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

From: *YK* Kevin Cummings, Director of Technical Services, Policies, and Reporting

Subject: Program Year 2019 Performance Exemption Memo

Date: March 10, 2021

On March 13, 2020, the COVID-19 pandemic was declared a national emergency, leading to closed schools, cancelled events, and uncertainty in our communities. Due to increasing health concerns and recommendations to avoid contact with others, many SC Works centers were closed, employment opportunities were limited, access to training services was on hold for many, and a significant shift in the provision of remote services by workforce professionals occurred.

The following LWDA failed one or more additional state performance indicators for PY 2019:

| LWDA           | Failed Performance Indicator | Required Performance | Actual Performance          |
|----------------|------------------------------|----------------------|-----------------------------|
| WorkLink       | Fund Utilization Rate (FUR)  | 70%                  | 60.04% - DW                 |
| Lowcountry     | Fund Utilization Rate (FUR)  | 70%                  | 60.68% - DW                 |
| Lowcountry     | Participant Cost Rate (PCR)  | 30%                  | 28.53%                      |
| Pee Dee        | Fund Utilization Rate (FUR)  | 70%                  | 69.76% - DW                 |
| Pee Dee        | Participant Cost Rate (PCR)  | 30%                  | 21.87%                      |
| Upper Savannah | Participant Cost Rate (PCR)  | 30%                  | 24.62%                      |
| Upstate        | Participant Cost Rate (PCR)  | 30%                  | 29.18%                      |
| Trident        | Participant Cost Rate (PCR)  | 30%                  | 27.00%                      |
| Greenville     | Fund Utilization Rate (FUR)  | 70%                  | 66.66% - DW; 64.85% - Youth |

It is the expectation of the SWDB, per State Instruction Letter 19-04, WIOA Title I Sanctions Policy, that all subrecipients meet the established federal and state standards of performance annually; however, in light of the COVID-19 pandemic, all PY 2019 performance failures will be addressed through informal resolution efforts. Informal resolution is a joint undertaking by

DEW and the subrecipient to resolve any potential sanctionable acts without resorting to formal sanctions. Informal resolution efforts may include:

- Technical assistance
- Additional oversight
- Desktop monitoring
- Other mitigating efforts implemented by the subrecipient

All LWDAs listed above were required to submit a Corrective Action Plan (CAP) to DEW, to include the following:

- a detailed analysis of the inability to meet the requirement;
- action steps to meet the minimum required rate;
- any measurable benchmarks or indicators that will ensure the local area is on track to meet the expected outcome; and
- other beneficial information the local board wanted to include in the CAP for state level review and comment.

In addition to submitting a CAP, those LWDAs will also be required to submit a monthly progress report with ledger activity and budget summaries indicating whether the local area is meeting, exceeding or trending below the applicable monthly expenditure and/or obligation rate expectation to ensure compliance by the end of the program year.

**At this time, it is expected that LWDAs have been working to make necessary adjustments in service delivery to ensure all future performance obligations are met for the 2020 and 2021 program years. DEW will continue to evaluate local area progress towards the additional state performance indicators through desktop monitoring and quarterly reports, and will provide additional technical assistance as needed.**