

May 7, 2018

DYLAN WRIGHT
DIRECTOR
OC COMMUNITY RESOURCES

CYMANTHA ATKINSON
DEPUTY DIRECTOR
OC COMMUNITY RESOURCES
& INTERIM DIRECTOR
OC ANIMAL CARE

RENEE RAMIREZ
DIRECTOR
OC COMMUNITY SERVICES

JULIA BIDWELL
DIRECTOR
OC HOMELESS, HOUSING
& COMMUNITY
DEVELOPMENT

STACY BLACKWOOD
DIRECTOR
OC PARKS

HELEN FRIED
COUNTY LIBRARIAN
OC PUBLIC LIBRARIES

To: WIOA Young Adult Subrecipients of the Orange County
Development Area

From: Brian Rayburn 
Interim Director

**Subject: WIOA Youth (Young Adult) Program Requirements
Information Notice No. 17-OCDB-11**

PURPOSE

This policy provides guidance and establishes procedures regarding the Workforce Innovation and Opportunity Act (WIOA) Youth program, including the out-of-school (OS) youth and work experience minimum expenditure requirements. This policy applies to all Young Adult subrecipients of the Orange County Development Board (OCDB).

REFERENCES

- WIOA (Public Law 113-128)
- Title 2 Code of Federal Regulations (CFR) Part 200: "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (Uniform Guidance)
- Title 2 CFR Part 2900: "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (Department of Labor [DOL] Exceptions)
- Title 20 CFR Part 681: "Youth Activities under Title I of the WIOA"
- Title 20 United States Code (U.S.C.) Section 1401: "Definitions"
- Training and Employment Guidance Letter (TEGL) 21-16, Third WIOA Title I Youth Formula Program Guidance (March 2, 2017)
- TEGL 8-15, Subject: Second Title I WIOA Youth Program Transition Guidance (November 17, 2015)
- TEGL 23-14, Subject: WIOA Youth Program Transition (March 26, 2015)
- TEGL 19-14, Subject: Vision for the Workforce System and Initial Implementation of the WIOA (February 19, 2015)
- TEGL 12-14, Subject: Allowable Uses and Funding Limits of Workforce Investment Act (WIA) Program Year (PY) 2014 funds for WIOA Transitional Activities (October 28, 2014)
- TEGL 13-09, Subject: Contracting Strategies That Facilitate Serving the Youth Most In Need (February 16, 2010)
- California Education Code (EC) Sections 47612.1, 58500, and 66010
- California Unemployment Insurance Code Section 14209
- Workforce Services Directive WSD17-07, Subject: WIOA Youth Program Requirements (January 16, 2018)


**ORANGE COUNTY
DEVELOPMENT BOARD**
1300 SOUTH GRAND
BLDG. B, THIRD FLOOR
SANTA ANA, CA 92705
PHONE: 714.480.6500
FAX: 714.834.7132



EFFECTIVE DATE

This policy is effective immediately upon issuance.

BACKGROUND:

The WIOA Section 129 introduces key investments in OS youth and work experience. Specifically, it increases the minimum OS youth expenditure rate from 30 percent under WIA to 75 percent under WIOA, and introduces a 20 percent work experience expenditure requirement. Additionally, it adds new program elements, increasing the number of required youth program elements from 10 under WIA to 14 under WIOA.

Operational implementation of the WIOA youth program began July 1, 2015, with all provisions taking effect July 1, 2016. Local Areas were expected to use their PY 2015-16 WIOA youth formula funds to properly align their youth programs and services in preparation for full WIOA youth program implementation effective July 1, 2016.

On August 19, 2016, the DOL issued the WIOA Final Rules. Among other things, the WIOA Final Rules establish a poverty rate of 25 percent for a youth living in a high poverty area, allow Local Boards to directly provide youth services, allow for youth work experiences education and work components to be provided sequentially, and clarify youth program eligibility. The DOL has also published three additional TEGs since 2015 providing further guidance and clarification for the WIOA Title I youth program. Therefore, the state is issuing its third iteration of the WIOA Youth Program Requirements directive to ensure state guidance is in full alignment with the WIOA Statute, the WIOA Final Rules, TEG 23-14, TEG 8-15, and TEG 21-16.

Although some of the deadlines for implementation of the WIOA requirements have passed, the Employment Development Department (EDD) chose to retain past deadlines in this directive for compliance monitoring purposes.

POLICY AND PROCEDURES

Out-of-School (OS) Youth

The WIOA shifts the primary focus of youth formula funds to support the educational and career success of OS youth. As a result of this shift, the cost per participant under WIOA may increase as many OS youth require more intensive and costly services. Consequently, fewer participants might be served under the WIOA youth program due to the more intensive and costly services for the increased emphasis on the OS youth population.

OS Young Adult Expenditure Requirement

Local Areas must spend at least 75 percent of their WIOA youth formula allocation on youth workforce investment activities for OS youth (WIOA Section 129[a][4]). The OS youth expenditure rate is calculated after subtracting funds spent on administrative costs.

Locally, the OCDB implements an 80 percent OS youth adult expenditure requirement.

Recruiting OS Youth

Under WIA, some Local Areas may have been serving low numbers of OS youth. These Local Areas should have used the first year of WIOA implementation (i.e., July 1, 2015, through June 30, 2016) to align their youth program design to start increasing recruitment and outreach to move towards meeting the 75 percent OS youth expenditure requirement.

Youth outreach and recruitment are among the limited instances in which WIOA youth funds may be expended on costs related to individuals who are not yet participants. However, youth program services may not be provided until a formal eligibility determination being made.

For tips and best practices regarding outreach and recruiting OS youth see Attachment 3 of EDD's WIOA Youth Program Requirements Directive, Outreach and Recruitment of OS Youth.

Work Experience

The WIOA places a priority on providing youth with occupational learning opportunities through work experience.

Work Experience Expenditure Requirement

Local Areas must spend at least 20 percent of their WIOA youth formula allocation on work experience (WIOA Section 129[c][4]). Leveraged resources cannot be used to fulfill any part of the 20 percent minimum work experience expenditure requirement (TEGL 21-16). The work experience expenditure rate is calculated after subtracting funds spent on administrative costs. Additionally, the expenditure rate is not applied separately for IS youth and OS youth.

OCDB subrecipients must expend 30 percent of their WIOA youth formula allocation on work experience focus (WEF) activities.

In-School (IS) Youth

Under WIOA, fewer resources are available to serve IS youth. As a result, Local Areas should identify resources and/or establish partnerships with youth providers that can provide services to IS youth. Local Boards, in collaboration with youth standing committees, may consider leveraging resources and establishing partnerships to continue serving IS youth that are cost effective, and reach more students.

Transitioning WIA IS Youth Participants

Local Areas may have been serving large numbers of IS youth as they transitioned into WIOA on July 1, 2015. Although there was a shift in emphasis under WIOA to OS youth, Local Areas should not have prematurely exited WIA IS youth from the program.

Local Areas could have used a portion of their remaining PY 2014-15 funds for services to IS youth in order to assist them in successfully completing the program, while focusing PY 15-16 funds on OS youth, consistent with the minimum 75 percent OS youth expenditure requirement on OS youth.

Permissible Use of Youth Funds

Individual Training Accounts for OSY

In order to enhance individual participant choice in their education and training plans and provide flexibility to Local Areas, Local Areas may use youth funds for Individual Training Accounts (ITA) for OS youth between the ages of 16 to 24. When using youth funds for ITAs, only training providers on the Approved Training Partner Directory (ATPD) can be used.

Braiding Funds

Braiding funds is the process of using different funding streams to support different needs for the same participant while maintaining documentation to support the charging and allocations of cost to the separate funds. Local Areas may use braided funds to provide more comprehensive services to participants and maximize partner resources available to assist youth. Braiding funds must meet the following criteria:

- The cost to each funding stream is tracked, documented, and allocated based on the proportional benefit.
- The cost benefits two or more programs in proportions that can be determined without undue effort or cost.
- The youth meets the eligibility requirements for each program from which they are receiving funds.

An example is when the WIOA Title I youth program and the WIOA Title II adult education program are used to serve eligible youth. The WIOA Title I resources can provide career guidance, work experiences, and leadership development, while the WIOA Title II resources can provide adult education and literacy activities.

(TEGL 21-16)

Incentives

Local Areas may provide incentive payments to youth participants for recognition and achievement directly tied to training activities and work experiences. When offering incentive payments, Local Areas must do the following:

- Tie the incentive to the goals of the specific program.
- Outline in writing the incentive before the commencement of the program providing the payment.
- Align the incentive with the local program's organizational policy.
- Meet the requirements in 2 CFR part 200.

(Title 20 CFR Section 681.640)

Program Elements

The WIOA Section 129(c)(2) includes 14 program elements, which include the original 10 program elements under WIA (which have been consolidated to nine as the summer employment opportunities program element is now a sub-element under paid and unpaid work experiences) and five new program elements:

- (1) financial literacy,
- (2) entrepreneurial skills training,
- (3) services that provide labor market and employment information about in-demand industry sectors or occupations available in the Local Areas,
- (4) activities that help youth prepare for and transition to post-secondary education and training, and
- (5) education offered concurrently with and in the same context as workforce preparation activities and training for specific occupation or occupational clusters.

Local Areas are not required to provide all 14 required elements to each participant. Local Areas have the flexibility to determine which specific services a youth will receive based upon the youth's assessment and service strategy. Local Boards, however, must ensure that all 14 program elements are available in their Local Area.

The table below provides a list of the 14 youth program elements, identifies which program elements relate to one another, lists the DOL Participant Individual Record Layout (PIRL) data element, and provides federal citations where the program element requirements are described. In addition, the program elements are hyperlinked to the WorkforceGPS Youth Connections corresponding webpage. The Youth Connection webpage provides additional materials and resources to help service providers deliver youth services.

WIOA Youth Program Element	Relates to or Overlaps with Other Program Element(s)	Applicable DOL-only PIRL Data Element Number(s)	Program Description Citation
1. Tutoring, study skills training, instruction, and dropout prevention	Program elements 2 and 4	1402	TEGL 21-16
2. Alternative secondary school services or dropout recovery services	Program element 1	1403	TEGL 21-16
3. Paid and unpaid work experiences		1205,1405	Title 20 CFR Sections 681.600, 681.590, 681.480 and TEGL 21-16
4. Occupational skills training	Program element 1	1300,1302,1303, 1306, 1307, 1308	Title 20 CFR Sections 681.540, 681.550 and TEGL 21-16
5. Education offered concurrently with workforce preparation and training for a specific occupation	Program elements 2, 3, and 4	1407	Title 20 CFR Section 681.630 and TEGL 21-16
6. Leadership development opportunities		1408	Title 20 CFR Sections 681.520, 681530 and TEGL 21-16
7. Supportive services		1409	Title 20 CFR Section 681.570 and TEGL 21-16
8. Adult mentoring		1410	Title 20 CFR Sections 681.490 and TEGL 21-16
9. Follow-up services	Program elements 7, 8, 11, 13, and 14	1412	Title 20 CFR Section 681.580 and TEGL 21-16
10. Comprehensive guidance and counseling		1411	Title 20 CFR Section 681.510 and TEGL 21-16
11. Financial literacy education		1206	Title 20 CFR Section 681.500 and TEGL 21-16
12. Entrepreneurial skills training		1413	Title 20 CFR Section 681.560 and TEGL 21-16
13. Services that provide labor market information		1414	Title 20 CFR Section 651.10 and TEGL 21-16
14. Postsecondary preparation and transition activities		1415	TEGL 21-16

Program Element 1 – Tutoring, Study Skills Training, Instruction, and Dropout Prevention Services

Tutoring, study skills training and instruction that lead to a high school diploma or its equivalent, including a recognized certificate of attendance or similar document for individuals with disabilities, are reported under program element 1. These services focus on providing academic support, helping a youth identify areas of academic concern, assisting with overcoming learning obstacles, and providing tools and resources to develop learning strategies. Local Areas may provide tutoring, study skills training, and instruction in a one-on-one or group setting, through resources and workshops.

Program element 1 also includes secondary school dropout prevention strategies that keep a youth in school and engaged in formal learning or training. These activities include, but are not limited to, tutoring, literacy development, active learning experiences, after-school opportunities, and individualized instruction (TEGL 21-16).

Program Element 2 – Alternative Secondary School Services or Dropout Recovery Services

Alternative secondary school services that assist youth who have struggled in traditional secondary school education, are reported under program element 2. These services include, but are not limited to, basic education skills training, individualized academic instruction, and English as a Second Language training.

Program element 2 also includes dropout recovery services aimed at getting youth who have dropped out of secondary education back into a secondary school or alternative secondary school/high school equivalency program (TEGL 21-16). Examples of these services include credit recovery, counseling, and educational plan development. While there is some overlap with dropout prevention strategies (program element 1), the activities within both program elements are provided with the goal of helping youth re-engage and persist in education that leads to the completion of a recognized high school equivalent.

Program Element 3 – Paid and Unpaid Work Experience

Work experience is covered in detail in OCDB Information Notice 15-OCWDB-01 (WIOA Young Adult Work Experience Focus) and subsequent updates.

Program Element 4 – Occupational Skills Training

Occupational skills training is an organized program of study that provides specific vocational skills that lead to proficiency in performing actual tasks and technical functions required by certain occupation fields at entry, intermediate, or advanced levels. Local Areas must give priority consideration to training programs that lead to recognized postsecondary credentials that align with in-demand industry sectors or occupations in the Local Area.

Occupational skills training must meet the following criteria:

- Be outcome-oriented and focused on an occupational goal specified in the individual service strategy.
- Be of sufficient duration to impart the skills needed to meet the occupational goal.
- Lead to the attainment of a recognized postsecondary credential.
- Meet the quality standards in WIOA Section 123.

(Title 20 CFR Section 681.540)

Program Element 5 – Education Offered Concurrently with Workforce Preparation and Training for a Specific Occupation

This program element reflects an integrated education and training model. Additionally, it describes that workforce preparation activities, basic academic skills, and hands-on occupational skills training are to be taught within the same time frame and connected to training in a specific occupation, occupational cluster, or career pathway. While programs developing basic academic skills, which are included as part of alternative secondary school services and dropout recovery services, workforce preparation activities that occur as part of a work experience, and occupational skills training can all occur separately and at different times (and are counted under separate program elements), this program element refers to the concurrent delivery of these services which make up an integrated education and training model (TEGL 21-16).

Program Element 6 – Leadership Development Opportunities

This program element encourages responsibility, confidence, employability, self-determination, and other positive social behaviors. Positive social behaviors include the following:

- Exposure to postsecondary educational possibilities.
- Community and service learning projects.
- Peer-centered activities, including peer mentoring and tutoring.
- Organizational and team work training
- Training in decision-making such as determining priorities and problem solving.
- Citizenship training, including life skills training such as parenting and work behavior training.
- Civic engagement activities which promote quality of life in a community
- Other leadership activities that place youth in a leadership role such as serving on the Standing Youth Committee.

(Title 20 CFR Section 681.520)

Program Element 7 – Supportive Services

Supportive services are services that enable an individual to participate in WIOA activities. Supportive services include, but are not limited to, the following:

- Linkages to community services.
- Assistance with transportation.
- Assistance with child care and dependent care.
- Assistance with housing.
- Needs-related payments.
- Assistance with educational testing.
- Reasonable accommodations for youth with disabilities.
- Legal aid services.
- Referrals to health care.
- Assistance with work attire and work related tools including eyeglasses and protective eye gear.
- Assistance with books, fees, school supplies, and other necessary items for student enrolled in postsecondary education classes.
- Payments and fees for employment and training-related application, tests, and certifications.

(Title 20 CFR Section 681.570)

Program Element 8 – Adult Mentoring

Adult mentoring must last at least 12 months and may take place both during the program and following the youth's exit from the program. Local Areas may use group mentoring and electronic mentoring, but at a minimum, the youth program must match the youth with an individual mentor with whom the youth interacts on a face-to-face basis. Case managers may serve as adult mentors in areas where adult mentors are sparse, however, Local Areas are strongly encouraged to find adult mentors who are not case managers (TEGL 21-16).

Program Element 9 – Follow-up Services

Follow-up services for youth may include supportive services, adult mentoring, financial literacy education, services that provide labor market and employment information about in-demand industry sectors, and activities that help youth prepare for and transition to postsecondary education and training. When Local Areas provide these program elements as follow-up services, they must occur after the exit date in order to count as follow-up services. Additionally, Local Areas should document in the case file that the program elements were provided as follow-up services post exit (TEGL 21-16).

Program Element 10 – Comprehensive Guidance and Counseling

This program element provides individualized counseling to participants and may include drug and alcohol abuse counseling, mental health counseling, and referral to partner

programs. Local Areas and youth service providers may directly provide counseling. When a Local Area or youth service provider refers a youth for counseling services that they are unable to provide, the Local Area or service provider must coordinate with the referred counseling organization to ensure continuity of service (TEGL 21-16).

Program Element 11 – Financial Literacy Education

Financial literacy education includes information and activities such as creating budgets, setting up checking and saving accounts, managing spending, understanding credit reports, and protecting against identity theft. Local Areas may find the Financial Literacy Education Commission's guide, "[Incorporating Financial Capability with Youth Employment Programs](#)", a useful resource on how to partner with financial institutions (TEGL 21-16).

Program Element 12 – Entrepreneurial Skills Training

This program element helps youth develop the skills associated with starting and operating a small business. Such skills may include the ability to take initiative, creatively seek out and identify business opportunities, develop budgets and forecast resource needs, understand various options for acquiring capital and the trade-offs associated with each option, and communicate effectively and market oneself and one's ideas. Approaches to teaching youth entrepreneurial skills may include the following:

- Entrepreneurship education that provides an introduction to the values and basics of starting and running a business, such as developing a business plan and simulations of business start-up and operation.
- Enterprise development which provides supports and services that incubate and help youth develop their own businesses, such as helping youth access small loans or grants and providing more individualized attention to the development of viable business ideas.
- Experiential programs that provide youth with experience in the day-to-day operation of a business.

(Title 20 CFR Section 681.560)

Program Element 13 – Services that Provide Labor Market and Employment Information

These services provide labor market and employment information about in-demand industry sectors or occupations available in the Local Area. Services may include career awareness, career counseling, and career exploration. Career counseling provides advice and support in making decisions about what career path to take and may include providing information about resume preparation, interview skills, potential opportunities for job shadowing, and the long-term benefits of postsecondary education and training. In addition to connecting youth to self-service labor market information (LMI) tools, youth

providers should share and discuss state and local LMI with youth participants (TEGL 21-16).

Program Element 14 – Postsecondary Preparation and Transition Activities

This program element prepares IS youth and OS youth for postsecondary education after attaining a high school diploma or its recognized equivalent. Activities include exploring postsecondary education options such as registered apprenticeships, technical training schools, community colleges and four-year colleges and universities. Additional services may include, but are not limited to, the following:

- Preparing youth for the SAT/ACT
- Assisting with college admission applications
- Searching and applying for scholarships and grants
- Filling out financial aid applications
- Connecting youth to postsecondary programs

(Title 20 CFR Section 681.460)

Program Design

The WIOA enhances the youth program design through an increased emphasis on individual participant needs by adding new components and incorporating career pathways to the objective assessment and individual service strategy. Additionally, the WIOA requires that the individual service strategy be directly linked to one or more of the performance indicators. A program design framework is an essential step to help Local Areas develop comprehensive service strategies based upon individual needs. Local Boards, in collaboration with a youth standing committee, can provide direction and leadership to assist local youth programs on improving the quality and effectiveness of youth services. A program design framework consists of an objective assessment, an individual service strategy, case management, and follow-up services that lead toward successful outcomes for youth participants (WIOA Section 129[c][1]).

Assessment Requirements

The WIOA youth program design requires an objective assessment of academic levels, skill levels, and services needs of each participant, which includes a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes, supportive service needs, and developmental needs. Assessments must also consider a youth's strengths rather than just focusing on areas that need improvement. Local Areas must use assessments that are valid and appropriate for the target population, and must provide reasonable accommodation in the assessment process. Any formalized testing must also be cost effective, well-matched to the test administrator's qualifications, and easy to administer and interpret results. For basic skills assessment, Local Areas are not required to use assessments approved by the Department of Education's National Reporting System (NRS), nor are Local Areas required to determine an individual's grade

equivalent or educational functioning level, although use of both tools is permitted. Local Areas may also use previous basic skills assessment results if such previous assessments have been conducted with the past six months.

In contrast to the initial assessment requirements described above, If Local Areas measure Educational Functioning Level (EFL) gains after program enrollment under the measurable skills gain indicator, the Local Area must use an NRS-approved assessment for both the EFL pre and post-test to determine a youth's educational functioning level.

In addition to the initial assessment, a career assessment can help youth understand how a variety of their personal attributes affect their potential success and satisfaction with different career options and work environments. Local Areas may provide career assessments through the WIOA youth program staff and/or through referrals to national and community-based partners and resources.

(TEGL 21-16)

ACTION

Bring this policy to the attention of all affected staff and all relevant parties.

INQUIRIES

If you have any questions regarding this policy, please contact your Contract Administrator (714) 480-6500.