

**TRANSMITTAL #1**

**MEMORANDUM**

**June 4, 2008**

**TO:** Youth Program Design Committee  
Workforce Development Council

**FROM:** Roger B. Madsen, Director

**SUBJECT:** Youth Program Design

**ACTION REQUESTED:** Approve recommendations for WIA Youth Service Delivery

**BACKGROUND:**

To establish a new WIA youth program design, the Youth Program Design Committee must make recommendations to the Workforce Development Council in three areas: 1) Who will be served? 2) What services will be delivered? and 3) How will services be provided? A review of progress and related information is provided in this section.

**1. WHO WILL BE SERVED?**

The committee reviewed input from other service providers to identify gaps in services to youth and to discuss how WIA resources might best be utilized in leveraging other partner resources. The committee also reviewed the national strategic direction to serve the neediest youth, which included priority service to out-of-school youth, those aging out of foster care and youth offenders. The committee's priority groups for WIA youth program services were identified as follows:

- Youth who are involved with the juvenile justice system;
- Youth exiting foster care;
- Pregnant and parenting teens;
- Youth with disabilities;
- Out-of-school youth and
- In-school youth who are in alternative high schools or enrolled in programs leveraging Carl Perkins and/or local technical education funds.

Before finalizing these priority groups, the committee asked staff to collect raw data regarding numbers served through Idaho’s juvenile justice system and foster care programs.

- Juvenile Justice
- Number in foster care
- Average number exiting foster care annually

This data will be available at the June 4, 2008 meeting.

## 2. WHAT SERVICES WILL BE DELIVERED?

The WIA Act requires access to ten youth program elements that, if not commonly available to low income youth, must be made available with WIA youth program resources. *If an activity is not funded with WIA funds, the WDC must ensure that those activities are closely connected and coordinated with the WIA system.* Data regarding availability of these program elements was reviewed at the last Subcommittee meeting and is reflected below.

<i>ELEMENT</i>	<i>AVAILABLE</i>	<i>NOT AVAILABLE</i>
1. Tutoring	YES	
2. Alternative School	YES	
3. Summer Employment		LIMITED
4. Work Experiences		NO
5. Classroom Occup Training		LIMITED
6. Leadership Skills		NO
7. Supportive Services		LIMITED
8. Mentoring		LIMITED
9. Follow up		NO
10. Guidance & Counseling	YES	

## 3. HOW WILL SERVICES BE PROVIDED?

### Previous Decisions

The following decisions as to who will be served and what services will be provided will be incorporated into options regarding how services will be provided in the future:

- a. **WHO** ~ A portion of youth funds must be set aside for in-school youth who are in alternative high schools or enrolled in programs leveraging Carl Perkins and/or local technical education funds. Remaining funds will focus on *out-of-school youth*, with a priority on those from juvenile justice, aging out of foster care, pregnant and parenting and those with disabilities.
- b. **WHAT** ~ Elements found to be commonly available to low income youth ~ tutoring, alternative school, guidance and counseling ~ will be *coordinated* with other providers in the communities, rather than purchased with WIA funds.

## Federal and State Decisions

- a. Federal regulations and USDOL guidance have advocated enhanced integration of youth services through the One Stop system (see Attachments 1 and 2). All options will incorporate delivery of *out-of-school youth* services through the One Stop offices.
- b. To maximize delivery of participant services with dwindling dollars, the Workforce Development Council has asked for a 50/50 split between staff and participant expenditures in all WIA programs. This policy will continue to be applied to out-of-school youth funds.
- c. The WIA Act and regulations clarify that awarding a grant on a competitive basis **does not apply to the design framework component** where these services are provided by the grant recipient/fiscal agent (see Attachment 1). The design framework includes intake, assessment, development of an individual's service plan and overall case management (see Attachment 2). In Idaho, the grant recipient/fiscal agent is the Idaho Department of Labor.

### ***OPTION 1: PROCURE ALL YOUTH PROGRAM SERVICES***

Set aside a portion of youth funds for in-school youth who are in alternative high schools or enrolled in programs leveraging Carl Perkins and/or local technical education funds. Procure all out-of-school youth program services to include the design framework and the seven youth elements not commonly available to low income youth. Respondents may compete for delivery of all out-of-school services or any portion thereof.

***Require service delivery through all One Stop Centers***

***Require 50/50 staff/participant expenditure rate for out-of-school funds***

#### **PROS:**

- Full and open competition.
- May identify creative service design.

#### **CONS:**

- Increased costs for state oversight responsibilities of contracting, monitoring, MIS access and training new provider staff.
- Increased local staff costs with additional numbers of providers.
- Duplication of management functions with additional provider sites.
- Fractured delivery of youth program among successful provider organizations.
- Decreased uniformity for intake, assessment, information and referral to services.
- Negative impact on dollars available for participant services.
- Requires investment of time and dollars for full procurement of service elements.

### ***OPTION 2: GRANT RECIPIENT DELIVERS DESIGN FRAMEWORK; APPLY FOR WAIVERS TO INTEGRATE DELIVERY OF YOUTH SERVICES WITH DESIGN FRAMEWORK***

Set aside a portion of youth funds for in-school youth who are in alternative high schools or enrolled in programs leveraging Carl Perkins and/or local technical education funds. Assign delivery of the 'youth framework' component to the state's grant recipient/fiscal agent, the Idaho Department of Labor. All intake, assessment, completion of individual service strategies and case management would be provided within the One Stop offices and be delivered by One Stop operator staff. Further integrate service delivery in the One Stop Centers by seeking waivers of statutory and regulatory requirements in related areas where other states have been successful in obtaining waivers:

- Waive competitive selection of providers for youth paid and unpaid work experiences, supportive services and follow-up services. Include these services in Idaho's definition of 'framework services'.
- Waive prohibition on the use of WIA Youth funds for Individual Training Accounts (ITAs) for older youth. ITAs allow older youth to review the eligible training provider list and select an occupational training provider as seen in the Adult and Dislocated Worker programs.

***Require service delivery through all One Stop Centers***

***Require 50/50 staff/participant expenditure rate for out-of-school funds***

**PROS:**

- Consistent access to and delivery of intake, objective assessment, individual service strategy development, labor market information, work experiences, supportive services, follow-up services and classroom training options; uniformity in the provision of information and referrals to other community services and government programs.
- Seamless delivery of youth program services; integration with one stop service system.
- Decreased ongoing state costs for oversight responsibilities of contracting, monitoring, MIS access and training for fewer provider staff.
- Decreased local staff costs.
- Brings consistency to occupational classroom training processes for all WIA funding streams.
- Eliminates investment of time and dollars for procurement of service elements and maintains flexibility to leverage funds and pilot programs to address emerging issues.

**CONS:**

- Eliminates opportunities for other entities to compete for out-of-school service delivery contracts including those currently providing youth services in Region I and Region IV.

***OPTION 3: GRANT RECIPIENT DELIVERS DESIGN FRAMEWORK; SOME PROGRAM ELEMENTS ARE PROCURED AND WAIVERS ARE REQUESTED FOR OTHERS.***

This option combines elements of Option 1 and Option 2. Set aside a portion of youth funds for in-school youth who are in alternative high schools or enrolled in programs leveraging Carl Perkins and/or local technical education funds. Assign delivery of the 'youth framework' component to the state's grant recipient/fiscal agent, the Idaho Department of Labor. The committee would recommend procurement for select program elements and waivers for others.

*Require service delivery through all One Stop Centers*  
*Require 50/50 staff/participant expenditure rate for out-of-school funds*

**PROS:**

- Allows competition for specific services.
- May identify creative service design for specific services.
- Consistent access to ‘design framework’ services ~ intake, objective assessment, individual service strategy development and overall case management.

**CONS:**

- Limits competitive opportunities for delivery of some services.
- Fractured delivery of youth program services among providers.
- Decreased consistency in access and delivery for specific services.
- Increased state administrative costs for oversight responsibilities of contracting, monitoring, MIS access and training for fewer provider staff (less than Option 1, more than Option 2).
- Increased local staff costs (less than Option 1, more than Option 2).
- Less investment of time and dollars for procurement of service elements than in Option 1 and more than in Option 2.

**Background:**

The Workforce Development Council adopted policies to maintain funding for actual participant training during several years of decreased funding in all WIA programs. Future funding cuts are anticipated. Federal regulations and guidance from our federal partners direct states to enhance integration of service delivery, eliminate unnecessary overhead costs and simplify administration in order to preserve resources for training.

**Staff Recommendation:**

Staff recommend the committee identify the approved approach to allow staff to proceed with development of waivers and other processes requiring public review and comment.

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## *ATTACHMENT 1*

### **WIA ACT AND REGULATIONS RELATED TO YOUTH PROGRAM DESIGN**

#### **1. BRING YOUTH INTO THE ONE STOP SYSTEM**

Subpart G of the regulations explains that the youth program is a required One-Stop partner. Links between the youth program and the One-Stop system may include those that facilitate:

- The coordination of youth activities
- Connections to the job market and employers;
- Access for eligible youth to information and services; and
- Other activities designed to achieve the purposes of the youth program.

The Summary and Explanation of the WIA Final Rules states, "...WIA's intent is to introduce youth, particularly out-of-school youth, to the services of the One-Stop system early in their development and to encourage the use of the One-Stop system as an entry point to obtaining education, training and job search services."

"Further, the regulations support strong connections between youth program activities and the One-Stop service delivery system, so that youth learn early in their development how to access the services of the One-Stop system and continue to use those services throughout their working lives."

#### **2. BROAD COORDINATION AND LINKAGES**

Regulations require "a systematic approach that offers a broad range of coordinated services". Availability of all ten elements must be established in the youth program design. If an element is available via other local youth services organizations, linkages and coordination must be established for seamless service, rather than duplication of the service with WIA funds.

#### **3. YOUTH PROCUREMENT**

664.405 "The requirement in WIA section 123 that eligible providers of youth services be selected by awarding a grant or contract on a competitive basis **does not apply to the design framework component** where these services are provided by the grant recipient/fiscal agent."

The narrative also repeats the three categories required under WIA section 129 which provide the framework for youth program design and also clarify that eligible providers of only ten program elements are to be identified by awarding grants or contracts on a competitive basis. This requirement does not apply to the design framework of local youth programs when the grant recipient/fiscal agent is the provider of the design framework activity. A similar exception in 664.610 applies to the grant recipient/fiscal agent's provision of summer employment activities.

## ATTACHMENT 2

### USDOL GUIDANCE RELATED TO YOUTH PROGRAM DESIGN

TEGL No. 9-00, issued January 23, 2001, provides policy guidance to states on competitive and non-competitive procedures for providing youth activities. The document states:

The **competitive selection requirements of WIA do not apply to the program design framework** which includes intake, assessment and development of the individual service strategy, when these services are provided by the grant recipient or fiscal agent.

**Summer employment** activities must be selected by awarding a grant or contract on a competitive basis, unless the grant recipient or fiscal agent administers this program.

Excerpts from TEGL No. 9-00 clarifying program design framework activities:

- **Intake** activities may involve registration, eligibility determination, pre-screening potential participants and general orientation and **referrals to other services which may include providers of the ten program elements**.
- **Objective assessment** is a process that identifies service needs, academic levels, goals, interests, skill levels, abilities, aptitudes, and supportive service needs and measures barriers and strengths. It includes a review of basic and occupational skills, prior work experience, employability potential and development needs. The result of an assessment is an individual service strategy.
- **Individual Service strategy** is the plan which identifies the employment goals, educational objectives and prescribes appropriate services for the participant. Individual service strategies should also include providing information on local youth activities and **referrals to the providers of those services**.
- **Case management** is appropriate to review service strategies with the participant periodically and make modifications when needed. In fulfilling its overall service strategy for youth, the entity providing the program design framework component may use a case management approach to determine whether goals in the individual service strategy are being met. This approach ensures that youth are actively engaged in receiving services from eligible service providers, and that participants receive follow-up services when exiting the program. These types of case management services may be provided directly by the local grant recipient without a competitive selection, as part of the overall activities provided by eligible service providers or may be competitively selected separately.

Excerpts regarding procurement of the ten elements:

- Local areas have the discretion to determine the specific services provided to individual youth participants, based on each participant's objective assessment and individual service strategy. **However, local grant recipients need not provide all ten program elements with WIA funds**

**if certain services are already accessible for all eligible youth in the local area.** If an activity is not funded with WIA title I funds, the local area must ensure that those activities are closely connected and coordinated with the WIA system.

The local youth council may determine that some services, for example tutoring or mentoring, are so widely available that it would be a duplication of service and not fiscally sound to use WIA funds to pay for these services. **Youth councils may consider distance learning and services available through computer technology.** If services are not readily accessible to all youth... must competitively select providers to provide the services with WIA funds.

- The costs of **occupational skills training** may be paid to a training provider (such as a community college or vocational school) that has been competitively selected to provide training to eligible youth who receive individual referrals. Once a provider has been competitively selected, the grant or contract may stipulate whether training will be provided on a group-size of per slot (i.e., individual referral) basis. **States and Boards are not limited to funding group-size training, but may provide vouchers or “fee-for-service” funds to community colleges, vocational schools or other training providers, based on the participant’s objective assessment and individual service strategy.**

Excerpts regarding One Stop youth services:

- If the One Stop operator is the local grant recipient, then the operator may conduct the program design component without competition. As both the One-Stop operator and the local grant recipient or sub-recipient, the One Stop operator can also ensure program design consistency in the intake, objective assessment, individual service strategy development for youth, as well as uniformity in the provision of information and referrals to youth service providers for the ten program required elements.

Excerpts regarding competitive selection:

- A basic tenet of the standards at 29 CFR... is that procurement be a process that provides for full and open competition and avoids even the appearance of a conflict of interest. Procurement actions must be conducted in a manner that provides for full and open competition and prevents the existence of conflicting roles. Such actions must assure separation of those who develop or issue the solicitation or are involved in the selection process, from those who bid upon it. Accordingly, an identifiable sub-unit of the local government or non-governmental organization may not submit a bid or an offer on a grant or contract solicitation if that sub-unit is involved in the development of the solicitation, the review, evaluation and selection process or the ongoing post award administration (including oversight) of the award.
- When discussing non-competitive (sole source) procurement, the rules emphasize that this is only to be used when other methods are not feasible and the criteria set forth in the federal, state and local procurement procedures applies.

State reserve funds are not subject to competitive selection procedures unless allocated by formula to all local areas to augment funds to conduct youth activities described in section 129©; those funds

become local area funds and competitive selection procedures are applicable. The 2005 Planning Guidance and Instructions to states regarding submittal of strategic plans for WIA and Wagner-Peyser included national strategic direction and priorities for the workforce investment system. The following excerpts impact the youth program:

- Enhanced integration of service delivery through One Stop delivery systems nationwide;
- A refocusing of the WIA youth investments on out-of-school youth populations, collaborative service delivery across Federal programs and increased accountability;
- Reporting against common performance measures across Federal employment and training programs.
- Neediest Youth Goal: investments will be prioritized to serve youth most in need including out-of-school and those at risk of dropping out-of-school, youth in foster care, those aging out of foster care, youth offenders, children of incarcerated parents, homeless youth and migrant and seasonal farm worker youth.
- In April 2004 the President challenged the workforce system to eliminate unnecessary overhead costs and simplify administration in order to preserve more resources for training.
- Enhanced use of waivers and work-flex provisions provide greater flexibility to states and local areas in structuring their workforce investment systems.

## **WAIVERS**

2005 Planning Guidance reiterates the flexibility provisions in WIA. With the Department of Labor anticipating the reauthorization of WIA in the near future, “WIA as it exists today provides significant opportunities to States to obtain waivers of statutory and regulatory requirements that may impede achieving the State’s workforce goals. ETA is committed to sharing the waiver strategies States have utilized to date.” Waivers may be formally submitted with a strategic plan or at any time during the state’s planning processes.

### **Youth-specific waivers approved by ETA – not an exhaustive list**

- Selection of providers for youth paid and unpaid work experience, supportive services and follow-up – Colorado, Massachusetts, North Carolina, North Dakota, Ohio and Washington,
- Use of individual training accounts for older youth – Alaska, California, Illinois, Kentucky, Massachusetts, Minnesota, New Jersey, Ohio, Puerto Rico and Rhode Island
- Redefine out-of-school youth to include alternative school youth – Nebraska