

New Jersey

Workforce Innovation Notice 20-16 (Y)

TO: Workforce Development System

FROM: John Bicica, Chief,
Office of WIOA Technical Assistance and Capacity Building

DATE: April 26, 2017

Purpose

To inform all local workforce development boards (WDB) and one-stop partners of the youth program procurement requirements of the Workforce Innovation and Opportunity Act (WIOA). This guidance supersedes and replaces NJWIN 9-15, which was issued under the Interim Rules. The Final Rules made a significant change to the local area provision of youth services, allowing local areas to directly provide program elements.

Background

The WIOA Final Rules at 681.400 state that while the grant recipient may directly provide youth services, any services awarded through grants or contracts must be awarded through a competitive process:

- The grant recipient/fiscal agent has the option to provide directly some or all of the youth workforce investment activities.
- However, as provided in WIOA sec. 123, if a Local WDB chooses to award grants or contracts to youth service providers to carry out some or all of the youth workforce investment activities, the Local WDB must award such grants or contracts on a competitive basis, subject to the exception explained below at paragraph (b)(4) of this section:

(1) The Local WDB must identify youth service providers based on criteria established in the State Plan (including such quality criteria established by the Governor for a training program that leads to a recognized postsecondary credential) and take into consideration the ability of the provider to meet performance accountability measures based on the primary indicators of performance for youth programs.

(2) The Local WDB must procure the youth service providers in accordance with the Uniform Guidance at 2 CFR parts 200 and 2900, in addition to applicable State and local procurement laws.

(3) If the Local WDB establishes a standing youth committee under 20 CFR 681.100 it may assign the committee the function of selecting of grants or contracts.

If local WDBs directly provide youth services and a single entity performs multiple roles (such as fiscal agent, service provider, or one-stop operator) a written agreement between that local WDB and chief elected official is required. The agreement must clarify:

- How they will comply with WIOA and corresponding regulations, relevant OMB circulars, and the State's conflict of interest policy
- Expectations on distinct roles and clear methods of tracking execution and accountability for the distinct roles. **(TEGL 21-16)**

WIOA Youth Priorities

Note: Administrative costs cannot be applied to either priority.

WIOA requires that each local area spend no less than 75 percent of its youth funds each program year on direct services to out-of-school youth.

Each local area must expend no less than 20 percent of its funds each program year on work experiences for youth. Note: the WIOA Final Rules at 20 CFR 681.600 require that work experiences include academic and occupational education. The academic 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. **(TEGL 21-16)**

Work Experience Expenditure Requirement-Training and Employment Guidance Letter 8-15 states that allowable expenditures for the work experience expenditure requirement beyond wages include staff time spent on 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.

State Plan Criteria

New Jersey's Unified Workforce Investment Plan (2012-2017) lists 10 criteria that were established by the State Employment and Training Commission. These criteria, which must be incorporated into the evaluation of youth service programs during procurement, are listed below:

1. The program will have a record of demonstrated effectiveness.
2. The program will not discriminate in any way and will be in full compliance with the Americans with Disabilities Act.
3. The provider must have the capacity to identify issues that are hindering youth from succeeding in the program and recommend the appropriate support services.
4. The provider must be able to detail how linkages between community, academic, occupational learning, and work experience will be used to enhance the youth development and employability. They should also demonstrate the involvement of the business/employer community.
5. The program will maintain a close working relationship with the local One-Stop Career Center.
6. Programs with certifications or licenses as a goal will make arrangements for participants to test for and obtain the certification or license.
7. Any program offering summer employment opportunities must be linked to academic and occupational learning as a complement to overall year-round program goals. Summer employment opportunities operated as a stand-alone Summer Youth Program are specifically prohibited.
8. The provider must establish specific timeframes for evaluation of participant performance, attendance and progress, including level of academic performance, vocational abilities/skills, aptitudes, and interests.
9. The provider must identify process and strategies to be used to ensure that participants receive planned services and reach planned goals and what corrective actions will be available for participants who are not meeting the requirement of each activity or goals. The provider must detail the internal systems that will be used to report and monitor programmatic and fiscal activities.
10. The provider must permit federal, state, and local area staff and designated agents to conduct regular monitoring activities, including communication with customers and contractor staff at instructional sites.

Design Framework Services

Design framework services do not have to be competitively procured. "The requirement in WIOA Sec. 123 that eligible providers of youth services be selected by awarding a grant or contract on a competitive basis does not apply to the design framework services when these services are more appropriately provided by the grant recipient/fiscal agent. Design framework services include **intake, objective assessments** and the development of **individual service strategy, case management, and follow-up services.**"

Program Elements

Each local area, to support the attainment of a secondary school diploma or its recognized equivalent, entry into postsecondary education, and career readiness for participants, the programs described in paragraph (1) shall provide elements consisting of—

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
Alternative secondary school services, or dropout recovery services, as appropriate
Paid and unpaid work experiences that have as a component academic and occupational education, which may include— (i) summer employment opportunities and other employment opportunities available throughout the school year; (ii) pre-apprenticeship programs; (iii) internships and job shadowing; and (iv) on-the-job training opportunities
Occupational skill training, which shall include priority consideration for training programs that lead to recognized postsecondary credentials that are aligned with in demand industry sectors or occupations in the local area involved, if the local board determines that the programs meet the quality criteria described in section 123
Education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster
Leadership development opportunities, which may include community service and peer-centered activities encouraging responsibility and other positive social and civic behaviors, as appropriate
Supportive services
Adult mentoring for the period of participation and a subsequent period, for a total of not less than 12 months
Followup services for not less than 12 months after the completion of participation, as appropriate
Comprehensive guidance and counseling, which may include drug and alcohol abuse counseling and referral, as appropriate
Financial literacy education
Entrepreneurial skills training
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
Activities that help youth prepare for and transition to postsecondary education and training.

USDOL has indicated that there is no expectation that any one provider should be responsible for the delivery of all program elements in an area [WIOA Sec. 129 (c) (5)]. Local boards should identify the existing providers of program elements in their area and procure as necessary where there are gaps in services. While an individual youth does not have to receive all program

elements, USDOL expects that each WIOA youth will be provided with many of these elements, based on their individual needs as identified through assessment and their individual service strategy.

Leveraging Available Resources

20 CFR 681.470 states that non-WIOA funds can be used to provide WIOA youth program elements under certain conditions:

The Department does not require local programs to use WIOA youth funds for each of the program elements. Local programs may leverage partner resources to provide some of the readily available program elements. However, the local area must ensure that if a program element is not funded with WIOA Title I youth funds, the local program has an agreement in place with a partner organization to ensure that the program element will be offered. The Local Board must ensure that the program element is closely connected and coordinated with the WIOA youth program.

For example, a local area could enter into an agreement with a local youth agency that provides tutoring and adult mentorship to out-of-school youth. The local area may then refer, as appropriate, WIOA-enrolled youth to that agency to receive those WIOA program element with non-WIOA funds.

Leveraging of youth funds will expand local program capacity and demonstrate greater fiscal responsibility with the limited funds available. Local areas must demonstrate efforts to identify and enter into agreements with agencies which are already providing program elements. The New Jersey Department of Labor and Workforce Development and the State Employment and Training Commission will provide technical assistance in these efforts.

Braiding Funds (TEGL 21-16)

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

Individual Training Accounts

The WIOA Final Rules provide that out-of-school youth age **16** or older may be provided the occupational training program element through an Individual Training Account, as appropriate. **(20 CFR 681.550)**. This is **not** a waiver, and there is no need to utilize a waiver log in America's One-Stop Operating System when serving youth with an ITA using WIOA funds. In-school youth (ISY) funds may not be used for an ITA; however, ISY aged 18-21, if co-enrolled in the Adult program, may be provided an ITA with Adult funds.

Program vs. Service

WIOA Youth Program-All the WIOA youth services (program elements) that are made available throughout a local area.

WIOA Youth Service-An individual WIOA program element. WIOA requires these fourteen elements to be made available by the local area, though they do not have to be provided to every youth. Individual RFPs should be designed to procure particular service(s) (not all).

Program Design

Before issuing requests for proposals, each local area, with the participation of the youth standing committee, should take the following steps:

1. Conduct an environmental scan to identify agencies that are providing program elements in the area/region. The local board can enter into partnership agreements (MOUs) for these program elements to be provided using non-WIOA funds.
2. Determine which program elements and framework services that the local area is best suited to provide.
3. Consider the WIOA priorities:
75 percent of funds must be spent on out-of-school youth
20 percent of all youth funds must be spent on work experience
4. Review records to estimate the total funds that will be spent on ITAs in the program year.

5. Determine if there are special populations (individuals with barriers to employment) that the local area wants to focus on. For example, a local area may wish to develop an RFP particularly for youth who were offenders.
6. Consider other relevant factors, especially the needs of the local business community. This can inform decision-making related to occupational training.

After taking these steps, the local area can identify the particular services that needs to be procured, for which groups of youth (in-school/out-of-school), and at what funding and service levels.

References and Links

WIOA Sec. 123; WIOA Sec. 129; 20 CFR 681.310; 20 CFR 681.400;

TEGL 21-16 https://wdr.doleta.gov/directives/attach/TEGL/TEGL_21-16.pdf

New Jersey Combined State Plan

<http://www.njsetc.net/njsetc/planning/unified/documents/NJ%20Combined%20State%20Plan%20for%20WIOA%202016.pdf>

Rescissions

NJWIN 9-15

Authority

New Jersey Department of Labor and Workforce Development	X
State Employment And Training Commission	

Questions

For general questions regarding this guidance, contact John Bicica, Chief, Office of WIOA Technical Assistance and Capacity Building, at john.bicica@dol.nj.gov