

Workforce Innovation and Opportunity Act (WIOA)

Interim Program Guidance for Adult, Dislocated Worker, and Youth Programs

June 24, 2015

Department of Workforce Development
Division of Employment and Training
Bureau of Workforce Training
DETWIOA@dwd.wi.gov



TABLE OF CONTENTS

I. Executive Summary	1
II. Introduction	3
III. Services for Adults and Dislocated Workers.....	4
Career Services.....	4
<i>Basic Career Services</i>	4
<i>Individualized Career Services</i>	5
<i>Previous Assessment</i>	5
<i>Follow-Up Services</i>	5
Training Services.....	6
<i>Eligibility for Training Services</i>	6
Required and Permitted Activities.....	6
<i>Job Seeker Services</i>	6
<i>Employer Services</i>	7
<i>Coordination Activities</i>	7
Definitions	7
ASSET Changes	8
Documentation Requirements	8
IV. WIOA Adult Program.....	9
WIOA Adult Eligibility.....	9
Service Priority for Individualized Career Services and Training Services	9
Definitions	9
ASSET Changes and Documentation Requirements.....	10
V. WIOA Dislocated Worker Program.....	11
WIOA Dislocated Worker Eligibility	11
Definitions	12
ASSET Changes	12
Documentation Requirements	13
VI. WIOA Youth Program.....	14
WIOA Youth Eligibility	15
<i>In-School Youth</i>	15
<i>Out-of-School Youth</i>	15
Youth Program Design	16
Youth Program Elements	16
Definitions	18
ASSET Changes	20
Documentation Requirements	21
VII. Administrative Requirements.....	22
Attachment A.....	25

I. EXECUTIVE SUMMARY

The goal of the Workforce Innovation and Opportunity Act (WIOA) is to improve the quality of the workforce, reduce welfare dependency, increase economic self-sufficiency, meet skills requirements of employers, and enhance the productivity and competitiveness of the Nation.

In general, the majority of WIOA provisions become effective on July 1, 2015 with additional requirements set for July 1, 2016. Major changes addressed in this guidance document are:

WIOA Adult and Dislocated Worker Program Changes

Applicable to Both Programs

- Removes the sequence of services that was required under WIA. A participant may receive services in any order that is deemed appropriate, if he/she meets certain requirements.
- Combines Core and Intensive services into "Career Services".
- Allows service providers to provide services to employers.
- Permits coordination with outside agencies to provide comprehensive services to participants.

Applicable to WIOA Adult Program Only

- Adds individuals who are "basic skills deficient" to the list of participants who must be given priority of service.
- Requires that priority of service considerations be factored in at all times rather than implementing priority of service only when funds are limited.
- Considers individuals receiving free or reduced lunch as "low income".

Applicable to WIOA Dislocated Worker Program Only

- Adds two new categories of individuals who may be served as dislocated workers: (1) spouses of members of the military on active duty and (2) separated military members.
- Adds dependent spouses of members of the Armed Forces on active duty as a category of individuals who may be served displaced homemakers.

WIOA Youth Program

- Raises the minimum percentage of funds required to be spent on out-of-school youth from 30 to 75 percent of youth allocations, minus administration costs.
- Requires local workforce development boards to spend at least 20 percent of youth funds on work experience.

- Adds five new program elements that are available to youth.
- Automatically deems youth living in a "high poverty area" as meeting any low-income eligibility requirement for participation in the youth program.
- Allows a local workforce development board to serve out-of-school youth who are not attending school but are required to attend school by making school attendance a priority and scheduling services outside of normal school hours.

II. INTRODUCTION

President Obama signed the Workforce Innovation and Opportunity Act (WIOA) into law on July 22, 2014. In general, the Act takes effect on July 1, 2015. WIOA is comprehensive legislation that reaffirms, reforms, and modernizes the public workforce system, bringing together and enhancing several key employment, education, and training programs. WIOA provides resources, services, and leadership tools for the workforce system to help individuals find and maintain good jobs and improves employer prospects for success in the global marketplace. It ensures that the workforce system operates as a comprehensive, integrated and streamlined system to provide pathways to prosperity for those it serves and continuously improves the quality and performance of its services. The purposes of WIOA are to:

- increase, particularly for individuals with barriers to employment, access to and opportunities for the employment, education, training, and support services needed to succeed in the labor market;
- support the alignment of workforce investment, education, and economic development systems for a comprehensive, accessible, and high-quality workforce development system;
- improve the quality and labor market relevance of workforce investment, education, and economic development efforts to provide individuals with the skills and credentials necessary to secure and advance in employment with family-sustaining wages, and to provide employers with the skilled workers needed to succeed in a global economy;
- promote improvement in the structure and delivery of services through the workforce development system to better address the educational and training needs of workers, job seekers, and employers;
- increase the prosperity of workers and employers; the economic growth of communities, regions, and states; and the global competitiveness of the United States; and
- provide workforce investment activities that increase participants' employment, retention, earnings, and attainment of recognized postsecondary credentials, and as a result, improve the quality of the workforce, reduce dependency on public assistance, increase economic self-sufficiency, meet the skills requirements of employers, and enhance the productivity and competitiveness of the nation.

The purpose of this interim document is to provide guidance regarding:

- Significant changes from the Workforce Investment Act (WIA) program that impact Title I program eligibility for the WIOA Title I Adult, Dislocated Worker, and Youth Programs
- Criteria and documentation sources for establishing WIOA Title 1 program eligibility; and
- Significant ASSET changes.

The guidance in this document is based on the Department of Workforce Development's (DWD) initial analysis of the WIOA legislation and the five notices of proposed rulemaking (NPRMs) covering WIOA Titles I-IV, published in the Federal Register on April 16, 2015. This guidance is subject to change as additional federal guidance on WIOA is released. Once the WIOA Proposed Rules are finalized, the information provided in this document will be incorporated into specific WIOA policies as appropriate, including documentation guides, performance Technical Assistance Guides, the Automated System Support for Employment and Training (ASSET) Users Guide, and other relevant documents. Unless otherwise noted, the documentation requirements in the current *Guide to Workforce Investment Act Title IB Eligibility Determination and Documentation* and *Guide to Participant Case File Documentation* still apply.

III. SERVICES FOR ADULTS AND DISLOCATED WORKERS

WIOA merges Core and Intensive services into one category – "Career Services."

WIOA removes the sequence of service requirements established under WIA. Under WIA, participants were required to undergo a sequence of Core and Intensive services in order to receive training. WIOA clarifies that there is no sequence of service requirement in order to receive training. However, Proposed §680.220 states that, at minimum, to be eligible for training, an individual must receive either an interview, evaluation, or assessment and career planning or any other method through which the one-stop operator/partner can obtain enough information to make an eligibility determination for training services. Where appropriate, a recent interview, evaluation, or assessment may be used for the assessment purpose.

WIOA establishes two levels of employment and training services for adults and dislocated workers: career services and training services.

Career Services

Career services for adults and dislocated workers must be available in at least one Job Center in each local workforce development area. There are three types of career services, as identified in §678.430 of the NPRMs:

- Basic career services;
- Individualized career services; and
- Follow-up services.

Basic Career Services

Basic career services must be made available and, at a minimum, must include the following services:

- Determinations of whether the individual is eligible to receive assistance from the adult, dislocated worker, or youth programs;
- Outreach, intake (including worker profiling), and orientation to information and other services available through the local workforce system;
- Initial assessment of skills levels, including literacy, numeracy, and English language proficiency, as well as aptitudes, abilities (including skills gaps), and support service needs;
- Labor exchange services, including:
 - job search and placement assistance, and, when needed by an individual, career counseling, including the provision of information on nontraditional employment and in-demand industry sectors and occupations; and
 - appropriate recruitment and other business services on behalf of employers, including information and referrals to specialized business services not traditionally offered through the local workforce system;
- Provision of referrals to and coordination of activities with other programs and services, including programs and services within the local workforce system and, when appropriate, other workforce development programs;
- Provision of workforce and labor market employment statistics information, including information relating to local, regional, and national labor market areas;
- Provision of performance information and program cost information on eligible providers of training services by program and provider type;

- Provision of information, in usable and understandable formats and languages, about how the Board is performing on local performance accountability measures, as well as any additional performance information relating to the local workforce system;
- Provision of information, in usable and understandable formats and languages, relating to the availability of support services or assistance, and appropriate referrals to those services and assistance;
- Provision of information and assistance regarding filing claims for unemployment compensation, by which the Board must provide assistance to individuals seeking such assistance.
- Assistance in establishing eligibility for programs of financial aid assistance for training and education programs not provided under WIOA.

Individualized Career Services

Individualized career services must be made available if determined to be appropriate in order for an individual to obtain or retain employment. These include the following services:

- Comprehensive and specialized assessments of the skills levels and service needs of adults and dislocated workers; Section 134(c)(2) and (c)(3) list the required local employment and training activities. To satisfy some of these requirements, the use of assessments is necessary. Ostensibly to avoid duplication of services, WIOA contains a clause that allows the use of previous assessments from another education or training program. The previous assessments must be determined to be appropriate by the One-Stop Operator (OSO) or the One-Stop Partner (OSP) and must have been completed within the previous six months
- Development of an individual employment plan to identify the employment goals, appropriate achievement objectives, and appropriate combination of services for the participant to achieve his or her employment goals, including the list of, and information regarding eligible training providers;
- Group counseling;
- Individual counseling;
- Career planning;
- Short-term prevocational services, including development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct services to prepare individuals for unsubsidized employment or training;
- Internships and work experience that are linked to careers;
- Workforce preparation activities;
- Financial literacy services as described in WIOA §129(b)(2)(D);
- Out-of-area job search and relocation assistance; and
- English language acquisition and integrated education and training programs.

Previous Assessments

WIOA allows the use of previous assessments for determining appropriate career and training services for participants. WDBs should ensure the previous assessment contains current information and is no more than six months old.

Follow-Up Services

Follow-up services must be made available, as appropriate—including counseling regarding the workplace—for participants in adult or dislocated worker activities who are placed in unsubsidized employment for a minimum of 12 months after the first day of employment.

Training Services (new services are italicized)

WIOA is designed to increase participant access to training services. Training services are provided to equip individuals to enter the workforce and retain employment. Examples of training services include:

- occupational skills training, including training for nontraditional employment;
- on-the-job training (OJT), including registered apprenticeship;
- *incumbent worker training in accordance with WIOA §134(d)(4)*;
- workplace training and cooperative education programs;
- private sector training programs;
- skills upgrading and retraining;
- entrepreneurial training;
- *transitional jobs* in accordance with WIOA §134(d)(5);
- job readiness training provided in combination with other training described above;
- adult education and literacy activities, including activities of English language acquisition and integrated education and training programs, in combination with training; and
- customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

Eligibility for Training Services

Training services may be made available to employed and unemployed adults and dislocated workers who:

- a Board determines, after a determination of need is made using an employment plan:
 - are unlikely or unable to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment through career services;
 - are in need of training services to obtain or retain employment leading to economic self-sufficiency or wages comparable to or higher than wages from previous employment; and
 - have the skills and qualifications to participate successfully in training services;
- have selected a program of training services that is directly linked to:
 - occupations that have been targeted by the Board, or are targeted occupations for another local workforce development area to which an adult or dislocated worker is willing to commute or relocate; or
 - occupations that have been determined on a case-by-case basis to have a high potential for sustained demand and growth in the workforce area, based on sufficient and verifiable documentation, in accordance with the Board's procedures; and
- Are unable to obtain grant assistance from other sources to pay the costs of such training and related support services, including such sources as state-funded training funds, Trade Adjustment Assistance (TAA), and federal Pell Grants or require WIOA assistance in addition to other sources of grant assistance, including federal Pell Grants.

Required and Permitted Activities

WIOA Title I adult and dislocated worker formula funds **must** be used to provide career and training services. Local Boards determine the most appropriate mix of these services, but both types must be available for eligible adults and dislocated workers. WIOA Title I funds **may** also be used to provide the additional services described below:

Job Seeker Services

- Customer support to enable individuals with barriers to employment (including individuals with disabilities) and veterans to navigate among multiple services and activities

- Training programs for displaced homemakers and for individuals training for nontraditional occupations (as defined in WIOA §3(37) as occupations or fields of work in which individuals of one gender comprise less than 25 percent of the individuals so employed), in conjunction with programs operated in the workforce area
- Work support activities for low-wage workers that will provide opportunities for these workers to retain or enhance employment

Work support activities may include any activities available under the WIOA adult and dislocated worker programs in coordination with activities and resources available through partner programs. These activities may be provided in a manner that enhances the worker's ability to participate, for example by providing activities during nontraditional hours or providing on-site child care.

- Support services, including needs-related payments. **Note:** WDBs must have an approved needs-related payment policy prior to providing these payments to participants.
- Transitional jobs, as described in WIOA §134(d)(5), to individuals with barriers to employment who are chronically unemployed or have an inconsistent work history (see below for definition)

Employer Services

- Customized screening and referral of qualified participants in training services to employers
- Customized employment-related services to employers, employer associations, or similar organizations on a fee-for-service basis that are in addition to labor exchange services available to employers under the Wagner-Peyser Act
- Activities to provide business services and strategies that meet the workforce investment needs of employers, as determined by the Board and consistent with the Board's local plan

Coordination Activities

- Employment and training activities in coordination with any of the following:
 - child support enforcement activities, as well as child support services and assistance activities, of the state and local agencies carrying out Part D of Title IV of the Social Security Act (42 USC 651, et seq.);
 - cooperative extension programs carried out by the US Department of Agriculture;
 - activities to facilitate remote access to services, including facilitating access through the use of technology
- Activities to:
 - improve coordination between workforce development and economic development and to promote entrepreneurial skills training and microenterprise services; and
 - improve services and linkages between the local workforce system and employers, including small employers
- Improving coordination between employment and training activities and programs carried out in the workforce area for individuals with disabilities

Definitions

- *Incumbent worker training:* There must be an employer-employee relationship and an established employment history with the employer of six months or more. An incumbent worker does not necessarily have to meet the WIOA adult or dislocated worker eligibility. Incumbent worker training funds are paid to avert a lay-off or otherwise retain employment. Incumbent worker training must be conducted with a commitment by the employer to retain or avert the layoffs of the incumbent workers trained. WDBs must establish a non-federal

reimbursement share for incumbent worker training, which must be based on such factors as the number of employees participating in the training, the wage and benefit levels of the employees, the relationship of the training to the competitiveness of the employer and employees, and the availability of other employer-provided training and advancement opportunities. The non-Federal share shall not be less than 10% of the cost for employers with no more than 50 employees; 25% of the cost for employers with 50-100 employees, and 50% for employers with more than 100 employees.

- Self-sufficiency: The Division plans to provide further guidance with a uniform, objective self-sufficiency definition. Until that guidance is issued, WDBs should continue to use their current, local definition.
- Transitional jobs: Time-limited work experiences that are subsidized and are in the public, private, or nonprofit sectors for individuals with barriers to employment who are chronically unemployed or have an inconsistent work history; are combined with comprehensive employment and supportive services; and are designed to assist in establishing a work history, demonstrate success in the workplace, and develop the skills that lead to entry into and retention in unsubsidized employment. The local board may use not more than 10 percent of their combined non-administrative total of adult and dislocated worker allotments to provide transitional jobs.

ASSET Changes

- Core self or informational service category is renamed "Basic Career Services"
- Core services staff assisted and intensive service categories merged into "Individualized Career Services"
- New Career and Training Services will be added to Manage Services

Documentation Requirements

- For training services, the case file must contain a determination of the need for training services as determined through the interview, evaluation, or assessment, and career planning and training provider performance information.
- If career services are not provided before training, the case file must document the circumstances that justified the determination to provide training without first providing career services.

IV. WIOA ADULT PROGRAM

While WIOA adult eligibility requirements remain mostly consistent with WIA, there are some significant changes to the service priority provisions. Consistent with WIA, priority for adult services must be given to recipients of public assistance and other low-income individuals, with added priority for individuals who are basic skills deficient. Under WIA, this priority applied only when adult funds were limited. Under WIOA, however, priority access to services by members of this group applies automatically. WIOA expands the definition of low-income individual to include individuals who receive or are eligible to receive a free or reduced-price lunch under the Richard B. Russell National School Lunch Act.

WIOA Adult Eligibility

To be eligible to receive WIOA services as an adult in the adult and dislocated worker programs, an individual must:

- be 18 years of age or older;
- be a citizen or noncitizen authorized to work in the US; and
- meet Military Selective Service registration requirements (males only).

Service Priority for Individualized Career Services and Training Services

Individualized career services and training services (see page 6) must be given on a priority basis, regardless of funding levels, to:

- public assistance recipients, and/or low-income adults; and/or individuals who are basic skills deficient.

Veterans/eligible spouses continue to have priority of service for WIOA and other designated job training programs funded in whole or in part by the U.S. Department of Labor. Refer to *Administrator's Memo 10-02, Implementation of Priority of Service for Veterans and Eligible Spouses*, for further information on this requirement.

Participants who are not in a priority of service category but are actively enrolled in a career or training service should be allowed to complete the activity. It is not expected that non-priority service participants must give up their place to an individual who is in a priority of service category and just starting a career and/or training service.

Definitions

Basic Skills Deficient: Wisconsin has defined basic skills deficient as the same for adult and youth participants, namely, an individual that has English reading, writing, or computing skills at or below the 8th grade (8.9 or lower) level. It is expected that basic skills deficient will be determined using an objective, valid and reliable assessment, such as the Test for Adult Basic Education (TABE). Refer to *WIA Policy 10-03, Change 1, Youth Literacy and Numeracy Gains*, for further information on testing.

Low-Income Individual: An individual who meets any *one* of the following criteria satisfies the low-income requirement for WIOA adult services:

- Receives, or in the past six months has received, or is a member of a family that is receiving or in the past six months has received, assistance through FoodShare, Temporary Assistance for Needy Families (TANF), or the Supplemental Security Income (SSI) program,

or state or local income-based public assistance (Refer to *WIA Policy 07-03: Cash Public Assistance and National School Lunch Program* for further guidance on public assistance);

- Receives an income or is a member of a family receiving an income that, in relation to family size, is not in excess of the current combined U.S. Department of Labor 70 percent Lower Living Standard (LLS) Income Level and U.S. Department of Health and Human Services (HHS) Poverty Guidelines (Refer to Attachment A for the current levels);
- Is a homeless individual as defined in §41403(6) of the Violence Against Women Act of 1994, or a homeless child or youth as defined in §725(2) of the McKinney-Vento Homeless Assistance Act (see page 19 for further guidance);
- Receives or is eligible to receive a free or reduced-price lunch under the Richard B. Russell National School Lunch Act;
- Is a foster youth on behalf of whom state or local government payments are made; or
- Is an individual with a disability whose own income meets:
 - WIOA's income requirements, even if the individual's family income does not meet the income requirements; or
 - The income eligibility criteria for payments under any federal, state, or local public assistance program (refer to *WIA Policy 07-03: Cash Public Assistance and National School Lunch Program* for further guidance regarding public assistance).

ASSET Changes

- Manage Programs – two new data fields will be added - *basic skills deficient and *free/reduced lunch

Documentation Requirements

- If the priority of service determination is based on the basic skills deficient criteria, the participant file must contain academic tests (including the participant's name, date of test, and results)
- If the individual qualifies as receiving free or reduced lunch, documentation from the school must be obtained.
- Refer to the current *Guide to Workforce Investment Act Title IB Eligibility Determination and Documentation* for documentation requirements for those eligibility criteria unchanged from WIA

V. WIOA DISLOCATED WORKER PROGRAM

The WIOA dislocated worker program offers employment and training services for eligible workers who are unemployed through no fault of their own or who have received an official layoff notice. WIOA expands the definition of dislocated worker to include the spouse of an active military member who lost employment as a result of a permanent change in duty location or is unemployed or underemployed and experiencing difficulty in obtaining or upgrading employment.

WIOA Dislocated Worker Eligibility

To be eligible to receive WIOA services as a dislocated worker in the adult and dislocated worker programs, an individual must:

- be a citizen or noncitizen authorized to work in the US;
- meet Military Selective Service registration requirements (males only); and
- Meet the definition of dislocated worker at WIOA §3(15).

Definition of Dislocated Worker

A dislocated worker is an individual who meets one of the following six criteria (in addition to the State criteria):

1. The individual:
 - has been terminated or laid off, or has received a notice of termination or layoff, from employment;
 - is eligible for or has exhausted entitlement to unemployment compensation, or has been employed for a duration sufficient to demonstrate attachment to the workforce, but is not eligible for unemployment compensation due to insufficient earnings or having performed services for an employer that were not covered under a state's Unemployment Insurance law; and
 - Is unlikely to return to a previous industry or occupation.
2. The individual:
 - has been terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise;
 - is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days; or
 - for purposes of eligibility to receive services other than training services, career services, or support services, is employed at a facility at which the employer has made a general announcement that such facility will close.
3. The individual was self-employed (including employment as a farmer, a rancher, or a fisherman) but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters. This includes individuals working as independent contractors or consultants but not technically employees of a firm.
4. The individual is a displaced homemaker (see definition on page 12)
5. Is the spouse of a member of the Armed Forces on active duty, and who has experienced a loss of employment as a direct result of relocation to accommodate a permanent change in

duty station of such members; or is the spouse of a member of the Armed Forces on active duty and who is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

6. A separated service member with a discharge other than dishonorable, who has received a notice of separation from the Department of Defense and is unlikely to return to a previous industry or occupation.
 - UI-Eligible for or Exhausted
 - Not UI Eligible, but Sufficient Employment Duration

Definitions

Active duty: Full-time training duty, annual training duty, and attendance, while in active military service, at a school designated as a service school. This does not include full-time National Guard duty.

Call or order to active duty: Service member has received official notice of call to active duty.

Deployment: Pursuant to orders, the service member is performing service in a training exercise or operation at a location or under circumstances that make it impossible or infeasible to spend off-duty time in housing in which the member resides when on garrison duty at the member's permanent duty station or homeport; or the Secretary of Defense may prescribe a revised definition of deployment

Displaced Homemaker: An individual who has been providing unpaid services to family members in the home and who: a) has been dependent on the income of another family member but is no longer supported by that income; or b) is the dependent spouse of a member of the Armed Forces on active duty and whose family income is significantly reduced (see definition below) because of a deployment, a call or order to active duty, a permanent change of station, or the service-connected death or disability of the member; and c) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

Permanent change of station: Official relocation of an active duty military service member, along with any family members living with her or him, to a different duty location, such as a military base. (Refer to <https://www.dmdc.osd.mil/appj/scra/> to determine active duty status).

Service-connected death or disability of the service member: Such disability was incurred or aggravated, or that the death resulted from a disability incurred or aggravated, in the line of duty in the active military, naval, or air service.

Significantly reduced (as it relates to displaced homemaker): If the household income is above **250% of the Federal Poverty Level**, then a drop in income, to 250% or below of the Federal Poverty Level, is considered a significant reduction. If the household income is currently at or below **250% of the Federal Poverty Level**, then any drop in household income is considered significant. (Refer to Attachment A for the current levels)

ASSET Changes

- Existing State Eligibility Criteria #2 adds "Sufficient Employment Duration" heading
- Federal Eligibility Criteria #5 for displaced homemaker is revised to add being a dependent spouse of a member of the Armed Forces on active duty whose family income is significantly

reduced because of the spouse's deployment, order of active duty, permanent change of station, or service connected death or disability.

- Federal Eligibility Criteria #6 is newly added: Spouse of a member of the Armed Forces on active duty who: a) has experienced a loss of employment as a result of relocation of the spouse's duty station; b) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.
- Federal Eligibility Criteria #7 is newly added: A separated service member with a discharge other than dishonorable, who has received a notice of separation from the Department of Defense and is unlikely to return to a previous industry or occupation.

Documentation Requirements

- Notice of deployment, call or order to active duty or change of station; death certificate or self-attestation (service connected death or disability); pay stubs, tax returns, other documents to verify decrease in income
- Refer to the current *Guide to Workforce Investment Act Title IB Eligibility Determination and Documentation* for documentation requirements for those eligibility criteria unchanged from WIA

VI. WIOA YOUTH PROGRAM

WIOA enacted a number of changes for the youth formula-funded program. The most significant change is the focus of resources to out-of-school youth (OSY). WIOA raises the minimum percentage of funds required to be spent on OSY from 30 percent to 75 percent. This intentional shift refocuses the program to serve OSY during a time when large numbers of youth and young adults are out-of-school and not connected to the labor force. Additionally, under WIOA, opportunities for work experience become an important element of the program. WIOA prioritizes work experience with the requirement that Boards must spend a minimum of 20 percent of youth funds on work experience.

WIOA also introduces five new program elements:

- financial literacy;
- entrepreneurial skills training;
- services that provide labor market and employment information about in-demand industry sectors or occupations available in the workforce areas;
- activities that help youth prepare for and transition to postsecondary education and training; and
- Education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster.

WIOA enhances the youth program design through an increased emphasis on individual participant needs by adding new components to the objective assessment and Individual Service Strategy (ISS). WIOA incorporates career pathways as part of both the objective assessment and development of the individual service strategy. In addition, the individual service strategy must directly link to one or more of the performance indicators. The program design under WIOA also includes effective connections to employers, including small employers, in in-demand industry sectors and occupations. In addition, the local board has the discretion to implement a pay-for-performance contract strategy for the provision of the program elements for which the local board may reserve and not use more than 10 percent of the total funds allocated to the local area.

Unlike under WIA or under the definition of an in-school youth (ISY) under WIOA, low income is not a requirement to meet eligibility for most categories of OSY under WIOA. However, low income is now a criterion for youth who need additional assistance to enter or complete an educational program or to obtain or retain employment. Also, WIOA has made youth with a disability a separate eligibility criterion, and has changed the age criterion for OSY eligibility to youth not younger than 16 and not older than 24 years at the time of enrollment. Additionally, WIOA includes a new OSY criterion: a youth who is within the age of compulsory school attendance but has not attended school for at least the most recent school year's calendar quarter.

Under compulsory school attendance law, Section 118.15(1)(a) of the Wisconsin Statutes, "any person having under control a child who is between the ages of 6 and 18 years shall cause the child to attend school regularly during the full period and hours, religious holidays excepted, that the public, private, or tribal school in which the child should be enrolled is in session until the end of the school term, quarter, or semester of the school year in which the child becomes 18 years of age."

In order to comply with the State's compulsory attendance law, and WIOA's priority and non-interference requirement, youth at an age where they are required to attend school, do not have an exception to the regular school attendance as outlined in Wis. Stat. sec 118.15(3), or have not graduated, may be served as an out-of-school youth, if the WDB makes school attendance a priority and provides services outside of the regular school day.

Through the ISS, the WDB makes school attendance a priority by providing services that direct a youth back to school. The first goal of the ISS must be to have the youth return to school. The board can also provide services that encourage regular school attendance, such as counseling, tutoring, or exploring career options, as well as dropout prevention and recovery strategies that lead to completion of the requirements for a secondary school diploma or its recognized equivalent.

Services provided to out-of-school youth must be provided outside of the regular school day for youth who are not 18 and have not graduated unless the service is returning to school. For purposes of compliance with the law, a regular school schedule is the days and times during which school is normally held as set by the school district board.

WIOA Youth Eligibility

To be eligible to receive WIOA youth services, an individual must:

- Be a citizen or noncitizen authorized to work in the United States;
- Meet Military Selective Service registration requirements (males only); and
- Be an ISY or OSY, as defined by WIOA §129(a)(1)(B)–(C).

In-School Youth (ISY)

An ISY is an individual who is:

- Not younger than 14 and not older than 21 years;
- Attending school (as defined by State law);
- Low-income, as defined by WIOA §3(36), or lives in a high poverty area; and
- One or more of the following:
 - Basic skills deficient (see definition on page 18)
 - An English language learner;
 - An offender;
 - A homeless individual, a homeless child or youth, a runaway, in foster care or has aged out of the foster care system, a child eligible for assistance under §477 of the Social Security Act (42 USC §677), or in an out-of-home placement;
 - Pregnant or parenting;
 - Disabled; or
 - Requires additional assistance to enter or complete an educational program or to secure or hold employment (WIOA §3(27) and §129(a)(1)(C)). No more than 5 percent of ISY served in the workforce area may be deemed eligible because of the criteria described in this bullet.

Out-of-School Youth (OSY)

An OSY is an individual who is:

- Not younger than 16 and not older than 24 years;
- Not attending school (as defined by State law), other than adult education provided under Title II of WIOA, YouthBuild programs, and Job Corps programs; and
- One or more of the following:

- A school dropout, as defined by the state (a youth attending an alternative school at the time of enrollment is not considered a dropout);
- Within the age of compulsory school attendance (aged 6–18), but has not attended school for at least the most recent complete school year’s calendar quarter;
- A recipient of a secondary school diploma or its recognized equivalent who is a low-income individual and is either:
 - Basic skills deficient (see definition on page 18); or
 - An English language learner;
- Subject to the juvenile or adult justice system;
- A homeless individual, a homeless child or youth, a runaway, in foster care or has aged out of the foster care system, a child eligible for assistance under §477 of the Social Security Act (42 USC §677), or in an out-of-home placement;
- Pregnant or parenting;
- Disabled; or
- A low-income individual who requires additional assistance to enter or complete an educational program or to obtain or retain employment.

Youth Program Design

The design framework of local youth programs must:

- Provide for an objective assessment of each youth participant, including a review of the academic and occupational skill levels and service needs, for the purpose of identifying appropriate services and career pathways for participants and informing the individual service strategy. A new assessment of a participant is not required if the Board determines that it is appropriate to use a recent (within the previous six months) assessment of the participant conducted as part of another education or training program. **Note:** For purposes of the Literacy and Numeracy Gain performance measure (in effect until July 1, 2016), the prescribed tests to be used are specified in *WIA Policy Update 10-03, change 1: Literacy and Numeracy Gains* (WorkKeys is no longer acceptable and the use of Wonderlic expires June 30, 2015 and it is unknown if it will be available after that date).
- Develop, and update as needed, an individual service strategy for each youth participant that:
 - is directly linked to one or more indicators of performance (as described in WIOA §116(b)(2)(A)(ii)) (**Note:** this will not be effective until Program Year 2016);
 - identifies appropriate career pathways that include education and employment goals;
 - considers career planning and the results of the objective assessment; and
 - prescribes achievement objectives and services for the participant; and
- Provide case management of youth participants, including follow-up services.

Youth Program Elements

Boards must ensure that the following 14 services are available to youth participants (new program elements are identified in italics):

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 academic and occupational education as a component of the work experience, which may include the following types of work experiences:
 - Summer employment opportunities and other employment opportunities available throughout the school year;
 - Pre-apprenticeship programs—a program or set of strategies designed to prepare individuals to enter and succeed in a registered apprenticeship program and has a documented partnership with at least one, if not more, registered apprenticeship programs;
 - Internships and job shadowing;
 - OJT opportunities, as defined in WIOA §3(44)
4. Occupational skills training, which includes priority consideration for training programs that lead to recognized postsecondary credentials that align with in-demand industry sectors or occupations in the workforce area involved, if the Board determines that the programs meet the quality criteria described in WIOA §123. **Note:** Prior WIA regulations provided that Individual Training Accounts (ITAs) were not an authorized use of youth funds. However, the proposed regulations (681.550) allow ITAs for older, out-of-school youth aged 18 to 24.
5. *Education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster*
6. Leadership development opportunities, including community service and peer-centered activities encouraging responsibility and other positive social and civic behaviors
7. Support services, as defined in WIOA §3(59), which enable an individual to participate in WIOA activities. **Note:** Similar to the WIA program, incentive payments are allowable under the WIOA program. However, while incentive payments are allowable, the incentives must be in compliance with the requirements in 2 CFR part 200. For example, Federal funds may not be spent on entertainment costs. Therefore, incentives may not include entertainment, such as movie or sporting event tickets or gift cards to movie theaters or other venues whose sole purpose is entertainment. Additionally, under 2 CFR part 200, there are requirements related to internal controls to safeguard cash which also apply to safeguarding of gift cards, which are essentially cash.
8. Adult mentoring for a duration of at least 12 months that may occur both during and after program participation
9. Follow-up services for not fewer than 12 months after the completion of participation
10. Comprehensive guidance and counseling, which may include drug and alcohol abuse counseling, as well as referrals to counseling, as appropriate to the needs of the individual youth
11. *Financial literacy education*
12. *Entrepreneurial skills training*

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

14. *Activities that help youth prepare for and transition to postsecondary education and training*

Definitions

Activities to help youth transition to postsecondary education and training: Such activities could include: skill development and practice (time management, practice interviews, independent living, legal responsibilities after age of 18) and how to prepare for post-secondary education (applications, financial aid, scholarships)

Basic Skills Deficient: A youth who has English reading, writing, or computing skills at or below the 8th grade (8.9 or lower) level on a generally accepted standardized test.

Education offered concurrently with and in same context as workforce preparation: The three components of an integrated education and training program include: adult education and literacy activities, workforce preparation activities, and workforce training. Adult education and literacy activities are programs, activities, and services such as English language services to achieve competence in reading, writing, speaking, and comprehension. Workforce preparation activities help individuals acquire a combination of basic academic, critical thinking, and digital literacy skills. They improve employability by improving self-management abilities, increasing ability to work with others, and develop other skills necessary for successful transition into post-secondary education, training, and employment.

English Language Learner: An individual who has limited ability in reading, writing, speaking, or comprehending the English language, and whose native language is a language other than English; or who lives in a family or community environment where a language other than English is the dominant language.

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

Financial Literacy: Engaged in training to improve financial literacy or personal budgeting skills.

High Poverty Area: A youth living in a high poverty area automatically meets the low-income criterion. A high poverty area is a Census tract, a set of contiguous Census tracts, Indian Reservation, tribal land, or Native Alaskan Village or county that has a poverty rate of at least 30 percent, as set every five years using American Community Survey 5-Year data. **Note:** Currently, the only county in Wisconsin that meets the 30% poverty rate is Menomonie, so all youth residing in this county seeking to participate in the WIOA youth program will be automatically considered low income. However, there are likely some Census tracts in Wisconsin which meet the 30% poverty rate. If the WDB wishes to use this as a low-income criterion, they must use the American Community Survey 5-data to determine if any Census tracts in the local area are above the 30% poverty rate. The website is <http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>. Prior to utilizing this Census tract data to document that the youth resides in a high poverty area, the WDB will need to contact their Local Program Liaison for confirmation. If assistance is needed in conducting this research, contact your Local Program Liaison.

Homeless: An individual who lacks a fixed, regular, and adequate nighttime residence; including:

- Is sharing housing of other persons due to loss of housing, economic hardship, or a similar reason;
- Is living in a motel, hotel, trailer park, or campground due to lack of alternative adequate accommodations;
- Is living in an emergency or transitional shelter;
- Is abandoned in a hospital; or
- Is awaiting foster care placement;

An individual who has a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings; or

Migratory children (as defined in section 1309 of the Elementary and Secondary Education Act of 1965) who qualify as homeless because the children are living in circumstances described above.

Low-Income: An individual who meets any *one* of the following criteria satisfies the low-income requirement for WIOA youth services:

- Receives, or in the past six months has received, or is a member of a family that is receiving or in the past six months has received, assistance through FoodShare, TANF, or the Supplemental Security Income (SSI) program, or state or local income-based public assistance
- Receives an income or is a member of a family receiving an income that, in relation to family size, is not in excess of the current combined 70 percent Lower Living Standard Income Level and Health and Human Services Poverty Guidelines (Refer to Attachment A for the current levels)
- Is a homeless individual as defined in §41403(6) of the Violence Against Women Act of 1994, or a homeless child or youth as defined in §725(2) of the McKinney-Vento Homeless Assistance Act
- Receives or is eligible to receive a free or reduced-price lunch under the Richard B. Russell National School Lunch Act
- Is a foster youth on behalf of whom state or local government payments are made
- Is an individual with a disability whose own income meets:
 - WIOA's income requirements, even if the individual's family income does not meet the income requirements; or
 - the income eligibility criteria for payments under any federal, state, or local public assistance program

Low-Income exception: Of the youth with low income as a condition of eligibility (all In-School Youth and Out-of-School youth with a high school diploma or requires additional assistance) no more than 5% may be eligible if they meet the additional characteristic eligibility but do not meet the income eligibility.

Migratory child: A child who is, or whose parent or spouse, is a migratory agricultural worker, including a migratory dairy worker, or a migratory fisher, and who, in the preceding 36 months, in order to obtain, or accompany such parent or spouse, in order to obtain, temporary or seasonal employment in agricultural or fishing work – has moved from one school district to another or resides in a school district of more than 15,000 square miles, and migrates a distance of 20 miles or more to a temporary residence to engage in a fishing activity.

Not attending school: The youth is at an age where they are required to attend school, do not have an exception to the regular school attendance as outlined in Wis. Stat. sec 118.15(3), or have not graduated. However, the WDB must make school attendance a priority and provide services outside of the regular school day. Through the Individual Service Strategy (ISS), the WDB makes school attendance a priority by providing services that direct a youth back to school. The first goal of the ISS must be to have the youth return to school. The board can also provide services that encourage regular school attendance, such as counseling, tutoring, or exploring career options.

Out-of-home placement: Foster care, including family foster care, kinship care, treatment foster care, and residential and group care.

Requires additional assistance: The Board may establish a definition and eligibility documentation requirements for the “requires additional assistance to complete an educational program, or to obtain or retain employment” criterion of ISY and OSY eligibility. **Note:** If WDB wants to change their current definition of "requires additional assistance" prior to submittal of Local WIOA plan, a modification to their current plan will be necessary.

Section 477 of the Social Security Act (John H. Chafee Foster Care Independence Program): States are provided flexible funding to design and conduct programs:

- To identify children likely to remain in foster care until age 18 and to help these children make transition to self-sufficiency by providing a variety of services
- To help children who are likely to remain in foster care until age 18 receive the education, training, and services necessary to obtain employment
- To help children who are likely to remain in foster care until age 18 prepare for and enter postsecondary training and education institutions
- To provide personal and emotional support to children aging out of foster care, through mentors and promotion of interactions with dedicated adults
- To provide financial, housing, counseling, employment, education, and other appropriate support and services to former foster care recipients between 18 and 21 years of age to complement their own efforts to achieve self-sufficiency...
- To make available vouchers for education and training, including postsecondary training and education, to youths who have aged out of foster care
- To provide these services to children who, after attaining age 16, have left foster care for kinship guardianship or adoption.

Services that provide labor market and employment information: May include career awareness, career counseling, career exploration services or in-demand industry sectors or occupations available in local area.

ASSET Changes

- Manage Customers – Date of Birth field will be revised to accept youth age eligibility of 14-24 years old.
- Manage Programs – Participation date field will be changed to "*participation date/enrollment.
- Data fields will be added to Manage Programs to capture out-of-school youth barriers
- Add data field called "*English Language Learner"
- Add data field for "*Living in High Poverty Area"
- Add data field "*Free/Reduced Lunch"

- Add data field "*Aged out of foster care"
- New youth services added to Manage Services

Documentation Requirements

- If the youth qualifies as receiving free or reduced lunch, documentation from the school must be obtained.
- Refer to the current *Guide to Workforce Investment Act Title IB Eligibility Determination and Documentation* for documentation requirements for those eligibility criteria unchanged from WIA.

VII. ADMINISTRATIVE REQUIREMENTS

Incumbent worker programs: A local board may reserve and use not more than 20% of allocated funds to pay for the federal share of training for incumbent workers. In addition, the employer must pay for the non-Federal share of the cost of providing incumbent worker training. The local board shall establish the non-Federal share, taking into account several factors. The 20% maximum is calculated based on non-administrative local area adult and dislocated worker funds.

Pay-for-Performance contract: A procurement strategy that uses pay-for-performance contracts in the provision of training services (described in section 134(c)(3) or activities described in section 129(c)(2), and includes:

- Contracts which specify a fixed amount that will be paid to an eligible service provider based on the achievement of specified levels of performance on the primary indicators of performance for target populations as identified by the local board, within a defined timetable, and which may provide for bonus payments to such service provider to expand capacity to provide effective training;
- A strategy for independently validating the achievement of the performance; and
- A description of how funds not paid to a provider because the achievement of performance did not occur will be reallocated

The 10% maximum is calculated based on non-administrative local area adult, dislocated worker and youth funds.

Program expenditures for In-School Youth: Decreased funding for ISY programs require Boards to identify existing resources throughout their communities that can provide services to ISY.

Program expenditures for Out-of-School Youth: WIOA increases the minimum OSY expenditure rate for youth formula-funded programs to 75 percent. Administrative costs are limited to 10 percent of local youth funds and are not subject to the 75 percent minimum OSY expenditure requirement.

Program expenditures for youth Work Experience: Under WIOA, not less than 20 percent of local youth funds must be used to provide OSY and ISY with paid and unpaid work experiences that have academic and occupational education as a component of the work experience, which may include the following types of work experiences:

- Summer employment opportunities and other employment opportunities available throughout the school year;
- Pre-apprenticeship programs—a program or set of strategies designed to prepare individuals to enter and succeed in a registered apprenticeship program and has a documented partnership with at least one, if not more, registered apprenticeship program;
- Internships and job shadowing;
- OJT opportunities, as defined in WIOA §3(44).

The 20 percent minimum is calculated based on non-administrative local area youth funds and is not applied separately for ISY and OSY.

Transitional jobs: Local Board can use up to 10% of allocated funds to provide transitional jobs. The 10% maximum is calculated based on the combined, non-administrative local area adult and dislocated worker funds. Prior to implementing a transitional jobs program, the local board must have an approved local policy (see page 7 for additional details regarding transitional jobs).

DET Expenditure Reporting (DER)

The following memo codes for tracking and reporting new expenditure requirements under WIOA have been added to DER (previously referred to as CORE):

- 20% expenditure limit for Adult and Dislocated Worker incumbent worker training (9800)
- 10% expenditure limit for Adult and Dislocated Worker transitional jobs (9801)
- 10% expenditure limit for Adult, Dislocated Worker and Youth pay-for-performance contracts (9802)
- Minimum 20% expenditure requirement for youth work experience (9803)

The minimum 75% expenditure requirement for Out of School youth will be monitored through the expenditure line (not a memo code). The leverage and 35% memo codes will remain the same.

ASSET Reporting

WIA sunsets on June 30, 2015 and WIOA goes into effect on July 1, 2015. On July 1, 2015, all active WIA Title I participants (Adult, Dislocated Worker, and Youth) enrolled in a WIA Title I program prior to July 1, 2015, must be transitioned (or "grandfathered") into WIOA, even if the participant would not otherwise be eligible for WIOA. An eligibility re-determination **should not** be completed for participants already determined eligible and enrolled under WIA. Furthermore, these participants **must be allowed** to complete the WIA services ("grandfathered services") specified in their Employment Plan, regardless of whether the services are allowable under WIOA, as long as the WIA services were specified in participants' employment plans as of June 30, 2015.

Effective July 1, 2015, eligibility determinations for **new participants** must be made under WIOA and all other WIOA requirements must be followed. Participants enrolled on or after July 1, 2015, may only access services allowable under WIOA.

It is **not required** to manually close out WIA Title I services in ASSET on June 30, 2015 and re-open them on July 1, 2015; this is a local decision. In previous years, the Division of Employment and Training conducted an automatic conversion of participant records (for those WDAs requesting this process). However, with the transition to WIOA, it is a good opportunity to manually review each active WIA participant record to determine the appropriateness of either closing all services or carrying the participant forward into Program Year 2015. Below are further details regarding the process:

Fund Source – The WIOA fund source will be added to the ASSET Manage Services for Adults, Dislocated Workers and Youth. The WIOA fund source **must** be utilized for new enrollments beginning July 1, 2015. The WIA fund source can be left as is for active WIA participants with **existing** services as of 7/1/15. At this time it is our understanding that the WIA fund source in ASSET will remain active until June 30, 2016.

Contract IDs – The WDBs control the contract ID process and can choose to continue using existing contract IDs (for WIA tracking purposes) or use new ones. WDBs will have until September 1, 2015 to make any changes.

Grant IDs – DET controls the grant IDs which are used for National Emergency Grant and Special Response services. At the end of the Program Year, all open services with expiring Special Response grant IDs will be closed by DET and WDBs are responsible for reopening the services with the new grant IDs. The new Special Response grant IDs will soon be added to ASSET. As long as the episode is open, the grant ID can be changed by the WDB.

Again (with the exception of Special Response services and any National Emergency Grants ending 6/30/15), it is not required to manually close services effective June 30, 2015 and reopen them on July 1, 2015. This is a local decision. For further guidance, please refer to Department of Labor's Training and Employment Guidance Letter 38-14: Operational Guidance to Support the Orderly Transition of Workforce Investment Act Participants, Funds, and Sub-recipient Contracts to the Workforce Innovation and Opportunity Act.

100% Poverty Guidelines Effective January 22, 2015
250% Poverty Guidelines Effective January 22, 2015
70% LLSIL Guidelines Effective March 27, 2015

Persons in the family including applicant	100% Federal Poverty Guideline (Annual Numbers)	250% Federal Poverty Guideline (Annual Numbers)	70% of LLSIL (Annual Numbers)	
			A-Metro	B-Non-Metro
1	\$11,770	\$29,425	\$ 9,328	\$ 9,006
2	\$15,930	\$39,825	\$15,291	\$14,752
3	\$20,090	\$50,225	\$20,988	\$20,252
4	\$24,250	\$60,625	\$25,910	\$24,998
5	\$28,410	\$71,025	\$30,574	\$29,505
6	\$32,570	\$81,425	\$35,763	\$34,504
Each additional person beyond 6 add	\$ 4,160	\$ 4,160	\$ 5,189	\$ 4,999

The LLSIL may vary according to location in the state:

COLUMN A is for the metropolitan statistical areas (**MSAs**) of the state and those counties that are a part of a MSA in another state.

MSAs in WI:

Appleton (Calumet and Outagamie Counties), **Eau Claire** (Chippewa and Eau Claire Counties), **Fond du Lac** (Fond du Lac County), **Green Bay** (Brown, Kewaunee and Oconto Counties), **Janesville-Beloit** (Rock County), **LaCrosse-Onalaska** (LaCrosse County), **Madison** (Columbia, Dane, Green and Iowa Counties), **Milwaukee-Waukesha-West Allis** (Milwaukee, Ozaukee, Washington, and Waukesha Counties), **Oshkosh-Neenah** (Winnebago County), **Racine** (Racine County), **Sheboygan** (Sheboygan County), and **Wausau** (Marathon County)

Counties in WI that are a part of another State's MSA:

Douglas, Kenosha, Pierce and St. Croix.

COLUMN B is for all other counties not part of a MSA listed in column A. These counties are considered non-metropolitan.

NOTE: Several WDBs have both metropolitan and non-metropolitan areas within their boundaries and based on the applicants most current address, must apply the appropriate number in Column A or B.