statewide funding to assist in public outreach to businesses and individuals. This outreach is essential to maintaining awareness and relevance of our services. Staff members present at community gatherings such as economic development and chamber of commerce meetings, school events, and more.

## **SDWORKS**

PY18 saw the second full program year of the new management information system, SDWORKS, come to a close. The second program year of SDWORKS saw a greater success than year one due to bug fixes, an increase in staff comfort with the case management components, implementation of procedures, and data mapping for reporting purposes were

ironed out. SDWORKS continues to be a work in progress. Larger upcoming projects associated with the system include the development of the ETPL system and correlative enhancements to the RES program.

Spidering technology utilized by the SDWORKS vendor, Geographic Solutions, Inc., has allowed offices additional opportunity to assist employers with services beyond job order assistance. Focus is shifted to specialized services provided by our job service offices.

Business Services has become a mantra of Title III. In order to stay relevant in today's workforce development, businesses must know DLR job services offices can offer more than writing job orders and referring job seekers to available openings. DLR can provide customized workforce solutions for a business.

## **NATIONAL CAREER READINESS CERTIFICATE**

Through statewide funding, DLR was also able to offer both employers and job seekers the ACT National Career Readiness Certificate (NCRC®). As of June 2019, nearly 31,000 South Dakotans have earned an NCRC, and over 1,100 businesses in South Dakota recognize the NCRC. Available to all current and potential job seekers in the state, the NCRC can be a key hiring tool for adults, dislocated workers, youth training program participants, high school students, and incarcerated individuals. Whether in the application, the interview, or the probationary training phase, the NCRC provides a concrete tool all parties (e.g., participants, case managers, employers) can reference in making appropriate workforce decisions.

DLR also offers ACT WorkKeys® Curriculum, a skill development curriculum, at no cost to all program participants and job seekers interested in earning an NCRC. The use of this curriculum provides a framework to capitalize on skill strengths and to define potential skill training needs during the employment process.

DLR continues to financially support the NCRC program. This allows any job seeker registered in SDWORKS to prepare and complete the three WorkKeys Assessments required for certification: Applied Math, Graphic Literacy, and Workplace Documents. South Dakota's NCRC scores consistently rank above the national average.

The NCRC program has grown significantly since its 2009 inception. In addition to serving job seekers across the state through the local offices, developing partnerships with outside agencies has been a key component in expanding the program. Partnerships with other South Dakota state agencies have also gleaned the following results:

- South Dakota Department of Corrections allowed 346 incarcerated individuals to earn an NCRC in the past year.
- South Dakota Department of Education allowed over 5,600 students the same opportunity. One of the state's technical institutions has also utilized the program.
- Most State of South Dakota job listings through the South Dakota Bureau of Human Resources include a reference to the NCRC. These listings provide a model for other hiring personnel to follow when integrating the NCRC tool into their application process.

To foster a skilled workforce, increasing emphasis has been placed on business education and outreach. Currently, over 1,100 employers in South Dakota recognize the NCRC in their hiring practices. The focus on business outreach continues as an ongoing effort to meet the state's workforce needs.

DLR is committed to providing the resources in maintaining the NCRC program, while fulfilling its mission. This obligation provides an effective tool for job seekers, high school students, employers, education, and government leaders to identify and improve the foundational workplace skills found across all employment sectors.



## **DAKOTA ROOTS**

Dakota Roots assists in recruiting out-of-state job seekers by providing local job market insight and personalized job search assistance through DakotaRoots.com. This worker recruitment initiative continued its 12th year of connecting out-of-state job seekers with in-state career opportunities. In addition to grassroots efforts encouraging current South Dakotans to refer family and friends, a digital media outreach campaign drove traffic to the website. Job advisors assist individuals one-on-one with job referrals, resume development, interview preparation, labor market information, community resources, and housing information.

Updates to SDWORKS and a new streamline procedure for Dakota Roots were introduced in January 2019 and fully implemented at the end of the program year. DLR looks forward to providing an improved data set in future reports.

## **BRING YOUR 'A' GAME**

DLR brought a hands-on soft skills training, Bring Your 'A' Game to Work, to South Dakota as a result of employers expressing a need for soft skills in their workforce. Bring Your 'A' Game is a training designed to teach foundational behaviors and values for employment. The seven soft skill behaviors determined to be the most important are addressed in the workshops. These behaviors are: Attendance, Appearance, Attitude, Ambition, Accountability, Acceptance, and Appreciation. The curriculum is designed for participants to discover these skills through activities and group participation. After completing the program, individuals will understand the long-term benefits of work ethic setting a foundation for personal and professional success. Following successful completion of the workshop, individuals earn a certificate of completion.

DLR partners with seven providers across the state to deliver the curriculum to program participants and employer referrals. These partners include Career Learning Center of the Black Hills, Cornerstones Career Learning Center, Lake Area Technical Institute, Lutheran Social Services, OutSource Projects, Inc., Southeast Technical Institute, and The Right Turn, Inc.

From July 1, 2018, to June 30, 2019, 550 employees were referred by more than 70 employers to attend a workshop. Other state agencies referred an additional 165 individuals, for a total of 715 employees and program participants earning certificates of completion.

In the Summer of 2018, DLR job service office staff became certified trainers, able to offer Bring Your 'A' Game to school districts across South Dakota. Using soft skills training in the state school system provides the upcoming workforce with invaluable skills to meet the growing demand. During the 2018-2019 school year, 43 school districts hosted a workshop and 1,367 students earned a certificate of completion.

## **CAREER LAUNCH SD**

The goal of Career Launch SD is to re-engage students in the workforce and invigorate our youth's excitement regarding opportunities in their own communities and, in turn, meet the ever-rising demand for a skilled workforce in South Dakota. Twelve staff are dedicated to work with local school districts and business communities to connect students to the workforce and provide them with firsthand knowledge and experience in their fields of interest. In Spring 2018, Career Launch SD was piloted in the communities of Brookings, Rapid City, Sioux Falls, and Yankton. In Fall 2018, the program expanded to include Belle Fourche, Douglas, Lead-Deadwood, and New Underwood.

During the 2018-2019 school year, the Career Launch Career Advisors achieved the following:

- Placed/monitored 246 student interns
- Found job shadow opportunities for 186 students
- Provided 364 classroom presentations on soft skills, resume building, mock interviewing, etc.

- Conducted 1,274 one-on-one career advising sessions with students
- Provided exposure to different industries through 173 presentations from the business community both in the classroom and at the job site
- Made 80 referrals to WIOA Title I program, resulting in 25 enrollments
- Assisted several 8th grade students in developing their 4-year plans
- Set up 22 student tours of post-secondary institutions
- Hosted career fairs, attended parent nights, linked arms with workforce development councils
- Made connections with several businesses within each community

In PY2018, statewide funds also went to support the WIOA Title II Adult Education and Literacy program including the Weekend ESL, Distance Learning, and Career Navigation services as identified by the Adult Education and Literacy section

## Veterans

### ***Jobs for Veterans' State Grants***

DLR receives a Jobs for Veterans' State Grants (JVSG) staffing grant and employs three fulltime and six part-time, specially trained Disabled Veteran Outreach Program (DVOP) staff to assist eligible veterans, eligible persons, eligible transitioning service members, eligible wounded warriors and their family care givers. DVOP staff provide case management services to veterans and are part of the WIOA Integrated Resource Team to access a wide variety of specialty services. DVOPs assist veterans in becoming job ready and conduct outreach within the communities served to seek out eligible veterans with significant barriers to employment. JVSG staff provide career readiness services to veterans and other authorized populations who have significant barriers to employment. All staff in DLR local offices have received training in assisting veterans.

### ***Priority of Service***

Veterans who served at least one day in the active military, naval, or air service with a discharge other than dishonorable are considered a covered person for Priority of Service. If the veteran's spouse is found to meet the eligibility requirements, they would also be a covered person for Priority of Service.

Veterans and eligible spouses (covered persons) are given priority over non-covered persons for the receipt of employment, training, and placement services in all programs funded by U.S. DOL and are entitled to precedence over non-covered persons for services. Implementation of identifying priority of service eligibility include signs and brochures in the job service offices, early identification and notification of priority, screening assessments by non-JVSG staff, website information defining priority of service eligibility and entitlement of services. Priority of service includes placing covered persons first in line to obtain services and priority in WIOA funding for training programs.

Veterans also receive preference on DLR internal job orders. The order for priority of jobs orders is:

- Qualified Special Disable Veterans
- Qualified Disabled Veterans
- All other qualified veterans and eligible spouses
- Qualified non-veterans.

### Compliance Metrics

DVOP Individualized career services to JVSG eligible veterans was 98.15% for PY2018. Compliance metric for this performance measure is 90%. JVSG performance metrics for Employment Rate After Exit for 2nd and 4th quarters were below negotiated rates. Median Earnings for 2nd Quarter After Exit was slightly below negotiated rate.

Non-JVSG performance metrics for veterans provided by Wagner-Peyser staff not available on ETA 9173.

<i>Measure for JVSG Staff</i>		<i>Negotiated Baseline</i>
Employment Rate	2nd Quarter After Exit	52.2%
	4th Quarter After Exit	53.4%
Median Earning	2nd Quarter After Exit	\$4,365
<i>Measure for Wagner-Peyser Staff</i>		<i>Negotiated Baseline</i>
Employment Rate	2nd Quarter After Exit	63.1%
	4th Quarter After Exit	64.8%
Median Earnings	2nd Quarter After Exit	\$5,700

### Work Opportunity Tax Credit

The Work Opportunity Tax Credit (WOTC) program continued its performance, producing 4,190 certifications with a 43.4% Certification Rate. The WOTC program saved South Dakota employers an estimated \$11,240,800.00 in federal income tax savings.

South Dakota processed a lower number of applications during the program year as compared to previous, but maintained a high Certification Rate compared to other states. This is attributed to the high quality of attention paid to each application received through a manual process. Many states are automated and fail to validate any additional target groups for which new employee may qualify. The average Certification Rate for the remainder of the United States is 28.8%.

The WOTC program has been a win-win program for South Dakota and the new employees who become hires. These employees productive members of society and have overcome their barriers to employment (See Appendix).

### Foreign Labor Certification

Foreign Labor Certification (FLC) processes H2A (temporary, agricultural) and H2B (temporary, nonagricultural) visas. The role of DLR in the Foreign Labor Certification program is to process both ETA 790s for H2As and H2B job orders, post these jobs on SDWORKS, inspect housing for H2A employers, and refer potential US applicants to these employers who are resolving their labor shortage with temporary, foreign workers. The Labor Program Specialist fields questions about H2A and H2B visas and makes referrals to U.S. CIS.

To discuss the performance outcomes of FLC in terms of PY18, the FLC results must be broken down into FFY18 and FFY19 equivalents: FFY 18 Quarter 4 and FFY 19 Quarters 1 through 3 (07/01/2018-06/30/2019). In those four quarters respectively, FLC processed 43 H2A orders and one H2B job order (FFY 18 Q4), 83 H2A orders and 27 H2B job orders (FFY 19 Q1), 99 H2A orders and 119 H2B job orders (FFY 19 Q2), and 32 H2A job orders (FFY 19 Q3). Regarding housing total number of housing inspections, in the four quarters mentioned, 244 housing inspections were completed in PY18. The State Workforce Agency (DLR) also referred 20 US citizens for H2A and H2B job orders for the entirety of the program year. In the coming year, US DOL will be rolling out a comprehensive case management system for employer's and agents to submit both H2A and H2B applications, and DLR will be holding a refresher training with job service office staff about the program.

### Temporary Assistance for Needy Families

DLR is a long-term partner of the South Dakota Department of Social Services (DSS) in co-administering welfare-to-work programs for the purpose of promoting personal responsibility and self-sufficiency. DLR delivers the Temporary Assistance for Needy Families (TANF) work activities in 54 counties that contain 51% of the eligible mandatory parent-case population.

		<i>Program Year</i>	<i>PY18</i>	<i>PY19</i>
TANF Applicants (mandatory, from DLR Counties)			3,176	2,887
Caseload	Monthly Average		265	241
	DLR Statewide Share		54%	51%
Employment	Job Entries		595	566
	Share of Statewide Job Entries		83%	69%
	Job Entries with Medical Benefits		17%	17%
	Share of statewide job entries with medical benefits		9.9%	99.4%
Average Starting Wage (per hour)			\$10.54	\$10.93

*TANF activities for Fiscal Years 2018 and 2019 (July 1 through June 30)*

DLR strives to improve the TANF participation rate because it is the principle performance outcome mandated by the U.S. Department of Health and Human Services. The federal government requires every state to achieve a 50% participation rate (unless a waiver has been approved) to receive full TANF block grant funding. This federal fiscal year, which ended Sept. 30, 2019, DLR achieved 46.9% of the required 50% participation rate for the TANF clients living in DLR counties (non-reservation counties) in South Dakota. Some of DLR's current innovative TANF projects include:

- A comprehensively managed work site/skill development center in Rapid City and Sioux Falls;
- A TANF disability advocate;
- Enrollment of TANF clients into WIOA Title I and Title III programs.

DLR makes every attempt to assist potential TANF participants with financial diversion opportunities prior to obtaining full TANF benefits. The diversion program is designed to assist potential TANF participants with a one-time cash payment. For example, this one-time payment could be used to purchase work and interview-appropriate clothing. The diversion would assist the individual to get a good start in their employment without needing to apply for regular TANF benefits.

DLR continues to provide individualized, intensive case management to all TANF households, placing a high priority on strengthening partnerships with our local community organizations. This includes agencies such as area United Way Service programs, local school districts, county welfare agencies, and sheltered workshops in various areas across the state. In addition, DLR makes efforts to fully utilize other South Dakota state agencies and their programs for the benefit of our TANF clients, including the DSS Office of Child Support, Department of Human Services Vocational Rehabilitation, and the Department of Corrections Probation and Parole Divisions. In cooperation with WIOA programs, TANF has taken full advantage of opportunities to leverage program dollars so we can help as many eligible South Dakota families as possible. We aggressively promote education and job training.

## Senior Community Service Employment

The Senior Community Service Employment Program (SCSEP) is a federal program authorized by the Older Americans Act and administered through DLR job service offices across South Dakota. The program offers services to older adults, a vital untapped labor pool. SCSEP provides community service and work-based training opportunities to low-income, unemployed adults over the age 55 years old and helps place them into meaningful, unsubsidized employment. While undergoing work experience training at a non-profit or government organization, SCSEP participants are building relevant skills pertaining to their career goals while mastering soft skills. Since January 2018, all applicants who are deemed eligible for SCSEP are enrolled into Title I and Title III to offer a wider variety of basic career services, such as job search assistance and resume help, and more options for support services.

SCSEP operates in three different regions of South Dakota (West River, Central, and East River) and five employment specialists help to facilitate the program in cooperation with a designated Labor Program Specialist. In PY18, 55 older workers participated in SCSEP and totaled 27,315 cumulative hours in a host agency performing community service. This program is committed to helping minority groups and people with significant barriers to employment. Out of the 55

participants, 35% were Native American, 24% reported a disability, 29% were veterans, and 28% were either homeless or at risk of homelessness.

PY18 came with big changes for the SCSEP in South Dakota. With the requirement that participants be co-enrolled into WIOA programs, a new SCSEP Policy Manual and updated forms that served dual purpose with Title I work experiences were rolled-out in May 2018. DLR is also focusing on solutions to reach out to more host agencies available in rural areas, continuously enroll eligible individuals into the program, and properly utilize career search opportunities in Wagner-Peyser to help participants find unsubsidized employment. The program has also placed more emphasis in diversifying the types of host agencies DLR can offer participants and has seen more host agency rotations occur in participants as a result.

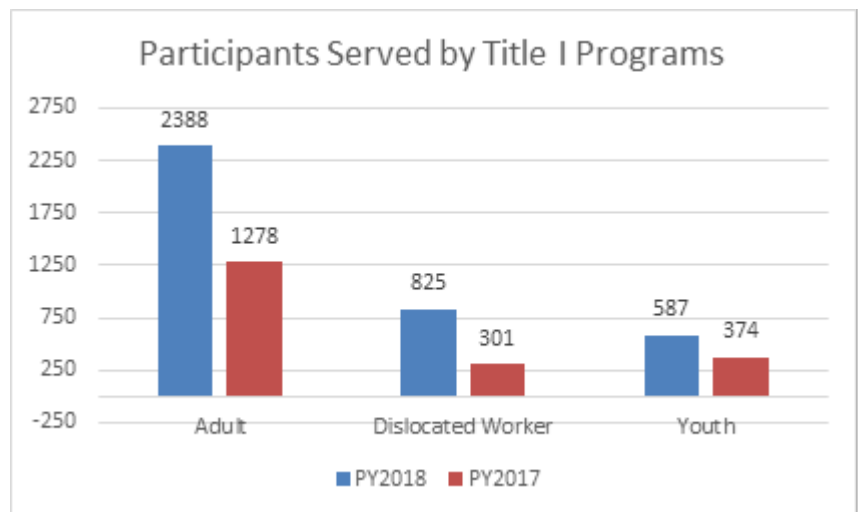
DLR has been focused on raising the total number of participants in the program using different outreach strategies such as partnering with our aging experts in DHS Long-Term Support Services to recruit at nutrition sites and the development of a radio public service announcement to broadcast across select counties.

## Performance and Reporting and Data Validation

In PY2018, DLR primarily focused on the co-enrollment of Wagner-Peyser participants into Title I Adult, Dislocated Worker, and Youth programs to provide a wider range of services and ensure access to education, training, and support services.

SDWORKS, the DLR case management system for both Wagner-Peyser and Title I, allows for better coordination and seamless delivery of services across multiple programs. A common Exit policy applies for the Wagner-Peyser, Adult, Dislocated Worker, and Youth programs when the participant has not received a service for 90 days.

Both the Wagner-Peyser and Title I Youth programs met or exceeded all the negotiated targets for performance indicators for PY18. The Title I Adult and Dislocated Worker program exceeded negotiated targets for median earnings. The Adult program also exceeded the target for credential attainment. The PY18 data shows DLR was just short of meeting the negotiated targets for credential attainment rate for Title I Dislocated Worker and the employment rate for 2nd and 4th quarters after Exit for the Adult and Dislocated Worker programs. Despite the slight dip in the



overall employment rates, DLR staff have been successful in assisting more individuals in finding employment overall, including those with one or more barriers. The increase in the number of participants served by the Title I programs for PY18 was substantial, in some cases more than double that of the previous program year. These numbers affirm the commitment of DLR to the strategic coordination of program services intended by WIOA.

While there were no negotiated targets for the Measurable Skills Gain performance indicator, PY18 data shows an increase over last year's figures. Continuous improvement efforts by program and performance staff to provide training to job service office staff has helped to ensure accurate recording of skill gains reflected in the data. An increase is expected for PY19 as well.

### ***Effectiveness in Serving Employers***

South Dakota selected two pilot indicators to measure Effectiveness in Serving Employers: *Retention with the Same Employer in the 2<sup>nd</sup> and 4<sup>th</sup> Quarters after Exit* (67.2%) and *Repeat Business Customers Rate* (26.3%). The Retention measure indicates local one-stop staff have been effective in referring the right candidates to employers.

Additionally, South Dakota reported data for the *Employer Penetration Rate* which reflects employer services recorded in the SDWORKS data management system for Titles I and III as well as those provided by Vocational Rehabilitation under their case management system.

See Appendix for PY18 Performance Data.

### **Federal Waivers**

In June of 2018, DLR received an approval notice of the waiver request to remove the requirement to report outcome information for the total student populations for each program of study on the ETPL. Currently, there are no data share agreements or common data management systems in place to collect or process the data for all students. As a rural state, South Dakota has a small population and a very limited number of training and education providers. The ETPL reporting requirements placed an undue burden on these providers to report data for all students when, in many instances, only one or two WIOA participants are referred to any given program of study within a program year. With so few individuals in each program of study, the resulting data may be misleading and an inaccurate method of assessing training quality. Ultimately, this requirement could deter training providers from applying for ETPL approval.

In the waiver request, DLR specified the rural areas of the state where recruiting training providers proved more difficult. Hoping to utilize the local tribal colleges in those areas to train both Native Americans and non-Native Americans, DLR is pleased to report two tribal colleges, one in the north central area of the state and the other in the north eastern portion of the state, have both applied to be on the ETPL and were approved on July 1, 2019.

South Dakota continues to work with our current eligible training providers on ways to obtain reporting data for all students in safe and secure manner.

DLR received two waivers related to the youth program in Program Year 2018. These waivers are not reported in this annual report as we received them after the Program Year began.

### ***Data Validation***

Data Validation will be performed every year for the previous program year in accordance with the Data Validation Policy in the Appendix. An error report will be made available to each DLR job service office at the conclusion of the process. Validation errors, necessary corrective action, training needs, and best practices will be reviewed with each office as part of the regularly scheduled monitors.

### **Business Services**

DLR continues to stand as a strong advocate for economic growth and business development South Dakota, striving to keep our workforce educated, skilled, and qualified for the meet the needs of businesses. In a climate where posting job orders online has never been easier for employers, DLR focuses on providing a consultation approach to each business we serve to better identify their needs and suggest targeted business services to address identified needs. Our branding remains consistent: we provide a human element to business needs rather than allowing technology to be the only solution to certain frustrations. With a 2018 unemployment rate of 3.0%, it is imperative to provide staff-assisted business services for long-term solutions.

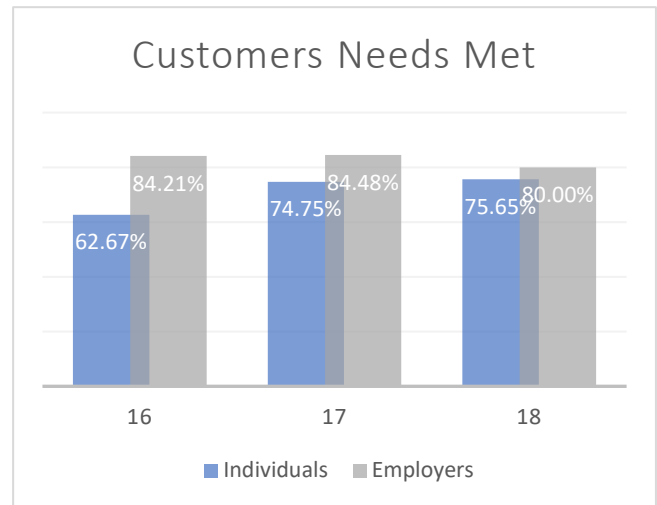
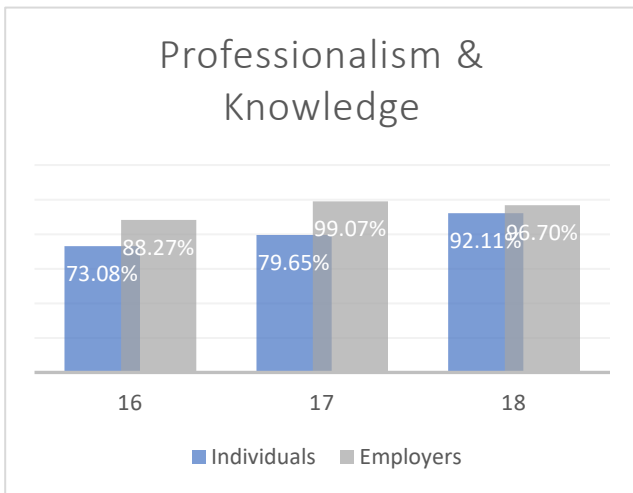
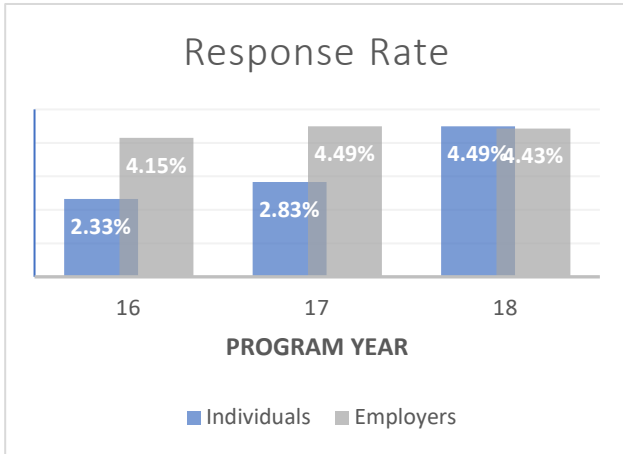
DLR focuses on two performance measures for business engagement, **employee retention** and **repeat services to businesses**, as mandated by the U.S. DOL's effectiveness in serving employers pilot program. Regarding the cost of business engagement per participant for PY18,

Businesses stand to benefit from all efforts to engage youth. South Dakota Governor Noem issued directive to retain young people in our state as a viable future workforce. This has been an area of focus for DLR as well. Programs like Registered Apprenticeships and the National Career Readiness Certificate help educate and provide valuable work experiences to participating Title I Youth. Additionally, the Career Launch SD initiative helps bridge the gap between schools and employers to provide practical and focused career counseling through job shadowing, career fairs, and internships. Students learn about career preferences, make informed decisions about their future employment goals, and make connections to South Dakota employers.

While youth outreach is a priority for businesses, DLR still prioritizes the hiring of other untapped labor pools: veterans, older adults, ex-offenders, and individuals with disabilities, and veterans.

In PY18, DLR has focused on developing a comprehensive business engagement and services training for all job service offices. Along with the training, business services policy will undergo considerable changes to reflect the expectation that businesses be case managed just like a participant. Additionally, DLR and Vocational Rehabilitation (DHS) tend to create redundancies in offering services to the same employers. In turn, employers get confused about the difference between the two agencies, potentially damaging relationships. DLR is currently collaborating with Vocational Rehabilitation to develop a more coordinated effort to reach out to businesses as a single unit.

## Appendix: Customer Satisfaction





## Appendix: NCRC

<i>Certificates by Level</i>	<i>SD</i>	<i>US</i>
Platinum	6.93	2.14
Gold	26.94	20.74
Silver	49.62	53.65
Bronze	16.51	23.47

### SOUTH DAKOTA 2018 CERTIFICATE TOTALS, WIOA

	<i>Bronze</i>	<i>Silver</i>	<i>Gold</i>	<i>Platinum</i>	<i>Total</i>
Adult	12	23	29	31	95
Dislocated worker	2	9	15	18	44
Youth	8	9	5	7	29
Total	22	41	49	56	168
South Dakota	13.1	24.4	29.17	33.33	100

### SOUTH DAKOTA 2018 CERTIFICATE TOTALS

	<i>Bronze</i>	<i>Silver</i>	<i>Gold</i>	<i>Platinum</i>	<i>Total</i>
Corrections	67	121	95	63	346
DOE	1,202	1,718	1407	955	5282
Job seeker	8	9	24	20	61
Other	46	27	17	17	107
RES	1	2	12	5	20
SNAP	0	2	1	2	5
TANF	11	17	9	3	40
Technical Institute	42	42	25	19	128
Veteran	0	0	1	2	3
VR	0	0	0	0	0
Total	1,377	1,938	1,591	1,086	5,992
South Dakota	22.98	32.34	26.55	18.13	100

## Appendix: WOTC

### 2018 and 2019 Application Comparisons

Status	2018	2019
Certifications	4,596	4,190
Denied Applications	4,386	4,980
Pending Applications	265	120
Conditional Certifications	512	360
Total Applications	9,759	9,650
Certification Rate	47.1%	43.4%
Tax Dollar Savings	\$12,070,200.00	\$11,240,800.00

### Status

Status	Oct	Nov	Dec	Qtr 1	Jan	Feb	Mar	Qtr 2	Apr	May	Jun	Qtr 3	Jul	Aug	Sep	Qtr 4	Total
Pending	0	0	0	0	0	0	0	0	0	0	17	17	11	27	65	103	120
Certified	328	320	247	895	235	470	420	1,125	243	420	341	1,004	369	430	367	1,166	4,190
Denied	242	511	304	1,057	362	603	378	1,343	235	413	270	918	581	492	589	1,662	4,980
Conditional Certification	31	34	6	71	56	19	42	117	15	28	31	74	36	27	35	98	360
Totals:	601	865	557	2,023	653	1,092	840	2,585	493	861	659	2,013	997	976	1,056	3,029	9,650

### Certifications by Target Group

Target Name	Oct	Nov	Dec	Qtr 1	Jan	Feb	Mar	Qtr 2	Apr	May	Jun	Qtr 3	Jul	Aug	Sep	Qtr 4	Total	% of Total
1. IV-A Recipient	3	2	6	11	3	4	11	18	5	5	3	13	6	7	6	19	61	1.5%
2A. Veteran with SNAP	3	4	3	10	2	2	7	11	2	3	1	6	3	10	3	16	43	1.0%
2B. Disabled Veteran	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	2	2	0.0%
2C. DV Unemployed 6 mo	3	4	3	10	3	0	3	6	6	2	1	9	2	4	1	7	32	0.8%
2D. V Unemployed 4 wks	24	39	24	87	24	31	36	91	20	31	16	67	26	23	24	73	318	7.6%
2E. V Unemployed 6 mo	8	13	9	30	7	7	15	29	8	17	16	41	12	18	10	40	140	3.3%
3. Ex-felon	50	31	29	110	29	71	70	170	66	73	65	204	66	56	52	174	658	15.7%
4. Summer Youth	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
5. Designated Community Resident	37	42	21	100	25	115	53	193	15	49	67	131	46	58	42	146	570	13.6%
6A. Voc Rehab Referral	9	21	6	36	14	16	7	37	4	10	10	24	24	15	25	64	161	3.8%
6B. Ticket Holder	0	1	0	1	0	0	0	0	0	0	2	2	1	0	0	1	4	0.1%
7. SNAP Recipient	172	139	132	443	108	207	185	500	101	209	141	451	164	215	172	551	1,945	46.4%
8. SSI Recipient	1	14	7	22	11	12	21	44	12	12	11	35	10	14	21	45	146	3.5%
9. Long-Term TANF	16	5	6	27	4	2	10	16	2	4	7	13	6	7	7	20	76	1.8%
10. Long Term Unemployed	2	5	1	8	5	3	2	10	2	5	1	8	2	2	4	8	34	0.8%
Totals:	328	320	247	895	235	470	420	1,125	243	420	341	1,004	369	430	367	1,166	4,190	100%

**Estimated Tax Savings to Employers**

<i>Target Group</i>	<i>Total Applications Certified</i>	<i>Value Per App Certified</i>	<i>Tax Saving for Target Group</i>
<b>1. IV-A TANF</b>	61	\$2,400.00	\$146,400.00
<b>2A. Vet Snap</b>	43	\$2,400.00	\$103,200.00
<b>2B. Disabled Veteran</b>	2	\$4,800.00	\$9,600.00
<b>2C. Disabled Veteran unemployed six months</b>	32	\$9,600.00	\$307,200.00
<b>2D. Veteran unemp. 4 weeks</b>	318	\$2,400.00	\$763,200.00
<b>2E. Veteran unemp. 6 months</b>	140	\$5,600.00	\$784,000.00
<b>3. Exfelon</b>	658	\$2,400.00	\$1,579,200.00
<b>4: Summer Youth</b>	0	\$1,200.00	\$0.00
<b>5A. Designated Community Resident</b>	570	\$2,400.00	\$1,368,000.00
<b>6A. Vocational Rehabilitation</b>	161	\$2,400.00	\$386,400.00
<b>6B. Ticket To Work Recipient</b>	4	\$2,400.00	\$9,600.00
<b>7. SNAP</b>	1,945	\$2,400.00	\$4,668,000.00
<b>8. SSI</b>	146	\$2,400.00	\$350,400.00
<b>9. Long Term TANF</b>	76	\$9,000.00	\$684,000.00
<b>10. Long Term Unemployed</b>	34	\$2,400.00	\$81,600.00
<b>Total Tax Savings</b>	<b>4,190</b>		<b>\$11,240,800.00</b>

## Appendix: Performance

### PY 2018 Performance Measures at a Glance

<i>Performance Measures</i>	<i>Negotiated Target</i>	<i>Actual Performance Level</i>	<i>Percent of Negotiated Target</i>	<i>Change in Percent of Participants Served from PY17</i>
<b>Adult</b>				86.9%
Employment Rate Q2	77.7%	76.5%	98.5%	
Employment Rate Q4	76.5%	72.6%	95%	
Median Earnings	\$4600	\$5136	117.7%	
Credential Rate	60.8%	61.5%	101.2%	
Measurable Skills Gain	Baseline	49.7%	N/A	
<b>Dislocated Worker</b>				174.1%
Employment Rate Q2	87.5%	78%	89.1%	
Employment Rate Q4	84%	79%	94%	
Median Earnings	\$6910	\$7713	111.6%	
Credential Rate	67.9%	66.7%	98.2%	
Measurable Skills Gain	Baseline	43.8%	N/A	
<b>Youth</b>				57%
Employment Rate Q2	73.6%	78.6%	106.8%	
Employment Rate Q4	73.5%	75.5%	102.7%	
Median Earnings	Baseline	\$3693	N/A	
Credential Rate	53.5%	59.5%	111.2%	
Measurable Skills Gain	Baseline	46.4%	N/A	
<b>Wagner-Peyser</b>				
Employment Rate Q2	70%	70%	100%	
Employment Rate Q4	61.4%	71.8%	116.9%	
Median Earnings	\$4800	\$5214	108.6%	

### Effectiveness in Serving Employers

<b>Pilot Approaches</b>	Rate
Retention with Same Employer 2 <sup>nd</sup> and 4 <sup>th</sup> Quarters After Exit*	67.2%
Employer Penetration Rate	17.8%
Repeat Business Customers*	26.3%

\*Measure chosen by South Dakota DLR for performance

## Appendix: Data Validation Policy

### OVERSIGHT AND MONITORING

The DLR One-Stop Operator and job service office managers are responsible for ensuring compliance with federal laws, regulation, and guidance as well as state policies and procedures. The Workforce Training, Employment Services, and Administrative Services Divisions are responsible for oversight and monitoring of the One-Stop Career Centers to ensure compliance with federal laws, regulation, and guidance, as well as state policies and procedures. These monitors ensure:

- DLR programs achieve intended results
- Resources are utilized efficiently and effectively for authorized purposes and are protected from waste, fraud, and abuse.
- Accurate and timely information is reported to serve as the basis for improved decision-making and required reporting.

Selected employment specialists from the One-Stop Career Center offices will assist Program Staff with reviewing active files and data validation. This process will allow employment specialists to better understand the process and requirements to improve accuracy. Program Staff will provide training for Employment Specialists prior to conducting the review. This will include a program review worksheet. Employment Specialists will not be validating files from their own One-Stop centers. Labor program staff will be available at all times during the review.

### ACTIVE FILE REVIEW

#### *Timeline*

File review of active files will be completed for every program year by June 30. Files that are subject to review include only those participants who were active within the program during the year of review. Files will be randomly selected for file review ensuring a variety of case managers and offices are represented. The number of files selected should be determined based on a quality of review that is able to be conducted rather than a quantity of files to review.

#### *Process*

Program staff will develop a review sheet for each program. This review sheet will analyze eligibility, provision of services, quality of case management, documentation, fiscal accountability, and inclusion of data validation elements. An Active File Review Report containing the results of the file review will be provided to the One-Stop Career Centers. These results shall identify the names of the files reviewed, errors identified, or promising practices identified.

### DATA VALIDATION

This preliminary policy establishes data validation guidance for Wagner-Peyser, Adult, Dislocated Worker, Youth, and Trade Adjustment Assistance programs. Once additional guidance from U.S. DOL is received regarding data validation, revisions may be necessary.

Data validation is a series of internal controls and quality assurance techniques established to verify the accuracy, validity, and reliability of data. The purpose of validation procedures for required performance data are to:

1. Verify that the performance data reported are valid, accurate, reliable, and comparable across programs;
2. Identify anomalies in the data and resolve issues that may cause inaccurate reporting;
3. Outline source documentation required for common data elements; and
4. Improve program performance accountability through the results of data validation efforts.

Program Staff will review the data validation process, requirements, and plan for completion with the Employment Services and Workforce Training Division Directors annually to ensure staff are prepared for performing data validation of selected files.

### ***Timeline***

Data validation will be completed for every program year by June 30 of the following program year. Files that are subject to data validation include only those participants who exited during the given program year. At least two percent of Wagner-Peyser files and ten percent of each of the Title I Adult, Dislocated Worker, TAA, and Youth files will be randomly selected for data validation.

### ***Process***

The review team will validate the data elements outlined in TEG 7-18, Attachment I, program eligibility and triggering service data elements outlined in the Participant Individual Record Layout (PIRL) and participant intake/orientation forms. For each validated individual data element, a pass or fail grade will be assessed.

A Data Validation Report containing the results of the data validation shall be provided to the One-Stop Career Centers. These results shall identify the names of the files reviewed, missing and/or erroneous data.

### ***Source Documentation for Common Data Elements***

For most data elements, the validation guidelines provide multiple forms of acceptable source documentation. If the State collects multiple sources for the same data element and the sources conflict, the most objective source should be used to determine if the data element is valid and accurate.

These source documentation types include:

- ***Cross-Match:*** a cross-match required validators to find detailed supporting evidence for the data element in a database. An indicator or presence of a Social Security Number (SSN) in an administrative non-WIOA database, i.e., a database not maintained by a WIOA core program such as data from the State's Department of Motor Vehicles, is not sufficient evidence for a crossmatch. State validators must also confirm supporting information such as dates of participation and services rendered. DLR will have data sharing agreements in place as appropriate.
- ***Self-Attestation:*** Self-attestation (also referred to as a participant statement) occurs when a participant states his or her status for a particular data element, such as pregnant or parenting youth, and then signs and dates a form acknowledging this status. The key elements for self-attestation are: (a) the participant identifying his or her status for permitted elements, and (b) signing and dating a form attesting to this self-identification. The form and signature can be on paper and uploaded electronically into SDWORKS or in SDWORKS with an electronic signature.
- ***Case notes:*** Case notes refer to electronic statements by the case manager that identify, at a minimum, the following: (a) a participant's status for a specific data element, (b) the date on which the information was obtained, and (c) the case manager who obtained the information.
- ***Electronic Records:*** Electronic records are participant records created, stored or transferred in a form that only a computer can process and maintained in the DLR's management information system. Records can be numeric, graphic, or text. They can also include magnetic storage media such as tapes or disks.

Source documentation for data validation items must be uploaded into SDWORKS. Hard copies are not acceptable as outlined in policy and will not be considered for data validation purposes.

### **CORRECTIVE ACTION**

Results of the annual data validation and active file review reports shall be discussed with One-Stop staff as part of the [One-Stop Career Center Certification](#) Policy 3.3, with any findings or necessary corrective action included in the monitoring report.