Alabama Workforce Investment System

Office of Workforce Development
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May 5, 2009

GOVERNOR'S WORKFORCE DEVELOPMENT DIRECTIVE NO. PY2007-07, Change 3

SUBJECT: Guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Act Funding in the American Recovery and Reinvestment Act of 2009 (ARRA) and State Planning Requirements for Program Year 2009

1. **Purpose.** This Directive transmits USDOL Training and Employment Guidance Letter No. 14-08 and USDOL Training and Employment Guidance Letter No. 14-08, Change 1.

2. **Discussion.** USDOL Training and Employment Guidance Letter No.(TEGL) 14-08 (Attachment 2 of this Directive) provides policy guidance and direction regarding the American Recovery and Reinvestment Act of 2009 (ARRA) funding for activities authorized under the Workforce Investment Act of 1998 (WIA) and the Wagner-Peyser Act. The specific instructions regarding the requirement for the state to modify their WIA and Wagner-Peyser Strategic State Plan are included as well.

   TEGL 14-08 reiterates the regulations requiring priority of services for veterans and eligible spouses. The State and local areas must incorporate priority of services for veterans and eligible spouses sufficient to meet the requirements of 20 CFR part 1010, published at Federal Register 78132 on December 19, 2008. Under section 1010.310(b)(3) of these regulations, when the veterans priority is applied in conjunction with another statutory priority like the ARRA's priority for recipients of public assistance and low-income individuals, veterans and eligible spouses who are members of the ARRA priority group must receive the highest priority within that priority group, followed by non-veteran members of the ARRA priority group.

   USDOL Training and Employment Guidance Letter No.(TEGL) 14-08, Change 1 (Attachment 1 of this Directive), in addition to other topics, clarifies the local area fund availability for the ARRA Adult and Dislocated Worker allocations. All Workforce Investment Act ARRA funds (Adult, Youth, and Dislocated Worker) must be expended by the end of Program Year 2010 (June 30, 2011). The Governor may recapture and reallocate

ARRA funds that are eligible for recapture and reallocation in accordance with 20 CFR 667.160 ("the amount to be recaptured from each local area for purposes of reallocation must be based on the amount by which the prior year's unobligated balance of allocated funds exceeds 20 percent of that year's allocation for the program, less any amount reserved (up to 10 percent) for the costs of administration.") at the end of Program Year 2009 (at least 80% of the program funds must be obligated by June 30, 2010).

TEGL 14-08, Change 1, also addresses the transfer limit between ARRA Adult and Dislocated Worker funds. TEGL 13-08, and later transmitted in GWDD PY2007-06, Change 6, indicated **"The transfer of up to 20 percent of funds between the Adult and Dislocated Worker programs authorized at WIA Section 133(b)(4) will apply to the ARRA funds".** Subsequently, the FY 2009 Omnibus Appropriations Act raised the transfer limits between Adult and Dislocated Worker funds to 30 percent. Because ARRA funds are supplemental FY 2009 funds, the 30 percent transfer limit also applies to these funds.

3. **Action.** Local Areas should utilize TEGL 14-08 and TEGL 14-08, Change 1 when planning their activities and related funding under the American Recovery and Reinvestment Act of 2009.

4. **Contact.** Any questions regarding this Directive should be addressed to Jane Leatherwood, Workforce Development Division, State Programs and Divisional Budget Management at (334) 242-5190 or jane.leatherwood@adeca.alabama.gov.

5/5/09

Matthew Hughes, Director
Office of Workforce Development

Attachment 1: TEGL 14-08, Change 1
Attachment 2: TEGL 14-08

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION
	CORRESPONDENCE SYMBOL OWI
	DATE April 15, 2009

ADVISORY: **TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 14-08, CHANGE 1**

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

FROM: **DOUGLAS F. SMALL** Douglas F. Small
Deputy Assistant Secretary

SUBJECT: Guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Act Funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009, Change 1

1. **Purpose.** TEGL 14-08, Change 1 has five purposes:
   - To clarify the period of the American Recovery and Reinvestment Act (the Recovery Act) funding availability at the local level for the Workforce Investment Act (WIA) Adult, Dislocated Worker, and Youth programs;
   - To address recapture and reallocation of unobligated local WIA Recovery Act funds;
   - To change the funds transfer limit between Recovery Act Adult and Dislocated Worker programs from 20 to 30 percent;
   - To encourage local areas to serve migrant and farmworker youth with Recovery Act youth formula funds; and
   - To announce the location of frequently asked questions and answers on the Employment and Training Administration Web site.

2. **References.**
   - Workforce Investment Act of 1998, as amended (29 U.S.C. 2801 et seq.)
   - WIA Regulations, 20 CFR parts 652 and 660-671
   - The American Recovery and Reinvestment Act of 2009 (P.L. 111-5)
   - TEGL No. 14-08, "Guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Act Funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009"
   - FY 2009 Omnibus Appropriations Act (P.L. 111-8)

RESCISSIONS None	EXPIRATION DATE Continuing

3. **Period of availability of funds at the local level.** TEGL 14-08 stated that local areas have until the end of PY 2010 (June 30, 2011) to expend WIA Youth Recovery Act funds (p. 25). The Employment and Training Administration (ETA) has received several inquiries as to whether the same period of availability for expenditure applies to other WIA Recovery Act programs. This same expenditure period for local areas also applies to the WIA Adult and Dislocated Worker Recovery Act funds.

4. **Recapture and reallocation of unobligated funds.** For normal WIA formula allotments, ETA recaptures and reallots excess unobligated funds among states, and Governors may recapture and reallocate excess unobligated funds among local areas in the state at the end of each program year, per WIA Section 127 (a), 128(c) and 133(b). Because Recovery Act WIA funds are only available for three months in PY 2008, ETA has determined that moving funds so soon afterward defeats the purpose of the Act. Thus, ETA has determined not to apply a reallotment to Recovery Act funds for PY 2008. For similar reasons, ETA has determined that it is imprudent to permit Governors to recapture and reallocate Recovery Act funds at the end of PY 2008 as well. Governors may recapture and reallocate Recovery Act funds that are eligible for recapture and reallocation in accordance with 20 CFR 667.160 at the end of PY 2009. The WIA recapture and reallocation requirements, including the calculations relating to the percentage of funds that have been obligated, are to be applied to Recovery Act WIA formula funds separately from the application of these requirements to the PY 2009 regular WIA formula funds.

5. **Change in fund transfer limit between Adult and Dislocated Worker formulas.** WIA Section 133(b)(4) provides the authority for local workforce areas, with approval of the Governor, to transfer up to 20 percent of the Adult Activities funds to Dislocated Worker Activities, and up to 20 percent of Dislocated Worker Activities funds to Adult Activities. TEGL 14-08 provided that the 20 percent limit of WIA sec 133(b)(4) applied to Recovery Act funds. Subsequently, the FY 2009 Omnibus Appropriations Act raised the transfer limits between Adult and Dislocated Worker funds to 30 percent, which is applicable for the life of the funds. Because Recovery Act funds are supplemental FY 2009 funds, the 30 percent transfer limit also applies to these funds. Per TEGL 14-08, waivers of the funds transfer limit between Adult and Dislocated Worker programs above 30 percent do not apply to Recovery Act funds.

6. **Serving migrant and farmworker youth with summer employment opportunities.** As part of ETA's strategic vision for service delivery under WIA (TEGL 28-05), ETA encouraged states and local areas to focus youth services on those youth most in need, including migrant youth. Migrant and farmworker youth are often disconnected from both education and the workforce, and could significantly benefit by participating in summer youth employment opportunities. ETA strongly encourages state and local areas to work with workforce system grantees serving farmworkers and their dependents to outreach to and enroll farmworker youth in summer employment opportunities.

7. **Recovery Act implementation: questions and answers.** Questions and answers related to the implementation of WIA and Wagner-Peyser formula programs under the Recovery Act will be posted at http://www.doleta.gov/recovery/. Additional questions and answers will be posted to this Web site as they become available.

8. **Inquiries.** Questions regarding this guidance should be directed to the appropriate ETA Regional Office.

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION
	CORRESPONDENCE SYMBOL OWI
	DATE March 18, 2009

ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 14-08

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE ADMINISTRATORS
STATE WORKFORCE LIAISONS
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS
STATE LABOR COMMISSIONERS

FROM: DOUGLAS F. SMALL
Deputy Assistant Secretary

SUBJECT: Guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Act Funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009

1. **Purpose.** The purpose of this Training and Employment Guidance Letter (TEGL) is twofold. First, the TEGL provides policy guidance and direction regarding the American Recovery and Reinvestment Act of 2009 ("the Recovery Act") funding for activities authorized under the Workforce Investment Act of 1998 (WIA) and the Wagner-Peyser Act. The second purpose is to provide specific instructions regarding the requirement for states to modify their WIA and Wagner-Peyser Strategic State Plans. More specifically, the TEGL provides policy guidance on the use of:

- WIA Adult and Dislocated Worker funds provided in the Recovery Act;
- Wagner-Peyser Act funds included in the Recovery Act, including guidelines on reemployment services; and
- WIA Youth funds provided in the Recovery Act, including guidelines for summer youth employment activities.

The infusion of funds through the Recovery Act has implications for WIA/Wagner-Peyser Act State Planning. The TEGL also provides instructions to states for:

- Extending the life of current State Plans for Title I of WIA and the Wagner-Peyser Act ("the State Plan") for an additional year;
- Submitting modifications to address how states will utilize funding under the Recovery Act to meet the growing demand for workforce development services; and
- Extending existing waivers and requesting new waivers.

Rescissions	Expiration Date
TEGL 7-08 and TEGL 13-06	Continuing

2. **References.**

- Wagner-Peyser Act, as amended (29 U.S.C. 49 et seq.)
- Workforce Investment Act of 1998, as amended (29 U.S.C. 2801 et seq.)
- WIA Regulations, 20 CFR parts 652 and 660-671
- The American Recovery and Reinvestment Act of 2009 (P.L. 111-5)
- Planning Guidance for the Strategic State Plan for Title I of the Workforce Investment Act of 1998 (WIA) and the Wagner-Peyser Act (73 FR 72853 (Dec. 1, 2008)) (OMB No. 1205-0398)
- TEGL No. 17-05, "Common Measures Policy for the Employment and Training Administration's (ETA) Performance Accountability System and Related Performance Issues"
- TEGL No. 28-05, "The Employment and Training Administration's (ETA's) New Strategic Vision for the Delivery of Youth Services Under the Workforce Investment Act (WIA): Expanding ETA's Vision for the Delivery of Youth Services under WIA to include Indian and Native American Youth and Youth with Disabilities"
- TEGL No. 2-07, "Leveraging Registered Apprenticeship as a Workforce Development Strategy for the Workforce Investment System"
- TEGL No. 9-08, "Negotiating Performance Goals for the Workforce Investment Act Title IB Programs and Wagner-Peyser Act Funded Activities for Program Year 2009"
- TEGL No. 13-08, "Allotments for training and employment services as specified in the American Recovery and Reinvestment Act of 2009 (Recovery Act) for activities under the Workforce Investment Act of 1998 (WIA). Workforce Investment Act Adult, Dislocated Worker and Youth Activities Program Allotments; Wagner-Peyser Act Allotments, and Reemployment Service (RES) Allotments."

3. **Table of Contents.** The TEGL contains the following sections:

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4. Strategic Vision for Implementation of Employment and Training Provisions of the Recovery Act. The Recovery Act, signed by President Obama on February 17, 2009, is intended to preserve and create jobs, promote the nation's economic recovery, and to assist those most impacted by the recession. With the additional workforce funding provided in the Recovery Act, and the increased employment and training services such funding will support, the workforce system will play a vital role in America's economic recovery by assisting workers who are facing unprecedented challenges to retool their skills and re-establish themselves in viable career paths. Drawing on the workforce system's expertise in developing our nation's workers, One-Stop Career Centers across the country will target services to meet the changing needs of workers and employers, helping the dislocated engineer to refine her resume, the construction worker to develop competencies in green construction technologies, and the nurse's aide to enroll in a registered apprenticeship program that will put her on the pathway to higher skilled and higher paying jobs that will lift her family from poverty to the middle class.

If the workforce system is to meet both the letter and the spirit of the law and fulfill its critical role in U.S. economic recovery, we must implement the Recovery Act expeditiously and effectively, with full transparency and accountability of our expenditure of funds. But the Recovery Act provides more than an injection of workforce development resources into communities in need across the country. The significant investment of stimulus funds presents an extraordinary and unique opportunity for the workforce system to accelerate its transformational efforts and demonstrate its ability to innovate and implement effective One-Stop service delivery strategies. As states and local areas plan how their One-Stop systems will make immediate use of the Recovery Act funds, the Employment and Training Administration (ETA) strongly encourages them to take an expansive view of how the funds can be integrated into transformational efforts to improve the effectiveness of the public workforce system. In this system, the needs of workers and employers are both important in developing thriving communities where all citizens succeed and businesses prosper. The system's implementation of the Recovery Act should yield not only increased services and training for workers in need, but also an invigorated, more innovative public workforce system capable of helping enable future economic growth and advancing shared prosperity for Americans.

In a stronger, more comprehensive One-Stop system, adults move easily between the labor market and further education and training in order to advance in their careers and upgrade their contributions to the workplace, while disconnected youth are able to reconnect through multiple pathways to education and training that enable them to enter and advance in the workforce. Adult education, job training, postsecondary education, registered apprenticeship, career advancement activities and supportive services are fully aligned with economic and community development strategies, so as to meet the skill needs of existing and emerging regional employers and high-growth occupations as well as the needs of under-skilled adults. Under such a dual-customer approach, seamless career pathways are developed and offered, and support services and needs-based payments are available, making it far easier for young people and

adults, particularly those most in need, to advance and persist through progressive levels of the education and job training system as quickly as possible and gain education and workforce skills of demonstrated value at each level. Education and training at every level are closely aligned with jobs and industries important to local and regional economies. Every level of education and training affords students, apprentices, and trainees the ability to advance in school or at work, with assessments and certifications articulated to the requirements of the next level of education and employment.

To achieve this vision of a strong and vital workforce system, system stakeholders at every level must continue to develop and refine innovative service delivery strategies in the context of regional economies. Although we confront the challenges of a global economy on a national level, economic prosperity for individuals and families will be determined in large part in regional economies – both metropolitan and rural. It is critical therefore that workforce boards partner with each other regionally and across political jurisdictions, and develop solutions in collaboration with community colleges and other education providers, registered apprenticeship, employers, business and labor organizations, civic groups and community philanthropy to align workforce development services with strategies for regional development. Sector strategies that enable low-income, displaced and under-skilled adults and disconnected youth to acquire the knowledge and skills for success at work in key industries are an important service delivery innovation. Sector strategies for renewable energy, broadband and telecommunications, health care, advanced manufacturing, and other high-demand industry sectors identified by local areas should become an integral part of comprehensive approaches to workforce development and regional growth.

5. General Policy Guidelines. In utilizing the funding in the Recovery Act, federal, state, and local levels of the workforce system must be guided by four principles:

- Transparency and accountability in the use of Recovery Act funding;
- Timely spending of the funds and implementation of activities;
- Increasing workforce system capacity and service levels; and
- Using data and workforce information to guide strategic planning and service delivery.

The Recovery Act contains many provisions stressing transparency in the use of the funding provided by the Act, including the creation of a new website named www.recovery.gov. This emphasis on transparency, along with national interest in the impact of the Recovery Act on our nation's economy, will translate into increased attention on the workforce system's implementation of the Recovery Act. The modifications to the State Plans described in this guidance and the information gathered through the WIA and Wagner-Peyser performance and reporting systems will be important sources of information to ensure transparency and accountability for use of Recovery Act funding. The One-Stop system's success in implementing the Recovery Act will be gauged in part by the progress it achieves in using annual appropriations along with Recovery Act funds to help unemployed, underemployed, and dislocated workers find new, good jobs and to access and remain in the middle class; to help low-skill or low-income workers acquire 21st century skills, find family-supporting jobs in healthy industries and access the middle class; and to help enhance the education pathways for disadvantaged and disconnected youth to improve their labor market prospects and long term career success.

Another guiding principle is the timely spending of funding and implementation of activities contained in the Recovery Act. The Act is intended to stimulate the nation's economy and provide quick assistance to those impacted by the economic downturn, which is reflected in the Congress's requirement that ETA allot the WIA and Wagner-Peyser formula funding in the Act within 30 days of enactment. In turn, ETA is requiring states to allocate their funds to local areas within 30 days of their receipt of funding. States and local areas are expected to move quickly to use the Recovery Act funding, in conjunction with other available funds, to provide career assessments, remedial and occupational training and job search assistance to unemployed workers; help youth access the services they need to pursue education and employment; assist businesses in hiring qualified workers; and other activities that can aid in the recovery of local, regional, and state economies.

Recovery Act funding may only be used for authorized WIA and Wagner-Peyser Act activities as provided in this TEGL. ETA expects states and local areas to fully utilize the additional workforce funding to substantially increase the number of customers served, and to substantially increase the number and proportion of those customers who receive training. These funds must be used to supplement annual WIA/Wagner-Peyser appropriations and must only be used for activities that are in addition to those otherwise available in the local area (WIA sec. 195(2)). To that end, Recovery Act funding is to be spent concurrently with other WIA and Wagner-Peyser funding, and should not be used to replace state or local funding currently dedicated to workforce development and summer jobs. While the law requires states to track and spend Recovery Act funds separately from other WIA and Wagner-Peyser formula funds, ETA encourages states to strategically align all of their resources to meet both short- and long-term state and regional workforce development needs. States should anticipate that Congress and the public will be looking for expenditures and performance results very quickly. State spending of Recovery Act formula funds will be integrated into ETA's ongoing regional monitoring workplans.

To facilitate rapid expansion of workforce service delivery capacity, states must be prepared to hire the workforce professionals needed to administer workforce programs and deliver services. In some states, a state-wide hiring freeze or other personnel restrictions have been applied to WIA and Wagner-Peyser programs. In light of the Recovery Act funding, and the significant need for workforce services across the country, ETA strongly encourages Governors to exempt WIA and Wagner-Peyser programs from such hiring freezes or personnel restrictions in order to reach the capacity necessary to meet the demand for workforce services. In making hiring decisions, however, states should be mindful of the temporary nature of the Recovery Act funding.

Additionally, states should consider the value of workforce and economic information and use this information in implementing the Recovery Act. Now more than ever, this type of information should be the foundation of workforce development strategies. Workforce information will be particularly critical as states and local areas seek to identify those businesses and sectors of the economy that are still in need of workers, even in the economic downturn, and those that will begin to grow as the economy recovers. Workforce information is also central to analysis of transferable skills for workers who have lost their jobs in industries and occupations that are not likely to rebound and need to transition to new careers. States should consider

utilizing a portion of Recovery Act funding to enhance workforce and economic information availability and use, with particular focus on supporting regional and local workforce investment board planning for the use of Recovery Act funds and creating linkages to jobs created through Recovery Act investments.

6. Key Recovery Act Provisions and Emphases of Note.

- ***Contracts with Institutions of Higher Education and Other Training Providers.*** To increase the availability of training to workforce system customers, the Recovery Act allows Local Workforce Investment Boards (LWIB) to award contracts to institutions of higher education, such as community colleges, or other eligible training providers, if the board determines it would facilitate the training of multiple individuals in high-demand occupations and if the contracts do not limit customer choice. This provision of the law is in addition to the current methods for providing training and is intended to help increase education and training enrollments and capacity in a time when many states and educational institutions are experiencing budget shortfalls, by allowing LWIBs to pay for the full cost of training at the beginning of the course. Direct contracts with institutions of higher education and eligible training providers also allow LWIBs to quickly design training to fit the needs of the job seekers and employers.

  Training services include the full range of occupational skills training, adult education and literacy services, and customized training as described in WIA section 134 (d)(4)(D). Before to entering into such contracts, ETA encourages LWIBs to assess current training offerings to ensure that the contracts are not duplicating existing training courses and curricula. These training contracts can be performance-based to ensure that they result in real outcomes for the students.

  As part of the contract, the institution of higher education or eligible training provider could develop curriculum for emerging sectors and enhance the capacity of the institutions to ensure quality training within limited timeframes. As such, the development of curriculum by institutions of higher education can be considered a training activity under WIA, if it is developed in the context of providing training to WIA participants. To be consistent with the timely spending of Recovery Act funds, curriculum activities should focus on adapting existing or creating new curriculum that will result in a short-term increase in training capacity, rather than long-term curriculum development activities.

  Institutions of higher education, such as community colleges, need not be on a state list of eligible providers of training services in order to be awarded a contract with Recovery Act funds. Other providers of training that are not institutions of higher education must be on the state list of eligible providers in order to be awarded a contract.

- ***Emphasis on Serving Low-income, Displaced and Under-skilled Adults and Disconnected Youth.*** Particular populations have been heavily impacted by the recession, and have particular challenges in regaining employment. ETA encourages states and local areas to pay particular attention to these populations in the development of implementation strategies for Recovery Act funds. State, regional, and local workforce development strategies should

include robust approaches to helping these workers access training and employment services that advance them along career pathways in high-growth industries, and help them gain access to and remain in the middle class. The Recovery Act contains several provisions designed to target services to these populations. Priority use of WIA Adult formula funds under the Recovery Act must be for services to recipients of public assistance and other low-income individuals as described in WIA section 134(d)(4)(E) (see Section 11.B. of this TEGL for additional discussion of the interaction of this priority with the veterans' priority under the Jobs for Veterans Act). Furthermore, the law requires states to ensure that supportive services and needs-related payments described in WIA section 134(e)(2) and (3) are made available to support the employment and training needs of these priority populations. The provision of supportive services and needs-related payments should also be a focus for the Recovery Act Dislocated Worker formula funds. Summer youth work experiences are similarly intended to include youth who are disconnected from education and the workforce. WIA funds may be used for adult education, including basic or English language education, as delivered through community colleges and other high quality public programs and community organizations that provide such services, as long as they are provided in connection with occupational skill training leading to a job or career for which the individual is preparing.

- ***Provision of Reemployment Services.*** The workforce system plays a vital role in helping unemployed workers quickly find work, and in helping employers find workers when they are ready to hire. The Recovery Act includes a new, major investment to provide Reemployment Services to Unemployment Insurance (UI) claimants. These funds are in addition to those provided through the Reemployment and Eligibility Assessment program implemented under the UI system, currently in 19 states, and soon to be in others. All states and local areas must develop close partnering relationships between UI and One-Stop services to ensure UI claimants are quickly linked to a local One-Stop in their area to develop and pursue an employment plan. States are urged to leverage all available services to maximize the resources and enhance workers' opportunities to return to the workforce. ETA encourages states to find and share best practices through the online community of practice at www.reemploymentworks.workforce3one.org.

- ***Green Jobs.*** The energy efficiency and renewable energy industries offer workers new opportunities that may require additional training and certification. Through the Recovery Act, a number of other federal programs will receive large investments in programs and projects that could create "green jobs." These include investments in renewable energy infrastructure, energy-efficiency home retrofitting, biofuel development, and advanced drive train/vehicle development and manufacturing. As states receive Recovery Act funding for the WIA and Wagner-Peyser programs and implement training and reemployment strategies, ETA encourages states to recognize opportunities to prepare workers for "green jobs" related to other sources of federal funding. States are also encouraged to expand existing training programs, such as registered apprenticeship programs that have the potential to prepare workers for careers in the renewable energy sectors and for other "green jobs."

  While occupational data collection on green jobs is ongoing and occurring in both the public and private sectors, there appears to be general consensus from the research that not all

"green jobs" are necessarily new or unique occupations, but represent "layers" of green skills upon existing occupations. For example, O*NET has identified a number of occupations that may be moderately impacted by "green" technologies. These may include, but are not limited to, power plant operators; electrical engineers; heating, ventilating and air conditioning (HVAC) mechanics and installers; and roofers and construction managers. Other occupations that have the potential for significant change and growth include, but are not limited to, wind turbine engineers; solar power plant operators; and wind turbine service technicians. Additional data collection will further inform the work of the workforce system at all levels.

While this TEGL provides specific policy guidance for the WIA and Wagner-Peyser programs, states and local areas should note that $750 million was made available to ETA through the Recovery Act to award competitive grants focused on projects that train workers and place them in employment in the energy efficiency and renewable energy industries; the healthcare industry; and other high-growth and emerging industries. Approximately $500 million of the funding will be provided through the future competitions to support research, labor exchange and job training projects that prepare individuals for careers in industries as defined in the Green Jobs Act of 2007.

- ***Connections to Other Federal Recovery Act Investments.*** Through the Recovery Act, billions of dollars will be invested in projects related to infrastructure development and improvement, healthcare, and other areas that will create jobs and opportunities for unemployed workers to rejoin the labor force. For instance, the development and implementation of a national infrastructure for electronic medical records will modernize health information technology and increase this industry's need for qualified workers. Other Recovery Act funding will focus on projects that include, but are not limited to: school renovations and construction; Veterans Affairs hospital and medical facility construction and improvements; repair and restoration of public facilities and parks; repair and restoration of Department of Defense facilities; and construction of highways, public transportation, air, and rail (including high speed rail) transportation infrastructure. Clearly, these projects create opportunities for workers nationwide.

  ETA strongly recommends that workforce agencies and LWIBs review other parts of the Recovery Act, with an eye toward the activities to be carried out through the Departments of Agriculture, Defense, Energy, Health and Human Services, Interior, Transportation, and others, to monitor these funding streams at the state level in an effort to coordinate workforce development activities and maximize the return on each investment in terms of the number of workers employed or reemployed through such projects. For example, LWIBs should collaborate with local government agencies and employers who are creating jobs in road and bridge projects, local food production and processing, nursing and allied health, and local conservation projects and energy efficiency programs such as the Weatherization Program run by many local Community Action Agencies.

7. <u>Listing Recovery Act Jobs on State Job Banks</u>. ETA strongly encourages State Workforce Administrators to work closely with their Governors and State Workforce Investment Boards to facilitate the listing of all jobs generated through the Recovery Act on their State Job Banks.

Governors in several states are requiring such listings. This will enable all job seekers to view and, if appropriate, pursue new jobs created, as well assist job placement coordinators in identifying reemployment opportunities for job seekers.

In order to foster greater accountability and transparency in the use of Recovery Act funds, states should also note that the Act requires the federal government to include on www.Recovery.gov links to and information about how to access job and registered apprenticeship opportunities, local employment agencies, and State Job Banks.

8. Availability of Funds. States are strongly encouraged to spend Recovery Act funding quickly and effectively. WIA funding for Adults, Dislocated Workers, and Youth are considered to be Program Year (PY) 2008 funds and, therefore, must be expended by the end of PY 2010 (June 30, 2011). Wagner-Peyser funds are available for obligation by the states through September 30, 2010, and must be expended by the end of PY 2010 (June 30, 2011). It is the Congress' intent, as well as that of the Administration, that the majority of these funds will be utilized within the first year of availability. States are reminded that the Recovery Act provides additional funds under existing WIA or Wagner-Peyser authority, and the design and delivery of the services for the Recovery Act funds are governed by WIA and Wagner-Peyser laws and regulations.

9. Monitoring. Pursuant to WIA regulations at 20 CFR 667.410, each state recipient and subrecipient of Recovery Act funds must conduct regular oversight and monitoring of its WIA and Wagner-Peyser Employment Services activities and those of its subrecipients and contractors in order to determine that expenditures have been made against the appropriate cost categories and within the cost limitations. Oversight and monitoring should determine whether or not there is compliance with programmatic, accountability, and transparency provisions of the Recovery Act and this TEGL, as well as the regular provisions of WIA and the Wagner-Peyser Act, as amended by WIA, and their regulations and other applicable laws and regulations. States are also required to provide technical assistance as necessary and appropriate. In the State Plan modification described in Section 18 and Attachment A, the Governor must be able to demonstrate, through a monitoring plan or otherwise, that the state monitoring system meets the requirements of 20 CFR 667.410(b)(2) and that the state's plan includes monitoring and oversight of the additional funds provided under the Recovery Act.

10. Program and Performance Reporting. Accountability guidelines provided by the Office of Management and Budget for the Recovery Act emphasize data quality, streamlining data collection, and collection of information that shows measurable program outputs. ETA is developing reporting guidelines for these funds with the intent to minimize any new collection burdens. Final guidance on participant and performance reporting will be issued under a separate TEGL. To the extent that new information or reports are required for Recovery Act activities, ETA will seek Office of Management and Budget (OMB) clearance through the Paperwork Reduction Act process.

11. WIA Adult Program. The Recovery Act makes available an additional $500,000,000 for the WIA Adult formula program. ETA is distributing funds to states via the existing WIA Adult formula per TEGL No. 13-08, which specifies amounts for each state. These funds are available

for states to provide employment and training services to adults through the One-Stop system in accordance with WIA allocation requirements. Per the Recovery Act, the funds shall remain available to states for the same period of time as regular PY 2008 WIA Adult formula funds, or until June 30, 2011, and are subject to the 15 percent reserve for state activities under WIA section 133(a).

A. Allowable Activities

It is the intent of the Recovery Act that WIA Adult funds be used to provide the necessary services to substantially increased numbers of adults to support their entry or reentry into the job market. To that end, states should consider how assessment and data-driven career counseling can be integrated into their service strategies to support adults in successful training and job search activities that align with areas of anticipated economic and job growth. Recovery Act funds can be used on all activities specified under the WIA Adult program. To maximize the reach of Adult formula funds, One-Stop Career Centers should help eligible customers take advantage of the significant increase in Pell Grant funds also included in the Recovery Act.

Because workers may need to up-skill or re-skill to compete for limited career opportunities, training will be a particularly vital service during the economic recovery, and overall training enrollments are expected to increase. Training services may include occupational skills training, on-the-job training, programs that combine workplace training and related instruction, including registered apprenticeship, training programs operated by the private sector, skill upgrade and retraining, entrepreneurship training, job readiness training, adult education and literacy training, and customized training. These funds can also be used to support adult basic education training, including English as a second language.

The Recovery Act specifically emphasizes the authority to use these funds for supportive and needs-related payments to ensure participants have the means to pay living expenses while receiving training. This should allow workers to pursue training of sufficient duration to acquire skills and credentials of value that will connect them to emerging jobs as the economy recovers. To increase state, regional, and local training capacity, the Act gives states the authority to enter into contracts with institutions of higher education, such as community colleges, or other eligible training providers to facilitate the training of multiple individuals in high-demand occupations, so long as the contract does not limit customer choice, as discussed in section 6.

As stated earlier, priority use of these funds shall be for services to recipients of public assistance and other low-income individuals as described in WIA section 134(d)(4)(E). States are particularly encouraged to provide training opportunities to these individuals. Again, because family and income responsibilities often prevent these priority populations from successfully entering or completing training, states should ensure that supportive services and needs-related payments described in WIA section 134(e)(2) and (3) are available to support the employment and training needs of priority populations. Supportive services may include transportation, child care, dependent care, housing, and other services that are necessary to enable an individual who is unable to obtain the services from other programs to participate in activities authorized under WIA. Needs-related payments may be provided to adults who are unemployed and do not qualify for or have ceased to quality for unemployment compensation for the purpose of enabling

such individuals to participate in programs of training services. One-Stop Career Centers should take advantage of the availability of these payments so that customers can pursue their career goals, rather than their short-term income needs determining the length of their training.

B. Recommended Strategies

In allocating the WIA Adult formula funds in the Recovery Act, ETA encourages states to consider including the following in their service delivery strategies:

- ***Targeted Use of Funds.*** ETA encourages states to develop plans and strategies that target the use of WIA Adult formula funds on the services that most efficiently and effectively assist workers impacted by the current economy to obtain employment, with priority given to recipients of public assistance and other low-income individuals as described in WIA section 134(d)(4)(E). These strategies should include assisting adults to adapt their skills and career goals to the rapidly changing economy and employment options. States should make every effort to assess the skills, abilities, and career goals of adults and to help them map their skills against current and anticipated jobs. The Recovery Act recognizes that adults participating in training to advance or retool their skills will need supportive services and needs-related payments to remain and succeed in training. In gathering best practices, states may wish to look to the papers, curriculum, and other products shared through www.workforce3one.org, and are encouraged to share their own best practices through the Web site. Further, ETA encourages states to execute these plans and strategies in a way that builds towards the vision of the workforce system as articulated in Section 4 of this guidance letter.

- ***Coordination and Alignment with Wagner-Peyser, Reemployment Services, Trade Adjustment Assistance, Unemployment Insurance, and One-Stop Career Center Partner Programs.*** ETA encourages states to align their use of WIA Adult formula funds and other federal and state resources, such as Adult Basic Education and Pell grants, and with their spending strategies for other funding streams provided through the Recovery Act to ensure the most efficient and effective use of all funding. In particular, states should integrate their implementation of Adult services with Reemployment Services and UI programs so that individuals have easy access to all programs, regardless of their point of entry into the system.

- ***Leveraging and Support for Registered Apprenticeship Programs.*** ETA encourages states to leverage new, and existing national, state and local registered apprenticeship programs and assets as a key resource in their talent development and reemployment strategies. Significant Recovery Act investments are targeted to key industries such as construction, health care, transportation, and other industries with emerging green jobs that traditionally utilize or are expected to draw heavily upon registered apprenticeship. Linking talent development and reemployment strategies to these Recovery Act investments, particularly those focused on generating new "green" jobs, is critical to providing employment opportunities that can provide a pathway to the middle class and allow individuals to earn while they learn.

- ***Alignment with State and Regional Economic Recovery Plans.*** ETA encourages states to align their WIA Adult formula activities with state and regional economic recovery plans as they are developed, particularly those connected with the Recovery Act, to ensure that training and employment services support anticipated industry growth, and corresponding expected employment opportunities and required skill competencies. States and local areas are encouraged to develop comprehensive regional partnerships to facilitate this alignment. LWIBs are encouraged to partner with each other regionally and across political jurisdictions as necessary.

C. Priority of Service for Veterans and Eligible Spouses

States and local areas must incorporate priority of services for veterans and eligible spouses sufficient to meet the requirements of 20 CFR part 1010, published at Fed. Reg. 78132 on December 19, 2008, the regulations implementing priority of service for veterans and eligible spouses in Department of Labor job training programs under the Jobs for Veterans Act. Under sec. 1010.310(b)(3) of these regulations, when the veterans priority is applied in conjunction with another statutory priority like the Recovery Act's priority for recipients of public assistance and low-income individuals, veterans and eligible spouses who are members of the Recovery Act priority group must receive the highest priority within that priority group, followed by non-veteran members of the Recovery Act priority group.

12. <u>WIA Dislocated Worker Program</u>. The Recovery Act makes available an additional $1,250,000,000 to the WIA Dislocated Worker formula program. Funds will be distributed to states via the existing WIA Dislocated Worker formula per TEGL No. 13-08, which specified amounts for each state. These funds are available for states to provide employment and training services to dislocated workers through the One-Stop system in accordance with WIA local area allocation requirements. Under the Act, the funds shall remain available to states for the same period of time as standard PY 2008 Dislocated Worker formula funds, or until June 30, 2011. Under WIA section 133(a) the WIA Dislocated Worker funds in the Recovery Act are subject to the 25 percent Governor's reserve for statewide rapid response activities and the 15 percent reserve for state-wide activities.

A. Allowable activities

It is the intent of the Recovery Act that WIA Dislocated Worker funds be used to provide the necessary services to dislocated workers to support their reentry into the recovering job market. To that end, states should consider how assessment and data-driven career counseling can be integrated into their service strategies to support dislocated workers in successful training and job search activities that align with areas of anticipated economic and job growth. The funds can be used for all activities specified under WIA for the Dislocated Worker program. It is the intent of the law that substantially increased numbers of dislocated workers will be served with this infusion of formula funds, and that training will be a significant area of focus. Training services include occupational skills training, on-the-job training, programs that combine workplace training and related instruction, including registered apprenticeship, training programs operated by the private sector, skill upgrade and retraining, entrepreneurship training, job readiness

training, adult education and literacy training, and customized training. Additionally, states have the authority to enter into contracts with institutions of higher education, such as community colleges, or other eligible training providers to facilitate the training of multiple individuals in high-demand occupations, so long as the contract does not limit customer choice.

States may reserve up to 25 percent of the Dislocated Worker Recovery Act formula funds for Rapid Response activities. Given expectations for the expeditious spending of funds, ETA encourages states to be strategic in determining how much money to set aside for this purpose. States are further reminded of the wide range of activities that can be supported using Rapid Response funds, such as lay-off aversion activities (see 20 CFR part 665, subpart C).

To be eligible to receive services under the WIA Dislocated Worker formula funds provided in the Recovery Act, individuals must meet the eligibility requirements as stated in WIA section 101(9). This definition allows individuals to qualify as a dislocated worker in four different ways. The workforce system is encouraged to test individuals' eligibility against all options to ensure that the maximum number of people qualify as dislocated workers. Individuals who do not qualify under category A because of the nature of their employment separation may still qualify under category B, C, or D. Additional guidance will be forthcoming discussion dislocated worker eligibility scenarios. Customers who do not qualify as dislocated workers should be considered for eligibility in the Adult formula program.

Category A – General Dislocated Workers. To qualify, an individual must meet the following three criteria:

1. Has been terminated or laid off, or has received a notice of termination or layoff, from employment;
2. EITHER is eligible for or has exhausted entitlement to unemployment compensation; OR has been employed for a duration sufficient to demonstrate, to the appropriate entity at a One-Stop Career Center referred to in WIA section 134(c), 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
3. Is unlikely to return to a previous industry or occupation.

Category B – Plant Closure. To qualify, an individual must meet one of the following three criteria:

1. 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, or enterprise;
2. Is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days; or
3. For purposes of eligibility to receive services other than training services described in WIA section 134(d)(4), intensive services described in WIA section 134(d)(3), or supportive services, is employed at a facility at which the employer has made a general announcement that such facility will close.

Category C – Self-Employed or Unemployed. To qualify, an individual must meet the following criteria:

1. 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.

Category D – Displaced Homemaker. To qualify, an individual must meet the following three criteria:

1. Has been providing unpaid services to family members in the home;
2. Has been dependent on the income of another family member but is no longer supported by that income; and
3. Is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

B. Recommended Strategies

In allocating the WIA Dislocated Worker formula funds in the Recovery Act, ETA encourages states to consider the following:

- ***Targeted Use of Funds.*** ETA encourages states to develop plans and strategies that target the use of WIA Dislocated Worker formula funds on the services that most efficiently and effectively assist dislocated workers to obtain employment. These strategies should include assisting dislocated workers to adapt their skills and career goals to the rapidly changing economy and employment options. ETA encourages states to assess the skills, abilities, and career goals of dislocated workers and to help them map their skills against current and anticipated jobs.

- ***Supportive Services and Needs-related Payments.*** Because of the nature of our nation's changing economy, many dislocated workers may need training to increase their skills and gain employment. ETA encourages statesto establish policies that assure that supportive services and needs-related payments, described in WIA section 134(e)(2) and (3) and in WIA regulations 20 CFR part 663, subpart H, that may be necessary for an individual's participation in job training are part of the dislocated worker service strategy. Guidance on the provision of needs-related payments to dislocated workers can be found in 20 CFR 663.820 and 663.825. To maximize the reach of these funds, One-Stop Career Centers should help eligible customers take advantage of the significant increase in Pell Grant funds also included in the Recovery Act by coordinating with the Pell Grant program in accordance with 20 CFR 663.320. One-Stop staff should also take into account the additional weeks of UI benefits available under the Emergency Unemployment Compensation and Extended Benefits that may help eligible customers complete longer-term training.

- ***Coordination and Alignment with Wagner-Peyser, Reemployment Services, Trade Adjustment Assistance, Unemployment Insurance, One-Stop Career Center Partner Programs, and Registered Apprenticeship.*** ETA encourages states to align their use of WIA Dislocated Worker formula funds with their spending strategies for other funding streams provided through the Recovery Act to ensure the most efficient and effective use of all

funding. In particular, states should integrate their implementation of Dislocated Worker services with Reemployment Services and UI programs such that individuals have easy access to all programs, regardless of their point of entry into the system. Since significant Recovery Act investments are targeted to key industries such as construction, transportation, healthcare and other industries with emerging "green" jobs that traditionally utilize or are expected to draw heavily upon registered apprenticeship, states are also encouraged to leverage new and existing registered apprenticeship programs and assets.

- ***Alignment with State and Regional Economic Recovery Plans.*** ETA encourages states to align their WIA Dislocated Worker formula activities with state and regional economic recovery plans, particularly those connected with the Recovery Act as they are developed, to ensure that training and employment services support anticipated industry growth, and corresponding expected employment opportunities and required skill competencies. States and local areas are encouraged to develop comprehensive regional partnerships to facilitate this alignment. LWIBs are encouraged to partner with each other regionally and across political jurisdictions as necessary.

C. Priority of Service for Veterans and Eligible Spouses

States and local areas must incorporate priority of services for veterans and eligible spouses sufficient to meet the requirements of 20 CFR part 1010, published at Fed. Reg. 78132 on December 19, 2008, the regulations implementing priority of service for veterans and eligible spouses in Department of Labor job training programs under the Jobs for Veterans Act. Under sec. 1010.310(b)(3) of these regulations, when the veterans priority is applied in conjunction with another statutory priority like the Recovery Act's priority for recipients of public assistance and low-income individuals, veterans and eligible spouses who are members of the Recovery Act priority group must receive the highest priority within that priority group, followed by non-veteran members of the Recovery Act priority group.

13. <u>Additional Guidance for WIA Adult and Dislocated Worker Programs.</u>

A. Training Activities

ETA encourages states to consider using the six methods of providing training listed below in utilizing the WIA Adult and Dislocated Worker funds provided in the Recovery Act: 1) Individual Training Accounts; 2) Customized training; 3) On-the-job training; 4) Contracts with institutions of higher education and other eligible training providers; 5) Contracts with community-based organizations for the provision of training; and 6) Registered apprenticeship.

- ***Individual Training Accounts*** allow job seekers maximum flexibility in selecting training providers to meet their training and education needs.

- ***Customized training*** is designed to meet the special requirements of an employer or group of employers and is conducted with a commitment by the employer to employ an individual on successful completion of the training. The employer pays for not less than 50 percent of the cost of the training. Customized training is a valuable tool to create specific training for an

employer or group of employers with jobs available that require similar skill needs that results in positive employment outcomes for individuals upon completion of training.

- ***On-the-job training (OJT)*** provides job seekers with work experience and skills training needed to successful obtain and retain employment. Under OJT, the employer is provided up to 50 percent of the costs of training calculated and paid on a wage reimbursement basis. National outcome data shows that outcomes for individuals completing OJT are higher than for those using other training methods. Additionally, research on successful adult learning strategies indicates that "earn-while-you-learn" models are critical to the successful training outcomes.

- ***Contracts with institutions of higher education and other training providers*** allow LWIBs to work directly with institutions of higher education, such as community colleges, and other training providers to quickly design education and training to fit the needs of the job seekers and employers they are serving. Given the budget restrictions many states and regions are facing, these contracts are intended to provide a means of quickly ramping up much-needed training capacity.

- ***Contracts with community-based organizations.*** WIA section 134(d)(4)(G) gives local areas the flexibility to contract directly with community-based organizations to provide training, in lieu of Individual Training Accounts, if the local board determines that there is a training services program of demonstrated effectiveness offered in the local area by a community-based organization to serve special participant populations that face multiple barriers to employment.

- ***Registered apprenticeship*** combines education and work experience resulting in a nationally recognized portable credential and offers adults and dislocated workers a career pathway into specific fields. There are a number of creative ways to utilize WIA funding in support of both pre-apprenticeship and apprenticeship programs. See TEGL No. 2-07, "Leveraging Registered Apprenticeship as a Workforce Development Strategy for the Workforce Investment System," and the recently updated apprenticeship regulations (73 Fed. Reg. 64402 (Oct. 29, 2008)) for more information.

B. Sequence of Service

In this guidance, ETA is clarifying requirements in WIA regulations related to sequence of services for the WIA Adult and Dislocated Worker programs as follows:

- Before providing intensive services, a local area must determine that an individual is unable to obtain employment through core services, among other criteria.
- To provide training services to an individual, the local area must determine that an individual is unable to obtain employment through intensive services, among other criteria.

As stated in the preamble to the WIA regulations, these determinations do not mean that the individual must go through layers of service to prove that need; the determination of need itself can be a core and/or intensive service, such as an assessment or development of an Individual

Employment Plan. Thus, a case worker could initially meet with a participant at a One-Stop Career Center, assess his or her skills and consider labor market conditions, and determine that core or intensive services will not be sufficient to result in employment for the participant. The provision of training or other needed services can then be provided sequentially, concurrently, or in whatever order makes the most sense for the individual.

14. Wagner-Peyser Act Funding. The Recovery Act makes available funding for Employment Services Operations, excluding reemployment services, in the amount of $150,000,000. Funds will be distributed to states via existing Wagner-Peyser formula per TEGL No. 13-08 which identifies the specific amounts for each state. These funds are available for states to assist persons in One-Stop Career Centers to secure employment and workforce information by providing a variety of services, including job search assistance, skills assessment, and labor market information services to job seekers and to employers seeking qualified individuals to fill job openings. Per the Recovery Act, the funds are available for obligation by the states through September 30, 2010. All Wagner-Peyser Recovery Act funds must be expended by June 30, 2011.

A. Allowable Activities

As outlined in section 7(a) of the Wagner-Peyser Act, 90 percent of the sums allotted under the Recovery Act may be used for a variety of employment services, including job search and placement services for job seekers, appropriate services for employers, and other services listed in section 7(a)(3)(A) through (F). Wagner-Peyser services include assessment of skill levels, abilities and aptitudes; career guidance when appropriate; job search workshops; and referral to employers. The services offered to employers, in addition to referral of job seekers to job openings, include matching job requirements with job seeker experience, skills and other attributes; helping with special recruitment needs; assisting employers analyze hard-to-fill job orders; assisting with job restructuring; and helping employers. States are expected to provide these services within their One-Stop Career Centers.

Other key services include: 1) a computerized career information system including access to State Job Bank resources and institutions and organizations that provide training; and 2) the development and distribution of state and local workforce information which allows job seekers, employers, and providers and planners of job training and economic development to obtain information about job opportunities, regional job vacancies, labor supply, labor market or workforce trends, and the market situation in particular industries.

Under section 7(b), 10 percent of the Wagner-Peyser funds allotted are reserved for use in other areas, including performance incentives for public employment service offices, services for groups with special needs, and the extra costs of exemplary models.

Veterans receive priority of service under Wagner-Peyser activities. In addition, under Wagner-Peyser Act section 7(b)(2), the workforce system may provide specialized service to groups with special needs, including individuals with disabilities, as well as groups such as Indians and Native Americans, migrant and seasonal farmworkers, ex-offenders, youth, and older workers.

Additionally, states have flexibility to use Wagner-Peyser funds to support support targeted services to individuals with disabilities, such as the disability navigator programs similar to those currently operated in many One-Stop Career Centers nationally, and to purchase assistive technology and other devices to support providing services to individuals with disabilities. This supports the goals outlined in Wagner-Peyser Act section 8(b), as DPNs and other technology support the promotion and development of employment opportunities of persons with disabilities and placement of such individuals into employment.

B. Recommended Strategies

In implementing Wagner-Peyser services under the Recovery Act, ETA encourages states to consider including the following in their service delivery strategies:

- ***Seamless Service Integration with WIA Services, Unemployment Insurance, and One Stop Partners to Ensure Individuals have Access to a Full Array of Employment And Training Services.*** The Wagner-Peyser funded activities are an integral part of the One-Stop Career Center network that provides an integrated array of high-quality services so that workers, job seekers, and businesses can access the services they need in easy-to-reach locations, with many services also offered through self-service electronic access. WIA programs offer additional intensive and training services not available under Wagner-Peyser, while UI and One-Stop partners offer valuable income supports and other supportive services. The UI application process should also provide a direct link to a local One-Stop Career Center for assistance to reconnect to a job. The integration of services supports seamless transition between services for adults and dislocated workers.

- ***Assessment and Career Counseling.*** ETA strongly encourages states to use these funds to support career guidance and counseling services, including assessments, which are integral to helping unemployed workers assess transferrable skills and skill gaps.

- ***Workforce Information.*** ETA encourages states to consider utilizing a portion of Wagner-Peyser funding to enhance workforce and economic information availability and utilization. Such investments are critical to identifying businesses and sectors of the economy still in need of workers and those that will begin to grow as the economy recovers, as well as identifying transferable skills for workers who have lost their jobs and need to transition to new careers.

- ***Outreach to Migrant and Seasonal Farmworkers.*** Migrant and seasonal farmworkers will be impacted by the current economic downturn as well, requiring new strategies to ensure they have access to employment and training opportunities available as a result of Recovery Act funds.

C. Priority of Service for Veterans and Eligible Spouses

States and local areas must incorporate priority of services for veterans and eligible spouses sufficient to meet the requirements of 20 CFR part 1010, published at Fed. Reg. 78132 on December 19, 2008, the regulations implementing priority of service for veterans and eligible

spouses in Department of Labor job training programs under the Jobs for Veterans Act. Under sec. 1010.310(b)(3) of these regulations, when the veterans priority is applied in conjunction with another statutory priority like the Recovery Act's priority for recipients of public assistance and low-income individuals, veterans and eligible spouses who are members of the Recovery Act priority group must receive the highest priority within that priority group, followed by non-veteran members of the Recovery Act priority group.

D. Hiring of Personnel

Due to the limited funding life and the economic crisis faced in many local areas, ETA strongly encourages states to work as quickly as possible to hire staff to accomplish the aforementioned allowable activities, in accordance with the staffing requirements of Wagner-Peyser codified at 20 CFR 652.215 and 216. Accordingly, ETA strongly encourages Governors to consider lifting state-wide hiring freezes for Wagner-Peyser, as well as other workforce programs receiving funds under the Recovery Act, in order to effectively meet the intent of the law. In making hiring decisions, however, states should be mindful of the temporary nature of the Recovery Act funding.

15. Reemployment Services. The Recovery Act makes available funding for reemployment services (RES) in the amount of $250,000,000. These funds will be distributed to states using the Wagner-Peyser formula to supplement existing RES for UI claimants, and to support integrating Employment Service and UI information technology to identify and serve the needs of such claimants. Per the Recovery Act, the funds are available for obligation through September 30, 2010 and for expenditure through June 30, 2011.

A. Allowable Activities

RES funding provides job search and other employment-related assistance services to UI claimants. As was the case with prior RES grants in PY 2001 through PY 2005, these funds are to be used to provide RES to UI claimants through the One-Stop Career Centers, in addition to the regular Wagner-Peyser Act funded employment services, in order to accelerate their return to work. States are expected to provide reemployment services within the One-Stop Career Centers.

Under Wagner-Peyser Act section 7(a) through (c), allowable activities include job search and placement services to job seekers including counseling, testing, occupational and labor market information, assessment, and referral to employers, and appropriate recruitment services and special technical services for employers. Specifically, this may include:

- Services provided to UI claimants identified through the UI profiling system;
- In-person staff assisted services;
- Initial claimant reemployment assessments;
- Career guidance and group and individual counseling, including provision of materials, suggestions, or advice which are intended to assist the job seeker in making occupation or career decisions;

- Provision of labor market, occupational, and skills transferability information that clarifies claimants' reemployment opportunities and skills used in related or other industries;
- Referral to job banks, job portals, and job openings;
- Referral to employers and registered apprenticeship sponsors;
- Referral to training;
- Assessment, including interviews, testing, individual and group counseling, or employability planning; and
- Referral to training by WIA-funded or third party service providers.

States should also evaluate potential technological changes and updates that would improve their capacity to serve growing numbers of UI claimants, as Recovery Act funds may be used for information technology required to identify and serve the needs of UI claimants.

B. Recommended Strategies

In utilizing RES funding in the Recovery Act, ETA encourages states to consider the following:

Collaboration between State Employment Service, Unemployment Insurance, and Labor Market Information Offices. ETA strongly encourages states to bring together all partners in their state workforce system, including the UI, Employment Services and Labor Market Information offices, as well as the State Workforce Agency and State Workforce Investment Board leadership, to create a comprehensive strategic plan to most effectively serve UI claimants and businesses in need of a job ready, labor market connected workforce. In designing the strategic plan, ETA encourages states to consider the full range of Recovery Act economic stimulus projects and funds that will be available to the state, in addition to employment opportunities that may be available in the state in industries that continue to need more workers. For example, some areas have seen a general decline in economic activity and these states will receive significant economic stimulus funding for a wide variety of "shovel-ready" infrastructure projects. ETA encourages states to post these positions in the public job bank and to fill these positions with One-Stop Career Center customers. This type of coordinated response will optimize federal investments and benefits to unemployed workers.

Full Array of Services. ETA expects states to provide a full array of services for UI claimants through RES, Wagner-Peyser Act, and WIA grant funding as applicable. ETA encourages states to develop a comprehensive and integrated service delivery model to ensure the UI claimants receive an enhanced level of service. Based on the claimants' needs, ETA encourages states to consider the following service strategies and tactics:

- Claimant reemployment job clubs and/or networking support groups, including White Collar Job Clubs;
- Expanding the basis under the UI profiling system for referring UI claimants for services through the One-Stop system;
- Providing training for One-Stop staff on assessments, including worker profiling; autocoder software; labor market information, etc. to help staff understand how to use information and technology tools to target RES;

- Collaboration with UI to identify claimants who would benefit most from RES or WIA services, and encouraging UI to adjust the profiling models to target these individuals;
- Targeting job development efforts to better identify the skills transferability needs of UI claimants;
- One-on-one career guidance and counseling to include examination of whether an individual is likely to return to previous occupation or industry and, if not, use of skills assessment and testing techniques, labor market information data, workforce information, O*NET, and other tools to identify the claimant's transferable skills and other occupations and/or industries in which these skills can be used;
- Development of individual reemployment plans for claimants who, based on assessments, would not be a candidate for immediate reemployment in the regional labor market area and would benefit from additional RES and/or WIA intensive and training services; and
- Soft-skills pre-training services such as computer and internet keyboarding, and other competency classes to improve claimants' ability to job search and apply to jobs online.

Profiling and the Use of Statistical Modeling. With the limited funds available and the large numbers of claimants that would benefit from RES, ETA encourages states to assess claimants through the use of existing statistical profiling models using claimants' characteristics, as known from their initial UI claim, to help identify the most effective mix of interventions and services for different groups of UI claimants. Matching the types of services with the skills and abilities of claimants to be served will vary from state to state depending on the type of profiling model used, the local labor market dynamics, and the claimant characteristics. Close coordination and collaboration with UI is required to make this a success. Based simply on the claimants' potential duration of UI benefits (the maximum number of weeks of UI they are eligible to receive) and their profiled likelihood of exhausting those benefits, states may make the generalizations about service referrals described below. This information is not intended to place individuals into defined categories that have defined service delivery strategies, but instead can be used by states to guide development of the most effective strategies for all UI claimants.

- Claimants with low likelihood of benefit exhaustion and short potential benefit duration may be referred to immediate and intensive job development and job referral services. These claimants tend to be seasonal workers or multiple job holders. Their short potential duration on UI is a powerful incentive to return to work and their general characteristics (e.g., multiple employers, relatively low levels of wages, tenure, and education) generally indicate a claimant who is likely to regain employment quickly.

- Claimants who have a high likelihood of exhaustion and short potential benefit duration may be referred to skills training or skills transferability analysis. These claimants tend to have a strong work history, but need additional skills. This group is characterized by relatively longer job tenure, lower wages, and lower education than the average UI claimant.

- Claimants who have a high likelihood of exhaustion and long potential benefit duration may be referred to job search assistance services. These workers often have long tenure, very high education, and high wages. These claimants have strong attachment to the workforce but may not have looked for a job in a long time. They are often good job

candidates, but may need job search assistance such as resume writing assistance, job search workshops, and labor market information. They may also be facing an adjustment in wage expectations as a result of their work histories.

- Claimants who have a lower likelihood of exhaustion and long potential benefit duration may be referred to assessments, intensive services, and training. These claimants, who are characterized by low job tenure, high reserve wages, and low education, may have other barriers that affect their ability to find and maintain employment in the regional labor market.

ETA encourages states to work with their UI offices to ensure that all UI applicants are simultaneously referred to their One-Stop Career Center, regardless of their eligibility for UI.

Upgrading of Information Technology. Given that the Recovery Act allows for funds to be spent on information technology to better target and serve UI claimants, ETA encourages states to consider whether the following activities would strengthen and support their ability to more effectively serve RES participants and incorporate as appropriate:

- Updating the state's UI profiling model to improve effectiveness in targeting claimants;

- Integrating and/or significantly improving the communication and or the data transfer of UI claimant identification and characteristics data between the UI and One-Stop Career Center or Wagner-Peyser Act funded employment service management information and/or case management systems to eliminate the wasteful and redundant data collection and to improve the accuracy of UI data shared with RES;

- Implementing O*Net-SOC AutoCoder software and/or system in the UI claims taking process and in One-Stop Career Center intake operation. AutoCoder converts plain English job descriptions into O*NET standard occupational classification (SOC) codes, enabling case managers to quickly evaluate a UI claimant's work history and his/her competitiveness in the regional economy;

- Integrating labor market data into a strategic decision-making system would provide immediate and future benefit to the efficiency of service delivery; and

- Infrastructure upgrades to administrative systems, case management, and Internet access to improve efficiency.

16. <u>WIA Youth Program</u>. The Recovery Act makes available $1,200,000,000 for WIA Youth activities. Funds will be distributed to states via the existing WIA Youth formula per TEGL No. 13-08, which specified amounts for each state. These funds are available for states to provide activities for youth in accordance with WIA requirements. Per the Act, the funds shall remain available to states for the same period of time as standard PY 2008 Youth formula funds, or until June 30, 2011.

A. Allowable Activities

Any youth activities under WIA are allowable activities for the Recovery Act funds. Unless otherwise stated in this guidance, the laws and regulations for WIA Youth funds apply to the Recovery Act funds.

While the Act does not limit the use of the Recovery Act funds to summer employment, the Congressional explanatory statement for the Act states that "the conferees are particularly interested in these funds being used to create summer employment opportunities for youth." ETA strongly encourages states and local areas to use as much of these funds as possible to operate expanded summer youth employment opportunities during the summer of 2009, and provide as many youth as possible with summer employment opportunities and work experiences throughout the year, while ensuring that these summer employment opportunities and work experiences are high quality. ETA is also particularly interested in and encourages states and local areas to develop work experiences and other activities that expose youth to opportunities in "green" educational and career pathways.

In addition to emphasizing summer employment as a major component of the funding, the Recovery Act includes two other significant changes to youth activities under WIA. The Act increases the age eligibility to a maximum of 24 years old. The Recovery Act also states that the work readiness indicator will be the only indicator to assess the effectiveness of summer employment.

Summer Employment. For purposes of the Recovery Act funds, the period of "summer" will be from May 1 through September 30. "Summer employment" may include any set of allowable WIA Youth services that occur during the above referenced summer months as long as it includes a work experience component. Work experience is defined under WIA regulations at 20 CFR 664.460.

In order to implement the Congressional intent to offer expanded summer employment opportunities, it may be necessary to provide additional flexibility for youth served with Recovery Act funds who participate in summer employment only. States and local areas have program design flexibility in the following areas that may facilitate the implementation of expanded summer employment.

- Because all 10 youth program elements will already be available through existing WIA Youth funds, local areas will not be required to use Recovery Act funds to make all 10 program elements available. Local areas have the flexibility to determine which program elements they provide with Recovery Act funds.

- Local areas have the flexibility to determine if the 12 month follow-up will be required for youth served with Recovery Act funds during the summer months only (May 1 through September 30). Local areas should provide follow-up services when deemed appropriate for such individuals.

- Local areas have the flexibility to determine the type of assessment and Individual

Service Strategy (ISS) for youth served with Recovery Act funds during the summer months only and provide the type of assessment deemed appropriate for each individual.

- Local areas have the flexibility to determine whether it is appropriate that academic learning be directly linked to summer employment for each youth served with Recovery Act funds during the summer months only.

- The work readiness portion of the skill attainment rate will be the only indicator used for youth that participate in "summer employment" only. The basic and occupational skills portions of the skill attainment rate and the literacy/numeracy gains measure will not be required for youth that participate in summer employment only. In addition, no other WIA or common measure indicator will be required for youth in summer employment only. However, for reporting purposes, local areas will be required to track the number of participants enrolled in summer employment and the completion rate of those in summer employment (i.e., (# youth who complete their summer employment work experience/ # of youth who participate in summer employment) x 100%).

- ETA is considering funding a process evaluation to collect information on best practices and implementation challenges. Local areas may be asked to participate in such an evaluation.

As described further in Section 17, ETA has gathered tools and resources that may be helpful to local areas in implementing summer employment.

Tracking and Reporting. In order to determine how to track and report youth served by Recovery Act funds, youth will be classified in the following ways:

- Any youth served with Recovery Act funds will be included in a separate Youth Recovery Act report. (Guidance will be provided in an upcoming Recovery Act Performance and Reporting TEGL.)

- Any youth served with only Recovery Act funds that participates in summer employment only, will only be included in the Youth Recovery Act report and the work readiness indicator will be the only measure that applies to such youth.

- If a youth served with Recovery Act funds does not participate in summer employment or is served beyond the summer months, he/she would also be included in the regular WIA reporting mechanisms (WIASRD, annual report, quarterly report) and be subject to the full set of WIA Youth measures or youth common measures for those states that have a common measures waiver. (As described in Section 19, states may apply for a waiver that would allow states to use the work readiness indicator as the only indicator of performance for youth ages 18 to 24 who participate in work experience only beyond the summer months).

B. Expenditure of Funds

Local areas will have until the end of PY 2010 (June 30, 2011) to expend WIA Youth Recovery Act funds. It is critical that local areas balance the need to expend the funds quickly in order to stimulate the economy, while ensuring that quality programs are in place for youth served with Recovery Act funds. Local areas with the necessary infrastructure in place to quickly implement programming for youth served with the Recovery Act funds are strongly encouraged to expend significant Recovery Act funds in the summer of 2009. However, local areas may expend Recovery Act funds over the course of two summers and the non-summer months in between.

As specified in the state funding agreement for Recovery Act funds, costs associated with Recovery Act funds are allowable effective the date of the passage of the Recovery Act, February 17, 2009. Therefore, costs associated with the planning and implementation of summer employment opportunities are allowable if incurred after that date.

C. Program Administration

Eligibility for youth served with Recovery Act funds is the same as for the WIA Youth program, with the exception specified in the Act that allows for youth up to the age of 24 to be served with Recovery Act funds. Local areas are encouraged to begin the eligibility determination process for summer employment immediately.

Workplace Guidelines. ETA encourages states to develop policies to ensure local areas adhere to current workplace safety guidelines and applicable federal/state wage laws. For information and resources on safety and child labor laws, consult http://www.youthrules.dol.gov/about.htm and http://www.osha.gov/teens. Provisions for wages under the amendments to the Fair Labor Standards Act (FLSA) apply to all youth participants employed under WIA. Current law specifies a minimum wage of $6.55 per hour effective July 24, 2008; and $7.25 per hour effective July 24, 2009. Depending on the facts, FLSA regulations may apply only to the workplace portion, and not to the classroom portion, of summer employment. Any hours spent in classroom training as part of a summer employment opportunity may or may not fall under the FLSA. (If you have questions regarding whether an individual is an employee, or whether an employee's time spent in training is compensable, please contact the Wage and Hour Division at 1-866-4-USWAGE, or at http://www.dol.gov/esa/WHD.) States and local areas may provide wages or stipends to youth in a classroom-based component of a summer employment opportunity. States and/or local areas should have a policy guiding the payment of classroom-based stipends and wages.

Priority of Service for Veterans and Eligible Spouses. Given the expanded age range to 24 under the Recovery Act, states and local areas may encounter an increased volume of veterans. Veterans age 21 to 24 have a particularly high incidence of unemployment immediately upon discharge. States and local areas are required to provide priority of services for veterans and eligible spouses pursuant to 20 CFR part 1010, the regulations implementing priority of service for veterans and eligible spouses in Department of Labor job training programs under the Jobs for Veterans Act published at 73 Fed. Reg. 78132 on December 19, 2008.

Out-of-School Youth. The requirement that local areas expend a minimum of 30 percent of funds on out-of-school youth applies to the Recovery Act funds. Local areas must ensure that a minimum of 30 percent of funds are used for serving out-of-school youth.

D. Procurement

Per WIA regulations at 20 CFR 664.610 chief elected officials and LWIBs are responsible for ensuring that the local youth program provides summer employment opportunities to youth. The chief elected officials are the grant recipients for local youth funds, unless another entity is chosen to be the grant recipient or fiscal agent. The grant recipient/fiscal agent has the option of administering summer youth employment opportunities themselves. If providers other than the grant recipient/fiscal agent are used to provide summer employment, these providers must be selected by awarding a grant or contract on a competitive basis. If necessary, states and local areas should explore expedited or emergency procurement processes that may be available under current state and local law, provided that these processes comply with OMB requirements codified in 29 CFR Parts 95.40-95.48 and 97.36

In order to implement summer employment during the summer of 2009, ETA recognizes the need for flexibility in the youth procurement requirements in WIA section 123. States have the option of applying for a waiver as detailed in Section 19 of this guidance.

E. Program Design Considerations

Because all 10 youth program elements will already be available through existing WIA Youth funds, local areas will not be required to use Recovery Act funds for all 10 program elements. Therefore, local areas have the flexibility to determine which program elements to focus on with Recovery Act funds.

States can provide direction and leadership to LWIBS and Youth Councils to assist local youth programs to consider using these funds to operate expanded summer youth employment opportunities during the summer of 2009, and provide as many youth as possible with summer employment opportunities and other work experiences outside of the summer months, while ensuring that these summer employment opportunities and work experiences are of high quality.

When considering expanded summer employment opportunities, states and local areas should consider the following design elements.

- ***Objective Assessment and Individual Service Strategies.*** Under 20 CFR 664.405(a)(1) and (2), the design framework of local youth programs must provide a comprehensive objective assessment of each youth participant, including a review of the academic and occupational skill levels, as well as the service needs of each youth. In addition, an ISS must be developed for each youth participant identifying age-appropriate career goals and consideration of the assessment results for each youth.

Local areas have the flexibility to determine the appropriate type of assessment and ISS for youth served with Recovery Act funds during the summer months only. Although some level of assessment and development of an individual service strategy is required, a full objective assessment and comprehensive ISS as specified in the WIA regulations is not required for youth served only during the summer months. Local programs have the flexibility to determine what, if any, academic needs should be addressed for these summer only participants. Also, local programs will not be required to assess basic skills level for out-of-school youth participating in summer employment as part of the objective assessment, since the basic skills portion of the skill attainment rate and the literacy/numeracy gains measure will not be used for summer youth participants.

- ***Age Appropriate Activities and Work Readiness Goals.*** Summer employment activities should be designed to encourage participants to take responsibility for their learning, to understand and manage their career options, and to develop social skills and a maturity level that will help them interact positively with others. This is especially true for at-risk students and high school dropouts, as summer employment may be one of the few opportunities they come across to learn how to enter the world of work. These efforts should rely on developmentally or age-appropriate strategies: what is appropriate for a 24 year-old may not be appropriate for a younger youth. Consequently, the services provided to these youth participants and the work readiness goals set for these individuals should be age appropriate.

  When setting work readiness goals, local areas should follow the definition for a work readiness skill goal as specified in TEGL No. 17-05, Attachment B Definition of Key Terms found at http://wdr.doleta.gov/directives/attach/TEGL17-05_AttachB.pdf. The key part of the definition is the need for local areas to determine whether a measureable increase in work readiness skills has occurred. States and/or local areas should establish a methodology for determining work readiness skills upon beginning and completing the summer experience in order to determine whether a measurable increase has occurred. Although local areas are not required to use a specific assessment instrument to determine pre- and post-work readiness skills, local areas should choose from a variety of assessment tools including worksite supervisor evaluations, work readiness skill checklists administered by program staff, portfolio assessments, and any other relevant forms of assessing work readiness skills.

- ***Meaningful Work Experience.*** Work experience is the core component of a summer employment program. All states and local areas should ensure that participating worksites introduce and reinforce the rigors, demands, rewards, and sanctions associated with holding a job. States and local areas should make an effort to match worksites with participants' interests and goals. Some states and local areas have created work experience activities where the learning of work readiness skills is acquired on the job. This may be an acceptable model for older youth who already possess the necessary academic skills. Also, as discussed further below, pre-apprenticeship programs are an effective way of training youth for registered apprenticeship programs and can be a valuable component of summer employment opportunities for youth.

To succeed in the workplace, today's jobseekers and current employees should be able to build relationships with peers, managers, and customers. Consequently, work experience provided to summer employment participants should be structured to impart measureable communication, interpersonal, decision-making, and learning skills.

- ***Worksites.*** States and local areas should seek employers that are committed to helping participants receive the experience and training that is required to meet the work readiness goals set for summer employment participants. ETA recommends selecting employers that are willing to work closely with program staff. It is critical that local areas ensure proper worksite supervision in cooperation with both worksite supervisors and program monitors. Employers should be flexible in working with youth who have issues that may have barriers to employment. States and local areas should consider a combination of public sector, private sector, and non-profit summer employment opportunities. This may also include project-based community service learning opportunities not conducted at an employer worksite. When utilizing service learning opportunities, worksite supervision, including participant to staff ratio, is critical.

  Attention should be given to ensure that work experience arrangements do not unfavorably impact current employees and do not impair existing contracts for services or collective bargaining agreements. In addition, the work experience of the participants should not replace the work of employees who have experienced layoffs (see 20 CFR 667.270 for non-displacement requirements). Youth summer employment should be a work experience intended to increase work readiness skills of participants and not impact the profit margin of a for-profit company. ETA recommends adopting selection criteria to ensure that one employer is not favored at the expense of another employer.

  Section 1604 of Division A of the Recovery Act states, "none of the funds appropriated or otherwise made available in this Act may be used by any state or local government, or any private entity, for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool." Therefore, states and local areas should not use Recovery Act funds to place youth in summer employment or work experiences outside the summer months in any of these facilities.

- ***Incorporating Green Work Experiences.*** Opportunities for skilled workers in the fields of solar, geothermal, wind power design, and the use of environmentally-friendly building materials will mean increased job opportunities for young people who have had exposure to work experiences that equip them with the appropriate "green" knowledge. States and local areas can identify regional and local environmental resources, businesses, and pre-apprenticeship programs promoting "green" jobs and products to provide youth summer work experiences that prepare them to compete in a "green" economy. Conservation and sustainability efforts representing existing green work can be used to provide training and work opportunities in areas such as the retrofitting of public buildings, the construction of energy-efficient affordable public housing, solar panel installation, reclaiming of public park areas, or the recycling of computers. Mapping "green" educational and career pathways – both short term and long term – is an excellent way to provide youth opportunities to align their skills with those required by the "green" industries and prepare them for entry into

registered apprenticeship or technical training. As a part of mapping these pathways, local areas can work with community colleges to ascertain how training opportunities and coursework are being infused with "green" components. Developing a jobs directory that details the community's "green" industries is another possible way youth can learn more about "green" career opportunities.

- ***Connections to Registered Apprenticeship.*** Registered apprenticeship programs represent collaborative partnerships with schools, employers, labor organizations, community groups, and state apprenticeship offices. In order to better tap into the older, out-of-school pipeline of youth, an increasing number of employers are encouraging workforce professionals to assist with developing and implementing "pre-apprenticeship" training programs. Pre-apprenticeship programs represent a hands-on training experience that provides an introduction to the skills and knowledge needed in a potential career field and prepares young adults to be eligible for formal apprenticeship programs. Summer employment opportunities can include these introductory programs and combine basic technical skills training in the classroom with experience on the worksite or through a work experience or internship. Frequently, these pre-apprenticeship programs also provide specific life skills training, work readiness or employability skill training, financial literacy classes, and even individual or group counseling. Local areas can connect with registered apprenticeship program sponsors and their individual state apprenticeship office to better determine how best to coordinate a pre-apprenticeship or pre-employment training program. States and local areas are encouraged to expand work experience opportunities to registered apprenticeships offered by employers in the information technology, health care, and financial services sectors.

- ***Integration of Work-Based and Classroom-Based Learning Activities.*** In some situations, states and local areas may want to complement work experience with classroom-based learning so that the youth are provided with assistance in developing and refining attitudes, values, and work habits which will contribute to their success in the workplace.

  As stated earlier, some states and local areas have integrated work experience activities and learning to the point that all learning is acquired on the job. While this is an acceptable model for older youth who already possess the necessary academic skills, it may not be appropriate for younger youth and older youth with educational deficiencies. For these youth, a combination of work-based and classroom-based learning activities may be warranted to provide basic skills instruction, career exploration and life skills training. In these situations, classrooms may be transformed into interactive, work-related environments to complement the work experience activities.

- ***Academic and Occupational Linkages.*** Under WIA regulations at 20 CFR 664.600, local areas are required to offer summer youth employment opportunities that link academic and occupational learning. Rather than requiring the linkage to academic and occupational learning for all summer youth participants, local areas have the flexibility to determine for each youth participant whether academic learning must be directly linked to a summer employment opportunity. Local areas may choose to have a direct link between summer employment and academic learning when deemed appropriate for such individuals. ETA

encourages local areas to link summer employment to academic learning for summer employment participants who do not have a high school diploma.

- ***Continued Services Supporting Older/Out-of-School Youth During Non-Summer Months.*** Out-of-school youth, ages 16-24, experience among the highest rates of unemployment and their future labor market prospects are poor given their lack of education and work experience. ETA encourages states and local areas to develop strategies to engage this population. For older and out-of-school youth who are not returning to school following the summer months, states and local areas should consider work experiences and other appropriate activities beyond the summer months including training opportunities and reconnecting to academic opportunities through multiple education pathways. Additionally, states and local areas may consider transitional job models that combine short-term subsidized work experience with support services and career counseling. ETA encourages states to consider how Statewide Youth Activities funds may be used to support new and innovative strategies for out-of-school youth. States and local areas may also consider co-enrolling such youth in adult training services, particularly youth ages 22-24. Information on co-enrolling youth ages 18 and older can be found at 20 CFR 664.500.

  For older and out-of-school youth transitioning to the workplace following work experiences, the WOTC may be promoted as an incentive for employers to hire disconnected youth. The Recovery Act expands the WOTC to disconnected youth ages 16-24 who are not regularly attending school, not readily employed, and lacking basic skills.

- ***Focus on the Neediest Youth.*** Consistent with ETA's strategic vision for the delivery of services under WIA (as stated in TEGL No. 28-05), ETA encourages states and local areas to focus services on the youth most in need including: out-of-school youth and those most at risk of dropping out, youth in and aging out of foster care, youth offenders and those at risk of court involvement, homeless and runaway youth, children of incarcerated parents, migrant youth, Indian and Native American youth, and youth with disabilities.

- ***Twelve Month Follow-up.*** Follow-up services are one of the 10 required youth program elements as indicated in 20 CFR 664.410(a)(9) and a minimum of 12 months of follow-up services are generally to be provided to participants. Given that summer employment programs usually run for six to eight weeks, local areas have the flexibility to determine if and when the 12 month follow-up requirement will be required for youth served with Recovery Act funds during the summer months only (May 1 – September 30). Local areas should provide follow-up services when deemed appropriate for such individuals.

F. Performance and Reporting

In accordance with the accountability guidelines in the Recovery Act, grantees will be required to collect and report information as conveyed in an upcoming Recovery Act Performance and Reporting TEGL. To the extent that new information or reports are required, ETA will seek OMB clearance through the Paperwork Reduction Act process.

For the WIA Youth program, because of the requirement that the work readiness performance indicator be the only measure of performance to assess the effectiveness of summer employment for youth served with Recovery Act funds, a new reporting form, separate from the current data collection instruments, will be used to track youth served with Recovery Act funds. Further details will be provided in the upcoming Performance and Reporting TEGL.

17. Tools and Resources. Through ETA's interactive knowledge sharing and learning platform – www.workforce3one.org – ETA will provide technical assistance by: broadcasting podcasts and hosting Webinars and Webcasts on topics related to using Recovery Act funds and effective economic recovery strategies; consulting with states and locals to ensure the effective implementation of these investments; offering tools and resources on models and strategies, particularly focused on reemployment and One-Stop service delivery; and connecting state and local leaders and practitioners through virtual communities of practice to encourage peer-to-peer sharing of practices and expertise. Technical assistance related to Recovery Act implementation can be accessed directly at economicrecovery.workforce3one.org. In addition, ETA will convene regional events and conferences to provide more in-depth learning and networking opportunities.

ETA has gathered a number of tools and resources from around the country that may be helpful to local areas in implementing a summer employment program with their Recovery Act funds. The tools and resources include summer youth program models, worksite agreements, work readiness measurement methodologies, training materials for staff and worksite supervisors, guidance for monitoring worksites, and past technical assistance materials developed under the Job Training Partnership Act summer employment program. The tools and resources for summer youth, as well as for reemployment, can be found on www.workforce3one.org.

18. State Plans. Given the dramatic changes in states' economic conditions since the submission of their PY 2007-2008 State Plans and the infusion of new funding, ETA is requiring that states submit a modification to their WIA/Wagner-Peyser Act State Plan to describe revised strategies to meet the challenges of the economic downturn and use the additional funds provided under the Recovery Act. The State Plans for all states, and all approved waivers currently in place, will expire on June 30, 2009. In order to ensure that all states have the approved State Plan necessary to receive PY 2009 allotments by the beginning of the program year, while still allowing states sufficient time to submit a substantial State Plan modification, ETA is asking states to follow a two-step process. First, as originally indicated in TEGL No. 7-08, ETA asks all states to submit by April 15, 2009 a request to extend into PY 2009 their current State Plan along with proposed levels of performance and a request for current waivers the state wishes to extend. Second, ETA requires all states to submit a State Plan modification describing strategies to respond to the economic downturn and implement the Recovery Act by June 30, 2009. This June 30, 2009 submission will cover the period of July 1, 2009 through June 30, 2010. Further details on both the April 15 and June 30 submissions follow in the sections below.

A. Extension of the Current State Plan for an Additional Year

States must have approved State Plans in place to receive formula allotments under WIA. The State Plans for all states, and all approved waivers currently in place, will expire on June 30,

2009. In the Planning Guidances (stand-alone and unified) issued on April 12, 2005, ETA only required states to submit a State Plan for the first two years of the five-year planning cycle that began on July 1, 2005, because of the anticipated reauthorization of WIA. With continued uncertainty of WIA reauthorization, TEGL No. 13-06 provided authority to states to submit a modification request to extend the life of the State Plan for two additional years, PY 2007 and 2008. TEGL No. 7-08 offered states the opportunity to extend the life of the existing State Plan for PY 2009, the final year of the five-year planning cycle, by submitting a letter requesting a one-year extension by April 15, 2009. ETA now asks that *all* states submit a request to extend the current State Plan into PY 2009 by April 15, 2009.

TEGL No. 7-08 allowed states to submit a modification by April 15, 2009, and noted that some states must submit a State Plan modification because of the need to describe organizational changes that had taken place since the state's last modification. ETA now encourages these states to address these issues in the modification to be submitted on June 30, 2009, as described in Section F below.

B. Submission of Extension Requests

The due date for submission of the extension requests is April 15, 2009. States have the option to submit their extension requests in hard copy or in an electronic format. ETA encourages electronic submissions. A state submitting its extension request by e-mail should send it to WIA.PLAN@dol.gov with a copy to the appropriate ETA Regional Administrator.

States choosing to submit a hard copy should submit one copy of the extension request with an original signature to Janet Sten, the Federal Coordinator for Plan Review and Approval, and one copy to the appropriate ETA Regional Administrator. The address for the Federal Coordinator follows:

Division of Workforce System Support
Employment and Training Administration
U.S. Department of Labor
200 Constitution Ave., NW, Room S-4231
Washington, DC 20210
ATTN: Janet Sten

States will receive a letter from ETA approving the request for an extension of the State Plan into PY 2009.

C. Public Comment and Review of Extension Requests

When submitting a request to extend the State Plan, ETA encourages states to notify the public of their intent, and make the current State Plan available to the public.

D. Negotiation of Levels of Performance

In 2007, states negotiated performance levels with their Regional Office for PY 2007 and PY 2008. States have the option of continuing to use the goals negotiated for PY 2008 or negotiating new goals for PY 2009. If a state wishes to negotiate new goals, the state must submit proposed levels of performance as part of the State Plan extension request due on April 15, 2009. States that have completed negotiations with ETA can include their agreed-upon levels of performance for PY 2009 for WIA and Wagner-Peyser Act programs with the extension request. States that choose to extend their negotiated PY 2008 goals for an additional year should notify ETA of this in their letter requesting an extension of their State Plan. Proposed levels of performance are subject to WIA's public comment requirements for modifications.

TEGL No. 9-08, "Negotiating Performance Goals for the Workforce Investment Act Title IB Programs and Wagner-Peyser Act Funded Activities for Program Year 2009," provides guidance on the negotiation of the performance goals. Guidance regarding the negotiation of measures of One-Stop Career Center services to veterans, and measures for the Jobs for Veterans state grant specific outcomes, is being issued separately by the Veterans Employment and Training Service.

E. State Plan Modification Requirement

States are required to submit a modification of their State Plan by June 30, 2009. Several events prompt the requirement for PY 2009 State Plan modifications. The downturn in the economy and its effects upon states' workforces and economies should prompt states to reconsider and reconfigure the strategies outlined in their current State Plans, in order to serve workers, jobseekers and businesses facing different challenges than at the time the Plan was last updated. Further, the additional WIA and Wagner-Peyser funding made available to states through the Recovery Act expands the reach of workforce development and requires new strategies for increasing the capacity of the workforce system. Lastly, the issuance of the Jobs for Veterans Act Final Rule (20 CFR part 1010) published at 73 Fed. Reg. 78132 (Dec. 19, 2008) requires that State Plans specifically address certain aspects of state policy ensuring priority of service for veterans and eligible spouses.

WIA regulations at 20 CFR 661.230(b) require states to submit a State Plan modification when changes in federal or state law or policy substantially change the assumptions upon which the plan is based, or when states' vision, strategies or policies change. The Recovery Act requires the Secretary of Labor to establish planning and reporting procedures necessary to provide oversight of funds used for reemployment services. ETA also intends to use State Plans to communicate to the public each state's plan for implementing the funding in the Act and as a baseline for monitoring each state's implementation of the funds. The grant agreements with states for the Recovery Act funds reflect these intentions and include a provision that requires State Plan modifications.

F. State Plan Modification Content

This TEGL contains information that modifies the State Plan Guidance information collection. ETA sought and obtained approval from the Office of Management and Budget to modify the State Planning Guidance in OMB Control No. 1205-0398, as contained in Appendix A.

The significant investment of stimulus funds presents an extraordinary and unique opportunity for the workforce system to accelerate transformational efforts and demonstrate its ability to innovate and implement effective service strategies. As states and local areas plan how their systems will make immediate use of the Recovery Act funds, ETA strongly encourages them to take an expansive view of how the funds can be integrated into these foundational efforts to achieve a new level of effectiveness throughout the public workforce system that delivers responsive, seamless and relevant services to citizens and business both now and in the future as the economy recovers. ETA requests that states submit a stand-alone document that responds to the list of questions drawn from the State Planning Guidance specified in Attachment A of this TEGL. State responses to these questions should be in the context of the "Strategic Vision for Implementation of Employment and Training Provisions of the Recovery Act" in Section 4, and should include the Governor's priorities and key strategies for Recovery Act funds, along with a description on the use of the combined funds. States should also feel free to integrate the responses into the Plan itself, as well as to examine the entire State Plan and make other modifications as needed.

The State Plan modification is the states' primary vehicle for communicating to the public how it will implement the Recovery Act, and will be a key tool in ETA's monitoring of Recovery Act implementation. ETA anticipates making the stimulus plans available to the public on the ETA Web site (www.doleta.gov) and potentially on an overarching Recovery Act Web site, and so wishes to alert states now to the public information significance of the Plans they will submit.

The required questions are limited, but ETA expects states to engage in a comprehensive planning process to implement the Recovery Act, and to provide full answers with detail sufficient to fulfill the President's and Congress' goal of transparency. A comprehensive detailed plan will also facilitate public comment and meaningful public input in the state's strategy for implementation of this new law.

G. Submission of Modification

The due date for submission of the modification request is June 30, 2009. Under the modifications of PY 2008 grant awards, states may expend Recovery Act funds under the authority of the currently approved State Plans and need not wait for approval of the State Plan modification to spend funds allocated under the Recovery Act.

States have the option to submit their State Plan modification requests in an electronic, hard copy, or CD-ROM format. ETA encourages electronic submissions to reduce the processing burden and to ensure timely receipt by ETA.

The Federal Coordinator, without regard to which option the state uses for submission, will confirm receipt of the State Plan modification within two business days of receipt and indicate the date for the start of the review period. When a state submits an incomplete State Plan modification, the period for review will not start until all required components of the modification have been received.

Electronic Submission. States can submit a State Plan modification request electronically either by posting it on an Internet Web site that is accessible to ETA or by transmitting it through e-mail to ETA. States choosing to post on an Internet Web site should post the State Plan modification request on a Web site and send an e-mail to WIA.PLAN@dol.gov and the appropriate ETA Regional Administrator. The e-mail must identify the URL for the Plan, provide contact information in the event of problems with accessing the Web site, and certify that no changes will be made to the version posted on the Web site after it has been submitted to ETA, unless ETA gives prior approval for such changes.

States submitting their modification request by electronic mail should send it to WIA.PLAN@dol.gov with a copy sent to the appropriate ETA Regional Administrator. If a state chooses to submit its modification request by transmitting it through e-mail, the state must submit it in Microsoft Word or PDF format.

State Plan certifications with electronic signatures are acceptable. If a state chooses not to use an electronic signature, then the signature page must be submitted in hard copy with an original signature.

Hard Copy or CD-ROM Submission. States choosing to submit a hard copy should submit one copy of the modification request with an original signature to Janet Sten, the Federal Coordinator for Plan Review and Approval, and one copy to the appropriate ETA Regional Administrator. The address for the Federal Coordinator is as follows:

Division of Workforce System Support
Employment and Training Administration
U.S. Department of Labor
200 Constitution Ave., NW, Room S-4231
Washington, DC 20210
ATTN: Janet Sten

States submitting a State Plan modification on CD-ROM should submit one copy to Janet Sten at the address above, and one copy of the Plan to the appropriate ETA Regional Administrator. If the modification on the CD-ROM does not include the signature of the Governor on the signature page, the state must submit separately an electronic signature or a hand-signed signature page in hard copy. Plans submitted on a CD-ROM must be in Microsoft Word or PDF format.

H. Public Comment and Review of Modification

The WIA regulations at 20 CFR 661.230(d) provide that modifications to the State Plan are subject to the same public review and comment requirements that apply to the development of the original Plan. Providing an opportunity for meaningful public input and comment during the development of the State Plan is a critical part of the strategic planning process.

19. Waivers. Many states have approved WIA and Wagner-Peyser Act waivers for PY 2008 that will expire on June 30, 2009. Section B below describes how waivers will be handled going forward. However, there are certain waivers that appear contrary to the Congressional intent for the funding provided by the Act. The following waivers therefore do not apply to Recovery Act funding for the remainder of PY 2008 and for the life of the funds:

- ***Waiver of the funds transfer limit between the Adult and Dislocated Worker programs.*** To be consistent with Congressional intent as to the level of funding appropriated for the WIA Adult and Dislocated Worker programs, this waiver cannot be applied to Recovery Act funds. The funds transfer limit provided by WIA will apply: up to 20 percent of the adult and dislocated worker funds allocated to a local area may, with the approval of the Governor, be transferred between programs.

- ***Waiver of the limitation on the use of funds for capitalization of businesses at WIA section 181(e).*** This waiver allows up to $5,000 in WIA funds to be used to capitalize a small business. Workforce funds in the Recovery Act are targeted towards immediately assisting, reemploying, and retraining workers impacted by the current economic downturn. While entrepreneurship is an important path to employment, the workforce investment system should focus Recovery Act dollars on training rather than business capitalization, which is not the system's core mission.

- ***Waiver to permit the state to use a portion of rapid response funds to conduct statewide activities including incumbent worker training.*** Rapid response is a critical strategy in a time of economic downturn. Given the statutory intent for the use of WIA rapid response funds, to quickly provide services and businesses affected by mass layoffs, this waiver does not automatically apply to Recovery Act funds. However, ETA recognizes that incumbent worker training can be an effective lay-off aversion component of a state's rapid response effort. Therefore, states may submit a waiver plan to ETA that requests that this waiver apply to Recovery Act funds for the purpose of utilizing incumbent worker training as part of lay-off aversion strategies.

A. Waivers to Support Youth Services under the Recovery Act

States may wish to consider requesting two waivers to assist in implementing funding and provisions in the Recovery Act related to the WIA Youth program.

Waiver relating to procurement requirements for youth summer employment providers. Given the short timeframe for 2009 summer youth implementation, states and local areas are encouraged to begin planning for summer employment immediately and to begin the process to procure the necessary service providers to carry out summer employment. If necessary, states and local areas should explore expedited or emergency procurement processes that may be available under current state and local law, provided that these processes comply with OMB requirements codified in 29 CFR Parts 95.40-95.48 and 97.36

Where existing processes are a barrier to rapid implementation of summer employment programs, states may request a waiver relating to procurement requirements for youth services in WIA section 123. States may request a waiver to expand existing competitively procured contracts by a certain percentage. Alternatively, states may request a waiver to conduct an expedited, limited competition to select service providers. The limited competition should be among service providers with proven records of success in providing youth services. Such a waiver would only apply to the summer employment program element and only for the summer of 2009. The waiver would only be applicable to Recovery Act funding.

When submitting a waiver request, states must provide a detailed justification for the waiver, describe reasonable accountability safeguards against unfair procurement practices, assure compliance with state and local procurement laws and policies, and describe how states will publicly announce summer employment providers, as indicated by the transparency provisions in the Recovery Act.

Waiver of performance measures for youth who participate in work experience only. States may submit a waiver plan to request that ETA waive the youth performance measures (either the seven statutory youth measures or the common measures as applicable) for out-of-school youth ages 18 to 24 served with Recovery Act funds beyond the summer months who participate in work experience only. This waiver would allow states to use the work readiness indicator as the only indicator of performance for such youth, the same measure that applies to summer youth only participants. The waiver would only be applicable for the first six months following the summer of 2009 (i.e., October to March). As part of this waiver, states may also request that the program design flexibility for summer youth articulated in Section 16.A of this TEGL apply to such youth who participate in work experience only beyond the summer months. This waiver is intended to facilitate implementation of WIA Youth services under the Recovery Act and support the intent of Congress to serve 18-24 year olds through work experience in a time of difficult employment for young people.

When submitting a waiver plan to request this waiver, states must provide a justification for the waiver and address continued service plans for participants served under the waiver, such as transition to the WIA Adult program (i.e., co-enrollment in WIA Adult services) or further education and training activities under WIA or Recovery Act-funded youth services.

B. Waiver Requests for PY 2009

States will be given an opportunity to request that current waivers be approved for PY 2009 for both WIA formula and Recovery Act funds (except those identified above as not applying to

Recovery Act funds) through a two-step process. First, by April 15, 2009, states wishing to continue their waivers in PY 2009 until the State Plan modification described in Section 18 is reviewed and approved should submit to ETA a request to extend their waivers. This request should be included in the state's PY 2009 WIA and Wagner-Peyser Act State Plan extension request letter, as described in Section 18. For this purpose, states are not required to submit a waiver plan, but must clearly identify in the letter each waiver that the state wishes to extend. When requesting a waiver extension, ETA encourages states to notify the public of their intent. ETA will review these requests and waivers will be temporarily approved for PY 2009 until the State Plan modification is reviewed and approved. States will be notified of this temporary waiver approval as part of ETA's approval of State Plan extensions for the program year.

Second, by June 30, 2009, states seeking approval of their waivers for the remainder of PY 2009 must submit a full waiver plan for both regular formula and Recovery Act funds to ETA as part of the State Plan modification submission described in Section 18. The waiver plan must include all the required elements listed in WIA section 189(i)(4)(b), and is subject to public comment requirements. ETA will review these waiver requests to determine their continued necessity, and will approve waivers for the remainder of PY 2009 or disapprove the waivers by September 30, 2009.

Three waivers are exempted from the requirement to submit a full waiver plan by June 30 since they have become fundamental aspects of the operation of the workforce system:

- ***Waiver to permit implementation of, and reporting only for, the common measures in place of the current WIA measures.*** The common measures have become the basis of the workforce system's performance accountability.

- ***Waiver of the prohibition on the use of Individual Training Accounts for youth.*** This waiver provides increased flexibility in the provision of training services to youth, and may be particularly useful to states in light of the Recovery Act provision that raises the eligible youth age range to 24.

- ***Waiver of the time limit on the period of initial eligibility for training providers.*** This waiver has addressed barriers for meeting eligible training provider requirements, thereby increasing the number of community colleges and other entities that are available to deliver training to WIA Adult and Dislocated Worker participants.

States that currently have approval for these three waivers, and wish to continue these waivers for PY 2009, will only need to submit the abbreviated waiver request by the April 15 deadline, and will not need to include these waivers in a subsequent full waiver plan. ETA will approve these waivers for all of PY 2009.

States are also permitted to submit requests for new waivers as part of the State Plan modification due on June 30. States wishing to request new waivers must submit full waiver plans to ETA and public comment requirements apply. States should be aware that ETA is not able to waive provisions in the Recovery Act, nor OMB requirements such as the OMB Cost Principles or OMB Circulars.

20. Local Plan Development. Local Plans, required by WIA section 118, may be dated and not reflect the economic context altered by the economic downturn or strategies altered by the additional funds available through the Recovery Act. Under 20 CFR 661.355, each Governor sets the policy for when a Local Plan must be modified, such as significant changes in local economic conditions and changes in financing available for WIA title I and partner-provided WIA services. ETA encourages states to review their Local Plan modification policy, and to require that Local Plans are modified according to state policy. States are also strongly encouraged to devise a Local Plan modification process that ensures the allocation of funds to local areas within 30 days of receipt of funds by the State, and the expedient use of the funds. Note that updates to Local Plans are subject to public comment requirements (20 CFR 661.350(8)).

21. Inquiries. Questions regarding this guidance should be directed to the appropriate ETA Regional Office or to the Employment and Training Administration through a special email address established for this purpose: eta.economicrecovery@dol.gov. ETA will monitor this account daily, and may respond to inquiries directly or through general communications such as official guidance, Webinars, and public Q&A documents.

22. Attachment. Attachment A: Questions for Workforce Investment Act/Wagner-Peyser Act State Plan Modifications

Attachment A:
Questions for Workforce Investment Act/Wagner-Peyser Act State Plan Modifications

This section of the Training and Employment Guidance Letter (TEGL) contains information that modifies the State Plan Guidance information collection. The Employment and Training Administration (ETA) sought and obtained approval from the Office of Management and Budget (OMB) to modify the State Plan Guidance in OMB Control No. 1205-0398.

In order to modify Program Year (PY) 2009 Workforce Investment Act (WIA)/Wagner-Peyser Act State Plans, states should respond to the following questions from the Stand-Alone Planning Guidance for PY 2009 (OMB No. 1205-0398). Provided below each question from the Stand-Alone Planning Guidance are examples of the types of information ETA seeks in State Plan modifications, describing both adjustments to current strategies and new activities related to Recovery Act implementation. As states update the Governor's vision, strategies, and service delivery designs, they are encouraged to reflect on and respond to ETA's strategic vision for how Recovery Act funding will be used to respond to immediate needs and priorities while also fulfilling the opportunity to transform the workforce system to achieve a new level of effectiveness. The strategic vision is described in Section 4 of this TEGL.

In its State Plan modification, the state should respond to the questions listed below:

Section I. Context, Vision, and Strategy
- Economic and Labor Market Context
- State Vision and Priorities
- Overarching State Strategies
- Service Delivery Strategies, Support for Training

Section II. Service Delivery
- State Governance and Collaboration
- Reemployment Services, and Wagner-Peyser Act Services
- Adult and Dislocated Worker Services
- Youth Services
- Veterans' Priority of Service
- Service Delivery to Targeted Populations

Section III. Operations
- Transparency and Public Comment
- Increasing Services for Universal Access
- Local Planning Process
- Procurement
- Technical Assistance
- Monitoring and Oversight
- Accountability and Performance

Section I. Context, Vision, and Strategy

Economic and Labor Market Context

Question IV in PY 2009 Stand-Alone Planning Guidance: Provide a detailed analysis of the state's economy, the labor pool, and the labor market context. (§112(b)(4).)

In responding to this question, the state should update its analysis to indicate how the economic downturn has impacted the state's economy and the labor market context. This analysis should include current and anticipated impacts on employment by sector, current and projected demographics of the available labor pool including income levels as appropriate, and describe any skills gaps the state faces, based on the skills held by current and expected dislocated workers and the skills demanded by industries and occupations expected to grow through economic recovery.

State Vision and Priorities

Question I.C. What is the Governor's vision for ensuring a continuum of education and training opportunities that support a skilled workforce? (§112(a) and (b)(4).)

In responding to this question, the state should review ETA's vision for implementing the Recovery Act in Section 4 of this TEGL, and describe the Governor's new vision since the economic downturn. The description should include the Governor's vision for economic recovery, touching on the Act's principles and the Governor's view of how the Recovery Act funds can be integrated into transformational efforts to achieve an invigorated, more innovative public workforce system capable of helping enable future economic growth and advancing shared prosperity for all Americans.

Question I.E. What is the Governor's vision for ensuring that every youth has the opportunity for developing and achieving career goals through education and workforce training, including the youth most in need of assistance, such as out-of-school youth, homeless youth, youth in foster care, youth aging out of foster care, youth offenders, children of incarcerated parents, migrant and seasonal farmworker youth, youth with disabilities, and other youth at risk? (§112(b)(18)(A.)

In responding to this question, the state should review ETA's vision for implementing the Recovery Act in Section 16 of this TEGL to reconnect disconnected youth through multiple pathways to education and training that enable them to enter and advance in the workforce. The state should describe its strategy for serving youth with funds from the Recovery Act, as well as how its strategies will be adjusted to respond to the economic downturn. What activities will the state focus on (i.e., primarily focus on summer employment opportunities, the full range of WIA youth services, or a combination)? Describe how plans for the Recovery Act youth activities will complement the state's overall vision for serving youth under WIA.

Question II. Identify the Governor's key workforce investment system priorities for the state's workforce investment system and how each will lead to actualizing the Governor's vision for workforce and economic development. (§§111(d) and 112(a).)

In responding to this question, states should reflect on shifting priorities necessitated by the economic downturn and areas of focus for economic recovery. States should identify the Governor's key workforce investment priorities for the use of the Recovery Act funds infused into the state's workforce investment system and how each will lead to actualizing the Governor's new vision.

<u>Overarching State Strategies</u>

Question V.B. What strategies are in place to address the national strategic direction discussed in [Section 4] of this guidance, the Governor's priorities, and the workforce development issues identified through the analysis of the State's economy and labor market? (§112(b)(4)(D) and 112(a).)

The state's response to this question should describe the state's key, actionable strategies it is deploying to achieve the Governor's vision for the use of Recovery Act and regular formula funds. ETA is interested in how the state is connecting and integrating recovery activities to on-going workforce investments. The responses should provide actionable direction to local areas.

- How workforce investment system resources, both stimulus and regular formula funds, can be deployed to serve increased numbers of workers in need.

- How adults and dislocated workers, including low-income adults, who need to acquire new skills will have increased access to education and training opportunities.

- How the state will address a dual-customer approach, meeting the skill needs of existing and emerging employers and high-growth occupations as well as the needs of under-skilled adults.

- How workforce activities (e.g., adult education, job training, postsecondary education, registered apprenticeship, career advancement, needs based payments, and supportive service activities) will be aligned in career pathways both now in implementing the Recovery Act and in the transformed workforce system of the future.

- How the state will partner to develop workforce solutions with community colleges, business and labor organizations, registered apprenticeship program sponsors, civic groups, and community organizations to align workforce development strategies and align workforce strategies with strategies for regional development and shared prosperity.

Service Delivery Strategies, Support for Training

Question IX.G. Describe innovative service delivery strategies the state has or is planning to undertake to maximize resources, increase service levels, improve service quality, achieve better integration or meet other key state goals. (§112(b)(17)(A).)

In answering this question, the state should describe innovative state strategies to accomplish the state's vision and achieve the goals of the Recovery Act, including how the state will:

- Increase services to workers in need.
- Support the full range of One-Stop Career Center customers in acquiring the skills needed to attain jobs in high-growth, high-wage industries and occupations, including such supports as needs-based payments, basic skills remediation, English as a second language, and supportive services.
- Ensure education and training delivered through the workforce system results in education and workforce skills of demonstrated value, and focus assessments and certifications towards the next level of education and employment.
- Strategically use youth, dislocated worker and adult statewide funds to quickly deliver innovative services.
- Provide targeted work experiences in order to prepare individuals for job opportunities in new industries or occupations, particularly using registered apprenticeship and on-the-job-training for all jobseekers, and summer work experience for youth.
- Align workforce activities with education strategies and economic and community development strategies to meet skill needs of jobs and industries important to the local and regional economies and meet the needs of under-skilled adults.

Section II. Service Delivery

State Governance and Collaboration

Question III.A.2. Describe how the agencies involved in the workforce investment system interrelate on workforce, economic development, and education issues and the respective lines of authority. (§112(b)(8)(A).)

In responding to this question, the state should describe how the Governor is ensuring cross-agency collaboration so that workforce investments are fully tied to other investments funded by the Recovery Act outside of workforce development.

Question III.C.1. Describe the steps the state will take to improve operational collaboration of the workforce investment activities and other related activities and programs outlined in section 112(b)(8)(A) of WIA, at both the state and local level (e.g.,

joint activities, memoranda of understanding, planned mergers, coordinated policies, etc.). How will the State Board and agencies eliminate any existing state-level barriers to coordination? (§§111(d)(2) and 112(b)(8)(A).)

In responding to this question, states should describe how collaboration will be supported and sustained between state agencies, particularly between the organizational entities responsible for WIA, Wagner-Peyser Act, Unemployment Insurance, Trade Act services, and Registered Apprenticeship.

Reemployment Services and Wagner-Peyser Act Services

Question IX.C.4.b. Describe the reemployment services the state provides to Unemployment Insurance claimants and the worker profiling services provided to claimants identified as most likely to exhaust their Unemployment Insurance benefits in accordance with section 3(c)(3) of the Wagner-Peyser Act. (§112(b)(17)(A)(iv).)

In responding to this question, states should describe:

- The Governor's vision for Reemployment Services (RES), including how they differ from Wagner-Peyser core services.
- How RES will be coordinated with other services provided at the One-Stop Career Center under WIA.
- How UI claimants will be identified quickly and RES provided as early as possible following initial receipt of UI benefits or referrals through UI profiling systems.
- The services that will be provided under RES, including in-depth services such as skill assessment, career guidance, individual service plans, and labor market information.
- The specific population among UI claimants (e.g., those most likely to exhaust benefits) that the state intends to target with Recovery Act funds for RES.
- How the state intends to integrate information technology into its RES program to better identify and serve UI claimants, including the percentage of funds that will be used for integrating ES and UI technology requirements to identify and serve the needs of UI claimants
- Any labor market information tools that will be funded and integrated into RES.

Question IX.C.1.b. Describe how the State will ensure the three-tiered service delivery strategy for labor exchange services for job seekers and employers authorized by the Wagner-Peyser Act includes: (1) self-service, (2) facilitated self-help service, and (3) staff-assisted service, and is accessible and available to all customers at the local level. (§112(b)(17)(a)(i).)

In order to ensure that jobs generated through the Recovery Act are accessible and available to all customers, describe how the state will facilitate the listing of such jobs on the State Job Bank.

<u>Adult and Dislocated Worker Services</u>

Question IX.C.1.a. Describe state strategies and policies to ensure adults and dislocated workers have universal access to the minimum required core services as described in §134(d)(2).

In its response, the state should address core services for adults, dislocated workers, and target populations, especially those given preference in the WIA Adult program in the Recovery Act – recipients of public assistance and other low-income individuals.

Question IX.C.1.c. Describe how the state will integrate resources provided under the Wagner-Peyser Act and WIA Title I for adults and dislocated workers, as well as resources provided by required One-Stop partner programs, to deliver core services. (§112(b)(17)(a)(i).)

In its response, the state should address how it will integrate resources provided under the Recovery Act, the Wagner-Peyser Act, and WIA Title I for adults and dislocated workers, as well as resources provided by required One-Stop partner programs. For example, how will the state use these resources to provide significant funding for low-income and low-skilled workers that help them access the services and training needed to pursue family-supporting jobs.

Question IX.C.3.a. Describe the Governor's vision for increasing training access and opportunities for individuals including the investment of WIA Title I funds and the leveraging of other funds and resources. (§112(b)(17)(a)(i).)

In its response, the state should describe how the state will increase training access and opportunities for individuals, including the investment of WIA Title I funds and Recovery Act funds, and the leveraging of other funds and resources. How will the state use contracts with institutions of higher education and other training providers (as described in Section 6 of this TEGL) to maximize funds to the greatest benefit?

Question IX.A.5. What models/templates/approaches does the state recommend and/or mandate for service delivery in the One-Stop Career Centers? For example, do all One-Stop Career Centers have a uniform method of organizing their service delivery to business customers? Is there a common individual assessment process utilized in every One-Stop Career Center? Are all One-Stop Career Centers required to have a resource center that is open to anyone? (§§112(b)(2) and 111(d)(2).)

In its response, the state should describe its models/templates/approaches for service delivery in the One-Stop Career Centers, particularly whether the state is adjusting its approach to deliver increased levels of services with funds received under the Recovery Act.

- Do all One-Stop Career Centers have a uniform method of organizing their service delivery to business customers?

- Is there a common individual assessment process utilized in every One-Stop Career Center?

- What approaches will be used to ensure funds are targeted to those most in need, including low-income, public assistance recipients, persons with disabilities, etc.?

- How will states streamline the sequence of service to facilitate individual access to needed services and training?

Youth Services

Question IX.E.1. Describe the state's strategy for providing comprehensive, integrated services to eligible youth, including those most in need. (§112(b)(18).)

In responding to this question, the state should include the following:

- Describe the anticipated program design for the WIA Youth funds provided under the Recovery Act. Include in this description a program design for both younger, in-school, and older or out-of-school youth (including the 22-24 year olds that can be served with Recovery Act funds).

- Will the state use the Recovery Act funds to fund only a 2009 summer youth program or some combination of 2009 and 2010? If using the funds over two summers, what percentage of funds does the state anticipate using for the first summer?

- If using the funds for summer employment opportunities, describe how the state will deliver summer youth employment opportunities. Will the state operate the program or allocate the funds?

- Describe the types of worksites that will be developed for summer employment, including a mix of public and private sector work experiences, and how the state will ensure that meaningful work experiences will be developed.

- Describe the state's policy for developing the mix of classroom versus worksite time in a summer employment opportunity. Describe the state's policy for determining that summer employment opportunities are connected to academic and/or occupational learning and the types of connections that will be utilized.

- Describe any policies or strategies that the state is implementing to ensure that local areas implement activities that support out-of-school youth during summer and/or non-summer months, such as supportive services, needs-based payments, or day-care.

- Provide the anticipated number of youth to be served with Recovery Act funds, including the anticipated number of summer employment opportunities created with Recovery Act funds.

Veterans' Priority of Service

Question IX.C.5.b. What policies and strategies does the state have in place to ensure that, pursuant to the Jobs for Veterans Act (P.L.107-288) (38 USC 4215), priority of service is provided to veterans (and certain spouses) who otherwise meet the eligibility requirements for all employment and training programs funded by the Department of Labor?
In answering this question, the state should outline the changes to state and local policies and strategies that make them sufficient to meet the requirements of 20 CFR 1010.230, published at 73 Fed. Reg. 78132 on December 19, 2008, of the Jobs for Veterans Act regulations issued on December 19, 2008 implementing priority of service for veterans and eligible spouses in Department of Labor job training programs. This includes providing the following information and/or attachments to the State Plan modification:

- A description of the changes to policies for the delivery of priority of service by the State Workforce Agency or Agencies, Local Workforce Investment Boards, and One-Stop Career Centers for all qualified job training programs delivered through the state's workforce system. The description must include how:
  1. The state policies ensure that covered persons are identified at the point of entry and given an opportunity to take full advantage of priority of service.
  2. The state policies ensure that covered persons are aware of:
     a. Their entitlement to priority of service;
     b. The full array of employment, training, and placement services available under priority of service; and
     c. Any applicable eligibility requirements for those programs and/ or services.

- A description or copy of the state's policy requiring Local Workforce Investment Boards to develop and include policies in their Local Plan to implement priority of service for the local One-Stop Career Centers and for service delivery by local workforce preparation and training providers.

Service Delivery to Targeted Populations

Question IX.C.4.a. Describe the state's strategies to ensure that the full range of employment and training programs and services delivered through the state's One-Stop delivery system are accessible to and will meet the needs of dislocated workers, displaced homemakers, low-income individuals, migrant and seasonal farm workers, women, minorities, individuals training for nontraditional employment, veterans, public assistance recipients and individuals with multiple barriers to employment (including older individuals, limited English proficiency individuals, and people with disabilities). (§112(b)(17)(A)(iv).)

In responding to this question, the state should:

- Describe the strategy the state will use to effectively implement the Recovery Act priority of service for low-income individuals and recipients of public assistance under the WIA Adult program.
- Indicate how the state will use Wagner-Peyser resources to support individuals with disabilities, such as funding disability program navigators in One-Stop Career Centers, or assisting other targeted populations.

Section III. Operations

Transparency and Public Comment

Instruction from Section II of State Planning Guidance Plan Development Process: Include a description of the process the state used to make the Plan available to the public and the outcome of the state's review of the resulting public comments. (§§111(g) and 112(b)(9).)

The Recovery Act places a high priority on transparency. The state should describe:

- State efforts to promote transparency.

- The process used to make the Plan modification available to the public and the outcome of the state's review of resulting public comments.

Increasing Services for Universal Access

Question VI.C. What state policies are in place to promote universal access and consistency of service statewide? (§112(b)(2).)

In its response, the state should explain how it will efficiently and effectively use its Wagner-Peyser Recovery Act funds to support the hiring of sufficient levels of staff in the limited time period available for state One-Stop Career Centers to provide universal access and services required to meet the needs of increased numbers of customers in the economic downturn.

Local Planning Process

Question VIII.D. Describe the state-mandated requirements for local areas' strategic planning, and the assistance the state provides to local areas to facilitate this process. ((§112(b)(2) and 20 CFR 661.350(a)(13).)

In responding to this question, states should describe how they are facilitating the use of the local planning process to ensure that local areas are able to update their Local Plans and still quickly and efficiently deliver increased levels of services as intended under the Recovery Act.

Procurement

Question VIII.F.5. Describe the competitive and non-competitive processes that will be used at the state level to award grants and contracts for activities under title I of WIA, including how potential bidders are being made aware of the availability of grants and contracts. (§112(b)(16).) (Note: All procurements must comply with OMB requirements codified in 29 CFR Parts 95.40-95.48 and 97.36.)
In answering this question, the state should describe:

- How providers of all youth services will be procured under the Recovery Act. If using funds for summer employment opportunities and the fiscal agent or the state is not operating this program element, please specifically describe procedures for procuring summer employment operational entities and job opportunities.

- How the state will implement the Recovery Act provision that a Local Workforce Investment Board may award a contract to an institution of higher education or other eligible training provider if the local board determines that it would facilitate the training of multiple individuals in high-demand occupations, and if such a contract does not limit customer choice.

Technical Assistance

Question VIII.G.2. Describe how the state helps local areas identify areas needing improvement and how technical assistance will be provided. (§112(b)(14).)

In answering this question, the state should describe its strategy for providing training and technical assistance to local areas for all programs funded by the Recovery Act, including whether Recovery Act funds will be used for technical assistance and training to local areas. The state should also address training to be provided to new staff and technical assistance on the creation of a summer employment program.

Question VIII.H. Describe the monitoring and oversight criteria and procedures the state utilizes to move the system toward the state's vision and achieve the goals identified above, such as the use of mystery shoppers, performance agreements. (§112(b)(14).)

In responding to this question, the state should demonstrate, through a monitoring plan or otherwise, that the state monitoring system meets the requirement of 20 CFR 667.410(b)(2) and that the state's plan includes monitoring and oversight of the additional funds provided under the Recovery Act, particularly plans to monitor reemployment services and summer employment, including summer employment worksites.

Accountability and Performance

Question X.C.1. Describe the state's performance accountability system, including any state-system measures and the state's performance goals established with local areas. Identify the performance indicators and goals the state has established to track its progress toward meeting its strategic goals and implementing its vision for the workforce investment system. (§§112(b)(3) and 136(b)(3).)

- The Recovery Act emphasizes the importance of accountability. Describe the state's overall efforts to hold the state and its local areas accountable for the results of activities funded by the Recovery Act, and how the state will measure whether it has achieved the state's goals for implementation as described in Questions I.C. and I.E. under "State Vision and Priorities."

- The Recovery Act requires states to report on work readiness to assess the effectiveness of summer employment opportunities for youth. The state should identify its methodology for determining whether a measurable increase in work readiness skills has occurred, and what tools will be used for this determination.