

U.S. Department of Labor

Employment and Training Administration
200 Constitution Avenue, N.W.
Washington, D.C. 20210

**SEP 26 2007**

The Honorable Deval Patrick
Governor of Massachusetts
State House
Room 360
Boston, Massachusetts 02108

RE: Massachusetts' Strategic State Plan Modification for Title I of the Workforce Investment Act and the Wagner-Peyser Act

Dear Governor Patrick:

This letter provides approval of the modification to Massachusetts' Strategic State Plan ("the Plan") for Title I of the Workforce Investment Act (WIA) and the Wagner-Peyser Act for the two-year period, July 1, 2007 through June 30, 2009. The Employment and Training Administration (ETA) received your state's proposed modification on June 29, 2007, and appreciates your timely submission. ETA views the state strategic planning process under WIA as an opportunity for transforming the workforce investment system into a system that is aligned with and supports regional economic development. The role of governors in this process is critical, and we thank you for your leadership and that of your State Workforce Investment Board.

The approval of the modification to Massachusetts' Strategic State Plan for the two-year period July 1, 2007 through June 30, 2009, is retroactive to July 1, 2007. The content of the two-year Plan, including the policies and strategies, the approved performance goals, and the approved waivers, is in effect for the full two-year period, July 1, 2007 through June 30, 2009, including the transition period of July 1, 2007 to September 28, 2007, when Massachusetts operated through an extension of the Program Year 2005/2006 State Plan. While the Plan being approved by this letter is in effect for the full two-year period, the transition period expenditures made prior to the approval of this Plan modification will not be considered inappropriate if they were consistent with the Program Year 2005/2006 State Plan in effect at the time of expenditure.

Plan Review and Approval

ETA has reviewed the Massachusetts' Plan submission for years three and four of its Strategic Five-Year Plan in accordance with Title I of the Workforce Investment Act, the Wagner-Peyser Act, the corresponding regulations, and, as required by TEGL 13-06, the WIA/Wagner-Peyser

Act Planning Guidance issued on April 12, 2005. Pursuant to 20 CFR 661.220, this letter constitutes a written determination under WIA section 112(c) (29 USC 2822(c)), that the Plan as modified, for the period, July 1, 2007 through June 30, 2009, is consistent with the requirements of WIA and the Wagner-Peyser Act.

The Grant Officer will issue a Notice of Obligation for the balance of the WIA formula allocations for Adult and Dislocated Worker programs effective October 1, 2007, under the current Program Year 2007 Annual Funding Agreement. The Wagner-Peyser Act program grant documents for Program Year (PY) 2007/Fiscal Year (FY) 2008 were executed, effective July 1, 2007, and funds have been and will continue to be obligated under the agreement for the applicable funds.

Performance Levels

Enclosed are the negotiated Program Year 2007 and 2008 performance levels for WIA and Wagner-Peyser Act which were agreed upon in prior discussions with the Regional Office. These performance levels have been incorporated into the State Plan, and approval of this Plan constitutes formal approval of Massachusetts' WIA and Wagner-Peyser Act performance levels for Program Years 2007 and 2008.

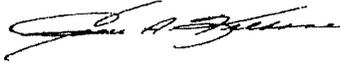
Waiver Requests

We appreciate that you sought to take advantage of the waiver authority provided in the Workforce Investment Act to expand the flexibility Massachusetts has in implementing your workforce investment system. You will soon receive a separate notification from the Assistant Secretary of the Employment and Training Administration, which will constitute the official response to the waiver requests included in your State Plan. All of your requests were approved, with two exceptions. For reasons of either law and/or policy, the following waivers were not approved: the request to exclude from local performance calculations individuals who receive entrepreneurial training with WIA funds, and the request to waive requirements for assessment on the common measure for numeracy.

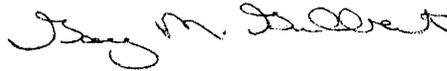
ETA is committed to supporting Massachusetts in driving the workforce investment system to enhance regional economic development in response to changes in the economy brought on by globalization. We look forward to working together in advancing this agenda and assisting you in the implementation of your strategic vision for Massachusetts. If you have any questions related to the issues discussed above, please contact Janet Sten, the Federal Coordinator for Plan

Review and Approval, at (202) 693-2793 Sten.Janet@dol.gov, or Maryanne Langton, the Federal Project Officer for Massachusetts, at (617) 788-0150 Langton.Maryanne@dol.gov.

Sincerely,



Grace A. Kilbane
Regional Administrator
Employment and Training
Administration



Gay M. Gilbert
Administrator
Office of Workforce Investment
Employment and Training
Administration

Enclosure

cc: Suzanne Bump, Secretary of Labor and Workforce Development
David Mackley, Director of Workforce Development
Jennifer James, Under-Secretary Workforce Development
Emily Stover DeRocco, Assistant Secretary for Employment and Training
Janet Sten, Federal Coordinator for Plan Review and Approval
E. Fred Tello, Grant Officer
Maryanne Langton, Federal Project Officer for Massachusetts

Workforce Investment Act and Wagner-Peyser Act Performance Levels for PYs 2007 and 2008

Massachusetts

Workforce Investment Act Performance Levels

<u>Adult Measures</u>	<u>PY 2007</u>	<u>PY 2008</u>
Adult entered employment	81.00	82.00
Adult employment retention	80.00	81.00
Adult average six-month earnings	\$10,900.00	\$11,250.00
Adult employment and credential	70.00	71.00
 <u>Dislocated Worker Measures</u> 		
Dislocated worker entered employment	87.00	88.00
Dislocated worker employment retention	89.00	90.00
Dislocated worker average six-month earnings	\$18,600.00	\$18,750.00
Dislocated worker employment and credential	75.00	76.00
 <u>Older Youth Measures</u> 		
Older youth entered employment	80.00	81.00
Older youth employment retention	84.00	85.00
Older youth earnings change	\$3,500.00	\$3,800.00
Older youth credential	53.00	54.00
 <u>Younger Youth Measures</u> 		
Younger Youth Skill Attainment	87.00	88.00
Younger youth diploma	62.00	63.00
Younger youth retention	70.00	71.00
 <u>Customer Satisfaction Measures</u> 		
Participant ACSI	82.00	82.00
Employer ACSI	75.00	75.00

Wagner-Peyser Act Performance Levels

<u>Measures</u>	<u>PY 2007</u>	<u>PY 2008</u>
Entered employment	60.00	61.00
Employment retention	80.00	81.00
Average six-month earnings	\$15,900.00	\$16,400.00