

EMPLOYMENT ADMINISTRATION
Workforce Innovation and Office of Apprenticeship Section
Policy Broadcast

PB 15-010

Transition to the Workforce Innovation and Opportunity Act (WIOA)

Effective July 1, 2015

Date Issued: June 29, 2015

This Policy Broadcast is to inform Local Workforce Investment Area (LWIA) staff, contractors, providers, and interested parties that, effective July 1, 2015, the Workforce Innovation and Opportunity Act (WIOA) will supersede Titles I and II of the Workforce Investment Act (WIA). LWIAs must be mindful of the WIOA requirements outlined in this Policy Broadcast but will continue to use current WIA policies to the extent possible until new WIOA policies are issued.

TRANSITION OF WIA PARTICIPANTS TO WIOA

All WIA Title I participants who were enrolled prior to July 1, 2015 must be transitioned into WIOA, regardless of ineligibility for WIOA. LWIAs must ***not*** conduct an eligibility re-determination for participants who were determined eligible and enrolled in WIA prior to July 1, 2015. Participants must be allowed to complete WIA services in progress as of June 30, 2015, that are identified in the Individual Service Strategy (ISS) or Individual Employment Plan (IEP). LWIAs must continue to service participants enrolled under WIA by providing services using:

- Obligated WIA funds;
- Unobligated carry-in WIA funds that became WIOA funds; or
- New WIOA funds.

Note: America's Job Link Alliance (AJLA) is making necessary changes to Arizona Job Connection (AJC) ensure participants can be enrolled under WIOA and existing participants will be migrated to the new WIOA categories.

WIOA ELIGIBILITY DETERMINATIONS

Effective July 1, 2015, all new eligibility determinations for participants must follow all WIOA requirements.

WIOA SERVICES AND ACTIVITIES

Participants who are enrolled in WIOA effective July 1, 2015, may only access services and activities allowable under WIOA.

REPORTING

Performance Reporting: All current performance reports will be continued to be used for reporting enrolled participants pending new approved performance reports and updates to systems. The current reports include the Workforce Investment Act Standardized Record Data (WIASRD), the Workforce Investment Act Standardized Participant Record (WIASPR), Standardized Program Information Report (SPIR), Labor Exchange Reporting System (LERS), *Workforce Investment Act Program Status Summary Report* (ETA-9095), *Housing Assistance Summary Report* (ETA-9164), *Comprehensive Services Quarterly Performance Report* (ETA-9084), and *Supplemental Youth Services Program Report* (ETA-9085). Further guidance on performance reporting transition will be provided as it becomes available.

Financial Reporting: LWIAs will continue to complete the *Arizona Department of Economic Security Accrued Expenditure and Cash Draw Reports* and the state will continue to use the currently approved *U.S. Department of Labor (DOL) ETA Financial Report* (ETA-9130) to submit to U.S. DOL. Funds spent on WIOA activities and services must be tracked beginning July 1, 2015, to allow the state and LWIAs to report cumulative expenditures. This will allow for easier transition of reporting when the new WIOA financial report is approved by the Office and Management and Budget (OMB) and becomes available for reporting.

CHANGES TO WIA LOCAL SERVICE PROVIDER CONTRACTS

All LWIA contracts with service providers must be modified or amended to ensure that enrollment into WIA program services cease on June 30, 2015, and enrollment using WIOA requirements begin on July 1, 2015. Contracts do not need to be automatically terminated. LWIAs may terminate current contracts in order to complete a new contract under WIOA if the current contract permits this action. However, LWIAs may also modify existing contracts that contain clauses to allow for changes to be made to conform to new legislation or regulations.

Current contracts that include multiple or option years must be modified to incorporate WIOA requirements. When a service provider refuses to comply with the new WIOA requirements, LWIAs must take immediate corrective action, up to and including termination of the contract.

YOUTH PROGRAM TRANSITION

WIOA shifts the primary program focus of Title I Youth formula programs to out-of-school youth (OSY). WIOA requires that a minimum of 75 percent of Youth formula funds must be used to serve OSY. This is an increase from 30 percent under WIA. While not all LWIAs may be in a position to immediately meet this new requirement, all LWIAs must take necessary efforts to ensure this requirement is being worked towards.

CHANGES TO YOUTH ELIGIBILITY AND PROGRAM ELEMENTS

Out-of-School Youth (OSY)

OSY must be aged 16-24, not attending any school, as defined by A.R.S. 15-101, and meet one or more additional conditions, which could include:

- A school dropout;
- A youth who is within the age range of compulsory school attendance, but has not attended school for at least the most recent complete school year calendar quarter, based on how a local school district defines its school year quarters;
- A recipient of a high school diploma or its equivalent, is a low-income individual or is living in a high-poverty area, and is either basic skills deficient or an English language learner;
- An individual who is subject to the juvenile or adult justice system;
- An individual who is homeless, as defined in 42 U.S.C. 140433-3(6) and 42 U.S.C. 11434a(2), a runaway, is in foster care or has aged out of the foster care system, is eligible for assistance under Section 477 of the Social Security Act (42 U.S.C 677), or who is in an out-of-home placement;
- An individual who is pregnant or parenting;
- An individual with a disability; or
- A low-income individual who requires additional assistance to enter or complete an educational program or to secure or hold employment.

In-School-Youth (ISY)

ISY must be aged 14-21, attending school, low income or is living in a high-poverty area, and meet one or more additional conditions, which could include:

- Basic-skills deficient;
- English language learner;
- An offender;

- An individual who is homeless, as defined in 42 U.S.C. 140433-3(6) and 42 U.S.C. 11434a(2), a runaway, is in foster care or has aged out of the foster care system, is eligible for assistance under Section 477 of the Social Security Act (42 U.S.C 677), or who is in an out-of-home placement;
- An individual who is pregnant or parenting; or
- An individual with a disability;
- An individual who requires additional assistance to enter or complete an educational program or to secure or hold employment.

New Youth Program Elements

There are five new youth program elements that have been added in WIOA that include:

- Financial literacy,
- Entrepreneurial skills training,
- Services that provide labor market and employment information in the local area,
- Activities that help youth transition to post-secondary education and training,
- Education offered concurrently with, and in the same context, as workforce preparation activities and training for a specific occupation or occupational cluster.

Emphasis on Work Experience

A minimum of 20 percent of Youth formula funds must be used for work experience, such as summer and year-round employment, pre-apprenticeship, on-the-job training, or internships and job shadowing.

Please refer to WIOA Section 129 and Employment and Training Administration (ETA) Training and Employment Guidance Letter (TEGL) 23-14, issued March 26, 2015 for more detailed information regarding changes related to the WIOA Title I Youth program.

ADULT AND DISLOCATED WORKER ACTIVITIES

Priority of Service

Priority access to higher-intensity career services and training must be given to public assistance recipients, other low-income individuals or individuals living in a high-poverty area, and individuals who are basic-skills deficient and is no longer contingent upon limited funds, as described in 20 CFR 680.600.

Service Provision

WIOA combines core and intensive services into a new category called “career services.” In addition, WIOA eliminates the sequence of service provision of WIA, allowing participants to access training services based on assessed need, as described in 20 CFR 680.210.

ELIGIBLE TRAINING PROVIDERS

Initial Eligibility for New Providers

After July 22, 2015, all providers that have not previously been an eligible provider of training services under WIA or WIOA Section 122 will need to be reviewed using initial eligibility requirements as described in WIOA Section 122. Initial eligibility policy and procedures are in the process of being developed and are pending further guidance from DOL. This information will be shared as it is received.

Continued Eligibility for Existing Providers

Eligible training providers who were on the Eligible Training Provider List (ETPL) as of July 21, 2014, will remain eligible until December 31, 2015, as described in 20 CFR 680.440. This does not preclude removal of programs or providers in accordance with current WIA Title IB policy located in Section 600. Subsequent eligibility review for ETPL providers specified in the current WIA policy manual will be postponed until after January 1, 2016. Additional guidance from DOL regarding ETPL, including changes to performance reporting, is forthcoming and will be shared as it is received.

All requests for clarification should be sent via e-mail by your policy designee to +WIA QandA or WIAQandA@azdes.gov.