



Subject: Eligible Providers of WIOA Title I Youth Program Elements
Colorado Policy Guidance Letter#: FIN-2016-02, Change 1
Revise/ Replace PGL#: FIN-2016-02
Date: October 17, 2016
Distribution: CDLE Management/Finance, State/Local Workforce Directors & Staff, Partners

October 2016 Changes Highlighted

I. REFERENCE(S):

- [Title I of the Workforce Innovation and Opportunity Act \(WIOA\) of 2014](#), Sections 123, 129.
- WIOA Department of Labor-Only Final Rule ([81 FR 56072](#), Aug. 19, 2016).
- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at [2 CFR Part 200](#) and [2 CFR Part 2900](#).
- [Training and Employment Guidance Letter \(TEGL\) #23-14](#), *WIOA Youth Program Transition*.
- [TEGL #8-15](#), *Second Title I WIOA Youth Program Transition Guidance*.
- [TEGL #13-09](#), *Contracting Strategies That Facilitate Serving The Youth Most In Need*.
- [Driving Colorado Forward Together, Colorado Combined Plan for WIOA](#).
- [Policy Guidance Letter \(PGL\) #WIOA-2015-04](#), *Local Workforce Development Board Policies*.

II. PURPOSE:

To provide guidance to Local Workforce Development Boards (local boards) and Local Areas on the **identification and** selection process for providers of the Title I Youth program elements to ensure compliance with new federal requirements under the Workforce Innovation and Opportunity Act (WIOA).

III. BACKGROUND:

Title I of WIOA outlines a broad youth vision that supports an integrated service delivery system and provides a framework through which states and local areas can leverage other Federal, state, local, and philanthropic resources to support in-school youth and out-of-school youth. It affirms the workforce system’s commitment to providing high-quality services for all youth and young adults beginning with career exploration and guidance, continued support for educational attainment, opportunities for skills training in in-demand industries and occupations, such as pre-apprenticeships or internships, and culminating with a good job along a career pathway, enrollment in postsecondary education, or a Registered Apprenticeship. The Title I youth program continues to seek high levels of performance, accountability, and quality in preparing young people for the workforce.

Section 123 of WIOA requires local boards to “award grants or contracts on a competitive basis to providers of youth workforce investment activities identified based on the criteria in the State plan (including such quality criteria as the Governor shall establish for a training program that leads to a recognized postsecondary credential), and taking into consideration the ability of the providers to meet performance accountability measures based on primary indicators of performance for the youth program.” The WIOA Department of Labor-Only Final Rule clarifies that youth program elements may be delivered by the local grant recipient and the competitive procurement process described in Section 123 is only required when the local board chooses to award grants or contracts to youth service providers. No competition is required when the local grant recipient delivers the program element. Local boards are also required to “conduct oversight with respect to such providers.”

WIOA Waiver: Because of the revisions to the Final Rule that provide additional flexibility in delivering youth program elements, waivers related to WIOA sec. 123 are no longer necessary. However, Colorado will retain its waiver of procurement for follow-up and supportive services as part of its state plan until all local areas and boards have completed the process of identifying or selecting eligible providers under the Final Rule and have submitted their approved list to CDLE.

IV: POLICY/ACTION:

A. Identification and Selection Process for Youth Providers

The local board is responsible for identifying the eligible providers of youth workforce development activities in the local area. Some or all of the youth program elements may be delivered by the local grant recipient. If the local board chooses to award grants or contracts to service providers for some or all of the youth program elements, the contracts must be awarded on a competitive basis. The local board must identify eligible youth providers based on the recommendation of the youth standing committee, if they choose to establish a standing youth committee and assign it that function. If a youth standing committee is not established for the local area, this responsibility falls to the local board. Local board or committee members with a potential conflict of interest should recuse themselves from the selection process.

In developing criteria to be used in awarding grants for youth activities, Section VI(c) of Colorado’s Combined State Plan directs local boards to “adhere to the requirements within WIOA, develop additional local requirements as appropriate, and utilize their local procurement policies to create detailed statements of work for incorporation in competitive solicitations and the awards and contracts that result. Such solicitations, awards, and contracts are expected to set standards for achieving the WIOA Section 116 performance indicators, when organizations take on full sub-recipient responsibilities and require documentation of successful achievement of outcomes. These service providers are to be required to demonstrate past success in delivery of services and commit to successful outcomes for any contracted services. In all cases, the local boards are responsible for ensuring that all sub-recipients and contractors are monitored for quality of services and achievement of performance standards.”

Local boards are responsible for ensuring that each of the fourteen Youth program elements are available in the local area. Each program element may be delivered by one or more eligible service providers (including the local grant recipient). Each program element must be made available through the following identification or selection methods:

- 1. Provided by the local grant recipient:** Workforce centers may directly provide some or all of the fourteen program elements.
- 2. Competitive Selection:** If the local board chooses to award grants or contracts to service providers, local areas must conduct a full and open competition to secure youth service providers according to the Federal procurement guidelines at 2 CFR parts 200 and 2900, in addition to applicable State or county procurement codes.
- 3. Non-Competitive Selection:** In situations where the local board identifies an insufficient number of youth service providers in the local area, such as a rural area, Section 123 of WIOA allows for the local board to non-competitively procure services. The local board should establish a policy that defines what would constitute an insufficient number of eligible youth providers. Local areas must still follow applicable state or county procurement codes for contractor selection by sole source.
- 4. Leveraging of Partner Resources:** Local programs are encouraged to leverage partner resources to provide one or more of the program elements if WIOA Title I funds are not used to pay for services. However, the local area must ensure that if a program element is not funded with WIOA title I youth funds, the local program has an agreement in place with a partner organization to ensure that the appropriate services will be offered. The local board must ensure that the services are closely connected and coordinated with the WIOA youth program.

B. Program Design Framework

The requirement in WIOA Sec. 123 that eligible providers of youth services be selected by awarding a grant or commitment document on a competitive basis does not apply to the design framework services when the local board or local area determines these services are more appropriately provided by the grant recipient/fiscal agent.

The following youth activities are included as part of each local area's design framework services: intake, objective assessments and the development of individual service strategy, and case management.

C. Program Elements

Local boards are responsible for ensuring that each of the fourteen Youth program elements are available in the local area **through the identification or selection methods described in Section A.** The program elements are described below. The five new program elements in WIOA are indicated as **NEW**.

1. **Tutoring, study skills training, instruction, and evidence-based dropout prevention and recovery strategies that lead to completion of the requirements for a secondary school diploma or its recognized equivalent (including a recognized certificate of attendance or similar document for individuals with disabilities) or for a recognized postsecondary credential.**
2. **Alternative secondary school services, or dropout recovery services, as appropriate.**
3. **Paid and unpaid work experiences that have as a component academic and occupational education, which may include the following types of work experiences:**
 - i. **summer employment opportunities and other employment opportunities available throughout the school year;**
 - ii. **pre-apprenticeship programs;**
 - iii. **internships and job shadowing; and**
 - iv. **on-the-job training opportunities.**

Local youth programs must expend not less than 20 percent of the funds allocated to them to provide in-school youth and out-of-school youth with paid and unpaid work experiences that fall under this category.

Work experiences are a planned, structured learning experience that takes place in a workplace for a limited period of time. Work experience may be paid or unpaid, as appropriate. A work experience may take place in the private for-profit sector, the non-profit sector, or the public sector. Labor standards apply in any work experience where an employee/employer relationship exists, as defined by the Fair Labor Standards Act. Work experiences provide the youth participant with opportunities for career exploration and skill development. Work experiences must include academic and occupational education.

Under WIOA, summer employment opportunities are now a component of the work experience program element. **If providers administering the work experience program element are selected through a competitive process, the employers who are providing the summer employment opportunities do not need to be selected through a competitive process.** Local programs are encouraged to coordinate work experiences, particularly summer employment, with other youth serving organizations and agencies.

A **pre-apprenticeship** is a program designed to prepare individuals to enter and succeed in a registered apprenticeship program and includes the following elements:

- Training and curriculum that aligns with the skill needs of employers in the economy of the state or region involved;
- Access to educational and career counseling and other supportive services, directly or indirectly;
- Hands-on, meaningful learning activities that are connected to education and training activities, such as exploring career options, and understanding how the skills acquired through coursework can be applied toward a future career;
- Opportunities to attain at least one industry-recognized credential; and
- A partnership with one or more registered apprenticeship programs that assists in placing individuals who complete the pre apprenticeship program in a registered apprenticeship program.

On-the-job training means training by an employer that is provided to a paid participant while engaged in productive work in a job that:

- i. Provides knowledge or skills essential to the full and adequate performance of the job;
- ii. Is made available through a program that provides reimbursement to the employer for the extraordinary costs of providing the training and additional supervision related to the training; and
- iii. Is limited in duration as appropriate to the occupation for which the participant is being trained, taking into account the content of the training, the prior work experience of the participant, and the service strategy of the participant, as appropriate.

4. Occupational skill training, which includes priority consideration for training programs that lead to recognized postsecondary credentials that are aligned with in-demand industry sectors or occupations in the local area involved.

The Department of Labor defines occupational skills training as an organized program of study that provides specific vocational skills that lead to proficiency in performing actual tasks and technical functions required by certain occupational fields at entry, intermediate, or advanced levels. Local areas must give priority consideration to training programs that lead to recognized post-secondary credentials that align with in-demand industry sectors or occupations in the local area. Such training must:

- i. be outcome-oriented and focused on an occupational goal specified in the individual service strategy;
- ii. be of sufficient duration to impart the skills needed to meet the occupational goal; and
- iii. **lead to the** attainment of a recognized post-secondary credential.

The local board is responsible for ensuring that training programs with priority consideration are also meeting any quality criteria that may be defined in local policy, solicitations, or contracts with youth service providers.

Most in-school and out-of-school youth will continue to receive training as one of the fourteen program elements without utilizing Individual Training Accounts (ITAs). However, in order to maximize consumer choice, out-of-school youth ages 16-24 may also utilize an ITA using WIOA Youth funds when appropriate. If you elect to use an ITA for an out-of-school youth, the training provider must be on the ETPL list. If you don't, the training provider must be on the eligible youth provider list.

5. Education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster - NEW

This program element reflects the integrated education and training model and requires integrated education and training to occur concurrently and contextually with workforce preparation activities and workforce training. This program element describes how workforce preparations 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.

6. Leadership development opportunities, including community service and peer centered activities encouraging responsibility and other positive social and civic behaviors.

Leadership development opportunities are opportunities that encourage responsibility, confidence, employability, self-determination and other positive social behaviors such as:

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

Positive social and civic behaviors are outcomes of leadership opportunities, which are incorporated by local programs as part of their menu of services. Positive social and civic behaviors focus on areas that may include the following:

- i. Positive attitudinal development;
- ii. Self-esteem building;
- iii. Openness to work with individuals from diverse backgrounds;
- iv. Maintaining healthy lifestyles, including being alcohol- and drug-free;
- v. Maintaining positive social relationships with responsible adults and peers, and contributing to the well-being of one's community, including voting;
- vi. Maintaining a commitment to learning and academic success;
- vii. Avoiding delinquency; and
- viii. Positive job attitudes and work skills.

7. Supportive services

Supportive services for youth, as defined in WIOA Sec. 3(59), are services that enable an individual to participate in WIOA activities. These services include, but are not limited to, the following:

- i. Linkages to community services;
- ii. Assistance with transportation;
- iii. Assistance with child care and dependent care;
- iv. Assistance with housing;
- v. Needs-related payments;
- vi. Assistance with educational testing;
- vii. Reasonable accommodations for youth with disabilities;
- viii. Legal aid services;
- ix. Referrals to health care;
- x. Assistance with uniforms or other appropriate work attire and work-related tools, including such items as eye glasses and protective eye gear;
- xi. Assistance with books, fees, school supplies, and other necessary items for students enrolled in postsecondary education classes; and
- xii. Payments and fees for employment and training-related applications, tests, and certifications.

8. Adult mentoring

- i. Adult mentoring for youth must:
 - a. Last at least 12 months and may take place both during the program and following exit from the program;
 - b. Be a formal relationship between a youth participant and an adult mentor that includes structured activities where the mentor offers guidance, support, and encouragement to develop the competence and character of the mentee;
 - c. While group mentoring activities and mentoring through electronic means are allowable as part of the mentoring activities, at a minimum, the local youth program must match the youth with an individual mentor with whom the youth interacts on a face-to-face basis.
- ii. Mentoring may include workplace mentoring where the local program matches a youth participant with an employer or employee of a company.

Youth case managers may serve as adult mentors if mentoring programs do not exist in the local area and establishing a program is burdensome to the local area.

9. Follow-up services for not less than 12 months after the completion of participation.

Follow-up services are critical services provided following a youth's exit from the program to help ensure the youth is successful in employment and/or post-secondary education and training. Follow-up services may include regular contact with a youth participant's employer, including assistance in addressing work-related problems that arise. Follow-up services for youth also may include the following program elements:

- i. Supportive services;
- ii. Adult mentoring;
- iii. Financial literacy education;

- iv. Services that provide labor market and employment information about in-demand industry sectors or occupations available in the local area, such as career awareness, career counseling, and career exploration services; and
- v. Activities that help youth prepare for and transition to postsecondary education and training.

All youth participants must be offered an opportunity to receive follow-up services that align with their individual service strategies. All youth participants must receive some form of follow-up services for a minimum duration of 12 months unless the participant declines to receive follow-up services or the participant cannot be located or contacted. Follow-up services may be provided beyond 12 months at the local board's discretion. The types of services provided and the duration of services must be determined based on the needs of the individual and therefore, the type and intensity of follow-up services may differ for each participant. However, follow-up services must include more than only a contact attempted or made for securing documentation in order to report a performance outcome.

10. Comprehensive guidance and counseling, which may include drug and alcohol abuse counseling and referrals to counseling, as appropriate to the needs of the individual youth.

Comprehensive guidance and counseling provides individualized counseling to participants. This includes drug and alcohol abuse counseling, mental health counseling, and referral to partner programs, as appropriate. When referring participants to necessary counseling that cannot be provided by the local youth program or its service providers, the local youth program must coordinate with the organization it refers to in order to ensure continuity of service.

11. Financial literacy education - NEW

The financial literacy education program element may include activities which:

- i. Support the ability of participants to create budgets, initiate checking and savings accounts at banks, and make informed financial decisions;
- ii. Support participants in learning how to effectively manage spending, credit, and debt, including student loans, consumer credit, and credit cards;
- iii. Teach participants about the significance of credit reports and credit scores; what their rights are regarding their credit and financial information; how to determine the accuracy of a credit report and how to correct inaccuracies; and how to improve or maintain good credit;
- iv. Support a participant's ability to understand, evaluate, and compare financial products, services, and opportunities and to make informed financial decisions;
- v. Educate participants about identity theft, ways to protect themselves from identify theft, and how to resolve cases of identity theft and in other ways understand their rights and protections related to personal identity and financial data;
- vi. Support activities that address the particular financial literacy needs of non-English speakers, including providing the support through the development and distribution of multilingual financial literacy and education materials;

- vii. Support activities that address the particular financial literacy needs of youth with disabilities, including connecting them to benefits planning and work incentives counseling;
- viii. Provide financial education that is age appropriate, timely, and provides opportunities to put lessons into practice, such as by access to safe and affordable financial products that enable money management and savings; and
- ix. Implement other approaches to help participants gain the knowledge, skills, and confidence to make informed financial decisions that enable them to attain greater financial health and stability by using high quality, age-appropriate, and relevant strategies and channels, including, where possible, timely and customized information, guidance, tools, and instruction.

12. Entrepreneurial skills training - NEW

Entrepreneurial skills training provide the basics of starting and operating a small business.

- i. Such training must develop the skills associated with entrepreneurship. Such skills include, but are not limited to, the ability to:
 - a. Take initiative;
 - b. Creatively seek out and identify business opportunities;
 - c. Develop budgets and forecast resource needs;
 - d. Understand various options for acquiring capital and the trade-offs associated with each option; and
 - e. Communicate effectively and market oneself and one's ideas.
- ii. Approaches to teaching youth entrepreneurial skills include, but are not limited to, the following:
 - a. Entrepreneurship education that provides an introduction to the values and basics of starting and running a business. Entrepreneurship education programs often guide youth through the development of a business plan and may also include simulations of business start-up and operation.
 - b. Enterprise development which provides supports and services that incubate and help youth develop their own businesses. Enterprise development programs go beyond entrepreneurship education by helping youth access small loans or grants that are needed to begin business operation and by providing more individualized attention to the development of viable business ideas.
 - c. Experiential programs that provide youth with experience in the day-to-day operation of a business. These programs may involve the development of a youth-run business that young people participating in the program work in and manage. Or, they may facilitate placement in apprentice or internship positions with adult entrepreneurs in the community.

13. Services that provide labor market and employment information about in-demand industry sectors or occupations available in the local area, such as career awareness, career counseling, and career exploration services - NEW

14. Activities that help youth prepare for and transition to post-secondary education and training - NEW

D. Issuing Youth Service Provider Commitment Documents

In issuing solicitations and amending or awarding youth service provider commitment documents, local areas should consider how to incorporate the WIOA eligibility criteria and expenditure minimums for out-of-school youth and work experience into these documents. In issuing new commitment documents, local areas may wish to employ one-year commitment documents which may contain additional option years, rather than multi-year commitment documents, at the beginning of WIOA implementation. Multi-year commitment documents may be a more desirable strategy later down the road. Given how resource-intensive the solicitation process may be, option year commitment documents are a strategy to ensure maximum flexibility while final regulations are published and program guidance is issued. They also provide added flexibility to local areas during a time of transition when regulations and guidance will be issued that could provide information necessary for future service provider commitment documents.

[TEGL 13-09](#) provides federal guidance to states and local boards on contracting strategies that facilitate service providers to serve the youth most in need, while still achieving performance goals. The recommended strategies include:

- Employing multi-year or option-year contracting;
- Basing enrollment goals on a total participant count in a performance period;
- Using “real-time” indicators or interim progress benchmarks to assess provider performance in addition to WIA (WIOA) Youth common or statutory measures;
- Factoring participant characteristics and external factors into performance negotiations;
- Creating positive incentives for youth service providers to enroll youth who are most in need of services and to provide services that will help these youth achieve successful outcomes; and
- Encouraging the use of interagency collaboration to create a seamless system in which funds from other sources provide services to stabilize basic shelter, health, and safety needs and meet the broad developmental needs of youth prior to their enrollment in WIA (WIOA) for services targeted to career education and employment.

E. List of WIOA-Eligible Youth Providers

CDLE is required to disseminate a statewide list of WIOA-eligible youth service providers in each local area. This list should include all the service providers that are determined through the **identification or selection methods in Section A. (including the local grant recipient as appropriate)** and will be maintained on CDLE’s website. Local areas are responsible for providing a **board-approved** list of their eligible youth providers to their Regional Liaison using the template in **Attachment 1**.

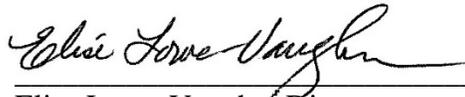
V. IMPLEMENTATION DATE:

WIOA-eligible Title I youth providers must be in place no later than February 20, 2017 (6 months after the release of the final regulations).

The local board is responsible for **identifying the eligible providers of youth workforce development activities in the local area**. Once the providers are selected, local areas must submit a **board-approved** list of eligible youth providers (see **Attachment 1**) to their Regional Liaison within 30 days after the competitive selection process is completed and at least annually thereafter, as part of the local area compliance plan.

VI. INQUIRIES:

Please direct all inquiries to your Regional Liaison at Workforce Development Programs.



Elise Lowe-Vaughn, Director
Workforce Programs, Policy, and Strategic Initiatives

ATTACHMENT(S):

1. Eligible Youth Service Provider Chart