



**State Workforce Development Board Meeting
Tuesday, December 12, 2023, at 11:00 a.m.**

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AGENDA

- I. Welcome and Opening Remarks Mr. Thomas Freeland, SWDB Chair
- II. SWDB Member Recognition.....Mr. Freeland
- III. Director’s Report Mr. William Floyd
- IV. Approval of Minutes from June 28, 2023*Mr. Freeland
- V. Request for Waiver Authority*Ms. Sheleena Rios
- VI. Shared Case Management System Feasibility Study..... Gartner, Inc.
- VII. Other Business/Adjourn.....Mr. Freeland

*Denotes voting item

2nd Quarter SWDB Progress Report

October 1 – December 31, 2023

Board Development Committee

- In lieu of having a 2nd quarter committee meeting, the Board Development Management Committee hosted a Diversity, Equity, and Inclusion Training session. This session fulfills the Committee's priority to 'provide diversity, equity, and inclusion training.' A recording of the training, reference material, and presentation are available in the SWDB Member Portal for members to review.

Committee on Workforce Innovation

- During the first quarter of PY'23, the Committee on Workforce Innovation welcomed two new committee members: Dr. Tim Hardee, President, SC Technical College System, and Mr. Tyler Servant, Councilman for Horry County.
- Mr. Scott Ferguson, Deputy Assistant Executive of Director Workforce Development, provided a status update on the Shared Case Management System priority to support intake, referral, and co-enrollment. Mr. Ferguson shared that a vendor was selected for the project and provided the project timeline. In June 2023, SWDB allotted \$250,000 in funding to procure a vendor to conduct this study.

SC Works Management Committee

- The SC Works Management Committee received a status update on the SC Soft Skills Certificate priority. The SC Professional Skills Credential, created in partnership with WIN Learning, is earned after successfully passing the Digital Literacy and Essential Soft Skills Assessments. At the time of the Committee meeting, 19 SC Professional Skills Credentials had been earned.
- The SC Works Management Committee received a presentation on the PY'22 Local Workforce Development Area (LWDA) WIOA Program and Fiscal Performance.
 - *State-specific Fiscal Performance Measures:*
 - i. Obligation Rate – requires LWDAs to obligate 80% of the program funds allotted for each funding stream (Adult, Dislocated Worker, and Youth) in the current year for each fund stream.
 - All 12 LWDA areas met the obligation rate for each of the WIOA program funding streams.
 - ii. Fund Utilization Rate (FUR) – requires LWDAs to expend at least 70% of total funds available, including current year and carry-in program and administration funds, for each fund stream.
 - 11 areas met or exceeded the Adult FUR.
 - Ten (10) areas met the Dislocated Worker FUR.
 - Eight (8) areas met the Youth FUR.

- iii. Participant Cost Rate (PCR) – requires LWDAs to spend at least 30% of combined Adult, Dislocated Worker, and Rapid Response program funds on participant cost.
 - Ten (10) areas met the PCR.
- iv. The six (6) areas that did not meet fiscal performance measures have triggered progressive-sanction measures.
 - The LWDBs in each of the four (4) local areas, for which this is the first year they have failed the measure(s), will be required to submit a Corrective Action Plan (CAP) within 45 days of the formal notice, describing how it will improve and meet performance. Upon acceptance of the CAP, the LWDB will submit progress reports to DEW on a mutually agreed upon schedule.
 - In addition to the formal notice, DEW will present the performance, sanctions, and potential consequences to the LWDBs of the two (2) areas, in which this is the second year they have failed the measure. If each local area does not meet the Youth FUR for Program Year 2023, then the excess Youth funding (any amount over the 30% allowed) will be recaptured by the State and reallocated to those local areas that met the requirement for Program Year 2023.
- *Programmatic Performance Measures:*
 - i. The state and all 12 LWDA's met or exceeded the WIOA negotiated performance measures.

Executive Committee

- The Executive Committee voted unanimously to advance a revision to State Instruction Letter 21-05: Waiver of State-Specific Requirements Authority. The revision would remove the requirement that DEW will obtain approval authority from the State Workforce Development Board annually before approving any waiver requests submitted. The Executive Committee voted to advance the request to the full board for a final vote to remove the annual requirement that DEW will obtain authority to approve or deny waiver requests received from local workforce areas.
- The EvalGroup shared the results of the SC Works Secret Shopper Initiative. A priority of the SC Works Management Committee, this initiative aimed at assessing the customer experience when interacting with the SC Works system and is designed to highlight promising practices, identify the need for training and technical assistance, and identify resources needed to improve the customer experience.
 - The Initiative was conducted in two phases. During Phase I, EvalGroup surveyed employers and job seekers about their experience. During Phase II, secret shopper visits were conducted at multiple SC Works centers across the state.
 - Recommendations and next steps:

- i. Scale up and implement the program statewide to establish representative baseline data.
 - Action: Implement action items in alignment with the recommendations coming out of this study and then seek SWDB support and funding to reevaluate the centers statewide. More specifically, the comprehensive centers.
- ii. The Secret Shopper model provides reliable data for the jobseeker experience but does not allow the business customer experience to be assessed. To capture the business customer's experience, SC Works should disseminate surveys and conduct interviews or focus groups with a representative sample of business customers.
 - Action: Develop a customer satisfaction State Instruction Letter (SIL). The SIL will include guidance on collecting customer feedback and using it for continuous improvement. It will also include state questions that must be included on all customer satisfaction surveys and a requirement for regular annual reporting of customer satisfaction data.
- iii. Require a universal protocol or checklist for all SC Works center staff to be utilized during a jobseeker in-person visit.
 - Action: Inventory and assess existing customer service delivery checklists and determine whether and if a system-wide checklist would be appropriate. Continued internal discussions are needed on this topic.
- iv. Require a universal training module for front-end staff on how to engage with jobseekers.
 - Action: DEW partnered with Midlands Technical College to develop SC Works 101, a training for frontline SC Works center staff. The course addresses this recommendation; however, the course is currently under revision and unavailable to staff. The revised version will include fresh and relevant information and is anticipated to be released by the end of the program year. Additionally, the SC Works Learning Management System, which is in procurement, will allow DEW to provide local areas with timely and relevant training and a host of topics.
- v. Require a universal training module for front-end staff on how to engage with jobseekers.
 - Action: Collect and share best practices for providing relevant, up-to-date brochures and a prominently featured job board. Explore support that Communications could provide to local areas to update brochures, if applicable.

WIOA State Plan

WIOA requires the Governor of each state to submit either a Unified or Combined State Plan outlining a four-year strategy for the state’s workforce development system. At a minimum, states are required to modify their state plan every two years to reflect changes in labor market and economic conditions, state negotiated levels of performance, the state’s vision, goals, or workforce priorities, or any other factors affecting the implementation of the state plan.

During the 2nd quarter, DEW and partner agencies continued the development of the WIOA State Plan. The South Carolina WIOA State Partners participating in the development of the PYs 2024 – 2027 Combined State Plan include the Department of Education - Office of Adult Education and Office of Career and Technical Education, Vocational Rehabilitation Department, Commission for the Blind, Department of Employment and Workforce, Department of Social Services, and Office on Aging.

The strategies in development align with the draft strategies outlined in the Unified State Plan, a comprehensive education and workforce plan, which is a requirement under the Education and Workforce Act (Act 67), and how the 2024 WIOA State Plan aligns with the USP. To ensure continued alignment and collaboration, Mr. Charles Appleby presented an update on the development of the USP to the Committee on Workforce Innovation, the SC Works Management Committee, and the Executive Committee.

Upcoming Meetings

3rd Quarter (January 1 – March 31, 2024)		
Tuesday, January 23*	11:00 a.m.	Annual Ethics Training
Thursday, February 01	11:00 a.m.	Board Development
Wednesday, February 07	11:00 a.m.	Workforce Innovation
Thursday, February 15	11:00 a.m.	SC Works Management
Tuesday, March 05	11:00 a.m.	Executive
Thursday, March 28	11:00 a.m.	State Workforce Development Board

Governor’s State Workforce Development Board
June 28, 2023, State Workforce Development Board Meeting Minutes

MEMBERS PRESENT:

Mr. Thomas Freeland	Mr. Jay Holloway
Mr. William Floyd	Ms. Felicia Johnson
Ms. Valerie Richardson	Mr. Mike King
Mr. Cliff Bourke, Jr.	Rep. Randy Ligon
Mr. Charles Brave, Jr	Ms. Elaine Morgan
Ms. Susan Cohen	Ms. Swati Patel
Col. Craig Currey	Mr. Tyler Servant
Ms. Darline Graham	Dr. Windsor Sherrill
Dr. Tim Hardee	Mr. Warren Snead

MEMBERS ABSENT:

Mr. Gregory C. Clark
Mr. Pat Michaels
Mr. Michael W. Sexton
Mr. H. Perry Shuping
Mr. Gregory L. Tinnell
Senator Ross Turner
Mr. John Uprichard

Welcome and Opening Remarks Mr. Thomas Freeland, SWDB Chair
Chairman Thomas Freeland called the meeting to order at 11:00 a.m. A quorum was present.

Chairman Freeland thanked the SC Hospital Association for allowing the State Workforce Development Board (SWDB) to use their facilities to host the 4th quarter meeting.

SC Hospital Association Welcome.....Mr. Edward Bender
Mr. Edward Bender, General Counsel for the SC Hospital Association, welcomed members and guests to the SC Hospital Association’s offices, providing an overview of the association’s programs and initiatives.

He discussed the H is for Hiring campaign to meet South Carolina’s hospital and healthcare workforce needs, the Be Something Amazing program, created to encourage students to consider the wide range of professions in healthcare and a pilot program where hospital nurses train to become clinical faculty instructors.

Approval of Meeting Minutes from March 29, 2023*Mr. Freeland
Col. Craig Currey motioned to approve the March 29, 2023, meeting minutes. Dr. Tim Hardee seconded the motion. The SWDB unanimously approved the meeting minutes.

Director’s ReportDirector William Floyd
Mr. William Floyd, Executive Director, SC Department of Employment and Workforce, presented the state’s employment situation, including the Labor Force Participation rate and current agency projects. His presentation covered the following points:

- South Carolina’s economy continues to be strong. As of May 2023, there are 95,569 more people employed than in February 2020.
- The preliminary Unemployment Rate for May 2023 is 3.1%. This rate is lower than neighboring states and the national unemployment rate of 3.7%. More than 104,900 jobs are posted in SCWOS, a net of 40,000 more jobs posted than pre-pandemic.
- South Carolina’s Labor Force Participation Rate is 56.5%, an increase of .2% from April 2023.

Governor’s State Workforce Development Board
June 28, 2023, State Workforce Development Board Meeting Minutes

Mr. Floyd presented the progress of DEW’s ongoing rural initiatives to make DEW and SC Works services accessible to jobseekers in Tier III and IV counties and underserved areas. Utilizing the SC Works Career Coach and partnering with local elected officials, stakeholders, vendors, and service providers, the SC@Work: Road Trips are mobile job fairs and community events that promote job opportunities and training available in rural areas. In May 2023, the Road Trips were attended by 233 job seekers, resulting in 40 potential hires and 163 follow-up interviews. Mr. Floyd reported that funding has been provided to purchase a second Career Coach to expand the Rural Initiative. Mr. Floyd advised that the SC@Work: Road Trips will have stops as part of the 2nd annual 2023 Workforce Development Month activities.

Mr. Floyd announced the SC@Work: 2023 Photo Contest, an initiative to celebrate hard work and dedication in South Carolina by showcasing "SC at work." Employers across the state will be asked to photograph their employees working and submit their entries to DEW. The winners will be announced at the 2023 Workforce Development Symposium in September as part of the 2nd Annual Workforce Development Month activities.

Participant Cost Rate (PCR) Recommendation*.....Mr. Zach Nickerson

Mr. Zach Nickerson, Director of Workforce Services, presented a recommendation to the Committee to revise the Participant Cost Rate (PCR) calculation to include salaries, fringe benefits, and indirect costs of staff working directly with participants. Staff working directly with participants is defined as staff providing or conducting eligibility certification, case management, workshops, or assessments. The current calculation evaluates program expenditures, including training and supportive services, but excludes staff salaries and operating expenses. If approved, the revised PCR calculation will include staff salaries, fringe benefits, and indirect costs and is expected to ensure sufficient staffing to serve customers, improve partner collaboration, and encourage local areas to seek non-WIOA formula funds to support innovation.

Chairman Freeland facilitated the discussion on the PCR recommendation. Mr. Nickerson explained that the requirement to have a 30% PCR will be reevaluated in Program Year 2024 to determine if any adjustments are necessary.

Mr. Charles Brave, Jr. motioned for the acceptance of the Participant Cost Rate (PCR) recommendation. Ms. Valerie Richardson seconded the motion, and the SWDB unanimously approved the PCR recommendation.

Request for Waiver Authority*Ms. Sheleena Rios

Ms. Sheleena Rios, Workforce Policy and Research Manager presented the Waiver of State Specific Requirements Authority request for Program Years 2022 and 2023. In accordance with State Instruction Letter (SIL) 21-05, DEW must obtain approval authority from the SWDB annually before approving or denying any waiver requests submitted by LWDA's. She reminded the board that failure to grant the authority would require each waiver request to be brought before the entire SWDB for approval.

Chairman Freeland facilitated a discussion on the waiver authority request, explaining that staff currently reviews waiver requests. The waiver is then presented to the appropriate committee, who is notified of the action taken. Mr. Nickerson provided the Pee Dee waiver request as an example

Governor’s State Workforce Development Board
June 28, 2023, State Workforce Development Board Meeting Minutes

of the types of waivers DEW has received, reminding the Board that the appropriate sub-committee is also informed of any action taken, denial, or approval, with explanations as to why.

Mr. Charles Brave, Jr. motioned to grant DEW authority to approve or deny any waiver requests submitted by LWDAs for Program Years 2022 and 2023. Col. Craig Currey seconded the motion, and SWDB unanimously approved the Request for Waiver Authority.

LWDA Subsequent Designation & LWDB Certification* Ms. Melissa Rodgers

Ms. Melissa Rodgers, Workforce Support Manager, presented on the subsequent designation of local workforce development areas and certification of local workforce development boards. She explained that WIOA requires the Governor in each state to designate local areas and certify local boards every two years. All 12 local areas submitted timely petitions. All local boards are compliant except one, but they have already submitted a Corrective Action Plan and will be compliant by June 30, 2023. Ms. Rodgers recommended approval of the LWDA Subsequent Designation and the LWDB Subsequent Certification petitions for all 12 areas for PYs 2022 and 2023.

Dr. Windsor Sherrill motioned to approve the LWDA Subsequent Designation and LWDB Certification for Program Years 2022 and 2023. Ms. Susan Cohen seconded the motion, and SWDB unanimously approved the LWDA Subsequent Designation & LWDB Certification.

Funding Recommendation* Ms. Nina Stagers

Ms. Nina Stagers, Assistant Executive Director of Workforce Development, presented a \$6.8M funding recommendation for PY’23, which included funding to support outreach, participant activities, and operational costs.

- *Workforce Development Month – \$33,100*: This funding will be used for promotion of the SC Works system during Workforce Development Month, the 2023 Workforce Development Symposium sponsorship fee, and awards for Workforce Heroes and Photo contest winners.
- *LWDA Training Funds – \$1,000,000*: This funding will be provided to LWDAs to provide in-demand training services that align with local area needs.
- *Workforce Innovation Funding – \$3,000,000*: Innovation funding will be awarded to LWDAs on a competitive basis to implement or scale effective strategies in partnership with local organizations for delivering workforce development resources in their local communities.
- *Planning and Development Funding – \$930,000*: In alignment with the state plan, LWDAs will develop and submit local and regional plans. The funding allocated for Planning and Development will enable LWDAs to secure resources to assist with local and regional planning and to support training and professional development of resource center staff.
- *Career Readiness/Soft Skills – \$418,500*: Starting June 19, 2023, the career readiness courseware, including soft skills and digital literacy, is available in 74 locations across the state. The additional funding will be used to expand the availability of courseware to

Governor’s State Workforce Development Board
June 28, 2023, State Workforce Development Board Meeting Minutes

additional locations, including technical colleges, Connection Points, and employer locations.

- *Targeted Outreach/SC Works Center Signage Refresh – \$449,700:* Outreach is a key component of any workforce strategy. Funding will support state-level outreach and promotion of SC Works system and workforce programs and refresh SC Works center signage. The local areas are responsible for procuring signage per their area's guidelines.
- *Statewide Operating Costs – \$1,005,662:* It is recommended that the SWDB increase its investment to support maintenance costs for the Wagner Peyser program. The WIOA and Wagner Peyser programs are the largest users of the SC Works Online Services system. The costs associated with Wagner Peyser support the state's labor exchange, which currently lists 100,000 jobs. Other operating costs include Performance and Reporting staff that collect and report performance data to the US Department of Labor for six federal programs, the annual Blanket Accident Insurance policy renewal, and participation in national organizations such as the National Governors Association.

Chairman Freeland opened the floor for questions and discussion. Ms. Staggars explained that the funding request did not include new staff, advising that the carry-in amount of \$3.9M was higher than usual.

Ms. Valerie Richardson motioned to accept the funding recommendation, Mr. Jay Holloway seconded the motion, and SWDB unanimously approved the funding recommendation.

Legislative UpdatesMs. Ellen Andrews-Morgan
Ms. Ellen Andrews-Morgan, Director of Governmental Affairs, provided a legislative update highlighting relevant activity.

Ms. Andrews-Morgan reviewed the Statewide Education and Workforce Development Act (Act No. 67 of 2023) and its goal to coordinate, align, and enhance workforce development services. Act 67 created a new Office of Statewide Workforce Development within DEW, transferring the workforce development responsibilities of the Department of Commerce to DEW and adding new members to the Coordinating Council for Workforce Development, including the Chairman of the State Workforce Development Board. The FY 2023-2024 budget included fifteen full-time employees to address obstacles unique to rural areas, recurring funding for the Be Pro/Be Proud program, promoting opportunities in the skilled/vocational trades, and extended funds to expand GED incentives to all adults.

Additional legislation passed during the current session includes:

- *Lead Apprenticeship Agency* – Establishes the State Board of Technical and Comprehensive Education as the lead agency for facilitating U.S. DOL Registered Apprenticeships.
- *LIFEScholarship Retention* – Protects students from losing LIFE Scholarships based on dual enrollment grade.
- *Career Readiness Assessments* – Requires the Education Oversight Committee and State Board of Education to create a waiver for districts and high schools to request an exception

Governor’s State Workforce Development Board
June 28, 2023, State Workforce Development Board Meeting Minutes

from reporting FY 2022-2023 career readiness performance from students taking the assessment a second time.

- *Barriers: Youthful Offender Expungement Eligibility Act No. 73 of 2023* – Allows for expungement of convictions from youth’s records for driving under suspension and convictions for disturbing school before May 17, 2018, and have not been convicted of any other offenses for 5 years prior to expungement.
- *Barriers: Earn and Learn Act No. 13 of 2023* – Professional or Occupational board may not deny a license solely based on a prior criminal conviction unless it directly relates to the duties, responsibilities, or fitness of the occupation or profession.
- *Workforce Housing Act No. 57 of 2023* – Allows local governments to use for the development of workforce housing. S.739 – Housing Credits is a one-time authorization of \$29.8M SC Housing Tax Credits and up to \$25M from SC Housing Trust Fund with SC Housing to develop a plan to allocate the funding as supplemental support for multi-family housing projects.

Workforce development will continue to be a key priority in 2023, with bills reviewed during the first session around education and workforce readiness, apprenticeship tax credits, and the maximum duration of unemployment benefits.

Education and Workforce Act..... Mr. Charles Appleby

Mr. Charles Appleby, Senior Advisor, Coordinating Council for Workforce Development (CCWD), provided an overview of the Statewide Education and Workforce Act, reviewing the Office of Statewide Workforce Development and the organizational structure and responsibilities of the CCWD and its impact on the State.

The newly formed Office of Statewide Workforce Development (OSWD) will be housed at DEW, and the Governor will appoint an Executive Director. The OSWD will oversee the CCWD, provide centralized oversight of all publicly funded workforce development in the State and Regional Workforce Advisors (RWAs), and submit annual statewide workforce funding reports.

The CCWD Chair changes from the Secretary of Commerce to the Director of the Department of Employment and Workforce (DEW). The new chair will be responsible for monitoring implementation, reviewing performance, and meeting executive committee member duties, including annually reporting CCWD actions, legislative recommendations, and compliance with the Unified State Plan (USP).

The full CCWD is responsible for collaborating and sharing information among all agencies and partners, developing a Unified State Plan and metrics, creating a dashboard for the public to monitor and track progress, overseeing the 25+ projects the legislature recommends for inclusion in the USP and performing additional duties under the direction of the CCWD Chair.

Mr. Appleby announced the new reporting guidelines for employers. Beginning in March 2024, all employers will be required to report Standard Occupational Classification (SOC) codes. The SOC system is a federal statistical standard used to classify workers into the specific category that best matches their job, resulting in better tracking of actual occupations. The SOC codes will allow the workforce system to better plan for future training and career pathways growth.

**Governor’s State Workforce Development Board
June 28, 2023, State Workforce Development Board Meeting Minutes**

Other Business/Adjourn.....Mr. Freeland
Chairman Freeland recognized and welcomed new SWDB members: Dr. Tim Hardee, Ms. Elaine Morgan, Ms. Swati Patel, Mr. Tyler Servant, and Rep. Randy Ligon. He reminded members that in lieu of a first quarter meeting during PY’2023, members are encouraged to attend the 2023 Workforce Development Symposium at Williams-Brice Stadium on September 19, 2023.

Director Floyd asked members to take and submit photos for the SC@Work: Photo Contest.

The meeting adjourned at 1:00 p.m.

APPROVED

P.O. Box 995
1550 Gadsden Street
Columbia, SC 29202
dew.sc.gov



Henry McMaster
Governor

William H. Floyd, III
Executive Director

STATE INSTRUCTION NUMBER 21-05, Change 1

To: Local Workforce Area Signatory Officials
Local Workforce Area Board Chairs
Local Workforce Area Administrators

Subject: Requesting a Waiver of State Specific Requirements

Issuance Date: DATE

Effective Date: DATE

Purpose: To provide guidance on requesting Local Workforce Development Area (LWDA) waivers of state specific requirements.

Change 1 Revision: Changes to this state instruction include the following:

- This revision clarifies that, upon waiver request approval, a Local Plan modification is required.
- The default rejection of all requests made in the 4th Quarter for the current Program Year is amended to allow for reasonable cause, so long as approval will not obstruct other workforce system priorities.
- DEW will report to the State Workforce Development Board (SWDB) all request approvals and denials in lieu of annually requesting approval authority.

Background: The Workforce Innovation and Opportunity Act (WIOA) is designed to help job seekers secure the employment, education, training, and support services necessary to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy. WIOA and its implementing regulations establish federal requirements for WIOA programs and allow states to set additional requirements as needed to reach state goals for WIOA programs. LWDA's are encouraged to develop promising and innovative practices or initiatives to achieve these goals; however, state specific requirements may limit a LWDA's ability to implement a new practice or initiative. In such a situation, the Department of Employment and Workforce (DEW) may consider a waiver of a state specific requirement. In addition to exploring available flexibilities to facilitate the achievement of LWDA goals, waivers of state specific requirements are a tool DEW may use for reducing barriers to WIOA implementation of innovative programming options.

Policy: In an effort to spur promising and/or innovative practices by local areas, LWDA's may submit a request for a waiver of a state specific requirement that may be a barrier to implementation. Once a LWDA has set local goals and identified barriers to implementing state requirements that may impede achievement of those goals, including the corresponding state policy, LWDA's are encouraged to reach out to DEW Workforce Support to discuss plans for a waiver request. This allows the LWDA to share its goals and ideas for innovation with DEW and provides the opportunity to explore any existing flexibilities and waiver options.

Innovative practices or initiatives may be identified by the following criteria:

Initiative is, or will be, implemented in partnership with other education, workforce, economic development, social service, or non-profit entities.	Lead entity is a Local Workforce Development Board (LWDB) or LWDB's service provider.
Initiative focuses on creating talent pipelines in high-growth, high-demand industries.	
Initiative targets priority populations and/or underserved communities.	The LWDB is willing to assist other LWDBs or entities with implementing the promising practice.
Initiative met or exceeded target outcomes or is on track to do so.	

Requests for a waiver must be in writing and include the following elements, as applicable:

1. Detailed description of the nature of the project/initiative to be developed
2. State specific requirement that the LWDA would like waived
3. Actions the LWDA has undertaken to remove local laws and/or policy barriers, if any
4. LWDB strategic goals relevant to the project/initiative to be developed
5. Projected programmatic outcomes resulting from implementation of the waiver
6. Alignment with state policy priorities, such as supporting employer engagement, connecting education and training strategies, supporting work-based learning, or improving job and career results
7. Individuals, groups, or populations affected by the waiver
8. LWDA plans for monitoring waiver implementation, including collection of waiver outcome information

The waiver request must include the completed “LWDA Waiver of State Requirement(s) Request Cover Sheet,” with appropriate attachments. LWDAs may submit waiver requests as part of their Local Plan or as a separate request; ultimately, an approved waiver requires a modification of the Local Plan regardless of how it is submitted. The waiver request must include documentation demonstrating that the LWDB and Chief Elected Official(s) (CEO) are aware of the waiver request and the project/initiative. LWDA’s must submit requests for waivers of state specific requirements to WorkforceSupport@dew.sc.gov.

NOTE: A LWDA must meet all state specific requirements, even though a waiver request has been submitted, until the LWDA has received an approval letter outlining the waiver terms. Depending on the nature of the waiver request and the needs of the initiative, a waiver request may be approved retroactively.

LWDA waiver requests will be reviewed, and a response given, within 90 days of receipt of submission of the waiver request. Review of waiver requests will be expedited when possible. Upon approval of a waiver request, DEW will send an approval letter identifying the effective date and the duration of the waiver.

NOTE: Waiver requests submitted in the fourth quarter for the current program year (PY) will not be approved unless reasonable cause is presented by the LWDA and this exception would not obstruct other workforce system priorities.

While an approved waiver is ongoing, LWDAs should regularly assess whether the waiver is successfully achieving LWDA goals. LWDAs must report specifically on waiver impact and outcomes. DEW will consider outcome information as part of the criteria for granting renewal of a waiver, if requested.

Authority for Waiver Approval

Waivers approved by DEW are only granted for state specific requirements issued in State Instructions. Waiver approval cannot be granted for any requirements governed by federal or state laws and regulations, including federal performance measures. DEW will approve or deny waiver requests, as appropriate, and report all decisions to the State Workforce Development Board (SWDB).

Action: Please ensure that all appropriate staff receive and understand this policy.

Inquiries: Questions may be directed to Workforce Reporting and Compliance (WRC) at WRC@dew.sc.gov.

Nina Stagers, Assistant Executive Director
Workforce Development Division

Attachment: LWDA Waiver of State Specific Requirement(s) Request Cover Sheet

DRAFT

Authority to Approve Waivers of State Specific Requirements



Background

- State Instruction 21-05: Requesting a Waiver of State Specific Requirements
- New Process—Implemented in PY 2021
- DEW's Responsibilities
 - Approve/Reject LWDA waiver requests submitted within the program year
 - Annually request authority to approve by the Workforce Development Division of DEW.

Authority for Waiver Approval

Waivers approved by DEW are only granted for state specific requirements issued in State Instructions. Waiver approval cannot be granted for any requirements governed by federal or state laws and regulations, including federal performance measures. Furthermore, DEW will obtain approval authority from the State Workforce Development Board (SWDB), annually, before approving any waiver requests submitted within each program year. The appropriate SWDB subcommittee will be updated upon approval or denial of a LWDA waiver request.

Revision

1. Local plan modification is required.
2. Requests made in the 4th Quarter to waive current program year requirements may be allowed if:
 - Reasonable Cause
 - Workforce system priorities are not obstructed
3. Report of approvals/denials to SWDB in lieu of annual authority request.

Questions?



Voting Action

This state instruction revision is approved.

Shared Case Management System Feasibility Study – State Workforce Development Board Briefing

Prepared for: South Carolina Department of
Employment and Workforce

12 December 2023



SOUTH CAROLINA DEPARTMENT OF
Employment and Workforce

Gartner Team Introduction

Maydad Cohen



Subject Matter Expert

- Senior Managing Partner with Gartner Consulting, focusing on the State and Local Government (SLG) industry.
- UI and Workforce Development SME.
- 20 years of experience helping Public Sector clients with strategy, oversight, and management for large transformational programs.
- Joined Gartner in 2019 and works out of the Gartner offices in Boston, MA.

Carlton McArthur



Managing Partner

- Managing Partner with Gartner Consulting, focusing on the SLG industry.
- Lead Client Partner for the states of SC, NC, and MD
- 25 years of consulting experience and is an expert in IT service delivery transformation, process optimization, and organizational change management.
- Joined Gartner in 2019 and works out of the Gartner offices in Arlington, VA.

Gartner delivers actionable, objective insight that drives smarter decisions and stronger performance on an organization's mission-critical priorities

About Gartner

- Founded in 1979, Gartner delivers **actionable, objective insight** to executives and their teams
- **More than 21,500** associates in approximately 85 global offices
- **40+** consecutive quarters of double-digit growth, \$5.5B revenue in 2022
- Deep global business and technology insight into every major business function in the enterprise with **2,500 experts** delivering strategic advice in more than **460,000** client interactions each year
- **850+ consultants** performing 2,500+ technology-driven strategic consulting and contract optimization engagements annually with CIOs and other senior executives through our Consulting business
- **10,500 new research reports** published annually, enabling faster, smarter decisions and stronger performance on an organization's mission-critical priorities



Customer
Service &
Support



Finance



Human
Resources



Information
Technology



Legal, Risk &
Compliance



Marketing



Product
Management



Research &
Development



Sales



Strategy



Supply Chain

Clients we serve

- More than **15,000** client enterprises in **~90** countries and territories
- **C-suite leaders and their teams** across all enterprise functions in every industry around the world

*SEC-reported data as of 31 December 2022. Other data collected between then and 21 March 2023.

RESTRICTED

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Shared Case Management Project Scope: Gartner evaluated DEW's current WIOA systems and developed a high-level modernization roadmap

1. Current State Assessment

2. Business Capability Model (BCM)

3. Market Scan

4. Options Analysis

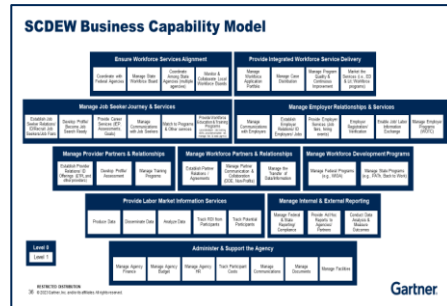
5. High-Level Roadmap & Recommendations

Gartner's review of the current state consisted of four primary components

- Analysis of Documentation**
Gartner completed a review of 59 documents from numerous stakeholders
- Interview Participants**
Gartner completed interviews with key IT, business and partners to review their pain points & strategic priorities
- Completion of Business Capability Model**
Gartner identified 43 level 0 and level 1 capabilities, and mapped SCDWEV applications accordingly
- Workshops**
Gartner completed executive visioning, BCM validation, application mapping workshops, and a SCWIOS demo to better understand Current State

59
36
43
5

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Software Vendors Considered

Gartner conducted due diligence on the following vendors to be considered for SCDWEV's CM systems:

Current Vendor	Off-The-Shelf		Case Management Platform		Custom Development Service Providers	
Geographic Solutions	AJA	MONSTER	Appian	launchpad	EY	GOV
	CCO	WORKFLOW	Microsoft	serviceNow		HERO
	EDGE	SOCIAL SOLUTIONS				

Gartner

Vendor Market Analysis - Initial Recommendations

SCDEW Weighting

Criteria	Geographic Solutions	AJA CCO	MONSTER	WORKFLOW	launchpad	Appian
Category	Current Vendor	Off-The-Shelf	Off-The-Shelf	Off-The-Shelf	Accelerated Platform	Platform
Functionality (0-10)	8	7	7	7	7	7
Security (0-10)	8	7	7	7	7	7
Access to Information (0-10)	8	7	7	7	7	7
Future Needs (0-10)	8	7	7	7	7	7
State Experience (0-10)	8	7	7	7	7	7
Risks (0-10)	8	7	7	7	7	7
Costs (0-10)	5	5	5	5	5	5

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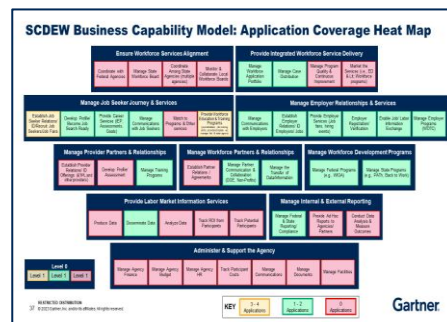
The following actions will be critical for a successful system modernization, irrespective of which option SCDWEV selects

- Immediate Next Steps**
 - Validate and release business case for system modernization
 - Develop and present business case for modernization
 - Conduct a POC/POU study to validate vendor
 - Assess SCDWEV business processes to identify areas of improvement
 - Develop an OCI strategy for modernization effort
- RFP & System Selection**
 - Create an issue RFP for OCI solution
 - Allow vendors aligned period to respond to RFP
 - Perform reference checks for evaluation criteria and bring forth to evaluate vendors
 - Conduct a POC/POU study of vendors for evaluation
 - Assess SCDWEV business processes to identify areas of improvement
 - Develop an OCI strategy for modernization effort
- Implementation & Execution**
 - Develop comprehensive project plan that covers all activities in modernization effort
 - Partner discovery and design for implementation
 - Develop an OCI strategy for modernization effort
 - Perform project and program management to ensure alignment in major areas of effort
 - Engage stakeholders and build an enabling strategy
 - Partner discovery and design for implementation
 - Develop an OCI strategy for modernization effort
- Resource Management**
 - Outline an internal staffing strategy to ensure SCDWEV staff manage project modernization
 - Perform project and program management to ensure alignment in major areas of effort
 - Begin to prepare employees with agency on OCI
 - Partner discovery and design for implementation
 - Develop an OCI strategy for modernization effort
- Enabling Technologies**
 - Prepare data migration strategy to ensure SCDWEV staff manage project modernization
 - Perform project and program management to ensure alignment in major areas of effort
 - Engage stakeholders and build an enabling strategy
 - Partner discovery and design for implementation
 - Develop an OCI strategy for modernization effort

Gartner

Gartner conducted 16 stakeholder and exploratory interviews to collect insights into the current state

Gartner



SCDEW Case Management Approach Options

- Each of the 4 identified approach options may be valid and attainable target states for SCDWEV. Each option comes with inherent benefits and challenges that need to be properly weighed while evaluating next steps.
- The current state findings and market scan informed our analysis as it relates to the ability of SCDWEV overall to achieve the target state modernization option as well as support the solution moving forward.
- The table below summarizes each criteria for the current best-fit for SCDWEV.

Criterion	Geographic Solutions	Off-The-Shelf	Platform CM	Custom Build
Functionality	8	7	7	7
Security	8	7	7	7
Access to Information	8	7	7	7
Future Needs	8	7	7	7
State Experience	8	7	7	7
Risks	8	7	7	7
Costs	5	5	5	5

Gartner

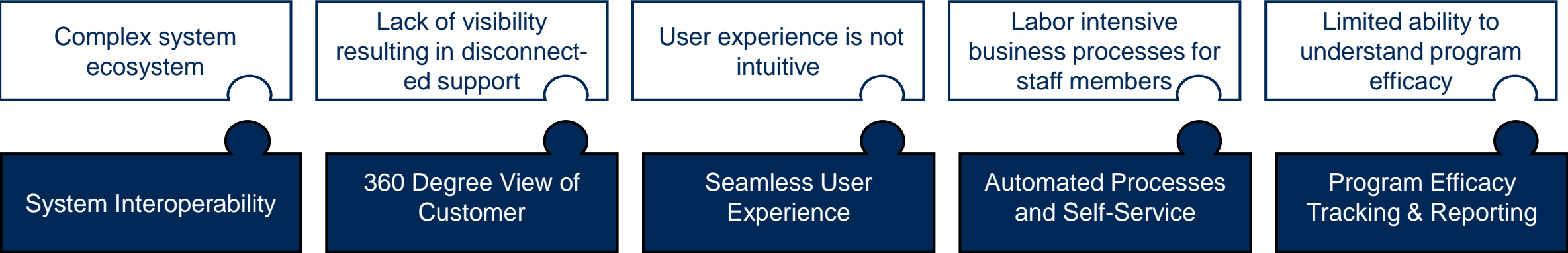
SCDEW Modernization Roadmap

Item	Strategic / Procurement	Execution / Implementation	Ongoing Support
01. Immediate Next Steps	Q1	Q2	Q3
02. Business Case and Business Model	Q1	Q2	Q3
03. POC/POU Study	Q1	Q2	Q3
04. RFP and System Selection	Q1	Q2	Q3
05. Implementation Planning and Execution	Q1	Q2	Q3
06. Resource Management	Q1	Q2	Q3
07. Enabling Technologies	Q1	Q2	Q3

Gartner

Executive Summary: Case for Change

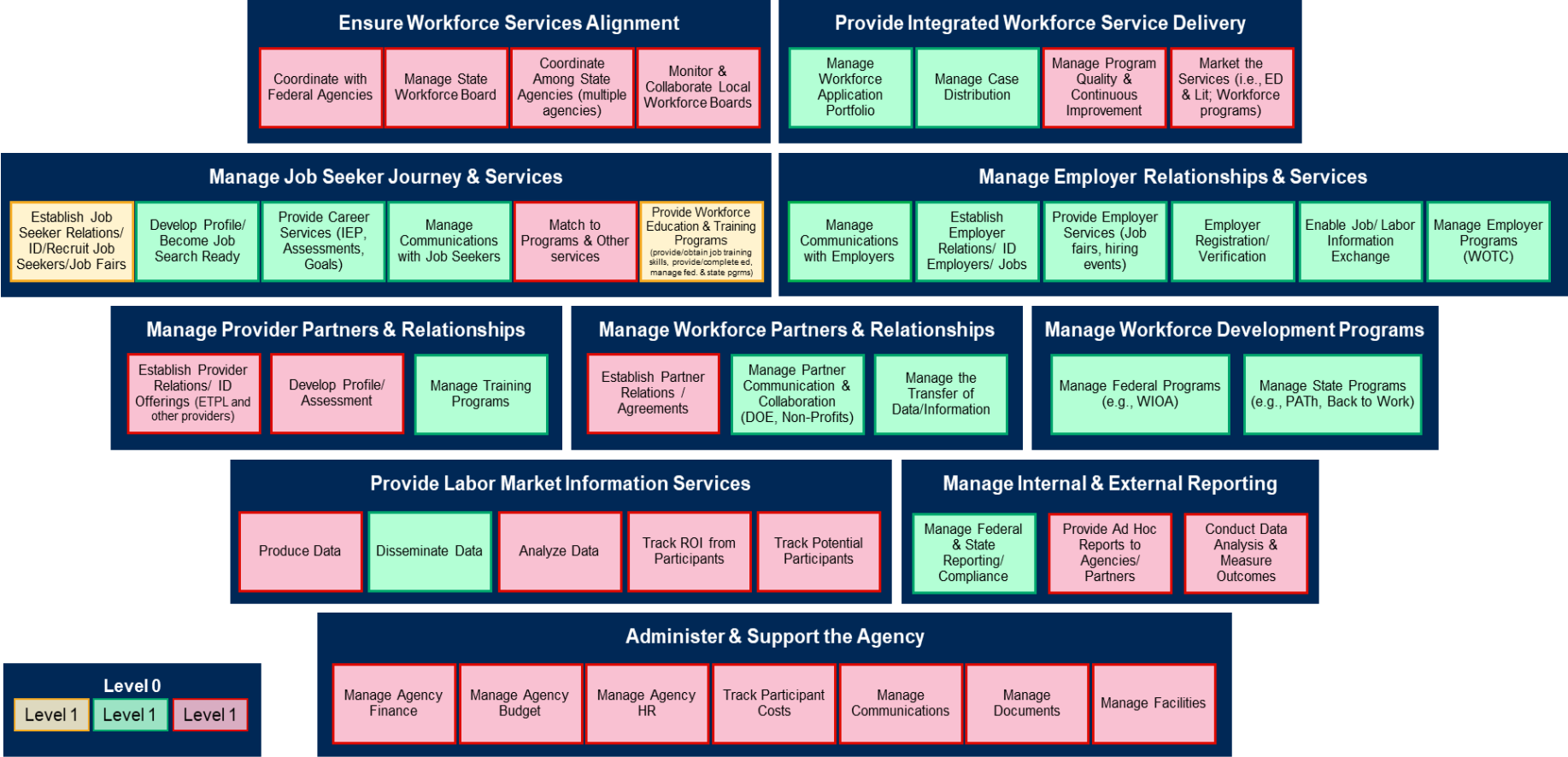
The current case management system is aging and disconnected, which constrains DEW's ability to effectively and efficiently promote and support WIOA services necessary to enable financial stability and economic prosperity for employers, individuals, and communities within South Carolina



A modern CM and LX solution is needed to improve the user experience for job seekers and employers, and to support faster, more data driven re-employment services and opportunities

Core business functions are not well supported by the existing CM and LX systems and require manual intervention and work arounds

DEW's Business Capability Model Application Coverage Heat Map



Business Capabilities

Sell and Service Products		Develop Marketing Strategy		Operate		Manage Risk	
Support Campaigns	Develop Channels	Promote to New Customers	Develop Product	Market Products	Operate Customer	Develop Risk	Manage Reputation
Administer Sales	Service Customers	Onboard Customers	Operate Competitive Intelligence	Define Business Decision	Set Pricing	Forecast Regulatory Changes	Track Regulatory Risk
Execute Banking Products		Execute Acct. Mgmt.		Operate Business			
Support Consumer Deposits	Open Credit/Debit Card	Receive Loans & Deposits	Service Payments	Administer Collateral	Manage Accounts	Collect Tech. Invest	Maximize Human Capital
Provide Consumer Credit	Transfer Services	Provide Corporate Credit (CIB)	Provide Credit Services	Issue Account Services	Detect Fraud	Support Investors	Develop Strategic Financial
Develop and Manage Partners		Detect and Resolve Fraud		Execute Investment Products			
Define Strategy	Manage Service Partners	Manage Channel Partners	Detect Consumer Fraud	Detect Corp. Fraud	Manage Security	Provide Corporate Investments	Provide Corporate Investment
Use Credit Brokers	Support Retail Partners	Evolve Contracts	Model Fraud	Prevent Fraud	Research and Dev.	Provide Consumer Education	Execute Corp. Tax Services

Indicates what the enterprise does across all business lines / groups

- Capabilities are not repeated and prevents overlap
- Are stable and do not change frequently
- Accounts for process, organization, and technology

Intentionally does not focus on the "how" and the "who"...

\$563,220.00

Estimated cost of staff wages spent manually pulling, cleaning, and editing data.



Cost of keeping the system as it is

The current CM system constrains DEW's ability to efficiently provide and support an effective, customer-driven workforce capability that facilitates financial stability and economic prosperity for employers, individuals and communities.

Current processes involve manual intervention to perform key business functions that divert agency resources from providing better support to constituents.

Estimates based on the CATCH assessment completed in May 2022



Potential Benefits for the CM and LX modernization



Transparency

↑ Increase staff perception that they better understand DEW staff accountability at different customer touchpoints measured by post-implementation surveys



Self-Service

↑ Increase in user self-service measured by the number of customer inquiries handled through self-service channels without being escalated to a human agent



Integration/Interoperability

↓ Reduce reported data quality issues 6 months post-implementation



Business Processes

↑ Increase in DEW staff efficiency measured by a reduction of time spent performing manual processes



Security & Controls

↓ Decrease in average or maximum number of days required to patch critical security vulnerabilities
↓ Decrease in average or maximum number of hours taken to detect security incidents



Reporting & Planning


↑ Increase in staff survey results that the necessary reports and data are easily accessible and are used in decision-making



User Experience

↑ Increase in Net Promoter Score (NPS) of SC Works users
↑ Increase in SC Works User Satisfaction survey results measured pre- and post-implementation

Key Findings: Future State



Key Themes	Desired Future State	Potential Implications
1 System Interoperability	<ul style="list-style-type: none"> Ability for CM/LX system to connect and exchange information with one another and with partner agencies 	<ul style="list-style-type: none"> Reduced departmental silos Easier to capture accurate view of an individual's case More consistent data across SCDEW Increased operational efficiencies
2 360 Degree View of Customer	<ul style="list-style-type: none"> Provide DEW staff members a centralized location to capture full picture of an individual or business in case management process 	<ul style="list-style-type: none"> Single source of truth to validate customer or employer information One-time capture of customer info reducing potential for re-traumatizing individuals in sensitive situations
3 Seamless User Experience	<ul style="list-style-type: none"> Provide a user experience that is intuitive, consistent, and seamless 	<ul style="list-style-type: none"> Improved User Satisfaction with SCDEW and SC Works websites Job seekers receive their weekly benefits in full and on time because job search requirements are being tracked properly between UI system and SC Works
4 Manually Intensive Processes	<ul style="list-style-type: none"> Automate processes currently being executed manually by DEW staff 	<ul style="list-style-type: none"> Automated processes reduce errors and increase accuracy of staff Reduced work arounds and ad hoc reporting enhance operational efficiencies and enable staff to prioritize strategic initiatives
5 Program Efficacy	<ul style="list-style-type: none"> Better understand efficacy of job-seeker support programs across CM and LX systems 	<ul style="list-style-type: none"> Ability to comprehensively and cohesively access data and information Extract the full value of individual programs that SCDEW incorporates Make data-driven resource investment decisions based on program efficacy

Current State: Employer User Journey

01. Employer logs into system



04. Employer chooses candidate for job interview

- At employer job fair or hiring event, there is a disconnect between candidate check in with VOS greeter and being able to rely on what candidates attended event and what employers were present



05. Employer hires candidate

- When a candidate is chosen by an employer there is no notification from the employer to the state on who is hired



02. Employer creates a job order

- Many clicks to access portions of the job order, slow process, requires employer to go back to confirm complete entry of information
- Search process yields imprecise results
- System set to 25 applicants per job without manual interference



03. Employer searches for job candidate

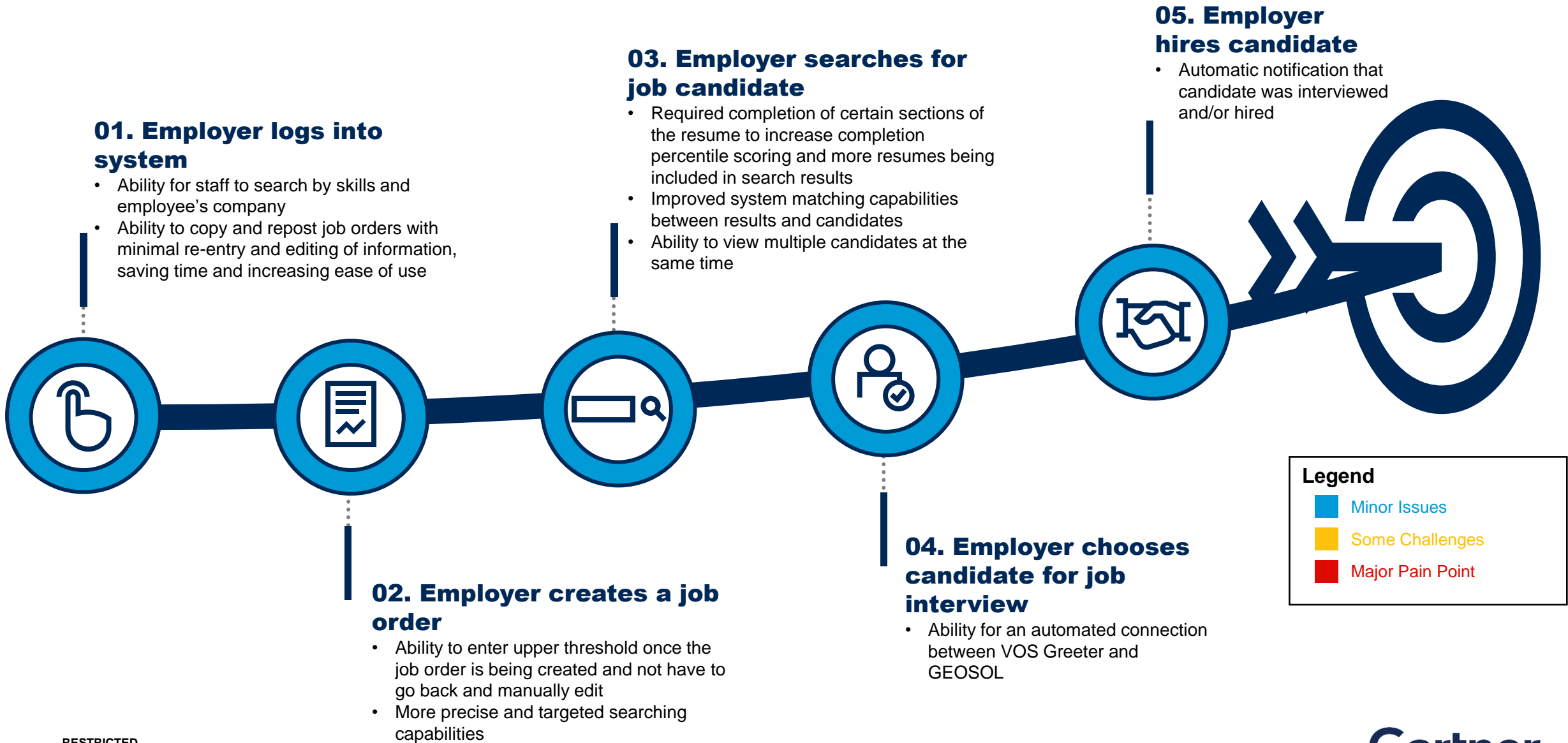
- Candidate matching is not precise, and filtering overly limits results
- Employers have communicated frustration with search process and react by going to other job boards
- System does not read resumes that do not meet certain completion percentiles
- Some resume sections are not required to be completed by jobseekers which causes resumes below a certain completion percentile to not be included in search results
- System does not allow employer to view multiple candidates and resumes at a time to compare (other job boards do)



Legend

- Minor Issues
- Some Challenges
- Major Pain Point

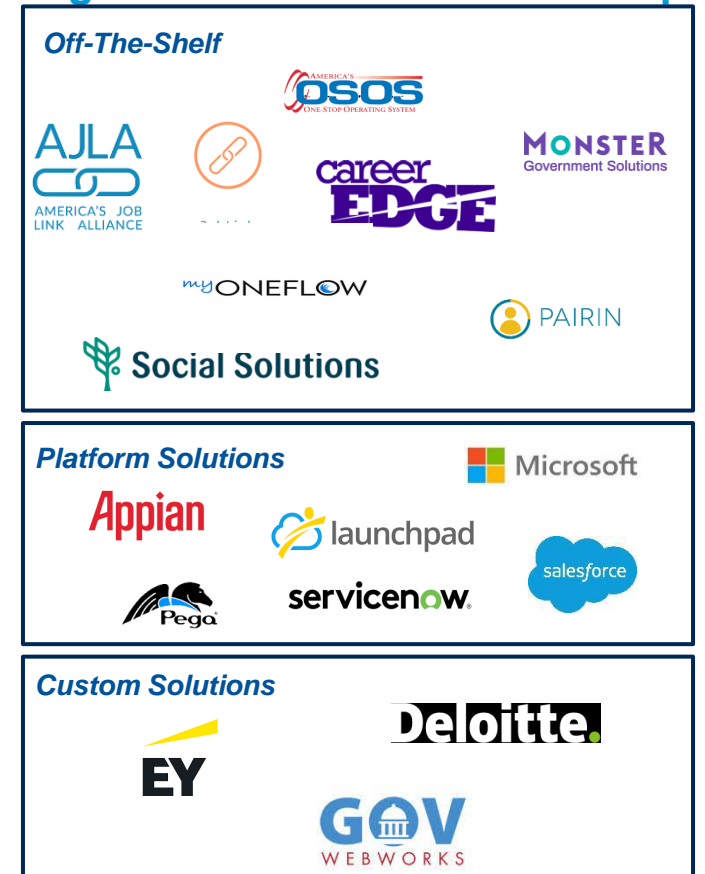
Future State: Employer User Journey



Market Scan Overview

- **Geographic Solutions (GSI) remains the market leader** within state government CM and LX solutions representing 26 states, but Gartner has found a shift in market direction over the last few years.
- **New off-the-shelf and platform vendors** are beginning to penetrate the market and replace the established vendors (i.e., replacing America's One Stop Operating System, America's Job Link and Geographic Solutions).
- **Off-the-shelf vendors, Monster Government Solutions and Pairin** have recently gained market share and have statewide implementation experience.
 - **CM platform solutions** have also entered the state-wide market in recent years via Salesforce and Launchpad (a Salesforce accelerated platform).
- **CRM foundation has helped Salesforce and Launchpad** seamlessly transition into the CM and LX market with success
 - CRMs were built as tools to help organizations manage and analyze interactions with current and potential customers
 - Salesforce and Launchpad CM systems benefit from utilizing this functionality to better maintain and manage relationships with their CM customer

High Level CM Vendor Landscape



Gartner conducted due diligence on the following vendors to be considered for DEW's CM and LX systems

Current Vendor



Off-The-Shelf



Case Management Platform

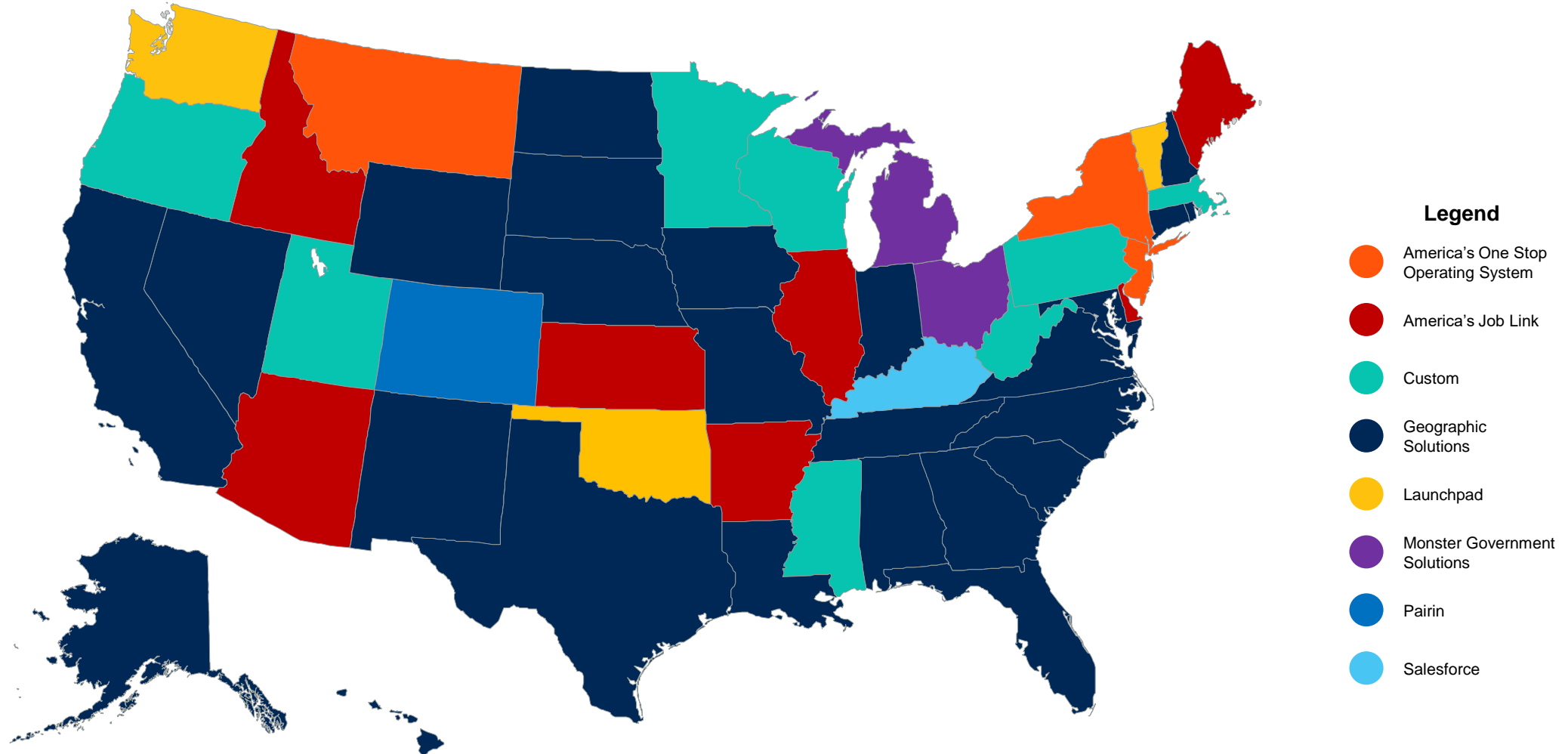


Custom Development Service Providers







Vendors not included in our shortlist were excluded due to lack of implementation and production environment experience currently with a statewide employment agency or related agency.

GSI has been the leader in workforce development solutions, but states are starting to adopt alternative solutions



Estimated costs and implementation timeframe for CM and LX solutions

	Off-the-Shelf	Accelerated Platform	Platform CM	Custom Build
 Description	Solution that is built for workforce development, is 70%-80% set out of the box to work and remainder is configured to meet agency unique needs.	Solution is workforce specific built on an industry standard case management platform.	Solution starts with an industry standard case management solution which needs to be configured to meet workforce development needs.	Solution is built from the ground up and is completely custom with assistance from third party provider.
 Primary Vendors	America's Job Link, Geographic Solutions, Monster Government Solutions, Pairin	Launchpad	Microsoft, Salesforce, ServiceNow	Deloitte, EY, GovWebworks
 Implementation Duration Range*	12-24 months	12-24 months	18-24 months	24 months+
 Cost Range	\$8-10 Million	\$15-20 Million	\$15-20 Million	**\$20 Million+

* Implementation timelines are contingent upon, among other key factors, selected data migration strategy.

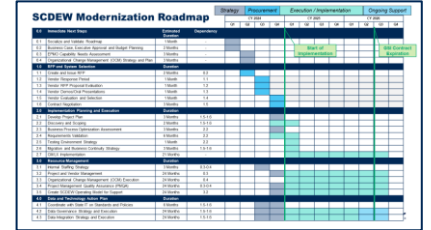
** Total cost of custom solutions may vary significantly depending on choice of platform and other key considerations.

By Following Gartner's Recommended Approach: DEW will be able to successfully implement a new CM/LX solution, realize associated benefits and mitigate critical risks of a large-scale modernization effort

Recommendation 1

Sequence Activities for Business Transformation

Utilize the modernization roadmap to begin foundational activities needed to support DEW in CM and LX modernization.



Recommendation 2

Pursue a Strategic, Targeted Procurement

This procurement strategy allows DEW to consider a wide range of vendors to enable a thorough evaluation.

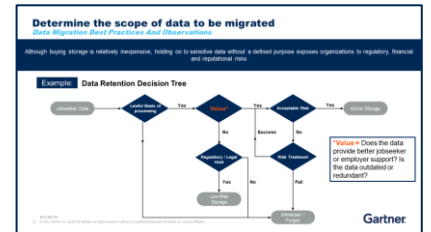
Based on needs uncovered from the current state analysis and BCM, Gartner considered different procurement options and trade-offs

Procurement Strategy	Description	Pros	Cons
Broad Procurement	Process for a large number of vendors to ensure competitive pricing and risk mitigation.	• Allows for a broader approach to identifying vendors in one vendor category	• Limited ability to explore vendor offerings
Single Category Procurement	Process for a single vendor category to ensure competitive pricing and risk mitigation.	• Limited ability to explore vendor offerings	• Limited ability to explore vendor offerings
Narrow Procurement	Process for a single vendor to ensure competitive pricing and risk mitigation.	• Limited ability to explore vendor offerings	• Limited ability to explore vendor offerings

Recommendation 3

Migrate Required Data, Archive the Rest

Migrating required data only while allowing access to other data as needed increases DEW's chances for a timely implementation with valuable data.



Recommendation 4

Deploy New Solution by Functional Area

A functional deployment approach aligns with DEW's strategic goals and will help lay the foundation for a successful implementation process.

Deployment options for SCDEW to consider for CM/LX Implementation

Deployment Option	Description	Pros	Cons
Phased	Deploying the solution in stages to manage risk and ensure business continuity.	• Reduced risk of implementation failure	• Increased complexity and cost
Big Bang	Deploying the entire solution at once to achieve full benefits quickly.	• Faster realization of benefits	• Higher risk of implementation failure

Next Steps

Successful implementation of a modernized CM and LX solution requires careful planning, selection, and contracting

- 1 Today:** Present business case for modernization to the State Workforce Development Board for executive buy-in
- 2 Q1 2024:** Socialize and validate the modernization roadmap with internal stakeholders to ensure alignment and support
- 3 Q2 2024:** Determine procurement approach and begin implementation readiness activities including an EPMO Capability Needs Assessment and developing an Organizational Change Management (OCM) Strategy and Plan





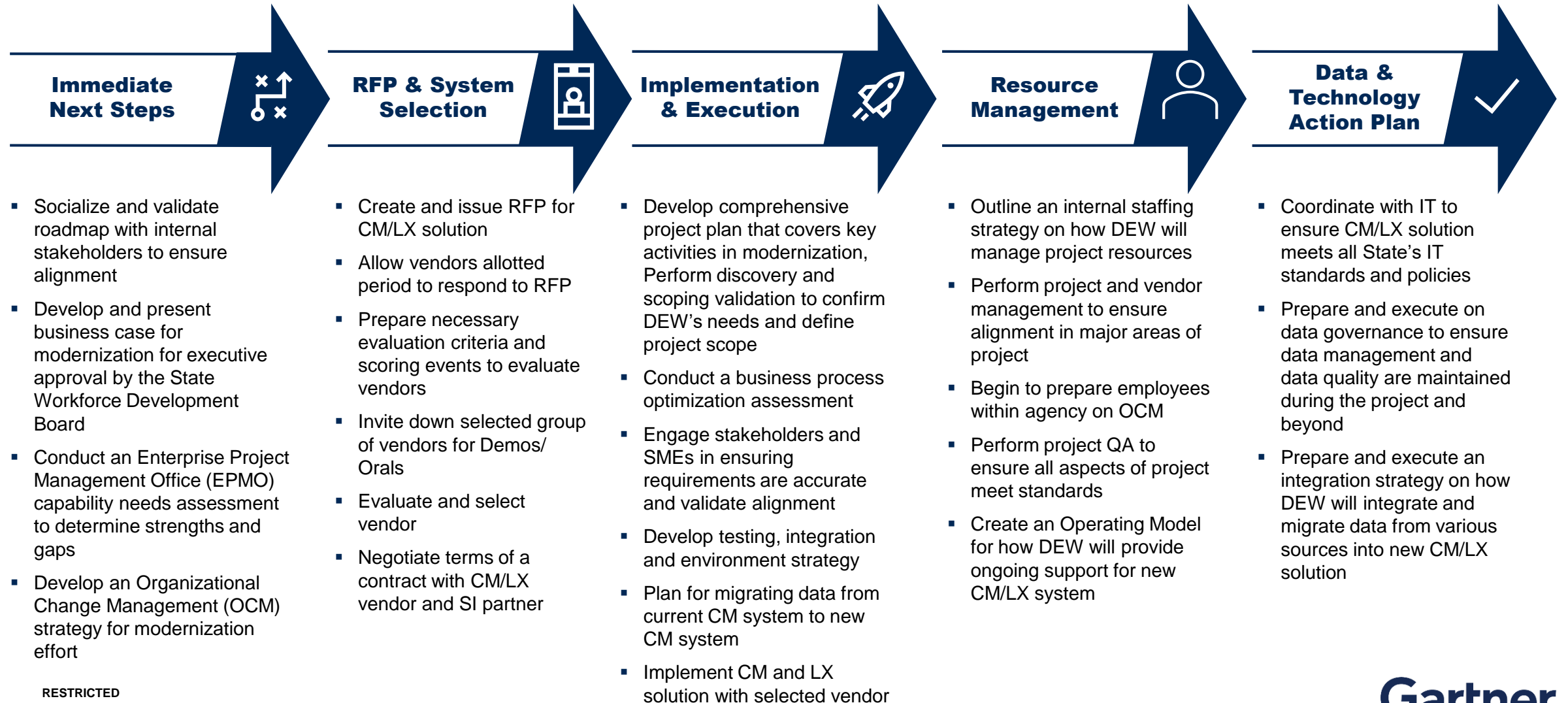


Thank you!



Appendix

The following actions will be critical for a successful system modernization, irrespective of which option DEW selects



RESTRICTED

DEW Modernization Roadmap

				Strategy	Procurement	Execution / Implementation				Ongoing Support					
				CY 2024				CY 2025				CY 2026			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
0.0	Immediate Next Steps	Estimated Duration	Dependency												
0.1	Socialize and Validate Roadmap	1 Month	-												
0.2	Business Case, Executive Approval and Budget Planning	2 Months	-												
0.3	EPMO Capability Needs Assessment	3 Months	-												
0.4	Organizational Change Management (OCM) Strategy and Plan	3 Months	-												
1.0	RFP and System Selection	Duration													
1.1	Create and Issue RFP	2 Months	0.2												
1.2	Vendor Response Period	1 Month	1.1												
1.3	Vendor RFP Proposal Evaluation	1 Month	1.2												
1.4	Vendor Demos/Oral Presentations	1 Month	1.3												
1.5	Vendor Evaluation and Selection	1 Month	1.4												
1.6	Contract Negotiation	3 Months	1.5												
2.0	Implementation Planning and Execution	Duration													
2.1	Develop Project Plan	3 Months	1.5-1.6												
2.2	Discovery and Scoping	2 Months	1.5-1.6												
2.3	Business Process Optimization Assessment	3 Months	2.2												
2.4	Requirements Validation	6 Months	2.2												
2.5	Testing Environment Strategy	1 Month	2.2												
2.6	Migration and Business Continuity Strategy	3 Months	1.5-1.6												
2.7	CM/LX Implementation	21 Months	-												
3.0	Resource Management	Duration													
3.1	Internal Staffing Strategy	3 Months	0.3-0.4												
3.2	Project and Vendor Management	24 Months	0.3												
3.3	Organizational Change Management (OCM) Execution	24 Months	0.4												
3.4	Project Management Quality Assurance (PMQA)	24 Months	0.3-0.4												
3.5	Create DEW Operating Model for Support	24 Months	3.2												
4.0	Data and Technology Action Plan	Duration													
4.1	Coordinate with State IT on Standards and Policies	6 Months	1.5-1.6												
4.2	Data Governance Strategy and Execution	24 Months	1.5-1.6												
4.3	Data Integration Strategy and Execution	24 Months	1.5-1.6												

Start of Implementation

GSI Contract Expiration