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## DEPARTMENT OF LABOR AND EMPLOYMENT

### WORKFORCE DEVELOPMENT PROGRAMS

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Category: American Recovery and Reinvestment Act (ARRA) 2009
Subject: Recovery Act - WIA Youth Year Round and Summer Youth Employment Opportunity Programs
Source: Federal/State
Revise/Replace:
Contact: Peggy Herbertson, Division Director
Distribution: Workforce Development Management and Staff, Workforce Region's Directors and Staff, Fiscal Staff
Colorado One-Stop System Policy Guidance Letter#: <b>09-07-WIA</b>
Date: May 14, 2009

**I. REFERENCE(S):**

American Recovery and Reinvestment Act of 2009 – Public Law 111-5; TEGL 14-08: Guidance for Implementation of the WIA and WP Funding under the ARRA of 2009; TEGL 13-08: Allotments under the ARRA; TEN 30-08: Overview of the ETA Implementation Strategy for WIA and WP under the ARRA of 2009; USDOL Webinars; TEGL No. 17-05, Attachment B - Definitions of Key Terms; Title I of the Workforce Investment Act (WIA) of 1998; WIA Final Rules - 20 CFR Part 652, et al., published at 65 Fed. Reg. 49294 (August 11, 2000)

**II. PURPOSE:**

To provide information and guidance for the successful implementation of Recovery Act WIA Youth programs and expenditure of funds in a timely manner.

**III. BACKGROUND:**

The American Recovery and Reinvestment Act was signed into law by President Obama on February 17, 2009, in order to preserve and create jobs, promote the nation's economic recovery, and assist those most impacted by the current recession. Recovery Act funds directed towards the workforce system are intended to greatly increase access to employment and training services, as well as provide an opportunity for the One-Stop system to demonstrate both innovation and effectiveness in service delivery. The guiding principles for successful utilization of ARRA funding are:

- Transparency and accountability;
- Timely spending and implementation of activities;
- Increased workforce system capacity and service levels; and
- Use of data and workforce information in guiding strategic planning and service delivery.

A significant portion of Recovery Act funding is being directed towards youth, where the congressional intent is to utilize as much of ARRA WIA Youth funds as possible on the creation and/or expansion of summer youth employment opportunities. The summer youth employment program may include any set of the allowable WIA Youth services, and must occur during the defined “summer” period of May 1 through September 30, 2009. A work experience activity is the core component of a summer employment program; local regions must provide summer youth employment opportunity program participants with meaningful work experiences, particularly those that might build exposure to green educational and career pathways. In addition, the summer youth employment program must include work readiness activities to assist the youth in achieving a work readiness goal.

A successful summer youth employment program will be gauged in part by the progress achieved in using regular formula funds concurrently with Recovery Act funds to help enhance education pathways for disadvantaged and disconnected youth, in order to improve their long term career success. Timely expenditure of funds and implementation of activities is essential, as the Recovery Act is intended to stimulate the nation’s economy, and provide quick assistance to those most impacted by the economic downturn.

**IV: POLICY/ACTION:**

**A. Funding and Expenditure Guidelines**

In Colorado, expenditures related to the Recovery Act may be incurred beginning March 6, 2009. Funds are considered to be Program Year 2008 funds. Youth funds are intended to be spent largely on summer youth employment opportunities, and local regions are expected to spend 70% of Recovery Act WIA Youth funds by September 30, 2009. Regions that do not meet their 70% expenditure goal may be subject to a possible recapture of funds. Local regions are also expected to reach 100% expenditure of all Recovery Act WIA Youth funds by June 30, 2010. If 100% of funds have not been expended by this date, regions may also be subject to a possible recapture of funds. Use of such recaptured funds will be determined at the State level, and may include reallocation to local regions who met their spending goals. Should funds be reallocated, those funds must be 75% spent by March 31, 2011 and 100% spent by June 30, 2011.

As is the case with regular WIA Youth funding, at least 30% of Recovery Act Youth funds must be spent on out-of-school youth.

## **B. Procurement**

The grant recipient/fiscal agent has the option of administering the summer youth work experience themselves. If vendors other than the grant recipient are used to provide summer employment opportunities, then the vendors must be selected and the contract/grant awarded on a competitive basis, based on WIA section 123.

Current contracts for youth services cannot be expanded with Recovery Act funds or re-bid using a limited competition methodology unless a waiver is obtained by the state. CDLE's intention is to apply for this waiver and revise this PGL accordingly, if the waiver is granted.

Colorado's current youth procurement waiver applies, which eliminates 3 of the 10 youth program elements from being procured through a competitive bid process. Those 3 program elements are paid and unpaid work experiences, supportive services, and follow-up. In addition, WIA allows regions to provide the summer youth employment element without a procurement process.

## **C. Eligibility Requirements**

Eligibility requirements for Recovery Act Youth funds mirror the age, income, and barrier requirements of regular WIA youth funds, with one exception: qualified youth may range in age from 14 to 24 years of age (This is the case solely for Recovery Act WIA Youth funds, and does not change the regular WIA Youth age eligibility of 14 to 21 years of age.) Those who are currently enrolled in regular WIA Youth will not need a new eligibility determination in order to be enrolled in Recovery Act WIA Youth. However, a 22 to 24 year old who is currently enrolled in WIA Adult must undergo a WIA Youth eligibility determination in order to be enrolled in the Recovery Act WIA Youth program.

Given the expanded age range to 24 under the Recovery Act, states and local areas may encounter an increased number of veterans in the Recovery Act youth program. Local regions 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.

## **D. Youth Summer Employment Opportunities Program**

Summer youth employment opportunities are defined in WIA regulations 20 CFR 664.600 as a part of the services required by the ten WIA youth program elements. A meaningful work experience is the central component to youth summer employment opportunities. Work experience is defined under WIA regulations at 20 CFR 664.460, and is designed to enable youth to gain exposure to the working world and its requirements, to help youth acquire the personal attributes, knowledge, and skills needed to obtain a job and advance in employment. The purpose is to provide the youth with career exploration and skill development, and is not intended to benefit the employer. Work experiences provided to summer youth employment participants should be structured to impart measurable

impart measurable communication, interpersonal, decision-making, and learning skills. Local regions have the discretion to determine the length of time for each work experience.

Local regions 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.” Local regions should not use Recovery Act funds to place youth in summer employment or work experiences in any of these facilities.

For youth who participate only in the Recovery Act WIA Youth summer employment program, not exceeding the date range of May 1 through September 30, 2009 for their work experience, there are notable exceptions to the typical WIA Youth program design. These exceptions include the following:

- Work readiness measure will be the only indicator used to evaluate performance, and will be based on the definition of the Work Readiness Skills Goal from TEGL No. 17-05, Attachment B. The definition reads as follows:

*“A measurable increase in work readiness skills including world-of-work awareness, labor market knowledge, occupational information, values clarification and personal understanding, career planning and decision making, and job search techniques (resumes, interviews, applications, and follow-up letters). They also encompass survival/daily living skills such as using the phone, telling time, shopping, renting an apartment, opening a bank account, and using public transportation. They also include positive work habits, attitudes, and behaviors such as punctuality, regular attendance, presenting a neat appearance, getting along and working well with others, exhibiting good conduct, following instructions and completing tasks, accepting constructive criticism from supervisors and co-workers, showing initiative and reliability, and assuming the responsibilities involved in maintaining a job. This category also entails developing motivation and adaptability, obtaining effective coping and problem-solving skills, and acquiring an improved self image.”*

- Local regions will not be required to make all 10 youth program elements available with ARRA WIA Youth funds. Determination of which elements will be made available through the ARRA WIA Youth funding stream will be left to local regions.
- Local regions will not be required to offer the requisite 12 month follow-up to ARRA WIA Youth summer employment program participants. Determination of the availability and duration of follow-up for these participants will be left to local regions and is to be made on a case-by-case basis, depending on the needs of the summer youth employment participants.
- Local regions will have the flexibility to determine the type of assessment instrument used in pre- and post- work readiness evaluation, as well as the depth and scope of the Individual Service Strategy (ISS). Assessment tools should be consistent pre and post, and might include worksite supervision evaluations, work readiness skill checklists administered by program staff, portfolio assessments, and any other relevant forms of assessing work readiness.
- Local regions will have the flexibility to determine whether it is appropriate for academic learning to be directly linked to summer employment for each youth.
- Local regions will not be required to assess basic skill levels for out-of-school youth participating in the Recovery Act WIA Youth summer employment program.
- **Local regions will be responsible for setting the standard for the work readiness skill attainment rate for the summer youth employment program between 80% and 100%, with 80% being the lowest rate accepted by the state.**
- **All participants, whether they complete their summer employment work experience or not, will be counted in the work readiness skill attainment rate. There will be no “neutral exits” for the Recovery Act Summer Youth Employment Program.**

Client enrollment and initial assessment (including development of an ISS) for the summer youth employment program may occur any time after March 6, 2009, although no work experience or other youth program element services may commence prior to May 1, 2009. A client will only be included in the Recovery Act WIA Youth summer employment program, and therefore covered by the exceptions detailed above, if their work experience and paid program services occur between May 1 and September 30, 2009.

Local regions may provide wages and/or stipends to youth in a classroom based component of a summer employment opportunity, and must establish local policy guiding the payments of such stipends and wages. Youth participating in a work experience must be paid at least the State minimum wage but local regions also have the discretion of paying participants the prevailing wage for their work. *CDLE will be issuing further guidance on work experiences, stipends, and wages in a separate PGL.*

#### **E. Performance and Co-Enrollments**

The period of performance on ARRA WIA Youth funds for the local regions begins on March 6, 2009 and ends on June 30, 2010.

For youth who participate only in the Recovery Act WIA Youth summer employment program, and do not exceed the date range of May 1 through September 30, 2009 for their work experience, a work readiness measure will be the only indicator used to evaluate performance. (The rate of successful achievement for the work readiness indicator must be at least 80% or higher.) Common Measures will not be applied to this specific group of participants. ARRA WIA Youth enrollees that receive a service after September 30, 2009, will have surpassed the date range to be enrolled solely in the summer youth employment program; will become a part of the ARRA WIA Youth year-around program; and will be subject to Common Measures. ARRA WIA Youth in the year-around program will be combined with regular WIA Youth for the Common Measures report. However, USDOL will require specific enrollment data for ARRA funded programs, and participants will need to be tracked and enrolled in separate program codes for this purpose.

States have the option to request a waiver from USDOL that would waive Common Measures for out-of-school youth ages 18-24 served only with ARRA funds beyond the summer months, who participate in a work experience only. This waiver would allow a State to use the work readiness indicator as the only indicator of performance for such youth. This waiver would only be applicable for the first 6 months following the summer of 2009, through March 31, 2010. At the present time, CDLE has not requested this waiver.

Participants that are enrolled in the ARRA program may also be co-enrolled in regular WIA formula programs. A new eligibility determination is not necessary if the client is being co-enrolled in the same type of program (such as an ARRA Youth co-enrolled in regular WIA Youth). Any co-enrollments that cross client programs (such as ARRA Youth with WIA Adult) must have a new eligibility determination made for the new program enrollment. If a youth is enrolled in the ARRA youth summer employment program and then co-enrolled in the regular WIA youth program, this client will be included in Common Measures, which will not be calculated and reported until the client is exited from both programs. However, in the case of the summer only youth program participation, the work readiness indicator is calculated at the time of the termination from the summer youth program.

**Note:** Youth aged 22 to 24 that are enrolled in the ARRA Youth year-around program may be exempt from the Common Performance Measures, though definitive guidance from USDOL is still forthcoming at this time.

## **F. Reporting**

**1. Fiscal** - Key factors related to Recovery Act reporting include the following:

- Recovery Act funds must be tracked and reported separately from other WIA and WP funds;
- Separate financial accounts have been established for Recovery Act funds;
- Regular monthly and quarterly fiscal reporting requirements apply;

- Additional quarterly reporting requirements will be identified in an upcoming USDOL TEGL.

**2. Program** - All Recovery Act program reporting will occur on a monthly basis and will be due by the 15<sup>th</sup> of the month, beginning July 15, 2009. A new separate report for the Recovery Act Summer Youth Employment program only will be created by USDOL. For this report, states and local regions will be required to track the number of participants enrolled in the summer employment opportunity program, and provide the completion rate of those in summer employment (i.e. number of youth who complete their summer employment work experience, divided by the number of youth who participate in summer employment multiplied by 100%). Monthly reporting will require more timely data entry of enrollments, services, outcomes, and exits. **Therefore, regions are expected to have all data entry for Recovery Act programs completed by 10 calendar days after the end of each month.**

In Colorado, Recovery Act WIA youth will be tracked in Joblink using the following codes:

**Program Codes:**

**YM** - Recovery Act WIA Youth year round program

**SM** - Recovery Act WIA Youth summer employment opportunity program.

**Activity Codes:**

**YW** - Work readiness skill attainment goal

**SE** - Youth summer employment activities/work experience,

**WE** - Work Experience, will be used for those work experiences that occur outside of the defined summer employment program date range

**NOTE: Youth enrolled in SM must have SE and YW activity codes at some point between May 1 and September 30. Local MIS coordinators will notify case managers to add these codes if they do not appear in conjunction with the SM program code.**

**For youth participating in a work experience only during the summer employment program (SM), a Summer Employment (SE) service is to be entered in Joblink instead of a Work Experience (WE).**

**G. Required Local Written Procedures**

Local procedures on the following topics are to be developed and approved by your one-stop director, and distributed to all appropriate staff:

1. Recovery Act WIA Youth summer employment program guidelines, including:
  - a. The May 1 through September 30, 2009 date range for summer employment and other youth program element activities, although enrollment and assessment activities can occur beginning March 6, 2009
  - b. Use of the SM program code for participant enrollments, and the SE and YW activity codes; reporting on the pre and post work

readiness results, and reporting on the completion of the SE activity. Exiting of SM participants as of September 30, 2009.

- c. Identification of general assessment tools and the ISS format to be utilized
  - d. Identification of what pre and post assessment tools will be utilized for measuring work readiness skill attainment; the same pre and post tool must be used with any given customer, but regions may opt to use different tools for various age groups or other targeted groups of youth customers.
  - e. Identification of when the work readiness pre and post assessments will occur. It is recommended pre-assessments occur prior to the start of the summer work experience activity, or no later than the first or second week of this activity; it is also recommended that the post assessment occur no later than the last week of the summer work experience activity.
  - f. Local standard for what constitutes “measurable progress” relative to the work readiness skill attainment
  - g. Identification of youth program elements to be provided
  - h. Use of follow-up services
  - i. Utilization of academic learning and classroom based components in the summer employment program
  - j. Guidelines for determining which summer youth will be co-enrolled in the year round program and when that co-enrollment will occur
  - k. Guidelines for which summer youth will continue to receive WIA services after completion of the summer employment program
  - l. Data entry completed for each month by 10 calendar days after the end of the month.
2. Other local policies will need to be expanded to include specific provisions related to Recovery Act implementation, such as work experiences, internal and contractor monitoring, etc. CDLE will provide additional guidance regarding these policies in forthcoming program guidance letters.

**V. IMPLEMENTATION DATE:**

This PGL applies to Recovery Act funds which are effective in Colorado as of March 6, 2009.

**VI. INQUIRIES:**

Please contact your State Workforce Liaison at Workforce Development Programs with any questions or technical assistance requests.

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