

Mass Workforce Issuance

Workforce Issuance No. 09-24

Policy **Information**

To: Chief Elected Officials
Workforce Investment Board Chairs
Workforce Investment Board Directors
Title I Administrators
Career Center Directors
Title I Fiscal Officers
DCS Regional Managers

cc: WIA State Partners

From: Michael Taylor, Director
Department of Workforce Development

Date: April 30, 2009

Subject: **American Recovery and Reinvestment Act of 2009**
Massachusetts Guidance in Reference to TEGL 14-08

Purpose: To provide policy guidance to Chief Elected Officials (CEOs), Local Workforce Investment Boards, One-Stop Career Center Operators and other local workforce investment partners with regard to requirements for utilization of additional Workforce Investment Act Title I and Wagner-Peyser Act funds allocated in conjunction with the American Recovery and Reinvestment Act of 2009.

Background: On February 17, 2009 the “American Recovery and Reinvestment Act of 2009” (ARRA) was signed into law. The Act is intended to preserve and create jobs, promote the nation’s economy, and to assist those individuals most impacted by the recession. Given the additional workforce funding (ARRA funds) and the resulting increased employment and training services that will be supported by those funds, the workforce system must play a vital role in the nation’s economic recovery.

To assist state and local workforce systems to meet the challenge posed by the current economic realities, the U.S. Department of Labor Employment and Training Administration (ETA) published Training and Employment Guidance Letter (TEGL) No. 14-08 on March 18, 2009 (see following link).

<http://wdr.doleta.gov/directives/attach/TEGL/TEGL14-08acc.pdf>.

TEGL 14-08, Guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009 summarizes the Recovery Act's strategic vision and provides policy guidance with regard to ETA funded programs.

USDOL/ETA also published TEGL 14-08, Change 1 on 4/15/09 to provide additional clarification (see link).

http://wdr.doleta.gov/directives/attach/TEGL/TEGL14-08_Ch1acc.pdf

This MassWorkforce Policy Issuance has as its specific focus, local ARRA funding allocated for activities and services to be undertaken in accordance with both WIA Title I Adult and Dislocated Worker provisions and the Wagner-Peyser Act, as Amended*. The guidance will cover:

- A. General Recovery Act Provisions
- B. WIA Title I Adults and Dislocated Workers
- C. Wagner-Peyser
- D. Reemployment Services (for UI Claimants)
- E. Waivers

***NOTE:** ARRA guidance related to WIA Youth services will be transmitted in a separate issuance.

Policy: A. General Recovery Act Provisions

1. Transparency

- ARRA activities must be carried out in a transparent manner. To that end, the Local ARRA Plan (distinct from the FY10 Annual Plan) should be posted on each individual Workforce Investment Board's website. The Local ARRA Plan will serve as an important element of demonstrating and ensuring transparency.
- Local transparency will also be served through a public comment period prior to submission of the required Local ARRA Plan.
- A local workforce investment area's success in realizing ARRA goals will be gauged, in part by the progress it demonstrates and achieves in using its annual allocation in conjunction with ARRA funds to assist job seekers find new, good jobs, access or remain in the middle class and help low-skill/low-income workers acquire 21st century skills for long term career success.

2. Timely Spending of Recovery Act Funds

- ARRA funds must be spent quickly as they are intended as a key component to timely economic stimulation. They are to be expended concurrently with regular allocations. Local areas must demonstrate timeliness of spending through reported expenditures, not obligations.

- WIA ARRA funding is considered PY2008 funding and must be expended by June 30, 2011.
- Wagner-Peyser ARRA funds must be obligated no later than September 30, 2010 and expended by June 30, 2011.
- In Massachusetts, Reemployment ARRA funds have been augmented with ARRA UI Administrative funds, which will be allotted to local areas over a two-year period, to be expended by June 30, 2011.
- Because ARRA funds are only available for three months in PY 2008, recapture and reallocation (in accordance with 20CFR 667.160) of any excess unobligated funds among local areas is not allowed until the end of PY 2009.

3. Increased Workforce System Capacity and Service Levels

- The influx of additional ARRA funds to the local area requires an expansion of the planned number of customers to be served during the fiscal year as well as an increase in the service levels provided. It is expected that such increases in the customer base and service levels for each area will be generally reflective of the proportional increase in funding levels for the local area resulting from the added ARRA funding.
- It is also expected that local areas will assure staffing levels adequate to meet the expanded customer and service goals resulting from the additional ARRA funding. Local areas must, however, maintain focus on the temporary nature of ARRA funding.
- Under the Act, local areas are statutorily required to utilize additional ARRA funds to make needed support services and needs related payments available for adults, dislocated workers and youth customers.

4. Data and Workforce Information to Guide Planning and Service Delivery

- Workforce and economic information should form the foundation of local workforce development strategies. Such information will be critical in identifying those business sectors that have a current and continuing demand for workers and those that are projected to grow as the economy recovers.
- Tied to utilizing information to guide service decision making at the local level, local area WIBs should monitor ARRA funding streams for other federal Departments (such as Defense, Energy, Transportation, Health and Human Resources, etc.) to align efforts and activities to infrastructure and other recovery-related initiatives.

5. USDOL/ETA Q & A Site

- ETA has established a Q & A site related to implementation of WIA and Wagner-Peyser programs under ARRA at the following link:

<http://www.doleta.gov/recovery/>.

B. WIA Title I Adults and Dislocated Workers

1. Priority for Low-Income Individuals and Public Assistance Recipients

- Local areas must remain cognizant of the WIA priority to serve program eligible low-income and public assistance recipients with additional Title I ARRA funds for Adults (not applicable for Dislocated Workers).

2. Veterans' Priority

- The veterans' priority for "covered persons" as described in MassWorkforce Issuance No. 09-02, Implementing Veterans' Priority of Service remains in effect for the utilization of ARRA funds for Adults and Dislocated Workers.

3. Emphasis on ARRA Funds for Training and Related Costs

- It is expected that the majority of WIA ARRA funds allocated for local WIA Title I Adult services will be utilized for training and training related support services and needs related payments. Training services include the full range of occupational skills training, adult education and literacy services, and customized training as described in WIA §134(d)(4)(D). WIA stipulated that adult education and literacy services may be considered to be training when provided in combination with an occupational skills training component.

Note: On April 16, 2009, DWD received clarification from USDOL that adult education and literacy services that are not connected to an occupational skills training component should be treated as an intensive service.

In accordance with the specific expansion of training services, the Commonwealth has established a minimum threshold for the amount of locally allocated ARRA adult and dislocated worker funds that must be expended on allowable training activities.

MassWorkforce Policy Issuance No. 09-23 specific to requirements of the established training threshold was posted on 4/9/09.

<http://www.massworkforce.org/Issuances/PolicyIssuance2009.htm>

This policy states that a minimum of sixty (60) percent of the **program** (90% of allocation) portion of both Adult and Dislocated Worker ARRA funds must be expended on training services.

A maximum of 10% of this 60% training minimum may be applied to supportive service/needs-based payment uses.

This stresses the training mandate of the Act while recognizing the ARRA requirement that funds be made available for supportive services and needs-related payments. The policy does not restrict the use of remaining funds (40% balance) to provide additional support services/needs based payments.

- Thorough assessment of individual customer need must inform all training decisions. Local areas must assist adults to adapt their skills and career goals by helping customers map their skills against current and anticipated jobs.
- Training must focus on high-demand/high-growth employment opportunities that offer economic self-sufficiency.
- Training and training related funding that align services to “green jobs” as defined in the Green Jobs Bill of 2007 ([link](#)) is strongly encouraged.

http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=110_cong_bills&docid=f:h2847rh.txt.pdf

- Local areas may use ARRA funds to contract directly with Institutions of Higher Education and other training providers to increase availability of training opportunities. Under such “group” contracts, WIBs may pay for the full cost of training including “curriculum development” costs if developed by Institutions of Higher Education in the specific context of providing training to WIA participants. Said Institutions of Higher Learning need not be on the statewide ITA list of approved providers (ITA). Other providers do need to be on the statewide list.

While direct contracting with Institutions of Higher Education for group training is allowable under ARRA, procurement and contracting must be consistent with M.G.L. 30B, WIA Communication No. 01-52 and all local procurement and contracting policies and procedures.

- Local areas should align training efforts with registered apprenticeship programs
- To meet increased training service demand, use of the following methods of training is highly encouraged: ITAs; Customized; OJT; Contracts with Higher Education entities and other providers (group/multiple slots); Contracts with CBOs; and Registered Apprenticeship programs.

4. Extend Reach of WIA Adult Formula Funds

- Local areas should aggressively assist eligible customers to take advantage of the significant increase in Pell Grant funding as a means of extending the availability of their Adult formula allocation.
- Effective integration with career center partner programs will help avoid duplication and redundancy.
- Increased customer participation in registered apprenticeship programs will help extend the availability of adult formula funding.

C. Wagner-Peyser

1. Allowable Services Defined in §7(a)(3)(A) of the Wagner-Peyser Act.

- Job seeker services include but are not limited to: assessment of skill levels, aptitudes, abilities; career guidance; job search skills (workshops); and referral to employers. ARRA encourages a strong emphasis on utilizing additional Wagner-Peyser funding to support career guidance and counseling services.
- For employers, services include but are not limited to referral of candidates to job openings, including matching job requirements with job seeker experience, skills and other attributes; help with special recruitment needs; assistance with analyzing hard to fill job orders; assisting with job restructuring; and helping employers. These services are expected to be provided through the career center system.
- MOSES has been upgraded (Version 27.1) to allow for identification of ARRA job postings [MassWorkforce Issuance No. 09-10 (3/23/09) (click on link)].

<http://www.massworkforce.org/uploads/iss/0910.doc>

D. Reemployment Services (RES)

1. RES Funding for Enhanced Services for UI Claimants

- Additional Reemployment Services (RES) funding should be utilized to provide enhanced (more staff-intensive) reemployment services specifically targeted to UI claimants through the career center system.

In providing enhanced reemployment services to claimants, the Commonwealth will notify approximately 2000 targeted claimants per week to schedule participation in the Career Center Seminar (CCS). Approximately 300 of these customers per week will be “profiled” for mandatory attendance. The claimants will complete a job readiness inventory as part of the CCS process. Program design will include:

- one-on-one Triage/Mini-assessment interview to ascertain whether or not claimants have viable job skills

- development of an individual Career Action Plan (CAP) outlining reemployment services claimant participants need to conduct a successful job search
- increased job referral and job development services

Massachusetts has made substantial funds available to ensure that appropriate staffing levels are maintained to provide these services.

- It is expected that local areas will provide the full array of services based on the individual's CAP including assessment, career guidance, counseling and follow-up for UI claimants through the integration of RES, Wagner-Peyser and WIA funds.
- Local areas are also encouraged to offer and/or expand pre-training services such as basic computer and internet keyboarding skills as well as other job search related competencies to improve claimants' access to employment opportunities.
- Instructions specific to planning for the use of additional RES funding under ARRA will be incorporated into the overall ARRA planning instructions that will be described in a forthcoming MassWorkforce Issuance.
- Local allocation for the additional RES funding under ARRA were provided in MassWorkforce Issuance No. 09-22 posted on 4/9/2009 (click on link).

<http://www.massworkforce.org/uploads/iss/0922.doc>

E. Waivers

Waiver information related to utilization of locally allocated ARRA funds include:

1. The federally approved waiver to allow up to 50% of locally allocated funds to be transferred between the Adult and Dislocated Worker programs *is not* applicable to ARRA funds.

However, in accordance with the updated clarifications iterated in TEGE No. 14-08, Change 1, transferring up to 30% of ARRA funds between the adult and dislocated worker programs is allowed.

Note: The Commonwealth has requested an extension for the currently approved waiver that allows up to 50% of locally allocated *formula* funds to be transferred between the Adult and Dislocated Worker programs.

2. The federally approved waiver to allow the use of up to 10% of funds reserved for rapid response activities at §133(a)(2) to provide incumbent worker training is not applicable to Recovery Funds. However, ETA will consider requests from states to allow the waiver to also be applied to ARRA funds.

Note: The Commonwealth has requested an extension for the currently approved waiver applicable to its annual formula allotment that allows the

use of up to 10% of funds reserved for rapid response activities at §133(a)(2) to provide incumbent worker training.

3. The Commonwealth has requested an extension of the currently approved waiver that allows the use of up to 10% of local area formula funds for adult, dislocated worker and youth funds to be used to expand training, including incumbent worker training. This waiver *is applicable* to utilization of the local allocation of ARRA funds
4. The Commonwealth has requested an extension for the currently approved waiver of the time limit on the period of initial eligibility for training providers.
5. The Commonwealth has also requested a waiver to allow contracts previously awarded to state vendors, that have gone through a rigorous contracting process with departments or agencies of the Executive Office of Labor and Workforce Development, Executive Office of Health and Human Services, Executive Office of Public Safety, Elementary and Secondary Education, or with Commonwealth Corporation during the past 12 months to be automatically included on the Commonwealth's and local area youth vendor list at the discretion of Local Workforce Investment Boards.

Action

Required: Local areas must assure that activities undertaken and services provided in conjunction with allocated recovery funds are consistent with this policy guidance. Please ensure that all appropriate staff is knowledgeable with regard to the content of this issuance.

Effective: Immediately

Inquiries: Please email all questions to PolicyQA@detma.org. Also, indicate Issuance number and description.