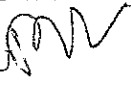


<b>TRAINING AND EMPLOYMENT NOTICE</b>	NO. 34-16
	DATE January 18, 2017

TO: COMPREHENSIVE AMERICAN JOB CENTER MANAGERS  
 AFFILIATE AMERICAN JOB CENTER MANAGERS  
 DEPARTMENT OF LABOR EMPLOYMENT AND TRAINING  
 ADMINISTRATION REGIONAL ADMINISTRATORS  
 STATE WORKFORCE INNOVATION AND OPPORTUNITY ACT LIAISONS  
 STATE WORKFORCE AGENCY ADMINISTRATORS  
 STATE WORKFORCE ADMINISTRATORS WORKFORCE INNOVATION  
 AND OPPORTUNITY ACT  
 WORKFORCE DEVELOPMENT BOARD STATE AND LOCAL EXECUTIVE  
 DIRECTORS  
 WORKFORCE DEVELOPMENT BOARD STATE AND LOCAL CHAIRS  
 ALL EMPLOYMENT AND TRAINING ADMINISTRATION GRANTEEES

FROM: PORTIA WU   
 Assistant Secretary

SUBJECT: New Research Reports and Data Set Tools for the *Green Jobs and Health Care (GJ-HC) Impact Evaluation*

**1. Purpose.** The Employment and Training Administration (ETA) announces the release and availability of three reports titled: 1) *Green Jobs and Health Care (GJ-HC) Impact Evaluation: Findings from the Implementation Study of Four Training Programs for Unemployed and Disadvantaged Workers*; 2) *GJ-HC Impact Evaluation: Findings from the Impact Study of Four Training Programs for Unemployed and Disadvantaged Workers*; and 3) *GJ-HC Impact Evaluation: Special Topic Paper on Standard Error Estimation in Evaluations with No-Shows*.

In addition, ETA announces the release of the *GJ-HC Impact Evaluation* public-use data files, available to researchers, practitioners, and other members of the public, and *GJ-HC Impact Evaluation* restricted-use data files, available to researchers authorized by ETA, for the purpose of conducting their own analyses with the data related to the evaluation.

**2. Background on the GJ-HC Grants and Evaluation.** In response to the 2008 recession and as part of the American Recovery and Reinvestment Act of 2009 (the Recovery Act), the Employment and Training Administration (ETA), at the U.S. Department of Labor (DOL), awarded a series of grants ([http://www.doleta.gov/business/ARRA\\_Grants.cfm](http://www.doleta.gov/business/ARRA_Grants.cfm)) to promote training and employment in select high growth sectors of the economy, as required by the legislation.<sup>1</sup> This series included Pathways Out of Poverty grants, which funded training to prepare individuals for employment in industries such as energy efficiency and renewable

<sup>1</sup> Information and reporting on ETA initiatives funded by The Recovery Act can be found on a dedicated Web page (<https://www.doleta.gov/recovery/>).

energy; and Health Care and Other High Growth and Emerging Industries grants focused on providing training in healthcare and other high-growth fields. Both grant programs included a career pathways approach, which combines training programs with articulated employment steps targeted to locally in-demand jobs with support services and strong connections to employment. Furthermore, both initiatives provided grants to partnerships of workforce agencies, community colleges, non-profits, and other organizations to offer vocational training designed to improve the employment and earnings of unemployed workers and other individuals facing barriers to employment, such as low-skill levels.

In coordination with ETA, four grantees from the two grant programs were purposively selected for an evaluation, based on their program design and scale. Additionally, ETA sponsored a single rigorous evaluation of these grantees, known as the Green Jobs and Health Care (GJ-HC) Impact Evaluation. This evaluation, which began October 2010 and concluded September 2015, was conducted by Abt Associates and its partner, Mathematica Policy Research, Inc. The GJ-HC Impact Evaluation includes both an implementation study to examine the design and operation of each of the four programs (from the two initiatives) and an impact study that uses experimental research design to determine the effects of each grantee's program on participants' earnings, as well as on other outcomes of interest, including educational attainment.

### 3. Evaluation Key Findings.

#### a. *Green Jobs and Health Care (GJ-HC) Impact Evaluation: Findings from the Implementation Study of Four Training Programs for Unemployed and Disadvantaged Workers*

The **implementation study** report focuses on the period of program operations and describes the design, content, and operation of the job training and related supports (particularly the academic and personal supports, financial assistance, and employment assistance) provided through each grant and the participation patterns for enrollees, including the length of attendance and completion rates.

The key findings and lessons learned from studying the implementation and operation of the programs across the four grantees include:

- The four grantee programs targeted a diverse set of individuals and provided a range of training and other related services and supports to individuals while they were in training, particularly academic and personal supports, financial assistance, and employment assistance. Grantees integrated job readiness and job search skills into the service strategy.
- The grantee programs were successful in reaching disadvantaged populations. Grantees identified a need for a dedicated outreach strategy, and used aggressive marketing and recruitment efforts to identify program participants. This need was compounded by the evaluation design that necessitated a degree of "over recruitment" to establish a control group. Recruitment remained a challenge throughout the grant.

- The strength and nature of grantees' partnerships with employers varied. Grantees took different approaches to working with employers. Where Grantees made employer partnership a priority, there were opportunities for hands-on experience and the ability to gain employer input into the training curricula to ensure relevance.
- Organizational partnerships were challenging when responsibilities and expectations were not precisely defined. Partner responsibilities and expectations often were not well defined.
- For the two Pathways Out of Poverty grants studied, employment in "green" industries did not develop as planned and as a result, grantees made adjustments to keep the training relevant to the needs of employers.
- Grantees reported sustained institutional benefits from operating the grants. The grantees universally reported that resources were not available to continue program operations after the grant period ended. However, all four grantees reported that they hoped to provide, or even institutionalize, select programmatic elements or practices as part of their ongoing service delivery strategy.

*b. GJ-HC Impact Evaluation: Findings from the Impact Study of Four Training Programs for Unemployed and Disadvantaged Workers*

The purpose of the **impact study** was to: 1) document the impact of each of the four grant-funded programs on participation in training and receipt of credentials over an 18-month follow-up period; 2) determine the extent to which access to these services resulted in impacts on participants' employment and earnings, household income, public benefit receipt, and other outcomes over the same period; and 3) discuss implications of the results.

The impact study assesses the four programs' effectiveness on receipt of training and educational services (including vocational training, basic skills instruction (Adult Basic Education or GED classes), college-level classes, or school or job readiness courses), employment, earnings, and other related outcomes.

The key findings for the impact study of all four grant-funded programs include:

- All four grants had impacts on service receipt and vocational credential attainment 18-months after random assignment,
- One program had an impact on earnings in the fifth and sixth calendar quarter after random assignment, the study's confirmatory outcome. In addition, there was an impact on weekly earnings, as well as on both hourly wages and hours worked per week. Both wages and hours worked contributed about equally to the earnings impact.

- For the other three grantee programs there was no evidence of statistically significant impacts on employment, earnings, or job characteristics.
- The grantee programs had positive impacts on the receipt of training-related support services, particularly financial assistance, career counseling, and job placement assistance. An important aspect of the career pathways approach is the range of supports provided to those in training to facilitate engagement and completion. The largest impacts detected are for the receipt of financial assistance.
- There was no evidence of statistically significant impacts on other measures of financial and economic stability, including household income, public benefits receipt, and overall financial circumstances, for any grantee.

**4. Evaluation Research Design and Analytical Approach.** The information in the **implementation study** is based on several data sources, including interviews with program staff and organizational partners, grantee program administrative records on service receipt and completion were used to conduct a descriptive analysis of participation patterns in program activities, including participation levels, completion rates, and length of stay in the programs, and information collected from program enrollees at the time of application to the program when random assignment occurred, which included information on demographic characteristics, education and employment history, and receipt of public assistance.

For the **impact study**, the evaluation used a random assignment research design to determine whether each of the four programs had positive impacts on participation in education and training activities, credential and degree receipt, and employment and earnings. This involved assigning eligible program applicants randomly to one of two groups: 1) a treatment group that is offered the chance to participate in the grant-funded services (whether or not those individuals actually participate) and 2) a control group that cannot participate in the grant-funded services (but can access other services available in the community). The evaluation and random assignment process started in July and August 2011, approximately 18 months after the programs began at each of the four grantees, and continued through the remainder of the operational period of the grant. This evaluation estimates program impacts separately for each grantee program 18 months after random assignment.

The data sources for the impact study were a baseline survey administered to treatment and control group members at the time of random assignment; a follow-up survey administered to members approximately 18 months after random assignment; and quarterly administrative wage record data on employment and earnings, available through the National Directory of New Hires. The study also included site visits to grantees, and an analysis of participation patterns based on program administrative data.

The evaluation also designated a confirmatory outcome in order to prioritize the study findings and indicate program effectiveness. Specifically, prior to conducting any impact analysis, the research team, in conjunction with ETA, designated that *cumulative earnings in the fifth and sixth calendar quarters (13–18 months) after random assignment*, as measured in administrative data, would be the single confirmatory outcome.

The choice of this confirmatory outcome reflects the primary goal of the ETA grant programs: to increase the earnings of program participants and allow individuals to find employment and experience earnings gains given the length of the training programs. On average, across the grantees, training lasted two to three months.

**5. Additional GJ-HC Evaluation Resources.** Specifically for the benefit of the research community, two supplementary resources also were developed under this initiative:

- The third report, *GJ-HC Impact Evaluation: Special Topic Paper on Standard Error Estimation in Evaluations with No-Shows*, examines treatment group members in randomized experiments who may choose not to participate in program services despite being offered access to these services. This technical paper will be beneficial to applied researchers and other professionals conducting data analyses with an interest in intent-to-treat and treatment-on-the-treated effects of an intervention.
- Two data set tools, *GJ-HC Impact Evaluation Public-Use Data* and *GJ-HC Impact Evaluation Restricted-Use Data*, along with the *GJ-HC Impact Evaluation: User's Guide for Public and Restricted Use Data* are available for further data analysis by interested parties. While the public use data files will be publicly available on the ETA Research Publication Database Web page ([http://wdr.doleta.gov/research/eta\\_default.cfm](http://wdr.doleta.gov/research/eta_default.cfm)), the restricted use data file will not be available without restrictions but require authorization from ETA for its use. The GJ-HC data sets contain study participant level data collected from three sources: 1) a Baseline Information Form; 2) an 18-Month Follow-Up Survey, and; 3) program administrative data provided by the grantees. In order to keep individual data private, the public-use and restricted-use data files have been stripped of all personally identifying information (also known as PII).

**6. Inquiries.** To view abstracts of these publications, as well as to download the executive summaries and full reports in PDF versions, visit the ETA Research Publication Database Web site at: <http://wdr.doleta.gov/research/keyword.cfm>.

<b>TRAINING AND EMPLOYMENT NOTICE</b>	NO. 35-16
	DATE January 18, 2017

**TO:** AFFILIATE AMERICAN JOB CENTER DIRECTORS  
 COMPREHENSIVE AMERICAN JOB CENTER DIRECTORS  
 WORKFORCE INNOVATION OPPORTUNITY ACT (WIOA) 166  
 GRANTEES  
 DEPARTMENT OF LABOR EMPLOYMENT AND TRAINING  
 ADMINISTRATION REGIONAL ADMINISTRATORS  
 GOVERNORS  
 STATE WIOA LIAISONS  
 STATE WORKFORCE ADMINISTRATORS WIOA  
 WORKFORCE DEVELOPMENT BOARD LOCAL CHAIRS  
 WORKFORCE DEVELOPMENT BOARD STATE CHAIRS  
 WORKFORCE DEVELOPMENT BOARD STATE EXECUTIVE DIRECTORS  
 WORKFORCE DEVELOPMENT BOARD LOCAL EXECUTIVE DIRECTORS

**FROM:** PORTIA WU /s/  
 Assistant Secretary

**SUBJECT:** Release and Availability of the Final Report Titled *Evaluation of the GATE II Grants: Is Self-Employment Training Effective for Rural and Older Dislocated Workers?*

1. **Purpose.** The Employment and Training Administration (ETA) announces the release and availability of the final report titled *Evaluation of the GATE II Grants: Is Self-Employment Training Effective for Rural and Older Dislocated Workers?*
2. **Background.** In the mid-2000s, ETA implemented Project GATE (Growing America Through Entrepreneurship), a demonstration program designed to provide self-employment training to individuals interested in pursuing self-employment. The impact study of Project GATE, publicly released by ETA in 2009, showed that the program was effective in assisting unemployed workers interested in self-employment to start their own business, become self-employed, and avoid unemployment for long periods. Following the success of Project GATE, ETA decided to award grants—known as the GATE II grants—for the implementation of programs modeled after Project GATE. The main difference between Project GATE and the GATE II grant program was the former served nearly everyone who expressed an interest in self-employment, while GATE II targeted (a) older, dislocated workers, and (b) dislocated workers residing in rural areas. DOL focused on these populations to investigate whether self-employment training offers an opportunity to stimulate the reemployment of these two target populations by helping them start their own businesses.

In June 2008, ETA awarded GATE II grants to four states: Alabama, Minnesota, North Carolina, and Virginia. Alabama and North Carolina used the grants to provide self-employment training to dislocated workers in rural areas, while Minnesota and Virginia targeted older dislocated workers. A detailed discussion of the implementation of GATE II grants in each of the four states has been incorporated into the report as Chapter 4.

3. **Project GATE II Evaluation Description.** To rigorously assess the effectiveness of the GATE II programs in improving the labor market outcomes of rural and older dislocated workers, DOL asked the four grantee states to use a random assignment design in which randomly selected program applicants would either receive services (treatment group) or not receive services (control group). North Carolina and Virginia were able to implement a random assignment process successfully. However, Alabama was not successful in implementing random assignment process and Minnesota vigorously sought and DOL agreed not to implement random assignment; instead, hoping to serve as many people as possible. As a result, only North Carolina and Virginia are included in the impact study of the GATE II grants. The outcomes for these two states are detailed in Chapter 5.

The objective of the evaluation was to address two key research questions:

1. Was GATE II effective in improving the labor market outcomes of older dislocated workers and rural dislocated workers?
2. Is providing self-employment training to older dislocated workers and rural dislocated workers a viable policy tool for promoting reemployment?

To address these questions, the evaluation included two components: 1) an implementation study to examine program design and implementation in each state; and 2) an impact study to examine the impact of GATE II on participant labor market outcomes (e.g., self-employment, overall employment, self-employment earnings, and total earnings). The study employed participant data at program entry, post-program follow up, and administrative data to examine the answers to these questions stated above.

4. **Key Evaluation Findings.** The study results explain impacts found in North Carolina and Virginia. These results are not generalizable to the larger population.
- Overall the study shows that the program was effective in assisting rural, dislocated workers to start their own businesses following program entry and that workers remained self-employed nearly three years after program entry.
  - Additional analysis showed that the North Carolina GATE II program was more effective for younger workers (those under 45 years of age) and for workers with no prior self-employment experience.
  - The North Carolina's GATE II program increased the likelihood of starting a business in the 32-month period after program entry by 9.5 percentage points (a 35 percent increase over the control group mean) and increased the likelihood of self-

employment at 32 months after program entry by 7.4 percentage points (a 27 percent increase over the control group mean).

- The impact study of the Virginia GATE II program which was designed to help older, dislocated workers showed that the program was effective in helping participants start their own business after program entry. The Virginia GATE II program increased the likelihood of starting a business in the 24-month period after program entry by 11.0 percentage points (a 29 percent increase over the control group mean). However, there were no statistically significant impacts in the Virginia GATE II program on self-employment (defined as whether the participant was self-employed at the time of the follow-up survey), salary employment (defined as total self-reported wage/salary earnings at the time of the survey), overall employment, earnings, or unemployment insurance receipt.

Based on these somewhat limited results, the study suggests that self-employment training is an effective tool for assisting younger dislocated workers, particularly those with limited self-employment experience, but with prior managerial experience.

5. **Inquiries.** To view an abstract of this publication, as well as to download the full report, please visit the ETA Research Publication Database Web site at:  
<http://wdr.doleta.gov/research/keyword.cfm>



<b>TRAINING AND EMPLOYMENT NOTICE</b>	<b>NO.</b> 36-16
	<b>DATE</b> January 18, 2017

**TO:** AFFILIATE AMERICAN JOB CENTER DIRECTORS  
 COMPREHENSIVE AMERICAN JOB CENTER DIRECTORS  
 WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) 166  
 INDIAN AND NATIVE AMERICAN GRANTEEES  
 DEPARTMENT OF LABOR (DOL) EMPLOYMENT AND TRAINING  
 ADMINISTRATION REGIONAL ADMINISTRATORS  
 STATE GOVERNORS  
 STATE WIOA LIAISONS  
 STATE WORKFORCE ADMINISTRATORS WIOA  
 WORKFORCE DEVELOPMENT BOARD LOCAL CHAIRS  
 WORKFORCE DEVELOPMENT BOARD STATE CHAIRS  
 WORKFORCE DEVELOPMENT BOARD STATE EXECUTIVE DIRECTORS  
 WORKFORCE DEVELOPMENT BOARD LOCAL EXECUTIVE DIRECTORS

**FROM:** PORTIA WU /s/  
 Assistant Secretary

**SUBJECT:** Release and Availability of Two Reports: *Using Workforce Data Quality Initiative (WDQI) Databases to Develop and Improve Consumer Report Card Systems (CRCS) and How States Manage Eligible Training Provider Lists: Findings from a State Survey*

1. **Purpose.** The Employment and Training Administration (ETA) announces the release and availability of two papers from a study of states' use of Workforce Data Quality Initiative (WDQI) Databases to inform Consumer Report Card Systems and manage Eligible Training Provider Lists (ETPL).
2. **Background.** Both of these reports were written prior to the implementation of the Workforce Innovation and Opportunity Act (WIOA) which superseded several relevant statutory provisions of the Workforce Investment Act (WIA) under which the study took place.<sup>1</sup> The references in this Training and Employment Notice (TEN) are to WIA; however, the findings are relevant for WIOA implementation.

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<sup>1</sup> The Workforce Innovation and Opportunity Act (WIOA) became law on July 22, 2014, and WIOA supersedes the Workforce Investment Act of 1998 (WIA) and amends the Adult Education and Family Literacy Act, the Wagner-Peyser Act, and the Rehabilitation Act of 1973.

To promote State use and linkage of administrative data, the U.S. Department of Labor's (DOL) WDQI grant program funds states to develop state workforce longitudinal databases to provide a comprehensive picture of workers' skill development and earnings throughout their careers.<sup>2</sup>

ETA contracted with IMPAQ International, LLC (IMPAQ) to conduct two complementary research activities related to the WDQI involving: (1) a survey of all state workforce agency ETPL coordinators, to obtain updated details about their ETPLs, how they are updated, and how the lists are received and used by customers and community colleges; and (2) contact with state WDQI leads in those states already moving to develop performance scorecards, to document scorecard system details and the relationship to their ETPLs, and to identify lessons that may prove useful for other states.

Large, individual-level, administrative databases have increasingly been used to monitor the employment outcomes of job training, post-secondary education, and related social programs. DOL continues to be at the forefront of these efforts, most notably in helping states build the capacity to use quarterly Unemployment Insurance (UI) wage records for tracking individual's employment and earnings after participation in several DOL-administered programs. More recently, there has been growing interest in the use of longitudinal administrative data to measure and report on program outcomes for education and training providers, whether or not the program received WIA or WIOA funding.

Consumer Report Card Systems (CRCSs) are state systems for calculating program outcomes based on labor market data (e.g., employment, retention, and earnings) for those individuals participating in job training and postsecondary programs. These systems provide the public program outcome and other program information on an easy-to-use website that allows users to compare programs and identify those that best suit their needs. Thus, CRCSs play an important role in supporting informed consumer choice that was emphasized in WIA and central to WIOA. In combination with state ETPLs, CRCSs offer the potential to enhance the information that prospective education and job training participants use to make decisions. CRCSs also can provide policy makers and practitioners with useful information to make programmatic adjustments that improve education and job training program service delivery.

### **3. Study Description.**

#### **WDQI Databases Study**

This study is based upon the first three rounds of WDQI grants awarded in 2011, 2012, and 2013; which totaled over \$30 million and were awarded to 29 states. It was initiated to obtain information on the linkages between the WDQI grants and state efforts to develop CRCSs, and the potential for more widespread implementation of CRCSs across the country.

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<sup>2</sup> "Workforce Data Quality Initiative (WDQI) Grant Information," U.S. Department of Labor, Employment and Training Administration, <http://www.doleta.gov/performance/workforcedatagrants09.cfm>

The study had three main objectives, to:

- Understand the relationship between WDQI and state efforts to develop CRCSs;
- Assess the degree to which states without existing CRCSs are prepared to implement them; and
- Identify how DOL can support the implementation of CRCSs beyond the states with existing systems and improve the quality of CRCSs in states that have them.

The study's first paper, entitled *Using WDQI Databases to Develop and Improve Consumer Report Card Systems*), concluded overall that WDQI states with functioning CRCSs used WDQI grants to improve their CRCSs. Many WDQI grantee states did not yet have CRCSs, although some of these states were making progress towards developing CRCSs with the use of their WDQI grants. The authors indicated a need for continued funding and a significant amount of time, expertise, and resolve to complete that task. Based upon states' experiences to create, or improve CRCSs using WDQI funding, the authors made two recommendations about how DOL could support widespread implementation of CRCSs: They are:

- Provide resource support by funding additional WDQI grants focused on the development of CRCSs and work with the U.S. Department of Education (ED) to facilitate the exchange and dissemination of information among states that have created, or are working to create, CRCSs, and encourage states to have their education and workforce agencies work more cooperatively.
- Provide other incentives for states to develop CRCSs by phasing out WIA initial eligibility waivers and working with ED to encourage state support of CRCSs by systematically publicizing their value to state-level policymakers. (Under WIOA the waivers referenced are no longer in place.)

To ensure that customers choose quality programs that help them get a job in an in-demand field, WIA/WIOA requires training providers to have their programs reviewed and approved to be included on the ETPL. Additionally, to help customers make informed choices about which programs best suit their needs, WIA/WIOA requires the collection and reporting of certain program performance information and costs. While WIA provided a basic structure for these processes, states and local workforce investment boards had a great deal of flexibility to implement the process for selecting which training providers are included on the state's ETPLs. Thus, state ETPL policies and practices varied widely.

IMPAQ fielded a web-based ETPL Coordinator Survey in all states, the District of Columbia, and Puerto Rico to examine ETPL policies and practices. Forty-six states completed the survey between May and June of 2014; the findings are documented in the study's second paper entitled, *How States Manage Eligible Training Provider Lists: Findings from a State Survey*. Findings from the survey have implications for states and DOL and other federal agencies as they pursue efforts to create education and job training program scorecards, especially for institutions of higher education and for ETP programs as part of WIOA. States that use more rigorous processes to make ETPL determinations, use administrative data

sources, and provide a richer, more consistent set of information to help training participants make decisions.

4. **Inquiries.** To view an abstract of these publications, as well as to download the full reports, please visit the ETA Research Publication Database Web site at:  
<http://wdr.doleta.gov/research/keyword.cfm>.

<b>TRAINING AND EMPLOYMENT NOTICE</b>	<b>NO. 37-16</b>
	<b>DATE January 18, 2017</b>

**TO:** AFFILIATE AMERICAN JOB CENTER DIRECTORS  
 COMPREHENSIVE AMERICAN JOB CENTER DIRECTORS  
 WORKFORCE INNOVATION OPPORTUNITIES ACT (WIOA) 166 INDIAN  
 AND NATIVE AMERICAN GRANTEEES  
 DEPARTMENT OF LABOR EMPLOYMENT AND TRAINING  
 ADMINISTRATION REGIONAL ADMINISTRATORS  
 STATE GOVERNORS  
 STATE UNEMPLOYMENT INSURANCE DIRECTORS  
 STATE WIOA LIAISONS  
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 WORKFORCE DEVELOPMENT BOARD LOCAL CHAIRS  
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 WORKFORCE DEVELOPMENT BOARD STATE EXECUTIVE DIRECTORS  
 WORKFORCE DEVELOPMENT BOARD LOCAL EXECUTIVE DIRECTORS

**FROM:** PORTIA WU /s/  
 Assistant Secretary

**SUBJECT:** Release and Availability of a Final Report Entitled: Exhaustees of Extended  
 Unemployment: Coping with the Aftermath of the Great Recession

**1. Purpose.** The Employment and Training Administration (ETA) announces the release and availability of a final report, "Exhaustees of Extended Benefits Programs: Coping with the Aftermath of the Great Recession." This report examines the extent to which Unemployment Compensation (UC) recipients collected all benefits to which they were entitled ("exhausting" their benefits), in the context of the Great Recession and the extended potential duration of benefits, at that time; and assesses the outcomes for these individuals relative to other unemployed workers.

**2. Background.** The Great Recession, which according to the US National Bureau of Economic Research (the official arbiter of US recessions), began in December 2007 and ended in June 2009, was characterized by the longest average unemployment durations seen since World War II. One consequence of such long spells of unemployment is that large numbers of workers were still unemployed after collecting all of the weeks of regular Unemployment Insurance (UI) benefits to which they were entitled. To extend support to these unemployed workers, two major initiatives were implemented, that increased the number of weeks of benefits that workers could collect: 1) The Emergency Unemployment Compensation Act of 2008 (EUC08) program, which was extended and expanded by the American Recovery and Reinvestment Act of 2009 and other legislation; and 2) full federal funding of the Extended Benefits (EB) program in states with atypically high unemployment rates. Up to 99 weeks of benefits were available through the UI, EB, and EUC08 programs in states with the weakest labor markets; this represents the largest number of weeks that unemployed workers could receive benefits in the history of the

Unemployment Compensation (UC) system. Availability of these benefits enabled unemployed workers to search for work for a longer period before collecting all of, “exhausting” their UC entitlements.

To learn about the extent to which UC recipients exhausted these long benefit entitlements during the Great Recession and its aftermath, the U.S. Department of Labor (DOL), Employment and Training Administration commissioned Mathematica Policy Research to conduct this research study. This report examines the extent to which such benefit exhaustions occurred and assesses the outcomes experienced by those who exhausted their entitlements to all available UC benefits relative to other groups of unemployed workers.

**3. Project Description.** This study focused on three general questions related to the exhaustion of all available UC benefits:

- How many UC recipients exhausted their UC entitlements and what were the major factors associated with exhaustion of benefits?
- How did exhaustees fare in terms of their labor market outcomes, household economic circumstances, and participation in reemployment programs and programs of income support?
- How did the outcomes for UC exhaustees compare to the outcomes of individuals with long unemployment spells that did not collect UC benefits?

To address the first two questions listed above, the researchers primarily used a data file prepared for an earlier, DOL-sponsored study of EUC08 and related programs (Hock et al. 2016). This data file combined 1) administrative data about UC claims, employment, and earnings, and 2) survey data from 10 states of recipients who filed UI initial claims between January 2008 and September 2009. The administrative data covered January 2008 through September 2012, and the survey was conducted from December 2013 to August 2014, four to six years following the UI initial claim. The data file provided a comprehensive picture of UC recipients’ benefit collection patterns and their outcomes. To address the third research question, the researchers analyzed data from the Displaced Worker Supplement to the Current Population Survey for workers laid off in 2009 and interviewed two to three years later. The researchers supplemented this analysis by looking at workers laid off earlier and later in the economic downturn and recovery to learn about patterns in the characteristics and outcomes of unemployed workers over time.

**4. Key Study Findings.** The key study findings have been grouped under each of the three basic questions that related to the exhaustion of all available UC benefits:

- **The exhaustion rate and factors associated with exhaustion of benefits**
  - The study focused on “single claim recipients,” which constituted 55 percent of the UC recipients in the data. Forty-five percent of the individuals were “multi-claim recipients,” who started collecting UI benefits from January 2008 to September 2009, and also collected benefits as a result of another UI claim during the following three years.

- Twenty-six percent of single-claim recipients exhausted all of the UC benefits to which they were entitled. Overall, these exhaustees collected an average of 87 weeks of benefits compared to 28 weeks of benefits for non-exhaustees. Two-thirds of exhaustees collected 91 or more weeks of benefits.
  - Recipients who exhausted all of the UC benefits available to them tended to come from groups that have historically had longer jobless spells and higher exhaustion rates.
  - A multivariate examination of the likelihood of exhaustion, revealed important findings about gender and expectations of recall to prior jobs. The greater likelihood for women exhausting their UC entitlements did not hold up when controlling for other factors affecting exhaustion. The results also showed the unexpected result that women with young children were less likely to exhaust than other women.
- **Exhaustees' post-claim outcomes**
    - Exhaustees had much lower rates of employment in the three years following their UI initial claims.
    - Four to six years after their initial claims, exhaustees were much less likely than non-exhaustees to be employed and more likely to be out of the labor force.
    - Exhaustees experienced greater losses in household incomes than did non-exhaustees.
    - Exhaustees were more likely than non-exhaustees to participate in programs providing income support.
    - Exhaustees (67 percent) were more likely than non-exhaustees (60 percent) to contact an American Job Center or similar services as part of their job search during the first three months after their job separation. Most of the difference occurred because exhaustees who reported that they expected to be recalled to their prior jobs, were more likely than non-exhaustees with similar expectations to visit AJCs.
  - **Differences in outcomes between UC recipients and non-recipients**
    - The post-layoff experiences of displaced workers who did not receive UC benefits were quite varied—a large portion of them had short unemployment spells and a large portion had long unemployment spells.
    - Non-recipients, relative to UC recipients, both with long jobless spells, were less likely to become reemployed in the subsequent few years following their layoff.
    - Non-recipients with long jobless spells had lower household incomes than did recipients who experienced long-term joblessness.

**5. Inquiries.** To view an abstract of this publications, as well as to download the full report of the study, please visit the ETA Research Publication Database Web site at: <http://wdr.doleta.gov/research/keyword.cfm>.

<b>EMPLOYMENT AND TRAINING ADMINISTRATION</b> <b>ADVISORY SYSTEM</b> <b>U.S. DEPARTMENT OF LABOR</b> <b>Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> WIOA-NFJP
	<b>CORRESPONDENCE SYMBOL</b> OWI
	<b>DATE</b> January 19, 2017

**ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 18-16**

**TO:** STATE WORKFORCE ADMINISTRATORS  
STATE WORKFORCE AGENCIES  
STATE WORKFORCE LIAISONS  
STATE AND LOCAL WORKFORCE BOARDS AND CHAIRS  
AMERICAN JOB CENTERS  
NATIONAL FARMWORKER JOBS PROGRAM GRANTEEES  
STATE MONITOR ADVOCATES

**FROM:** PORTIA WU /s/  
Assistant Secretary

**SUBJECT:** Program Eligibility and Enrollment Guidance for the National Farmworker Jobs Program

1. **Purpose.** To provide guidance for eligibility of program participants for the National Farmworker Jobs Program (NFJP) authorized under Title I Section 167 Migrant and Seasonal Farmworker (MSFW) Programs of the Workforce Innovation and Opportunity Act (WIOA). This guidance rescinds and replaces Training and Employment Guidance Letter (TEGL) NO. 25-04 *Participant Eligibility Guidance* and TEGL NO. 25-04 Change 1.
2. **References.**
  - WIOA (Pub. L. 113-128), Title I;
  - WIA (Pub. L. 105-220), Title I;
  - *WIOA DOL-Only Final Rule* (20 CFR parts 603, 651 to 658, 675, and 679 to 688)
  - TEGL NO. 19-14 *Vision for the Workforce System and Initial Implementation of the Workforce Innovation and Opportunity Act*;
  - TEGL NO. 2-14 *Eligibility of Deferred Action for Childhood Arrivals Participants for Workforce Investment Act and Wagner-Peyser Act Programs*; and
  - TEGL NO. 11-11 Change 1 and Change 2 *Selective Service Registration Requirements for Employment and Training Administration Funded Programs*.
3. **Background and Program Overview.** NFJP provides career services, training services, housing assistance services, youth services, and related assistance services to low-income migrant and seasonal farmworkers (MSFWs), including MSFW youth, and their dependents. The purpose of the program is to counter the chronic unemployment and underemployment

<b>RESCISSIONS</b> TEGL 25-04 and TEGL 25-04 Change 1	<b>EXPIRATION DATE</b> Continuing
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experienced by farmworkers who depend primarily on jobs in agricultural labor performed across the country. NFJP grantees partner with American Job Centers (AJC) and State Monitor Advocates to support a comprehensive system that seamlessly provides integrated services that are accessible to farmworkers and their families. The Employment and Training Administration (ETA) will address NFJP services, performance, and partnerships in future guidance.

4. **Eligibility Requirements for NFJP Participants.** An individual receiving career services, training services, housing assistance services, youth services, and/or related assistance services through NFJP Funding must meet, on the date of application for enrollment, criterion A and criterion B below as defined in 20 CFR 685.110:

A. To receive NFJP services an individual must be either a(n):

- i. Eligible seasonal farmworker adult;
- ii. Eligible migrant farmworker adult;
- iii. Eligible MSFW youth; or
- iv. Dependent of a MSFW,

and,

B. A low-income individual who faces multiple barriers to economic self-sufficiency as defined in Section 6 below.

Note: Grantees may enroll a participant as either a MSFW adult or a MSFW youth participant as described in § 685.320, but not in both categories. See definitions in Section 6 below. Second, NFJP-funded permanent housing developed with NFJP funds must be promoted and made widely available to eligible MSFWs, but occupancy is not restricted to eligible MSFWs.

5. **Other Key Requirements:**

A. Male NFJP Participants: Male participants in any program or activity established under WIOA Title I or receiving any assistance or benefit under this title must not have violated section 3 of the Military Selective Service Act (50 U.S.C. App. 453) by not presenting and submitting to registration as required pursuant to such section (see WIOA Section 189(h)). TEGL 11-11, Change 1 and 2 provides Selective Service registration requirements for ETA programs funded through WIOA. TEGL 11-11 Change 1 and Change 2 implemented the requirements of WIA Section 189(h), and WIOA retains the same requirements. This guidance establishes that individuals who failed to register may still be eligible for NFJP services if they are able to provide, and the grantee determines, that there was not a knowing and willful failure to register according to the definitions provided in TEGL 11-11 Change 1 and Change 2.

B. Program participants may include individuals with employment authorization documents who have been granted relief under the Deferred Action for Childhood Arrivals (DACA).

NFJP grantees must administer the program in conformity with TEGL 2-14 *Eligibility of Deferred Action for Childhood Arrivals Participants for Workforce Investment Act and Wagner-Peyser Act Programs*

[http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=7233](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7233). For information on prohibition on discrimination against certain non-citizens, see WIOA Section 188(a)(5).

6. **Definitions.** To help determine participant eligibility under section 4.A. i-iv of this TEGL, see the definitions below:

A. Eligible seasonal farmworker, as defined in WIOA Section 167(i)(3), means a low-income individual who for 12 consecutive months out of the 24 months prior to application for the program involved, has been primarily employed in agricultural or fish farming labor that is characterized by chronic unemployment or underemployment, and faces multiple barriers to economic self-sufficiency. Dependents of seasonal farmworkers are also eligible.

“Primarily employed in agricultural or fish farming labor” means an individual earns at least 50 percent of his/her total income from farmwork or is employed at least 50 percent of his/her total employment time in farmwork. The terms “chronic unemployment or underemployment” used in this definition refer to the nature of the agriculture or fish farming labor force as a whole and not whether an applicant is either chronically unemployed or underemployed. For the purposes of determining eligibility, grantees do not need to demonstrate that an individual is either chronically unemployed or underemployed.

Similarly, grantees are not required to document that an individual faces multiple barriers to economic self-sufficiency. (For additional information on individuals with multiple barriers to employment see WIOA Section 3(24).) To effectively serve all NFJP participants, grantees are encouraged to assess participants’ interests, strengths, and barriers to help inform their career planning approach. Career planning is a client-centered approach designed to develop comprehensive programs and to coordinate supportive services during program participation and after job placement described in WIOA Section 3(8).

B. Eligible migrant farmworker, as defined in WIOA Section 167(i)(2), means an eligible seasonal farmworker as defined in WIOA Section 167(i)(3) whose agricultural labor requires travel to a job site such that the farmworker is unable to return to a permanent place of residence within the same day. Dependents of migrant farmworkers are also eligible.

C. Eligible MSFW youth means an eligible MSFW aged 14-24 who is individually eligible or a dependent of an eligible MSFW. Grantees may enroll participants aged 18-24 as either a MSFW adult or a MSFW youth participant (described in § 685.110), but not in both categories.

- D. Dependent of a MSFW is an individual who:
- (1) Was claimed as a dependent on the eligible MSFW's Federal income tax return for the previous year; or
  - (2) Is the spouse of the eligible MSFW; or
  - (3) If not claimed as a dependent for Federal income tax purposes, is able to establish:
    - (i) A relationship as the eligible MSFW's;
      - (A) Child, grandchild, great grandchild, including legally adopted children;
      - (B) Stepchild;
      - (C) Brother, sister, half-brother, half-sister, stepbrother, or stepsister;
      - (D) Parent, grandparent, or other direct ancestor but not foster parent;
      - (E) Foster child;
      - (F) Stepfather or stepmother;
      - (G) Uncle or aunt;
      - (H) Niece or nephew;
      - (I) Father-in-law, mother-in-law, son-in-law; or
      - (J) Daughter-in-law, brother-in-law, or sister-in-law; and
    - (ii) The receipt of over half of his/her total support from the eligible MSFW's family during the eligibility determination period.

Note: For the purpose of housing assistance, family means the eligible MSFW and all the individuals identified under the definition of dependent in this section who are living together in one physical residence (described in § 685.110)."

- E. Low-Income Individual means an individual as defined in WIOA Section 3(36)(A) who:
- i. Receives, or in the past 6 months has received, or is a member of a family that is receiving or in the past 6 months has received, assistance through the supplemental nutrition assistance program (SNAP) established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); the program of block grants to States for temporary assistance for needy families program (TANF) under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or the supplemental security income (SSI) program established under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.); or State or local income-based public assistance;
  - ii. is in a family with total family income that does not exceed the higher of:
    - I. The poverty line; or
    - II. Seventy percent of the Lower Living Standard Income Level (see link to the current Lower Living Standard Income Level (LLSIL) at <https://www.doleta.gov/llsil/>);
  - iii. Is a homeless individual (as defined in Section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), or a homeless child or youth (as defined under Section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)));
  - iv. Receives or is eligible to receive a free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);
  - v. Is a foster child on behalf of whom State or local government payments are made; or

vi. Is an individual with a disability whose own income meets the income requirement of B above, but who is a member of a family whose income does not meet this requirement (WIOA Section 3(36)(A)).

F. Farmwork. NFJP participants must have performed labor for wages in occupations and industries within agricultural production and agricultural services for 12 consecutive months out of the 24 months prior to application for the program involved. Note that in some exceptional circumstances, grantees may shift the 24-month eligibility determination period so that it precedes a period of unavailability experienced by an individual, as described in Section 7 of this TEG. In these circumstances, grantees should review the labor performed by such an individual within the modified 24-month eligibility determination period, rather than within the 24 months immediately preceding the individual's application to the program.

Farmwork means cultivation and tillage of the soil, dairying, production, cultivation, growing, and harvesting of any agricultural or horticultural commodities. This includes the raising of livestock, bees, fur-bearing animals, or poultry, farming of fish, and any practices (including any forestry or lumbering operations) performed by a farmer, or on a farm, as an incident to or in conjunction with such farming operations, including preparation for market, delivery to storage or to market, or to carriers for transportation to market. It also includes the handling, planting, drying, packing, packaging, processing, freezing, or grading prior to delivery for storage of any agricultural or horticultural commodity in its unmanufactured state (See WIOA Final Rule <https://www.doleta.gov/wioa/Docs/wioa-regs-labor-final-rule.pdf>).

Although the North American Industry Classification System (NAICS) codes are the primary resource used to help define farmwork, ETA recommends that NFJP grantees draw upon multiple factors rather than refer only to the NAICS codes. For information on industry sectors, see NAICS codes available on the NFJP website at <https://www.doleta.gov/Farmworker/html/NFJP.cfm>.

## 7. Eligibility Determination Procedure.

A. Eligibility Determination Period (timing): The eligibility determination period means any consecutive 12-month period within the 24-month period immediately preceding the date of application for NFJP by the MSFW applicant.

- An applicant's eligibility determination shall be valid for 60 days from the date of initial application. After the initial 60-day period has elapsed, if the individual is not an enrolled participant, the grantee will update information to re-certify the applicant.
- When an applicant was unavailable for work in the period immediately preceding the date of application because he/she had been in the armed forces, institutionally confined by incarceration or other legal detainment, hospitalized or otherwise unavailable due to a documented disability, grantees may establish an eligibility

determination period during the 24 months immediately preceding the date of such unavailability, provided, however, that such period may not begin more than 48 months prior to the date of application.

B. NFJP grantees are required to have an eligibility determination system that enables the generation of a record supporting eligibility determinations and enrollment decisions, including program participant status, low-income status, etc. ETA will address source documentation for data validation requirements in future guidance.

8. **NFJP Enrollment.** To be a program participant, an individual must complete the following requirements: eligibility determination, career assessment, and receipt of at least 1 of the 5 program elements (i.e., career services, training services, housing assistance services, youth services, and/or certain related assistance services). These individuals will be considered program participants and will be included in either adult or youth performance calculations.

Individuals who are enrolled in certain related assistance activities that require significant involvement of grantee staff are also considered participants [20 CFR 685.400(b)]. Specifically, "certain related assistance" activities are those that require an eligibility determination and a career assessment, as described above, and are directly related to education, training, career, and/or employment outcomes. These activities may include, but are not limited to:

- School dropout prevention and recovery activities;
- Self-employment and related business or micro-enterprise development or education; and
- Occupational career and technical education.

An individual who receives only related assistance services that 1) do not require significant involvement of grantee staff time; and 2) do not require a career assessment by grantee staff of an individual's skills, education, or career objectives (including all emergency assistance services) will be considered a "reportable individual," as defined in 20 CFR 677.150(b). Such individuals are not included in performance calculations as program participants. For example, the Department does not consider pesticide and worker safety training (which neither requires a significant involvement of grantee staff time, nor career assessments) to be the kind of related assistance that requires the individual to be included in the performance calculations.

Emergency assistance, a form of short-term related assistance, may be provided to eligible MSFWs and their dependents as defined in § 685.110 to address these farmworker's immediate needs. Emergency assistance may include, but is not limited to, the provision of necessary items like garments of clothing, food, and transportation vouchers. When an individual receives emergency assistance only (and no other NFJP services), an applicant's self-certification is accepted as sufficient documentation of eligibility.

Under certain circumstances, NFJP grantees may provide emergency assistance to H-2A Temporary Agricultural Workers (H-2A workers) to address an immediate and short-term need. NFJP grantees are expected to leverage available alternative resources and coordinate

continuously with State Monitor Advocates, Farm Labor Specialists, and other community-based partners, whenever possible, to raise awareness with respect to any underlying issues preventing the H-2A workers from receiving similar benefits or assistance, as required by the agricultural employer's certified job order or work contract with the H-2A workers (see 20 CFR part 655 Subpart B, 20 CFR part 653, and 29 CFR part 501). The Department's Wage Hour Division (WHD) has developed a user-friendly H-2A Worker Rights Card for workers and H-2A Worker Rights Poster for employers, which summarizes the benefits, wages, and working conditions to be provided to H-2A and U.S. workers performing the same work for the employer. Electronic versions of the H-2A Worker Rights Card and Poster in English and Spanish can be found on the WHD's web site at [https://www.dol.gov/whd/ag/ag\\_h-2a.htm](https://www.dol.gov/whd/ag/ag_h-2a.htm).

In circumstances where an H-2A worker submits a complaint or reports a possible violation of any contractual H-2A labor standard, NFJP grantees should refer the H-2A worker to the appropriate office of the State Monitor Advocate (SMA) who can educate the H-2A worker regarding how to file a formal complaint with the State Workforce Agency (SWA) Employment Service Complaint System (Complaint System). The SMA or outreach workers (SWA staff) will explain the Complaint System to the H-2A worker. If the H-2A worker wishes to file a complaint, the SWA staff will take the complaint in writing and refer to the Department of Labor's Wage and Hour Division (WHD) since WHD is the agency that enforces the contractual obligations under the H-2A program, as described at 29 CFR part 501. If the H-2A worker decides not to file a complaint, the report of a suspected violation could turn into an apparent violation and may be handled as a complaint as described at 20 CFR 658.419.

9. **Action Requested.** NFJP Grantees should use this guidance when enrolling individuals for services to comply with portions of WIOA Title I, Section 167 and the WIOA Final Rules. NFJP grantees should actively work with their AJC and other workforce system partners in identifying services and programs that are tailored to the applicants' needs and career pathway interests. Individuals who are determined ineligible for NFJP should be connected to other AJC services or alternative programs for which they qualify.
10. **Inquiries.** All NFJP Grantees should submit inquiries to their respective Federal Project Officer.
11. **Attachment.** None.

<b>TRAINING AND EMPLOYMENT NOTICE</b>	<b>NO.</b> 28-16, Change 2
	<b>DATE</b> January 18, 2017

**TO:** ALL ETA GRANTEEES  
STATE LABOR COMMISSIONERS  
STATE LABOR MARKET INFORMATION DIRECTORS  
STATE MONITOR ADVOCATES  
STATE UNEMPLOYMENT INSURANCE DIRECTORS  
STATE DIRECTORS OF VETERANS EMPLOYMENT AND TRAINING  
STATE WORKFORCE AGENCIES ADMINISTRATORS  
WORKFORCE DEVELOPMENT BOARD STATE CHAIRS  
WORKFORCE DEVELOPMENT BOARD STATE EXECUTIVE DIRECTORS  
WORKFORCE DEVELOPMENT BOARD LOCAL EXECUTIVE DIRECTORS  
WORKFORCE DEVELOPMENT BOARD LOCAL CHAIRS  
AMERICAN JOB CENTER MANAGERS  
NATIONAL FARMWORKER JOBS PROGRAM GRANTEEES  
INDIAN AND NATIVE AMERICAN GRANTEEES  
YOUTHBUILD GRANTEEES  
SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM GRANTEEES

**FROM:** PORTIA WU /s/  
Assistant Secretary

**SUBJECT:** Change 2 - Best Practices, Partnership Models, and Resources Available for  
Serving English Language Learners, Immigrants, Refugees, and New Americans

- Purpose.** This Change 2 replaces and makes corrections to the previously issued Training and Employment Notice (TEN) 28-16 to inform the workforce system with examples, best practices, partnership models, and information on how to align resources available under the Workforce Innovation and Opportunity Act (WIOA) to increase services to English Language Learners (ELL) with substantial cultural and language barriers to employment. It further provides information to the workforce system, including partner programs and entities that are jointly responsible for workforce and economic development, educational, and other human resource programs, about how to align their efforts to provide basic career services, individualized career services, and training services.

This Change 2 updates the following two sections of TEN 28-16. Everything else remains the same.

- Paragraph 3, in the Section 2, Background, on page 2 includes a more comprehensive description of the WIOA Section 188 implementing regulations; and
- Section 7, Resources, on page 8 includes technical assistance materials for WIOA Section 188 implementing regulations.

## 2. References.

- Workforce Innovation and Opportunity Act (Public Law 113-128, 29 U.S.C. 3121 et. seq.);
- Training and Employment Guidance Letter (TEGL) No. 4-15: Vision for the One-Stop Delivery System under WIOA;
- TEGL No. 19-14: Vision for the Workforce System and Initial Implementation of WIOA;
- TEGL No. 02-14: Eligibility of Deferred Action for Childhood Arrivals Participants for Workforce Investment Act and Wagner-Peyser Act Programs;
- TEGL No. 04-15: Vision for the One-Stop Delivery System under WIOA; and
- Section 188 WIOA Nondiscrimination and Equal Opportunity Regulations (29 CFR Part 38).

3. **Background.** Signed into law on July 22, 2014, WIOA is designed to help job seekers and worker customers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy. WIOA supersedes the Workforce Investment Act of 1998, and amends the Adult Education and Family Literacy Act, the Wagner-Peyser Act, and the Rehabilitation Act of 1973. It presents an extraordinary opportunity for the workforce system to demonstrate its ability to improve the job and career options for individuals through an integrated, job driven, public workforce system that links diverse talent to America's businesses.

The publicly funded workforce system envisioned by WIOA is quality-focused, employer-driven, customer-centered, and tailored to meet the needs of regional economies. It is designed to increase access to, and opportunities for, the employment, education, training, and support services that individuals need to succeed in the labor market, particularly those with barriers to employment.

Part of the national vision for American Job Centers (AJCs) (formerly one-stop centers) is to ensure meaningful access to all customers, including participants with substantial cultural and language barriers to employment. Section 188 of WIOA prohibits discrimination because of race, color, religion, sex, national origin (including limited English proficiency (LEP)), age, disability, or political affiliation or belief. In addition, for beneficiaries, applicants, and participants only, WIOA prohibits discrimination because of citizenship status, or because of an individual's participation in a WIOA Title I—financially assisted program or activity. Section 188 specifically requires covered entities within the workforce system to take reasonable steps to ensure meaningful access to each LEP individual served or encountered so that they may be effectively informed about and/or able to participate in programs and activities.<sup>1</sup> Underlying the vision for AJCs and the intent behind Section 188 is the idea that the workforce system should provide high quality of service and serve the needs of all

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<sup>1</sup> Please note that compliance with WIOA's ELL provisions and the best practices described in this TEN does not ensure compliance with WIOA Section 188 or 29 CFR § 38. For more information (and best practices guidance) on how to comply with Section 188's requirements with respect to individuals who are limited English proficient (LEP) – including requirements for providing oral interpretation or written translation of both hard copy and electronic materials in the appropriate non-English languages to LEP individuals – please see the Department of Labor's Civil Rights Center's (CRC) website at <https://www.dol.gov/crc/188rule/>. Covered entities may also submit technical assistance requests to CRC at [civilrightscenter@dol.gov](mailto:civilrightscenter@dol.gov).



customers. In so doing, AJCs can help individuals succeed using principles of universal access and customer-centered design, such as flexibility in space usage; and the use of pictorial, written, verbal, and tactile modes to present information for all customers, (including those who are English Language Learners, individuals with disabilities, and others). In addition, AJCs staff the resource rooms with career counselors who offer knowledgeable assistance and guidance to all jobseekers using language and strength-based assessments and by providing necessary assistance and accommodations.

#### 4. Unique Needs of Individuals who are English Language Learners and who Face Substantial Cultural Barriers.

Individuals who are English Language Learners and who face substantial cultural barriers, including immigrants, refugees, and new Americans, often encounter challenges that make it difficult to find and retain jobs. These barriers vary among individuals and may include limited English proficiency, limited cultural competency, prior trauma, low educational attainment in native countries, or the failure to have advanced degrees, credentials, and/or licenses attained abroad recognized in the United States. The needs of low-skilled and high-skilled immigrants differ significantly, and for employment and training services to be most effective, they must be tailored to the specific needs of the individual. Unique needs include but are not limited to the following:

- **English proficiency.** English proficiency is key to an individual's access to higher-paying jobs. Becoming proficient in English increases immigrants', refugees', and new Americans' engagement with their new country and ability to perform basic life functions, as well as to find and retain jobs. For many immigrants, refugees, and new Americans, contextualized workplace-based English language classes are helpful for becoming job-ready in a specific field. English Language Learners, consistent with WIOA, are eligible for priority of service under WIOA sec. 134(c)(3)(E), which provides priority to "recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient."
- **Cultural competence.** Immigrants, refugees, and new Americans may need help to become familiar with United States job application processes, interviews, workplace customs and culture to become job-ready. This may include learning how to grow their professional network socially. For example, AJCs may offer mock interviews to assist participants in learning the cultural nuances of questions asked in the United States.
- **Trauma.** Some immigrants, refugees, and new Americans may need referrals to additional services that are designed to address symptoms of previously experienced trauma. For example, some individuals may have endured violence and other physical hardships as a result of armed conflict in their country of origin. In other instances, they may be survivors of human trafficking, whether labor or sexual. Access to support services via a referral process, such as trauma-informed mental health counseling, culturally appropriate support groups, medical care, or legal services may help them more successfully engage in the employment and training process.
- **Degrees, licensing, and credentials.** Many immigrants, refugees, and new Americans hold degrees, licenses, and/or credentials in other countries that they need to transfer to the United States, or re-obtain in the United States. Receiving credit for prior learning helps these workers quickly advance with their career paths and ensure successful economic integration.

To learn more about how Deferred Action for Childhood Arrivals (DACA) participants who have employment authorization may access WIOA services, see TEGL 2-14: [https://wdr.doleta.gov/directives/attach/TEGL/TEGL\\_2-14\\_Acc.pdf](https://wdr.doleta.gov/directives/attach/TEGL/TEGL_2-14_Acc.pdf).

5. **High-Quality American Job Centers Play a Critical Role in Integrating Immigrants, Refugees, and New Americans into their Communities.**

In accordance with the principles of universal access and customer-centered design under WIOA, the following provides ways AJCs deliver high quality services to individuals who are English Language Learners and individuals who face substantial cultural barriers, including immigrants, refugees, and new Americans:

- **Provide Excellent Customer Service to Job Seekers, Workers, and Businesses.**
  - Reflect a welcoming environment to all customer groups who are served by the AJCs;
  - Develop, offer, and deliver quality business services (note that training services authorized under Title I also include English language proficiency training if provided in combination with another training service);
  - Improve the skills of job seeker and worker customers;
  - Create opportunities for individuals at all skill levels and levels of experience;
  - Provide career services that motivate, support, and empower customers (such as providing individualized career services which may include an assessment of English proficiency coupled with English language acquisition services if related to an employment need);
  - Value skill development;
  - Use WIOA's Priority of Service Provision;
  - Consider target populations in developing programs so that robust programs are available for those populations;
  - Develop outreach strategies and techniques to reach target populations; and
  - Monitor whether programs are meeting the needs of target populations, including particular training needs and wraparound services.
  
- **Reflect Innovative and Effective Service Design.**
  - Ensure meaningful access to all customers;
  - Use an integrated and expert intake process for all customers entering the AJCs;
  - Design and implement practices that actively engage industry sectors;
  - Balance traditional labor exchange services with strategic talent development within a regional economy;
  - Include both virtual and center-based service delivery for job-seekers, workers, and employers; and
  - Incorporate innovative and evidence-based delivery models.
  
- **Operate with Integrated Management Systems and High-Quality Staffing.**
  - Reflect the establishment of robust partnerships;
  - Organize and integrate services by function (rather than by program);
  - Develop and maintain integrated case management systems;
  - Develop and implement operational policies;
  - Use common performance indicators;
  - Train and equip AJC staff; and

- Staff centers with linguistically and culturally competent staff, including highly trained career counselors and multi-lingual staff in languages spoken by the largest customer groups.

**6. Partnership Models for Delivering High-Quality Services to Individuals who are English Language Learners and who Face Substantial Cultural Barriers.**

Below are a few partnership models which harness the characteristics described above. These organizations align their efforts and resources between several workforce system partners, including WIOA Title I Workforce Development partners, WIOA Title II Adult Education and Family Literacy partners, employers, and other community-based partners, to provide high-quality service delivery to individuals who are English Language Learners and who face substantial cultural barriers, including immigrants, refugees, and new Americans. These approaches produced positive outcomes for their target populations consisting largely of immigrants, refugees, and English Language Learners.

- **Center for Employment and Training, Skill Training and Human Development - San Jose, CA**

The Center for Employment and Training (CET) is an eligible training provider in California, a WIOA National Farmworker Jobs Program grantee, and is accredited under the provisions in the Higher Education Act (HEA). In addition to serving grantee participants, CET offers a tuition-based “vendor” program whereby students, who include migrant and seasonal farmworkers and their dependents, pay for their occupational training courses via federal financial aid (Pell Grants). Training courses align with career pathways, emphasized in WIOA and in HEA, that require alignment and a combination of training, adult education, and support services. This alignment and combination is an innovative and effective service design that helps students accelerate to Adult Education - English as a Second Language, Literacy and Math and GED certificate preparation. CET is a member of the local American Job Center network in three of the six major agricultural regions of the state. More information about CET’s best practices and success stories is available at: <http://cetweb.org/>. Additionally, an evaluation summary on CET, which is featured in MDRC’s report, entitled *The Challenge of Repeating Success in a Changing World* is available at: <http://www.mdrc.org/project/center-employment-training-replication#overview>.

- **International Institute of Minnesota - St. Paul, Minnesota**

Through the establishment of robust partnerships, the International Institute of Minnesota (Institute) welcomes new Americans to the Twin Cities and offers them a continuum of services to promote their full integration into the community. The Institute’s programming includes job training and language classes as well as refugee resettlement, immigration, citizenship, and anti-human trafficking services. The Institute has established a partnership with St. Paul College to help immigrant and U.S.-born students progress from low-level home health aide and Certified Nurse Assistant courses at the community level into more academically challenging science classes at the college level and pursue their Licensed Practical Nursing certifications. More information about the Institute’s services is here: <http://www.iimn.org/>. Additionally, program evaluation findings on the College Readiness Academy, which includes three partner sites, the Institute, Hubbs Center, and

Neighborhood House is available at: <http://iimn.org/wp-content/uploads/2016/12/College-Readiness-Academy-Program-Evaluation-Findings-and-Considerations.pdf>.

- **The Neighborhoods United Network - Boise, Idaho**

Since 2009, the Neighbors United Network helps refugees successfully integrate and thrive in Boise, Idaho. Many of these refugees are highly skilled degree holders who arrived with credentials and training but with limited English proficiency and no clear path to reclaim their careers. To ensure meaningful access to all customers, the program has addressed refugees' needs and resources related to six pillars: transportation, housing, health, education, employment, and social integration. In 2014, the Neighbors United Network was one of five communities selected to participate in the U.S. Department of Education's Networks for Integrating New Americans (NINA), an initiative that helped communities better position adult education programs as key contributors to local, multi-sector networks formed to advance immigrant integration. Through the NINA project, Boise was able to focus its attention on the growing percentage of educated refugees who have more specialized job placement needs. Global Talent Idaho was launched to facilitate the economic integration of high-skilled immigrants and refugees by getting them on paths related to their fields of expertise. Boise focused on the economic integration of immigrants with professional degrees with language as a key barrier to career advancement by providing employment services via mock interviews, mentoring, networking, resume writing, and job placement in collaboration with AJCs and employers. More information about how Boise partnerships help meet the unique needs of refugees may be found here: <http://www.neighborsunitedboise.org/>. Additionally, more information on *The Adult Education and Immigrant Integration: Lessons Learned from the Networks for Integrating New Americans Initiative* report is available here: <http://worlded.org/WEIInternet/resources/publication/display.cfm?txtGeoArea=US&id=16503&thisSection=Resources>.

- **Seattle Mayor's Office of Immigrant and Refugee Affairs' Ready to Work - Seattle, Washington**

The Ready to Work (RTW) program, which is funded by the U.S. Department of Housing and Urban Development's Community Development Block Grant, was created as a prototype model of English language acquisition, career development, and employment, offered in a community-based setting. The program's goal is "to empower and support immigrants and refugees in overcoming barriers on their journey to economic stability, quality jobs and integration into life in Seattle." One of the key features of RTW is its commitment to track participants' progress over a longer time frame than conventional funding streams typically allow. This integrated management system is achieved by creatively braiding together the U.S. Department of Housing and Urban Development's Community Development Block Grant, WIOA, and other funds to support the RTW program for English Language Learners who need to find their first American job. More about the Ready to Work program is available at: <http://www.seattle.gov/iandraffairs/RTW>. Seattle's Workforce Development Board has further developed pilots aimed at "Unleashing the Power of Untapped Talent" which targets individuals listed as being eligible for the Priority of Service provision. Grantees include six organizations, two of which serve primarily English Language Learners, one of whom is a RTW grantee.

- **Lower Rio Workforce Solutions Project, Growing Regional Opportunity for the Workforce (GROW) - McAllen, Texas**

The Border Workforce Alliance, which was funded by the Department of Labor's Workforce Innovation Fund, consists of five Workforce Development Boards in South Texas. The Alliance seeks to accelerate credential attainment and career entry by lower-skilled adults and out-of-school youth through a mixture of program alignment, new technology platforms, tailored services and programs, coordinated case management and supportive services, career pathways aligned with employer demand, and increased systems capacity. The project implements and tests innovative approaches that are data-driven and evidenced based, to serving lower-skilled and limited English proficient jobseekers. GROW increased education attainment and employment outcomes through: new operating efficiencies gained through program alignment and a common technology platform; designing programs and services to address the specific needs of sub-populations; improved coordination of case management and support services; and career pathways aligned with identified employer needs. More information about GROW is available here: <http://www.questsa.org/>.

- **San Mateo County Project, Silicon Valley Alliance for Language Learners' Integration, Education, and Success (ALLIES) Innovation Initiative - San Mateo, California**

The Silicon Valley ALLIES Initiative, which was funded by the Department of Labor's Workforce Innovation Fund, created a coordinated strategy across San Mateo and Santa Clara counties for building the workforce-related competencies of adult immigrants. Built on a collective impact model, the consortium, comprised of the region's three regional Workforce Development Boards, community colleges, Adult Education providers, social service agencies, community-based organizations, philanthropic organizations, business and labor partners, is committed to significantly increasing the skills and credential attainment of the region's limited English proficient job seekers, and meeting the skill needs of its employers. To prepare individuals to be ready to compete successfully in today's global economy, ALLIES connects workers with a career pathway that integrates English language and postsecondary occupational learning, contextualizes language acquisition in career and technical education, and provides work readiness training in in-demand occupations. Additionally, the project worked to increase efficiencies and eliminate redundancies through the design of a multi-sector partner network across workforce development, education, economic development, employers, unions, and human service organizations. More about ALLIES is available here: <http://www.allies4innovation.org/about-allies.html>.

## 7. Resources.

### A. U.S. Department of Labor's Policy Guidance

- Training and Employment Guidance Letter (TEGL) 04-15: Vision for the One-Stop Delivery System under WIOA.  
[https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=6455](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=6455)
- TEGL 02-14: Eligibility of Deferred Action for Childhood Arrivals Participants for Workforce Investment Act and Wagner-Peyser Act Programs.  
[http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=7233](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7233)
- TEGL 09-12: Human Trafficking: The Role of the Public Workforce System in the Delivery of Services and Referrals to Victims of Trafficking.  
[https://wdr.doleta.gov/directives/attach/TEGL/TEGL\\_9\\_12\\_Acc.pdf](https://wdr.doleta.gov/directives/attach/TEGL/TEGL_9_12_Acc.pdf)
- TEGL 26-15: Vision for the One-Stop Delivery System under the Workforce Innovation and Opportunity Act (WIOA).  
[https://wdr.doleta.gov/directives/corr\\_doc.cfm?docn=9363](https://wdr.doleta.gov/directives/corr_doc.cfm?docn=9363)

### B. U.S. Department of Labor's Tools and Technical Assistance Materials

- WIOA State Plans. <https://www2.ed.gov/about/offices/list/osers/rsa/wioa/state-plans/index.html>.
- Certification Finder. Links to credential information and certifying organizations. Available in English and in Spanish.  
<http://www.careeronestop.org/toolkit/training/find-certifications.aspx>
- Licensed Occupations. Service providers and individuals can determine if a specific occupation requires a license in their state.  
<https://www.careeronestop.org/explorecareers/plan/licensed-occupations.aspx>
- Career Pathways Toolkit: A Guide for System Development.  
<https://careerpathways.workforcegps.org/announcements/2016/02/05/14/21/The-Release-of-the-Career-Pathways-Toolkit-A-Guide-for-System-Development>
- The Customer-Centered Service Delivery Design Initiative.  
[https://ion.workforcegps.org/resources/2015/09/02/17/11/Customer-Centered\\_Service\\_Design\\_Initiative](https://ion.workforcegps.org/resources/2015/09/02/17/11/Customer-Centered_Service_Design_Initiative)
- Opening Doors for Everyone with Universal Access and Outstanding Customer Service.  
[https://ion.workforcegps.org/resources/2016/02/08/21/40/Opening\\_Doors\\_for\\_Everyone\\_Universal\\_Access\\_Customer\\_Service](https://ion.workforcegps.org/resources/2016/02/08/21/40/Opening_Doors_for_Everyone_Universal_Access_Customer_Service)
- Recipient Language Assistance Plan (LEP Plan): Promising Practices (Appendix to 29 CFR 38.9), Fact Sheet, Frequently Asked Questions, and regulation text for WIOA Section 188 implementing regulations.  
<https://www.dol.gov/crc/188rule/>

### C. U.S. Department of Education's Tools and Technical Assistance Materials

- Federally Funded Adult Education and Family Literacy Programs.  
<http://www2.ed.gov/about/overview/focus/adulted-daca.pdf>

- Educational and Linguistic Integration Webinar Series of Immigrants and Refugees. <http://www2.ed.gov/about/offices/list/oela/webinars/new-americans/index.html>
- Literacy Information and Communication System (LINCS) is a free online, professional learning community and resource collection featuring topic area groups, (including an Adult English Language Learners group and Skilled Immigrant and Refugee Workgroup) that provides an opportunity for networking and information sharing activities among educators across the country. <https://lincs.ed.gov/>
- English Learner Toolkit. <http://www2.ed.gov/about/offices/list/oela/english-learner-toolkit/eltoolkit.pdf>
- Resource Guide: Supporting Undocumented Youth. <http://www2.ed.gov/about/overview/focus/supporting-undocumented-youth.pdf>

#### **D. Other Resources on Credentials and Licensing, Serving Participants with Substantial Cultural and Language Barriers, and Human Trafficking**

##### **Credentials and Licensing**

- Professional Licensing Guides: Upwardly Global. The Professional Licensing Guides were created to help individuals and service providers understand the steps required to earn a state professional license or credential for regulated professionals. Currently available for ten popular careers in five states. <https://www.upwardlyglobal.org/skilled-immigrant-job-seekers/american-licensed-professions/licensed-professions-guides>
- Resource Manual on the Licensure of Internationally Educated Nurses. National Council of State Boards of Nursing. Detailed guide for boards of nursing to each of the uniform licensure requirements for internationally educated nurses. <https://www.ncsbn.org/171.htm>

##### **Serving Participants with Substantial Cultural and Language Barriers**

- Steps to Success: Integrating Immigrant Professionals in the United States. World Education Services (WES) Global Talent Bridge and Imprint. Report based on a survey of immigrant professionals in six US cities identifying the factors that correlate with their successful integration into their communities. <http://knowledge.wes.org/Report-Steps-to-Success-Integrating-Immigrant-Professionals-in-the-US.html>
- Improving Immigrant Access to Workforce Services. Aspen Institute. Outlines key themes and best practices from research on how organizations in the workforce development and immigrant-serving fields currently intersect and how they could further partner to improve policies and practices for connecting immigrants to skill-building and career advancement. <https://www.aspeninstitute.org/publications/improving-immigrant-access-workforce-services-partnerships-practices-policies/>

##### **Human Trafficking**

- Department of Health and Human Services Fact Sheet: Identifying Victims of Human Trafficking. [http://www.acf.hhs.gov/sites/default/files/orr/fact\\_sheet\\_identifying\\_victims\\_of\\_human\\_trafficking.pdf](http://www.acf.hhs.gov/sites/default/files/orr/fact_sheet_identifying_victims_of_human_trafficking.pdf)
- National Human Trafficking Resource Center (NHTRC) provides access to emergency hotline support, informational and advocacy resources for victims of human trafficking

and their support systems. <https://traffickingresourcecenter.org/type-trafficking/labor-trafficking>

- The Center for Victims of Torture offers online capacity building resources for people who are interested in supporting persons who have been subjected to trauma and torture. This link provides a map of Refugee Healing Service Center locations throughout the country. <http://www.healtorture.org/content/domestic-healing-centers>
- The National Child Traumatic Stress Network identifies trauma informed resources for those working with migrant children and youth and their unique needs. <http://nctsn.org/trauma-types/refugee-trauma/guidance-unaccompanied>
- The Department of Health and Human Services, Office of Refugee Resettlement offers access to online training, webinars and strategy models for helping to prepare refugees for employment. <http://www.acf.hhs.gov/orr/employment-resources>

8. **Action Requested.** ETA requests that State Workforce Agency staff disseminate this updated guidance broadly to the workforce investment system, and encourage local workforce boards to ensure that the AJCs are informed about the importance of providing services to individuals who are English Language Learners and individuals who face substantial cultural barriers, including immigrants, refugees, and new Americans under WIOA.

9. **Inquiries.** Questions should be addressed to the appropriate ETA Regional Office.



<b>TRAINING AND EMPLOYMENT NOTICE</b>	<b>NO.</b> 33-16
	<b>DATE</b> January 17, 2017

**TO:** AFFILIATE AMERICAN JOB CENTER DIRECTORS  
 COMPREHENSIVE AMERICAN JOB CENTER DIRECTORS  
 WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) 166  
 INDIAN AND NATIVE AMERICAN GRANTEEES  
 DEPARTMENT OF LABOR (DOL) EMPLOYMENT AND TRAINING  
 ADMINISTRATION REGIONAL ADMINISTRATORS  
 STATE GOVERNORS  
 STATE WIOA LIAISONS  
 STATE WORKFORCE ADMINISTRATORS WIOA  
 WORKFORCE DEVELOPMENT BOARD LOCAL CHAIRS  
 WORKFORCE DEVELOPMENT BOARD STATE CHAIRS  
 WORKFORCE DEVELOPMENT BOARD STATE EXECUTIVE DIRECTORS  
 WORKFORCE DEVELOPMENT BOARD LOCAL EXECUTIVE DIRECTORS

**FROM:** PORTIA WU /s/  
 Assistant Secretary

**SUBJECT:** Release and Availability of Three Issue Briefs from an Evaluation of the Self-Employment Training Demonstration

1. **Purpose.** To announce the release and availability of three issue briefs from the current evaluation of the Self-Employment Training (SET) demonstration. These briefs provide lessons learned and implementation issues faced as part of a project piloting self-employment assistance and training services for dislocated workers. The briefs include:

- *Case Management for Self-Employment Success: Emerging Lessons from the Self-Employment Training Program;*
- *The Characteristics and Motivations of Participants in the Self-Employment Training Demonstration; and*
- *What Does \$1,000 in Seed Capital Buy? Emerging Lessons from the SET Program's Offer of Micro-grants for Business Start-Ups.*

2. **Background.** The Employment and Training Administration (ETA) initiated the SET demonstration to help dislocated workers interested in creating businesses in their fields of expertise. Currently, assistance for those who want to start their own businesses is scattered among many different service providers, and people interested in self-employment do not always know where to access services or seek advice on an ongoing basis. The SET demonstration is a "pilot program" designed to test a model in which people interested in self-employment have access to dedicated self-employment advisors who assess their needs on an

**EMPLOYMENT AND TRAINING ADMINISTRATION  
 U.S. DEPARTMENT OF LABOR  
 WASHINGTON, D.C. 20210**

ongoing basis and provide tailored support to guide their journey through self-employment. The demonstration seeks to determine the kinds of services and supports that can help such dislocated workers, and also to draw lessons to help inform the workforce development system about the role of self-employment as a reemployment strategy for dislocated workers.

SET is a new concept that is being pilot tested on a limited scale. SET is offered in four sites: Chicago, Illinois; Cleveland, Ohio; Los Angeles, California; and Portland, Oregon. The program enrolled 1,981 participants between July 2013 and January 2016. SET demonstration services are delivered by qualified microenterprise service providers, working in close partnership with participating American Job Centers and the Unemployment Insurance program.

To be considered for participation, applicants must meet the demonstration's eligibility criteria and agree to be part of the evaluation of the SET demonstration. Eligible applicants had a 50-50 chance of receiving SET services; that is, they will be assigned by lottery to either a SET group or a comparison group. SET group members have access to SET services. Comparison group members did not receive SET services but continue to have access to available American Job Center services and other self-employment supports that might be available in their communities.

Also, ETA has funded a rigorous randomized control trial evaluation, conducted by Mathematica Policy Research, Inc., to provide information regarding the effectiveness of the SET demonstration. The evaluation will address the following five questions:

- What are the characteristics of the SET demonstration participants?
- How well is the SET demonstration implemented and what factors influence implementation?
- What is the net impact of the SET demonstration on participants' receipt of self-employment assistance services?
- Does the SET demonstration increase business ownership?
- What are the net impacts of the SET demonstration on participants' employment, total earnings, and overall well-being?

As of the date of this TEN, the evaluation continues to be underway. A final report will be issued after the evaluation is complete.

3. **Publication Description.** These briefs document the early lessons from and explore implementation issues identified through the pilots.

- **Case Management for Self-Employment Success: Emerging Lessons from the Self-Employment Training Program**  
Key Findings include: The SET case management model can be implemented with fidelity. Most participants received timely and sustained case management interactions. Among

assigned participants, 89 percent had in-person intake meetings and intake occurred within two weeks of program acceptance on average, as required. Among those who received intake, 55 percent received timely monthly check-ins and 41 percent received quarterly assessments. As expected, most microenterprise providers used case management to customize services to address participants' needs.

- **The Characteristics and Motivations of Participants in the Self-Employment Training Demonstration**

Key Findings include: 1) The average SET study participant was an experienced, college-educated, middle-aged worker. More than half (57 percent) of participants had at least a four-year college degree, and nearly all (93 percent) had at least some postsecondary education. A large majority (80 percent) had experience working as a manager for someone else, on average for seven years. Participants' average age was 44. 2) The principal motivation for applying to SET was to gain a source of income. Among SET study participants, 60 percent were unemployed when they applied.

- **What Does \$1,000 in Seed Capital Buy? Emerging Lessons from the SET Program's Offer of Micro-grants for Business Start-Ups**

Key Findings include: 1) An amount as low as \$1,000 can help participants get their business started. Most of the SET microenterprise providers and all 12 participants interviewed reported that the micro-grant could be helpful to those starting their businesses. Micro-grant recipients asked for close to the full amount of funding available, on average. Nonetheless, seed capital "take-up" has been limited: only 38 percent of the participants assigned to a microenterprise provider for at least eight months have received seed capital. 2) Most micro-grant recipients used the \$1,000 to invest in electronics, supplies, and marketing materials that could help them bring in and serve customers. The highest amounts of both average and total funding requested were for electronics and supplies. Electronics, supplies, and marketing materials were also most frequently requested.

4. **Inquiries.** To view these briefs, visit the ETA Research Publication Database Web site at: <http://wdr.doleta.gov/research/keyword.cfm>.

<b>EMPLOYMENT AND TRAINING ADMINISTRATION</b> <b>ADVISORY SYSTEM</b> <b>U.S. DEPARTMENT OF LABOR</b> <b>Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> WIOA – General Guidance for One-Stop Operations
	<b>CORRESPONDENCE SYMBOL</b> ETA-OWI
	<b>DATE</b> January 18, 2017

**ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER ONE-STOP OPERATING GUIDANCE FOR THE WORKFORCE INNOVATION AND OPPORTUNITY ACT NO. 16-16**

**TO:** STATE AND LOCAL STAKEHOLDERS IN THE WORKFORCE INNOVATION AND OPPORTUNITY ACT  
STATE WORKFORCE ADMINISTRATORS  
STATE WORKFORCE LIAISONS  
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS  
AMERICAN JOB CENTER DIRECTORS  
SECTION 166 INDIAN AND NATIVE AMERICAN GRANTEEES  
NATIONAL FARMWORKER JOBS PROGRAM GRANTEEES  
SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM GRANTEEES  
YOUTHBUILD GRANTEEES  
ALL DEPARTMENT OF LABOR GRANTEEES  
STATE AND LOCAL VETERANS ADMINISTRATORS  
STATE APPRENTICESHIP AGENCY DIRECTORS  
TRADE ADJUSTMENT ASSISTANCE LEADS

**FROM:** PORTIA WU /s/  
Assistant Secretary

**SUBJECT:** One-Stop Operations Guidance for the American Job Center Network

**1. Purpose.** This Training and Employment Guidance Letter (TEGL) provides general guidance for the implementation of operational requirements under the Workforce Innovation and Opportunity Act (WIOA) pertaining to the one-stop delivery system, branded nationally as the American Job Center network. Due to the broad scope of the one-stop delivery system, encompassing multiple programs administered by different Federal agencies, this guidance provides the primary components for understanding and implementing an integrated American Job Center network. Consistent with the requirement to promote increased public identification of the one-stop delivery system and the requirement for the use of a common identifier across the nation (WIOA sec. 121(e)(4)), the U.S. Department of Labor (DOL), in coordination with the U.S. Department of Education (ED), established the “American Job Center” network, a unifying name and brand that identifies online and in-person workforce development services as part of a single network of publicly-funded services. The use of the American Job Center network designation in this guidance establishes a framework for accentuating and implementing an integrated workforce delivery system. DOL and ED, in partnership with the U.S. Department of Health and Human Services (HHS) (collectively, the Departments), published the WIOA Joint Rule for Unified

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> Continuing
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and Combined State Plans, Performance Accountability, and the One-Stop System Joint Provisions; Final Rule (Joint WIOA Final Rule) on August 19, 2016, in the Federal Register at 81 FR 55791. The Joint WIOA Final Rule, which became effective on October 18, 2016, can be found at: <https://www.federalregister.gov/documents/2016/08/19/2016-15977/workforce-innovation-and-opportunity-act-joint-rule-for-unified-and-combined-state-plans-performance>.

This guidance is being issued jointly by DOL's Employment and Training Administration (ETA), ED's Office of Career, Technical, and Adult Education (OCTAE) and Office of Special Education and Rehabilitative Services' Rehabilitation Services Administration (RSA), and HHS's Administration for Children and Families (ACF). The guidance also links to other technical assistance resources that support States and local areas as they work to implement an integrated American Job Center network.

2. **References.** See Attachment I.
3. **Background.** The vision for the American Job Center network reflects the long-standing and ongoing work of dedicated workforce professionals to align a wide range of publicly- or privately-funded education, employment, and training programs, while also providing high-quality customer service to all job seekers, workers, and businesses.

The creation of the integrated one-stop locations was a cornerstone of the Workforce Investment Act of 1998 (WIA). In the years between the passage of WIA and WIOA, the public workforce development system tested a variety of approaches to maximize the benefits that customers and their communities receive from American Job Centers. In the last ten years, technological advances have opened up new methods of service delivery and evidence-based models to build upon our shared understanding of best practices. Further, during the past few years, Federal agencies have worked collectively to reform Federal employment, education, and training programs to create a more integrated, job-driven, public workforce system. As a result of this work, American Job Centers continue to be valued community resources, acknowledged both locally and nationally as a critical source of assistance for individuals looking for work or opportunities to grow in their careers, and employers looking for human resource assistance.

WIOA builds on the value of the American Job Center network and provides the workforce development system with important tools to enhance the quality of its American Job Centers. WIOA strengthens the ability of States, regions, and local areas to align investments in workforce, education, and economic development to respond to regional job growth. WIOA also emphasizes achieving results for all job seekers, workers, and businesses.

Finally, WIOA reinforces the partnerships and strategies necessary for American Job Centers to provide all job seekers and workers with the high-quality career, training, and supportive services they need to obtain and maintain good jobs. Such strategies help businesses find skilled workers and access other human resource assistance, including education and training, to meet their current workforce needs.

1. **American Job Center Network.**
  - A. **Characteristics of the American Job Center Network.** The American Job Center network includes six core programs: title I Adult, Dislocated Worker, and Youth

programs; the title II Adult Education and Family Literacy Act (AEFLA) program; the Wagner-Peyser Act Employment Service (ES) program, authorized under the Wagner-Peyser Act, as amended by title III of WIOA; and the Vocational Rehabilitation (VR) program, authorized under title I of the Rehabilitation Act of 1973, as amended by title IV of WIOA. The American Job Center network also includes other required and additional partners identified in WIOA and discussed in section five of this TEG. Through the American Job Centers, these partner programs and their direct service providers ensure businesses and all job seekers—a shared client base across the multiple programs—have access to information and services that lead to positive educational and employment outcomes. Under WIOA, American Job Centers and partner staff strive to:

- Provide job seekers with the skills and credentials necessary to secure and advance in employment with wages that sustain themselves and their families;
- Provide access and opportunities to job seekers, including individuals with barriers to employment, as defined in section 3(24) of WIOA, such as individuals with disabilities, individuals who are English language learners, and individuals who have low levels of literacy, to prepare for, obtain, retain, and advance in high-quality jobs and high-demand careers;
- Enable businesses and employers to easily identify and hire skilled workers and access other human resource assistance, including education and training for their current workforce, which may include assistance with pre-screening applicants, writing job descriptions, offering rooms for interviewing, and consultation services on topics like succession planning and career ladder development, and other forms of assistance.
- Participate in rigorous evaluations that support continuous improvement of American Job Centers by identifying which strategies work better for different populations; and
- Ensure that high-quality integrated data inform decisions made by policy makers, employers, and job seekers.

The management of the American Job Center network is the shared responsibility of States, local workforce development boards (WDBs), elected officials, the six WIOA core program partners, required one-stop partners and other additional one-stop partners, American Job Center operators, and service providers. Through the American Job Center, the one-stop operator carries out the activities described below:

- Facilitates integrated partnerships that seamlessly incorporate services for the common customers served by multiple program partners of the American Job Center.
- Develops and implements operational policies that reflect an integrated system of performance, communication, and case management, and uses technology to achieve integration and expanded service offerings.

- Organizes and integrates American Job Center services by function (rather than by program), when permitted by a program's authorizing statute and, as appropriate, through coordinating staff communication, capacity building, and training efforts. Functional alignment includes having American Job Center staff who perform similar tasks serve on relevant functional teams (e.g., skills development team or business services teams).
  - Service integration focuses on serving all customers seamlessly (including targeted populations) by providing a full range of services staffed by relevant functional teams, consistent with the purpose, scope, and requirements of each program.
  - Integrated American Job Centers also ensure that:
    - Center staff are trained and equipped in an ongoing learning environment with the skills and knowledge needed to provide superior service to job seekers, including those with disabilities, and businesses in an integrated, regionally focused framework of service delivery, consistent with the requirements of each of the partner programs.
    - Center staff are cross-trained, as appropriate, to increase staff capacity, expertise, and efficiency. This allows staff from differing programs to understand other partner programs' services, and share their own expertise related to the needs of specific populations so that all staff can better serve all customers.
    - Center staff are routinely trained so they are keenly aware as to how their particular work function supports and contributes to the overall vision of the Local WDB, as well as within the American Job Center network. This enhances their ability to ensure that a direct linkage to partner programs is seamlessly integrated within the center.

**B. Benefits of Participating in an Integrated American Job Center Network.** There are significant benefits to partner participation in the American Job Center network. The clear benefit is better outcomes for customers, both job seekers and businesses. The following is not an exhaustive list of benefits, but provides some of the many advantages inherent in partnering in an integrated one-stop delivery system:

- **Expanded workforce services for individuals at all levels of skill and experience.** All customers, including those with disabilities or other barriers to employment, have the opportunity to receive hard and soft skills guidance, career planning and job placement services, particularly timely labor market demand and occupational information, and a variety of job-driven training options, including work-based training opportunities such as registered apprenticeship, on-the-job training (OJT), and incumbent worker training.

- **Access to multiple employment and training resources.** Access to multiple program resources, including necessary supportive services that may not be offered by or available through one individual program. Access to multiple resources in one location also reduces the travel and commuting distances for customers needing referrals to or the receipt of multiple services. Access to multiple resources may also facilitate the leveraging and braiding of resources across systems for individual customers, as appropriate.
- **Integrated and expert intake process for all customers entering the American Job Centers.** Frontline staff are highly familiar with the functions and basic eligibility requirements of each program, appropriately assist customers, and make knowledgeable referrals to partner programs, as appropriate, given the authorized scope of, and eligibility requirements for, each program.
- **Integrated and aligned business services strategy among American Job Center partners.** As part of an aligned team, partners have access to a wider range of business engagement strategies, increasing the opportunity for better placement services and outcomes for all customers. This partnership also allows for a unified voice for the American Job Center in its communications with area employers.
- **Expert advice from multiple sources.** Customers, including individuals with barriers to employment, can benefit from multiple levels of staff expertise, guidance, and advice across programs. This enhances job seekers' experiences and increases their chances for success in the evolving labor market.
- **Relevance to labor market conditions.** All workforce development activities occur within the context of a regional economy. Services provided should be informed by data on labor market demand in the local area to ensure a positive impact or labor market outcome. This outcome results in a return on investment for the job seeker's time and efforts, and for the workforce program resources expended.
- **Expanded community and industry outreach.** The integrated nature of the American Job Center network extends the one-stop reach to increase customer participation and enrollments, and to engage and support businesses.
- **Strengthened partnerships.** The integrated nature of the American Job Center network also helps in providing seamless workforce services that serve similar populations. Some examples include setting up common intake and assessment, joint outreach activities, and referral processes outlined in agreements implemented between partners in the American Job Center.
- **Encouraging efficient use of accessible information technology** to include, when possible, the use of machine readable forms and other features consistent with modern accessibility standards, such as section 508 Standards (36 CFR part 1194) and the Worldwide Web Consortium's Web Content Accessibility Guidance 2.0, as well as virtual services to expand the customer base and effectively deliver self-services.



### **C. Comprehensive American Job Centers.**

A comprehensive American Job Center, as described in 20 CFR 678.305, 34 CFR 361.305, and 34 CFR 463.305, is a physical location where job seekers and employer customers can access the programs, services, and activities of all required one-stop partners (section 121(b)(1)(B) of WIOA), along with any additional partners as determined by the Local WDB. The one-stop delivery system must include at least one comprehensive physical center in each local area. (See subsection 5.B. below for a full list of required and additional partner programs.) Comprehensive American Job Centers should reflect and exemplify the characteristics of a high-quality American Job Center as described in DOL's TEGL No. 4-15, and ED's RSA-TAC-15-01 and OCTAE Program Memorandum 15-3, entitled *Vision for the One-Stop Delivery System under the Workforce Innovation and Opportunity Act*. Comprehensive one-stop centers should reflect a welcoming environment to all customer groups who are served by the American Job Centers. All American Job Center staff should be courteous and helpful to all job seekers, businesses, and others who interact with the American Job Centers, in person, by telephone, or online.

A comprehensive American Job Center must have:

- 1) At least one WIOA title I staff person physically present, and the Center must provide the career services listed in 20 CFR 678.430, 34 CFR 361.430, and 34 CFR 463.430;
- 2) Access to training services described in 20 CFR 680.200;
- 3) Access to any employment and training activities carried out under section 134(d) of WIOA;
- 4) Access to programs and activities carried out by one-stop partners listed in 20 CFR 678.400 through 678.410, 34 CFR 361.400 through 361.410, and 34 CFR 463.400 through 463.410, including the Wagner-Peyser Act ES program; and
- 5) Workforce and labor market information.

Customers must have access to these programs, services, and activities during regular business days at a comprehensive one-stop center (20 CFR 678.305(c), 34 CFR 361.305(c), and 34 CFR 463.305(c)). The Local WDB may establish other service hours at other times to accommodate schedules of individuals who work on regular business days or who, because of life circumstances, are not able to access the American Job Centers during regular business hours. The Departments encourage access to services outside of regular business hours (i.e., nights and weekends) when doing so is possible and best serves the needs of the American Job Center's customers. Centers not open outside of the regular business hours should have a plan for how they will provide services to individuals who cannot visit a center during regular business hours.

It is important to note that "providing" career services in the comprehensive does not mean that each required partner must provide these services directly on-site at the comprehensive American Job Center. However, it does mean that some career services

must be provided directly on-site. Career services may be provided through access to one-stop partner programs and activities, which, as described in 20 CFR 678.305(d), 34 CFR 361.305(d), and 34 CFR 463.305(d), may be delivered in one of three ways:

- Option 1. Having a program staff member physically present at the American Job Center;
- Option 2. Having a staff member from a different partner program physically present at the American Job Center and *appropriately trained* to provide information to customers about the programs, services, and activities available through all partner programs; or
- Option 3. Making available a direct linkage through technology to a program staff member who can provide meaningful information or services.

The options above offer a wide range of possibilities to partners. Option 2 could require varying levels of assistance depending on the program's needs, but this could be as simple as having an adequately trained Wagner-Peyser ES staff member providing basic program information to a one-stop customer regarding the Job Corps program. In this example, the partner staff member has been trained by someone from the Job Corps program on basic eligibility requirements as well as how to access and complete an enrollment application. Once the application is completed, the partner staff member will connect the customer to a Job Corps representative who can further assist the customer through the enrollment process. This option allows for the customer to receive high-quality service through the American Job Center, in a timely manner. In this example, it would be essential that the Wagner-Peyser Act ES staff person providing information about the Job Corps program document his or her time and effort to ensure that the charges to the appropriate program, namely the Job Corps program, for salaries and wages are based on records, that accurately reflect the work performed consistent with Federal cost principles in the Uniform Guidance at 2 CFR 200.430.

Option 3, a direct linkage, can take many forms as well. As described in 20 CFR 678.305(d)(3), 34 CFR 361.305(d)(3), and 34 CFR 463.305(d)(3), a "direct linkage" means providing a direct connection at the American Job Center within a reasonable time, by phone or through a real-time Web-based communication, to a program staff member who can provide program information or services, including career services, to the customer. Solely providing a phone number, Web site, information, pamphlets, or materials does not constitute a "direct linkage".

The flexibility provided through the three optional methods for assuring customer access to required one-stop partner services and activities at the comprehensive centers, ensures that dispersed programs, such as the National Farmworker Jobs Program, Job Corps, or Indian and Native American programs, remain accessible through the American Job Center network.

Local WDBs, in conjunction with the partners and one-stop operator(s), must establish the method or means of providing access to partner programs and document such means or methods in their Memoranda of Understanding (MOUs). All comprehensive American Job Centers must be physically and programmatically accessible to individuals with disabilities, as described in section 188 of WIOA and its implementing regulations

at 29 CFR part 38 (Final Rule published at 81 FR 87130 (Dec. 2, 2016)). To ensure meaningful access to all customers, American Job Centers should incorporate the principles of universal and human-centered design. These principles include, for example, flexibility in space usage; the use of pictorial, written, verbal, and tactile modes to present information for customers with disabilities or English language learners; providing clear lines of sight to information for seated or standing users; providing necessary accommodations; and providing adequate space for the use of assistive devices or personal assistants.

#### **D. Affiliate American Job Centers.**

Local WDBs may also choose to operate other access points to services in addition to comprehensive American Job Centers. Such access points are called affiliate or specialized American Job Centers, and are created to supplement and enhance customer access to American Job Center services. These sites make one or more of the one-stop partners' programs, services, and activities available to job seekers and employers.

Public libraries are an example of an additional access point that Local WDBs can use as affiliate American Job Centers. In addition to offering public computers and Internet access for job seekers and individuals, many libraries also provide space for businesses to host career fairs and networking events. As trusted institutions within their communities, libraries are often at the frontline of employment and training related inquiries. Additionally, libraries also serve school-aged youth who can use public resources for career and education planning, along with the traditional adult job seeker.

Every day, people in communities across the United States use libraries to access the Internet for career development—boosting their skills through online learning, improving their English literacy and digital literacy, and finding work. Public libraries can do even more with better collaboration with State and Local WDBs. WIOA explicitly identifies public libraries as potential partners of the American Job Center network (WIOA sec. 121(b)(2)(B)(vii)), which acknowledges a library's ability to provide an expansive array of job search services, including a remote location for filing for unemployment compensation. This also recognizes libraries as important providers of Federally-supported training and employment for adult education and literacy. (See Training and Employment Notice 35-15 - *Encouraging Collaborations between the Workforce Investment System and Public Libraries to Meet Career and Employment Needs*, for additional information.)

Affiliated sites, as described in 20 CFR 678.310, 34 CFR 361.310, and 34 CFR 463.310, allow for more flexibility in terms of the services one-stop partner programs provide. These sites do not need to provide access to every required one-stop partner program. Just as is required of comprehensive American Job Centers, affiliated sites must be physically and programmatically accessible to individuals with disabilities, as required by section 188 of WIOA and its implementing regulations at 29 CFR part 38. The frequency of program staff's physical presence in an affiliated site will be determined through partner MOU negotiations at the local level, within the parameters of the Federal regulations at 20 CFR 678.310 through 678.320, 34 CFR 361.310 through 361.320, and 34 CFR 463.310 through 463.320

Based on local workforce needs, the Local WDB, in conjunction with the partners and

one-stop operator(s), may determine that a specialized center, as described in 20 CFR 678.320, 34 CFR 361.320, and 34 CFR 463.320, is more appropriate to serve a particular population and may choose to operate a specialized center(s). For example, a specialized center may be established to serve a specific group of dislocated workers affected by a regional lay-off. In this example, the specialized center would provide a variety of services tailored to the needs of the dislocated workers, including career coaching, networking opportunities, comprehensive assessment, and employer meetings. The specialized center could also provide flexible office hours, such as evenings and weekends, to support the job search needs of the dislocated workers served by that specialized center. Other specialized centers may be established for youth, veterans, or other specified groups as determined by the Local WDB.

Specialized centers do not need to provide access to every required partner, but should be knowledgeable about, and prepared to make referrals to, American Job Center partners in the comprehensive or affiliate American Job Centers. Partner services provided through specialized one-stop centers must also be determined through partner negotiations at the local level and incorporated into the MOU.

#### **E. Co-location of Wagner-Peyser Act ES Offices.**

WIOA recognizes the Wagner-Peyser Act ES program's role in the American Job Center network and, as a result, has made the Wagner-Peyser Act ES one of the six core programs. Accordingly, the Departments recognize that Wagner-Peyser Act ES programs are vital to the successful operation of American Job Centers and strongly encourage access to these services throughout the workforce development system.

A major change to the American Job Center network under WIOA is the discontinuance of separate, stand-alone Wagner-Peyser Act ES offices that were permitted under WIA (20 CFR 678.315, 34 CFR 361.315, and 34 CFR 463.315). Under WIOA, Wagner-Peyser Act ES programs must be co-located in comprehensive and/or affiliate American Job Centers. If the Wagner-Peyser Act ES is part of an affiliate American Job Center, the affiliate American Job Center must include at least one or more other partners with a physical presence of combined staff more than 50 percent of the time the center is open. In other words, if the Wagner-Peyser Act ES is located in an affiliated site, there must be staff of at least one other partner in that affiliated site that is physically present more than 50 percent of the time the center is open.

Additionally, 20 CFR 678.315(b), 34 CFR 361.315(b), and 34 CFR 463.315(b) specify that the partner program administering local veterans' employment representatives, disabled veterans' outreach program specialists, or unemployment compensation programs would not count as the other partner for purposes of this requirement. Therefore, if Wagner-Peyser Act ES and any of these three programs are provided at an affiliated site, an additional partner or partners must have a presence of combined staff in the center of more than 50 percent of the time the center is open. These and other Wagner-Peyser Act ES requirements will be addressed further in upcoming DOL-administered program-specific guidance.

The Departments understand that States will need a reasonable amount of time to fully integrate the delivery of the Wagner-Peyser Act ES programs into the American Job

Center network. However, States are required to co-locate Wagner-Peyser Act ES services as soon as reasonably possible. In response to its program-specific WIOA Notice of Proposed Rulemaking, DOL received several comments asking how to operationalize the co-location requirement. Given the diversity of how States have previously structured their Wagner-Peyser Act ES, the Departments are giving States discretion in determining how to operationalize the requirement for co-location. However, States are required to include the steps they will take to co-locate the Wagner-Peyser Act ES into their Unified or Combined State Plan.

## **5. Partner Roles and Responsibilities in the American Job Center Network.**

- A. **One-Stop Partners.** Section 121(b) of WIOA identifies the required and additional one-stop partner programs. Generally, the entity that carries out the program serves as the one-stop partner. This may be the grant recipient, administrative entity, or organization responsible for administering the funds of the specified program in a local area. In some local areas, the partner program may be carried out by more than one grant recipient, contractor, or organization. If the Federal grant recipient has issued or awarded part of or its entire program funds to a sub-recipient or subcontractor in accordance with program requirements, the Federal grant recipient remains the entity responsible for fulfilling the roles and responsibilities of a one-stop partner program. It is the responsibility of the Federal grant recipient to ensure that the subrecipient, who is providing services in that local area on its behalf, participates in the one-stop delivery system. If a program does not have a local administrative entity, the responsible State agency is considered the one-stop partner. The joint regulations at 20 CFR 678.415, 34 CFR 361.415, and 34 CFR 463.415 provide more specific information on which entities are the one-stop partners for the VR and AEFLA programs (two of the six WIOA core programs), as well as for certain other required partner programs.

A program becomes a one-stop partner when it begins carrying out the program or activity in a local area. As explained in 20 CFR 678.415, 34 CFR 361.415, and 34 CFR 463.415, if a partner is not carrying out its program or activities in the local area, the requirements relating to a required one-stop partner are not applicable to that partner program. Carrying out a program or activity means that the partner is providing any of the services its grant, contract, or program requires. One of the critical requirements that a one-stop partner must satisfy is signing the local MOU, which describes the services to be provided, infrastructure and additional costs and contributions, the duration of the agreement, and other elements described in section 6 of this document and additionally outlined in section 121(c) of WIOA and 20 CFR 678.500, 34 CFR 361.500, and 34 CFR 463.500.

- B. **Required and Additional One-Stop Partner Programs.** The chart below identifies the required one-stop partner programs, followed by a section on the additional partners. Attachment II of this TEGl provides a brief description of the one-stop partner programs, along with some options for aligning and integrating service delivery through the American Job Center network.

<b>Required Department of Labor programs</b>	
Adult (WIOA title I formula)	Senior Community Service Employment Program (title V of the Older Americans Act of 1965)
Dislocated Worker (WIOA title I formula)	Trade Adjustment Assistance activities (Trade Act of 1974, as amended)
Youth (WIOA title I formula)	Jobs for Veterans State Grants (Chapter 41 of title 38)
YouthBuild (WIOA title I)	Unemployment Compensation programs
Indian and Native American Programs (WIOA title I)	Wagner-Peyser Act ES, as authorized under the Wagner-Peyser Act, as amended by WIOA title III
National Farmworker Jobs Programs (NFJP)/Migrant and Seasonal Farmworker Programs (WIOA title I)	Reentry Employment Opportunities (REO) program (formerly referred to as the Reintegration of Ex-Offenders (ReXO) program) (Section 212 of the Second Chance Act of 2007 and WIOA sec. 169)
Job Corps (WIOA title I)	
<b>Required Department of Education programs</b>	
AEFLA program (WIOA title II)	Career and technical education programs at the postsecondary level, authorized under the Carl D. Perkins Career and Technical Education Act of 2006
State VR program, authorized under title I of the Rehabilitation Act of 1973, as amended by WIOA title IV	
<b>Required Department of Health and Human Services programs</b>	
Programs authorized under the Social Security Act title IV, part A (TANF) <sup>1</sup>	Community Services Block Grant Employment and Training activities (Community Services Block Grant Act)
<b>Required Department of Housing and Urban Development (HUD) program</b>	
Employment and training programs	

Required one-stop partner programs have specific governance, operations, and service delivery roles within the American Job Center network. In accordance with 20 CFR 678.420, 34 CFR 361.420, and 34 CFR 463.420, each required one-stop partner program must:

- Provide access to its programs or activities through the American Job Center network, in addition to any other appropriate locations (i.e., affiliated or specialized sites);

<sup>1</sup> A Governor may determine that TANF is not a required partner in a State or in specific local area(s) in the State. If the Governor makes this decision, the Governor must notify in writing the Secretaries of the U.S. Departments of Labor and Health and Human Services. Additionally, the State should notify the Director of the Office of Family Assistance in the Administration for Children and Families in HHS. If a Governor determines that TANF is not a required one-stop partner, local TANF programs may still elect to partner or work in collaboration with a one-stop center, unless it is inconsistent with the Governor's direction.

- Use a portion of its funds, to the extent consistent with the relevant authorizing statute and with the Uniform Guidance at 2 CFR parts 200, 2900, and 3474 (requiring, among other things, that costs are allowable, reasonable, necessary, and allocable) to:
  - Provide applicable career services; and
  - Work collaboratively with the State and Local WDBs to establish and maintain the one-stop delivery system. This includes jointly funding the one-stop infrastructure costs through partner contributions.
- Enter into an MOU that meets the requirements of 20 CFR 678.500(b), 34 CFR 361.500(b), and 34 CFR 463.500(b) with the Local WDB relating to the operation of the American Job Center network;
- Participate in the operation of the American Job Center network consistent with the terms of the MOU, requirements of authorizing laws and implementing regulations, Federal cost principles, and all other applicable legal requirements; and
- Provide representation on the State WDB and Local WDBs as required, and participate in Board committees, as needed.

The lead State official with primary responsibility for the core program partners must be represented on both the State and Local WDBs. While these entities are not required to serve on Local WDBs, the Departments encourage them to have a voice in key Local WDB activities and notes that they are not precluded from serving on the Local WDB. For example, the State entity for adult education and literacy activities may designate eligible providers to fulfill the roles and responsibilities of the required partner. Federal regulations at 20 CFR 679.320(d)(1) require that at least one eligible provider of adult education and literacy activities under title II be on the Local WDB. A chief elected official (CEO) may consider an eligible provider that has been designated to carry out roles and responsibilities of the one-stop partner from nominations for adult education and literacy membership on the Local WDB.

Additional one-stop partners may include, with the approval of the Local WDB and CEOs; Social Security Administration employment and training programs (i.e., Ticket to Work and Self Sufficiency programs); Department of Agriculture's Supplemental Nutrition and Assistance Program (SNAP) employment and training programs; the Client Assistance Program, authorized under section 112 of the Rehabilitation Act of 1973, as amended by title IV of WIOA; National and Community Service Act Programs; employment and training programs carried out by the Small Business Administration; and other appropriate Federal, State or local programs, including, but not limited to, employment, education, or training programs such as those operated by libraries, foundations, community-based organizations, or in the private sector. Partnerships with the local mental health and transportation agencies also provide opportunities to complement and streamline supportive services through the American Job Center network.

### C. Career Services.

The Joint WIOA Final Rule requires the provision of "career services" through the American Job Center network, to support and empower customers in making informed decisions based on local and regional economic demand and in achieving their personal

employment and education goals (20 CFR 678.430, 34 CFR 361.430, and 34 CFR 463.430). All applicable career services must be made available (i.e., provided) in at least one comprehensive American Job Center in each local area. As stated in section 4.C. of this guidance, these services also may be provided and accessed through one of the aforementioned methods. Some or all of the career services may also be available either at affiliated sites or specialized centers.

Career services provide local areas and service providers with flexibility to target services to the needs of the customer. For example, a recently laid off customer may only require local labor market information to prepare for a new job, whereas an entry level worker may need a comprehensive assessment in order to establish a baseline for determining appropriate training options. There are three types of career services: basic career services; individualized career services; and follow-up career services. The distinction between basic career services and individualized career services is not intended to imply that there is a sequence of services, which was eliminated under WIOA. Rather, the distinction is to clarify that, while basic career services are available to all participants, individualized career services are available to participants after American Job Center staff have determined that such services are required to retain or obtain employment

1) Basic Career Services (20 CFR 678.430(a), 34 CFR 361.430(a), and 34 CFR 463.430(a))

At a minimum, all of the basic career services described in WIOA secs. 134(c)(2)(A)(i)-(xi), and 20 CFR 678.430(a), 34 CFR 361.430(a), and 34 CFR 463.430(a), must be provided in each local area through the one-stop delivery system. Basic career services must be made available and, at a minimum, must include the following services:

- Determinations of whether the individual is eligible to receive assistance from the adult, dislocated worker, or youth programs, including co-enrollment among these programs;
- Outreach, intake (including identification through the state's Worker Profiling and Reemployment Services system of Unemployment Insurance (UI) claimants likely to exhaust benefits), and orientation to information and other services available through the one-stop delivery system. For the TANF program, States must provide individuals with the opportunity to initiate an application for TANF assistance and non-assistance benefits and services which could be implemented through the provision of paper application forms or links to the application Web site;
- Initial assessment of skill levels, including literacy, numeracy, and English language proficiency, as well as aptitudes, abilities (including skills gaps), and supportive service needs;
- Labor exchange services, including—
  - Job search and placement assistance, and, when needed by an individual, career counseling, including the provision of—
    - information on in-demand industry sectors and occupations;
    - information on nontraditional employment;
    - information from career profiles and interest inventories, and



- Referrals to, and coordination of activities with, other programs and services, including those within the American Job Center network and, when appropriate, other workforce development programs;
- Workforce and labor market employment information, including accurate information relating to local, regional, and national labor market areas, including—
  - Job vacancy listings in labor market areas;
  - Information on job skills necessary to obtain the vacant jobs listed;
  - Information relating to local occupations in-demand; and the earnings, skill requirements, and opportunities for advancement for occupations in demand;
- Provision of performance information and program cost information on eligible providers of training services by program and type of providers and workforce services by program and type of providers;
- Provision of information, in usable and understandable formats and languages, about how the local area is performing on local performance accountability measures, as well as any additional performance information relating to the area's American Job Center network;
- Provision of information, in usable and understandable formats and languages, relating to the availability of supportive services or assistance, and appropriate referrals to those services and assistance, including: child care; child support; medical or child health assistance available through the State's Medicaid program and Children's Health Insurance Program; benefits under SNAP; assistance through the earned income tax credit; housing counseling and assistance services sponsored through HUD<sup>2</sup>; and assistance under a State program for TANF, and other supportive services and transportation provided through other programs or agencies;
- Assistance in establishing eligibility for financial aid assistance for training and education programs not provided under WIOA; and
- Provision of information and assistance regarding filing claims under UI programs, including meaningful assistance to individuals seeking assistance in filing a claim—
  - "Meaningful assistance," as described in Unemployment Insurance Program Letter (UIPL) 20-15 and 20 CFR 678.430, 34 CFR 361.430, and 34 CFR 463.430, means providing assistance as follows:
    - Only merit staff (State government employees) may, in person at one-stop centers or remotely, answer questions, provide advice, or make decisions that could affect claimants' UI eligibility. However, other one-stop staff may assist in claims by acceptance of information from claimants.
    - If an individual in a one-stop center is referred to a telephone for UI claims assistance, it must be a phone line dedicated to serving one-stop customers in a timely manner. Individuals must not simply be referred to a general information/dial-in line with the state UI agency contact center where the individual is placed into a

<sup>2</sup> HUD Approved Housing Counseling Agencies, <http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm>

phone queue along with all other claimants in the State. If the assistance is provided remotely using technology, it must be a technology that enables trained staff to provide the assistance. Examples of technology that enables remote assistance include live Web chat applications, video conference applications, or other similar technology.

- The costs associated in providing meaningful assistance may be paid for by the State's UI program, the WIOA Adult or Dislocated Worker programs, the Wagner-Peyser Act ES, or some combination of these programs.
- For purposes of the VR program, basic career services may encompass some of the activities authorized under 34 CFR 361.48(b), which must be provided under an individualized plan for employment for an eligible individual with a disability (e.g., assessments for determining VR needs).

2) Individualized Career Services (20 CFR 678.430(b), 34 CFR 361.430(b), and 34 CFR 463.430(b))

If one-stop center staff, including designated partner program staff, determine that individualized career services are necessary for an individual to obtain or retain employment, these services must be made available to the individual. These services must be available in all comprehensive one-stop centers. American Job Center staff may use recent previous assessments by partner programs to determine if individualized career services are needed.

Individualized career services include:

- Comprehensive and specialized assessments of the skill levels and service needs of adults and dislocated workers, which may include—
  - Diagnostic testing and use of other assessment tools; and
  - In-depth interviewing and evaluation to identify employment barriers and appropriate employment goals;
- Development of an individual employment plan, to identify the employment goals, achievement objectives, and the combination of services for the participant to achieve his or her employment goals, including the list of, and information about, eligible training providers;
- Group counseling, which involves two or more participants addressing certain issues, problems, or situations that may be shared by the group members;
- Individual counseling, which is a one-on-one session that may go into greater detail for a participant regarding certain issues, problems, or situations;
- Career planning (e.g. case management, see WIOA sec. 3(8));
- Short-term pre-vocational services, including development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct services to prepare individuals for unsubsidized employment or training;
- Internships and work experiences (including transitional jobs) that are linked to careers;
- Workforce preparation activities (*see* 34 CFR 463.34);

- Financial literacy services available through the WIOA title I youth program as described in WIOA sec. 129(b)(2)(D) and 20 CFR part 681, including:
  - Supporting the ability of participants to create household budgets, initiate savings plans, and make informed financial decisions about education, retirement, home ownership, wealth building, or other savings goals;
  - Supporting the ability to manage spending, credit, and debt, including credit card debt, effectively;
- Out-of-area job search assistance and relocation assistance; and
- English language acquisition programs (*see* 34 CFR 463.31) and integrated education and training programs (*see* 34 CFR 463.35).

For purposes of the VR program and similar to basic career services, individualized career services may encompass some of the activities authorized under 34 CFR 361.48(b), which must be provided under an individualized plan for employment for an eligible individual with a disability (e.g., vocational rehabilitation counseling and guidance, vocational and other training services, and rehabilitation technology).

3) Follow-up Career Services (20 CFR 678.430(c), 34 CFR 361.430(c), and 34 CFR 463.430(c))

Follow-up services must be provided, as appropriate, for Adult and Dislocated Worker program participants who are placed in unsubsidized employment, for up to 12 months after the first day of employment. Counseling about the work place is an appropriate type of follow-up service. States and local areas should establish policies that define what are considered to be appropriate follow-up services for the Adult and Dislocated Worker programs. Follow-up services do not extend the date of exit in performance reporting. For purposes of the VR program, follow-up career services are similar to post-employment services, as defined in 34 CFR 361.5(c)(42), and are provided subsequent to an individual with a disability achieving an employment outcome. Post-employment services, under the VR program, are necessary in assisting an individual with a disability in maintaining, regaining, or advancing in employment, consistent with the individual's unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice.

D. Business Services (20 CFR 678.435, 34 CFR 361.435, and 34 CFR 463.435)

The Joint WIOA Final Rule requires the provision of "business services" through the American Job Center network, to support a local workforce development system that meets the needs of businesses in the local area (20 CFR 678.435, 34 CFR 361.435, and 34 CFR 463.435). Through the American Job Centers, applicable one-stop partners develop, offer, and deliver quality business services that assist businesses and industry sectors in overcoming the challenges of recruiting, retaining, and developing talent for the regional economy. To support area employers and industry sectors most effectively, American Job Center staff, including designated partner program staff, must:

- Have a clear understanding of industry skill needs;

- Identify appropriate strategies for assisting employers, and coordinate business services activities across American Job Center partner programs, as appropriate; and
- Incorporate an integrated and aligned business services strategy among American Job Center partners to present a unified voice for the American Job Center in its communications with employers.

Certain career services must be made available to local employers, specifically labor exchange activities and labor market information, as described in 20 CFR 678.430(a)(4)(ii) and (a)(6), 34 CFR 361.430(a)(4)(ii) and (a)(6), and 34 CFR 463.430(a)(4)(ii) and (a)(6). Local areas must establish and develop relationships and networks with large and small employers and their intermediaries. Local areas also must develop, convene, or implement industry or sector partnerships.

Customized business services may be provided to employers, employer associations, and other such organizations. These services are tailored for specific employers and may include:

- Customized screening and referral of qualified participants in career and training services to employers; and
- Writing/reviewing job descriptions and employee handbooks.

Local areas may also provide other business services and implement strategies that meet the workforce development needs of area employers, in accordance with partner programs' statutory and regulatory requirements and consistent with Federal cost principles. Allowable activities include, but are not limited to, developing and implementing industry sector strategies (including strategies involving industry partnerships, regional skills alliances, industry skill panels, and sectoral skills partnerships).

WIOA also allows customized employer-related services to be provided on a fee-for-service basis. The joint regulations at 20 CFR 678.440, 34 CFR 361.440, and 34 CFR 463.440 clarify that there is no requirement that a fee-for-service be charged to employers, but there is no prohibition against doing so either. However, no fee may be charged for the career services that must be made available to local employers. The Local WDBs, however, should examine available resources and assets to determine an appropriate cost structure for those services for which it is permissible to charge a fee-for-service. The Departments consider any fees earned for these services to be program income, and the one-stop partners must expend the program income in accordance with the partner program's authorizing statute, implementing regulations, and Federal cost principles in the Uniform Guidance.

More detailed information regarding specific business engagement strategies, including Rapid Response (strategies and activities necessary to plan for and respond as quickly as possible following an announcement of a permanent closure, mass layoff, or natural or other disaster which results in mass job loss) and work-based training options (i.e., incumbent worker training and Registered Apprenticeship), will be further addressed in upcoming DOL program-specific guidance.

*(Note: This is not an exhaustive list of business services available through the American Job Center network, but is meant to illustrate some of WIOA's flexibilities and services to improve business and employment opportunities. For example, American Job Centers may offer rooms for interviewing, provide human resource consultation services such as succession planning and staffing and retention assistance for small businesses and start-ups, help employers develop career ladders within their organizations, etc.)*

6. **Memorandum of Understanding (MOU)**. The MOU is an agreement developed and executed by the Local WDB and the one-stop partners, with the agreement of CEO and the one-stop partners, relating to the operation of the one-stop delivery system (20 CFR 678.500, 34 CFR 361.500, and 34 CFR 463.500). As the management of the American Job Center network is the shared responsibility of States, Local WDBs, elected officials, the WIOA core programs, the required one-stop partners (as defined at 20 CFR 678.400, 34 CFR 361.400, and 34 CFR 463.400), other entities that may serve as additional one-stop partners (as defined at 20 CFR 678.410, 34 CFR 361.410, and 34 CFR 463.410), and American Job Center operators, the Departments expect local areas to use a collaborative and good-faith approach to negotiations and encourage all of these entities to work together in developing an MOU that demonstrates the spirit and intent of WIOA, thereby ensuring the successful integration and implementation of partner programs in American Job Centers.

**A. Types of Memorandum of Understanding**

To facilitate transparent and flexible agreements, the Departments encourage Local WDBs to develop a single "umbrella" MOU that addresses issues related to the local American Job Center network, its CEO, and all partners. Local WDBs, with the agreement of the CEO, may still enter into separate agreements between each partner or groups of partners; however, the aim of the "umbrella" MOU is to allow partner programs to focus on service delivery and not the process of negotiating several MOUs (20 CFR 678.505(a), 34 CFR 361.505(a), and 34 CFR 463.505(a)).

**B. Key Elements of a Memorandum of Understanding**

The MOU is the product of local discussion and negotiation. The Local WDB, with the agreement of the CEO, develops and enters into a signed MOU with the one-stop partners, as described above. MOUs must, at a minimum, describe the services to be provided and contain agreement on funding the costs of services and the operating costs of the system, as well as several other elements outlined in section 121(c) of WIOA and 20 CFR 678.500, 34 CFR 361.500, and 34 CFR 463.500. The MOU must include the following:

- **Services** – The MOU must include a description of the services provided through the American Job Center network, which includes: the method or means of providing partner access to those services; the frequency of program staff's physical presence in an affiliated site, and how specialized one-stop centers, as needed, will be implemented. The MOU also must include a description of the coordinated delivery of services in the system and methods for referring individuals between the one-stop operators and partners for appropriate services and activities.
- **One-Stop Operating Budget** – The one-stop operating budget is the financial

- plan that the one-stop partners, and Local WDB agree will be used to achieve the MOU's goals of delivering services in a local area. The MOU must contain, among other things, provisions describing how the costs of services provided by the one-stop system (including career services and other shared services) and the operating costs of such system will be funded, including the infrastructure costs for the one-stop system (WIOA sec. 121(c)(2)(A)). The one-stop operating budget may be considered the master budget that contains a set of individual budgets or components that consist of two types of costs that are specifically outlined in the statute: infrastructure costs, defined in WIOA sec. 121(h)(4); and additional costs, which consist of shared operating costs and shared services that are related to the operation of the one-stop delivery system (but do not constitute infrastructure costs), described in WIOA sec. 121(i).  
The information required to be included in the infrastructure funding agreement (IFA) is found in 20 CFR 678.755, 34 CFR 361.755, and 34 CFR 463.755; and the information required for an interim IFA is described in 20 CFR 678.715(c), 34 CFR 361.715(c), and 34 CFR 463.715(c). The Departments will soon issue joint guidance providing more detailed information on one-stop operating costs.
- Access** – The MOU must include methods to ensure the needs of workers, youth, and individuals with barriers to employment, including individuals with disabilities, are addressed in providing access to services, including access to technology and materials available through the one-stop system.
- Referral** – The MOU must include methods for referral to appropriate services and activities between one-stop operators and partner programs.
- Duration** - The MOU must include provisions specifying its duration and the procedures for amending it. The MOU must contain assurances that it will be reviewed and, if substantial changes have occurred, be renewed. The MOU must be renewed not less than once every three years.
- Other Contributors** - The MOU must also include contributions made to the one-stop system through other avenues, such as donations made by a non-partner entity (e.g., a local business donating computers for a learning lab). Third-party in-kind contributions made to supplement the operation of the American Job Center must also be documented.
- Modification process** - The MOU must include a description of the process for amending it. (See section C. below).
- Signatories** – The MOU must contain signatures of the CEO, Local WDB director, and authorized representatives of each partner program.
- Appeals** - If a one-stop partner's appeal to the State regarding infrastructure costs, results in a change to the one-stop partner's infrastructure cost contributions, the MOU must be updated to reflect the final one-stop partner infrastructure cost contributions.

C. **Modification of the Memorandum of Understanding.** The joint regulations at 20 CFR

678.500(b)(5), 34 CFR 361.500(b)(5), and 34 CFR 463.500(b)(5) require the MOU to contain a description of the procedures for amending it. Further, 20 CFR 678.500(b)(6), 34 CFR 361.500(b)(6), and 34 CFR 463.500(b)(6) require renewal of the MOU in certain circumstances. Renewal of an MOU requires all parties to review and agree to all elements of the MOU and re-sign the MOU. Amendment or modification of the MOU only requires the parties to review and agree to the elements of the MOU that changed.

Just as the Departments expect local areas to use a collaborative and good-faith approach with respect to negotiating the development of the MOU, the same is expected with respect to its modifications. Non-substantive changes to the MOU, such as minor revisions to the budget or adjustments made due to the annual reconciliation of the budget, do not require renewal of the MOU. These changes may occur through the local MOU amendment procedures established at the local level (20 CFR 678.500(b)(5), 34 CFR 361.500(b)(5), and 34 CFR 463.500(b)(5)). Substantial changes, such as changes in one-stop partners, or a change due to the election of a new CEO, will require renewal of the MOU (20 CFR 678.500(b)(6), (d), and (e); 34 CFR 361.500(b)(6), (d), and (e); and 34 CFR 463.500(b)(6), (d), and (e)).

A change to the MOU due to the election of a new CEO would ensure that the newly-elected official is aware of the local one-stop partners, as well as the terms and conditions of the MOU.

When the local area has created a new IFA, the MOU must be updated in accordance with 20 CFR 678.500(e), 34 CFR 361.500(e), and 34 CFR 463.500(e). For example, a partner's appeal to the State regarding infrastructure costs that results in a change to the one-stop partner's infrastructure cost contributions requires updating the MOU. Updating the MOU does not require renewal of the MOU.

- 7. One-Stop Operator/Competition.** A one-stop operator is the entity or consortium of entities that coordinates the service delivery of required one-stop partners and service providers, and that is selected consistent with the requirements of section 121(d) of WIOA (20 CFR 678.600 through 678.635, 34 CFR 361.600 through 361.635, 34 CFR 463.600 through 463.635). WIOA requires the selection of a one-stop operator through a competitive process, consistent with the Uniform Guidance. Competition provides the best method of ensuring that Local WDBs examine operator effectiveness on a periodic basis. Additionally, regular competition allows Local WDBs to make improvements based on their one-stop certification process, particularly in regards to the role of the operator and other service delivery performance and performance metrics that may shift or change as one-stop partners and the Local WDBs update their MOUs.

The Joint WIOA Final Rule requires that States follow the same policies and procedures they use for procurement with non-Federal funds, and requires Local WDBs to use a competitive process consistent with the Uniform Guidance at 2 CFR part 200, including the DOL-specific requirements at 2 CFR part 2900, and the Local WDBs' local procurement policies and procedures that are consistent with the Uniform Guidance. The Uniform Guidance may be found here: <http://www.ecfr.gov>. Additionally, the Joint WIOA Final Rule requires that a competitive process be conducted at least once every four years. The requirement to use a competitive process for one-stop operator selection is found in section 121(d)(2)(A) of WIOA. While the Local WDB must select the one-stop operator through a competitive process at least once every four years, a State may require, or a Local WDB may choose to implement, a

competitive selection process more often than once every four years. DOL will soon issue guidance providing more detailed information on the one-stop competition requirements.

8. **One-Stop Operating Costs**. The one-stop operating budget consists of two types of costs -- infrastructure costs and additional costs (which must include career services and may include other shared costs and shared services). WIOA introduced mandatory funding agreements, with particularly detailed requirements for the funding of infrastructure costs (20 CFR 678.700, 34 CFR 361.700, and 34 CFR 463.700). To help the local areas develop their infrastructure costs budgets, the Governor is required to issue guidance on one-stop infrastructure funding. Infrastructure costs are defined as non-personnel costs necessary for general American Job Center operations, including facility rentals, utilities and maintenance, equipment (including assessment-related products and assistive technology for individuals with disabilities), and technology to facilitate access to the American Job Center (including planning and outreach), and may include costs associated with the common identifier (i.e., American Job Center signage) and supplies, as defined in the Uniform Guidance at 2 CFR 200.94, to support the general operation of the one-stop center. This list is not exhaustive.

All one-stop partner programs are required to contribute to the infrastructure costs and certain additional costs of the one-stop delivery system in proportion to their use and relative benefits received, as required in 20 CFR 678.700 and 678.760, 34 CFR 361.700 and 361.760, and 34 CFR 463.700 and 463.760. The sharing and allocation of infrastructure costs between one-stop partners is governed by WIOA sec. 121(h),

Native American programs are not required to contribute to infrastructure funding but, as required one-stop partners, they are encouraged to contribute. Any agreement regarding the contribution or non-contribution to infrastructure funding by Native American programs must be recorded in the signed MOU (WIOA sec. 121(h)(2)(D)(iv)).

The Departments will soon issue joint guidance providing more detailed information on one-stop operating costs.

9. **American Job Center Certification**. WIOA requires the State WDB, in consultation with CEOs and Local WDBs, to establish objective criteria and procedures to use when certifying its American Job Centers (20 CFR 678.800, 34 CFR 361.800, and 34 CFR 463.800). The certification process establishes a minimum level of quality and consistency of services in American Job Centers across a State. The certification criteria allow States to set standard expectations for customer-focused seamless services from a network of employment, training, and related services that help individuals overcome barriers to obtaining and maintaining employment.

The State WDB must establish objective criteria and procedures for the Local WDBs to use in evaluating the effectiveness, physical and programmatic accessibility, and continuous improvement of American Job Centers. Local WDBs must follow procedures and criteria established by the State WDB and certify its American Job Centers and its American Job Center network at least once every three years (20 CFR 678.800, 34 CFR 361.800, and 34 CFR 463.800); this includes comprehensive, as well as affiliate American Job Centers. Local WDBs may establish additional criteria relating to service coordination achieved by the one-stop delivery system. For example, this may include establishing more flexible business hours to meet the range of customer needs or increasing staff competencies to promote higher level



service coordination to more vulnerable populations. Both the State WDB and Local WDB must review and update the criteria every two years as part of the review and modification of the State and local planning process. The Departments expect that all local area core program partners will complete the certification process using the State-developed criteria and procedures by the end of Program Year (PY) 2016 (June 30, 2017).

**A. Example of One-Stop/American Job Center Certification Criteria.**

The joint regulations at 20 CFR 678.800, 34 CFR 361.800, and 34 CFR 463.800 describe the specific requirements for the certification process. The Departments will not issue further requirements for certification and will not issue a single national certification checklist. However, below are some previously-used criteria that might guide the development of WIOA one-stop certification standards:

- The use of customer-focused processes such as integrated and expert welcoming and intake for all customers who enter the American Job Center, that consider how front-desk staff and counselors provide seamless and coordinated customer-centered services.
- The frequency and quality of cross-training from differing programs to share expertise about integrated customer flow, needs of specific populations, business engagement expertise, or understanding of different programs offered in the American Job Center and in the community.
- The extent to which staff members can work together across programs on similar functions.
- Regular processes for examining what processes are in place for identifying and responding to technical assistance needs.
- Regular processes of continuing professional staff development to promote high quality staffing.
- The extent to which systems are in place to capture and respond to specific customer feedback.

**B. Physical and Programmatic Accessibility.**

Evaluations of physical and programmatic accessibility must include how well the American Job Center ensures equal opportunity for individuals with disabilities to participate in or benefit from American Job Center services.

Physical accessibility refers to the extent to which facilities are designed, constructed, or altered so they are accessible and usable by individuals with disabilities. Evaluations of physical accessibility should take into account both external accessibility and internal accessibility. For example, evaluations of external accessibility could include a review of the availability of transportation to the American Job Center and access into the site location via ramps consistent with the Americans with Disabilities Act's (ADA) standards. On the other hand, an evaluation of internal accessibility could include a review of the center's access to bathrooms, adjustable work stations, and appropriate signage, including signage to meet multilingual needs common to the specific region of the State.

Programmatic accessibility refers to the extent to which the full range of services is available to all one-stop customers regardless of disability or cultural background. The

implementing regulations of section 188 of WIOA require that American Job Centers provide programmatic accessibility. As such, American Job Centers must provide reasonable accommodations for individuals with disabilities, administer programs in the most integrated setting appropriate, communicate with persons with disabilities as effectively as with others, and provide appropriate auxiliary aids or services (29 CFR 38.7-38.9).

The evaluations of effectiveness must include criteria evaluating how well the centers and delivery systems take actions to comply with disability-related regulations implementing WIOA section 188. In addition to ensuring compliance with WIOA and the ADA, accessible American Job Centers maximize usage by, and benefit, all customers. The use of universal design and human-centered design often benefit all customers accessing services. For example, closed captioning provides a critical link to information for individuals who are deaf or hard-of-hearing, but can also be a link for those without deafness sitting in the same noisy lobby to get updates. For additional exemplary customer service and service design principles and resources on accessibility, see DOL's Training and Employment Notice (TEN) No. 01-15, *Promising Practices in Achieving Universal Access and Equal Opportunity: A Section 188 Disability Reference Guide*<sup>3</sup> and ETA's Disability and Employment Community of Practice.<sup>4</sup> Also see the evaluation of American Job Center accessibility (20 CFR 678.800, 34 CFR 361.800, and 34 CFR 463.800).

- 10. Common Identifier.** Section 121(e)(4) of WIOA requires each one-stop delivery system to use a common identifier on all products, programs, activities, services, electronic resources, facilities, and related property and new materials. States and local areas are also permitted to use any State- or locally-developed identifier.

The Departments established the "American Job Center" network, a unifying name and brand, that identifies online and in-person workforce development services as part of a single network of publicly-funded services (20 CFR 678.900, 34 CFR 361.900, and 34 CFR 463.900).

The one-stop delivery system must use either that common identifier as its name, or use the tag line phrase "a proud partner of the American Job Center network." Either the plain text or one of the logos may be used. If a logo is used, it must be used in accordance with the guidelines contained in the Graphics Style Guide for Partners, and with the terms of use for the logos, all of which are available at <https://www.dol.gov/ajc>.

DOL provides a toolkit on the <https://www.dol.gov/ajc> and on the Innovation and Opportunity Network (ION) <https://ion.workforcegps.org/resources/2016/09/30/12/11/AJC-Common-Identifier-and-Branding> so that states and local areas can proactively identify one-

<sup>3</sup> For additional information, visit [http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=3182](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=3182). The direct link to the *Disability Reference Guide* is located at <https://www.dol.gov/oasam/programs/crc/Section188Guide.pdf><https://www.dol.gov/oasam/programs/crc/Section188Guide.pdf>

<sup>4</sup> For additional information, visit <https://disability.workforcegps.org>.

stop centers as "American Job Centers" in outreach materials, Web sites, and other communications. The toolkit can be used as an easy way for job seekers and employers to locate, recognize and access workforce development services, and are appropriate for physical one-stop centers or Web sites. DOL announced the American Job Center brand first in Training and Employment Guidance Letter No. 36-11, available at [http://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=7695](http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7695), and DOL and ED required its use in the Joint WIOA Final Rule (20 CFR 678.900, 34 CFR 361.900, and 34 CFR 463.900).

**Key Dates:** The timeframe for adopting the required rebranding varies depending on the type of material. The Joint WIOA Final Rule at 20 CFR 678.900(b), 34 CFR 361.900(b), and 34 CFR 463.900(b) requires: "As of November 17, 2016, each one-stop delivery system must include the "American Job Center" identifier or "a proud partner of the American Job Center network" on all primary electronic resources used by the one-stop delivery system, and on any newly printed, purchased, or created materials. The Joint WIOA Final Rule at 20 CFR 678.900(c), 34 CFR 361.900(c), and 34 CFR 463.900(c) further requires: "as of July 1, 2017, each one-stop delivery system must include the "American Job Center" identifier or "a proud partner of the American Job Center network" on all products, programs, activities, services, electronic resources, facilities, and related property and new materials used in the one-stop delivery system." Finally, as the Departments stated in the Preamble to the Joint WIOA Final Rule, "[T]he Departments will not object if the one-stop centers continue to use materials not using the 'American Job Center' branding which are created before November 17, 2016 until those supplies are exhausted."

11. **Action Requested.** State agencies, State WDBs, Local WDBs, and one-stop partner programs must follow the requirements described in this guidance, consistent with the specific requirements of the partner programs' statutory authority, as they develop their policies and procedures related to the operation of the one-stop service delivery system.
12. **Inquiries.** Please direct questions and comments regarding this guidance to the appropriate ETA regional or national office or through the ETA email address established for this purpose: [DOL.WIOA@dol.gov](mailto:DOL.WIOA@dol.gov). ETA monitors this account daily, and may respond to inquiries directly or through general communications such as official guidance, webinars, and public Q&A documents. Questions and comments from ED-funded grantees may be directed to the appropriate RSA State Liaison or OCTAE Area Coordinator.
13. **Attachments.**  
Attachment I: References  
Attachment II: Coordination with Partner Programs

## Attachment I - References

- WIOA, Public Law (Pub. L.) 113-128, signed into law on July 22, 2014
- WIOA: Joint Rule for Unified and Combined State Plans, Performance Accountability, and the One-Stop System Joint Provisions; Final Rule (Joint WIOA Final Rule), published on August 19, 2016, in the Federal Register at 81 FR 55791. Effective October 18, 2016
- Workforce Investment Act of 1998 (WIA), Pub. L. 105-220
- 29 CFR part 38, "Implementation of the Nondiscrimination and Equal Opportunity Provisions of the Workforce Innovation and Opportunity Act," published in the Federal Register at 81 FR 87130 (Dec. 2, 2016)
- Office of Management and Budget (OMB) CFR Chapter II, Part 200, et al. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Guidance and Final Rule. Final Guidance published at 78 FR 78589 (December 26, 2013) and Final Rule published at 79 FR 75867 (December 19, 2014)
- 2 CFR part 2900 - Department of Labor (DOL) CFR Chapter II, Part 2900 et al. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. December 19, 2014.
- TEGL No. 4-15, *Vision for the One-Stop Delivery System under the Workforce Innovation and Opportunity Act (WIOA)*, August 13, 2015
- TAC-15-01, *Vision for the One-Stop Delivery System under the Workforce Innovation and Opportunity Act (WIOA)*, August 13, 2015
- Program Memorandum OCTAE 15-3, *Vision for the One-Stop Delivery System under the Workforce Innovation and Opportunity Act (WIOA)*, August 13, 2015
- TEGL No. 8-16, *Supporting Unemployment Insurance Beneficiaries Seeking Postsecondary Education or Training*, September 23, 2016
- TEGL No. 19-14, *Vision for the Workforce System and Initial Implementation of the Workforce Innovation and Opportunity Act*, February 19, 2015
- TAC-15-02, *Vision for the State Vocational Rehabilitation Services Program as a Partner in the Workforce Development System under the Workforce Innovation and Opportunity Act*, February 19, 2015
- Program Memorandum OCTAE/DAEL 15-4, *Vision for the Adult Education and Family Literacy Act in the Workforce System and Initial Implementation of the Workforce Innovation and Opportunity Act*, August 18, 2015
- TEGL No. 21-11, Change 1, *Inclusion of the American Job Center Brand in 2012 State Workforce Plans*, August 8, 2012
- TEGL No. 36-11, *Announcement of the American Job Center Network*, June 14, 2012
- TEGL No. (add) *Infrastructure Funding of the One-Stop Delivery System* [forthcoming]
- UIPL No. 20-15, *Unemployment Insurance and the Workforce Innovation and Opportunity Act of 2014*, August 13, 2015
- TEN No. 1-15, *Promising Practices in Achieving Universal Access and Equal Opportunity: A Section 188 Disability Reference Guide*, July 6, 2015
- TEN No. 35-15 *Encouraging Collaborations between the Workforce Investment System and Public Libraries to Meet Career and Employment Needs*
- American Job Center Common Identifier and Branding:  
<https://ion.workforcegps.org/resources/2016/09/30/12/11/AJC-Common-Identifier-and-Branding>

## Attachment II – Coordination with Partner Programs

WIOA places a strong emphasis on planning across multiple partner programs to ensure alignment in service delivery. One key goal is to develop effective partnerships across programs and community-based providers to provide individuals the employment, education, and training services they need. Effective partnering is pivotal to maximize resources and to align services with career pathways and sector strategies.

Career pathways allow for individuals to succeed in an environment that accounts for their current abilities and skill levels and provides them with an appropriate service structure to advance not just within an individual job but within an occupation or occupational cluster.

In order to effectively promote and develop career pathways and sector strategies, it is vital that the WIOA core and one-stop partner programs work together to ensure a customer-centered approach to service delivery. The chart below provides an overview of one-stop partner programs along with possible collaborative activities for enhancing service delivery through the American Job Center:

*(Note: This is not an exhaustive list of ways to coordinate activities and service delivery, but is meant to illustrate some examples of collaboration, which improve educational and employment opportunities for all participants.)*

<b>WIOA Core Programs</b>	
<b>Adult Formula Program (WIOA title I)</b>	<p>The WIOA Adult formula program provides career and training services through the American Job Center to help job seekers who are at least 18-years old succeed in the labor market. In the provision of individualized career services and training services, WIOA establishes a priority for serving low-income individuals, recipients of public assistance, as well as individuals who are basic skills deficient.</p> <p>The Adult program's delivery of career and training services are tailored to the individual needs of job-seekers of the American Job Center network. The Adult program is identified as a core program under WIOA and, among other things, is responsible for combined planning, shared performance indicators, and aligned service delivery with other core and one-stop partner programs.</p>
<b>Youth Formula Program (WIOA title I)</b>	<p>WIOA provides a significant opportunity for coordination across all core and partner programs including planning, reporting, and service delivery. This creates an opportunity for the WIOA Adult program to work closely with the WIOA Youth program to ensure young adults receive the services they need to succeed in education and the workforce. Individuals aged 18-24 may be eligible for both the WIOA Youth and Adult programs and can be co-enrolled in the two programs. ETA encourages the WIOA Adult and Dislocated Worker programs, along with the Employment Service, to coordinate closely with the WIOA Youth program to maximize flexibility and service delivery to eligible populations. Some examples where enhanced coordination could take place are as follows:</p>

### WIOA Core Programs

- Referring 18-24 year old individuals to youth formula program if they need more intensive support around specific program elements;
- WIOA allows all Out of School (OSY), ages 16-24, access to Individual Training Accounts (ITAs), which expands training options, increases program flexibility, enhances customer choice, and reduces paperwork for all OSY.
- When using youth funds for ITAs, the Eligible Training Provider List (ETPL) must be used. Accessing the ETPL allows the program to avoid further procurement processes.

ITAs are not available to In School Youth (ISY). However, ISY ages 18 or older may access ITAs through the adult program.

- Utilizing work-based training opportunities for Youth program participants co-enrolled as adults or dislocated workers, as identified in their Individual Service Strategy (ISS) as part of a career pathway.
- Title I Youth program can partner with the VR program to coordinate the provision of services to youth with disabilities transitioning from school to post-school life, including postsecondary education and employment.
- Career pathway planning.
- The title I Youth program can partner with the title II Adult Education and Family Literacy Act program by co-enrolling out of school youth in adult education and literacy programs to expand educational services to those who are basic skills deficient.
- Engaging and/or participating in a standing youth committee (in a local area in which the Local WDB has chosen to establish a standing committee) to provide information and to assist with planning, operational, oversight, and other issues relating to the provision of services to youth as described in 681.100 through 681.120.

Local program operators determine, for these individuals, the appropriate level and balance of services under the Youth and Adult programs. Such determinations regarding the appropriate program for the participant must be based on the service needs of the participant and if the participant is career-ready. This determination is based on an assessment of their occupational skills, prior work experience, employability, and the participant's needs. An important difference to note here is that while receiving an assessment from the Adult, DW, or Employment Service (ES) programs does trigger participation and inclusion in the performance accountability calculations, this is not the case for Youth. Local program operators must identify and track the funding streams which pay the costs of services provided to individuals

**WIOA Core Programs**

	<p>who are participating in youth and adult programs concurrently, and ensure no duplication of services. This can be documented through the Individual Service Strategy.</p>
<p><b>Dislocated Worker Formula Program (WIOA title I)</b></p>	<p>The WIOA Dislocated Worker formula program provides career and training services to help job seekers who meet the definition of a dislocated worker. Additionally, separating service members are eligible for dislocated worker services as they transition from military to civilian careers if they meet the requirements of 20 CFR 680.660. The goal of the Dislocated Worker program is helping individuals return to the workforce with the skills they need to obtain quality employment in in-demand industries. These career and training services are provided through the one-stop delivery system at American Job Centers nationwide.</p> <p>The Dislocated Worker program's delivery of career and training services is tailored to the individual needs of job-seekers. The Dislocated Worker program is identified as a core program under WIOA and, among other things, is responsible for combined planning, shared performance indicators, and aligned service delivery with other core and one-stop partner programs.</p>
<p><b>Adult Education and Family Literacy Act (WIOA title II)</b></p>	<p>Title II of WIOA reauthorizes the Adult Education and Family Literacy Act (AEFLA). AEFLA, administered by the U.S. Department of Education, is designed to create a partnership among the Federal Government, States, and localities to provide, on a voluntary basis, adult education and literacy activities.</p> <p>These activities are designed to:</p> <ul style="list-style-type: none"> <li>• Assist adults to become literate and obtain the knowledge and skills necessary for employment and economic self-sufficiency;</li> <li>• Assist adults who are parents or family members to obtain the education and skills that are necessary to becoming full partners in the educational development of their children and lead to sustainable improvements in the economic opportunities for their family;</li> <li>• Assist adults in attaining a secondary school diploma and in the transition to postsecondary education and training, including through career pathways; and</li> <li>• Assist immigrants and other individuals who are English language learners in:             <ul style="list-style-type: none"> <li>○ Improving their reading, writing, speaking, and comprehension skills in English, as well as mathematics skills; and</li> <li>○ Acquiring an understanding of the American system of Government, individual freedom, and the responsibilities of citizenship.</li> </ul> </li> </ul>

## WIOA Core Programs

	<p>WIOA provides new opportunities for the title I Adult and Dislocated Worker programs and the Employment Service to partner with title II AEFLA providers.</p> <p>WIOA sec. 134(c)(2) authorizes career services to be provided with title I adult and dislocated worker funds. Some of these services are activities that are also allowable under AEFLA, including workforce preparation activities, English language acquisition programs, and integrated education and training programs. In order to ensure consistency across the services for the benefit of participants and service providers, ETA is aligning the definitions for these services with those used by the AEFLA program.</p> <p>This allows title I programs and the AEFLA program to coordinate in the development of career pathways and to co-enroll participants so they receive the full spectrum of services for their education and employment needs.</p> <p>For example, an individual could receive adult education services while at the same time receiving services from the OJT program funded by title I. If individuals are unable to receive services from the AEFLA program, but are determined to be in need of those services by the career planner, then title I may provide those services the program is authorized to provide.</p>
<p><b>Wagner-Peyser Act Employment Service (WIOA title III)</b></p>	<p>The Wagner-Peyser Act of 1933 established the Employment Service (ES), which is a nationwide public labor exchange that provides employment services. The ES seeks to improve the functioning of the nation's labor markets by bringing together individuals seeking employment with employers seeking workers. The Wagner-Peyser Act was amended in 1998 to make ES part of the one-stop delivery system under WIA and has undergone further changes to integrate services and require colocation under WIOA. The ES program is a critical component of the one-stop delivery system, often serving as the "front door" to all of the services available at American Job Centers.</p> <p>The ES program provides "universal access" to job seekers seeking employment and career services, provides referrals to partner programs, and provides reemployment services to individuals receiving unemployment insurance.</p> <p>WIOA provides new opportunities for coordination and referrals for the title I Adult and Dislocated Worker programs, as well as the Wagner-Peyser Act ES, to partner with and enhance service delivery to individuals with disabilities, including those served under the VR program. Individuals with disabilities are included in the definition of an "individual with a barrier to employment" at section 3(24) of WIOA</p>



**WIOA Core Programs**

	<p>and should receive any and all American Job Center services that would typically be provided to any other job seeker.</p>
<p><b>Vocational Rehabilitation program (WIOA title IV)</b></p>	<p>Title IV of WIOA makes a number of significant changes to the Rehabilitation Act of 1973 (Rehabilitation Act), with some of the most extensive programmatic changes affecting the VR program, authorized under title I of the Rehabilitation Act. Many of WIOA's changes, including those affecting the VR program which is one of the six core programs of the one-stop system, are designed to improve and align core programs towards the goal of assisting individuals with disabilities to maximize employment, economic self-sufficiency, independence, and inclusion and integration into society. To implement these new statutory requirements, the Department of Education published final regulations related to, among other things, the VR and State Supported Employment Services (Supported Employment) programs and that impose new limitations on the payment of subminimum wages to individuals with disabilities. These final regulations, most of which took effect on September 19, 2016, were published at 81 FR 55629 (Aug. 19, 2016).</p> <p>WIOA makes the following key changes to the VR program:</p> <ul style="list-style-type: none"> <li>• Strengthens the alignment of the VR program with other core components of the workforce development system by aligning requirements governing unified state planning, performance accountability, and integration into the one-stop delivery system;</li> <li>• Places heightened emphasis on coordination and collaboration at the Federal, State, and local levels to ensure a streamlined and coordinated service delivery system for job-seekers, including those with disabilities, and employers;</li> <li>• Includes a new definition of “competitive integrated employment” that combines, clarifies, and enhances the two separate regulatory definitions of “competitive employment” and “integrated setting” for the purpose of employment under the VR program, which had existed since at least 1997;</li> </ul>

## WIOA Core Programs

- Revises the definition of “employment outcome” in order to identify customized employment as an employment outcome under the VR program;
- Places heightened emphasis on the provision of pre-employment transition services and transition services to students and youth with disabilities, as applicable, to improve their abilities to achieve competitive integrated employment; and
- Expands the scope of services that the VR agencies may provide to employers in order to increase opportunities for individuals with disabilities to achieve competitive integrated employment.

VR Counselors, who are employed by the state VR agency, are responsible for determining whether an individual is eligible to receive VR services. In order to be eligible, an individual with a disability must meet the following criteria:

- Must be an “individual with a disability,” as defined in section 7(20)(A) of the Rehabilitation Act; and
- Require VR services to obtain, maintain, advance in, or regain employment.

While an individual may be determined eligible to receive VR services, the State VR agency may not be able to provide services to all eligible individuals due to insufficient staff and/or fiscal resources. In this instance, the State VR agency must implement an order of selection (OOS) that establishes the priority categories by which individuals can be served based on the severity of their disability, with individuals with the most significant disabilities given priority under the OOS. For those individuals not in a priority category being served in the OOS, the state VR agency must refer the individual to another program that may be able to meet their needs. Therefore, effective partnering with the Adult, Dislocated Worker, Youth, and Wagner-Peyser Act ES programs is essential in order to ensure individuals with disabilities seeking employment and training services receive the services they need for employment.

In order to align the core programs and create additional flexibility for the purposes of achieving the goals under WIOA, funds allocated to a local area for adult and dislocated worker activities may be used to improve coordination between employment and training programs carried out in the local area for individuals with disabilities through the one-stop delivery system. ETA encourages local areas to utilize this flexibility, consistent with the scope of a program’s authorized activities, to ensure a highly coordinated service delivery in coordination with VR program activities to ensure that individuals with disabilities receive the services they need for their career needs, whether the allowable services are provided by the Adult, Dislocated Worker, Youth, Wagner-Peyser ACT ES, or VR program, or some combination thereof, including other

**WIOA Core Programs**

community resources.

Additionally, ETA encourages local areas to coordinate with programs carried out by State agencies relating to intellectual and developmental disabilities, as well as local agencies and organizations serving individuals with significant disabilities, including the local network of centers for independent living in each State.

### Required Partners

#### Job Corps

Job Corps is a national program that operates in partnership with States and communities, Local WDBs, Youth Standing Committees where established, one-stop centers and partners, and other youth programs to provide academic, career and technical education, service-learning, and social opportunities primarily in a residential setting, for low-income young people.

The objective of Job Corps is to support responsible citizenship and provide young people, ages 16-24, with the skills that lead to successful careers that will result in economic self-sufficiency and opportunities for advancement in in-demand occupations or the Armed Forces, or enrollment in postsecondary education, including an apprenticeship program.

The major changes from the existing regulations reflect WIOA's effort to enhance the Job Corps program, provide access to high quality training and education, create incentives for strong contractor performance, and promote accountability and transparency.

The Department selects eligible entities, Job Corps centers, to provide outreach and admission, career transition, and operational services for Job Corps on a competitive basis. One-stop centers and partners are eligible, among other entities, to compete to provide outreach and admission and career transition services. Further, the American Job Center network must be used to the maximum extent practicable in placing Job Corps graduates and former enrollees in jobs.

Beneficial examples of coordination between Job Corps and other workforce partners include:

- Cross referrals with other programs, such as the Formula Adult Program, Formula Youth Program, and YouthBuild, that can increase the likelihood of successful performance incomes by ensuring that individuals are referred to the program that best meets their needs.
- Co-enrollment with partner programs to maximize the number of individuals served and the level of service provided.
- Co-location of Job Corps Outreach and Admissions services in the American Job Center to provide an opportunity for students completing other programs for further education and training.

Job Corps students prepared to enter the workforce can and should enroll in labor exchange services so the American Job Center can identify job leads or education and training opportunities, including work-based training and apprenticeship opportunities. Job Corps participants also can and should utilize the American Job Center for job preparation, interviewing techniques, and job search strategies.

### Required Partners

<p><b>Indian and Native American Programs (WIOA title I, section 166 program, Indian and Native American Programs)</b></p>	<p>The Indian and Native American (INA) Employment and Training Program helps qualifying American Indians, Alaska Natives and Native Hawaiians (AI/AN/NH) obtain employment in occupations that provide a wage that leads to self-sufficiency and eventually into the middle class. These programs include more fully developing academic, occupational, and literacy skills, making individuals more competitive in the workforce to equip them with entrepreneurial skills necessary for successful self-employment, and promoting economic and social development in accordance with the goals and values of the community.</p> <p>The INA program also provides financial assistance for education, career and training services, and other supportive services that will help individuals obtain occupational skills, industry recognized credentials and postsecondary education that provide the knowledge and skills necessary to compete for better paying jobs.</p> <p>The INA program utilizes a network of 177 service providers throughout the United States comprised of Federally Recognized Tribes, Native American non-profit organizations, Alaska Native Tribes, Alaska Native entities, and Native Hawaiian organizations. There is a desperate need for employment and training services for Native Americans which makes coordination and sharing resources with partner programs critical.</p> <p>The entity for the Native American program is the grantee of the respective program. Some examples of coordination between the INA program and other workforce partners are:</p> <ul style="list-style-type: none"> <li>• Co-enrollment of INA participants with partner programs such as the title I, Adult, Dislocated Worker and Youth programs, the VR program, and the AEFLA program.</li> <li>• Co-location of INA employees in American Job Centers.</li> <li>• AI/AN/NH individuals that seek services from the INA program should also be made aware of the services that are available by other partner programs and conversely, partner programs should make their AI/AN/NH clients aware of the INA program.</li> <li>• Coordination with the AEFLA program to assist AI/AN/NH individuals to attain a secondary school diploma and transition to postsecondary education and training.</li> <li>• Sharing of resources with the VR program to better assist disabled AI/AN/NH individuals.</li> </ul>
<p><b>National Farmworker Jobs Program (WIOA title I, section 167 Migrant and Season Farmworker)</b></p>	<p>The National Farmworker Jobs Program (NFJP) is a nationally-directed, locally-administered program of services for migrant and seasonal farmworkers (MSFWs). The program partners with community organizations, state agencies, and State Monitor Advocates to provide appropriate career and training services, youth services, housing assistance services, and related assistance services, to eligible migrant farmworkers (including MSFW youth) and eligible seasonal farmworkers</p>

**Required Partners**

<b>Program)</b>	<p>(including eligible MSFW youth), and their dependents. NFJP grantees partner with American Job Centers and State Monitor Advocates to support a comprehensive system that seamlessly provides integrated services that are accessible to farmworkers and their families. Monitor Advocates at the State, Regional, and National level facilitate outreach, monitoring, advocacy, and the Employment Service (ES) and Employment-related Law Complaint System<sup>5</sup> to help MSFWs gain access to resources, ensure their voices are heard, and that they have a safe place to file complaints alleging any violations of the ES regulations and/or other federal, State, or local employment-related laws. To realize an enhanced coordination among programs, NFJP grantees may partner with American Job Centers and other WIOA programs to:</p> <ul style="list-style-type: none"> <li>• Leverage the AEFLA program as part of a career pathway strategy for program participants co-enrolled in NFJP.</li> <li>• Refer NFJP participants to WIOA adult and youth formula programs if they need more intensive support around specific program elements.</li> <li>• Leverage, and refer NFJP participants to, the VR program to assist farmworkers with disabilities.</li> <li>• Refer NFJP participants to the Senior Community Service Employment program for the aging farmworkers.</li> <li>• Refer NFJP participants to Veterans for State Grant operators for farmworkers identified as Veterans.</li> <li>• Refer NFJP participants to Temporary Assistance for Needy Families programs for continued support for farmworker family nutrition.</li> <li>• Coordinate resources to ensure customer-centered service delivery for all customers, including individuals who are English language learners and individuals who are facing substantial cultural barriers.</li> <li>• Leverage, and refer NFJP participants to, Health and Human Services Head Start programs colocated in American Job Centers to promote school readiness for farmworker children by supporting their educational development.</li> </ul>
<b>YouthBuild (WIOA title I)</b>	<p>YouthBuild is a discretionary grant program that serves 16-24 year old youth who are high school dropouts or those who have dropped out and subsequently re-enrolled. YouthBuild participants also must be one of the following: member of a low-income family, in foster care, an offender, an individual with a disability, the child of a current or formerly incarcerated parent, or a migrant youth.</p>

<sup>5</sup> The Employment Service (ES) and Employment-related Law Complaint System was established to ensure farm workers would have a safe place to file complaints alleging employment-related violations. For details on the Complaint System, see 20 C.F.R. 651-654-and 658.

### Required Partners

	<p>YouthBuild combines academics to support secondary diploma or equivalency receipt for participants with hands-on occupational skills training in construction and/or other in-demand industries, resulting in industry-recognized credentialing. The program also includes a strong emphasis on leadership development, community service, and soft-skills competencies.</p> <p>YouthBuild grantees may be a public or private non-profit agency or organization, including community-based organizations, faith-based organizations, an entity carrying out activities under title I of WIOA, such as a Local WDB, a community action agency, a State or local Housing Development Agency, an Indian tribe or other agency primarily serving Indians, a community development corporation, a state or local youth service or conservation corps, and any other entity eligible to provide education or employment training under a federal program. Depending on the grantee, coordination with workforce partners may differ.</p> <p>Some examples of where coordination between YouthBuild grantees and other workforce partners may be beneficial are:</p> <ul style="list-style-type: none"> <li>• Co-enrollment of YouthBuild participants aged 18 and older into the adult formula system for assessments, referrals, access to ITAs and other career training opportunities.</li> <li>• Co-enrollment of YouthBuild participants into the youth formula program for access to additional resources including financial literacy, entrepreneurship training, and work experience opportunities.</li> <li>• Sharing of information related to partner services, especially as they relate to AEFLA and VR services, TANF, and other supportive service programs.</li> <li>• Access to NFJP youth supportive services, such as housing assistance, if the individual meets the eligibility requirements for the NFJP program.</li> <li>• Referrals of eligible youth to local YouthBuild programs.</li> </ul>
<p><b>Senior Community Service Employment Program</b></p>	<p>The Senior Community Service Employment Program (SCSEP) is a community service and work-based job training program for older Americans. Authorized by the Older Americans Act, the program provides training for low-income, unemployed older Americans and supportive services that allow them to participate in the training. Participants also have access to employment assistance through American Job Centers.</p> <p>SCSEP participants gain work experience in a variety of community service activities at local non-profit and public facilities, including schools, hospitals, day-care centers, and senior centers. The program</p>

**Required Partners**

provides over 40 million community service hours to public and non-profit agencies, allowing them to enhance and provide needed services. These sites are referred to as "host agencies". Participants work an average of 20 hours a week, and are paid the highest of federal, state or local minimum wage, or the comparable wage for similar employment. This training serves as a bridge to unsubsidized employment opportunities for participants.

Participants must be at least 55 years old, unemployed, and have a family income of no more than 125% of the federal poverty level. Enrollment priority is given to veterans and qualified spouses, then to individuals who are over 65, have a disability, have low literacy skills or limited English proficiency, reside in a rural area, are homeless or at risk of homelessness, have low employment prospects, or have failed to find employment after using services through the American Job Center system.

There are several strategies through which SCSEP and Local WDBs and American Job Centers can coordinate.

- SCSEP services can be physically co-located in American Job Centers.
- American Job Centers can serve as a SCSEP host agency. The American Job Center supervisors can assign SCSEP participants tasks that free up career counselors time to provide staff-assisted services. Some American Job Centers have trained SCSEP participants to provide computer assistance in resource rooms particularly to other seniors.
- SCSEP and Local WDBs can develop comprehensive MOUs to streamline coordination processes, and clarify when a jobseeker can be referred to SCSEP and when they might best be served by the Adult or Dislocated Worker program. MOUs can also consider how SCSEP will consider SCSEP participants' community service hours as an in-kind contribution for purposes of SCSEP's contribution towards infrastructure costs;
- SCSEP can provide paid work experience with community service employment assignments, while title I Adult funds can support individualized career services such as working with an employment counselor.
- SCSEP can provide advice and training for American Job Center staff on adapting services to meet the needs of older adult learners; American Job Center staff can provide advice and training to SCSEP on effective use of labor market information and job placement strategies.

**Trade Adjustment Assistance**

Trade Adjustment Assistance for Workers (TAA), Alternative Trade Adjustment Assistance (ATAA), and Reemployment Trade Adjustment Assistance (RTAA), are collectively referred to as the



## Required Partners

Trade Adjustment Assistance Program (TAA Program) and provide assistance to workers who have been adversely affected by foreign trade. The Trade Adjustment Assistance Reauthorization Act of 2015 (TAARA 2015), (Pub. L. No. 114-27, Title IV), recently reauthorized and reinstated changes to the Act. TAARA 2015 also revised reporting requirements to align performance accountability for the TAA Program with that of other partner programs in the workforce system under WIOA. The TAA program seeks to provide adversely affected workers with opportunities to obtain the skills, credentials, resources, and support necessary to become reemployed.

If a worker is a member of a worker group certified by DOL, that worker may be eligible to receive the following benefits and services at a local American Job Center:

### **Employment and Case Management Services:**

- Skills assessments, individual employment plans, career counseling, supportive services, and information on training, labor markets, and more (through TAA or other American Job Center programs).

### **Training:**

- Classroom training, on-the-job training, customized training designed to meet the needs of a specific employer or group of employers, Registered Apprenticeship programs, remedial training, pre-requisite training, and more.

### **Trade Readjustment Allowances (TRA):**

- Income support available in the form of weekly cash payments to workers who are enrolled in a full-time training course, have exhausted their unemployment insurance, and meet additional requirements in Chapter 2 of title II of the Trade Act of 1974, as amended.

### **Job Search Allowance:**

- Reimbursement for a portion of the costs of seeking employment outside of the worker's commuting area.

### **Relocation Allowance:**

- Reimbursement for a portion of relocation costs for employment outside of the worker's commuting area.

### **Alternative Trade Adjustment Assistance (ATAA) and Reemployment Trade Adjustment Assistance (RTAA):**

- A wage supplement for up to two years that is available to eligible reemployed older workers and covers a portion of the difference between a worker's new wage and their old wage (up to a specified maximum amount).

## Required Partners

<p><b>Jobs for Veterans State Grants (JVSG)</b></p>	<p>JVSG is a key partner in the workforce system providing Disabled Veterans' Outreach Program (DVOP) specialists who provide key services to veterans with significant barriers to employment, and Local Veterans Employment Representatives (LVERs), who provide outreach to employers to help veterans achieve employment. TEGL 19-13, TEGL 19-13 Change 1 and Change 2, govern how JVSG is to be utilized in the public workforce system and WIOA does not modify this guidance. Additionally, all JVSG participants must be co-enrolled and have a common exit with the Wagner-Peyser Act ES.</p>
<p><b>Community Services Block Grant (CSBG)</b></p>	<p>The CSBG provides assistance to States and local communities, working through a network of community action agencies and other neighborhood-based organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient.</p> <p>CSBG-funded organizations (Community Action Agencies) can participate in the one-stop delivery system through the following:</p> <ul style="list-style-type: none"> <li>• Enrollment into CSBG supportive services (e.g. child care, transportation subsidies, emergency food services, etc.) through CSBG-funded staff at the American Job Center, other American Job Center staff, or direct linkage to CSBG-funded organizations through technology. Technology linkages may be conducted remotely at the American Job Center by phone or computer.</li> <li>• Staff on a part-time or intermittent basis from the local CSBG-funded agency may be physically present to enroll clients in supportive services or provide services directly.</li> <li>• CSBG-funded agency staff may cross train with workforce staff: CSBG-funded staff may train workforce staff about CSBG supportive services and learn about American Job Center programs and services from their workforce colleagues.</li> <li>• CSBG staff may coordinate employment and training services or other supportive services activities on site at the American Job Center.</li> <li>• The local American Job Center may be physically located at the local CSBG-funded organization.</li> </ul> <p>Some benefits for participating in the American Job Center network include:</p> <ul style="list-style-type: none"> <li>• CSBG agency cost reductions due to sharing the resource center (e.g., shared space, common intake, common recruitment/referral system). This sharing might include locating CSBG staff full time or intermittently at the American Job Center to provide direct CSBG services, enroll clients in CSBG services, and/or</li> </ul>

<b>Required Partners</b>	
	<p>train workforce staff.</p> <ul style="list-style-type: none"> <li>• CSBG may also benefit from arrangements where CSBG staff are not on-site. For example, a CSBG agency serving as an affiliate American Job Center referral location for supportive services might receive savings in recruitment and enrollment costs.</li> <li>• A CSBG organization that refers CSBG participants to the one-stop for workforce services and subsequent tracking of performance data may experience cost savings by not having to provide direct employment and training services or do related data collection.</li> </ul>
<b>Unemployment Insurance</b>	<p>Individuals who have lost employment due to lack of suitable work and have earned sufficient wage credits may receive Unemployment Insurance (UI) benefits if they meet initial and continuing eligibility requirements.</p> <p>The American Job Center network must provide reemployment services to UI claimants for whom such services are required as a condition for receipt of UI benefits. Services must be appropriate to the needs of UI claimants who are referred to reemployment services under any Federal or State UI law.</p> <ul style="list-style-type: none"> <li>• Provision of information and assistance regarding filing claims under UI programs, including meaningful assistance to individuals seeking assistance in filing a claim.</li> <li>• The American Job Center has current labor market information and provides a wide array of re-employment services free of charge.</li> <li>• Employment Service staff can refer claimants to job openings in the local area, or in other parts of the State or country if the claimant is willing to relocate.</li> <li>• Referral to various training programs.</li> <li>• Assistance in establishing eligibility for programs of financial aid assistance for training and education programs not provided under WIOA.</li> <li>• If job openings in current field are limited, can offer testing and counseling to determine other appropriate jobs for the claimant.</li> <li>• Claimants who believe they have special needs or considerations, such as physical needs, which may prevent them from getting a job, can be referred to other agencies for help with those needs.</li> </ul>
<b>Temporary Assistance for Needy Families (TANF)</b>	<p>The local TANF program is a required partner in the American Job Center network. TANF serves individuals who also may be served by WIOA programs and, through appropriate linkages and referrals, these customers will have access to a broader range of services through the cooperation of the TANF program in the one-stop delivery system. TANF participants, who are determined to be WIOA eligible, and who</p>

**Required Partners**

need occupational skills training may be referred through the American Job Center network to receive WIOA training, when TANF grant and other grant funds are not available to the individual in accordance with 20 CFR 680.230(a).

TANF can participate in the American Job Center network through the following:

- Program staff are physically present in the centers and provide intake services and initial eligibility determinations for TANF assistance and non-assistance benefits, including employment services and related supports.
- Program staff are physically present in the centers and perform job readiness assessments and assign or refer TANF clients to appropriate TANF work activities.
- Program staff are physically present in the centers and will assist work ready TANF clients to co-enroll in other applicable workforce services.
- Train partner staff physically present in centers to provide information about the TANF program, including services, and required activities.
- Provision of TANF program information, eligibility requirements, available benefits and services, including direct linkage to program staff via technology.

Some benefits for participating in the American Job Center network include:

- Shared building rent, maintenance costs, utilities, tenant improvements, or any other similar costs up to the administrative cost limits of the program.
- Shared equipment, software, IT maintenance costs, Internet access, and other similar costs up to the administrative cost limits of the program.
- Shared customer resource center.
- Streamlined, common intake data formats, preparation, and interview of customers.
- Reduced costs for staff and benefits, due to development of common, simplified forms.
- Reduced costs for staff training and development on common program elements.

WIOA participants who also are determined TANF eligible may be referred to the TANF program for assistance.

**Carl D. Perkins  
Career and**

The Carl D. Perkins Career and Technical Education Act of 2006 (Perkins IV) is a principal source of federal funding to states for the

### Required Partners

#### Technical Education Act (Perkins IV)

improvement of secondary and postsecondary career and technical education (CTE) programs across the nation. The purpose of the Act is to develop more fully the academic, career, and technical skills of secondary and postsecondary students who elect to enroll in CTE programs.

States are awarded funds via formula prescribed in Title I, Section 111 (for the 50 States, District of Columbia, and Puerto Rico) and Section 115 (for Guam and Palau) of Perkins IV. From its title I funds, States must award no less than 85 percent to eligible recipients via formula also prescribed in law. Eligible recipients are local educational agencies and postsecondary institutions, community colleges, and other public and private nonprofit institutions, including charter schools, that offer career and technical education programs that meet the requirements of the law. States determine what share of their 85 percent of funds will be awarded to eligible recipients at the secondary versus postsecondary level (the national split of funds hovers around 62/38). The remainder of Title I funds is spent on State administration activities (up to five percent) and State leadership activities (up to ten percent) described in Sections 121(a) and 124(b)-(c) of Perkins IV, respectively.

Among the ways Perkins IV postsecondary recipients can engage with core partners in the one-stop system are: using common labor market data to inform local CTE program development; aligning education, training, and supportive services; streamlining efforts to engage and involve employers in local program development; establishing common definitions and measures for student performance; and making data on CTE students publicly available in training provider reports.

### Additional Partners

#### **Ticket-to-Work (TTW)**

TTW is a free and voluntary program that can help Social Security beneficiaries go to work, get a good job that may lead to a career, and become financially independent, while they keep their Medicare or Medicaid. As part of TTW, Employment Networks (ENs), with the Social Security Administration (SSA), provide employment support services to beneficiaries, or "Ticket holders." After receiving these services and supports, the Ticket holder may return to work and ultimately become self-sufficient, thereby saving significant costs to the Trust Fund. Because there has been an increasing trend of the number of people applying for disability benefits, there is a significant role for American Job Centers to become ENs and help provide high quality services resulting in employment for Ticket holders. ENs receive payments from SSA when Ticket holders they serve work and achieve benchmark earnings levels. This funding provides an avenue to EN sustainability.

#### **Small Business Administration (SBA) Programs**

WIOA provides a new opportunity to partner with economic development organizations and emphasizes providing resources for aspiring entrepreneurs and self-employed individuals. In addition to entrepreneurship training being a type of training allowed under WIOA, partnering with local entrepreneurial resources can help adults and dislocated workers see if starting a business is right for them. ETA encourages Local WDBs and American Job Centers to partner with SBA programs. Notably, there are Small Business Development Centers (SBDCs) located in communities across the nation which provide assistance to small businesses and aspiring entrepreneurs. To learn more about these programs and for a listing of SBDC's in your community, please visit: <https://www.sba.gov/tools/local-assistance/sbdc>.

#### **Supplemental Nutrition Assistance Program (SNAP)**

SNAP offers nutrition assistance to millions of eligible, low-income individuals and families and provides economic benefits to communities. SNAP is the largest program in the domestic hunger safety net. The Food and Nutrition Service (FNS) works with State agencies, nutrition educators, and neighborhood and faith-based organizations to ensure that those eligible for nutrition assistance can make informed decisions about applying for the program and can access benefits. FNS also works with State partners and the retail community to improve program administration and ensure program integrity.

The Employment & Training (E&T) program and its components assist SNAP participants in gaining skills, training, work or experience that will increase their ability to obtain regular employment. The components of an E&T program are designed to help SNAP clients move promptly into employment.

### Additional Partners

This component includes job training services that are developed, managed, and administered by State agencies, local governments, and the business community under WIOA. Activities include basic skills training (GED, literacy), occupational skills training, on-the-job training, work experience, job search assistance, and basic readjustment services. All of these services can be seamlessly integrated into the American Job Center network.

#### **Client Assistance Program (CAP) (Rehabilitation Act of 1973, as amended by WIOA title IV)**

The purpose of this program is to advise and inform clients, client applicants, and other individuals with disabilities of all the available services and benefits under the Rehabilitation Act of 1973, as amended by WIOA, and of the services and benefits available to them under title I of the Americans with Disabilities Act (ADA).

In addition, CAP grantees may assist and advocate for clients and client applicants in relation to projects, programs, and services provided under the Rehabilitation Act. In providing assistance and advocacy under title I of the Rehabilitation Act, a CAP agency may provide assistance and advocacy with respect to services that are directly related to employment for the client or client applicant.

#### **Public Libraries**

WIOA acknowledges the role public libraries play in workforce development. WIOA explicitly identifies public libraries as potential partners of the American Job Center network, and acknowledges libraries' ability to provide an expansive array of job search services. It also recognizes libraries as important providers of Federally-supported training and employment for adult education and literacy.

Every day people in communities across the United States use libraries to access the Web for career development—boosting their skills through online learning, improving their English literacy and digital literacy, and finding work. Public libraries can do even more with better collaboration with State and Local WDBs.

Many States and local areas are acting upon the mutual benefits of collaboration between the workforce system and libraries, using Federal, State, and local funding to improve coordination of employment and training and adult education and literacy services to the community. The following are some ways public libraries can collaborate with the American Job Centers:

- Leveraging of digital literacy activities occurring in public libraries;
- Collaborating to train library staff about in-person and virtual employment and training resources available through the public workforce system;
- Inclusion of libraries as a stop on the route of mobile American Job Centers;
- Using space available at a library to provide career assistance

### Additional Partners

and employment services to library patrons (e.g. familiarizing patrons with career resources available electronically or in person at American Job Centers) or to host career events (e.g. job fairs);

- Sharing workforce and labor market information, including data on high-growth industries and occupations from the public workforce system to libraries;
- Signing of memoranda of understanding or other formal agreements; and
- Co-locations between American Job Centers and libraries.

### National Dislocated Worker Grants (WIOA title I)

National Dislocated Worker Grants (DWGs) provide employment and training services for dislocated workers and other eligible populations and disaster relief employment. Employment-recovery DWGs expand service capacity of the workforce system temporarily by providing time-limited funding assistance in response to major economic dislocations or other events that affect the U.S. workforce that cannot be accommodated with WIOA formula funds or other existing resources. Disaster Recovery DWGs allow for the creation of disaster relief employment to assist with clean-up and recovery efforts from emergencies or major disasters and the provision of employment and training activities.

Coordination strategies among Local WDB and American Job Centers with DWGs operating in their communities may include:

- Co-enrollment of DWG participants into the Dislocated Worker program for ongoing career and training services, if needed upon completion of DWG services. Local areas must also coordinate dislocated worker service strategies with their DWG to ensure alignment of supportive service policies.
- Referral to and co-enrollment of Disaster DWG grant participants into Adult or Dislocated Worker programs for services such as assessments, career and training services where these services are not part of the DWG project.
- Coordination with TAA where DWG participants are also TAA certified or awaiting TAA certification. Specific information about the allowable activities in coordination with TAA is outlined in TEGL No. 2-15.
- Coordination between the American Job Center and veterans' programs for DWGs serving military service members. Additional information about this type of DWG is outlined in TEGL No. 2-15.

### Human Service Transportation Coordination

Transportation is a key asset for future workforce planning, business creation, and economic development. On an individual level, however, transportation can sometimes be overlooked as a critical



### Additional Partners

service for job seekers, employees, or individuals needing training.

Transportation challenges are exacerbated by costs, and the increased geographic dispersion of job sites to suburban areas with lower overhead costs, farther away from central cities where job seekers reside combined with often limited public transit. In addition, people with multiple challenges to employment – including individuals with disabilities; returning disabled veterans; older workers who no longer drive; youth; workers earning low wages; ex-offenders; and those who live in geographically isolated rural or tribal areas – may need additional support in securing transportation access to work.

Partnership activities between the American Job Center and local transportation agencies may include:

- Designating a part- or full-time staff person as a transportation “navigator” for the regional American Job Center network to expand its capacity to provide transportation linkages for their customers.
- Collaborating shuttle service between the closest transit stop and the work site, providing subsidized transit passes eligible for the Federal commuter tax benefit, linking employees with disabilities who cannot use regularly scheduled transit services with paratransit services, facilitating ridesharing, and encouraging the use of public transportation.
- Identifying cross-jurisdiction commuting patterns and suggesting options for creative transportation solutions. Local WDBs are also in a strategic position for finding regional partners for projects from other local service delivery providers, adjacent workforce development boards, county and local transportation providers, and businesses.

### Mental Health Agencies

All customers, including those with disabilities, mental or substance use disorders, or other barriers to employment, have the opportunity to receive skill-development guidance, career planning and job placement services.

Beneficial examples of coordination between local mental health agencies and other American Job Center workforce partners include:

Supported employment services that include:

- Identifying individuals’ skills, interests, and career goals, to help match the person with a suitable job.
- Helping individuals to conduct an individualized job search.
- Providing on-the-job assistance (including, for example, counseling and interpersonal skills training) on a continuing

### **Additional Partners**

basis to help people succeed in their jobs.

- Working with individuals and their employers to identify needed accommodations.
- Developing relationships with employers to understand their business needs and match individuals with jobs.
- Working with employers and individuals to identify ways in which jobs might be restructured or duties “carved” in order to facilitate employment of people with mental illness while at the same time meeting employers’ needs.

<b>EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> WIOA
	<b>CORRESPONDENCE SYMBOL</b> OWI and OGM
	<b>DATE</b> January 18, 2017

**ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER WIOA NO. 17-16**

**TO:** STATE WORKFORCE AGENCIES  
NATIONAL FARMWORKER JOBS PROGRAM (NFJP) GRANTEEES  
WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)  
SECTION 166 INDIAN AND NATIVE AMERICAN PROGRAM  
GRANTEEES  
SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM  
GRANTEEES  
YOUTHBUILD GRANTEEES  
REINTEGRATION OF EX-OFFENDER GRANTEEES  
STATE AND LOCAL WORKFORCE DEVELOPMENT BOARDS  
AMERICAN JOB CENTERS  
TRADE ADJUSTMENT ASSISTANCE LEADS  
APPRENTICESHIP GRANTEEES

**FROM:** PORTIA WU *PW*  
Assistant Secretary

**SUBJECT:** Infrastructure Funding of the One-Stop Delivery System

- Purpose.** This Training and Employment Guidance Letter (TEGL) provides guidance on the operating costs of the one-stop delivery system, which are comprised of infrastructure costs and additional costs (i.e., career services, shared operating costs, and shared services) in accordance with the requirements set forth in the Workforce Innovation and Opportunity Act (WIOA) and its implementing regulations.

This guidance has been developed jointly by the U.S. Departments of Labor (DOL), Education (ED), and Health and Human Services (HHS) (collectively, Departments). The Joint WIOA Final Rule for Unified and Combined State Plans, Performance Accountability, and the One-Stop System Joint Provisions; Final Rule (Joint WIOA Final Rule) was published in the Federal Register on August 19, 2016, at 81 FR 55791, with an effective date of October 18, 2016. Therefore, this guidance is based on the statutory requirements of WIOA and its final implementing regulations.

The sharing and allocation of infrastructure costs among one-stop partners are governed by WIOA sec. 121(h), its implementing regulations, and the Federal Cost Principles contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR part 200 (Uniform Guidance). All one-stop partner programs must

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> Continuing
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contribute to the infrastructure costs and certain additional costs of the one-stop delivery system based on their proportionate use, as required by 20 CFR 678.700 and 678.760, 34 CFR 361.700 and 361.760, and 34 CFR 463.700 and 463.760. A partner's contribution must be an allowable, reasonable, necessary, and allocable cost to the program, consistent with the Federal Cost Principles set forth in the Uniform Guidance.

This joint policy guidance document focuses on how infrastructure and additional costs are determined and paid for by one-stop partners in a local one-stop delivery system. This guidance is applicable to required one-stop partners, as described in WIOA sec. 121(b)(1)(B) and 20 CFR 678.400, 34 CFR 361.400, and 34 CFR 463.400, as well as additional partners described in WIOA sec. 121(b)(2)(B) and 20 CFR 678.410, 34 CFR 361.410, and 34 CFR 463.410. It describes the roles of Governors, State and Local Workforce Development Boards (WDBs), Chief Elected Officials (CEOs), and local one-stop partner programs in determining infrastructure costs and navigating through the Local funding mechanism (LFM) and State funding mechanism (SFM) for those infrastructure costs.

## 2. References.

- Workforce Innovation and Opportunity Act (Pub. L. 113-128), July 22, 2014;
- WIOA Joint Rule for Unified and Combined State Plans, Performance Accountability, and the One-Stop System Joint Provisions; Final Rule, published at 81 FR 55791 (August 19, 2016);
- Resource Sharing for Workforce Investment Act One-Stop Centers: Methodologies for Paying or Funding Each Partner Program's Fair Share of Allocable One-Stop Costs; Notice. Published at 66 FR 29638 (May 31, 2001);
- Office of Management and Budget (OMB) CFR Chapter II, Part 200, et al. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Guidance and Final Rule. Final Guidance published at 78 FR 78589 (December 26, 2013) and Final Rule published at 79 FR 75867 (December 19, 2014); and
- Department of Labor (DOL) CFR Chapter II, Part 2900 et al. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, December 19, 2014.

3. **Background.** Under the Workforce Investment Act of 1998 (WIA), costs that were shared among partners, including infrastructure costs, were outlined and funded through Resource Sharing Agreements between local boards and one-stop partners. The funding arrangements were incorporated into the Memorandum of Understanding (MOU). As a result of WIA, OMB directed DOL to develop a uniform policy on acceptable methodologies for cost allocation and resource sharing with respect to funding the one-stop delivery system. This uniform policy was contained in the Resource Sharing for Workforce Investment Act One-Stop Centers: Methodologies for Paying or Funding Each Partner Program's Fair Share of Allocable One-Stop Costs; Notice, published in the Federal Register on May 31, 2001 (66 FR

29638). These same concepts also were outlined in Part I of the One-Stop Financial Management Technical Assistance Guide (TAG), which can be found at <https://www.doleta.gov/grants/resources.cfm>. It is DOL's expectation to update the Technical Assistance Guide to reflect the requirements of WIOA, the Uniform Guidance, and guidance set forth in this TEGL in the near future.

DOL, in coordination with ED, has established the one-stop centers, with American Job Centers (AJCs) as a unifying name and brand that identifies the online and in-person workforce development services as part of a single network (20 CFR 678.900, 34 CFR 361.900, and 34 CFR 463.900).

Under WIOA and its implementing regulations, consistent with the Uniform Guidance, funding provided by the one-stop partners to cover the operating costs, including infrastructure costs, of the one-stop delivery system must be based on the partner program's proportionate use of the system and relative benefit received (WIOA sec. 121(h)(1)(B)(i) and 121(h)(2)(C)(i), 20 CFR 678.700 through 678.760, 34 CFR 361.700 through 361.760, and 34 CFR 463.700 through 463.760).

4. **One-Stop Operating Budgets and Costs.** The operating budget of one-stop centers, or AJCs, is the financial plan to which the one-stop partners, CEO(s), and Local WDB in each local area have agreed in the MOU that will be used to achieve their goals of delivering services in a local area. The MOU must contain, among other things, provisions describing how the costs of services provided by the one-stop system and how the operating costs of such system will be funded, including the infrastructure costs for the one-stop system (WIOA sec. 121(c)(2)(A) and 20 CFR 678.500(b), 34 CFR 361.500(b), and 34 CFR 463.500(b)).

The one-stop operating budget may be considered the master budget that contains a set of individual budgets or components that consist of costs that are specifically identified in the statute: infrastructure costs, defined in WIOA sec. 121(h)(4); and additional costs, which must include applicable career services and may include shared operating costs and shared services that are related to the operation of the one-stop delivery system but do not constitute infrastructure costs. These additional costs are described in WIOA sec. 121(i).

The one-stop operating budget must be periodically reconciled against actual costs incurred and adjusted accordingly. This reconciliation ensures that the budget reflects a cost allocation methodology that demonstrates how infrastructure costs are charged to each partner in proportion to the partner's use of the one-stop center and relative benefit received. The one-stop operating budget may be further refined by the one-stop partners, as needed, to assist in tracking their contributions. It may be necessary at times to separate the budget of a comprehensive one-stop center from a specialized one-stop center or an affiliate one-stop center.

Attachment IV: One-Stop Operating Costs provides a diagram illustrating the organization of one-stop operating costs. One-stop operating costs include infrastructure costs and additional costs, which are made up of applicable career services, and may include shared operating costs, and shared services, as described below.

**Infrastructure Costs.** Infrastructure costs of AJCs are defined as non-personnel costs that are necessary for the general operation of the one-stop center, including: rental of the facilities; utilities and maintenance; equipment (including assessment-related and assistive technology for individuals with disabilities); and technology to facilitate access to the one-stop center, including technology used for the center's planning and outreach activities (WIOA sec. 121(h)(4), 20 CFR 678.700(a), 34 CFR 361.700(a), and 34 CFR 463.700(a)). This list is not exhaustive. For example, the costs associated with the development and use of the common identifier (i.e., AJC signage) and supplies, as defined in the Uniform Guidance at 2 CFR 200.94, used to support the general operation of the one-stop center, may be considered allowable infrastructure costs.

**Non-personnel costs.** Non-personnel costs are all costs that are not compensation for personal services. For example, technology-related services performed by vendors or contractors are non-personnel costs and may be identified as infrastructure costs if they are necessary for the general operation of the one-stop center. Such costs may include service contracts with vendors or contractors, equipment, and supplies.

**Personnel costs.** In contrast to non-personnel costs for the one-stop system, personnel costs include salaries, wages, and fringe benefits of the employees of partner programs or their subrecipients, as described in 2 CFR 200.430 (Compensation – personal services) and 2 CFR 200.431 (Compensation – fringe benefits) of the Uniform Guidance. For example, allocable salary and fringe benefit costs of partner program staff who work on information technology systems (i.e., common performance and reporting outcomes) for use by the one-stop center as a whole would be personnel costs and would be identified as additional costs – not infrastructure costs. The cost of a shared welcome desk or greeter directing employers and customers to the services or staff that are available in that one-stop center is a personnel expense. These costs, therefore, could not be included in infrastructure costs, but are included as “additional costs” in the one-stop operating budget.

**Additional Costs.** One-stop partners must share in additional costs, which must include applicable career services, and may include shared operating costs and shared services that are necessary for the general operation of the one-stop center.

*Career Services.* One-stop partners must ensure that at least some career services, described in WIOA sec. 134(c)(2), are provided at the one-stop center. Additional requirements regarding career services may be found at WIOA sec. 121(b)(1)(A)(i), (c)(2)(A)(ii), (e)(1)(A), and (i)(1), 20 CFR 678.760, 34 CFR 361.760, and 34 CFR 463.760. Please also see a detailed discussion about the provision of career services at the one-stop centers in the *General Guidance for the American Job Center Network in the Operation of One-Stop Centers*, issued jointly by DOL and ED, via DOL's TEGL, ED's Office of Career, Technical, and Adult Education's Program Memorandum, and ED's Rehabilitation Services Administration's Technical Assistance Circular.

*Shared Operating Costs and Shared Services.* One-stop partners also may share other costs that support the operations of the one-stop centers, as well as the costs of shared services. The costs of shared services may include initial intake, assessment of needs, appraisal of

basic skills, identification of appropriate services to meet such needs, referrals to other one-stop partners, and business services (WIOA sec. 121(i)(2), 20 CFR 678.760, 34 CFR 361.760, and 34 CFR 463.760). As discussed in more detail in the section pertaining to personnel costs above, such costs also may include personnel expenses associated with a shared welcome desk or greeter directing employers and customers to the services or staff that are available in that one-stop center.

A portion of the costs of Local WDB staff who perform functions that are not otherwise paid with WIOA title I funds and support the general operations of the one-stop centers may also be included as additional costs. An example of such shared operating costs would be a Local WDB staff person acting as the office manager in a one-stop center. As with any additional costs paid by partner programs for the operations of the one-stop delivery system, these shared operating costs must be proportionate to the use of the partner program and consistent with the Federal Cost Principles of the Uniform Guidance set forth in 2 CFR part 200.

5. **One-Stop Partners**<sup>1</sup>. One-stop partners are the entities that carry out the program in a local area. The one-stop delivery system, as identified in 20 CFR 678.300, 34 CFR 361.300, and 34 CFR 463.300, must include comprehensive one-stop centers, and also may include affiliate one-stop centers or specialized one-stop centers. Required partner programs and additional partners that carry out their program in the local area are required to share infrastructure costs and certain additional costs (20 CFR 678.700(c), 678.415, and

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<sup>1</sup> 20 CFR 678.415 *What entity serves as the one-stop partner for a particular program in the local area?*

(a) *The entity that carries out the program and activities listed in 678.400 or 678.410, and therefore serves as the one-stop partner, is the grant recipient, administrative entity, or organization responsible for administering the funds of the specified program in the local area. The term "entity" does not include the service providers that contract with, or are subrecipients of, the local administrative entity. For programs that do not include local administrative entities, the responsible State agency must be the partner. Specific entities for particular programs are identified in paragraphs (b) through (e) of this section. If a program or activity listed in 678.400 is not carried out in a local area, the requirements relating to a required one-stop partner are not applicable to such program or activity in that local one-stop delivery system.*

(b) *For title II of WIOA, the entity or agency that carries out the program for the purposes of paragraph (a) of this section is the sole entity or agency in the State or outlying area responsible for administering or supervising policy for adult education and literacy activities in the State or outlying area. The State eligible entity or agency may delegate its responsibilities under paragraph (a) of this section to one or more eligible providers or consortium of eligible providers.*

(c) *For the VR program, authorized under title I of the Rehabilitation Act of 1973, as amended by WIOA title IV, the entity that carries out the program for the purposes of paragraph (a) of this section is the designated State agencies or designated State units specified under sec. 101(a)(2) of the Rehabilitation Act that is primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, of individuals with disabilities.*

(d) *Under WIOA title I, the national programs, including Job Corps, the Native American program, YouthBuild, and Migrant and Seasonal Farmworker programs are required one-stop partners. The entity for the Native American program, YouthBuild, and Migrant and Seasonal Farmworker programs is the grantee of those respective programs. The entity for Job Corps is the Job Corps center.*

(e) *For the Carl D. Perkins Career and Technical Education Act of 2006, the entity that carries out the program for the purposes of paragraph (a) of this section is the eligible recipient or recipients at the postsecondary level, or a consortium of eligible recipients at the postsecondary level in the local area. The eligible recipient at the postsecondary level may also request assistance from the State eligible agency in completing its responsibilities under paragraph (a) of this section. (See also 34 CFR 361.415 and 34 CFR 463.415.)*

678.420(b), 34 CFR 361.700(c), 361.415, and 361.420(b), and 34 CFR 463.700(c), 463.415, and 463.420(b)). All one-stop partners, whether they are required partners or additional partners, must contribute to infrastructure costs of the one-stop centers based on proportionate use and relative benefits received. The required one-stop partners must provide access to their programs in the comprehensive centers and contribute to the infrastructure costs of those centers. These partners also make available each partner program's applicable career services at the comprehensive one-stop centers and may contribute to shared services and shared operating costs.

Only those one-stop partners that participate in the affiliate one-stop centers would be required to contribute to the infrastructure costs for those centers, including in one-stop affiliate centers where "access" to programs, services, and activities are made available through a direct linkage or physical presence. When two or more grant recipients or contractors of a required partner program are carrying out the program in a local area, both of these entities must contribute to infrastructure costs, including at an affiliate center, if those partners are participating in that affiliate center. The financial contributions of one-stop partners through a direct linkage will be different than those one-stop partners with a physical presence, regardless of the type of center. A list of the partner programs may be found in Attachment III: Infrastructure Costs: Funding Sources.

**Required Partners.** WIOA sec. 121(b)(1)(B), 20 CFR 678.400, 34 CFR 361.400, and 34 CFR 463.400 require the following programs to be one-stop partners:

*Department of Labor (DOL)*

- A. WIOA title I programs:
  - Adult, Dislocated Worker, and Youth formula programs;
  - Job Corps;
  - YouthBuild;
  - Native American programs;
  - National Farmworker Jobs Program (NFJP);
- B. Wagner-Peyser Act Employment Service (ES) program, authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), as amended by WIOA title III;
- C. Senior Community Service Employment Program (SCSEP), authorized under title V of the Older Americans Act of 1965;
- D. Trade Adjustment Assistance (TAA) activities, authorized under chapter 2 of title II of the Trade Act of 1974;
- E. Unemployment Compensation (UC) programs;
- F. Jobs for Veterans State Grants (JVSG) programs, authorized under chapter 41 of title 38, U.S.C.; and
- G. Reentry Employment Opportunities (REO) programs (formerly known as Reintegration of Ex-Offenders Program (RExO)), authorized under sec. 212 of the Second Chance Act of 2007 (42 U.S.C. 17532) and WIOA sec. 169;

*Department of Education (ED)*

- H. Adult Education and Family Literacy Act (AEFLA) program, authorized under WIOA title II;



- I. Career and technical education programs at the postsecondary level, authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (Perkins IV); and
- J. The State Vocational Rehabilitation (VR) Services program, authorized under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), as amended by WIOA title IV;

*Department of Housing and Urban Development (HUD)*

- K. Employment and training programs;

*Department of Health and Human Services (HHS)*

- L. Employment and training activities carried out under the Community Services Block Grant (CSBG) programs (42 U.S.C. 9901 et seq.); and
- M. Temporary Assistance for Needy Families (TANF) program, authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), unless exempted by the Governor under 20 CFR 678.405(b), 34 CFR 361.405(b), and 34 CFR 463.405(b).

**Additional Partners.** Pursuant to WIOA sec. 121(b)(2)(B) and 20 CFR 678.410, 34 CFR 361.410, and 34 CFR 463.410, additional one-stop partners may include, with the approval of the Local WDB and CEO(s), the following:

- Social Security Administration (SSA) employment and training program established under sec. 1148 of the Social Security Act (i.e. Ticket to Work and Self Sufficiency programs);
- Small Business Administration employment and training programs;
- Supplemental Nutrition and Assistance Program (SNAP) employment and training programs, authorized under secs. 6(d)(4) and 6(o) of the Food and Nutrition Act of 2008;
- Client Assistance Program (CAP), authorized under sec. 112 of the Rehabilitation Act of 1973, as amended by title IV of WIOA;
- National and Community Service Act programs; and
- Other appropriate Federal, State, or local programs, including, but not limited to, employment, education, or training programs such as those operated by libraries or in the private sector (WIOA sec. 121(b)(2)). Such programs may also include programs providing transportation assistance and services for those with substance abuse or mental health issues.

The Local WDBs and CEOs have discretion to take the actions necessary to encourage the additional partners to contribute their proportionate share of infrastructure costs. This discretion does not include the ability to subject the additional partners to the SFM, nor can additional partners trigger the SFM, as described later in this guidance.

The Departments strongly encourage Registered Apprenticeship programs to participate as additional one-stop partners. The mutual benefits include coordination in the provision of comprehensive services to participants and the potential enhancement of outreach and follow-up activities. WIOA requires that Registered Apprenticeship programs are to have a representative on the Local WDB, and also states that Registered Apprenticeship programs are automatically eligible to provide

training services. These connections would be significantly strengthened through such programs serving as one-stop partners and otherwise working with the one-stop delivery system.

**Special Rules.** As required one-stop partners, Native American programs (described in WIOA sec. 166) are strongly encouraged to contribute to infrastructure costs, but they are not required to make such contributions under WIOA. Any agreement regarding the contribution or non-contribution to infrastructure costs by Native American programs must be documented in the MOU (WIOA sec. 121(h)(2)(D)(iv); see also 81 FR 55911-55912 of the preamble to the Joint WIOA Final Rule). Further, these contributions must be based on the programs' proportionate use and relative benefits received, consistent with the Uniform Guidance. The lack of agreement on infrastructure costs with Native American programs does not trigger the SFM for the local area, and the Native American programs are not subject to the SFM in the event it is triggered.

The Governor may determine that TANF will not be a required partner in the State, or within some specific local areas in the State. In this instance, the Governor must notify the Secretary of Labor and Secretary of Health and Human Services in writing of this determination (WIOA sec. 121(b)(1)(C) and 20 CFR 678.405, 34 CFR 361.405, and 34 CFR 463.405). In States, or local areas within a State, where the Governor has determined that TANF is not required to be a partner, local TANF programs may still work in collaboration or partnership with the local one-stop centers to deliver employment and training services to the TANF population, unless inconsistent with the Governor's direction. In these situations, TANF may be considered an additional partner for purposes of contributing to the costs of operating the one-stop system.

**Partner Programs with Multiple Grant Recipients.** Partner programs and additional partners that carry out a program in the local area are required to share infrastructure costs and certain additional costs (20 CFR 678.700(c), 34 CFR 361.700(c), and 34 CFR 463.700(c)). When two or more grant recipients or contractors of a required partner program carry out a program in a local area, these entities are considered one-stop partners and must reach out to the Local WDB and carry out the roles and responsibilities of one-stop partners, including negotiating their share of infrastructure costs. For instance, there may be multiple YouthBuild and SCSEP grant recipients along with a few Job Corps contractors in a local area. In this situation, each grant or contract recipient carrying out the program in that local area must contribute towards infrastructure costs, and those contributions must be based on the proportionate use and relative benefits received by those partners from the one-stop centers.

- 6. Funding Types and Sources.** The permissible types of funds used for infrastructure costs and the additional costs of operating a local one-stop delivery system (i.e., a partner's program or administrative funds) may differ depending upon the partner program's authorizing law and implementing regulations. The funds that may be used also differ based on whether the amount that must be contributed by a partner for infrastructure costs is determined under the LFM or the SFM. The funding types and sources permissible for the one-stop partners are outlined in Attachment II: Paying for the One-Stop Delivery System.

**Types.** Funding for infrastructure costs and additional costs, such as shared costs and shared services, may be in the form of: (1) cash, non-cash, and third-party in-kind contributions; (2) funding from philanthropic organizations or other private entities; or (3) other alternative financing options, as described in WIOA sec. 121(c)(2)(A)(ii) and 20 CFR 678.715, 34 CFR 361.715, and 34 CFR 463.715. Some partner programs may have statutory or regulatory prohibitions against using certain types of these contributions or on how the program may treat these contributions for fiscal accountability purposes under the respective program's requirements. For example, pursuant to 34 CFR 361.60(b)(2), a VR agency may not use third-party in-kind contributions for match purposes under the VR program. However, there is nothing in 34 CFR 361.60 that prohibits a VR agency from using third-party in-kind contributions to pay for its share of the one-stop operating costs, including infrastructure costs.

**Sources.** The source of funds that may be used to pay for infrastructure costs depends on the requirements regarding the use of funds under the law authorizing the partner program that is contributing the funding. The infrastructure funding may be from funds classified as administrative, program, or both, depending on the partner program's requirements. Below are the one-stop partners and the source of funds expected to be used. The partner programs required to make a contribution towards infrastructure costs and the applicable funding sources are illustrated in Attachment III: Infrastructure Costs: Funding Sources.

#### **Local and State Funding Mechanisms – Types and Sources**

(20 CFR 678.720 and 678.740; 34 CFR 361.720 and 361.740; and 34 CFR 463.720 and 463.740)

- WIOA title I programs, including the Adult, Dislocated Worker, and Youth programs; Native American programs, YouthBuild, Job Corps programs, and MSFW programs – Program funds, administrative funds, or both may be used for LFM and SFM.
- SCSEP, TAA programs, REO programs – Program funds, administrative funds, or both may be used to pay for infrastructure costs under the LFM and SFM.
- Wagner-Peyser Act ES, JVSG, and Unemployment Compensation programs – These programs do not distinguish between program and administrative funds. Therefore, any of the funds allotted for these programs may be used to pay for infrastructure costs under the LFM and SFM.
- AEFLA – Infrastructure costs under the LFM and SFM are to be paid from Federal funds made available for local administration (WIOA sec. 233(a)(2) and 34 CFR 463.25 and 463.26(e)). Non-Federal resources that are cash, non-cash, or third-party in-kind contributions may also be used. The Federal funds available for activities other than local administration may not be used for such costs. For the SFM, other funds made available by the State may be used.
- VR program – This program does not distinguish between program and administrative funds. Non-Federal resources that are cash, non-cash, or third-party in-kind contributions may also be used under the LFM and SFM. The VR

regulations at 34 CFR 361.5(c)(2)(viii) clarify that one-stop system infrastructure costs are allowable administrative costs under the VR program. Therefore, although the VR program imposes no limits on the amount of funds that may be spent on administrative costs, VR agencies must report funds spent for infrastructure costs as administrative costs. Furthermore, as stated above, VR agencies may not count third-party in-kind contributions toward meeting their match requirement under the VR program when such contributions are used for one-stop operating costs.

- Perkins IV – For the LFM, Federal funds made available for local administration may be used to pay infrastructure costs. Non-Federal resources that are cash, non-cash, or third-party in-kind contributions, and other funds made available by the State may also be used to pay infrastructure costs. Under the SFM, Federal funds made available for local administration of postsecondary level programs and activities to eligible recipients or consortia of eligible recipients may be used to pay infrastructure costs. Additionally, funds made available by the State or non-Federal resources that are cash, non-cash, or third-party in-kind contributions, and other funds made available by the State may be used to contribute to infrastructure costs.
- Other required partners including HUD employment and training programs, CSBG programs, and TANF – These partner programs may determine what funds they will use to pay for infrastructure costs under the LFM. The use of these funds must be in accordance with the requirements of WIOA and with the relevant partner's authorizing statutes and regulations, including, for example, prohibitions against supplanting non-Federal resources, statutory limitations on administrative costs, and all other applicable legal requirements. For the SFM, only administrative funds for these other required partner programs may be used to pay infrastructure costs.
- Additional Partners – For the LFM, these partners must consult their program's requirements and/or statute or authorizing documents/regulations to determine the type and source of funds that may be used. The SFM does not apply to the additional partners.

The funds one-stop partners use to pay the additional costs of a one-stop delivery system must be consistent with WIOA and its implementing regulations governing that particular program (20 CFR 678.760, 34 CFR 361.760, and 34 CFR 463.760). The determination of contributions for additional costs is not subject to the SFM.

7. **Uniform Guidance – Federal Cost Principles.** Any cost paid for with Federal grant funds must comply with Subpart E, Federal Cost Principles of the Uniform Guidance at 2 CFR part 200. The Federal Cost Principles, applicable to one-stop partners that are Federally-funded, provide general guidance to be used in developing cost allocation methodologies and in determining if contributions towards infrastructure costs and additional costs are necessary, reasonable, and allocable to their program based upon relative benefits received. Additionally, all costs must be allowable under, and allocable to, that partner program in accordance with the program's authorizing statute and implementing regulations.

In addition, WIOA requires one-stop partners to contribute funding to establish and maintain the one-stop delivery system based on each partner's proportionate use of the system and the relative benefits received (WIOA sec. 121(h)(1)(B)(i) and 121(h)(2)(C); 20 CFR 678.420(b), 34 CFR 361.420(b), and 34 CFR 463.420(b)). One-stop partners must use a reasonable cost allocation methodology in determining appropriate partner contributions based on proportionate use and relative benefits received (20 CFR 678.420(b)(2)(i), 34 CFR 361.420(b)(2)(i), and 34 CFR 463.420(b)(2)(i)).

**Proportionate Use.** For the purpose of this joint policy guidance, "proportionate use" refers to a partner program contributing its fair share of the costs proportionate to: (1) the use of the one-stop center by customers that may include reportable individuals and participants in its program at that one-stop center; (2) the amount of square footage occupied by the partner program in the one-stop center; or (3) another allocation base consistent with the Uniform Guidance.

**Relative Benefit.** In determining the proportionate share, the "relative benefit" received from participating in the one-stop delivery system is another step in the cost allocation process. Determining relative benefit does not require partners to conduct an exact or absolute measurement of benefit, but instead to measure a partner's benefit using reasonable methods. The Uniform Guidance, at 2 CFR 200.4, requires that the process of assigning a cost or group of costs to one or more cost objectives must be in reasonable proportion to the benefit provided. The measurement of a one-stop partner's share of infrastructure costs must be based on reasonable methods that are agreed to by all partners or determined in accordance with the SFM. However, as discussed later in this guidance, partner contributions that are initially based on budgeted amounts must be reviewed and reconciled periodically during the program year against actual costs incurred. Additionally, adjustments must be made to ensure that partner contributions are proportionate to their use of the one-stop center and relative benefits received as required by 20 CFR 678.715(a)(4), 34 CFR 361.715(a)(4), and 34 CFR 463.715(a)(4).

**Allocation of Costs.** Cost allocation is based upon the premise that Federal programs are to bear an equitable proportion of shared costs based on the benefit received by each program. The allocation of costs must be consistent with the Uniform Guidance. The Uniform Guidance defines "allocation" at 2 CFR 200.4<sup>2</sup> and "allocable costs" at 2 CFR 200.405<sup>3</sup>.

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<sup>2</sup> 2 CFR 200.4 Allocation.

*Allocation means the process of assigning a cost, or a group of costs, to one or more cost objective(s), in reasonable proportion to the benefit provided or other equitable relationship. The process may entail assigning a cost(s) directly to a final cost objective or through one or more intermediate cost objectives.*

<sup>3</sup> 2 CFR 200.405 Allocable costs.

*(a) A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received.*

*This standard is met if the cost:*

*(1) Is incurred specifically for the Federal award;*

*(2) Benefits both the Federal award and other work of the non-Federal entity and can be distributed in proportions that may be approximated using reasonable methods; and*

8. **Allocation Methodologies.** The specific methodologies used to allocate costs among the one-stop partners are not prescribed in WIOA, its implementing regulations, the Uniform Guidance, or in this joint policy guidance. Each local one-stop delivery system is unique and presents a different set of circumstances within which costs are allocated. Rather, when developing the local MOU, Local WDBs and partner agencies may choose from any number of methods, provided they are consistent with WIOA, its implementing regulations, and the Uniform Guidance, including the Federal Cost Principles. In selecting methodologies used to allocate costs, Local WDBs and one-stop partners may also consider whether it is necessary to allocate costs by each one-stop center separately. For instance, the budget for operating an affiliate one-stop center may be less than the operating budget for a comprehensive one-stop center because the affiliate one-stop center includes one or more, but not all, one-stop partner programs.

In this preliminary stage, the partners: (1) determine the infrastructure costs budget and the budget(s) for additional costs, which must include career services and may include shared services and shared operating costs for a particular comprehensive one-stop center; (2) determine which methodologies are reasonable and acceptable; and (3) from the acceptable methodologies, select the methodology (or methodologies) that will be applied to the different cost categories. In other words, the partners are selecting the appropriate distribution base(s) under which they allocate infrastructure and additional costs. Partner programs may agree to select different cost allocation methodologies and allocation or distribution bases for cost objectives within infrastructure costs and additional costs, such as applicable career services, shared operating costs, and shared services categories. Partners should focus on identifying methodologies that most effectively allocate costs based upon proportionate use and relative benefits received by the partners.

The negotiations of cost sharing and allocation among partners must be conducted in good faith and in an open and transparent environment, where full disclosure of costs and funding

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- (3) *Is necessary to the overall operation of the non-Federal entity and is assignable in part to the Federal award in accordance with the principles in this subpart.*
- (b) *All activities which benefit from the non-Federal entity's indirect (F&A) cost, including unallowable activities and donated services by the non-Federal entity or third parties, will receive an appropriate allocation of indirect costs.*
- (c) *Any cost allocable to a particular Federal award under the principles provided for in this part may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or*
- (d) *Direct cost allocation principles. If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then, notwithstanding paragraph (c) of this section, the costs may be allocated or transferred to benefitted projects on any reasonable documented basis. Where the purchase of equipment or other capital asset is specifically authorized under a Federal award, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required. See also 2 CFR §200.310 Insurance coverage through 200.316 Property trust relationship and 200.439 Equipment and other capital expenditures.*

is essential to this process. Because of the need to provide maximum flexibility to accommodate various organization structures, costs, and budgets in local areas, there is no single method prescribed for allocating costs.

In selecting a method to allocate infrastructure and additional costs, consider the additional effort and expense required to achieve a greater degree of accuracy. General criteria that should be used in selecting an allocation base include the following:

- **Allocation Bases.** When costs cannot be directly assigned to a final cost objective, the costs are placed in a pool that will be allocated at a later time to the benefiting partner programs. A cost pool contains a group of common costs to be allocated by using an indirect or approximate measure of benefit. The approximate measure of benefit is the allocation base. An allocation base is the method of documentation used to measure the extent of benefits received when allocating joint costs among multiple cost objectives. Many different types of bases can be used in allocating costs. The most appropriate base will vary depending on the circumstances. One-stop partner programs may agree to use several different bases for allocating different types of costs in the one-stop center. A local area may allocate costs differently among one-stop centers in that local area. Acceptable methods for distributing pooled costs may vary by type of organization, functional units, or levels within an organization, types of cost to be allocated, and cost category. The basis used to allocate a particular type of cost must be used consistently over time (2 CFR 200.403(d)).
- **Inputs.** The Departments consider inputs – the most commonly used allocation bases – to be the resources used in a process, activity, or service. Using inputs, the cost is allocated at the same time it is incurred and the usage must be documented. Examples of input bases include: (1) staff time allocated on the basis of time sheets and time distribution records; (2) facilities allocated on the basis of square footage; (3) accounting services allocated on the basis of transactions; and (4) equipment or supplies allocated based on usage.
- **Outputs.** The Departments consider outputs to be the results of an activity or service. Examples of output allocation bases include: (1) participants and reportable individuals under a specific program; (2) number of customers who are obtaining employment after self-directed job search; and (3) number of customers receiving a specific career service. One of the issues associated with output-based allocations is that they will vary over time, usually based on client flow. For this reason, output-based allocations may result in large changes in the resources needed to fund the pooled costs when the budgets are adjusted to actual costs and, therefore, should be used with caution.

An allocation base is acceptable if it represents a fair measure of cost benefit and if it results in an equitable and reasonable distribution of the costs of services rendered or goods provided. Each base should be considered on its own merits as to the purpose for using it

and the degree of equity and reasonableness it will achieve in allocating infrastructure or additional costs. The Departments consider the following to be standards for acceptable bases:

**Minimal Distortion.** The base should allocate costs in a fair and equitable manner without distorting the results. This requires that the base be as causally related as possible to the types of costs being allocated, so that benefit can be measured as accurately as possible. For example, building costs may be allocated based on square footage used by a partner program.

- **General Acceptability.** Consistent with 2 CFR 200.403(e), the base should be generally accepted and in conformance with Generally Accepted Accounting Principles (GAAP). For example, the base should be consistently applied over time. The base should also be drawn from the same period during which the costs have been incurred and allocated.
- **Represents Actual Cost or Effort Expended.** The base should be a measure of actual cost or actual effort expended. It should be based on historical data and not solely on a plan, projection, budget, job description, or other estimates of planned activity. This means that partner contributions determined from allocation methodologies based originally on a budget must be reconciled periodically to actual costs to ensure the contribution is reflective of relative benefits received by the partner over time.
- **Timely Management Control.** The base should be within management's ability to control on a timely basis. The base should produce reliable and fairly predictable results. If the base is erratic and unpredictable, beyond management's ability to control, or not timely, it is likely to produce unacceptable results. For example, if time studies are used, but do not accurately reflect seasonal or workload fluctuations, such a base may not be suitable in allocating costs.
- **Consistency with Variations in Funding.** The base must be able to accommodate and withstand changes in funding during the year and from year to year. If the base includes factors that are affected by variations in funding, it could produce distorted results.
- **Materiality of Costs Involved.** The time and expense spent in developing and implementing the base should not be greater than justified by the materiality of the costs to be allocated. In other words, the grantee should not spend more on obtaining the information needed to allocate pooled costs than the dollars in the pool warrant. The base should be sufficiently detailed to provide the most equitable and accurate allocation possible. At the same time, the base should be simple enough to be efficient while still attaining a fair distribution of costs.
- **Practicality and Cost of Using the Base.** The base should be as efficient as possible in terms of the cost or effort in developing it. Thus, wherever possible, a database



that already exists in the financial or participant record keeping and reporting systems should be used rather than creating a separate database to be used only for allocating costs.

Additional examples of common cost pools and allocation bases are described in Attachment I: Examples of Cost Pools and Possible Allocation Bases.

9. **Valuation.** Contributions for infrastructure and additional costs may be made from cash, non-cash, or third-party in-kind contributions. Non-cash and third-party in-kind contributions must be fairly evaluated in accordance with the Uniform Guidance at 2 CFR 200.306, and must be in the agreed upon one-stop operating budget that must contain an infrastructure cost budget and an additional costs budget. All partner contributions, regardless of the source, must be reconciled and adjusted accordingly on a regular basis (i.e., monthly or quarterly) to ensure each partner program is contributing no more than its proportionate share based upon relative benefits received in accordance with the Uniform Guidance at 2 CFR part 200. To ensure that non-cash and third-party in-kind contributions are fairly evaluated, one-stop partners should agree on which sources or companies they use to assess or appraise the fair market value or fair rental value of non-cash and third-party in-kind contributions.

**Cash contributions.** Cash contributions are cash funds provided to the Local WDB or its designee by one-stop partners, either directly or by an interagency transfer, or by a third party.

**Non-cash contributions.** Non-cash contributions are expenditures incurred by one-stop partners on behalf of the one-stop center and goods or services contributed by a partner program and used by the one-stop center. The value of non-cash contributions must be consistent with 2 CFR 200.306 and reconciled on a regular basis (i.e., monthly or quarterly) to ensure they are fairly evaluated and meet the partners' proportionate share.

**Example 1:** For Program Year (PY) 2017, a partner's proportionate use of the one-stop center results in a contribution of \$15,000. The partner does not have sufficient cash resources to fully fund its share and wishes to donate to the one-stop center (not for its own individual use) gently used surplus office furniture. The furniture is needed in the one-stop center. The office furniture was purchased in 2015 for \$18,500 using unrestricted or non-Federal funds. The office furniture has a current fair market value of \$10,000 and a depreciated value of \$11,100. In accordance with the requirements specified in the Uniform Guidance at 2 CFR 200.306(d), the value of the contribution must be the lesser of the current fair market value or the value of the remaining life of the property as recorded in the partner's accounting records at the time of donation, unless approval has been granted in accordance with 2 CFR 200.306(d)(2). The partner would be able to count the \$10,000 value as part of its \$15,000 contribution and would be required to use additional resources for the remaining \$5,000 balance of its share. This one-time contribution is recognized by the partner during the year in which the contribution is made.

**Example 2:** In the same example as above, the partner does not donate the gently used office furniture, but loans it for general use by partners at the one-stop center. The office furniture is on a 5-year depreciation schedule. The annual depreciation is \$3,700 and the annual fair rental value is \$3,500. In accordance with 2 CFR 200.306(i)(4), the partner may count \$3,500 as part of its contribution for that year. As with any depreciable asset, an assessment of its fair rental value must be done each year in which the equipment is loaned to the one-stop center. The one-stop partners must determine annually whether the one-stop center still requires the use of the office furniture and that this cost is built into the infrastructure funding agreement (IFA).

**Third-party in-kind contributions.** Third-party in-kind contributions are contributions of space, equipment, technology, non-personnel services, or other like items by a non-partner (i.e., a third-party) to support the infrastructure costs associated with one-stop operations. The value of third-party in-kind contributions must also be consistent with the Uniform Guidance at 2 CFR 200.306 and reconciled on a regular basis (i.e., monthly or quarterly) to ensure they are fairly evaluated and, if contributed on behalf of a particular program partner, meet the partner's proportionate share.

There are two types of third-party in-kind contributions: (a) general contributions to one-stop operations (i.e., those not connected to any individual one-stop partner); and (b) those made specifically to a one-stop partner program (20 CFR 678.715, 34 CFR 361.715, 34 CFR 463.715, and 2 CFR 200.306).

**Example 1:** For PY 2017, a local county government that is not a one-stop partner has a vacant building and would like to donate the space for use as a one-stop center. This in-kind contribution would not be associated with one specific partner, but rather would go to support the one-stop center generally and would be factored into the underlying budget and cost pools used to determine proportionate share of the partners, meaning that each partner's proportionate share may be lower. The valuation of donated space by a third party must adhere to the Uniform Guidance at 2 CFR 200.306(i)(3). The annual fair rental value of comparable space in the same locality, as established by an independent appraisal is \$77,000. As with all non-cash and third-party in-kind contributions, the value at which the space has been appraised is the amount accounted for in the infrastructure budget. The partners may use this donation of space as an offset towards the entire budget for infrastructure, thus reducing the partners' individual contributions. The valuation of the donated space must be assessed again each subsequent year.

The second type of in-kind contribution is a third-party contribution to a specific partner to support that partner's proportionate share of one-stop infrastructure costs. If the contribution was in the one-stop center's budget for infrastructure costs, the partner could then use the value of the third-party in-kind contribution to count towards its proportionate share.

**Example 2:** An employer provides assistive technology equipment to a VR program located in a one-stop center. The acquisition cost at the time of purchase by the employer was \$6,800, and at the time of the donation, the fair market value was assessed as \$4,500. If the assistive technology equipment was in the one-stop center's budget for infrastructure costs, the partner could use the fair market value of the donation towards its

contribution. The Uniform Guidance at 2 CFR 200.306(g) requires that the equipment be valued at no more than the fair market value (\$4,500) at the time of donation.

**Example 3:** A local literacy foundation wants to donate gently used computer equipment to the local one-stop center to support the infrastructure cost contribution of the designated AEFLA partner program in the local community. Computer equipment is part of the one-stop operating budget. The fair market value of the computer equipment is valued at \$9,200 at the time of donation. The AEFLA partner program's proportionate use of the one-stop center is determined to be \$12,500. The AEFLA partner program may use the fair market value of this equipment towards its infrastructure cost contribution for that program year. Furthermore, the AEFLA partner program is required to contribute an additional \$3,300 in resources to pay its remaining share.

**Infrastructure Funding Agreements (IFA).** The IFA contains the infrastructure costs budget, which is an integral component of the overall one-stop operating budget. The other component of the one-stop operating budget consists of additional costs, which include applicable career services, and may include shared operating costs and shared services. While each of these components covers different cost categories, an operating budget would be incomplete if any of these cost categories were omitted, as all components are necessary to maintain a fully functioning and successful local one-stop delivery system. Therefore, the Departments strongly recommend that the Local WDBs, one-stop partners, and CEOs negotiate the IFA, along with additional costs, when developing the operating budget for the local one-stop delivery system. The overall one-stop operating budget must be included in the MOU. IFAs are a mandatory component of the local MOU, described in WIOA sec. 121(c) and 20 CFR 678.500 and 678.755, 34 CFR 361.500 and 361.755, and 34 CFR 463.500 and 463.755. Similar to MOUs, the Local WDB may negotiate an umbrella IFA or individual IFAs for one or more of its one-stop centers.

As provided in section 14 of this guidance document, through DOL's use of the transition authority in section 503(b) of WIOA, a local area's PY 2017 final IFA must be in place no later than January 1, 2018, or by an earlier date specified by the Governor, rather than a part of the MOU that must be in place by July 1, 2017. This extension is provided to allow local areas additional time to negotiate and reach consensus on one-stop partner infrastructure funding contributions in PY 2017. During the extension period, local areas may use the funding agreement they used for PY 2016, with any such modifications as the partners may agree to, to fund infrastructure costs in the local area. All final IFAs must satisfy the requirements of sec. 121(h) of WIOA for funding the one-stop delivery system in PY 2017. For PY 2017 and subsequent program years, the IFA must be completed and signed by all required partners and additional partners that are participating by the date specified by the Governor.

Consistent with 20 CFR 678.755, 34 CFR 361.755, and 34 CFR 463.755, IFAs must include the following elements:

- a) The period of time in which the IFA is effective (which may be a different time

- period than the duration of the MOU);
- b) Identification of the infrastructure costs budget, which is a component of the one-stop operating budget;
  - c) Identification of all one-stop partners, CEO(s), and the Local WDB participating in the IFA;
  - d) A description of the periodic modification and review process to ensure equitable benefit among one-stop partners;
  - e) Information on the steps the Local WDB, CEO(s), and one-stop partners used to reach consensus or the assurance that the local area followed the SFM process; and
  - f) A description of the process to be used among partners to resolve issues related to infrastructure funding during the MOU duration period when consensus cannot be reached.

The Departments also consider it essential that the IFA include the signatures of individuals with authority to bind the signatories to the IFA, including all one-stop partners, CEO(s), and Local WDB participating in the IFA.

Items (d) through (f) above are extremely important for two reasons. First, they are designed to ensure that partners negotiate on a level playing field regarding the infrastructure funding of their one-stop centers. Second, they are designed to ensure that partners have established a process to attempt to resolve differences prior to triggering the SFM, as further described below.

The following are the general steps in the allocation of infrastructure costs process:

1. Identify one-stop operating costs, including infrastructure costs and additional costs.
2. Develop the one-stop operating budget that includes an infrastructure costs budget and additional costs budget.
3. Develop the cost allocation methodology, including the identification of cost pools and allocation bases.
4. Determine estimated partner contributions.
5. Prepare and agree to the IFA(s).
6. Allocate actual costs by each partner's proportionate use and relative benefit received.
7. Conduct a periodic reconciliation (i.e., monthly or quarterly).
8. Modify infrastructure costs budget and/or cost allocation methodology, as appropriate.
9. Evaluate the existing process and prepare for the following program year.

Please note the IFAs do not need prior approval from a Federal cognizant agency or a pass-through agency that would have otherwise reviewed and approved proposals for the allocation of indirect costs. However, the infrastructure funding mechanisms are subject to review by Federal administering agencies and one-stop partners to ensure compliance with applicable requirements.

**10. Infrastructure Funding Mechanisms.** Infrastructure costs are funded either through the LFM or SFM.

The LFM affords Local WDBs and local one-stop partner programs flexibility to design and fund a one-stop delivery system through consensus, to meet the needs of their local or regional area by leveraging the funds and resources available to partners, and the Local WDB to optimally provide program services (20 CFR 678.715 through 678.725, 34 CFR 361.715 through 361.725, and 34 CFR 463.715 through 463.725). If the Local WDB fails to reach consensus with all of the required partners with regard to the amount each partner will contribute to the one-stop delivery system's infrastructure costs pursuant to WIOA sec. 121(h)(1)(A)(i)(I), the SFM is triggered pursuant to WIOA sec. 121(h)(1)(A)(ii) and 20 CFR 678.725 and 678.730, 34 CFR 361.725 and 361.730, and 34 CFR 463.725 and 463.730.

Under the SFM, the Governor is required to calculate the statewide funding caps and the amount available for local areas that have not reached consensus, and to determine the partners' contributions for infrastructure costs using the process outlined below, as well as in 20 CFR 678.730 through 678.738, 34 CFR 361.730 through 361.738, and 34 CFR 463.730 through 463.738. The Governor calculates the statewide caps by considering total funding for a partner program against the statutory caps specified in WIOA for infrastructure costs. Please note that WIOA and its implementing regulations identify caps for specific partner programs. The SFM is only applicable to required one-stop partners, and cannot be triggered by additional one-stop partners not reaching consensus.

The intent of the LFM is to encourage local areas to make a good-faith effort to reach consensus in developing a local IFA. The SFM is intended as a failsafe if local partners cannot come to consensus regarding infrastructure cost funding. However, the application of capped levels of funding under the SFM may restrict the amount one-stop partners have available for infrastructure cost funding in a given local area.

**Local Funding Mechanism.** In the LFM, the Local WDB, CEO(s), and one-stop partners negotiate and agree to the amounts that each partner will contribute for one-stop infrastructure funding, as well as the methods of calculating these amounts in order to include the infrastructure funding terms in the MOU as an IFA, and to sign the IFA and MOU in accordance with WIOA secs. 121(c)(2)(A)(ii) and 121(h)(1)(A)(i).

- A one-stop partner program's proportionate share of funding must be calculated in accordance with WIOA, its implementing regulations, and the Uniform Guidance. It must be based upon a reasonable cost allocation methodology, whereby infrastructure costs are charged to each partner based on the partner's proportionate use of the one-stop center and the relative benefits received, and must be allowable, reasonable, necessary, and allocable. Partners' contributions must be periodically reviewed (i.e.,

monthly or quarterly) and reconciled against actual costs incurred, and adjusted to ensure that actual costs charged to any one-stop partner are based on proportionate use and relative benefit received by the one-stop partner and its respective program or activities.

- WIOA does not include any caps on the amount or percentage of overall funding a one-stop partner may contribute to fund infrastructure costs under the LFM, except that each partner program's contributions must be consistent with the program's authorizing statute and regulations, as well as with the Uniform Guidance. Detailed guidance about which categories of funds programs can use is found above in section 6. The VR program does not distinguish between program or administrative funds. However, VR agencies must report contributions for infrastructure costs as administrative costs. Contributions from the AEFLA and Perkins IV programs must be from local administrative funds. Contributions made using administrative funds may not exceed the amount available for administrative costs under the authorizing statute or regulations of the partner program. In addition, no partner may contribute more than its proportionate share based on relative benefit and use by the program, consistent with the Uniform Guidance set forth in 2 CFR part 200 (see 20 CFR 678.720, 34 CFR 361.720, and 34 CFR 463.720).

**State Funding Mechanism.** Although the local one-stop operating budget contains different cost components, failure by only one of the required partners to reach consensus in a local area with respect to the infrastructure costs in the IFA will trigger implementation of the SFM. A failure by required partners to reach consensus on additional costs does not trigger the SFM. If the Local WDB and required one-stop partners fail to reach consensus on funding infrastructure costs under the LFM, as outlined above, this will trigger the SFM. Even if all required partners *except one* agree on the terms of the IFA, consensus is not reached, and the SFM is triggered.

The SFM does not apply to additional partners and cannot be triggered by an additional partner's disagreement on the terms of the IFA or their refusal to sign the IFA. While additional partners are not subject to the SFM, they still are required to contribute to one-stop infrastructure cost funding in accordance with the program's proportionate use of the one-stop center and relative benefit received, consistent with the requirements for one-stop partner contributions in WIOA, the Joint WIOA Final Rule, and the Uniform Guidance at 2 CFR part 200.

The SFM has eight discrete steps that must be followed by the Governor<sup>4</sup> and Local WDB in

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<sup>4</sup>20 CFR 678.730(c) *In certain situations, the Governor does not determine the infrastructure cost contributions for some one-stop partner programs under the State funding mechanism. (1) The Governor will not determine the contribution amounts for infrastructure funds for Native American program grantees described in 20 part 684 of this chapter. The appropriate portion of funds to be provided by Native American program grantees to pay for one-stop infrastructure must be determined as part of the development of the MOU described in § 678.500 and specified in that MOU. (2) In States in which the policy-making authority is placed in an entity or official that is independent of the authority of the Governor with respect to the funds provided for adult education and literacy activities authorized under title II of WIOA, postsecondary career and technical education activities authorized under the*

accordance with the statute and 20 CFR 678.730 through 678.750, 34 CFR 361.730 through 361.750, and 34 CFR 463.730 through 463.750. These steps are addressed in detail below.

**Step 1: Notice of failure to reach consensus given to the Governor.** If the Local WDB, local one-stop partners, and CEO(s) cannot reach consensus on methods of sufficiently funding a one-stop center's infrastructure costs and the amounts to be contributed by each local partner program, the Local WDB is required to notify the Governor. Notification must be given to the Governor by the specific date established in the Governor's guidance on infrastructure funding. Because the SFM requires the Governor to make complex calculations and determinations and seek the counsel of multiple parties in doing so, it is strongly advised that this date be set at least a few months in advance of the beginning of the next Program Year (i.e., April or May for PY 2018 and those thereafter) in order to allow sufficient time for these calculations and determinations to be completed well before the start of the program year for which infrastructure costs are being negotiated (see section 14 of this guidance for a discussion of the implementation timeline for PY 2017).

**Step 2: Local negotiation materials provided to the Governor.** In order to assist the Governor in making these calculations and determinations, the Local WDB must provide the appropriate and relevant materials and documents used in the negotiations under the LFM, preferably when notifying the Governor of the failure to reach consensus. At a minimum, the Local WDB must give the Governor: (1) the local WIOA plan; (2) the cost allocation methodology or methodologies proposed by the partners to be used in determining the proportionate share; (3) the proposed amounts or budget to fund infrastructure costs and the amount of partner funds included; (4) the type of funds (cash, non-cash, and third-party in-kind contributions) available; (5) any proposed or agreed upon one-stop center or system budget; and (6) any partially agreed upon, proposed, or draft IFAs. The Local WDBs also may give the Governor additional materials that they or the Governor find to be appropriate.

**Step 3: The Governor determines one-stop center infrastructure budget(s).** The Governor must determine the infrastructure budget(s). Depending on the local delivery system structure, there may be more than one infrastructure budget, each of which is contained in a one-stop operating budget. While the Governor should take into account the one-stop center's operating budget, the Governor only has the power to determine the infrastructure budget under the SFM. The Governor must determine the infrastructure budget in one of two ways. If, as a result of an agreed upon infrastructure budget, only the individual programmatic contributions to infrastructure funding based upon proportionate use of the one-stop centers and relative benefit received are at issue, the Governor may accept the infrastructure budget, from which the Governor must calculate

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*Carl D. Perkins Career and Technical Education Act of 2006, or VR services authorized under title I of the Rehabilitation Act of 1973 (other than sec. 112 or part C), as amended by WIOA title IV, the determination of the amount each of the applicable partners must contribute to assist in paying the infrastructure costs of one-stop centers must be made by the official or chief officer of the entity with such authority, in consultation with the Governor. (See also 34 CFR 361.730(c) and 34 CFR 463.730(c).)*

each partner's contribution consistent with the cost allocation methodologies contained in the Uniform Guidance. We recommend that the Governor utilize this course of action if it is available.

If, however, an infrastructure budget or budgets were not agreed upon in the local negotiations, or the Governor determines that the agreed upon budget does not adequately meet the needs of the local area or does not reasonably work within the confines of the resources available to that local area in accordance with the Governor's guidance on one-stop infrastructure funding, then the Governor must use a formula determined by the State WDB. This formula must identify the factors, as well as each factor's corresponding weight, that the Governor must use in determining the one-stop center infrastructure budget. At a minimum, these factors must include: (1) the number of one-stop centers in a local area; (2) the total population served by such centers; (3) the services provided by such centers; and (4) any factors relating to the operations of such centers in the local area that the State WDB determines are appropriate (20 CFR 678.745, 34 CFR 361.745, and 34 CFR 463.745).

**Step 4: Governor establishes cost allocation methodology.**<sup>5</sup> After an infrastructure budget has been determined, the Governor must establish a cost allocation methodology that determines the distribution of infrastructure funding costs among the local one-stop partners in accordance with the principles of proportionate use of the one-stop center and relative benefit received. This allocation methodology must be consistent with the Federal Cost Principles of the Uniform Guidance in 2 CFR part 200, all relevant Federal regulations and statutes, further regulatory guidance, and the partner programs' authorizing laws and regulations. Beyond these requirements, the determining factor can be a wide range of variables, such as number of customers served, square footage used, or a different basis that is agreed upon for determining each partner's contribution level for infrastructure costs.

**Step 5: Partners' proportionate shares are determined.** Once a methodology is established, the Governor must use this methodology to determine each required one-stop partner's proportionate share of infrastructure funding costs. The Governor must take into account a number of factors in reaching a proportionate share determination including: (1) the costs of administration of the one-stop delivery system for purposes not specifically related to a one-stop center for each partner (such as costs associated with maintaining the Local WDB or information technology systems); (2) statutory requirements for each partner program; (3) each one-stop partner's ability to fulfill such requirements; and (4) all other applicable legal requirements. The Governor may draw upon any proportionate share determinations made during the local negotiations, including any agreements reached at the local level by one or more partners, as well as any other materials or documents from the negotiating process.

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<sup>5</sup> As described in section 8 of this guidance, a local area may use more than one cost allocation methodology to distribute costs.



In some instances, the Governor does not determine each one-stop partner's contribution amounts for infrastructure costs. In States where the policy-making authority is placed in an entity or official that is independent of the authority of the Governor with respect to the funds provided for the AEFLA program, postsecondary career and technical education activities authorized under Perkins IV, or the VR program, the determination of the amount each of the applicable partners must contribute to assist in paying the infrastructure costs of one-stop centers must be made by the official or chief officer of the entity with such authority, in consultation with the Governor.

For other required partner programs in which grant awards are made to entities that are independent of the authority of the Governor, such as Job Corps center contractors or grant recipients of the DOL-administered national programs, the determination of the amount each of the applicable partners must contribute to assist in paying the infrastructure costs of one-stop centers continues to be made by the Governor, through the authority granted to the Governor by WIOA and its implementing regulations.

**Step 6: Governor calculates statewide caps.** Once the Governor has created a cost allocation methodology, the Governor then must calculate the statewide caps to determine the maximum amounts that required partner programs could be *required* to contribute toward infrastructure funding in that local area. There are no statewide caps for additional partners because the SFM does not apply to them.

The statewide caps are a statutory requirement for purposes of the SFM, even when only one local area is unable to reach consensus on an IFA through the LFM. However, the caps only restrict those infrastructure cost contributions required by one-stop partners within the local area(s) that has (or have) not reached consensus. The caps used in the application of the SFM are referred to as the applicable program caps, which must be calculated by the Governor using the five sub-steps listed below.

In the event that more than one local area in a State does not reach consensus, then the aggregate of the infrastructure funding costs that must be contributed by each required one-stop partner in all of the local areas that did not reach consensus is restricted by the applicable program cap.

- For example, if three of seven local areas within a State did not reach consensus, then the required infrastructure funding contributions of each required one-stop partner under a particular program in these three areas would be added together, the sum of which could not exceed the calculated applicable program cap.

The Governor must take five sub-steps to calculate the applicable program cap for any given program.

<u>Sub-Step 1:</u>	The Governor must apply a partner's individual applicable limiting percentage (the statutory percentages listed in WIOA sec. 121(h)(2)(d))—which is dependent on the type of program (see chart below)—to the total Federal funding which that program receives for the affected program year to reach the maximum potential cap (MPC). The applicable limiting percentage for a program is listed below and in WIOA sec. 121(h)(2)(d), 20 CFR 678.738(c), 34 CFR 361.738(c), and 34 CFR 463.738(c). <u>Some programs will use previous years' funding to determine the cap due to internal program funding allocation or reallocation methods.</u>
<u>Sub-Step 2:</u>	The Governor must select a determining factor or factors that reasonably indicate the use of one-stop centers in the State. This could be, for example, total population, concentration of wealth, or another factor that is applicable to the State's workforce dynamic.
<u>Sub-Step 3:</u>	The Governor applies the determining factor(s) to <i>all</i> local areas across the State, and then determines the percentage of the factor(s) that is applicable to those areas that reached consensus, or the consensus areas' factor percentage.
<u>Sub-Step 4:</u>	The Governor then applies the consensus areas' factor percentage to the MPC to find the consensus areas' portion of the MPC.
<u>Sub-Step 5:</u>	The Governor subtracts the amount equal to the consensus local areas' portion of the MPC from the MPC. The remaining amount is the applicable program cap for use in the local areas that have not reached consensus and are subject to the SFM.

**Limiting Percentages for Programmatic Statewide Caps on Infrastructure Funding Under the State Funding Mechanism:**

<u>Program Type</u>	<u>Limiting Percentage</u>
WIOA title I programs (youth, adult, or dislocated worker)	3%
Wagner-Peyser Act ES	3%
AEFLA	1.5%
Perkins IV	1.5% of funds made available for postsecondary level programs and activities and funds used to administer postsecondary level programs and activities in the prior year
VR	
PY 2017	0.75% of Fiscal Year 2016 Federal VR funding
PY 2018	1% of Fiscal Year 2017 Federal VR funding
PY 2019	1.25% of Fiscal Year 2018 Federal VR funding
PY 2020 and subsequent years	1.5% of Fiscal Year 2019 (or applicable)

<u>Program Type</u>	<u>Limiting Percentage</u>
	previous year) Federal VR funding
TANF	1.5% of funds from the previous year spent on work, education, and training activities, plus any associated administrative costs
CSBG	1.5% of funds from the previous year spent by local CSBG-eligible entities to provide employment and training activities, plus any associated administrative costs
Other required partners including Job Corps; YouthBuild; Native American programs; MSFW (NFJP) programs; SCSEP; TAA; UC; HUD employment and training programs; and programs authorized under sec. 212 of the Second Chance Act of 2007	1.5%
Additional (non-required) partners	SFM does not apply

Step 6 contains five sub-steps of which sub-steps 1, 4, and 5 contain the following formulas:

Sub-Step 1

$$\text{Limiting percentage} \times \text{total Federal program funding} = \text{MPC}$$

Sub-Step 4

$$\text{Consensus areas' factor percentage} \times \text{MPC} = \text{consensus areas' portion of the MPC}$$

Sub-Step 5

$$\text{MPC} - \text{consensus areas' portion of the MPC} = \text{applicable program cap for non-consensus area(s)}$$

Cap calculation examples:

- **Example 1:** In PY 2017, there are seven local areas within a State, two of which have not reached consensus on infrastructure funding. *Program A*—which is a WIOA title I program—receives \$30 million in total Federal funding for PY

2017. Applying the appropriate **limiting percentage** of three percent to the program's **total Federal funding** results in a **MPC** of \$900,000 for PY 2017.

$$.03 \times 30,000,000 = 900,000$$

The Governor selects total population as the **determining factor** and finds that 70 percent of the State's population resides in local areas that have reached consensus, which is the **consensus areas' factor percentage**. The Governor then applies the **consensus areas' factor percentage** (70 percent) to the **MPC** (\$900,000), resulting in the **consensus areas' portion of the MPC** being \$630,000.

$$.7 \times \$900,000 = \$630,000$$

Finally, the Governor subtracts the **consensus areas' portion of the MPC** (\$630,000) from the **MPC** (\$900,000), giving an **applicable program cap** of \$270,000 for the non-consensus area(s). This portion of the cap does not have to be divided evenly between local areas, but rather in a manner determined by the Governor.

$$\$900,000 - \$630,000 = \$270,000$$

- **Example 2:** In addition to *Program A* listed above, *Program B*—a VR program—received a Federal VR allotment of \$10 million for the State in FY 2016. Applying the appropriate PY 2017 **limiting percentage** of 0.75% to the **State's Federal FY 2016 VR allotment** results in a **MPC** of \$75,000 for PY 2017.

$$.0075 \times \$10,000,000 = \$75,000$$

The Governor selects total population as the **determining factor**, and finds that 70 percent of the State's population resides in local areas that have reached consensus, which is the **consensus areas' factor percentage**. The Governor then applies the **consensus areas' factor percentage** (70 percent) to the **MPC** (\$75,000), resulting in the **consensus areas' portion of the MPC** being \$52,500.

$$.7 \times \$75,000 = \$52,500$$

Finally, the Governor subtracts the **consensus areas' portion of the MPC** (\$52,500) from the **MPC** (\$75,000), giving an **applicable program cap** of \$22,500 for the non-consensus area(s).

$$\$75,000 - \$52,500 = \$22,500$$

**Step 7: Governor assesses the aggregate total of infrastructure contributions as it relates to the statewide cap.** Once the Governor has determined the applicable program cap for each program, as well as the proportionate share of the infrastructure costs that the Governor has determined under Step 5 would be required of each local required one-

stop partner in a non-consensus area without regard to the cap, the Governor must ensure that the funds required to be contributed by each partner program in the non-consensus local area(s), in aggregate, do not exceed the applicable program cap.

If the aggregate total contributions are below the applicable program cap, then the Governor must direct the one-stop partners to contribute what was determined to be their proportionate shares. If the aggregate total contributions exceed the cap, then the Governor may either:

- A. Inquire as to whether those local partner programs that have pushed the aggregate total contributions above the applicable program cap (i.e., those whose contributions would have otherwise exceeded the Statewide cap on contributions) are willing to contribute beyond the applicable program cap in accordance with their proportionate share; or
- B. Allow the Local WDB, one-stop partners, and CEO(s) to:
  - Re-enter negotiations to reassess each one-stop partner's proportionate share and make adjustments and identify alternate sources of funding to make up the difference between the capped amount and the proportionate share of infrastructure funding of the one-stop partner; and
  - Reduce infrastructure costs to reflect the amount of funds available without exceeding the applicable program cap level.

**Step 8: Governor adjusts proportionate shares.** The Governor must make adjustments to specific local partners' proportionate share in accordance with the amounts available under the applicable program cap for the associated program, if the Local WDB, CEO(s), and the required one-stop partners fail to reach agreement on how to address the situation in which the proportionate share exceeds the cap using the approaches described in Step 7. The aggregate total contribution of a program's local one-stop partners under the SFM may not exceed the applicable program cap.

11. **Appeals Process.** The Governor must establish a process, described in the Unified or Combined State Plan, for one-stop partners to appeal the Governor's determination regarding the one-stop partner's portion of funds to be provided for one-stop infrastructure costs under the SFM, as outlined in 20 CFR 678.750, 34 CFR 361.750, and 34 CFR 463.750.

**Partner programs not under the control of the Governor.** Under the SFM, the Governor has authority to determine the financial contribution of all required one-stop partners towards infrastructure costs in accordance with 20 CFR 678.725 through 678.738, 34 CFR 361.725 through 361.738, and 34 CFR 463.725 through 463.738. For AEFLA programs and activities, the VR program, and postsecondary career and technical education activities under Perkins IV, in States in which the policy-making authority is placed in an entity or official that is independent of the authority of the Governor, the determination of the amount each of these programs must contribute toward infrastructure costs must be made by the official or chief officer of the entity with policy-making authority, in consultation with the Governor (20 CFR 678.730(c)(2), 34 CFR 361.730(c)(2), and 34 CFR 463.730(c)(2)).

**12. Preference for Implementing the Local Funding Mechanism.** The Departments emphasize the importance of local one-stop partners, Local WDBs, and CEOs reaching consensus on infrastructure funding during local negotiations, thus avoiding the necessity of utilizing the SFM. The underlying reason for this is that local parties involved in the development of the MOU, whether they are one-stop partners, Local WDBs, or CEOs, are more likely to understand the needs of the local area's workforce, how to best meet these needs through the one-stop delivery system, and the resources needed to meet these needs, as well as the best way to obtain these resources to encourage the use of the LFM and input from local entities. There are no specific programmatic caps on the amount or percent of overall funding a one-stop partner may contribute to fund infrastructure costs under the LFM, except that contributions for administrative costs may not exceed the amount available for administrative costs where applicable under the authorizing statute of the partner program, and contributions may not exceed a partner's proportionate use or relative benefit received consistent with the requirements of the Uniform Guidance.

Under the SFM, the Governor may direct the Local WDB, CEO(s), and required one-stop partners into renegotiations. In this event, parties may come to agreement, sign a MOU, and proceed under the LFM. Such actions do not require the redetermination of the applicable caps under the SFM.

It is expected that the Governor generally will draw heavily from the local negotiation process throughout the implementation of the SFM. As such, even if consensus cannot ultimately be reached in a local area, it is to the benefit of each local one-stop partner to actively participate in local negotiations in a good faith effort to reach agreement. Governors are encouraged to take into account agreed upon budgets, proposed funding commitments, proposed or agreed upon proportionate share allocation methodologies, and other information generated during local negotiations. Parties negotiating in good faith will consequently have much more influence over the outcomes of an eventual implementation of the SFM, if that is necessary.

The SFM's programmatic caps create uncertainty for local one-stop partners regarding how much they will be required to contribute toward infrastructure costs and the level of service they will be able to provide to their participants. For example, if only one local area in a State is unable to reach agreement, then that local area's one-stop partners could be held responsible for the total difference between the MPC and the amount that the consensus area is already considered to have contributed towards the MPC. Since the Governor, not the one-stop partners, has the final say under the SFM concerning the proportionate shares of each local one-stop partner and the allocation method under which this is calculated, a one-stop partner could pay far more under the SFM than it would have paid under the LFM.

One-stop operating budget and partner proportionate shares are calculated before the caps are calculated under the SFM, and the caps do not automatically contribute to a restriction of services. This order of calculations permits local one-stop partners that are willing to contribute above their applicable cap amounts within the bounds of the requirements of authorizing statutes, so long as no partner pays more than its proportionate share, based on proportionate use and relative benefit received, consistent with the Uniform Guidance in 2 CFR part 200.

**13. Roles and Responsibilities.** This section outlines the roles and responsibilities of Governors, State and Local WDBs, CEOs, and one-stop partners.

**Governors.** After consultation with CEOs and the State and Local WDBs, the Governor must issue guidance, in accordance with 20 CFR 678.705, 34 CFR 361.705, and 34 CFR 463.705, about the funding of one-stop infrastructure costs to:

- State-administered one-stop partner programs, to determine partner contributions to the one-stop delivery system, based on each partner's proportionate use of the one-stop system and relative benefit received, consistent with the Uniform Guidance at 2 CFR part 200; and
- Local WDBs, CEOs, and one-stop partners, to assist in determining equitable and stable methods of funding infrastructure costs based on partners' proportionate use and relative benefit received from operating within the one-stop delivery system (WIOA sec.121(h)(1)(B)(i)). The guidance issued by the Governor must cover partner roles in identifying infrastructure costs; approaches to facilitate development of a reasonable cost allocation methodology/methodologies, in which infrastructure costs are charged based upon proportionate use and the relative benefits received by the partner; timelines for the appeal process; and timelines to notify the Governor of failure to reach a local consensus. The Governor also is responsible for performing many of the functions of the SFM, as is detailed above.

**State WDBs.** State WDBs consult with the Governor to assist with the issuance of guidance regarding the funding of infrastructure costs, as outlined above and in 20 CFR 678.705(a), 34 CFR 361.705(a), and 34 CFR 463.705(a). State WDBs also are responsible for the development of the formula used by the Governor under the SFM to determine a one-stop center's budget if either a budget was not agreed upon during initial local negotiations or the Governor rejects a budget for the reasons explained earlier in this guidance (20 CFR 678.745, 34 CFR 361.745, and 34 CFR 463.745).

**Local WDBs.** Local WDBs and one-stop partners must establish, in the MOU, an IFA for how the Local WDB and programs will fund the infrastructure costs of the one-stop centers (WIOA sec. 121(c)(1), 20 CFR 678.500(b)(2)(i), 34 CFR 361.500(b)(2)(i), and 34 CFR 463.500(b)(2)(i)). If one-stop partners are unable to reach consensus on funding for infrastructure costs of one-stop centers, the Local WDB must notify the State WDB, Governor, and relevant State agency (20 CFR 678.510(c), 34 CFR 361.510(c), and 34 CFR 463.510(c)).

**Chief Elected Officials.** CEOs consult with the Governor to assist in issuing guidelines regarding the one-stop service delivery funding mechanism, as outlined above (20 CFR 678.705, 34 CFR 361.705, and 34 CFR 463.705).

**One-Stop Partners.** One-stop partners are to act in good faith and negotiate infrastructure costs and additional costs of operating a local one-stop delivery system in a transparent manner (20 CFR 678.510(a), 34 CFR 361.510(a), and 34 CFR 463.510(a)). Jointly-funded

infrastructure and additional costs are a necessary foundation for a one-stop service delivery system. Through the sharing of infrastructure costs and additional costs, partners are empowered to build a robust one-stop delivery system. By embracing the one-stop opportunities, one-stop partners are able to build community-benefiting bridges, rather than silos of programmatic isolation. These partnerships may reduce administrative burden and costs and increase customer access and performance outcomes.

Required one-stop partner programs have specific governance, operations, and service delivery roles, which are outlined in WIOA sec. 121(b)(1)(A) and 20 CFR 678.420, 34 CFR 361.420, and 34 CFR 463.420. Additional partners provide services and also must contribute towards the infrastructure and additional costs of operating a local one-stop delivery system.

14. **Implementation Timeline.** DOL is using its transition authority in WIOA sec. 503(b) to provide an extension for the implementation date of the final IFAs for PY 2017. With this extension, final IFAs must be in place no later than January 1, 2018. However, Governors have the discretion to require local areas to enter into final IFAs at any time between July 1, 2017 and January 1, 2018. During the extension period, local areas may use the funding agreement they used for PY 2016, with any such modifications as the partners may agree to, to fund infrastructure costs in the local area. Furthermore, during the extension period, the regulations at 20 CFR 678.510(b) and 678.715(c), 34 CFR 361.510(b) and 361.715(c), and 34 CFR 463.510(b) and 463.715(c) providing for a six-month interim IFA do not apply. This extension does not change the deadline of July 1, 2017 for the rest of the MOU.
15. **Action Requested.** The Departments encourage Governors, State and Local WDBs, and Federal program partners to begin consultations about the infrastructure LFM and SFM immediately to support the development and issuance of guidance regarding one-stop service delivery system funding as soon as possible.
16. **Inquiries.** Questions and comments from DOL-funded grantees may be directed to the appropriate ETA Regional Office and Federal Project Officer. Questions and comments from ED-funded grantees may be directed to the appropriate RSA State Liaison or OCTAE Area Coordinator.
17. **Attachments.**

Attachment I: Examples of Cost Pools and Possible Allocation Bases

Attachment II: Paying for the One-Stop Delivery System

Attachment III: Infrastructure Costs: Funding Sources

Attachment IV: One-Stop Operating Costs



## Attachment I: Examples of Cost Pools and Possible Allocation Bases

Cost Pool	Possible Allocation Bases
<b>Facilities:</b> Building rent, maintenance costs, utilities, tenant improvements, or any other similar costs related to the physical structure housing the one-stop center.	Square footage occupied by each partner agency as compared to the total space. Workstation usage by partners as compared to total workstations.
<b>Telecommunications:</b> Monthly telephone costs, telephone system equipment, data lines, T-1 lines, and other similar costs.	Dedicated telephone units as compared to all units.
<b>Information Technology:</b> Shared equipment, software, IT maintenance costs, Internet access, and other similar costs.	Number of dedicated computers (including all necessary equipment) as compared to total.
<b>Resource Center:</b> Costs of shared equipment, displays, computer learning, specialized software for computer learning, furniture, copier, fax machine; may also include related staff costs.	Number of program participants or reportable individuals utilizing the resource center.
<b>Common Intake System:</b> Costs of developing common intake data formats, preparation and interview of customers, and similar costs.	Use of common data formats and data elements required for each program. Use of number of customer or participant records maintained by each partner program.
<b>One-Stop Center Management Staff:</b> Costs of the center director.	Number of partner program staff FTEs. Square footage of partner program benefit or number of program participants and reportable individuals served.
<b>One-Stop Center General Operations Staff:</b> Costs of the receptionist, staff of the resource center.	Number of partner program participants.
<b>Shared Equipment and Supplies:</b> Staff copier, fax, associated supplies, and furniture.	Usage by staff of each partner program. Occupancy (square footage) basis; numbers of staff workstations.
<b>Career Services:</b> Staff and benefit costs, development of common forms for case management, and similar costs.	Time distribution system (time sheets, work sampling, time and motion studies); numbers of clients eligible for specific program; weighted participation numbers.

## Attachment II: Paying for the One-Stop Delivery System

### GOVERNOR GUIDANCE

*WIOA sec. 121(h)(1)(B); 20 CFR 678.705, 34 CFR 361.705, 34 CFR 463.705*

Governors must issue guidance regarding the infrastructure funding of a one-stop delivery system after consultation with chief elected officials (CEO), the State workforce development board (WDB), and Local WDBs. The guidance must be consistent with guidance and policies provided by the State WDB.

### LOCAL DELIVERY SYSTEM

*WIOA sec. 121; 20 CFR 678.300, 34 CFR 361.300, 34 CFR 463.300*

- The Local WDB and CEO(s) finalize the list of one-stop delivery system partners in a local area
- The Local WDB, CEO(s), and partners:
  - Identify one-stop delivery system locations and determine types of locations (comprehensive, affiliate, specialized one-stop centers, etc.),
  - Determine services to be provided through the one-stop delivery system, and
  - Develop and agree on a one-stop delivery system operating budget(s).

### MEMORANDUM OF UNDERSTANDING (MOU)

*WIOA sec. 121(c); 20 CFR 678.500, 34 CFR 361.500, 34 CFR 463.500*

- The Local WDB, with the agreement of the CEO(s), develops and enters into a signed umbrella memorandum of understanding (MOU) or individual MOUs with the one-stop partners.
- MOUs must, at a minimum, describe the services to be provided, contain the one-stop operating budget, outline how infrastructure and additional costs will be funded, and contain several other elements outlined in WIOA sec. 121(c) and 20 CFR 678.500, 34 CFR 361.500, and 34 CFR 463.500.
- An **Infrastructure Funding Agreement (IFA)** is established that describes a reasonable cost allocation methodology, where infrastructure costs are charged to each partner based on partners' proportionate use of the one-stop center, relative to the benefits received from the use of the one-stop center consistent with Federal Cost Principles in the Uniform Guidance at 2 CFR part 200 and the Department of Labor exceptions at 2 CFR part 2900.
- The IFA must be consistent with the partner programs' authorizing laws and regulations, and other applicable legal requirements.
- Changes in the one-stop partners or an appeal by a one-stop partner's infrastructure cost contributions will require an update of the MOU.
- The IFA is a part of the MOU; it is not a separate document.

#### Was consensus on the IFA obtained?

##### Consensus Obtained Local Funding Mechanism

*WIOA sec. 121(h); 20 CFR 678.715 – 678.745, 34 CFR 361.715 – 361.745, and 34 CFR 463.715 – 463.745*

- Continue one-stop operations and service delivery.
- Periodically reconcile IFA with actual costs.
- Modify other costs, such as additional costs budget, and partner contributions, as appropriate.
- Modify allocation methods, if necessary.

##### No Consensus Obtained State Funding Mechanism

- When local negotiations for PY 2017 (and subsequent PYs) are unable to reach consensus, notify Governor by deadline established in Governor's guidance to trigger state funding mechanism<sup>1</sup>.
- Once partner contributions are determined, periodically reconcile IFA with actual costs.
- Modify other costs, such as additional costs budget, and partner contributions, as appropriate.
- Modify allocation methods, if necessary.

<sup>1</sup> For PY 2016, continue one-stop operations and service delivery as long as possible, using processes established under WIA.

## Types of One-Stop Delivery System Costs

### INFRASTRUCTURE COSTS

*WIOA sec. 121(h)(4); 20 CFR 678.700(a)-(b), 34 CFR 361.700(a)-(b), 34 CFR 463.700(a)-(b)*

- Non-personnel costs
- Costs necessary for the general operation of the one-stop center, including but not limited to:
  - Applicable facility costs (such as rent) including costs of utilities and maintenance
  - Equipment (including assessment-related products and assistive technology for individuals with disabilities)
  - Technology to facilitate access to the one-stop center, including technology used for the center's planning and outreach activities
  - May consider common identifier costs as costs of one-stop infrastructure
  - May consider supplies as defined in the Uniform Guidance at 2 CFR 200.94, to support the general operation of the one-stop center.

### ADDITIONAL COSTS

*WIOA sec. 121(i)(1); 20 CFR 678.760(a)-(b), 34 CFR 361.760(a)-(b), 34 CFR 463.760(a)-(b)*

*(Applicable career services, shared operating costs, and shared services)*

- Must include the costs of the provision of career services in WIOA sec. 134(c)(2) applicable to each program consistent with partner program's authorizing Federal statutes and regulations, and allocable based on Federal cost principles in the Uniform Guidance at 2 CFR part 200.
- May include shared operating costs and shared services that are authorized for, and may be commonly provided through, the one-stop partner programs, including initial intake, assessment of needs, appraisal of basic skills, identification of appropriate services, referrals to other one-stop partners, and business services.

### INFRASTRUCTURE FUNDING TYPES

*20 CFR 678.720 and 678.760, 34 CFR 361.720 and 361.760, 34 CFR 463.720 and 463.760*

#### Cash

- Cash funds provided to the local board or its designee by one-stop partners, either directly or by an interagency transfer, or by a third party.

#### Non-Cash

- Expenditures incurred by one-stop partners on behalf of the one-stop center; and
- Non-cash contributions or goods or services contributed by a partner program and used by the one-stop center.

#### Third-Party In-Kind

- Contributions of space, equipment, technology, non-personnel services, or other like items to support the infrastructure costs associated with one-stop operations, by a non-one-stop partner to:
  - Support the one-stop center in general; or
  - Support the proportionate share of one-stop infrastructure costs of a specific partner.

Must be valued consistent with 2 CFR 200.306 to ensure they are fairly evaluated and meet the partners' proportionate share. Partners must fairly value contributions on a periodic and annual basis.

**Attachment III: Infrastructure Costs: Funding Sources**

Dept.	Partner Program	Required/ Additional Partner	Admin. Funds to Pay for Infrastructure Costs <sup>1</sup>	Program Funds to Pay for Infrastructure Costs	State Funding Mechanism Applicable <sup>2</sup>
DOL	WIOA Title I programs: • Adult, Dislocated Worker, & Youth	Required	Yes	Yes	Yes
DOL	• Job Corps	Required	No	Yes	Yes
DOL	• YouthBuild	Required	Yes	Yes	Yes
DOL	• NFJP	Required	Yes	Yes	Yes
DOL	• Native American programs <sup>3</sup>	Required	Yes	Yes	No
DOL	Wagner-Peyser Act ES	Required	N/A <sup>4</sup>	Yes	Yes
DOL	SCSEP	Required	Yes	Yes	Yes
DOL	TAA program	Required	Yes	Yes	Yes
DOL	UC programs	Required	N/A <sup>4</sup>	Yes	Yes
DOL	JVSG programs	Required	N/A <sup>4</sup>	Yes	Yes
DOL	REO programs authorized under sec. 212 of the Second Chance Act of 2007 (42 U.S.C. 17532) and WIOA sec. 169	Required	Yes	Yes	Yes
ED	AEFLA program, authorized under WIOA title II	Required	Yes	No	Yes
ED	The State VR program authorized under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), as amended by WIOA title IV	Required	N/A <sup>4</sup>	Yes	Yes
ED	Career and technical education programs at the postsecondary level, authorized under the Carl D. Perkins Career and Technical Education Act of 2006	Required	Yes	No	Yes
HUD	Employment and training activities carried out by HUD	Required	Consult partners' authorizing documents.	Consult partners' authorizing documents.	Yes
HHS	Employment and training activities carried out under the CSBG programs	Required	Consult partners' authorizing documents.	Consult partners' authorizing documents.	Yes
HHS	TANF	Either <sup>5</sup>	Yes	No	Yes/No <sup>6</sup>
Other	Partners as outlined by WIOA sec. 121(b)(2)(B) and 20 CFR 678.410 <sup>7</sup>	Additional	Consult partners' authorizing documents.	Consult partners' authorizing documents.	No

**LIMITATIONS:**

<sup>1</sup> Partners' funding contributions for infrastructure costs are subject to the partner programs' administrative cost limitations and restrictions. The definition of administrative costs may also differ from one partner program to the next.

<sup>2</sup> Statutory caps for infrastructure funds is applicable only if the State Funding Mechanism is being implemented.

<sup>3</sup> Native American programs, as required One-stop partners, are strongly encouraged to contribute to infrastructure costs, but they are not required to make such contributions under WIOA.

<sup>4</sup> These programs do not distinguish between program or administrative funds since there is only one allotment from which all expenditures – administrative costs and program costs – must be paid. Although the VR program imposes no limits on the amount of funds that may be spent on administrative costs, VR agencies must report funds spent for infrastructure costs as administrative costs.

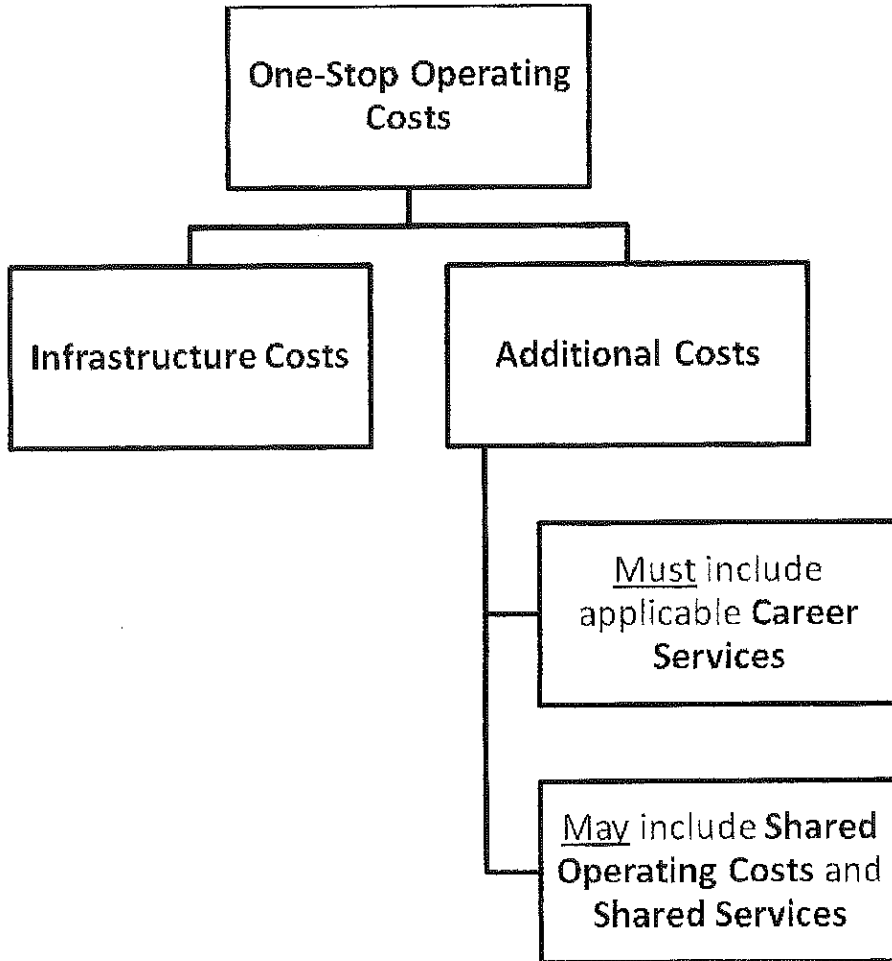
<sup>5</sup> At the discretion of the Governor, in accordance with WIOA sec. 121(b)(1)(C) and 20 CFR 678.405.

<sup>6</sup> The Governor may determine that TANF will not be a required partner.

<sup>7</sup> Additional partners are required to share in infrastructure costs when participating in the one-stop service delivery system; however, the State funding mechanism is not applicable to additional partners.

## Attachment IV: One-Stop Operating Costs

The figure below diagrams the organization of one-stop operating costs.



<b>EMPLOYMENT AND TRAINING ADMINISTRATION</b> <b>ADVISORY SYSTEM</b> <b>U.S. DEPARTMENT OF LABOR</b> <b>Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> WIOA – Adult, Dislocated Worker, ES
	<b>CORRESPONDENCE SYMBOL</b> OWI
	<b>DATE</b> March 1, 2017

**ADVISORY:** TRAINING AND EMPLOYMENT GUIDANCE LETTER WIOA NO. 19-16  
**OPERATING GUIDANCE for the WORKFORCE INNOVATION AND OPPORTUNITY ACT**

**TO:** STATE WORKFORCE AGENCIES  
STATE WORKFORCE ADMINISTRATORS  
STATE WORKFORCE LIAISONS  
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS  
LABOR COMMISSIONERS  
AMERICAN JOB CENTERS

**FROM:** BYRON ZUIDEMA  
Deputy Assistant Secretary 

**SUBJECT:** Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act Employment Service (ES), as amended by title III of WIOA, and for Implementation of the WIOA Final Rules

- Purpose.** To provide guidance to the workforce system on delivering services under the Adult and Dislocated Worker programs under WIOA Title I, and individuals served by the ES program, as amended by WIOA Title III, under the WIOA Final Rule.

WIOA, signed into law on July 22, 2014, supersedes titles I and II of the Workforce Investment Act of 1998 (WIA) and amends the Wagner-Peyser Act of 1933 and the Rehabilitation Act of 1973. In general, WIOA took effect on July 1, 2015, the first full program year after enactment, unless otherwise noted. On August 19, 2016, the Departments of Labor (DOL) and Education published the WIOA Final Rules in the Federal Register. The DOL-only rule became fully effective on October 18, 2016, 60 days after it was published on the Federal Register.

In order to continue implementation of WIOA prior to publication of the final rule, DOL issued a Training and Employment Guidance Letter (TEGL) 3-15, on July 1, 2015, which provided guidance to the public workforce system on delivering services to adults and dislocated workers under WIOA. This TEGL rescinds TEGL 3-15, and provides updated guidance to the public workforce system on service delivery to adults and dislocated workers, consistent with WIOA and the WIOA Final Rules. The section of the final rule pertaining to services for adults and dislocated workers under WIOA title I can be found at 20 CFR part

<b>RESCISSIONS</b> TEGL 3-15	<b>EXPIRATION DATE</b> Continuing
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680. The sections of the final rule pertaining to individuals served under the Wagner-Peyser Act programs, as revised, can be found at 20 CFR parts 651, 652, 653 and 658.

2. **References.** See Attachment I.
3. **Background.** WIOA provides for a workforce system that is accessible to all job seekers, customer centered, and training that is job-driven. The workforce system delivers career and training services at the nation's nearly 2,500 American Job Centers. The Adult, Dislocated Worker, and ES programs provide training and employment services in the American Job Center network, and are required partners under the law. Under WIOA, partner programs and entities that are jointly responsible for workforce and economic development, educational, and other human resource programs, collaborate to create a seamless customer-focused American Job Center network that integrates service delivery across all programs to make it easier for workers to access the services they need to obtain skills and employment.

Table of Contents:

<b>Section</b>	<b>Page</b>
Career Services	2
Transitional Jobs	4
Career Services provided by ES staff	4
Training Services	5
Training Contracts	7
Priority Populations under WIOA	8
Dislocated Worker Eligibility	11
Employment Status Clarification	12
Work-Based Training	12
Incumbent Worker Training	15
Supportive Services and Needs-Related Payments	18
Transfer of Funds	19
Performance Accountability: Career and Training Services	20
Other Permissible Local Activities	22
Rapid Response	24
Coordination with WIOA Core Programs	29
Coordination with Trade Adjustment Assistance	33

4. **Career Services.** WIOA authorizes career services for adults and dislocated workers. There are three types of career services: basic career services, individualized career services, and follow-up services. The provision of individualized career services must be based on the employment needs of the individual as determined jointly by the individual and the career planner (case manager), and may be identified through an individual employment plan (IEP). Although WIOA distinguishes levels of service, this distinction is not intended to imply that there is a sequence of services. These services can be provided in any order. Career services

under this approach provide local areas and service providers with flexibility to target services that meet the needs of the customer, while still allowing for tracking of outcomes for reporting purposes. Career Services are defined in 20 CFR 678.430, and rules governing their provision to adults and dislocated workers are discussed in 20 CFR 680.100 through 195.

The three categories of career services are as follows, and are further defined in TEGL 16-16 "One-Stop Operations Guidance for the American Job Center Network".

#### Basic Career Services

Basic career services are universally accessible and must be made available to all individuals seeking employment and training services in at least one comprehensive American Job Center per local area. Generally, these services involve less staff time and involvement and include services such as: eligibility determinations, initial skill assessments, labor exchange services, provision of information on programs and services, and program referrals. These services may be provided by both the Adult and Dislocated Worker programs, as well as by the Employment Service.

#### Individualized Career Services

Individualized career services must be provided to participants after American Job Center staff determine that such services are required to retain or obtain employment, consistent with any applicable statutory priorities. Generally, these services involve significant staff time and customization to each individual's need. Individualized career services include services such as: specialized assessments, developing an individual employment plan, counseling, work experiences (including transitional jobs), etc.

Local Workforce Development Boards (WDBs) must identify the assessments to be used to determine eligibility, and ensure eligibility determination procedures are consistent with state policies. American Job Center staff may use recent previous interviews, evaluations, or assessments by partner programs to determine if individualized career services would be appropriate. These services generally will be provided by the Adult and Dislocated Worker programs, although it may be appropriate for the Employment Service to provide some of these services.

#### Follow-up Services

States and local areas must provide follow-up services for adults and dislocated worker participants who are placed in unsubsidized employment, for up to 12 months after the first day of employment. States and local areas must establish policies that define what are considered to be appropriate follow-up services, as well as policies for identifying when to provide follow-up services to participants. One type of follow-up service highlighted in WIOA is to provide individuals counseling about the work place. Follow-up services do not extend the date of exit in performance reporting; for more information on performance reporting see TEGL 10-16.



5. **Transitional Jobs.** Transitional jobs are a type of work-experience Local WDBs may provide under WIOA and are considered an individualized career service. Transitional jobs are time-limited and wage-paid work experiences that are subsidized up to 100 percent. These jobs are in the public, private, or nonprofit sectors and are only available for individuals with barriers to employment who are chronically unemployed or have an inconsistent work history, as determined by the Local WDB. Transitional jobs provide an individual with work experience that takes place within the context of an employee-employer relationship, in which the program provider generally acts as the employer, and with an opportunity to develop important workplace skills. The WIOA Final Rule governs the requirements for transitional jobs at 20 CFR 680.190 and .195.

This service must be combined with career and supportive services. These jobs must be designed to establish a work history for the individual, demonstrate success in the workplace, and develop the skills that lead to entry into and retention in unsubsidized employment. Unlike on-the-job training (OJT), there is no requirement that the employer retains the individual upon completion of the transitional job; however, retention, where appropriate, is preferred for the benefit of the worker and employer. Under section 134(d)(5) of WIOA and 20 CFR 680.195 of the Final Rule, Local WDBs may use up to 10 percent of their combined total of adult and dislocated worker funds to provide transitional jobs to individuals. For example, if a local area receives \$1.5 million in adult funds and \$1.0 million in DW funds, the Local WDB may use up to \$250,000 (10% of the total) for transitional jobs.

If the Local WDB uses transitional jobs as part of its service delivery strategy, it must adopt policies and identify appropriate employers (public, private, or nonprofit). Additionally, these policies must include plans on the amount of reimbursements for the jobs (up to 100 percent of the wage), what supportive services must be included, and the limits on the duration of the transitional job. If states and Local WDBs choose to use transitional jobs as a strategy, they must develop policies for defining and identifying individuals who are "chronically unemployed" or "have an inconsistent work history". The Department encourages targeting individuals who are long-term unemployed, ex-offenders, and individuals who are currently receiving or have exhausted TANF benefits when developing these policies. Additionally, the Department encourages utilizing job readiness training in combination with transitional jobs if determined appropriate by the Local WDB.

6. **Career Services provided by ES staff.** Labor exchange services, which are the primary services provided by ES staff, fall under the basic career services discussed in Section 4 of this TEGL. Additionally, all of the basic career services must be made available by ES staff in coordination with other American Job Center partners. ES staff may also make available the individualized career services discussed in Section 4 of this TEGL, and the Department encourages states to make these services available, particularly for those individuals with barriers to employment, such as the long-term unemployed, as defined in WIOA sec. 3(24). The WIOA Final Rules discuss career services provided by the ES program in 20 CFR 652.206 and 208.

ES staff members also have specific obligations in serving unemployment insurance (UI)

claimants and carrying out components of the state's UI program, which include:

- Coordination of basic career services, particularly labor exchange services;
- Targeting UI claimants for job search assistance and referrals to employment;
- Administering state UI work test requirements, including, obtaining/documenting relevant information for eligibility assessments and providing job search assistance and referrals to employment;
- Provision of referrals to and application assistance to UI claimants for training and education resources and programs, including but not limited to Pell Grants, GI Bill, Post 9/11 Veterans Educational Assistance, WIOA, higher education assistance, and Vocational Rehabilitation;
- Outreach, intake (including identification through the state's Worker Profiling and Reemployment Services system of UI claimants likely to exhaust benefits and related programs, such as the Reemployment Services and Eligibility Assessment program), and orientation to information and other services available through the American Job Center network;
- Provision of information and assistance regarding filing claims under UI programs, including meaningful assistance to individuals (including individuals with language or other program access barriers) seeking assistance in filing a claim—
  - Meaningful assistance means providing assistance:
    - In the American Job Center(s), using staff who are well trained in UI claims filing activities and on the rights and responsibilities of claimants, and information necessary to file a claim, or
    - By phone or via other technology, such as live web chat and video conference, as long as the assistance is provided by appropriately-trained and available staff and within a reasonable time;
  - Technology-based approaches to providing meaningful assistance must ensure American Job Center customers have access to appropriately trained staff within a reasonable time. The referral of American Job Center customers to the state UI agency's self-service website or public phone line where the individual is placed into a queue with all other claimants is not meaningful assistance;
  - The cost associated in providing meaningful assistance may be paid for by the State's UI administrative funding, the WIOA Adult or Dislocated Worker programs, the ES program, or some combination of these funding sources.

7. **Training Services.** Training services can be critical to the employment success of many adults and dislocated workers. Training services are governed by sections 20 CFR 680.200 through .230 and 20 CFR 680.300 through .350 of the WIOA Final Rule. American Job Center staff may determine training services are appropriate, regardless of whether the individual has received basic or individualized career services first, and there is no sequence of service requirement.

Under WIOA, training services may be provided if the American Job Center staff, including partner programs' staff, determines after conducting an interview, an evaluation, or assessment, and career planning, that the individual:

- Is unlikely or unable to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment through career services alone;
- Is in need of training services to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment;
- Has the skills and qualifications to successfully participate in the selected program of training services;
- Is unable to obtain grant assistance from other sources to pay the costs of such training, including such sources as State-funded training funds or Federal Pell Grants established under title IV of the Higher Education Act of 1965, or requires WIOA assistance in addition to other sources of grant assistance, including Federal Pell Grants (20 CFR 680.230 and WIOA sec. 134(c)(3)(B) contain provisions relating to fund coordination.);
- Is a member of a worker group covered under a petition filed for Trade Adjustment Assistance (TAA) and is awaiting a determination. If the petition is certified, the worker may then transition to TAA approved training. If the petition is denied, the worker will continue training under WIOA;
- Is determined eligible in accordance with the State and local priority system in effect for adults under WIOA sec. 134(c)(3)(E) if training services are provided through the adult funding stream; and
- Selected a program of training services that is directly linked to the employment opportunities in the local area or the planning region, or in another area to which the individual is willing to commute or relocate.

Training services, when determined appropriate, must be provided either through an Individual Training Account (ITA) or through a training contract discussed in Section 8 of this TEGL. Except in certain instances listed in WIOA sec. 122(h) and 20 CFR sec. 680.320, training services must be provided by an Eligible Training Provider (ETP) in accordance with WIOA sec. 122(d). Training is available through a State Eligible Training Provider and Program List (ETPL), comprised of entities determined eligible to receive funds through WIOA title I, subtitle B, according to the Governor's eligibility criteria and procedure. As described in TEGL 41-14 ([https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=5816](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5816)), the State ETPL ensures the accountability, quality and labor-market relevance of programs, and ensures informed customer choice for individuals eligible for training. WIOA also provides enhanced access and flexibility for work-based training options, such as Registered Apprenticeship (RA), on-the-job training, customized training, and incumbent worker training.

The list of ETPs must be made available to the Local WDB within the state by the State Workforce Agency (SWA), and to the participant by the Local WDB, in order to maximize consumer choice. The selection of training services should be conducted in a manner that maximizes customer choice, is linked to in-demand occupations, is informed by the performance of relevant training providers, and is coordinated to the extent possible with other sources of assistance, including Pell Grants (see WIOA sec. 134(c)(3)).

DOL encourages States and Local WDBs, where appropriate, to utilize previous assessments when making training determinations to reduce duplicate assessments and develop enhanced alignment across partner programs. This could include common intake forms across partner programs to encourage system alignment, reduce individual burden, and ensure customers greater access to programs based on their need. The provision of training services necessary to assist a participant in achieving his/her employment and/or training goals may be reflected in the IEP.

Types of training services that may be provided include:

- (a) Occupational skills training, including training for nontraditional employment;
- (b) On-the-job training;
- (c) Incumbent worker training (see Section 13 of this TEG);
- (d) Programs that combine workplace training with related instruction, which may include cooperative education programs;
- (e) Training programs operated by the private sector;
- (f) Skill upgrading and retraining;
- (g) Entrepreneurial training;
- (h) Job readiness training provided in combination with the training services described in any of clauses (a) through (g) or transitional jobs;
- (i) Adult education and literacy activities, including activities of English Language acquisition and integrated education and training programs, provided concurrently or in combination with services provided in any of clauses (a) through (g); and
- (j) Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

**8. Training Contracts.** Individual Training Accounts (ITAs) are the primary method to be used for procuring training services under WIOA, similar to the provision of training services under WIA. However, in certain circumstances, a training contract may be used to provide training services, instead of an ITA. These circumstances are referred to as the "training exceptions" or "contract exceptions". Training contracts may only be used if at least one of the five circumstances listed below applies and the process for their use is described in the Local Plan. Additionally, the Local WDB must have fulfilled the consumer choice requirements of 20 CFR 680.340. Under section 134(c)(3)(G)(ii) of WIOA and consistent with 20 CFR 680.320, 680.340, and 680.530, states may use the contract exceptions as described below:

- On-the-job training, which may include paying for the on-the-job training portion of an RA program, customized training, incumbent worker training, or transitional jobs;
- If the Local WDB determines that there are an insufficient number of Eligible Training Providers in the local area to accomplish the purpose of a system of ITAs. This determination process must include a public comment period for interested providers of at least 30 days and must be described in the Local Plan;
- To use a training services program of demonstrated effectiveness offered in a local area by a community-based organization or other private organization to serve individuals with barriers to employment. The Local WDB must develop criteria to be used in

determining demonstrated effectiveness, particularly as it applies to individuals with barriers to employment to be served. The criteria may include:

- Financial stability of the organization;
  - Demonstrated performance in the delivery of services to individuals with barriers to employment through such means as program completion rate; attainment of the skills, certificates, or degrees the program is designed to provide; placement after training in unsubsidized employment, and retention in employment; and
  - How the specific program relates to the workforce investment needs identified in the local plan;
- If the Local WDB determines that the most appropriate training could be provided by an institution of higher education or other provider of training services in order to facilitate the training of a cohort of multiple individuals for jobs in-demand sectors or occupations, provided that the contract does not limit consumer choice; and
  - If the Local WDB determines, a pay-for-performance contract is suitable consistent with 683.500 (note that no more than 10 percent of the local funds may be spent on pay-for-performance contract strategies as they are defined in section 3(47) of WIOA, and be consistent with 20 CFR 683.510).

Additionally, a Local WDB may determine that providing training through a combination of ITAs and contracts is the most effective approach. This approach could be used to support placing participants in programs such as Registered Apprenticeships and other similar types of training.

9. **Priority Populations under WIOA.** Services provided to adults and dislocated workers under title I of WIOA can be a pathway to the middle class and to maintain and build skills to remain in the middle class. Across all titles, WIOA focuses on serving “individuals with barriers to employment”, defined in WIOA section 3(24) and seeks to ensure access to quality services for these populations. The WIOA Final Rules discuss priority and special populations for the Adult and Dislocated Worker programs at 20 CFR 680.600 through .660. These populations are discussed below:

#### Individuals with Barriers to Employment

The populations included in the “individuals with barriers to employment” in WIOA sec. 3(24) include:

- (a) Displaced homemakers (as defined in WIOA sec. 3(16));
- (b) Low-income individuals (as defined in WIOA sec. 3(36));
- (c) Indians, Alaska Natives, and Native Hawaiians (as defined in WIOA sec. 166(b));
- (d) Individuals with disabilities, including youth who are individuals with disabilities (as defined in WIOA sec. 3(25) (includes individuals who are in receipt of Social Security Disability Insurance);
- (e) Older individuals (age 55 and older) (as defined in WIOA sec. 3(39));
- (f) Ex-offenders (“offender” as defined in WIOA sec. 3(38));
- (g) Homeless individuals or homeless children and youths (see Attachment III);

- (h) Youth who are in or have aged out of the foster care system;
- (i) Individuals who are:
  - (1) English language learners (WIOA sec. 203(7)),
  - (2) Individuals who have low levels of literacy (an individual is unable to compute or solve programs, or read, write, or speak English at a level necessary to function on the job, or in the individual's family, or in society); and
  - (3) Individuals facing substantial cultural barriers;
- (j) Eligible migrant and seasonal farmworkers (as defined in WIOA sec. 167(i)(1-3));
- (k) Individuals within two years of exhausting lifetime TANF eligibility;
- (l) Single parents (including single pregnant women);
- (m) Long-term unemployed individuals (unemployed for 27 or more consecutive weeks);  
and
- (n) Such other groups as the Governor involved determines to have barriers to employment

Statutory Priority for Adult Funds

Section 134(c)(3)(E) of WIOA establishes a priority requirement with respect to funds allocated to a local area for adult employment and training activities. Under this section, American Job Center staff when using WIOA Adult funds to provide individualized career services, as described in Section 4 of this TEGL, training services, or both, as described in Section 7, must give priority to recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient. WIOA sec. 3(36) defines "low-income individual" and WIOA sec. 3(5) defines "basic skills deficient" (see Appendix IV for full definition). ETA notes that individuals who are English language learners meet the criteria for "basic skills deficient" and must be included in the priority populations for the title I Adult program. Under WIOA, priority must be implemented regardless of the amount of funds available to provide services in the local area. States are required to develop policies and procedures for applying this priority, including monitoring local areas' compliance with this priority.

Under WIOA, there is no exclusion of payments for unemployment compensation, child support payments, and old-age survivors insurance benefits from the income calculations for determining if an individual is low-income. These exclusions that were previously provided under WIA sec. 101(25) no longer apply.

The priority established in the previous paragraph does not necessarily mean that these services may only be provided to recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient. The Local WDB and the Governor may establish a process that also gives priority to other individuals eligible to receive such services, provided that it is consistent with priority of service for veterans (see 20 CFR 680.650) and the priority provisions of WIOA sec. 134(c)(3)(E) and §680.600. Any additional priority populations identified by the State and Local WDB should be reflected in the State's WIOA Unified or Combined Plan, as well as the local area plan(s). Additionally,

the priority is to be applied for the provision of individualized career services and training services. There are no restrictions to providing basic career services; they may be provided to any eligible adult.

#### Veterans and Adult Priority

Veterans and eligible spouses continue to receive priority of service for all DOL-funded job training programs, which include WIOA programs. However, as described in TEGL 10-09, when programs are statutorily required to provide priority for a particular group of individuals, such as the WIOA priority for Adult funds described above, priority must be provided in the order described below. A veteran must meet each program's eligibility criteria to receive services under the respective employment and training program. For income-based eligibility determinations and for determining priority of service, military pay or allowances paid while on active duty or paid by the Department of Veterans Affairs (VA) for vocational rehabilitation, disability payments, or related VA-funded programs are not to be considered as income, in accordance with 38 U.S.C. 4213 and 20 CFR 683.230.

Priority must be provided in the following order:

- i. First, to veterans and eligible spouses who are also included in the groups given statutory priority for WIOA Adult formula funding. This means that veterans and eligible spouses who are also recipients of public assistance, other low-income individuals, or individuals who are basic skills deficient would receive first priority for services with WIOA Adult formula funds for individualized career services and training services.
- ii. Second, to non-covered persons (that is, individuals who are not veterans or eligible spouses) who are included in the groups given priority for WIOA adult formula funds.
- iii. Third, to veterans and eligible spouses who are not included in WIOA's priority groups.
- iv. Fourth, priority populations established by the Governor and/or Local WDB.
- v. Last, to non-covered persons outside the groups given priority under WIOA.

Note: When past income is an eligibility determinant for Federal employment or training programs, any amounts received as military pay or allowances by any person who served on active duty, and certain other specified benefits must be disregarded for the veteran and for other individuals for whom those amounts would normally be applied in making an eligibility determination. Military earnings are not to be included when calculating income for veterans or transitioning service members for this priority, in accordance with 38 U.S.C. 4213.

Additionally, the WIOA Final Rule at 20 CFR 680.230, require coordinating WIOA funded training with "other grant assistance", such as Federal Pell Grants. Some service providers have interpreted these provisions to mean that veterans or spouses who are eligible for the GI Bill or other forms of VA funded education or training are required to coordinate their entitlement to those benefits with their eligibility for WIOA funded training. Some have further interpreted the coordination requirement to mean that the VA funded training

entitlement must be exhausted before the veteran or eligible spouse can be enrolled in WIOA funded training. However, VA benefits for education and training services do not constitute "other grant assistance" under WIOA's eligibility requirements. Therefore, eligibility for VA benefits for education or training services do not preclude a veteran or the veteran's eligible spouse from receiving WIOA funded services, including training funds. Similarly, WIOA program operators may not require veterans or spouses to exhaust their entitlement to VA funded training benefits prior to allowing them to enroll in WIOA funded training.

**10. Dislocated Worker Eligibility.** WIOA sec. (3)(15) defines the term dislocated worker, see Attachment III for the complete definition.

In order to further clarify the definition of a dislocated worker, the WIOA Final Rule at 20 CFR 680.130(b) allows for Governors and Local WDBs to create policies to define terms such as a "general announcement" of a plant closing consistent with WIOA sec. 3(15)(B)(ii) or (iii), "unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters," and "unlikely to return to a previous industry or occupation" under WIOA sec. 3(15)(A)(iii) consistent with 20 CFR 680.660. Governors and Local WDBs may also develop policies for determining the eligibility of self-employed individuals, including family members and farm workers or ranch hands under WIOA sec. 3(15)(C). Additionally, States and Local WDBs should note that the definition of dislocated workers must include separating service members, as further described below.

**Serving Separating Service Members and Military Spouses with Dislocated Worker Funds**

Under 20 CFR 680.660, service members exiting the military, including, but not limited to, those who receive or are eligible for Unemployment Compensation for Ex-service members (UCX), generally qualify as dislocated workers. Dislocated Worker funds under title I can help separating service members to enter or reenter the civilian labor force. Generally a separating service member needs a notice of separation, either a DD-214 from the Department of Defense, or other appropriate documentation that shows a separation or imminent separation from the Armed Forces. These documents meet the requirement that the individual has received a notice of termination or layoff, to meet the required dislocated worker definition. In the case of separating service members, because they may be on a terminal leave from the military, it may make sense to begin providing career services while the service member may still be part of the Active Duty military, but has an imminent separation date. It is appropriate to provide career services to separating service members who will be imminently separating from the military, provided that their discharge will be anything other than dishonorable. Lastly, ETA policy generally dictates that a separating service member meets the dislocated worker requirement that an individual is unlikely to return to his or her previous industry or occupation in the military.

Regarding military spouses, 20 CFR 680.630 expands the definition of dislocated workers to include military spouses who have experienced a loss of employment as a direct result of relocation to accommodate a permanent change in duty station of the spouse. Military spouses also can qualify if they are unemployed or underemployed and are experiencing



difficulty in obtaining or upgrading employment (see WIOA secs. 3(15)(E) and 3(16)(A) and (B)) and 20 CFR 680.630 of the DOL-only Final Regulations). Military spouses may also qualify if they are a dependent spouse of a member of the Armed Forces on active duty whose family income is significantly reduced, as determined by the State or local area, because of a deployment, a call or order to active duty, a permanent change of station, or the service-connected death or disability of the service member. See Attachment III for definitions of these terms.

**11. Employment Status Clarification.** In addition to providing career and training services to individuals who are unemployed, a significant number of job seekers are underemployed. State and local policy should be developed for serving individuals that are underemployed. Examples of underemployed individuals that the policies may include are:

- Individuals employed less than full-time who are seeking full-time employment;
- Individuals who are employed in a position that is inadequate with respect to their skills and training;
- Individuals who are employed who meet the definition of a low-income individual in WIOA sec. 3(36); and
- Individuals who are employed, but whose current job's earnings are not sufficient compared to their previous job's earnings from their previous employment.

Individuals who are underemployed and meet the definition of a low-income individual may receive career and training services under the Adult program on a priority basis per Section 10 of this TEG. Individuals who meet the definition of an individual with a barrier to employment (see WIOA sec. 3(24)) who are underemployed may also be served in the Adult program; however, unless they are a recipient of public assistance, a low-income individual, or are basic skills deficient, they are not eligible for service on a priority basis. Individuals who were determined eligible for the Dislocated Worker program who are determined by State and/or local policies to be underemployed, may still be considered eligible to receive services under the Dislocated Worker program depending on State and/or local policies. For instance, an individual who is dislocated from a full time job who has found part-time employment may still be considered a dislocated worker by State and/or local policies. We encourage states and local areas to develop policies and procedures for determining underemployment for both the adult and dislocated worker programs.

**12. Work-Based Training.** Under WIOA, there are additional work-based training options and flexibilities for adults and dislocated workers. Work-based training presents a great opportunity for fostering increased employer engagement, implementing sector strategies, and encouraging industry partnerships, as these types of training allow employers to train their employees while continuing to be productive members of the workforce. This section covers allowed types of work-based training including: registered apprenticeships, on-the-job training (OJT), and customized training. Sections 20 CFR 680.700 through .840 govern Work-Based Training.

#### Registered Apprenticeship (RA)

RA is an important component of potential training and employment services that the workforce system can provide to its customers. We encourage Local WDBs to partner with the RA system and use RA opportunities as a career pathway for job seekers and as a job-driven strategy for employers and industries. RA can be funded through several mechanisms. Section 122(a)(3) of WIOA also provides a new opportunity for RA programs to be more directly connected to the public workforce system. As RA programs, they are automatically eligible for inclusion on the State and local WDB's ETPL, if they choose to be, allowing ITAs to support participants in RA programs, and more directly connect those programs to the American Job Center network.

Every State has either a federal DOL Office of Apprenticeship (OA) or a State Apprenticeship Agency (SAA). Local WDBs and American Job Centers should work with the offices in their State to implement registered apprenticeships, (Federal OA and SAA State contact information is available at <http://www.doleta.gov/oa/contactlist.cfm>).

RA Program sponsors can be Eligible Training Providers (ETPs). Some examples of typical RA Program sponsors are:

- **Employers who provide related instruction:** A number of employers with RA programs provide formal in-house instruction as well as on-the-job training (OJT) at the work site.
- **Employers who use an outside educational provider:** Under this model, RA program sponsors do not provide the related instruction or educational portion of the apprenticeship, but rely upon an outside educational entity to deliver instruction. Employers can use two- or four-year post-secondary institutions, technical training schools or on-line courses for related instruction. Under this formulation, the employer is the ETP and must identify their instructional provider.
- **Joint Apprenticeship Training Programs:** These programs are made up of employers and unions. They have an apprenticeship training school where the instructional portion of the apprenticeship program is delivered. The training schools are usually administered by the union, in which case the union would be the ETP. Multiple employers can be a part of the same Joint Apprenticeship Training Program.
- **Intermediaries:** Intermediaries can serve as program sponsors when they take responsibility for the administration of the apprenticeship program. They also can provide expertise such as curriculum development, classroom instruction and supportive services, as appropriate. The intermediary is the ETP and must identify the instructional provider if an outside organization is providing the educational portion of the apprenticeship. Intermediaries include:
  - Educational institutions including two- and four-year post-secondary institutions or technical schools. In this model, the educational institution administers the program, works with employers to hire apprentices and provides classroom or on-line instruction for the apprenticeship program;
  - Industry associations that administer the program and work with employer/members and educational entities to implement the apprenticeship program; and

- Community-based organizations that administer the program and work with employers, educational entities and the community to implement the apprenticeship program.

ETA is committed to fully integrating RA programs as an employment and training solution for American Job Center centers. American Job Center centers may make arrangements with RA programs to initiate applications to RA programs on behalf of participants. ETA wants to ensure that local areas have maximum flexibility to serve participants and support their placement into RA programs. Given the unique nature of RA, there are several ways in which training services may be used in conjunction with these programs:

- An ITA may be developed for a participant to receive RA training;
- An OJT contract may be developed with a RA program for training participants. OJT contracts are made with the employer or RA program sponsor, and RAs generally involve both classroom and on-the-job instruction. The OJT contract may be made to support some or all of the OJT portion of the RA program;
- A combination of an ITA to cover the classroom instruction along with an OJT contract to cover on-the-job portions of the RA is allowed; and
- Incumbent worker training may be used for upskilling apprentices or journey workers who already have an established working/training relationship with the RA program.

Local areas may also include supportive services, in coordination with career and/or training services, to participants in a RA program. These supportive services must be consistent with WIOA section 134(d)(2), Section 14 of this TEGL, and state and local policies.

#### *Reporting on Registered Apprenticeship Participation under WIOA*

As states and local areas increasingly adopt RA programs as part of their sector strategies and career pathways approaches, complete and accurate reporting of the workforce system's investments in these programs is vital. Under WIOA, data on program participants and program outcomes is reported by states through the Participant Individual Record Layout (PIRL). Participants who are placed into a registered apprenticeship with WIOA funds or individuals in a registered apprenticeship at the time of program entry must be identified in PIRL element 931. In addition to the other required reporting elements, individuals who receive RA training services funded in whole or in part from WIOA under either an Individual Training Account (ITA) or through a contract (e.g. OJT) must be reported under code value 09 on PIRL element number 1303 (or elements 1310 or 1315 if the participant is in receipt of multiple types of training). If the RA program is funded using an ITA, PIRL elements 1301, 1304 (code value "2"), and 1305 must also be reported.

#### On-the-Job Training

OJT continues to be a key method of delivering training services to adults and dislocated workers. WIOA provides for State and Local WDB to provide up to 50 percent of the wage rate of the participant to employers for the costs of training while the participant is in the

program. OJT contracts may also be entered into with RA program sponsors or participating employers in registered apprenticeship programs for the OJT portion of the registered apprenticeship program consistent with 20 CFR 680.700. Depending on the length of the registered apprenticeship and State and Local WDB OJT policies, these funds may cover some or all of the duration of the registered apprenticeship. Additionally, the Governor and Local WDBs have the flexibility under WIOA to increase the reimbursement level to up to 75 percent of the total wage taking into account the following factors:

- The characteristics of the participants taking into consideration whether they are “individuals with barriers to employment” as defined in WIOA sec. 3(24);
- The size of the employer, with an emphasis on small businesses;
- The quality of employer-provided training and advancement opportunities, for example if the OJT contract is for an in-demand occupation and will lead to an industry-recognized credential; and
- Other factors the Governor or Local WDB may determine appropriate (e.g. the number of employees participating in the training, wage and benefit levels of the employees (both pre and post participation earnings), and relation of the training to the competitiveness of the participant).

Governors or Local WDBs must document the factors used when deciding to increase the wage reimbursement levels above 50 percent up to 75 percent.

#### Customized Training

Customized training is designed to meet the specific requirements of an employer or group of employers with the commitment that the employer(s) hire an individual upon successful completion of the training. The Final Rules provide Local WDBs with flexibility to ensure that customized training meets the unique needs of the job seekers and employer(s). The employer must pay for a significant portion of the cost of training, as determined by the Local WDB. Local WDBs must identify policies for determining what constitutes employer’s payment of “a significant portion of the cost of training” taking into account: the size of the employer and other factors the Local WDB determines are appropriate, which may include, the number of employees participating in training, wage and benefit levels of those employees (at present and anticipated upon completion of the training), relation of the training to the competitiveness of a participant, and other employer-provided training and advancement opportunities.

#### *Reporting On-the-Job Training and Customized Training Participation under WIOA*

It is important to note that OJT and customized training are excluded from the credential attainment performance indicator because although they often provide employment benefits to recipients of these services, they rarely result in a credential. However, ETA encourages Local WDBs to consider OJT and customized training programs that do result in a credential.

- 13. Incumbent Worker Training (IWT).** IWT provides both workers and employers with the opportunity to build and maintain a quality workforce and is governed by sections 20 CFR

680.780 through .820 of the Final Rule. IWT is designed to meet the needs of an employer or group of employers to retain a skilled workforce or avert layoffs. IWT is not permitted to be used to provide the occupational training a new hire needs. IWT can be used to either:

- Help avert potential layoffs of employees, or
- Obtain the skills necessary to retain employment, such as increasing the skill levels of employees so they can be promoted within the company and create backfill opportunities for less-skilled employees.

Under section 134(d)(4) of WIOA and 20 CFR 680.800, a Local WDB can use up to 20 percent of their Adult and Dislocated Worker funds to provide for the federal share of the cost of providing IWT. For example, if a Local WDB receives \$1.5 million in Adult funds and \$1.0 million in DW funds; it may use up to \$500,000 (20 percent of the total) for IWT. This 20 percent can be used for IWT activities that are programmatic in nature, as administrative activities must be paid out of the Board's administrative funds. The Local WDB must determine an employer's eligibility for participating in IWT based on the following factors which help to evaluate whether training would increase the competitiveness of the employees or both the employees and the employer:

- The characteristics of the individuals in the program (e.g. individuals with barriers to employment);
- Whether the training improves the labor market competitiveness of the employees or both the employees and the employer; and
- Other factors the Local WDB may consider appropriate, including:
  - the number of employees participating in the training;
  - wage and benefit levels of those employees (both pre- and post-training earnings);
  - the existence of other training and advancement opportunities provided by the employer;
  - credentials and skills gained as a result of the training;
  - layoffs averted as a result of the training;
  - utilization as part of a larger sector and/or career pathway strategy; or
  - employer size

For an employer to receive IWT funds, the individual(s) receiving training must be:

- Employed;
- Meet the Fair Labor Standards Act requirements for an employer-employee relationship; and
- Employment history requirement - Have an established employment history with the employer for 6 months or more (which may include time spent as a temporary or contract worker performing work for the employer receiving IWT funds).

There is one exception to the six month requirement, which is that in the event that incumbent worker training is being provided to a cohort of employees, not every employee in the cohort must have an established employment history with the employer for six months or more as long as a majority of those employees being trained meet the employment history requirement.

An incumbent worker does not have to meet the eligibility requirements for career and training services for adults and dislocated workers under WIOA, unless they are also enrolled as a participant in the WIOA adult or dislocated worker program.

The Governor or the State WDB may make recommendations to the Local WDBs for providing incumbent worker training that has a statewide impact. ETA encourages States and Local WDBs to cultivate opportunities and develop policies that can appropriately support employers in their efforts to develop a more competitive workforce or avert potential layoffs and that provide incumbent workers with opportunities for advancement and wage gains within their company.

States may also provide IWT with Rapid Response funds for statewide incumbent worker training activities as part of a broader layoff aversion strategy, as described in section 18 of this TEGL. IWT policies must be consistent with State and Local Plans, as well as with career pathway and sector strategy approaches for in-demand occupations. Generally, IWT should be provided to private sector employers; however, there may be instances where non-profit and local government entities may be the recipients of IWT funds. For example, IWT may be used in the health care industry where hospitals are operated by non-profit or local government entities and a nursing upskilling opportunity is available.

IWT can also be used for underemployed workers—e.g. workers who would prefer full-time work but are working part-time for economic reasons. While these workers are employed, they may have accepted reduced hours to gain or maintain employment or a previous dislocation has led them to accept reduced employment and often lower wages that may have a permanent effect on their careers. The use of these strategies may focus on increasing skills for underemployed frontline workers in an effort to advance these workers to more skilled positions with the same employer or industry sector leading to an increase in earnings through more work hours or an increase in pay. As part of an incumbent worker upskilling strategy, State and Local WDBs are also encouraged to develop an upskill/backfill strategy which involves filling jobs vacated by workers who are moving into more advanced positions in the company with other WIOA participants. State and Local WDBs are encouraged to develop contracts such that once incumbent workers advance with the employer, the employer then provides an opportunity to the State or Local WDBs to fill this now vacant position with a local WIOA participant.

State and Local WDBs must develop a process for documenting the six month work-history requirement for IWT recipients with the employer. The contract between the Local WDB and the employer must include this as a term of the contract.

#### Employer Payment Requirement

Employers are required to pay the non-Federal share of the cost of providing incumbent worker training. WIOA sec. 134(d)(4)(D) requires Local WDBs to establish policies regarding the non-federal share of the cost of IWT. Employers are required to pay a portion of the training for those individuals in incumbent worker training and this may be done

through both cash payments and fairly evaluated in-kind contributions. The employer contribution may include the wages the employer pays to the incumbent worker trainee while the worker is attending training. Under section 134(d)(4)(D) of WIOA, in establishing the employer share of the cost, the Local WDB must consider the number of employees participating in the training, the wage and benefit levels of the employees (at the beginning and anticipated upon completion of the training), the relationship of the training to the competitiveness of the employer and employees, and the availability of other employer-provided training and advancement opportunities. The employer's payment for the non-federal share can be cash payments, fairly evaluated in-kind contributions, or both. The minimum amount of employer share in the IWT depends on the size of the employer and may not be less than:

- 10 percent of the cost, for employers with 50 or fewer employees;
- 25 percent of the cost, for employers with between 51 to 100 employees; and
- 50 percent of the cost, for employers with more than 100 employees.

Employer share must be reported on the quarterly ETA-9130 financial report. States may also create policies establishing minimum amounts of employer share for IWT conducted using statewide funds, including rapid response funds.

- 14. Supportive Services and Needs-Related Payments.** A key principle in WIOA is to provide local areas with the authority to make policy and administrative decisions, and the flexibility to tailor the workforce system to the needs of the local community. To ensure maximum flexibility, this guidance provides local areas the discretion to provide the supportive services they deem appropriate, subject to WIOA's limitations. Supportive services are designed to provide a participant with the resources necessary to enable their participation in career and training services, and are governed by the DOL-only Final Rule at 20 CFR 680.900 through .970.

Local WDBs must develop policies and procedures governed by 20 CFR 680.900 through .970 of the Final Rule. Local WDBs, in consultation with the American Job Center partners and other community service providers, must develop a policy on supportive services that ensures resource and service coordination in the local area. The policy should address procedures for referral to such services, including how such services will be funded when they are not otherwise available from other sources. These policies may establish limits on the provision of supportive services or provide the one-stop center with the authority to establish such limits, including a maximum amount of funding and maximum length of time for supportive services to be available to a participant. These policies may also allow American Job Centers to grant exceptions to these limits. Local WDBs must develop policies and procedures that ensure that supportive services are WIOA-funded only when these services are not available through other agencies and that the services are necessary for the individual to participate in title I activities. These policies include establishing limits on the provision of supportive services and any exceptions to those limits, as described in 20 CFR 680.920.

Supportive services may be made available to any adult or dislocated worker participating in title I career services or training activities that is unable to obtain supportive services through other programs providing such services. Additionally, the supportive services must be necessary to enable the individual to participate in career services or training activities. Note that follow-up career services are not a qualifying service for the receipt of supportive services; therefore, an individual who is only receiving "follow-up" services may not receive supportive services. Individuals identified as needing ongoing supportive services must still be participating in career services (other than follow-up), training activities, or both to continue to receive supportive services. Supportive services also may not be used to extend the date of exit for performance accountability purposes. Supportive services, like follow-up services, do not make an individual a participant or extend participation.

Supportive services may include, but are not limited to:

- Assistance with transportation;
- Assistance with child care and dependent care;
- Linkages to community services;
- Assistance with housing;
- Needs-Related Payments (available only to individuals enrolled in training services and must be consistent with 20 CFR 680.930, 680.940, 680.950, 680.960, and 680.970)
- Assistance with educational testing;
- Reasonable accommodations for individuals with disabilities;
- Referrals to health care;
- Assistance with uniforms or other appropriate work attire and work-related tools, including such items as eye glasses and protective eye gear;
- Assistance with books, fees, school supplies, and other necessary items for students enrolled in post-secondary education classes;
- Payments and fees for employment and training-related applications, tests, and certifications; and
- Legal aid services.

Needs-related payments are designed to provide a participant with financial assistance for the purpose of enabling them to participate in training services. ETA recognizes that many individuals in need of training services may not have the resources available to participate in the training. Needs-related payments can help individuals meet their non-training expenses and help them to complete training successfully. The maximum level of needs-related payments must be established by the Local WDB and must follow criteria at 20 CFR 680.970. According to sec. 134(d)(3)(B) of WIOA, a participant must be enrolled in a training program described in sec. 134(c)(3) of WIOA in order to receive needs-related payments. Specific criteria for Adult and Dislocated Worker eligibility may be found in 20 CFR 680.940 and 680.950.

- 15. Transfer of Funds.** WIOA sec. 133(b)(4) provides the authority for Local WDBs, with the written approval of the Governor, to expend up to 100 percent of the Adult activities funds on Dislocated Worker activities, and up to 100 percent of Dislocated Worker activities funds on Adult activities. Governors must have a written policy in place to evaluate transfer requests



from local workforce areas which is documented in the State Plan or another written policy. ETA encourages the Governor's policy to take into account the employment and service needs of the local area (both job seekers and employers), current labor market information and demographics, consistency with broader strategies in the local plan, meeting the Local Area's negotiated levels of performance, and any other considerations the Governor considers necessary to determine the appropriateness of a transfer. Expenditures of monies transferred between the local dislocated workers and adult programs are reported on the ETA-9130 reports. ETA notes when considering such transfers that career and training services must continue to be made available to both adults and dislocated workers in the American Job Centers (see WIOA sec. 134(c)(1)).

- 16. Performance Accountability: Career and Training Services.** In order to achieve the vision of WIOA, align service delivery across the core WIOA programs, and ensure a comprehensive approach across all partners, the Departments of Labor and Education have developed common performance measures and reporting elements, see TEGL 10-16 ([https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=8226](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8226)). This includes common definitions of the terms "reportable individual", "participant", and "exit" for performance accountability purposes. These terms distinguish which individuals are included in performance accountability calculations, while also ensuring the Department tracks the other important self-service and information-only services or activities provided by the Adult, Dislocated Worker, and ES programs.

In the WIOA title I Adult and Dislocated Worker programs, in order to become a participant, an individual must meet all applicable program requirements to receive services, such as being determined eligible and have received a service other than self-service or accessed information-only services or activities. For the ES program, which provides access to all job seekers and does not have an eligibility component, to be considered a participant, an individual must receive a service other than self-service and information-only services or activities to be considered a participant. A chart that details which services go beyond self-service or information-only service and therefore trigger participation is included as Attachment II. It is important to note that the receipt of one or more services that would trigger participation means that a person is considered a participant and therefore should be included in the performance accountability measures reported through the Annual Statewide Performance Reports. The WIOA Final Rules discuss performance accountability at Part 677 of the Joint Regulations. 20 CFR 677.150 defines "participant", "reportable individual", and "exit" and for the purposes of the WIOA Adult, Dislocated Worker, and ES programs, and the definitions of these terms are included in III of this TEGL.

State and Local WDBs should also note that unlike the WIOA Youth program, in the WIOA Adult, Dislocated Worker, and the ES programs, an assessment (other than an eligibility assessment) is considered to be a type of basic career service that does trigger participation. A referral to employment (when a specific individual or group of individuals is referred to a specific job or jobs) is the only type of referral that would trigger participation. Referrals alone to other programs and services do not trigger participation. However, referrals that are generated as a result of a service, such as career counseling, trigger participation. Simple

searches of job boards or automated emails are not considered to be referrals to employment, as they are informational in nature and contain publicly available information.

The ES program provides vital self-service and informational services which would result in the ES program having a high percentage of reportable individuals. Even though these individuals are not included in the performance accountability calculations, ETA strongly supports these services and other services which can be provided virtually. ETA also notes that individuals may also receive virtual services and virtual career planning that demonstrate sufficient interaction or engagement with the system to be considered participants.

#### Performance Accountability for Training Services

Generally, all participants enrolled in training funded by the WIOA title I Adult, Dislocated Worker program, or both are counted for performance accountability purposes. However, participants who receive OJT or customized training *are not* included in the credential attainment indicator at 20 CFR 677.155(a)(1)(iv) for performance accountability purposes, but, must be included in the calculation of the other performance indicators.

#### Performance Accountability for Incumbent Worker Training

WIOA sec. 134(d)(4) requires the Local WDB to determine if an employer is eligible to have its employees receive IWT and the incumbent worker who receives the training is not required to meet the eligibility requirements for career and training services for adults and dislocated workers under WIOA title I, unless they also are enrolled as a participant, resulting from the receipt of other services in the WIOA title I Adult or Dislocated Worker program. Due to WIOA sec. 134's unique eligibility requirements, the Department does not consider individuals who receive only IWT to be participants required for inclusion in the WIOA performance accountability calculations.

As a result, an individual who *only* receives incumbent worker training and does not become a core program participant will not be included in the calculation of the State primary indicators of performance for negotiations and accountability purposes. However, states and Local WDBs are required to report the outcomes of individuals in receipt of IWT on the primary indicators of performance (i.e. employed 2<sup>nd</sup> quarter after exit, employed 4<sup>th</sup> quarter after exit, median earnings, measurable skills gain, and credential attainment), among other required elements. Although there are fewer required elements for an individual who receives only IWT and is not an Adult or Dislocated Worker, the required elements for these "IWT-only" individuals will mostly be limited to the elements that are used to identify whether the incumbent worker was employed in certain quarters after exit, the wages earned during these quarters, whether a measurable skill gain or gains were achieved, and whether a credential was attained (see TEGl 10-16, Attachment 8 for the specific list of required elements). For the purposes of calculating these metrics, the exit date for a participant who has only received IWT will be the last date of training, as indicated in the training contract. If the individual receiving IWT is also a participant in another program, the State is required to report that program's performance reporting information.

All recipients of IWT must be reported in the PIRL under element number 907, regardless of whether they become a participant in one of the other WIOA programs. For individuals who

only receive IWT, and therefore are not participants in the Adult or Dislocated Worker programs, states must still report a "Date of Program Entry" in element 900, and should report a "0" in elements 903 "Adult" and 904 "Dislocated Worker." The Departments also encourage the collection of participant Social Security Numbers (SSNs) as part of the training contract with the employer so that wage records will be available for these individuals. Otherwise the State or Local WDB must utilize supplemental wage information to verify the wages reported. The Departments will issue additional guidance on the usage of supplemental data.

For individuals who receive IWT that is funded with Statewide Rapid Response (element 908) funds under WIOA sec. 134(a)(2)(A)(i)(I), states must also report on these individuals under DOL-only PIRL element 1501, "Most Recent Date Received Rapid Response Services".

- 17. Other Permissible Local Activities.** WIOA provides significant flexibility to local areas when providing services with adult and dislocated worker funds. In addition to the required career and training services, local areas may use these funds to provide additional job seeker services, business services, as well as to facilitate enhanced coordination between other partner programs and entities at the State and local level. Local areas can use these funds to develop new types of technical assistance, develop new intake procedures, test new procurement methods which may lead to better outcomes for job seekers, and ensure provision of robust services for businesses throughout the workforce system. These permissible local activities include:

Other Job Seeker Services

- Customer support to enable individuals with barriers to employment (including individuals with disabilities and veterans) to navigate among multiple services and activities (c.g. dedicated staff specializing in disability services);
- Training programs for displaced homemakers and for individuals training for nontraditional occupations (see WIOA sec. 3(37)), in conjunction with programs operated in the local area; and
- Work support activities for low-wage workers, in coordination with American Job Center partners, which will provide opportunities for these workers to retain or enhance employment. Work support activities could include providing services during nontraditional hours and provision of onsite childcare while the services are being provided. Work support activities are a strategy that can be used to ensure quality services to individuals who are underemployed. This may include any activities available under the WIOA Adult and Dislocated Worker programs in coordination with the appropriate activities and resources available through partner programs. For example, an apprentice who has not yet reached the full wage-rate could be provided these services to help him/her to continue to advance in the RA.

Other Employer Services

- Customized screening and referral of qualified participants in career and training services to employers;

- Customized employment-related services to employers, employer associations, or other such organizations on a fee-for-service basis that are in addition to labor exchange services available to employers under the ES program; and,
- Activities to provide business services and strategies that meet the workforce investment needs of area employers, as determined by the Local WDB, consistent with the local plan.

#### Other Coordination Activities

- Employment and training activities in coordination with child support enforcement activities, as well as child support services and assistance activities, of State and local agencies carrying out part D of title IV of the Social Security Act;
- Employment and training activities in coordination with cooperative extension programs carried out by the Department of Agriculture;
- Employment and training activities in coordination with activities to facilitate remote access to services provided through the American Job Center network, including facilitating access through the use of technology;
- Improving coordination between workforce investment activities and economic development activities carried out within the local area involved, and to promote entrepreneurial skills training and microenterprise services;
- Improving services and linkages between the local workforce investment system and employers, including small employers, in the local area;
- Strengthening linkages between the American Job Center network and the unemployment insurance programs;
- Improving coordination between employment and training activities and programs carried out in the local area for individual with disabilities, including programs carried out by State agencies relating to intellectual disabilities and developmental disabilities, activities carried out by Statewide Independent Living Councils established under sec. 705 of the Rehabilitation Act of 1973, programs funded under part B of chapter 1 of title VII of the Act, and activities carried out by centers for independent living; and
- Other Federal agency supported workforce development initiatives, under the Departments of Transportation, Energy, Veterans Affairs, Housing and Urban Development, Interior, Health and Human Services, and Defense programs.

#### Other Activities

- Implementing a pay-for-performance contract strategy for training services utilizing up to 10 percent of the combined total of Adult and Dislocated Worker funds;
- Technical assistance for American Job Center partners, and eligible training providers on the provision of services to individuals with disabilities in local areas, including staff training and development, provision of outreach and intake assessments, service delivery, service coordination across providers and programs, and development of performance accountability measures;
- Activities to adjust the economic self-sufficiency standards referred to in WIOA sec. 134(a)(3)(A)(xii) for local factors or activities to adopt, calculate or commission for approval, economic self-sufficiency standards for the local areas that specify the income needs of families, by family size, the number and ages of children in the family, and sub-State geographical considerations; and

- Implementing promising services to workers and businesses, which may include support for education, training, skill upgrading, and statewide networking for employees to become workplace learning advisors and maintain proficiency in carrying out the activities associated with such advising.

**18. Rapid Response.** Rapid Response activities are described at 20 CFR 682 Subpart C of the WIOA regulations (covering 20 CFR 682.300 through 682.370). Rapid Response encompasses the strategies and activities necessary to plan for and respond as quickly as possible following an announcement or notification of a permanent closure or mass layoff, a mass job dislocation resulting from a natural or other disaster, or the filing of a Trade Adjustment Assistance (TAA) petition. Rapid Response delivers services to enable dislocated workers to transition to new employment as quickly as possible.

#### Purpose

The purpose of Rapid Response is to promote economic recovery and vitality by developing ongoing, comprehensive approaches to identifying, planning for, or responding to layoffs and dislocations, and preventing or minimizing their impacts on workers, businesses, and communities. A successful Rapid Response system must include:

- Informational and direct reemployment services for workers, including but not limited to: information and support for filing unemployment insurance claims; information about the Trade Adjustment Assistance (TAA) program; information on the impacts of layoff on health coverage or other benefits; information on and referral to career services; reemployment-focused workshops and services; and training;
- Delivery of solutions to address the needs of businesses in transition, provided across the business lifecycle (expansion and contraction), including comprehensive business engagement and layoff aversion strategies and activities designed to prevent or minimize the duration of unemployment;
- Convening, brokering, and facilitating the connections, networks and partners to ensure the ability to provide assistance to dislocated workers and their families such as home heating assistance, legal aid, and financial advice; and
- Strategic planning, data gathering and analysis designed to anticipate, prepare for, and manage economic change.

#### Responsibility for Carrying out, Overseeing, and Managing Rapid Response Activities

Under the WIOA Final Rule at 20 CFR 682.310, Rapid Response activities must be carried out by the State or an entity designated by the State, in conjunction with the Local WDBs, Chief Elected Officials (CEOs), and other stakeholders consistent with WIOA secs. 133(a)(2) and 134(a)(2)(A). The regulations also require states to establish and maintain a Rapid Response unit, even if the State chooses to designate an entity to carry out some or all of the Rapid Response program activities in the State. This State-level unit is responsible for developing policies and practices for Rapid Response, carrying out statewide Rapid Response activities, and, if a state entity was designated to carry out Rapid Response activities, the

state-level unit must oversee Rapid Response activities undertaken by a designated State entity.

#### When is Rapid Response Required?

Rapid Response must be provided when one or more of the following circumstances occur:

- a) Announcement or notification of a permanent closure of a facility, store, enterprise, or plant, regardless of the number of workers affected;
- b) Announcement or notification of a mass layoff (see below for more detail);
- c) A mass job dislocation (see below for how mass dislocation is defined) resulting from a disaster as defined by state or local emergency management policies. The Department encourages States to consider appropriate roles and responsibilities for Rapid Response activities following a natural or other disaster event and establish these roles and responsibilities as part of any emergency management plans that are developed; or,
- d) The filing of a TAA petition, in accordance with sec. 221(a)(2)(A) of the Trade Act, which requires that the Governor ensure that Rapid Response services are delivered to all workers who are covered by the petition for TAA.

Although we describe above the circumstances that require delivery of Rapid Response, we do not intend to suggest or imply that these are the only instances for which States and local workforce areas may provide Rapid Response. Instead, the Department strongly encourages States or their designated entities to deliver Rapid Response services to as many workers and companies as possible and to adopt policies that maximize the opportunities for Rapid Response services to be provided in a manner that best supports the businesses and workers in their communities. One good way to achieve this goal is through the State's definition of "mass layoff" for purposes of Rapid Response.

#### Defining "Mass Layoff" for Purposes of Rapid Response

One specific instance where Rapid Response services must be provided is upon notification of a mass layoff. As described in the regulations, for the purposes of Rapid Response, a mass layoff will have occurred when at least one of the following conditions have been met:

- A mass layoff, as defined by the State; however, under no circumstances may a State's definition of mass layoff exceed a minimum threshold of 50 affected workers. For example, in its definition, the State cannot set the minimum threshold of laid off workers at 75, but it can be set to as few as 1. The definition may be based upon factors such as the size of the company that is impacted, the percentage of workers impacted by a layoff, the income level of the employees, and other relevant factors;
- Where a State has not defined a minimum threshold for mass layoff, any layoff affecting 50 or more workers will be considered a mass layoff by default; or
- When a company files a Worker Adjustment and Retraining Notification (WARN) Act notice, regardless of the number of workers affected by the layoff announced.

As mentioned above, the Department strongly encourages states to consider developing mass layoff policies and definitions that maximize the number of companies and workers who may benefit from Rapid Response services.

#### Required Rapid Response Activities

Rapid Response practitioners will notice that the regulations for Rapid Response under WIOA have significantly increased the amount and types of required activities from under WIA. These required elements include activities that were previously discussed in guidance and through technical assistance as well as elements that were previously allowable under WIA but which are now required. In particular, the regulations now specifically identify layoff aversion activities and the provision of additional assistance to local areas experiencing increased dislocation events as required Rapid Response activities. Our experience under WIA showed that such activities are critical for a successful Rapid Response program. To meet the needs of affected workers and businesses, a Rapid Response program must be proactive, data-driven, engaged with businesses, and focused on preventing layoffs or minimizing their negative impacts. Therefore, we substantially increased the level of required activities under Rapid Response to drive those outcomes.

##### A. Layoff Aversion

The most significant change related to Rapid Response from the WIA regulation to the WIOA regulation is the requirement to conduct layoff aversion activities, as appropriate. More specifically, the regulations require that states and local areas have the capability to conduct layoff aversion; however, it is left to the discretion of the operators of Rapid Response programs to determine which strategies and activities are applicable in a given situation, based upon specific needs, policies, and procedures within the state and operating areas. In this way the regulations permit state and local rapid response operators the flexibility to meet the requirements of WIOA based on the specific needs of the companies and workers being served and the particular characteristics of each event, while ensuring that valuable and important solutions are delivered whenever possible. We encourage state and local rapid response teams to develop strategies that maximize the ability to deploy the appropriate layoff aversion solutions for the challenges they face.

Layoff aversion strategies and activities are designed to prevent, or minimize the duration of, unemployment resulting from layoffs. Layoff aversion is a comprehensive approach requiring the integration of data, relationships, partnerships, and policies and procedures to allow an assessment of the economic situation that exists within a given area. This approach enables the development of a plan that may be applied, at any time, to intervene and manage transition that occurs within that area. Layoff aversion strategies and activities are customized to specific needs, quickly deployable, informed by economic data, and designed and coordinated with partners as necessary.

ETA encourages state and local Rapid Response operators to design innovative solutions for both businesses and workers in transition. Such solutions include, but are not limited to:

- Ongoing engagement, partnership, and relationship-building activities with businesses in the community, in order to create an environment for successful layoff aversion efforts and to enable the provision of assistance to dislocated workers in obtaining reemployment as soon as possible;
- Providing assistance to employers in managing reductions in force, which may include early identification of firms at risk of layoffs, assessment of the needs of and options for at-risk firms, and the delivery of services to address these needs;
- Funding feasibility studies to determine if a company's operations may be sustained through a buyout or other means to avoid or minimize layoffs;
- Developing, funding, and managing incumbent worker training programs or other worker upskilling approaches as part of a layoff aversion strategy or activity;
- Connecting companies to state Short-Time Compensation or other programs designed to prevent layoffs or to quickly reemploy dislocated workers, employer loan programs for employee skill upgrading; and other Federal, state and local resources as necessary to address other business needs;
- Establishing linkages with economic development activities at the Federal, State and local levels, including Federal Department of Commerce programs and available State and local business retention and expansion activities;
- Partnering or contracting with business-focused organizations to assess risks to companies, propose strategies to address those risks, implement services, and measure impacts of services delivered;
- Conducting analyses of the suppliers of an affected company to assess their risks and vulnerabilities from a potential closing or shift in production of their major customer;
- Engaging in proactive measures to identify opportunities for potential economic transition and training needs in growing industry sectors or expanding businesses; and
- Connecting businesses and workers to short-term, on-the-job, or customized training programs and apprenticeships before or after layoff to help facilitate rapid reemployment.

#### B. Other Required Activities

In addition to layoff aversion as described above, there are a number of other activities that are required to be carried out by state and local Rapid Response operators. These are:

- Immediate and on-site contact with the employer, affected workers or their representatives, and the local community, which includes an assessment of, and strategy to address: 1) the employer's layoff plans and schedule; 2) the background, probable assistance needs, and reemployment prospects of the affected workers; and 3) resources available to meet the short and long-term assistance needs of the affected workers;
- The provision of information and access to unemployment compensation benefits and programs, such as Short-Time Compensation, comprehensive American Job Center network services, and employment and training activities, including information on the TAA program, Pell Grants, the GI Bill, and other resources;
- The delivery of other necessary services and resources including workshops and classes, use of worker transition centers, and job fairs, to support reemployment efforts for affected workers;



- Establishing partnerships with Local WDBs and CEO(s) to ensure coordinated responses to dislocation events and, as needed, obtain access to state or local economic development assistance. The coordinated response may include the development of an application for a National Dislocated Worker grant as provided in 20 CFR part 687;
- The provision of emergency assistance adapted to a particular layoff, disaster, or other emergency situation;
- As appropriate, developing systems and processes for identifying and gathering information for early warning of potential layoffs or opportunities for layoff aversion; analyzing, and acting upon, data and information on dislocations and other economic activity in the state, region, or local area; and tracking outcome and performance data and information related to the activities of the Rapid Response program;
- To ensure the ability to provide Rapid Response services as early as possible, developing and maintaining partnerships with other appropriate Federal, State and local agencies and officials, employer associations, technical councils, industry business councils, labor organizations, and other public and private organizations, as applicable. These partnerships must conduct strategic planning activities for addressing dislocation events and ensuring timely access to a broad range of assistance. They must also develop mechanisms for gathering and exchanging information and data relating to potential dislocations, available resources, and the customization of layoff aversion or Rapid Response activities;
- Delivery of services to worker groups for which a petition for TAA has been filed;
- The provision of additional assistance to local areas that experience disasters, mass layoffs, or other dislocation events that exceed the capacity of the local area to respond with existing resources; and
- The provision of guidance and financial assistance as appropriate, when establishing a labor-management committee if voluntarily agreed to by the employee's bargaining representative and management. The committee may devise and oversee an implementation strategy that responds to the reemployment needs of the workers. The assistance to such a committee may include training and technical assistance to members of the committee, and funding the operating costs of a committee to enable it to provide advice and assistance in carrying out Rapid Response activities and in the design and delivery of WIOA-authorized services to affected workers.

#### Other Allowable Activities

WIOA offers significant flexibility with regard to the use of Rapid Response funds. States or designated Rapid Response providers may, in order to conduct layoff aversion activities or to prepare for and respond to dislocation events, devise additional strategies or conduct activities that are intended to minimize the negative impacts of dislocation on workers, businesses, and communities and to ensure that workers impacted by layoffs are able to be reemployed as quickly as possible.

Additionally, when circumstances allow, Rapid Response operators may provide guidance and/or financial assistance to establish community transition teams to assist the impacted community in organizing support for dislocated workers, and in meeting the basic needs of

their families. Such assistance can include, but is not limited to providing heat, shelter, food, clothing and other necessities and services that are beyond the resources and ability of the American Job Center network to provide.

#### Additional Assistance

WIOA allows states to reserve up to 25 percent of dislocated worker funds for Rapid Response activities. Once the state has reserved adequate funds for Rapid Response activities, any of the remaining funds reserved may be provided to local areas that experience increases of unemployment due to natural disasters, layoffs or other events, for provision of direct career services to participants if there are not adequate local funds available to assist the dislocated workers. We encourage states to establish the policies or procedures governing the provision of additional assistance.

#### Program Reporting

In certain instances, states must report certain information on recipients of Rapid Response services. When an individual record exists for a WIOA participant also served under the Rapid Response program, states must report information regarding the receipt of Rapid Response services for that individual.

#### Rapid Response Funds at the End of the First Program Year

Funds that are reserved for Rapid Response activities and remain unobligated after the first program year for which they were allotted may be used to carry out statewide activities under 20 CFR 682.200 and 682.210. Statewide activities for which these funds may be used include prioritizing the planning for and delivery of activities designed to prevent job loss, increasing the rate of reemployment, building relationships with businesses and other stakeholders, building and maintaining early warning networks and systems, and otherwise supporting efforts to assist long-term unemployed workers to return to work. When managing the use of Rapid Response funds and their availability for statewide purposes after the first program year, states must ensure 80 percent of their total Dislocated Worker funds are obligated by the end of the first program year, or they could trigger recapture of the next program year's Dislocated Worker funds under the realottment provision contains in WIOA 133(c).

Although the states have additional flexibility in using rapid response funds for statewide activities at the end of the first program year, the recapture process that takes place during the same time has not changed. States are expected to obligate 80 percent of its Dislocated Worker funds, including its rapid response funds, in order to avoid recapture (20 CFR 683.135).

- 19. Coordination with WIOA Core Programs.** WIOA provides a significant opportunity for coordination across all of the core programs including planning, reporting, and service delivery. Below are some examples of how the WIOA title I Adult and Dislocated Worker

programs, along with the ES program, can partner with the other WIOA core programs:

#### Youth Formula Program (WIOA title I)

WIOA creates an opportunity for the Adult program to work closely with the Youth program to ensure young adults receive the services they need to succeed in education and the workforce. Individuals aged 18-24 may be eligible for both the WIOA Youth and Adult programs and can be co-enrolled in the two programs. ETA encourages the WIOA Adult and Dislocated Worker programs, along with the ES program, to coordinate closely with the WIOA Youth program to maximize flexibility and service delivery to eligible populations. Some examples where enhanced coordination could take place are as follows:

- Referring 18-24 year old individuals to the title I Youth program if they need more intensive support around specific program elements described under WIOA sec. 129(c)(2).
- Utilizing WIOA Adult formula program funded ITAs as part of a career pathway strategy for Youth program participants co-enrolled as adults or dislocated workers;
- Utilizing work-based training opportunities for Youth program participants co-enrolled as adults or dislocated workers, as identified in their Individual Service Strategy (ISS) as part of a career pathway; and
- Career pathway planning.

*(Note: This is not an exhaustive list of ways to coordinate activities and service delivery, but is meant to illustrate some of WIOA's flexibilities and services to improve educational and employment opportunities for participants.)*

Local program operators may determine, for these individuals, the appropriate level and balance of services under the Youth and Adult programs. Such determinations regarding the appropriate program for the participant must be based on the service needs of the participant and if the participant is career-ready based on an assessment of his/her occupational skills, prior work experience, employability, and the participant's needs. An important difference to note here is that while receiving an assessment from the Adult, Dislocated Worker, or ES programs does trigger participation and inclusion in the performance accountability calculations for those programs, an objective assessment carried out under WIOA sec. 129(c)(1)(A) does not trigger participation in the Youth program. Local program operators must identify and track the funding streams which pay the costs of services provided to individuals who are participating in Youth and Adult programs concurrently, and ensure no duplication of services.

#### Adult Education and Family Literacy Act (WIOA title II)

Title II of WIOA authorizes the Adult Education and Family Literacy Act (AEFLA). AEFLA, administered by the US Department of Education, is designed to create a partnership among the Federal government, States, and localities to provide, on a voluntary basis, adult education and literacy activities. These activities are designed to:

- Assist adults to become literate and obtain the knowledge and skills necessary for

- employment and economic self-sufficiency;
- Assist adults who are parents or family members to obtain the education and skills that are necessary to becoming full partners in the educational development of their children and lead to sustainable improvements in the economic opportunities for their family;
- Assist adults in attaining a secondary school diploma and in the transition to postsecondary education and training, including through career pathways;
- Assist immigrants and other individuals who are English language learners in:
  - Improving their reading, writing, speaking, and comprehension skills in English, as well as mathematical skills; and,
  - Acquiring an understanding of the American system of government, individual freedom, and the responsibilities of citizenship.

WIOA provides new opportunities for the title I Adult and Dislocated Worker programs, as well as the ES, to partner with title II providers.

WIOA sec. 134(c)(2) authorizes career services to be provided with title I adult and dislocated worker funds. Some of these services are activities that are also allowable under AEFLA, including workforce preparation activities, English language acquisition programs, and integrated education and training programs. In order to ensure consistency across the services for the benefit of participants and service providers, ETA is aligning the definitions for these services with those used by the AEFLA program; see Attachment III for their definition.

This allows title I and title II programs to coordinate in the development of career pathways and to co-enroll participants so they receive the full spectrum of services for their education and employment needs. For example, an individual could receive adult education services while at the same time receiving services from the OJT program funded by title I. If individuals are unable to receive services from the AEFLA program, but are determined to be in need of those services by the career planner and eligible for the services, then title I may provide those services the program is authorized to provide, as long as they are provided concurrently or in combination with training services.

#### Vocational Rehabilitation (WIOA title IV)

Title IV of WIOA makes a number of significant changes to the Rehabilitation Act of 1973 (Rehab Act) in order to improve and align core programs towards the goal of empowering individuals with disabilities to maximize employment, economic self-sufficiency, independence, and inclusion in and integration into society. To achieve these goals, title IV amends regulations governing the State Vocational Rehabilitation Services program (VR) and State Supported Employment Services Program (Supported Employment Program) and implements limitations on the payment of subminimum wages to individuals with disabilities. WIOA provides new opportunities for coordination and referrals for the title I Adult and Dislocated Worker programs, as well as the Employment Service, to partner and enhance service delivery to individuals with disabilities, including those served under title IV of WIOA. Individuals with disabilities are identified as individuals with barriers to

employment under WIOA, and should receive any and all American Job Center services that would normally be provided to any other job seeker.

WIOA makes the following key changes to title IV programs:

- Strengthen the alignment of the VR program with other core components of the workforce development system by aligning requirements governing unified state planning, performance accountability measures, and integration into the American Job Center network ;
- Place heightened emphasis on coordination and collaboration at the Federal, State, and local levels to ensure a streamlined and coordinated service delivery system for job-seekers, including those with disabilities, and employers;
- Include a new definition of “competitive integrated employment” that combines, clarifies, and enhances the two separate definitions of “competitive employment” and “integrated setting” for the purpose of employment under the VR program;
- Revise the definition of “employment outcome” in §361.5(c)(15) and now specifically identifies customized employment as an employment outcome under the VR program, and requires that all employment outcomes achieved through the VR program be in competitive integrated employment or supported employment;
- Amend the Supported Employment Program in order to maximize the potential of individuals with disabilities, especially those with the most significant disabilities, to achieve competitive integrated employment and to expand services for youth with the most significant disabilities;
- Requires that Supported Employment must be in competitive integrated employment or, if not, in an integrated setting in which the individual is working towards competitive integrated employment on a short-time basis;
- Extends time for which supported employment services may be provided is extended from 18 months to 24 months;
- Requires States to reserve and expend 50 percent of their allotments under the Supported Employment Program to provide supported employment services, including extended services, to youth with the most significant disabilities; and
- Limit on the Use of Subminimum Wage.
- Adds new section 511, Limitations on the Use of Subminimum Wage, which imposes requirements on employers who hold special wage certificates under the Fair Labor Standards Act (FLSA) that must be satisfied before employers may hire youth with disabilities at subminimum wages or continue to employ individuals with disabilities of an age at the subminimum wage level.

VR Counselors, who are employed by the state VR agency, are responsible for determining whether an individual is eligible to receive VR services. In order to be eligible, an individual with a disability must meet the following criteria:

- Have a physical or mental impairment that poses functional limitations resulting in a substantial impediment to employment;
- Require VR services to obtain or maintain employment; and
- Must be able to benefit from VR services to obtain or maintain employment

While an individual may be determined eligible to receive VR services, the state VR agency may not be able to provide services due to insufficient staff and/or fiscal resources. In this instance, the state VR agency must implement an order of selection (OOS) that establishes the priority categories by which individuals can be served based on their functional limitations. As of 2016, approximately 50 percent of the VR agencies have implemented an OOS. For those individuals not in a priority category being served in the OOS, the state VR agency must refer the individual to another program that may be able to meet their needs. Therefore, effective partnering with the Adult, Dislocated Worker, and ES programs is essential in order to ensure individuals with disabilities seeking employment and training services receive the services they need for employment.

In order to align the core programs and create additional flexibility for the purposes of achieving the goals under title IV, funds allocated to a local area for adult and dislocated worker activities may be used to improve coordination between employment and training programs carried out in the local area for individuals with disabilities through the American Job Center network. ETA encourages local areas to utilize this flexibility to ensure a highly coordinated service delivery in coordination with title IV activities to ensure that individuals with disabilities receive the services they need for their career needs, whether the services are provided by title I, III, or IV or some combination thereof, including other community resources. Additionally, ETA encourages local areas to coordinate with programs carried out by State agencies relating to intellectual and developmental disabilities, as well as local agencies and organizations serving individuals with significant disabilities, including the local network of centers for independent living in each State.

#### Client Assistance Program

The purpose of this program is to advise and inform clients, client applicants, and other individuals with disabilities of all the available services and benefits under the *Rehabilitation Act of 1973*, as amended by WIOA, and of the services and benefits available to them under title I of the *Americans with Disabilities Act (ADA)*. In addition, CAP grantees may assist and advocate for clients and client applicants in relation to projects, programs, and services provided under the *Rehabilitation Act*. In providing assistance and advocacy under title I of the *Rehabilitation Act*, a CAP agency may provide assistance and advocacy with respect to services that are directly related to employment for the client or client applicant.

- 20. Coordination with Trade Adjustment Assistance (TAA).** The Dislocated Worker program is a critical partner with TAA in identifying and serving trade-impacted workers. Co-enrollment, of workers covered under certified petitions (TAA-certified workers) in partnership with the WIOA Dislocated Worker or Adult program, allows for the timely provision of individualized career services and improves the overall effectiveness of the TAA Program. Additionally, sec. 221(a)(2)(A) of the Trade Act requires that the Governor ensure that Rapid Response and appropriate career services are delivered to all workers who are covered by a certified TAA petition. In addition to the Rapid Response services, American Job Centers can also provide supportive services relating to child care, transportation, dependent care, housing assistance, and needs-related payments, and may also provide career

services described in Section 4 of this TEGL. TAA generally provides case management and employment services, training, income support, job search allowances, relocation allowances, wage supplements for older workers, and a health coverage tax credit for TAA-certified workers. Strict deadlines must be met if individuals are to take full advantage of the TAA benefits available to TAA-certified workers. Barriers to service delivery to this population should be eliminated in order to maximize all the resources available in the one-stop delivery system.

Of equal importance is serving workers who need assistance in filing a petition, or workers for which a petition for TAA eligibility is pending (under investigation), so that the duration of unemployment is minimized. Since most workers who appear to be threatened with layoff or to be separated from employment due to increased imports or a shift in production of articles by their employer or employer's customers are likely to meet dislocated worker eligibility criteria, these individuals should enter the American Job Center network immediately following the announcement of a layoff. They must be assisted in filing a petition with the Department (and the Governor) requesting certification as workers adversely affected by foreign trade. Immediately beginning the process of needs and skills assessment improves TAA participation rates and allows individuals more time to consider all of the options available to them, even before these workers may become eligible for TAA. Section 221(a)(2)(A) of the Trade Act of 1974, as amended, requires the provision of "appropriate career services" to workers covered by a Petition for Trade Adjustment Assistance. These services, in addition to Rapid Response, must be provided when the petition is filed, regardless of whether the petition is certified. Note that adversely affected workers, certified under a Petition for Trade Adjustment Assistance under the Trade Act of 1974, as amended, are, by definition, Dislocated Workers under WIOA.

WIOA and TAA Program funds must be managed in a coordinated manner to best meet the needs of the workers while abiding by all applicable statutes, regulations and federal policies. The Trade Act, as amended, contains provisions allowing the costs of a training program approved under the Act to be paid by TAA funds or from other sources, but does not allow duplication of payment of training costs. Those authorities and restrictions are detailed in 20 CFR 617.25(b). Under certain circumstances, the costs of training may be shared, but such an arrangement must not authorize reimbursement from TAA funds of any training costs that were incurred before a participant was certified and determined individually eligible for TAA and that training was TAA-approved. Additionally, the TAA Governor-Secretary Agreement, Section E, requires that the TAA Program will be the primary source of assistance to adversely affected workers covered by a certification and that to the extent adversely affected workers covered by a certification enrolled in the TAA Program require assistance or services not authorized under the TAA Program, or for which TAA Program funds are unavailable or insufficient (including for required employment and case management services), such assistance will be made available through the American Job Center network.

TAA-certified workers may receive WIOA-funded training otherwise provided under TAA under limited circumstances. The most common circumstance is when a TAA petition has been filed by or on behalf of a group of workers but a determination of group eligibility has

not been made. In this case WIOA funding should be used for training in the short-term, until an affirmative decision is rendered after a completed TAA investigation and the state agency operating the TAA Program as an agent of the United States determines the worker's individual eligibility and approves the training. In the event a negative decision is rendered and the petition is denied, the worker can continue as a WIOA participant. Systems must be in place to seamlessly accommodate a change in the funding of training, as appropriate, after TAA program approval is obtained. Training may be modified by the TAA Program to allow a worker additional training under the TAA Program in order to meet retraining needs as indicated in individual reemployment plans. Such a participant may remain enrolled in WIOA and the TAA Program as the individual may need continued career and supportive services through WIOA. To effectuate this seamless service, the states should ensure that the six criteria for the approval of training under Trade, found at 20 CFR 617.22 are used for determining the appropriateness of training. Also note, under co-enrollment, training is a benefit available to TAA-certified adversely affected incumbent workers. See Section D.2. of TEGL No. 5-15, *Change 1* for additional information regarding the training benefit for adversely affected incumbent workers.

WIOA allows up to 75 percent reimbursement to employers for OJT (see Section 14 of this TEGL), while the TAA Program allows reimbursement up to 50 percent of the wage rate, the cost of providing the training, and additional supervision related to the training. For OJT approved training for a co-enrolled TAA participant, the TAA Program may reimburse employers up to 50 percent, and WIOA may reimburse employers up to an additional 25 percent, to bring the total reimbursement to employers up to 75 percent to align TAA program benefits with WIOA flexibilities provided that the State and Local policies provide for a 75 percent reimbursement rate.

**21. Inquiries.** Questions regarding this guidance should be directed to the appropriate ETA regional office.

**22. Attachments.**

- Attachment I: References
- Attachment II: Participation Level Services Chart for Adult, Dislocated Worker, and Wagner-Peyser Act Employment Service
- Attachment III: Key Terms and Definitions



**Attachment I: References**

**WIOA Operating Guidance TEGL References**

- The Workforce Innovation and Opportunity Act (WIOA) of 2014 (Public Law (Pub. L. 113-128)) Title I and III, enacted July 22, 2014;
- WIOA Regulations at 20 CFR parts 651, 652, 680, and 682;
- Title 38 United States Code (38 U.S.C. 4213);
- TEGL No. 16-16, "*One-Stop Operations Guidance for the American Job Center Network*," dated January 18, 2017;
- TEGL No. 10-16, "*Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Title I, Title II, Title III and Title IV Core Programs*," dated December 19, 2016;
- TEGL No. 08-16, "*Supporting Unemployment Insurance Beneficiaries Seeking Postsecondary Education or Training*," dated September 23, 2016;
- TEGL No. 41-14, Change 1, "*Workforce Innovation and Opportunity Act (WIOA or Opportunity Act) Title I Training Provider Eligibility Transition*," dated November 24, 2015;
- TEGL No. 41-14, "*Workforce Innovation and Opportunity Act (WIOA or Opportunity Act) Title I Training Provider Eligibility Transition*," dated June 26, 2015;
- TEGL No. 19-14, "*Vision for the Workforce System and Initial Implementation of the Workforce Innovation and Opportunity Act*," dated February 19, 2015;
- TEGL No. 15-12, "*Delivery of Benefits and Services to Trade Adjustment Assistance (TAA) Program Recipients through the American Job Center Network Delivery System*," dated March 7, 2013;
- TEGL No. 10-09, "*Implementing Priority of Service for Veterans and Eligible Spouses in all Qualified Job Training Programs Funded in whole or in part by the U.S. Department of Labor (DOL)*," dated November 10, 2009;
- TEN No. 18-16, "*Pathways to Reemployment Tools and Resources*," dated November 21, 2016;
- Unemployment Insurance Program Letter (UIPL) 12-01, Change 1, "*Outsourcing of Unemployment Compensation Administrative Functions – Claims Taking*," dated November 26, 2007;
- UIPL 12-01, "*Outsourcing of Unemployment Compensation Administrative Functions*," dated December 28, 2000;

**Attachment II**  
**Participation Level Services Chart**  
**WIOA Title I Adult, Title I Dislocated Worker, and**  
**Title III Employment Service Programs<sup>1</sup>**

Attachment II			
Adult/DW/ES Service Type (WIOA Sec. 134 (c))	Does this service trigger inclusion in participation?	Category of Service (i.e. Basic, Individualized, Training)	Applicable PIRL Data Element Number(s)
Eligibility Determination	No	Basic Career Service	N/A
Outreach, Intake, Orientation	No	Basic Career Service	N/A
Initial assessment of skill levels & supportive service needs	Yes	Basic Career Service	1003, 1004, 1102
Job search assistance (Self-directed)	No	Basic Career Service	N/A
Job search assistance (Staff-assisted)	Yes	Basic Career Service	1003, 1004, 1104
Placement assistance (includes "Referred to Employment") (Staff-assisted)	Yes	Basic Career Service	1003, 1004, 1105, 1106, 1107, 1108, 1109, 1110, 1111
Career Counseling (includes "Staff-assisted career guidance")	Yes	Basic Career Service	1003, 1004, 1102
Providing info on in-demand sectors, occupations, or nontraditional employment	No	Basic Career Service	1100, 1101
Provision of referrals and associated coordination of activities with other programs and services	No	Basic Career Service	1100, 1101, 1113, 1115
Provision of workforce and labor market employment statistics information	No	Basic Career Service	1100, 1101, 1103

<sup>1</sup> Note this chart does not include all available services that may be provided, but rather those services specifically authorized under WIOA sec. 134(c)(2). Additionally, these services do not indicate whether or not an individual is a participant, but rather which services trigger an individual to become a participant.

<b>Attachment II</b>			
<b>Adult/DW/ES Service Type (WIOA Sec. 134 (c))</b>	<b>Does this service trigger inclusion in participation?</b>	<b>Category of Service (i.e. Basic, Individualized, Training)</b>	<b>Applicable PIRL Data Element Number(s)</b>
Provision of info on job vacancies	No	Basic Career Service	1100, 1101, 1103
Provision of info on job skills necessary to fill vacancies	No	Basic Career Service	1100, 1101, 1103
Provision of info on local demand occupations, with earnings, skill requirements, and opportunities for advancement for those jobs	No	Basic Career Service	1100, 1101, 1103
Provision of performance and program cost info for providers of education and training	No	Basic Career Service	1100, 1101
Provision of info on local performance	No	Basic Career Service	1100, 1101
Provision of info on availability of supportive services or assistance	No	Basic Career Service	1100, 1101
Referral to supportive services	No	Basic Career Service	1113
Provision of information and meaningful assistance filing for UI	Yes	Basic Career Service	1003,1004, 1112
Assistance establishing eligibility for financial aid	Yes	Basic Career Service	1003,1004, 1116
Comprehensive and specialized assessments	Yes	Individualized Career Service	1004, 1200, 1201
Development of IEP	Yes	Individualized Career Service	1004, 1200, 1201, 1202
Group Counseling	Yes	Individualized Career Service	1004, 1200, 1201
Individual Counseling	Yes	Individualized Career Service	1004, 1200, 1201
Career Planning	Yes	Individualized Career Service	1004, 1200, 1201

Attachment II			
Adult/DW/ES Service Type (WIOA Sec. 134 (c))	Does this service trigger inclusion in participation?	Category of Service (i.e. Basic, Individualized, Training)	Applicable PIRL Data Element Number(s)
Short-term prevocational services	Yes	Individualized Career Service	1004, 1200, 1201, 1210
Internships and work experiences (including transitional jobs)	Yes	Individualized Career Service	1004, 1200, 1201, 1203, 1205, 1211
Workforce preparation activities	Yes	Individualized Career Service	1004, 1200, 1201
Financial literacy services	Yes	Individualized Career Service	1004, 1200, 1201, 1206
Out-of-area job search assistance and relocation assistance	Yes	Individualized Career Service	1004, 1200, 1201
English-language acquisition and integrated education and training programs	Yes	Individualized Career Service	1004, 1200, 1201, 1207
Follow up services	n/a (must be a participant first to receive)	Follow up Service	1503
Training services under Sec. 134(c)(3)(D) with exception of Sec. 134(c)(3)(D)(iii) (incumbent worker training)	Yes	Training	1300, 1301, 1302, 1303, 1304, 1305, 1306, 1307, 1308, 1309, 1310, 1311, 1312, 1313, 1314, 1315, 1316, 1317, 1318, 1319
Incumbent Worker Training	No <sup>2</sup>	Training	907

\*Note: Receipt of any of the three types of services (Basic, Individualized, or Training) makes an individual a "Reportable Individual" while it only takes the receipt of one service that triggers participation to be considered a participant.

<sup>2</sup> While Incumbent Worker Training is not a self-service or information-only service, individuals are not required to meet eligibility requirements for the Adult or Dislocated Worker programs to receive Incumbent Worker Training.

### **Attachment III – Key Terms and Definitions**

This attachment is designed to be a key resource when implementing this TEGL for some of the key terms and definitions utilized by WIOA and the Final Rules. This is not intended to be an exhaustive list of all program definitions, see WIOA sec. 3 and 20 CFR 675.300 for a full list of definitions.

**ACTIVE DUTY** (38 USC 101(21))- means full-time duty in the active military service of the United States. Such term includes full-time training duty, annual training duty, and attendance, while in the active military service, at a school designated as a service school by law or by the Secretary of the military department concerned. Such term does not include full-time National Guard duty.

**ADULT** (WIOA sec. 3(2)) – means an individual who is age 18 or older.

**ADULT EDUCATION AND LITERACY ACTIVITIES** (§ 463.30) – means programs, activities, and services that include:

- (A) Adult education,
- (B) Literacy,
- (C) Workplace adult education and literacy activities,
- (D) Family literacy activities,
- (E) English language acquisition activities,
- (F) Integrated English literacy and civics education,
- (G) Workforce preparation activities, or
- (H) Integrated education and training

**BASIC SKILLS DEFICIENT** (WIOA sec. 3(5)) – means, with respect to an individual—

- (A) who is a youth, that the individual has English reading, writing, or computing skills at or below the 8<sup>th</sup> grade level on a generally accepted standardized test; or
- (B) who is a youth or adult, that the individual is unable to compute or solve problems, or read, write, or speak English, at a level necessary to function on the job, in the individual's family, or in society.

**CAREER PATHWAY** (WIOA sec. 3(7)) – means a combination of rigorous and high-quality education, training, and other services that—

- (A) aligns with the skill needs of industries in the economy of the State or regional economy involved;
- (B) prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the Act of August 16, 1937 (commonly known as the “National Apprenticeship Act”; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.) (referred to individually in this Act as an “apprenticeship”, except in section 171);

- (C) includes counseling to support an individual in achieving the individual's education and career goals;
- (D) includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;
- (E) organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;
- (F) enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential; and
- (G) helps an individual enter or advance within a specific occupation or occupational cluster.

**CAREER PLANNING** (WIOA sec. 3(8)) – means the provision of a client-centered approach in the delivery of services, designed-

- (A) To prepare and coordinate comprehensive employment plans, such as service strategies, for participants to ensure access to necessary workforce investment activities and supportive services, using, where feasible, computer-based technologies; and
- (B) To provide job, education, and career counseling, as appropriate during program participation and after job placement.

**DEPLOYMENT** (10 USC 991(b)) – means

- (A) A member of the Armed Forces is considered to be deployed or in a deployment on any day on which, pursuant to orders, the member is performing service in a training exercise or operation at a location or under circumstances that make it impossible or infeasible for the member to spend off-duty time in the housing in which the member resides when on garrison duty at the member's permanent duty station or homeport, as the case may be.
- (B) In the case of a member of a reserve component who is performing active service pursuant to orders that do not establish a permanent change of station, the housing referred to in paragraph (1) is any housing (which may include the member's residence) that the member usually occupies for use during off-duty time when on garrison duty at the member's permanent duty station or homeport, as the case may be.
- (C) A member is not deployed or in a deployment when the member is—
  - (i) Performing service as a student or trainee at a school (including any Government school);

- (ii) Performing administrative, guard, or detail duties in garrison at the member's permanent duty station; or
- (iii) Unavailable solely because of--
  - (1) a hospitalization of the member at the member's permanent duty station or homeport or in the immediate vicinity of the member's permanent residence; or
  - (2) a disciplinary action taken against the member.

**DISLOCATED WORKER (WIOA sec. 3(15))** -- means an individual who--

- (A) (i) has been terminated or laid off, or who has received a notice of termination or layoff, from employment, including separation notice from active military service (under other than dishonorable conditions);
  - (ii) (I) is eligible for or has exhausted entitlement to unemployment compensation; or
    - (II) has been employed for a duration sufficient to demonstrate, to the appropriate entity at a one-stop center referred to in section 121(e), attachment to the workforce, but is not eligible for unemployment compensation due to insufficient earnings or having performed services for an employer that were not covered under a State unemployment compensation law; and
  - (iii) is unlikely to return to a previous industry or occupation;
- (B) (i) has been terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, military installation or enterprise;
  - (ii) is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days; or
  - (iii) for purposes of eligibility to receive services other than training services described in section 134(c)(3), career services described in section 134(c)(2)(A)(xii), or supportive services, is employed at a facility at which the employer has made a general announcement that such facility or military installation will close;
- (C) was self-employed (including employment as a farmer, a rancher, or a fisherman) but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters;
- (D) is a displaced homemaker; or
- (E) (i) is the spouse of a member of the Armed Forces on active duty (as defined in section 101(d)(1) of title 10, United States Code), and who has experienced a loss of

employment as a direct result of relocation to accommodate a permanent change in duty station of such member; or

(ii) is the spouse of a member of the Armed Forces on active duty and who meets the criteria described in paragraph (16)(B).

**DISPLACED HOMEMAKER** (WIOA sec. 3(16)) – means an individual who has been providing unpaid services to family members in the home and who –

(A) (i) has been depending on the income of another family member but is no longer supported by that income; or

(ii) is the dependent spouse of a member of the Armed Forces on active duty (as defined in section 101(d)(1) of title 10, United States Code) and whose family income is significantly reduced because of a deployment (as defined in section 991(b) of title 10, United States Code, or pursuant to paragraph (4) of such section), a call or order to active duty pursuant to a provision of law referred to in section 101(a)(13)(B) of title 10, United States Code, a permanent change of station or the service-connected (as defined in section 101(16) of title 38, United States Code) death or disability of the member; and

(B) Is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment

**ELIGIBLE SPOUSE** – means an individual whose military active duty or veteran spouse was—

a. Any veteran who died of a service-connected disability;

b. Any member of the Armed Forces serving on active duty who, at the time of application for the priority, is listed in one or more of the following categories and has been so listed for a total of more than 90 days:

i. Missing in action;

ii. Captured in the line of duty by a hostile force; or

iii. Forcibly detained or interned in the line of duty by a foreign government or power;

c. Any veteran who has a total disability resulting from a service-connected disability, as evaluated by the Department of Veterans Affairs; or

d. Any veteran who died while a disability was in existence. A spouse whose eligibility is derived from a living veteran or service member (i.e., categories b. or c. above) would lose his or her eligibility if the veteran or service member were to lose the status that is the basis for the eligibility (e.g. if a veteran with a total service-connected disability were



to receive a revised disability rating at a lower level). Similarly, for a spouse whose eligibility is derived from a living veteran or service member, that eligibility would be lost upon divorce from the veteran or service member.

**ENGLISH LANGUAGE ACQUISITION PROGRAM** (34 CFR 463.31) – is a program of instruction—

- (A) That is designed to help eligible individuals who are English language learners achieve competence in reading, writing, speaking, and comprehension of the English language; and;
- (B) That leads to—
  - (1)(a) Attainment of a secondary school diploma or its recognized equivalent; and
    - (b) Transition to postsecondary education and training; or
  - (2) Employment

**EXIT** (see 20 CFR 677.150 for full definition) – as defined for the purpose of performance calculations for the WIOA Adult, Dislocated Worker, and Employment Service programs, exit is the point after which a participant who has received services through any program meets the following criteria:

- (1) For the adult, dislocated worker, and youth programs authorized under WIOA title I, the AEFLA program authorized under WIOA title II, and the Employment Service program authorized under the Wagner-Peyser Act, as amended by WIOA title III, exit date is the last date of service.
  - a. The last day of service cannot be determined until at least 90 days have elapsed since the participant last received services; services do not include self-service, information-only services or activities, or follow-up services. This also requires that there are no plans to provide the participant with future services.

**FAMILY** (20 CFR 675.300) - means two or more persons related by blood, marriage, or decree of court, who are living in a single residence, and are included in one or more of the following categories:

- (A) A married couple and dependent children;
- (B) A parent or guardian and dependent children; or
- (C) A married couple.

**HOMELESS INDIVIDUAL OR HOMELESS CHILDREN AND YOUTHS** (WIOA sec. 3(24)(G)) – is an individual who meets any of the following criteria:

- (A) Lacks a fixed regular, and adequate nighttime residence; this includes a participant who:

- a. Is sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason;
  - b. Is living in a motel, hotel, trailer park, or campground due to a lack of alternative adequate accommodations;
  - c. Is living in an emergency or transitional shelter;
  - d. Is abandoned in a hospital; or
  - e. Is awaiting foster care placement;
- (B) Has a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, such as a car, park, abandoned building, bus or train station, airport, or camping ground;
- (C) Is a migratory child who in the preceding 36 months was required to move from one school district to another due to changes in the parent's or parent's spouse's seasonal employment in agriculture, dairy, or fishing work; or
- (D) Is under 18 years of age and absents himself or herself from home or place of legal residence without the permission of his or her family (i.e. runaway youth)

*(Note- A participant imprisoned or detained under an Act of Congress or State law does not meet the definition. Additionally, a participant who may be sleeping in a temporary accommodation while away from home should not, as a result of that alone, be recorded as homeless.)*

**INDIVIDUAL EMPLOYMENT PLAN** (20 CFR 680.170) – is an individualized career service, under WIOA sec. 134(c)(2)(a)(xii)(II), that is developed jointly by the participant and career planner when determined appropriate by the one-stop operator or one-stop partner. This plan is an ongoing strategy to identify employment goals, achievement objectives, and an appropriate combination of services for the participant to achieve the employment goals.

**INDUSTRY OR SECTOR PARTNERSHIP** (WIOA sec. 3(26)) – ' means a workforce collaborative, convened by or acting in partnership with a State board or local board, that—

(A) organizes key stakeholders in an industry cluster into a working group that focuses on the shared goals and human resources needs of the industry cluster and that includes, at the appropriate stage of development of the partnership—

- (i) representatives of multiple businesses or other employers in the industry cluster, including small and medium-sized employers when practicable;
- (ii) 1 or more representatives of a recognized State labor organization or central labor council, or another labor representative, as appropriate; and

(iii) 1 or more representatives of an institution of higher education with, or another provider of, education or training programs that support the industry cluster; and

(B) may include representatives of—

- (i) State or local government;
- (ii) State or local economic development agencies;
- (iii) State boards or local boards, as appropriate;
- (iv) a State workforce agency or other entity providing employment services;
- (v) other State or local agencies;
- (vi) business or trade associations;
- (vii) economic development organizations;
- (viii) nonprofit organizations, community-based organizations, or intermediaries;
- (ix) philanthropic organizations;
- (x) industry associations; and
- (xi) other organizations, as determined to be necessary by the members comprising the industry or sector partnership.

**INTEGRATED EDUCATION AND TRAINING** (34 CFR 463.35) – refers to a service approach that provides adult education and literacy activities concurrently and contextually with workforce preparation activities and workforce training for a specific occupation or occupational cluster for the purpose of educational and career advancement.

**LOW-INCOME INDIVIDUAL** (WIOA sec. 3(36))– means an individual who—

(A) IN GENERAL—

(i) receives, or in the past 6 months has received, or is a member of a family that is receiving or in the past 6 months has received, assistance through the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), the program of block grants to States for temporary assistance for needy families program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), or the supplemental security income program established under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or State or local income-based public assistance;

(ii) is in a family with total family income that does not exceed the higher of—

(I) the poverty line; or

(II) 70 percent of the lower living standard income level;

(iii) is a homeless individual (as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6))), or a homeless child or youth (as defined under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)));

(iv) receives or is eligible to receive a free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);

(v) is a foster child on behalf of whom State or local government payments are made; or

(vi) is an individual with a disability whose own income meets the income requirement of clause (ii), but who is a member of a family whose income does not meet this requirement.

**LONG TERM UNEMPLOYED INDIVIDUAL** (see Bureau of Labor Statistics definition) – is a person who has been unemployed for 27 or more consecutive weeks.

**NONTRADITIONAL EMPLOYMENT** (WIOA sec. 3(37)) – refers to occupations or fields of work, for which individuals from the gender involved comprise less than 25 percent of the individuals employed in each such occupation or field of work.

**PARTICIPANT** (20 CFR 677.150) – is a reportable individual who has received services other than the services described in paragraph (a)(3) of this section, after satisfying all applicable programmatic requirements for the provision of services, such as eligibility determination.

- (1) For the Vocational Rehabilitation (VR) program, a participant is a reportable individual who has an approved and signed Individualized Plan for Employment (IPE) and has begun to receive services.
- (2) For the WIOA title I youth program, a participant is a reportable individual who has satisfied all applicable program requirements for the provision of services, including eligibility determination, an objective assessment, and development of an individual service strategy, and received 1 of the 14 WIOA youth program elements in sec. 129(c)(2) of WIOA.
- (3) The following individuals are not participants:
  - a. Individuals in an Adult Education and Family Literacy Act (AEFLA) program who have not completed at least 12 contact hours;
  - b. Individuals who only use the self-service system;

- i. Subject to paragraph (a)(3)(ii)(B) of this section, self-service occurs when individuals independently access any workforce development system program's information and activities in either a physical location, such as a one-stop center resource room or partner agency, or remotely via the use of electronic technologies.
  - ii. Self-service does not uniformly apply to all virtually accessed services. For example, virtually accessed services that provide a level of support beyond independent job or information seeking on the part of an individual would not qualify as self-service.
- c. Individuals who receive information-only services or activities, which provide readily available information that does not require an assessment by a staff member of the individual's skills, education, or career objectives.

(4) Programs must include participants in their performance calculations.

**REPORTABLE INDIVIDUAL** (20 CFR 677.150) – is an individual who has taken action that demonstrates an intent to use program services and who meets specific reporting criteria of the program, including:

- (1) Individuals who provide identifying information;
- (2) Individuals who only use the self-service system; or
- (3) Individuals who only receive information-only services or activities.

**SERVICE CONNECTED** (38 USC 101(16)) – means, with respect to disability or death, that such disability was incurred or aggravated, or that the death resulted from a disability incurred or aggravated, in line of duty in the active military, naval, or air service.

**TRANSITIONAL JOB** (20 CFR 680.190) – is a time limited work experience that is wage-paid and subsidized, and is in the public, private or non-profit sectors for those individuals with barriers to employment who are chronically unemployed or have inconsistent work history, as determined by the Local Workforce Development Board. These jobs are designed to enable an individual to establish a work history, demonstrate work success in an employee-employer relationship, and develop the skills that lead to unsubsidized employment.

**WORK EXPERIENCE (OR INTERNSHIP)** (20 CFR 680.180) – is a planned, structured learning experience that takes place in a workplace for a limited period of time. Internships and other work experiences may be paid or unpaid, as appropriate and consistent with other laws, such as the Fair Labor Standards Act. An internship or other work experience may be arranged within the private for profit sector, the non-profit sector, or the public sector. Labor standards apply in any work experience setting where an employee/employer relationship, as defined by the Fair Labor Standards Act, exists. Transitional Jobs are a type of work experience.

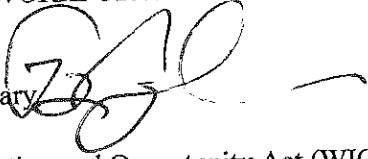
**WORKFORCE PREPARATION ACTIVITIES** (34 CFR 463.34) – include activities, programs, or services designed to help an individual acquire a combination of basic academic skills, critical thinking skills, digital literacy skills, and self-management skills, including competencies in:

- (A) Utilizing resources;
- (B) Using information;
- (C) Working with others;
- (D) Understanding systems;
- (E) Skills necessary for successful transition into and completion of postsecondary education or training, or employment; and
- (F) Other employability skills that increase an individual's preparation for the workforce.

<b>EMPLOYMENT AND TRAINING ADMINISTRATION</b> <b>ADVISORY SYSTEM</b> <b>U.S. DEPARTMENT OF LABOR</b> <b>Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> WIOA/Youth
	<b>CORRESPONDENCE SYMBOL</b> OWI-DYS
	<b>DATE</b> March 2, 2017

**ADVISORY:** TRAINING AND EMPLOYMENT GUIDANCE LETTER WIOA NO. 21-16  
OPERATING GUIDANCE for the WORKFORCE INNOVATION AND  
OPPORTUNITY ACT

**TO:** STATE WORKFORCE AGENCIES  
STATE WORKFORCE ADMINISTRATORS  
STATE WORKFORCE LIAISONS  
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS

**FROM:** Byron Zuidema  
Deputy Assistant Secretary 

**SUBJECT:** Third Workforce Innovation and Opportunity Act (WIOA) Title I Youth  
Formula Program Guidance

1. **Purpose.** To provide guidance and planning information to states, local workforce areas, and other recipients of WIOA Title I youth formula funds on the activities associated with the implementation of WIOA.

WIOA became law on July 22, 2014 and supersedes Titles I and II of the Workforce Investment Act of 1998 (WIA), and amends the Wagner-Peyser Act and the Rehabilitation Act of 1973. The Departments of Labor and Education published a set of regulations for implementing WIOA. These WIOA Final Rules were made public on July 1, 2016, and the rules covering the Title I youth formula program became effective on October 18, 2016.

2. **References.** See attachment 1.

3. **Background.** Title I of WIOA outlines a broad youth vision that supports an integrated service delivery system and provides a framework through which states and local areas can leverage other Federal, state, local, and philanthropic resources to support in-school youth (ISY) and out-of-school youth (OSY). Title I of WIOA affirms the Department of Labor's (DOL) commitment to providing high-quality services for youth, beginning with career exploration and guidance, continued support for educational attainment, opportunities for skills training, such as pre-apprenticeships or internships, for in-demand industries and occupations, and culminating with employment, enrollment in postsecondary education, or a Registered Apprenticeship.

On March 26, 2015, DOL published Training and Employment Guidance Letter (TEGL) No. 23-14 which provided guidance on WIOA youth program transition. On November 17, 2015 DOL published TEGL No. 8-15 which provided additional WIOA youth transition guidance.

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> Continuing
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This issuance is the third TEGL that addresses key provisions in WIOA and provides guidance to assist states and local areas in implementing the WIOA youth program.

#### 4. Eligibility.

##### Determining School Status

Different eligibility criteria apply to in-school youth (ISY) and out-of-school youth (OSY), and WIOA shifts the Youth formula program to focus primarily on OSY. As discussed in 20 CFR § 681.240, school status is determined at the time of program enrollment. Because the process of program enrollment can occur over a period of time, school status must be based on status at the time the eligibility determination portion of program enrollment is made. Once the school status of a youth is determined, that school status remains the same throughout the youth's participation in the WIOA youth program. This distinction is drawn for purposes of reporting against the OSY expenditure requirement.

If a youth is enrolled in the WIOA youth program during the summer and is in between school years, the youth is considered an ISY if they are enrolled to continue school in the fall. If a youth is enrolled in the WIOA youth program between high school graduation and postsecondary education, the youth is considered an ISY if they are registered for postsecondary education, even if they have not yet begun postsecondary classes at the time of WIOA youth program enrollment. However, if a youth graduates high school and registers for postsecondary education, but does not ultimately follow through with attending postsecondary education, then such a youth would be considered an OSY if the eligibility determination is made after the point that the youth decided not to attend postsecondary education.

*Non-credit-bearing postsecondary classes.* DOL received a number of questions related to what counts as attending postsecondary education for purposes of determining school status. If the youth participant is enrolled in any credit-bearing postsecondary education classes, including credit-bearing community college classes and credit-bearing continuing education classes, then they are considered attending postsecondary education, and, therefore, an ISY. If the youth is only enrolled in non-credit-bearing postsecondary classes, they would not be considered attending postsecondary school and, therefore, an OSY.

*Individuals 22 and older attending postsecondary education.* Local programs should keep in mind that ISY, including those attending postsecondary education, must be between the ages of 14 through 21. A youth attending postsecondary education who is 22 at time of eligibility determination would not be eligible for the WIOA youth program because they are in school and over the age of 21. That individual could be served through the WIOA adult program.

*Exception for youth with disabilities.* There is one exception to age eligibility for youth attending school. Youth with disabilities who have an Individualized Education Program (IEP) may be enrolled as ISY after the age of 21, if their state law allows youth with disabilities to be served by the K-12 public school system beyond the age of 21. Such youth may only be enrolled as ISY up to the age allowed by their state law to receive secondary education services.



*High school equivalency programs and dropout re-engagement programs.* In 20 CFR § 681.230, DOL uses the terms high school equivalency program and dropout re-engagement program. As stated in 20 CFR § 681.230, for purposes of WIOA, providers of adult education under Title II of WIOA, YouthBuild programs, the Job Corps program, high school equivalency programs, and dropout re-engagement programs are not considered to be schools for the purposes of determining school status. However, there is one exception. Youth attending high school equivalency (HSE) programs, including those considered to be dropout re-engagement programs, funded by the public K–12 school system that are classified by the school system as still enrolled in school are considered ISY.

An HSE program offers preparation for, and the taking of, tests which lead to a HSE degree. The “High School Equivalency: Resource Guide for the Workforce System” provides information about the options for high school equivalency and can be found at: [High School Equivalency Resource Guide](#). A dropout re-engagement program conducts active outreach to encourage out-of-school youth to return to school and assists such youth in resuming their education and/or training to become career ready. A re-engagement program or center may provide case management and other services to support youth in overcoming barriers that prevent them from returning to school or work. To learn more about dropout re-engagement centers and programs, see “Bringing Students Back to the Center: A Resource Guide for Implementing and Enhancing Re-Engagement Centers for Out-of-School Youth” and can be found at: [Re-Engagement Center Resource Guide](#).

*Homeschooling.* DOL has received a number of questions about how to classify youth who are homeschooled. State education agencies and/or local education agencies have policies regarding the classification of youth who are home-schooled. WIOA youth programs must classify homeschooled youth as ISY or OSY based on their state education agency (or local education agency, if relevant) policy.

#### Eligibility Barriers

To be eligible for the WIOA youth program, individuals must meet one or more conditions listed in WIOA Section 129(a)(1)(B)(iii) for OSY and (a)(1)(C)(iv) for ISY. This guidance refers to these conditions as eligibility barriers. DOL received questions regarding whether youth self-attestation of eligibility characteristics is acceptable. DOL will address self-attestation as part of data validation guidance, which is due to be published later in 2017.

Below is further explanation of some of the eligibility barriers:

*English Language Learner.* WIOA Section 203(7) defines the term “English language learner” as an individual who has limited ability in reading, writing, speaking, or comprehending the English language, and (A) whose native language is a language other than English; or (B) who lives in a family or community environment where a language other than English is the dominant language.”

*Dropout.* A “school dropout” is defined in WIOA Section 3(54) as an individual who is no longer attending any school and who has not received a secondary school diploma or its

recognized equivalent. As discussed in TEGL 08-15, an individual who has dropped out of postsecondary education is not a "school dropout" for purposes of youth program eligibility. A youth's eligibility status is determined at the time of enrollment; therefore, if a youth has not received a high school diploma, or a recognized equivalent, AND is not attending any school, he/she is considered a dropout and is an OSY. A dropout only includes an individual who is currently a secondary school dropout and does not include a youth who previously dropped out of secondary school but subsequently returned. For example, a youth who dropped out of high school in 2015 and returned to high school in 2016 prior to enrollment in WIOA is not considered a dropout.

*Age of compulsory school attendance, but not attending.* In 20 CFR § 681.210(c)(2), the second eligibility barrier is "a youth who is within the age of compulsory school attendance, but has not attended school for at least the most recent complete school year calendar quarter." This section of the final rule further states that a "school year calendar quarter is based on how a local school district defines its school year quarters. In cases where schools do not use quarters, local programs must use calendar year quarters."

*An offender.* The WIOA statute uses slightly different wording to describe the criteria for ISY and OSY who are eligible because they have been subject to any stage of the criminal justice process. For OSY, one eligibility barrier under WIOA Section 129(a)(1)(B)(iii)(IV) is that the youth is "[a]n individual who is subject to the juvenile or adult justice system." For ISY, Section 129(a)(1)(C)(iv)(III) uses the term "offender" as the relevant criteria. The term "offender" is defined in WIOA Section 3(38) as "an adult or juvenile (A) who is or has been subject to any stage of the criminal justice process, and for whom services under this Act may be beneficial; or (B) who requires assistance in overcoming artificial barriers to employment resulting from a record of arrest or conviction." The Department concluded that the intent of the OSY eligibility criterion is not to treat youth who were subject to the juvenile or adult system differently, but rather to call attention to the fact that both the juvenile and adult justice systems may include OSY. Therefore, to be clear that the same eligibility criteria apply to both OSY and ISY, both 20 CFR § 681.210, which provides the eligibility criteria for OSY, and 20 CFR § 681.220, which provides the eligibility criteria for ISY, use the term "offender."

*Homeless and foster care youth.* In WIOA, an individual who is homeless is eligible under the same barrier category as an individual in the foster care system or one who has aged out of the foster care system. In order to make the regulation easier to understand, DOL separated foster care youth and homeless and runaway youth into two separate eligibility barrier categories in the Final Rule. In addition, the Final Rule also includes "an individual who has attained 16 years of age and left foster care for kinship guardianship or adoption" in the foster care eligibility barrier in 20 CFR §§ 681.210 and 681.220 to encompass youth who were formerly in foster care, but may have returned to their families before turning 18.

*An individual who is pregnant or parenting.* An individual who is parenting can be a mother or father, custodial or non-custodial. As long as the youth is within the WIOA youth age eligibility, the age when the youth became a parent does not factor in to the definition of parenting. A pregnant individual can only be the expectant mother.

*Additional assistance barrier.* A state may establish definitions and eligibility documentation requirements for criteria for “an individual who requires additional assistance to enter or complete an educational program or to secure or hold employment.” If the state does not establish these definitions and eligibility documentation, the local area must do so if it uses this criterion. These policies established at the state or local level should be reasonable, quantifiable, and based on evidence that the specific characteristic of the youth identified in the policy objectively requires additional assistance.

#### Low-Income Determination

In some regards, WIOA makes low-income determination more complex than under WIA because not all youth need to be low-income in order to qualify for the program. To determine whether a youth must be low income, first consider whether the participant is OSY or ISY. As provided in 20 CFR §§ 681.210 and 681.250, if the youth is OSY, the low-income requirement applies only to the following categories of youth – (1) a recipient of a secondary school diploma or its recognized equivalent who is either basic skills deficient or an English language learner; and (2) an individual who requires additional assistance to enter or complete an educational program or to secure or hold employment. All ISY must be low income unless they are served under the five percent exception discussed below.

Low income is defined in WIOA Section 3(36) as an individual who:

- (i) receives, or in the past 6 months has received, or is a member of a family that is receiving or in the past 6 months has received, assistance through the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), the program of block grants to States for temporary assistance for needy families program under part A of Title IV of the Social Security Act (42 U.S.C. 601 et seq.), or the supplemental security income program established under Title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or State or local income-based public assistance;
- (ii) is in a family with total family income that does not exceed the higher of—
  - (I) the poverty line; or
  - (II) 70 percent of the lower living standard income level;
- (iii) is a homeless individual (as defined in Section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6))), or a homeless child or youth (as defined under Section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)));
- (iv) receives or is eligible to receive a free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);
- (v) is a foster child on behalf of whom State or local government payments are made; or
- (vi) is an individual with a disability whose own income meets the income requirement of clause (ii), but who is a member of a family whose income does not meet this requirement.

There is one additional low-income category not included in WIOA Section 3(36) above that applies only to youth. According to Section 129(a)(2) of WIOA, for both ISY and OSY, a youth qualifies as low income if the youth lives in a high-poverty area. See Attachment II for additional information on determining if a youth is living in a high-poverty area.

In addition, as discussed above, an ISY who receives or is eligible to receive free or reduced price lunch would meet the low-income requirement. Note that some school districts subsidize all student meals from the Community Eligibility Provision (CEP) Healthy, Hunger-Free Kids Act of 2010. When a school does not use individual eligibility criteria to determine who is eligible for free or reduced price lunch, whole school receipt of free or reduced price lunch cannot be used to determine WIOA low-income status for ISY. In schools where the whole school automatically receives free or reduced price lunch, WIOA programs must base low-income status on an individual student's eligibility to receive free or reduced price lunch or on meeting one of the other low-income categories under WIOA. Local programs can check with their local school districts for determining whether individual students are eligible to receive free or reduced price lunch. While the free/reduced lunch low-income category primarily applies to ISY, there is one exception where it could apply to an OSY. If an OSY is a parent living in the same household as a child who receives or is eligible to receive free or reduced price lunch based on their income level, then such an OSY would meet the low-income criteria based on his/her child's qualification.

As described in WIOA 20 CFR § 681.250(c), WIOA allows a low-income exception where five percent of WIOA youth may be participants who ordinarily would be required to be low-income for eligibility purposes and meet all other eligibility criteria for WIOA youth except the low-income criteria. A program must calculate the five percent based on the percent of newly enrolled youth in the local area's WIOA youth program in a given program year who would ordinarily be required to meet the low-income criteria. It is not based on all youth since many of the OSY categories do not require low-income status. In fact, as discussed above, only two categories of OSY require low-income status. Because not all OSY are required to be low-income, the 5 percent low-income exception under WIOA is calculated based on the 5 percent of youth enrolled in a given program year who would ordinarily be required to meet the low-income criteria.

For example, a local area enrolled 200 youth and 100 of those youth were OSY who were not required to meet the low-income criteria, 50 were OSY who were required to meet the low-income criteria (i.e., either 20 CFR § 681.210(c)(3) or (c)(9)), and 50 were ISY. In this example the 50 OSY required to be low-income and the 50 ISY are the only youth factored into the 5 percent low-income exception calculation. Therefore, in this example, 5 of the 100 youth who ordinarily would be required to be low-income do not have to meet the low-income criteria based on the low-income exception. This percent is calculated at the end of a program year based on new enrollees in that program year.

*Lower Living Standard Income Level (LLSIL).* Another option for determining low-income eligibility is based on family income. A youth is considered low income if the youth is in a family with a total family income that does not exceed the higher of the poverty line or 70 percent of the LLSIL, except in cases where only the youth's income is considered as discussed below. The LLSIL is published annually by ETA at: LLSIL and includes income charts that are used by state and local workforce investment areas to determine income eligibility based on family size and income for the WIOA youth and certain adult services.

*What counts as income?* DOL received several questions asking about what counts as income when determining a youth's low-income status. The definition of what counts as income when determining a youth's low-income status has changed under WIOA. It is important to know that the definition of a low-income individual at Section 3(36) does not exclude unemployment compensation or child support payments from income calculations. Therefore, WIOA youth programs must include Unemployment Insurance and child support payments as income when determining a youth's eligibility based on low-income status. As discussed above in the list of low income qualifications in WIOA Section 3(36), homeless and foster youth are considered low income and do not need to meet any additional low-income criteria.

*When do you consider only a youth's income?* There are circumstances where only the youth's income is considered in determining whether the youth satisfies WIOA income limits for the program. 20 CFR § 681.280 provides that OSY with a disability are not required to be low-income and for ISY with a disability, the youth's own income, rather his or her family's income, must meet the low-income definition and not exceed the higher of the poverty line or 70 percent of the LLSIL.

Additionally, if an individual is not living in a single residence with other family members, that individual is not a member of a family for the purpose of WIOA income calculations. 20 CFR § 675.300 defines family as "two or more persons related by blood, marriage, or decree of court, who are living in a single residence, and are included in one or more of the following categories: (1) A married couple and dependent children; (2) A parent or guardian and dependent children; or (3) A married couple."

## 5. Program Design.

### Program Expenditures Prior to Participation

There are limited instances where WIOA youth funds may be expended on costs related to individuals who are not yet participants in the WIOA youth program. Youth funds can be expended on outreach and recruitment or assessment for eligibility determination (such as assessing basic skills level) prior to eligibility determination, but they cannot be spent on youth program services, such as the 14 program elements which are described in section 7, prior to eligibility determination.

### Assessment Requirements

The WIOA youth program design requires an objective assessment of academic levels, skill levels, and service needs of each participant, which includes a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes, supportive service needs, and developmental needs. Assessments must also consider a youth's strengths rather than just focusing on areas that need improvement.

As discussed in 20 CFR § 681.290, "in assessing basic skills, local programs must use assessment instruments that are valid and appropriate for the target population, and must provide reasonable accommodation in the assessment process, if necessary, for individuals

with disabilities.” For purposes of the basic skills assessment portion of the objective assessment, local programs are not required to use assessments approved for use in the Department of Education’s National Reporting System (NRS), nor are they required to determine an individual’s grade level equivalent or educational functioning level (EFL), although use of these tools is permitted. Rather, local programs may use other formalized testing instruments designed to measure skills-related gains. It is important that, in addition to being valid and reliable, any formalized testing used be appropriate, fair, cost effective, well-matched to the test administrator’s qualifications, and easy to administer and interpret results. Alternatively, skills related gains may also be determined through less formal alternative assessment techniques such as observation, folder reviews, or interviews. The latter may be particularly appropriate for youth with disabilities given accessibility issues related to formalized instruments. Local programs may use previous basic skills assessment results if such previous assessments have been conducted within the past six months.

In contrast to the initial assessment described above, if measuring EFL gains after program enrollment under the measurable skill gains indicator, local programs must use an NRS-approved assessment for both the EFL pre- and post-test to determine an individual’s educational functioning level.

#### Career-Related Assessments

All youth, including youth with disabilities, can benefit from participation in career assessment activities, including, but not limited to, assessments of prior work experience, employability, interests, and aptitudes. Multiple assessment tools may be necessary since there is no standard approach that will work for all youth, including youth with disabilities. Career assessments help youth, including those with disabilities, understand how a variety of their personal attributes (e.g., interests, values, preferences, motivations, aptitudes, and skills) affect their potential success and satisfaction with different career options and work environments. Youth also need access to reliable information about career opportunities (based on labor market information) that provide a living wage, including information about education, entry requirements, and income potential. Youth with disabilities also may need information on benefits planning, work place supports (e.g., assistive technology), and accommodations, and also may benefit from less formalized career-related assessments such as discovery techniques. These assessments may be provided directly through WIOA youth program staff, and/or through referrals to national and community-based partners and resources.

#### Serving 18 to 24 year old youth

As discussed in 20 CFR § 681.430, “individuals who meet the respective program eligibility requirements may participate in WIOA Title I adult and youth programs concurrently. Such individuals must be eligible under the youth or adult eligibility criteria applicable to the services received. Local program operators may determine, for these individuals, the best mix of services under the youth and adult programs.”

School status at time of enrollment may determine which program options are appropriate for this population because young adults who are in school are only eligible for the Title I youth program if they are 21 or younger at the time of enrollment.

Some 18 to 24 year olds may be ready for adult services due to life experiences such as having gained occupational skills through education or training, prior work experiences, adult schedules, family responsibilities, and the participant's needs. Others need specific youth services covered in the 14 WIOA youth program elements based on characteristics such as maturity, drug and alcohol abuse, homelessness, foster care status, family abuse/neglect, literacy challenges, pregnancy, and lack of employability skills. Assessments of their skills, career-readiness, literacy, and supportive service needs should be taken into consideration when determining the appropriate program(s) for young adults.

As discussed in 20 CFR § 681.430, if a young adult's needs can best be met by co-enrollment in the WIOA Title I youth and adult programs, "local program operators must identify and track the funding streams which pay the costs of services provided to individuals who are participating in youth and adult programs concurrently, and ensure no duplication of services."

#### Use of Statewide Funds

20 CFR § 681.410(a) provides that "only statewide funds spent on direct services to youth are subject to the OSY expenditure requirement. Funds spent on statewide youth activities that do not provide direct services to youth, such as many of the required statewide youth activities, are not subject to the out-of-school expenditure requirements." The following services under Section 129(b)(1) of WIOA, which lists the required statewide youth activities, are not considered direct services: conducting evaluations, disseminating a list of eligible providers of youth services, providing assistance to local areas, operating fiscal and management accountability information systems, and providing additional assistance to local areas that have high concentration of eligible youth.

DOL considers "direct services" as those services delivered by local program staff or service providers (e.g., staff-assisted services). For example, demonstration projects related to meeting the education and employment needs of eligible youth is an allowable statewide youth activity. Youth participating in such demonstration projects would be considered receiving direct services from statewide funds. When a youth accesses services through a self-service process such as job searches, career exploration, or use of career center resources, these activities are not considered direct services. If the services provided with statewide funds are "direct services", the eligibility requirements for youth are the same as those that apply to Title I Youth services provided by local areas. Youth who receive direct services funded by statewide funds are considered WIOA youth participants provided that they otherwise meet the definition of participant in 20 CFR § 677.150 and must be reported as such in the WIOA DOL-only Participant Individual Record Layout (PIRL).

#### Incentives

20 CFR § 681.640 states that "incentive payments to youth participants are permitted for recognition and achievement directly tied to training activities and work experiences. The local program must have written policies and procedures in place governing the award of incentives and must ensure that such incentive payments are tied to the goals of the specific program; outlined in writing before the commencement of the program that may provide

incentive payments; align with the local program's organizational policies; and are in accordance with the requirements contained in 2 CFR part 200."

DOL included the reference to the Uniform Guidance at 2 CFR part 200 to emphasize that while incentive payments are allowable under WIOA, the incentives must be in compliance with the Cost Principles in 2 CFR part 200. For example, Federal funds must not be spent on entertainment costs. Therefore, incentives must not include entertainment, such as movie or sporting event tickets or gift cards to movie theaters or other venues whose sole purpose is entertainment. Additionally, there are requirements related to internal controls to safeguard cash, which also apply to safeguarding of gift cards, which are essentially cash.

While DOL recognizes that incentives could be used as motivators for various activities such as recruitment, submitting eligibility documentation, and participation in the program, incentives paid for with WIOA funds must be connected to recognition of achievement of milestones in the program tied to work experience, education, or training. Such incentives for achievement could include improvements marked by acquisition of a credential or other successful outcomes. Local areas may leverage private funds for incentives that WIOA cannot fund. Incentive payments may be provided to both ISY and OSY as long as they comply with the requirements of 20 CFR § 681.640.

#### Braiding funds

WIOA does not prohibit the braiding of funds. This resource allocation strategy occurs when different funding streams are used together to support different needs for the same customer while maintaining documentation to support the charging and allocation of costs to multiple separate funding streams or programs. As specified in the Uniform Guidance at 2 CFR 405(d), if a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the programs or activities based on the proportional benefit. In addition each funding stream maintains its statutory requirements, including eligibility criteria and scope of authorized activities.

Braiding funds allows a WIOA youth program to provide more comprehensive services to participants while maximizing partner resources available to assist youth. For example, the Title I WIOA Youth program and the WIOA Title II Adult Education program can provide complementary services to youth and can be used together (braided) to serve eligible youth ages 16-24 where each program's age eligibility overlaps. When used together, these two funding sources can increase the capacity of programs to help young adults meet their employment and educational goals. An organization that receives both Title I Youth funding and Title II Adult Education funding or partners with a program that receives Title II funding may braid these funds and enroll eligible youth into both programs. Title I resources can be utilized to provide youth with such services as career guidance, exploration, and planning; work experience; and leadership development; Title II resources support adult education and literacy activities, including preparation for obtaining a recognized high school equivalency, or workplace adult education and literacy activities, family literacy activities, English language acquisition activities, integrated English literacy and civics education, workforce preparation activities, or integrated education and training. WIOA sec. 203(2). Integrated education and training, a service approach that provides adult education and literacy



activities concurrently and contextually with workforce preparation activities and workforce training for a specific occupation or occupational cluster for the purpose of educational and career advancement, is particularly well-suited to a braided funding model. WIOA sec. 203(11).

## **6. Competitive Procurement.**

One of the responsibilities of Local Workforce Development Boards (Local WDBs) includes selection of providers of youth workforce investment activities through competitive grants or contracts. Competition is expected to improve the delivery of efficient, effective youth workforce services. When a Local WDB awards grants or contracts to youth service providers to carry out youth workforce investment activities, it must identify youth service providers based on criteria established in the State Plan and take into consideration the ability of the provider to meet performance accountability measures based on the primary indicators of performance for youth programs. The Local WDB must also award such grants or contracts on a competitive basis and in accordance with the Procurement Standards found at Uniform Guidance at 2 CFR parts 200 and 2900, in addition to applicable State and local procurement laws. The Uniform Guidance at 2 CFR 200.317 requires States to adhere to the same procurement procedures it uses for non-Federal funds for procurements using Federal funds when it is responsible for conducting the procurement. There is one exception to the requirement of competitive procurement--a Local WDB may award sole-source contracts if it determines an insufficient number of providers exist in the local area (see Section 107(d)(10), 20 CFR § 679.370(l)(1), and Section 123).

The Department interprets the competitive selection provisions discussed in WIOA Section 107(d)(10) and 123 to apply only if the Local WDB provides youth services by awarding grants or contracts to youth service providers. Consistent with 20 CFR § 681.400, a Local WDB may determine that the grant recipient or designated fiscal agent may "provide directly some or all of the youth workforce investment activities." DOL intends for the flexibility provided by 20 CFR § 681.400 to allow Local WDBs to determine whether to directly provide the WIOA youth program elements that they can most efficiently and cost-effectively provide, such as labor market and employment information and services that are part of program design including assessment, supportive services and follow-up services. While this rule represents a change from WIA by providing Local WDBs with flexibility to determine how to most efficiently provide youth services, DOL expects Local WDBs to use youth service providers best positioned to provide program elements resulting in strong outcomes. DOL encourages Local WDBs to award contracts to youth service providers, using a competitive procurement process, when local areas have access to experienced and effective youth service providers.

If a State chooses to do so, it has the authority to set policy requiring Local WDBs to competitively select some or all youth services. The State as grant recipient has the ultimate accountability to DOL for the performance of the Youth program, including outcomes and fiscal integrity. States, therefore, have the authority to establish statewide policies regarding

the provision of youth activities that the State determines are likely to enhance the performance of the Youth program.

If Local WDBs decide to directly provide youth services, DOL recognizes that situations may arise where a single entity performs multiple roles, such as fiscal agent, service provider, or One-Stop operator. In such situations, 20 CFR § 679.430 requires “a written agreement with the Local WDB and Chief Elected Official (CEO) to clarify how the organization will carry out its responsibilities while demonstrating compliance with WIOA and corresponding regulations, relevant Office of Management and Budget circulars, and the State’s conflict of interest policy.” Furthermore, separation of roles for staff to the Local WDB and the role of the fiscal agent described in 20 CFR §§ 679.400 and 679.420, respectively, provide more clarity on the distinct functions of these entities. When youth services are provided by an entity that fulfills another role in the local area, the agreement with the Local WDB and CEO must provide clarity on the expectations for those roles and clear methods of tracking effective execution and accountability for the distinct roles.

#### **7. Program Elements.**

This section contains descriptions for each of the 14 WIOA youth program elements. 20 CFR § 681.460 lists all of the program elements and provides further explanation of some of the elements, but not all of them. Additionally, there is overlap between portions of some program elements. The following discussion further clarifies the 14 program elements and explains the services to be reported under each specific program element. In addition, the table below provides an overview and easy reference for finding applicable program element citations, identifies which program elements relate to one another, and lists applicable DOL-only PIRL data elements. These clarifications will facilitate the consistent reporting of services across states and local areas and prevent duplicated reporting of the same service in multiple reporting categories.

<b>WIOA Youth Program Element Section 129(c)(2)</b>	<b>Is the element further described in Final Rule? If so, applicable citations</b>	<b>Relates to or overlaps with other program element<sup>1</sup></b>	<b>Applicable PIRL Data Element Number(s)</b>
1. Tutoring, study skills training, instruction, and dropout prevention	No	Program elements 2 and 4	1402
2. Alternative secondary school services or dropout recovery services	No	Program element 1	1403
3. Paid and unpaid work experience	Yes, 681.600, 681.590, 681.480		1205, 1405
4. Occupational skills training	Yes, 681.540, 681.550	Program element 1	1300, 1302, 1303, 1306, 1307, 1308,
5. Education offered concurrently with workforce preparation and training for a specific occupation	Yes, 681.630	Program elements 2, 3, and 4	1407
6. Leadership development opportunities	Yes, 681.520, 681.530		1408
7. Supportive services	Yes, 681.570		1409
8. Adult mentoring	Yes, 681.490		1410
9. Follow-up services	Yes, 681.580	Program elements 7, 8, 11, 13, and 14	1412
10. Comprehensive guidance and counseling	Yes, 681.510		1411
11. Financial literacy education	Yes, 681.500		1206
12. Entrepreneurial skills training	Yes, 681.560		1413
13. Services that provide labor market information	Yes, 651.10		1414
14. Postsecondary preparation and transition activities	No		1415

<sup>1</sup> Section 7 of the TEGL describes how overlapping portions of each element should be categorized.

Program Element 1: Tutoring, study skills training, instruction, and dropout prevention services

In 20 CFR § 681.460 (a)(1), this is the first program element listed and includes “tutoring, study skills training, instruction and evidence-based dropout prevention and recovery strategies that lead to completion of the requirements for a secondary school diploma or its recognized equivalent (including a recognized certificate of attendance or similar document for individuals with disabilities) or for a recognized postsecondary credential.” This program element was not further explained in the final rule.

Tutoring, study skills training, and instruction that lead to a *high school diploma* are reported under this program element. Such services focus on providing academic support, helping a youth identify areas of academic concern, assisting with overcoming learning obstacles, and providing tools and resources to develop learning strategies. Tutoring, study skills training, and instruction can be provided one-on-one, in a group setting, through resources and workshops.

Secondary school dropout prevention strategies intended to lead to a high school diploma are also reported under this program element. Secondary school dropout prevention strategies include services and activities that keep a young person in-school and engaged in a formal learning and/or training setting. Strategies include, but are not limited to tutoring, literacy development, active learning experiences, after-school opportunities, and individualized instruction.

On the other hand, while dropout recovery strategies that lead to completion of a recognized high school equivalency are included in both this first program element and in program element 2 in 20 CFR § 681.460 (a)(2) described below, those services are not reported under this program element. For documentation purposes, those services aimed at getting a youth who has dropped out of secondary education back into a secondary school or alternative secondary school/high school equivalency program and preparing them for high school equivalency attainment, should be counted under program element 2 (20 CFR § 681.460 (a)(2)).

Furthermore, while the statutory and regulatory language for both program elements 1 and 4 (discussed below) include language discussing services leading to recognized postsecondary credentials, training services that lead to recognized postsecondary credentials should be reported under program element 4, occupational skills training to avoid duplicated reporting of services.

Program Element 2: Alternative secondary school services or dropout recovery services

This element was not further explained in the Final Rule. Under 20 CFR § 681.460 (a)(2), alternative secondary school services, such as basic education skills training, individualized academic instruction, and English as a Second Language training, are those that assist youth who have struggled in traditional secondary education. Dropout recovery services, such as credit recovery, counseling, and educational plan development, are those that assist youth

who have dropped out of school. While the activities within both types of services may overlap, each are provided with the goal of helping youth to re-engage and persist in education that leads to the completion of a recognized high school equivalent.

Program Element 3: Paid and unpaid work experience

20 CFR § 681.600 further defines work experience as “a planned, structured learning experience that takes place in a workplace for a limited period of time. Work experience may be paid or unpaid, as appropriate. A work experience may take place in the private for-profit sector, the non-profit sector, or the public sector. Labor standards apply in any work experience where an employee/employer relationship, as defined by the Fair Labor Standards Act or applicable State law, exists. Consistent with § 680.840 . . . , funds provided for work experiences may not be used to directly or indirectly aid in the filling of a job opening that is vacant because the former occupant is on strike, or is being locked out in the course of a labor dispute, or the filling of which is otherwise an issue in a labor dispute involving a work stoppage. Work experiences provide the youth participant with opportunities for career exploration and skill development.” Additional information on the employer/employee relationship may be found on DOL’s Wage and Hour Division website.

WIOA and 20 CFR § 681.590(a) require that a minimum of 20 percent of local area funds for the Title I Youth program be spent on work experience. As explained in 20 CFR § 681.590(b), local area administrative costs are not subject to the 20 percent minimum work experience expenditure requirement. Leveraged resources cannot be used to fulfill any part of the 20 percent minimum.

TEGL No. 8-15 provides further discussion of allowable expenditures that may be counted toward the work experience expenditure requirement and articulates that program expenditures on the work experience program element can be more than just wages paid to youth in work experience. Allowable work experience expenditures include the following:

- Wages/stipends paid for participation in a work experience;
- Staff time working to identify and develop a work experience opportunity, including staff time spent working with employers to identify and develop the work experience;
- Staff time working with employers to ensure a successful work experience, including staff time spent managing the work experience;
- Staff time spent evaluating the work experience;
- Participant work experience orientation sessions;
- Employer work experience orientation sessions;
- Classroom training or the required academic education component directly related to the work experience;
- Incentive payments directly tied to the completion of work experience; and
- Employability skills/job readiness training to prepare youth for a work experience.

Supportive services are a separate program element and cannot be counted toward the work experience expenditure requirement even if supportive services assist the youth in participating in the work experience.

*Academic and occupational education component.* As discussed in 20 CFR § 681.600, work experiences must include academic and occupational education. The educational component may occur concurrently or sequentially with the work experience. The academic and occupational education component may occur inside or outside the work site. The work experience employer can provide the academic and occupational component or such components may be provided separately in the classroom or through other means. States and local areas have the flexibility to decide who provides the education component.

The academic and occupational education component refers to contextual learning that accompanies a work experience. It includes the information necessary to understand and work in specific industries and/or occupations. For example, if a youth is in a work experience in a hospital, the occupational education could be learning about the duties of different types of hospital occupations such as a phlebotomist, radiology tech, or physical therapist. Whereas, the academic education could be learning some of the information individuals in those occupations need to know such as why blood type matters, the name of a specific bone in the body, or the function of a specific ligament. Local programs have the flexibility to determine the appropriate type of academic and occupational education necessary for a specific work experience.

*Categories of work experience.* WIOA identifies four categories of work experience: (1) summer employment opportunities and other employment opportunities available throughout the school year; (2) pre-apprenticeship programs; (3) internships and job shadowing; and (4) on-the-job training (OJT) opportunities as defined in WIOA Section 3(44) and in 20 CFR § 680.700. Two of the categories, job shadowing and pre-apprenticeship, are discussed below.

Job shadowing is a work experience option where youth learn about a job by walking through the work day as a shadow to a competent worker. The job shadowing work experience is a temporary, unpaid exposure to the workplace in an occupational area of interest to the participant. Youth witness firsthand the work environment, employability and occupational skills in practice, the value of professional training, and potential career options. A job-shadowing experience can be anywhere from a few hours, to a day, to a week or more.

Job shadowing is designed to increase career awareness, help model youth behavior through examples, and reinforce in the youth and young adult the link between academic classroom learning and occupational work requirements. It provides an opportunity for youth to conduct short interviews with people in their prospective professions to learn more about those fields. Job shadowing can be thought of as an expanded informational interview. By experiencing a workplace first-hand, youth can learn a great deal more about a career than through research in print publications and on the Internet.

As discussed in 20 CFR § 681.480, pre-apprenticeship is a program designed to prepare individuals to enter and succeed in an apprenticeship program registered under the Act of August 16, 1937 (commonly known as the National Apprenticeship Act. . . [and] referred to . . . as a registered apprenticeship or registered apprenticeship program) and includes the following elements: (a) training and curriculum that aligns with the skill needs of employers

in the economy of the State or region involved; (b) access to educational and career counseling and other supportive services, directly or indirectly; (c) hands-on, meaningful learning activities that are connected to education and training activities, such as exploring career options, and understanding how the skills acquired through coursework can be applied toward a future career; (d) opportunities to attain at least one industry-recognized credential; and (e) a partnership with one or more registered apprenticeship programs that assists in placing individuals who complete the pre-apprenticeship program in a registered apprenticeship program.

Program Element 4: Occupational skills training

As stated in 20 CFR § 681.540 of the final rule, occupational skills training is defined as an organized program of study that provides specific vocational skills that lead to proficiency in performing actual tasks and technical functions required by certain occupational fields at entry, intermediate, or advanced levels. Local areas must give priority consideration to training programs that lead to recognized postsecondary credentials that align with in-demand industry sectors or occupations in the local area. Such training must:

- (1) be outcome-oriented and focused on an occupational goal specified in the individual service strategy;
- (2) be of sufficient duration to impart the skills needed to meet the occupational goal;
- and
- (3) lead to the attainment of a recognized postsecondary credential.

In addition, the chosen occupational skills training must meet the quality standards in WIOA Section 123.

As discussed in 20 CFR § 681.550 “in order to enhance individual participant choice in education and training plans and provide flexibility to service providers, the Department allows WIOA Individual Training Accounts (ITAs) for OSY, ages 16 to 24, using WIOA youth funds, when appropriate.” ITAs allow participants the opportunity to choose the training provider that best meets their needs. To receive funds from an ITA, the training provider must be on the Eligible Training Provider List as outlined in § 680.400 and 680.410.

ISY cannot use youth program-funded ITAs. However, ISY between the ages of 18 and 21 may co-enroll in the WIOA Adult program if the young adult’s individual needs, knowledge, skills, and interests align with the WIOA adult program and may receive training services through an ITA funded by the adult program.

Program Element 5: Education offered concurrently with workforce preparation and training for a specific occupation

20 CFR § 681.630 states that this program element reflects an integrated education and training model and describes how workforce preparation activities, basic academic skills, and hands-on occupational skills training are to be taught within the same time frame and connected to training in a specific occupation, occupational cluster, or career pathway. While programs developing basic academic skills, which are included as part of alternative secondary school services and dropout recovery services (program element 2), workforce preparation activities that occur as part of a work experience (program element 3), and occupational skills training (program element 4) can all occur separately and at different

times (and thus are counted under separate program elements), this program element refers to the concurrent delivery of these services which make up an integrated education and training model.

Program Element 6: Leadership development opportunities

20 CFR § 681.520 defines this program element as opportunities that encourage responsibility, confidence, employability, self-determination, and other positive social behaviors such as: (a) exposure to postsecondary educational possibilities; (b) community and service learning projects; (c) peer-centered activities, including peer mentoring and tutoring; (d) organizational and team work training, including team leadership training; (e) training in decision-making, including determining priorities and problem solving; (f) citizenship training, including life skills training such as parenting and work behavior training; (g) civic engagement activities which promote the quality of life in a community; and (h) other leadership activities that place youth in a leadership role such as serving on youth leadership committees, such as a Standing Youth Committee.

Program Element 7: Supportive services

20 CFR § 681.570 describes supportive services for youth as defined in WIOA Sec. 3(59), are services that enable an individual to participate in WIOA activities. These services include, but are not limited to, the following: (a) linkages to community services; (b) assistance with transportation; (c) assistance with child care and dependent care; (d) assistance with housing; (e) needs-related payments; (f) assistance with educational testing; (g) reasonable accommodations for youth with disabilities; (h) legal aid services; (i) referrals to health care; (j) assistance with uniforms or other appropriate work attire and work-related tools, including such items as eyeglasses and protective eye gear; (k) assistance with books, fees, school supplies, and other necessary items for students enrolled in postsecondary education classes; and (l) payments and fees for employment and training-related applications, tests, and certifications.

Program Element 8: Adult mentoring

20 CFR § 681.490 states that adult mentoring must last at least 12 months and may take place both during the program and following exit from the program and be a formal relationship between a youth participant and an adult mentor that includes structured activities where the mentor offers guidance, support, and encouragement to develop the competence and character of the mentee. The final rule also states that while group mentoring activities and mentoring through electronic means are allowable as part of the mentoring activities, at a minimum, the local youth program must match the youth with an individual mentor with whom the youth interacts on a face-to-face basis. Mentoring may include workplace mentoring where the local program matches a youth participant with an employer or employee of a company. Local programs should ensure appropriate processes are in place to adequately screen and select mentors.

DOL acknowledges that in a few areas of the country finding mentors may present a burden to a program. While DOL strongly prefers that case managers not serve as mentors, the final rule allows case managers to serve as mentors in areas where adult mentors are sparse.



#### Program Element 9: Follow-up services

20 CFR § 681.580 describes follow-up services as "critical services provided following a youth's exit from the program to help ensure the youth is successful in employment and/or postsecondary education and training. Follow-up services may include regular contact with a youth participant's employer, including assistance in addressing work-related problems that arise." Follow-up services may begin immediately following the last expected date of service in the Youth program (and any other DOL program in which the participant is co-enrolled if the state is using a common exit policy as discussed in TEGE No. 10-16) when no future services are scheduled. Follow-up services do not cause the exit date to change and do not trigger re-enrollment in the program.

The exit date is determined when the participant has not received services in the Youth program or any other DOL-funded program in which the participant is co-enrolled for 90 days and no additional services are scheduled. At that point, the date of exit is applied retroactively to the last date of service. Once 90 days of no services, other than follow-up services, self-service, and information-only services and activities, has elapsed and the participant has an official exit date applied retroactively to the last date of service, the program continues to provide follow-up services for the remaining 275 days of the 12-month follow-up requirement. The 12-month follow-up requirement is completed upon one year from the date of exit.

The final rule also states that follow-up services for youth also may include the following program elements: (1) supportive services; (2) adult mentoring; (3) financial literacy education; (4) services that provide labor market and employment information about in-demand industry sectors or occupations available in the local area, such as career awareness, career counseling, and career exploration services; and (5) activities that help youth prepare for and transition to postsecondary education and training. Provision of these program elements must occur after the exit date in order to count as follow-up services. DOL recommends that when these services are provided as follow-up services they are coded as follow-up services in state/local management information systems as opposed to program services provided prior to program exit so that management information systems clearly differentiate follow-up services from those services provided prior to exit. In addition, such follow-up services should be documented in the case file that they were provided as follow-up services post exit.

20 CFR § 681.580 states that all youth participants must be offered an opportunity to receive follow-up services that align with their individual service strategies. Furthermore, follow-up services must be provided to all participants for a minimum of 12 months unless the participant declines to receive follow-up services or the participant cannot be located or contacted. Follow-up services may be provided beyond 12 months at the State or Local WDB's discretion. The types of services provided and the duration of services must be determined based on the needs of the individual and therefore, the type and intensity of follow-up services may differ for each participant. Follow-up services must include more than only a contact attempted or made for securing documentation in order to report a performance outcome.

DOL recognizes the concerns that some youth may not be responsive to attempted contacts for follow-up, and other youth may be difficult to locate making it impossible to provide follow-up services for such individuals. Local programs should have policies in place to establish how to document and record when a participant cannot be located or contacted. At the time of enrollment, youth must be informed that follow-up services will be provided for 12 months following exit. If at any point in time during the program or during the 12 months following exit the youth requests to opt out of follow-up services, they may do so. In this case, the request to opt out or discontinue follow-up services made by the youth must be documented in the case file.

Program Element 10: Comprehensive guidance and counseling

20 CFR § 681.510 states that comprehensive guidance and counseling provides individualized counseling to participants. This includes drug and alcohol abuse counseling, mental health counseling, and referral to partner programs, as appropriate. When referring participants to necessary counseling that cannot be provided by the local youth program or its service providers, the local youth program must coordinate with the organization it refers to in order to ensure continuity of service. When resources exist within the local program or its service providers, it is allowable to provide counseling services directly to participants rather than refer youth to partner programs.

Program Element 11: Financial literacy education

20 CFR § 681.500 states that this program element may include the following activities:

- support the ability of participants to create budgets, initiate checking and savings accounts at banks, and make informed financial decisions
- support participants in learning how to effectively manage spending, credit, and debt, including student loans, consumer credit, and credit cards
- teach participants about the significance of credit reports and credit scores; what their rights are regarding their credit and financial information; how to determine the accuracy of a credit report and how to correct inaccuracies; and how to improve or maintain good credit
- support a participant's ability to understand, evaluate, and compare financial products, services, and opportunities and to make informed financial decisions
- educate participants about identity theft, ways to protect themselves from identify theft, and how to resolve cases of identity theft and in other ways understand their rights and protections related to personal identity and financial data
- support activities that address the particular financial literacy needs of non-English speakers, including providing the support through the development and distribution of multilingual financial literacy and education materials
- support activities that address the particular financial literacy needs of youth with disabilities, including connecting them to benefits planning and work incentives counseling
- provide financial education that is age appropriate, timely, and provides opportunities to put lessons into practice, such as by access to safe and affordable financial products that enable money management and savings
- implement other approaches to help participants gain the knowledge, skills, and confidence to make informed financial decisions that enable them to attain greater

financial health and stability by using high quality, age-appropriate, and relevant strategies and channels, including, where possible, timely and customized information, guidance, tools, and instruction.

In November of 2016, the Financial Literacy Education Commission released a guide, "Incorporating Financial Capability into Youth Employment Programs," aimed at financial institutions interested in enhancing youth financial capability by partnering with youth employment programs. It maps how and why financial institutions engage in helping young people achieve greater financial well-being and employment success and can be found at: Financial Literacy Guide.

Program Element 12: Entrepreneurial skills training

20 CFR § 681.560 states this program element provides the basics of starting and operating a small business. Such training must develop the skills associated with entrepreneurship. Such skills may include, but are not limited to, the ability to:

- take initiative;
- creatively seek out and identify business opportunities;
- develop budgets and forecast resource needs;
- understand various options for acquiring capital and the trade-offs associated with each option; and
- communicate effectively and market oneself and one's ideas.

Approaches to teaching youth entrepreneurial skills may include, but are not limited to:

(1) Entrepreneurship education that provides an introduction to the values and basics of starting and running a business. Entrepreneurship education programs often guide youth through the development of a business plan and also may include simulations of business start-up and operation.

(2) Enterprise development which provides supports and services that incubate and help youth develop their own businesses. Enterprise development programs go beyond entrepreneurship education by helping youth access small loans or grants that are needed to begin business operation and by providing more individualized attention to the development of viable business ideas.

(3) Experiential programs that provide youth with experience in the day-to-day operation of a business. These programs may involve the development of a youth-run business that young people participating in the program work in and manage. Or, they may facilitate placement in apprentice or internship positions with adult entrepreneurs in the community.

Program Element 13: Services that provide labor market information

Under 20 CFR § 681.460 (a)(13), this element includes "services that provide labor market and employment information about in-demand industry sectors or occupations available in the local area, such as career awareness, career counseling, and career exploration services." This element is not further described in the Youth section of the final rule; however, the Wagner-Peyser regulation at 20 CFR § 651.10 provides additional information about this element under the definition of workforce and labor market information. That section defines workforce and labor market information as "the body of knowledge that describes the

relationship between labor demand and supply.” Numerous tools and applications that are user-friendly exist, which can be used to provide labor market and career information, as appropriate to each youth. These labor market information (LMI) tools can be used to help youth and young adults to make appropriate decisions about education and careers. LMI identifies in-demand industries and occupations and employment opportunities; and, provides knowledge of job market expectations including education and skills requirements and potential earnings. LMI tools also can aid in facilitating youth awareness of the career fields that are likely to provide long-term employment and earnings in local labor markets.

WIOA youth programs and providers should become familiar with state and federal LMI data and LMI tools, which are provided for free by agencies, in order to share relevant LMI with youth. Providing such readily available online services can be accomplished by connecting the youth with American Job Centers and other entities that have career exploration tools, ability and interest inventories, and provide related employment services. DOL electronic tools particularly relevant to youth include My Next Move and Get My Future. In addition to connecting youth to self-service LMI tools, it is important for youth providers to share and discuss state and local LMI with youth participants.

In general, career awareness begins the process of developing knowledge of the variety of careers and occupations available, their skill requirements, working conditions and training prerequisites, and job opportunities across a wide range of industry sectors. The process in which youth choose an educational path and training or a job which fits their interests, skills and abilities can be described as career exploration. Career counseling or guidance provides advice and support in making decisions about what career paths to take. Career counseling services may include providing information about resume preparation, interview skills, potential opportunities for job shadowing, and the long-term benefits of postsecondary education and training (e.g., increased earning power and career mobility).

#### Program Element 14: Postsecondary preparation and transition activities

In 20 CFR § 681.460 (a)(14), the final program element is activities that help youth prepare for and transition to postsecondary education and training. This element is not further described in the final rule. Postsecondary preparation and transition activities and services prepare ISY and OSY for advancement to postsecondary education after attaining a high school diploma or its recognized equivalent. These services include exploring postsecondary education options including technical training schools, community colleges, 4-year colleges and universities, and registered apprenticeship. Additional services include, but are not limited to, assisting youth to prepare for SAT/ACT testing; assisting with college admission applications; searching and applying for scholarships and grants; filling out the proper Financial Aid applications and adhering to changing guidelines; and connecting youth to postsecondary education programs.

#### Additional Notes on Documenting and Reporting Program Elements

Documenting receipt of program elements is critical to ensure that youth who are actively participating in programs do not get unintentionally exited due to 90 days of no service. All 14 WIOA youth program elements are contained in the PIRL and local youth programs should ensure that services received are reported in the applicable program element in the PIRL.

In addition, note that case management is the act of connecting youth to appropriate services and not a program element. Case managers providing case management should not be reported as one of the 14 youth program elements in the PIRL.

8. **Inquiries**. All inquiries should be directed to the appropriate ETA regional office.
9. **Attachments**. References and Determining Whether Youth are Living in a High Poverty Area.

## Attachment 1

### WIOA Operating Guidance TEGL References

- The Workforce Innovation and Opportunity Act (WIOA) (Public Law (Pub. L.) 113-128)) Titles I and IV, enacted July 22, 2014;
- WIOA Regulations at 20 CFR part 681;
- The Workforce Investment Act (WIA) of 1998 (Pub. L. 105-220), Title I;
- Training and Employment Guidance Letter (TEGL) No. 10-16, *Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Title I, Title II, Title III and Title IV Core Programs*;
- TEGL No. 8-15, *Second Title I WIOA Youth Program Transition Guidance*;
- TEGL No. 1-15, *Operations Guidance Regarding the Impact of Workforce Innovation and Opportunity Act Implementation on Waivers Approved Under the Workforce Investment Act*;
- TEGL No. 38-14, *Operational Guidance to Support the Orderly Transition of Workforce Investment Act Participants, Funds, and Subrecipient Contracts to the Workforce Innovation and Opportunity Act of 2014*;
- TEGL No. 23-14, *Workforce Innovation and Opportunity Act Youth Program Transition*;
- TEGL No. 19-14, *Vision for the Workforce System and Initial Implementation of the Workforce Innovation and Opportunity Act*;
- TEGL No. 12-14, *Allowable Uses and Funding Limits of Workforce Investment Act (WIA) Program Year (PY) 2014 funds for Workforce Innovation and Opportunity Act (WIOA) Transitional Activities*.

## **Attachment 2**

### **Determining Whether Youth are Living in a High Poverty Area**

#### **Instructions for Using Census Data to Determine High-Poverty Geographical Areas**

##### **Introduction**

The Workforce Innovation and Opportunity Act (WIOA) Title I Youth Program contains a new provision that allows for youth living in a high poverty area to automatically meet the low-income criterion that is one of the eligibility criteria for in-school youth, for some out-of-school youth in the WIOA youth program, and for youth in the Indian and Native American Supplemental Youth Program. The WIOA regulations at 20 CFR § 681.260 define high-poverty areas as a Census tract, a set of contiguous Census tracts, an American Indian Reservation, Oklahoma Tribal Statistical Area (as defined by the U.S. Census Bureau), Alaska Native Village Statistical Area or Alaska Native Regional Corporation Area, Native Hawaiian Homeland Area, or other tribal land as defined by the Secretary in guidance or county that has a poverty rate of at least 25 percent as set every 5 years using American Community Survey 5-Year data. The regulations at 20 CFR § 684.130 allow Indian and Native American grantees to use either the poverty rate of the total population or the poverty rate of Indian and Native Americans in determining whether the poverty rate of an area meets the 25 percent threshold.

All instructions will begin from the Census Bureau's American Fact Finder homepage at [FactFinder.Census.Gov](http://FactFinder.Census.Gov) or click [here](#).



**Section 1: Determining if a County has a Poverty Rate of 25 percent.** Many rural counties in the U.S. have a poverty rate of 25 percent or above. If the American Community Survey reports a poverty rate for the county that meets the poverty threshold you do not need to look at the poverty rate of individual Census tracts. To determine the poverty rate for your county:

1. Go to the American Fact Finder homepage at [www.FactFinder.Census.Gov](http://www.FactFinder.Census.Gov).
2. In the text box under the Community Facts header, enter the name of the county and state that you are searching for and click on Go or hit enter on your keyboard. See the example for **Cameron County, Texas** below:

### ▼ Community Facts

Find popular facts (population, income, etc.) and frequently requested data about your community.

Enter a state, county, city, town, or zip code:

Cameron County, Texas  
 Cameron County, Pennsylvania  
 Cameron town, Steuben County, New York

3. A new page will appear highlighting the county's population total. Click on the **Poverty** tab from the **POPULATION** column on the left.



factfinder.census.gov/faces/nav/jsf/pages/community\_facts.xhtml

United States Census Bureau

AMERICAN FactFinder

Community Facts - Find popular facts (population, income, etc.) and frequently requested data about your community.

Enter a state, county, city, town, or zip code:

**Cameron County, Texas**

Population  
Census 2010 Total Population  
**406,220** Source: 2010 Demographic Profile

Popular tables for this geography:

- 2010 Census
  - General Population and Housing Characteristics (Population, Age, Sex, Race, Households and Housing, ...)
  - Race and Hispanic or Latino Origin
  - Hispanic or Latino by Type (Mexican, Puerto Rican, ...)
  - Households and Families (Relationships, Children, Household Size, ...)
  - Compare Cities and Towns for Population, Housing, Area, and Density
  - Compare Census Tracts for Population, Housing, Area, and Density
- 2014 American Community Survey
  - Demographic and Housing Estimates (Age, Sex, Race, Households and Housing, ...)
- 2015 Population Estimates Program
  - Annual Population Estimates
- Census 2000
  - General Demographic Characteristics (Population, Age, Sex, Race, Households and Housing, ...)
  - Compare Cities and Towns for Population, Housing, Area, and Density

Want more? Need help? Use Guided Search or visit Census.gov's Quick Facts.

4. The poverty<sup>1</sup> rate for the county will appear. Again, using Cameron County, Texas as an example, the county poverty rate is 34.8%.

factfinder.census.gov/faces/nav/jsf/pages/community\_facts.xhtml

AMERICAN FactFinder

Community Facts - Find popular facts (population, income, etc.) and frequently requested data about your community.

Enter a state, county, city, town, or zip code:

**Cameron County, Texas**

Individuals below poverty level  
**34.8%** Source: 2010-2014 American Community Survey 5-Year Estimates

Popular tables for this geography:

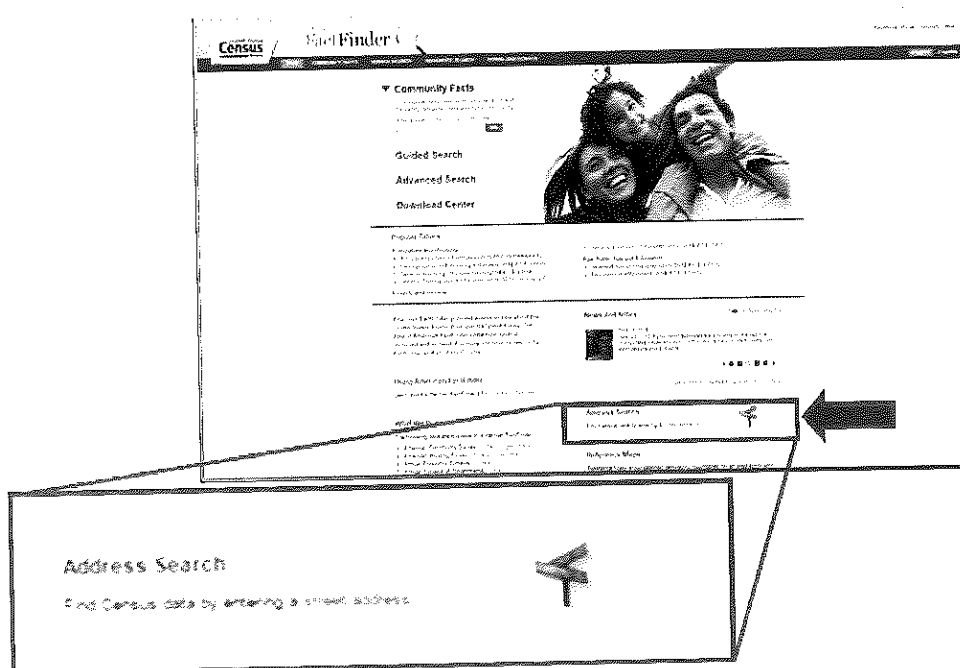
- 2014 American Community Survey
  - Poverty Status in the Past 12 Months (Age, Sex, Race, Education, Employment, ...)
  - Poverty Status in the Past 12 Months of Families (Family Type and Size, Race, Work, Education, Children, ...)
  - People at Specified Levels of Poverty (Age, Sex, Race, Hispanic, Education, Citizenship, Work, Disability, ...)
  - Children Characteristics (Poverty, Public Assistance, Age, Race, School Enrollment, ...)
- Census 2000
  - Selected Economic Characteristics (Poverty, Children, Income, Employment, ...)
  - Individual Poverty Status (Age, Sex, ...)
  - Compare Cities and Towns for Income and Poverty

Want more? Need help? Use Guided Search or visit Census.gov's Quick Facts.

<sup>1</sup>Poverty rates are derived from 5 year Census survey data.

**Section 2: Determining if an Individual Applicant lives in a Census Tract with a Poverty Rate of 25 Percent.** If the American Community Survey reports a poverty rate for the county that does not meet the poverty threshold, you may need to look at the poverty rate of individual Census tracts. These directions may look complicated, but after a few practice tries, it will take about a minute and a half to determine whether an applicant lives in a high-poverty area.

1. Go to the American Fact Finder homepage at [www.FactFinder.Census.Gov](http://www.FactFinder.Census.Gov).
2. Find the Address Search section located on the middle right side of the page and click on the [Street Address link](#) or click [here](#).



3. Type in the address, city and state for the area for which you are interested.
4. A table will come up titled **Geography Results** with a list of geography types (Region, States, County, Congressional Districts, etc.). Census Tract will be the seventh option on the list. Right Click on the Census Tract hyperlink.
5. Next, on the left side of the page there are search options for Topics, Geographies, Race and Ethnic Groups, Industry Codes, and Occupation Codes. Click on the first option **Topics**.
6. A Dialogue Box will come up and you will need to close it. You may need to scroll up to close the Dialogue box.
7. After you close the Dialogue Box a list of tables will come up. Where it says Refine your Search Results, type in **\$1701** and click **Go**.
8. A list of files will come up. Click on the file **\$1701 Poverty Status in the Past 12 Months for the most recent year's ACS 5-Year Data**. Be sure to use the 5-Year data rather than the 1-Year or 3-Year data. The latest 5-Year data available currently is **2015 5-Year Data**.

- A table will come up showing the poverty rate of the Census Tract. Use the top line showing the poverty rate of the total population of the Census Tract. For example, the poverty rate of Census tract 17.02 in Black Hawk County, Iowa is 8.4 percent.

Advanced Search - Search all data in American FactFinder

1 **2 Table Viewer**

S1701 POVERTY STATUS IN THE PAST 12 MONTHS  
2010-2014 American Community Survey 5-Year Estimates

Table View

Actions: Modify Table Add/Remove Geographies Bookmark/Save Print Download Create a Map

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the off

Versions of this table are available for the following years:

2014

2013

2012

		Census Tract 17.02, Black Hawk County, Iowa					
		Total		Below poverty level		Percent below poverty level	
Subject	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error	
Population for whom poverty status is determined	2,385	+/-289	200	+/-95	8.4%	+/-3.9	
AGE							
Under 18 years	423	+/-143	42	+/-55	9.9%	+/-11.4	
Related children under 18 years	423	+/-143	42	+/-55	9.9%	+/-11.4	
18 to 64 years	1,485	+/-159	137	+/-58	9.2%	+/-4.2	
65 years and over	477	+/-95	21	+/-21	4.4%	+/-4.6	
SEX							
Male	1,203	+/-153	59	+/-41	4.8%	+/-3.3	
Female	1,182	+/-154	145	+/-75	12.3%	+/-6.4	
RACE AND HISPANIC OR LATINO ORIGIN							
One race	2,357	+/-293	200	+/-95	8.5%	+/-4.0	
White	1,454	+/-200	52	+/-35	3.6%	+/-2.6	

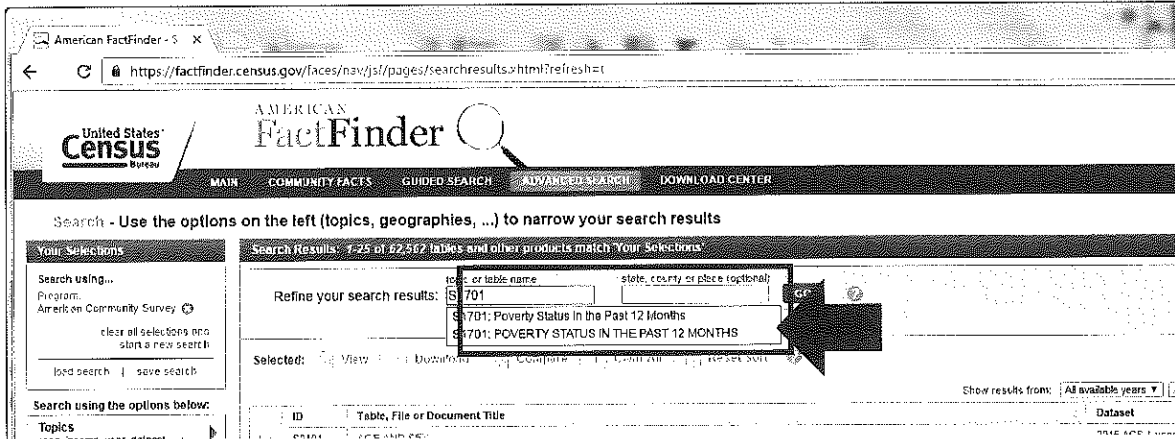
- To check the poverty rate of several addresses at the same time, after you have clicked on the first Census tract, type in the second street address and then click on Census tract again, and so on for additional street addresses before clicking on the Topics button on the left side of the page to get the poverty rates of all Census tracts selected.

### **Section 3: Using Census Data to Identify Contiguous High Poverty-Areas in Advance.**

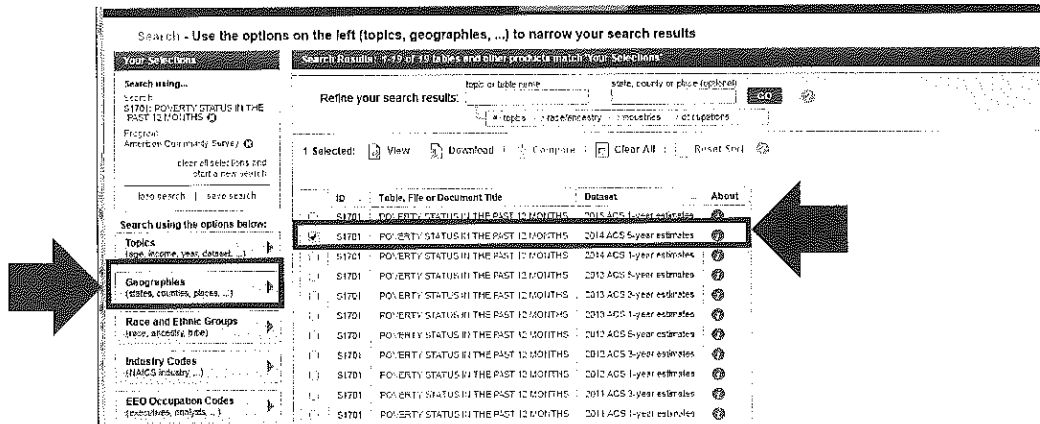
Cities can use Census data to map out in advance entire neighborhoods or large sections of their city that meet the 25 percent poverty rate threshold. In most cases cities will not need to map out every Census tract within their border as local areas are already familiar with where their high-poverty areas are located. Rural counties that do not meet the 25 percent poverty threshold can also map out Census tracts within the county that meet the threshold. Again, the directions below may seem complicated, but a city or county planning department, or a staff person at the workforce board could use these directions to map out high-poverty areas even for large cities with a few days of work. Also, the WIOA regulations specify that high-poverty designations need only to be done once every five years.

- Go to the American Fact Finder homepage at [www.FactFinder.Census.Gov](http://www.FactFinder.Census.Gov).
- Find the section header, "What We Provide" near the bottom left of the page and click on **American Community Survey Get Data**.

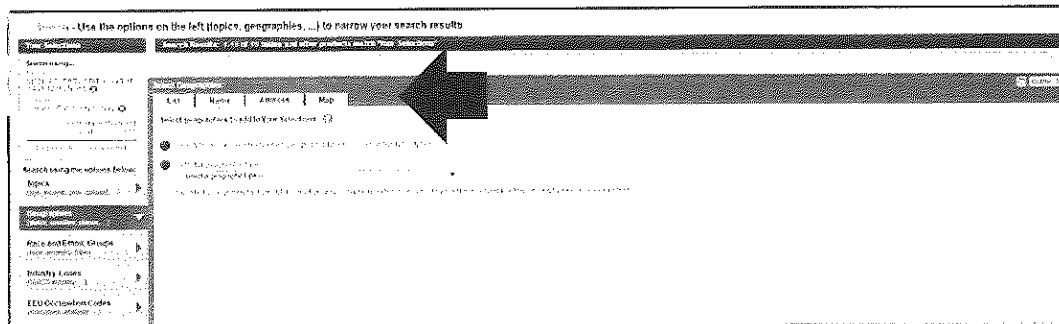
- A list of tables will come up. At the top of the list next to "Refine Your Search Results" type in **S1701**. Then click on "Go".



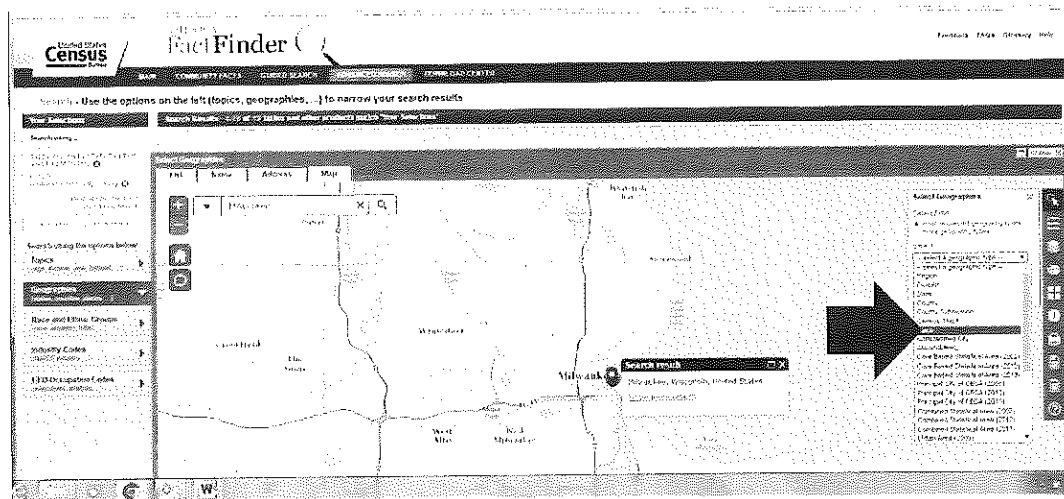
- A list of S1701 files will come up for different years. Check the box for **S1701 Poverty Status the Last 12 Months ACS 5-Year Data** for the latest year available. Be sure to check the box for 5-Year Data rather than 1-Year or 3-Year. It currently is 2015 5-Year Data.
- Next, on the left side of the page there are search options for Topics, Geographies, Race and Ethnic Groups, Industry Codes, and Occupation Codes. Click on <Geographies>.



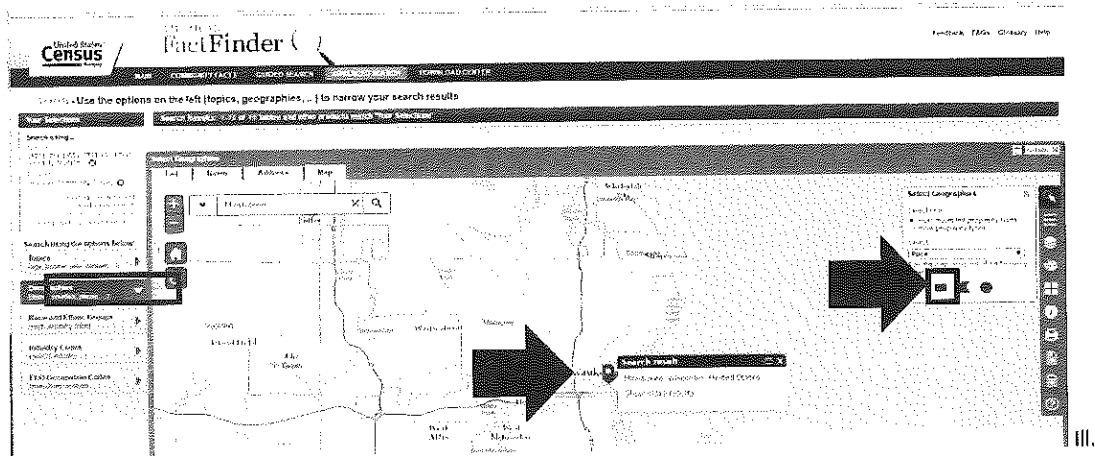
- The "Select Geographies" box will come up with four tabs: List, Name, Address, and Map. Double click on <Map>. A map of North America will come up.



7. In the upper left corner of the map is a text box with an arrow that says "Find address or place." Type in the name of your city, county or town and click <Go>.
8. A list appears with the city, county, or town you wanted included in the list as well as other places in other states with the same name. Click on your selected city, county, or town. A map that includes your city, county, or town will come up with a blue arrow with a white circle in it pointing to your city, county, or town.
9. Along the right side of the map is a series of icons. You will be using the first icon which looks like an arrow pointing to a circle and a third icon which resembles three layers of tiles. First, click on the first icon which looks like an arrow pointing to a circle, called <Select Geographies>. The **Select Geographies** Dialogue Box will come up. Click on the down arrow under "Select" to open the pull-down menu, then select the 7<sup>th</sup> option <Place> if you are mapping a city or town or the 4<sup>th</sup> option <County> if you are mapping the entire county.

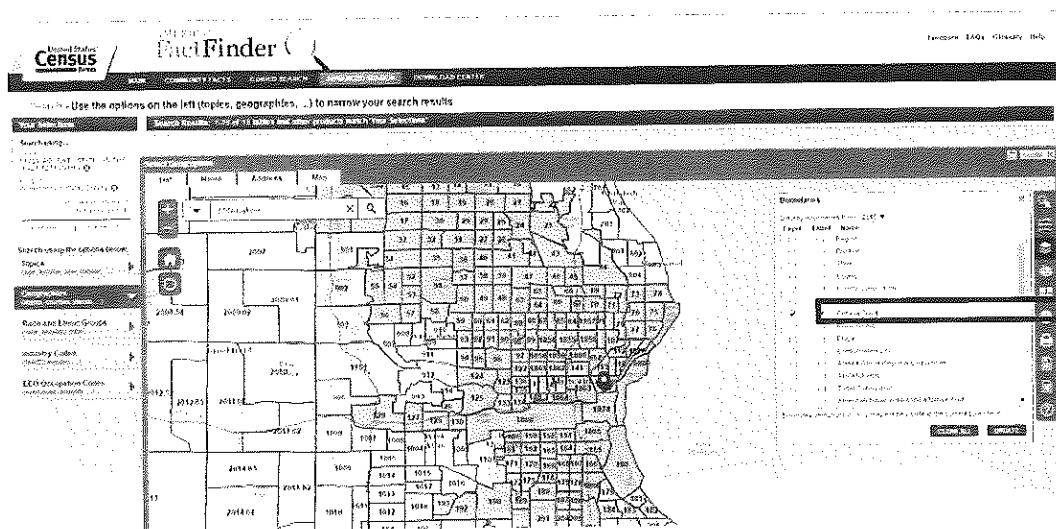


10. Next, click on the dot point which is the first of the four shape boxes under the pull-down menu. Your cursor now becomes a pointer.
11. Move your cursor over the map and click on the blue arrow with the white circle that indicates your city, county, or place. Your city, county, or town will now be highlighted in gray, and your city, county, or place will now appear under the dot point in the <Select Geographies> Dialogue Box.

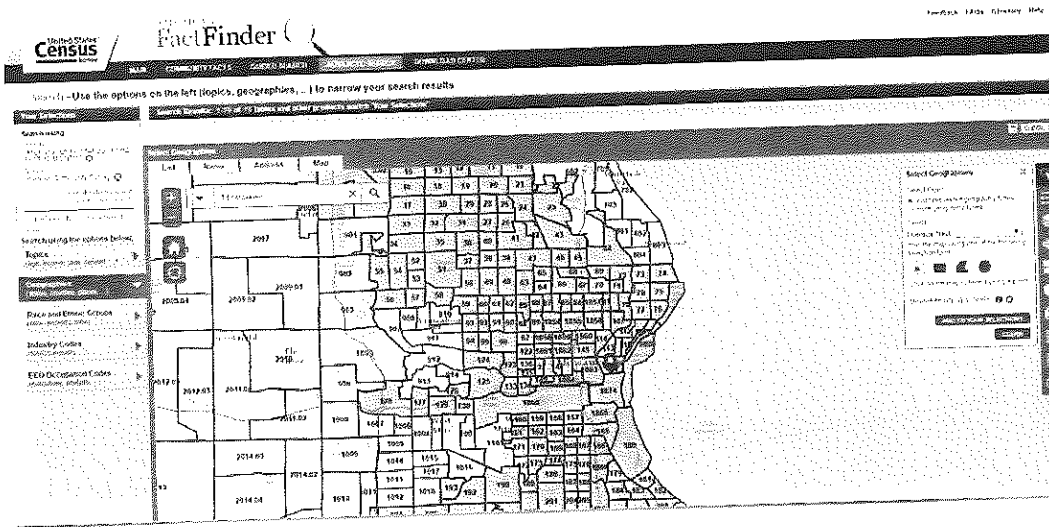


3-5

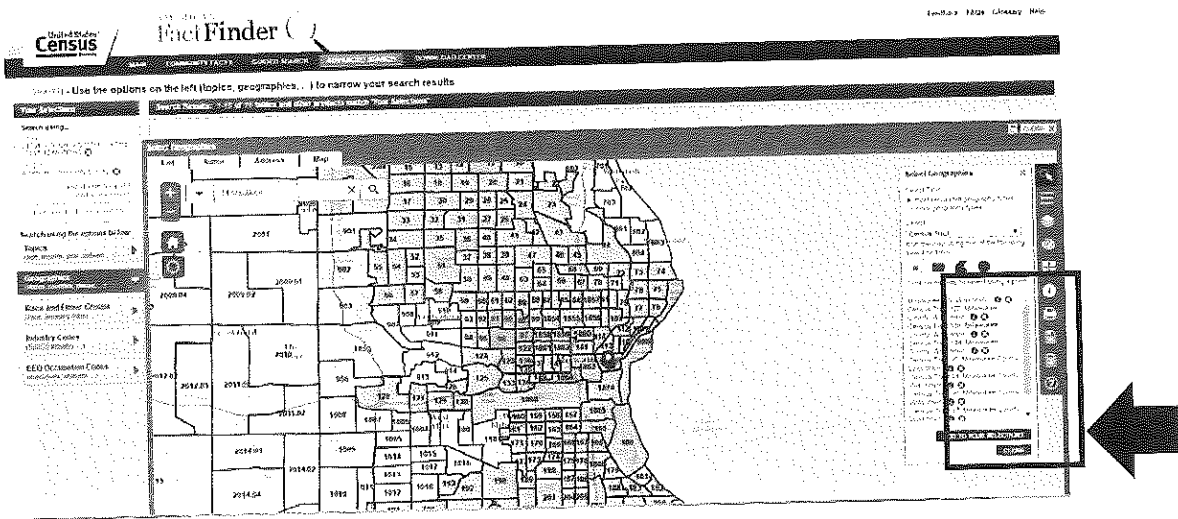
- Next, to the right of the map click on the third icon which resembles three layers of tiles and is called **<Boundaries>**. A Dialogue Box will come up giving you several options. Click on both boxes for the 7<sup>th</sup> choice **<Census Tracts>**. Then be sure to click on **<Update>** at the bottom of the Dialogue Box.



- After you click on **<Update>**, the map of your city, county, or town will now display Census Tracts. You may need to close the **<Boundaries>** box to see the entire map.
- You will probably need to zoom in on the map by clicking on the **“+”** at the top left of the map to make the Census Tract numbers legible. To pan around the map, simply use the up and down and left and right directional keys on your keyboard.
- Next, click on the first icon on the right, which looks like an arrow pointing to a circle, called **<Select Geographies>**. Click on the down arrow under **“Select”** to open the pull-down menu, then select the 6<sup>th</sup> option, **<Census Tracts>**.



16. Next, select the dot point which is the first of the four shape boxes under the pull-down menu, labeled **<select using a pointer>**. Your cursor now becomes a pointer.
17. Move your cursor over the map and single click on each desired Census Tract to be included in the set of contiguous Census Tracts. It is better to single click because if you double click you will also increase the zoom level of the map. Again, the Census Tracts that you select must be contiguous. At times you may need to zoom in further to see street boundaries. You need to keep the Select Geographies dialogue box open while you are using the cursor to add Census tracts.
18. The selected Census Tracts will appear a darker shade on the map and be listed within the **<Select Geographies>** Dialogue Box, under the four shape boxes. If the shading isn't dark enough for you to distinguish which Census Tracts you are selecting then zoom in a little further which will increase the contrast of the shading. To remove a Census Tract from the list, click on the blue **<X>** next to the Census Tract in the list.
19. When you are satisfied with your selections, click on **<Add to Your Selections>** underneath the Census Tract listings in the **<Select Geographies>** Dialogue Box. Your city will now appear a light shade of yellow on the map and the Census Tracts you selected will appear a darker shade of yellow on the map.



20. Next, click on **< Topics >** located to the left of the map. There will be a Dialogue Box pop up. Just click on the **<X>** to close the Dialogue Box. You may need to scroll up to close the Dialogue Box.
21. Then click on the title of the data file that you previously selected **S1701 Poverty Status in the Last 12 Months ACS 5-Year Estimates** for the latest year available. Again, be sure to use 5-Year data.
22. A table will display the poverty data for the Census Tracts that you selected. Use only the first row of data showing overall poverty numbers and poverty rate for each Census Tract. Use the directional arrows on the table to move from Census Tract to Census Tract.
23. If some Census tracts within the contiguous set of Census tracts that you identified have poverty rates of less than over 25 percent you can determine the poverty rate of the contiguous set by creating your own table with a column showing the total population of each census tract and a column showing the number in poverty in each Census tract. Add up each column and divide the total number in poverty in the contiguous Census Tracts by the total population of the contiguous Census Tracts to compute the poverty rate of the contiguous Census tracts. Note that you can have as many sets of contiguous Census tracts as there are that meet the 25 percent poverty threshold set in the WIOA regulations.
24. To save your work thus far, there is a line of Action options right above the Census table showing the poverty rates of the Census tracts you have identified. Click on **Bookmark/Save >** at the top of table. You will be given two choices—to either Create Bookmark or to Save Query. You can do either or both. Select **Save Query**. A prompt will appear asking whether you want to Open or Save the document. Don't click on the Save button, but rather the arrow next to the Save button, which will give you the option of either Save or Save As. Click on **Save As** and you will be given the chance to browse your computer's files to get to the file where you want to save your work just as you would if you were saving any other document. Then hit Save. You will be able to retrieve this query for later use. If this option is not available to you, you may bookmark the page using your browser by clicking on the star to the right of the URL address or

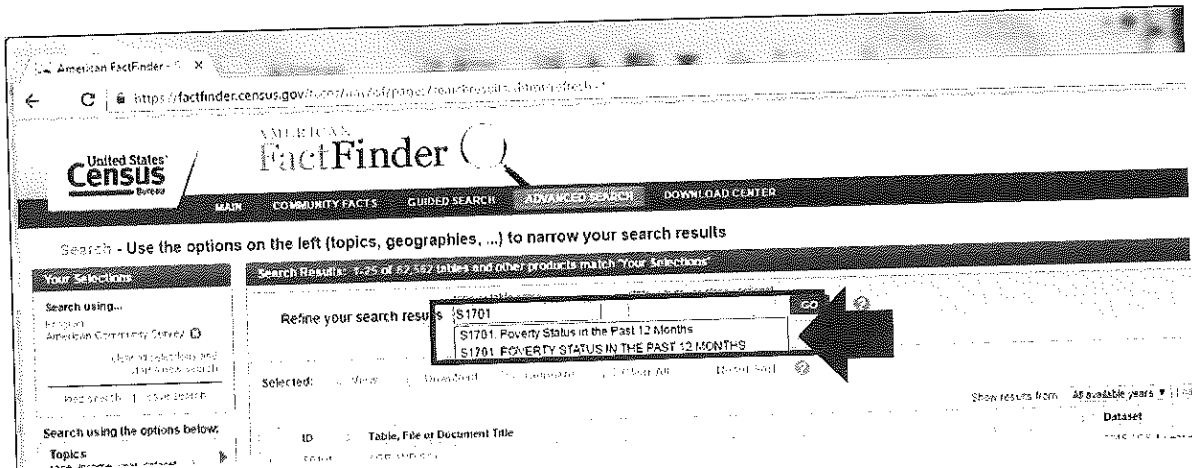


through saving it to your Favorites by clicking on the star in the upper right corner of your computer screen. Note that maps and some tables may not be bookmarkable because the table or map is too complex to fit into a URL.

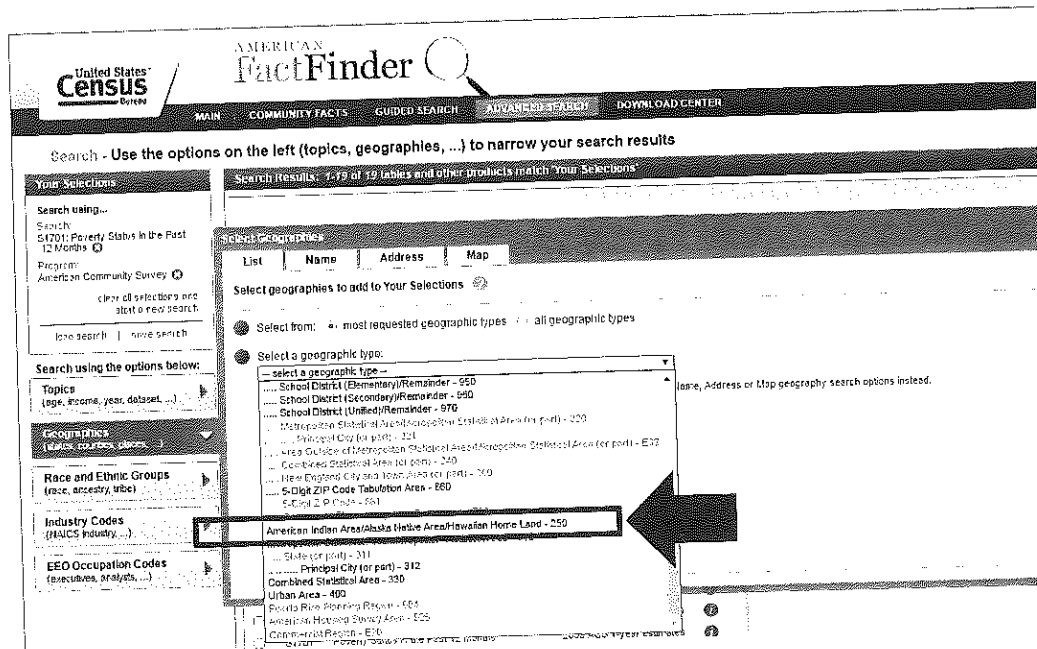
25. You can also print the table as a PDF document. This will allow you to use the zoom feature of the map to identify the streets that serve as the boundaries of the target area. In almost all cases streets forming the boundaries of census tracts will be shown if you zoom in close enough. In a few cases the map will not show the name of a particular street and you will have to use a street map or actually drive through the target area to identify the boundary street.
26. If you need to go back and add or delete Census Tracts, at the top of the page with your table, click on **Back to Advanced Search**. This will take you back to the page with the **Your Selections** box. Below the Your Selections box, click on **<Geographies>**. Then, at the top of the Geographies page, click on **<Maps>**. This will take you back to the map that you have been working on.
27. When you are back to the map that you have been working on, before you can add Census tracts you will need to (1) re-select Census Tracts under the third icon **<Boundaries>** to the left of the map and hit Update; (2) re-select Census Tract under the first icon **<Select Geographies>**, and (3) re-select the dot point. Then you can proceed to add Census Tracts by clicking on additional points on the map and clicking on **<Add to Your Selections>** underneath the Census Tract listings in the **<Select Geographies>** Dialogue Box. To delete a Census Tract simply click on the blue X next to the Census Tract in the **Your Selections** box.
28. To retrieve a Query after you have saved it go to American Fact Finder homepage at [www.FactFinder.Census.Gov](http://www.FactFinder.Census.Gov). Then in the bottom right hand corner of the American FactFinder home page, click on **<Load Query>**, and then click on the **Browse** prompt to find the work that you saved on your computer. Look for the file as you would look for any other document that you have saved. Click on the file when you find it and then click on OK when given the prompt.

#### **Section 4: To determine the Poverty Rate of an Indian Reservation, Tribal Area, Native Alaskan Village, or Hawaiian Home Land.**

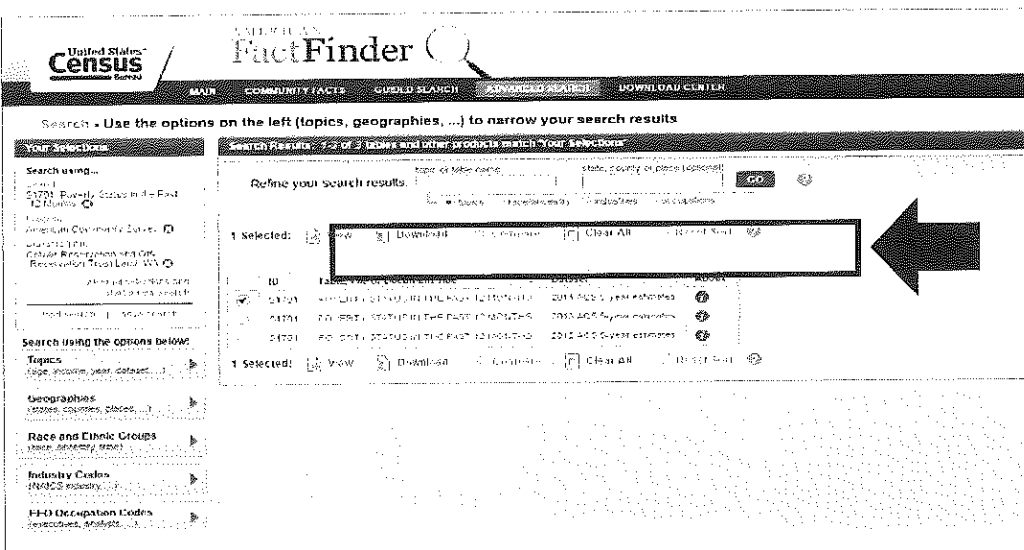
1. Go to the American Fact Finder homepage at [www.FactFinder.Census.Gov](http://www.FactFinder.Census.Gov)
2. Near the bottom of the left column of American Fact Finder homepage find the section titled **"What We Provide"** and click on the first bullet American Community Survey **Get Data**.
3. On the American Community Survey page, under "Refine Your Search Results" type in **S1701**. Then click on "Go".



4. A list of S1701 files will come up for different years. Check the box for **S1701 Poverty Status the Last 12 Months ACS 5-Year Data** for the latest year available. Be sure to use the 5-Year data rather than the 1-Year or 3-Year data. It currently is 2015 5-Year Data.
5. On the left side of page click on **<Geographies>**. The "Select Geographies" box will come up with four tabs: List, Name, Address and Map. It should automatically open to the List tab, but if not click on **<List>**.
6. Select "Most recent Geographic Types", and in the dropdown menu scroll down and select **American Indian Area/Alaska Native Area/Hawaiian Home Land—250**.



7. The American Indian Area/Alaska Native Area/Hawaiian Home Land list first lists federally-recognized Indian reservations, trust lands, and Rancherias alphabetically; then lists joint use areas, then Hawaiian Home Lands; then Oklahoma Tribal Statistical Areas, then Native Alaskan areas; then state-designated reservations and tribal areas and Tribal-designated areas. Click on your reservation or native area and then click on **Add to Your Selections**.
8. Next, click on **< Topics >** located to the left of the map. There will be a Dialogue Box pop up. Just click on the **<X>** to close the Dialogue Box. You may need to scroll up to close the Dialogue Box.
9. Then click on the title of the data file that you previously selected **S1701 Poverty Status in the Last 12 Months ACS 5-Year Estimates** for the latest year available. Again, be sure to use 5-Year data.



10. A table will display the poverty data for the reservation or tribal area that you selected. The WIOA Regulations provide Indian and Native American grantees the option of using either the overall poverty rate of the area to be served or the poverty rate of Native Americans in the area to be served. The first row of data in the table shows the overall poverty rate for the reservation or tribal area. Scroll Down under Race and Ethnicity in the table to see the poverty rate of Native Americans or of Native Hawaiians in the area. For example, the Colville Reservation and Off-Reservation Trust Lands has an overall poverty rate of 32 percent and a poverty rate of Native Americans of 36.5 percent.

Table View

Actions: [Modify Table](#) [Add/Remove Geographies](#) [Bookmark/Save](#) [Print](#) [Download](#) [Create a Map](#)

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates.

Versions of this table are available for the following years:  
 2014  
 2013  
 2012

Subject	Total		Below poverty level		Percent below poverty level	
	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin
Population for whom poverty status is determined	7,620	+/-448	2,443	+/-291	32.1%	+/-4.1
Under 18 years	1,891	+/-245	759	+/-160	40.1%	+/-4.5
Related children under 18 years	1,973	+/-242	781	+/-158	39.6%	+/-3.8
18 to 64 years	4,446	+/-326	1,515	+/-181	24.1%	+/-4.4
65 years and over	1,183	+/-166	129	+/-52	10.9%	+/-4.4
SEX						
Male	3,859	+/-271	1,227	+/-171	31.8%	+/-4.1
Female	3,761	+/-263	1,216	+/-166	32.3%	+/-4.6
RACE AND HISPANIC OR LATINO ORIGIN						
One race	7,114	+/-448	2,361	+/-272	31.8%	+/-4.7
White	2,869	+/-360	732	+/-210	25.5%	+/-4.7
American Indian or Alaska Native	1,893	+/-321	1,421	+/-210	36.5%	+/-4.7
Asian	53	+/-67	0	+/-17	0.0%	+/-4.6
Native Hawaiian and Other Pacific Islander	78	+/-29	11	+/-12	14.1%	+/-4.6

- If your Reservation is not listed in the American Community Survey dropdown list then use the instructions above for determining the poverty rate of a county or street address to see if the county or Census tract in which you are located has a poverty rate for Native Americans of over 25 percent.
- Similarly, if your Oklahoma Tribal Statistical Area or Reservation does not meet the 25 percent poverty threshold then use the instructions above for determining the poverty rate of a county or street address to see if the county or Census tract in which you are located or if some counties or Census tracts that make up your tribal area have a poverty rate for Native Americans of over 25 percent. For example, the overall Choctaw Tribal Statistical Area does not meet the 25 percent poverty threshold, but Latimer, La Flore, McCurtain, Pittsburg, and Pushmatah Counties and Census tracts 7956, 7962, 7964, and 7965 within Bryan County do meet the 25 percent poverty threshold.
- Indian and Native American grantees serving multiple Native Alaskan Villages, Hawaiian Villages, Reservations, or Rancherias will need to look at the poverty rate of each individual site. If the Village, Reservation, or Rancheria's poverty rate does not meet the 25 percent threshold or if data is not available in the American Community Survey for the area, grantees can also use the directions above to check whether the county or the Census tract in which the area is located meets the poverty threshold. Half of the counties in California have a poverty rate of Native Americans of over 25 percent, as do the counties of Bethel, Denali, Nome, Northwest Arctic, Valdez-Cordova, Wade Hampton, Wrangell, and Yukon-Koyukuk in Alaska; the counties of Clark, Douglass, Esmeralda, Eureka, Humboldt, Lincoln, Mineral, Pershing, and White Pine in Nevada; and the counties of Duchesne, Iron, Salt Lake, San Juan, San Pete, Sevier, Uintah, and Washington in Utah. Similarly, Hawaii County in Hawaii has a poverty rate for Native Hawaiians of over 25 percent.