

DEPARTMENT OF LABOR**ASSISTANCE LISTING 17.258 WIOA ADULT PROGRAM****ASSISTANCE LISTING 17.259 WIOA YOUTH ACTIVITIES****ASSISTANCE LISTING 17.278 WIOA DISLOCATED WORKER FORMULA GRANTS****I. PROGRAM OBJECTIVES**

The Workforce Innovation and Opportunity Act of 2014 (WIOA) authorizes formula grant programs to states to help job seekers access employment, education, training, and support services to succeed in the labor market. Using a variety of methods, states provide employment and training services through a network of American Job Centers (AJC), also known as One-Stop Career Centers. The WIOA programs provide employment and training programs for adults, dislocated workers, and youth, and Wagner-Peyser Act employment services administered by the Department of Labor (DOL). The programs also provide adult education and literacy services that complement the Vocational Rehabilitation state grants awarded by the US Department of Education. These grants assist individuals with disabilities in obtaining employment and help job seekers achieve gainful employment. Youth employment and educational services are available to eligible out-of-school youth, ages 16 to 24, and low-income in-school youth, ages 14–21, who face barriers to employment.

II. PROGRAM PROCEDURES*Subtitle B Statewide and Local Workforce Development Programs*

These programs provide the framework for delivery of workforce activities at the state and local levels to individuals who need those services, with an emphasis on serving individuals with barriers to employment, including job seekers, dislocated workers, youth, incumbent workers, new entrants to the workforce, veterans, persons with disabilities, and employers. Each state's governor is required to establish a state Workforce Development Board and develop a Unified State Plan or a Combined State Plan.

A Local Workforce Development Board (local board) is appointed by the chief elected official in each local area in accordance with state criteria established under WIOA Section 107(b) and must be certified by the governor every two years. Each local board, in partnership with the appropriate chief elected officials, develops, and submits a comprehensive four-year plan to the governor, which identifies and describes certain policies, procedures, and local activities that are consistent with the Unified State Plan or the Combined State Plan. The plan must include a description of the AJC delivery system to be established or designated in the local area, including a copy of the local Memorandum of Understanding (MOU) between the local board and each of the AJC partners (1) describing the operation of the local AJC delivery system; (2) identifying the AJC operator or entity responsible for the disbursement of grant funds; and (3) describing the competitive process to be used to award grants and contracts for activities carried out under Subtitle I of WIOA.

The agreement between the local board and the AJC operator specifies the operator's role. That role may range from simply coordinating service providers within the center, to being the primary provider of services within the center to coordinating activities throughout the local AJC system. The AJC operator may be a single entity or consortium of entities and may operate one or more AJC centers. In addition, there may be more than one AJC operator in a local area. The types of entities that may be selected to be the AJC operator include: (1) an institution of higher education; (2) an employment service state agency established under the Wagner-Peyser Act on behalf of the local office of the agency; (3) a community-based organization, nonprofit organization, or intermediary; (4) a private for-profit entity; (5) a government agency; and (6) another interested organization or entity, which may include a local Chamber of Commerce or other business organization, or a labor organization.

The following federal programs are required to be partners in the local AJC system: (1) programs authorized under Title I of WIOA; (2) programs authorized under the Wagner-Peyser Act (29 USC 49 et seq.); (3) adult education and literacy activities authorized under Title II of WIOA; (4) programs authorized under Title I of the Rehabilitation Act of 1973 (29 USC 720 et seq.), other than Section 112, WIOA, or Part C of that title; (5) senior community service employment activities authorized under Title V of the Older Americans Act of 1965 (42 USC 3056 et seq.); (6) career and technical education programs at the postsecondary level authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (20 USC 2301 et seq.); (7) activities authorized under chapter 2 of Title II of the Trade Act of 1974 (19 USC 2271 et seq.); (8) activities authorized under chapter 41 of Title 38, USC; (9) employment and training activities carried out under the Community Services Block Grant (42 USC 9901 et seq.); (10) employment and training activities carried out by the Department of Housing and Urban Development; (11) programs authorized under state unemployment compensation laws (in accordance with applicable federal law); (12) programs authorized under Section 212 of the Second Chance Act of 2007 (42 USC 17532); and (13) programs authorized under Part A of Title IV of the Social Security Act (42 USC 601 et seq.).

WIOA also provides that other entities delivering workforce development programs may serve as additional partners in the AJC system with the approval of the local board and chief elected official. For a complete list of additional partners, please refer to Section 121(b)(2)(B) of the WIOA.

Each entity in a local area must (1) provide access through the AJC delivery system to the one-stop career services; (2) use a portion of funds made available for the program and activities to maintain the AJC delivery system, including payment of infrastructure costs; (3) enter into a local MOU with the local board relating to the operation of the AJC system; (4) participate in the operation of the AJC system consistent with the terms of the MOU and requirements of authorizing laws; and (5) provide representation on the state Workforce Development Board.

Career services are available at any comprehensive AJC center. Well-trained staff are co-located at each center, and cross-trained. Cost-reimbursement or other agreements between service providers at the comprehensive AJC center and the partner programs are available and are described in the Unified State Plan and the local MOU.

A local board may not itself provide training services to adults and dislocated workers unless it receives a waiver from the governor and meets the requirements of Section 106(b)(1)(B) of the WIOA. Instead, local boards, in partnership with the state, identify training providers and programs whose performance qualifies them to receive WIOA funds to train adults and dislocated workers. After receiving career services, and in consultation with case managers, eligible participants who need training use the eligible training provider list, which contains performance and cost information on training eligible providers, to make an informed choice.

Individual Training Accounts (ITAs) are established for eligible individuals to finance training through these eligible training providers. Payments from ITAs may be made in a variety of ways, including the electronic transfer of funds through financial institutions, vouchers, or other appropriate methods. Payments also may be made through payment of a portion of the costs at different points in the training course. Exceptions to the use of ITAs are permissible only where the services provided are for on-the-job or customized training; and where the local board determines that there is an insufficient number of eligible providers available locally.

Source of Governing Requirements

The WIOA program is authorized by Title I of the Workforce Innovation and Opportunity Act of 2014 (Pub. L. No. 113-128). The regulations for the Title I WIOA adult, dislocated worker, and youth programs are at 20 CFR parts 680, 681, 682, and 683, as well as the joint DOL and Department of Education regulations found at 20 CFR parts 676 through 678.

Availability of Other Program Information

Other information on programs authorized under the WIOA can be found at <http://www.doleta.gov/wioa>.

III. COMPLIANCE REQUIREMENTS

In developing the audit procedures to test compliance with the requirements for this federal program, the auditor must determine, from the following summary (also included in Part 2, “Matrix of Compliance Requirements”), which of the 12 types of compliance requirements have been identified as subject to the audit (noted with a “Y” in the summary matrix below), and then determine which of the compliance requirements that are subject to the audit are likely to have a direct and material effect on the federal program at the auditee. For each such compliance requirement subject to the audit, the auditor must use Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and this program supplement (which includes any program-specific requirements) to perform the audit. **When a compliance requirement is shown in the summary below as “N,” it has been identified as not being subject to the audit. Auditors are not expected to test requirements that have been noted with an “N.” See the Safe Harbor Status discussion in Part 1 for additional information.**

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment/Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	N	N	Y	N	Y	Y	N	N	Y	Y	N

A. Activities Allowed or Unallowed

1. *Statewide Activities*

a. Administrative

- (1) Preparing the annual performance progress report and submitting it to the secretary of labor (20 CFR sections 677.160 and 683.300(d) and WIOA, Section 116(d)(1), WIOA, 128 Stat. 1476).
- (2) Operating a fiscal and management accountability information system (20 CFR sections 652.8(b) and 682.200(1); Section 116(i), WIOA, 128 Stat. 1481).
- (3) Carrying out monitoring and oversight activities (20 CFR sections 682.200(j) and 683.410; sections 129(b)(1)(E), 134(a)(2)(B)(iv), and 184(a)(4), WIOA, 128 Stat. 1507, 1521, and 1591).

b. Programmatic

- (1) Conducting statewide workforce development activities
 - (a) *Required statewide youth activities.* Administration of youth workforce development activities (Section 129(b)(1), WIOA, 128 Stat. 1506 et seq.).
 - (b) *Other allowable statewide youth activities.* Providing technical assistance and career services to local areas, including local boards, AJC operators, AJC partners, and eligible training providers (Section 129(b)(2), WIOA, 128 Stat. 1507).
 - (c) *Required statewide adult dislocated worker services.* Providing employment and training activities, such as rapid

response activities, and additional assistance to local areas (Section 134(a)(2), WIOA, 128 Stat. 1520).

- (d) *Other allowable statewide adult dislocated worker services.* Establishing and implementing innovative incumbent worker training programs (Section 134(a)(3), WIOA, 128 Stat. 1522 et seq.)
- (2) Providing support to local areas for the identification of eligible training providers (Section 122(a)(2), WIOA, 128 Stat. 1493).
- (3) Implementing innovative programs for displaced homemakers and programs to increase the number of individuals trained for and placed in nontraditional employment (Section 134(c)(3), WIOA, 128 Stat. 1528).
- (4) Carrying out adult and dislocated worker employment and training activities as the state determines are necessary to assist local areas in carrying out local employment and training activities (Section 134(a)(2), WIOA, 128 Stat. 1520).
- (5) Disseminating the following:
 - (a) The state list of eligible training providers for adults and dislocated workers.
 - (b) Information identifying eligible training providers of on-the-job training (OJT) and customized training.
 - (c) Performance and program cost information about these providers.
 - (d) A list of eligible providers of youth activities (Section 122, WIOA, 128 Stat. 1492 et seq.)
- (6) Conducting evaluations of workforce activities for adults, dislocated workers, and youth, in order to promote, establish, implement, and utilize methods for continuously improving core program activities to achieve high-level performance within, and high-level outcomes from, the workforce development system (Section 116(e), WIOA, 128 Stat. 1479).
- (7) Providing incentive grants (Section 134(a)(3)(A)(xi), WIOA, 128 Stat. 1524).
- (8) Providing technical assistance to local areas that fail to meet local performance measures (Section 129(b)(2)(E), WIOA, 128 Stat. 1508).

- (9) Assisting in the establishment and operation of AJC delivery systems, in accordance with the strategy described in the Unified State Plan.
- (10) Providing additional assistance to local areas that have high concentrations of eligible youth (Section 129(b)(1)(F), WIOA, 128 Stat. 1507).

2. *Local Activities*

Subtitle B, Chapter 3 Adult and Dislocated Worker Employment and Training Activities – Required Activities

- a. Funds must be used at the local level to pay for career and training services through the AJC system for program participants.
- b. Basic Career Services – The following are basic career services (Sections 134(c)(2)(A)(i) through (xi), WIOA, 128 Stat. 1525 et seq., and TEGL 19-16):
 - (1) Eligibility determination for WIOA services.
 - (2) Outreach, intake, and orientation to available information and services.
 - (3) Initial assessment of skill levels, including literacy, numeracy, and English language proficiency, as well as aptitudes, abilities (including skills gaps), and supportive service needs.
 - (4) Provision of labor exchange services, including job search and placement assistance, as well as career counseling and appropriate recruitment and other business services provided by employers.
 - (5) Provision of referrals to and coordination of activities with other programs and services within the AJC system.
 - (6) Provision of workforce and labor market employment statistics and job information.
 - (7) Provision of performance information and program cost information on eligible training providers by program and type of provider.
 - (8) Providing information on local area performance.
 - (9) Provision of information on availability of supportive services and assistance.

- (10) Provision of information and meaningful assistance to individuals seeking assistance in filing a claim for unemployment compensation.
 - (11) Providing assistance on financial aid eligibility for training and education programs that are not funded under the WIOA.
- c. Individualized Career Services – The following are individualized career services (Section 134(c)(2)(A)(xii), WIOA, 128 Stat. 1527). These services must be provided to participants after AJC staff determine that such services are required to retain or obtain employment, consistent with statutory priorities:
- (1) Comprehensive and specialized assessments of skill levels and service needs, including diagnostic testing, in-depth interviewing, and evaluation.
 - (2) Development of an individual employment plan.
 - (3) Group and/or individual counseling and mentoring.
 - (4) Career planning.
 - (5) Short-term pre-vocational services, including development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills, and workplace behavior skills training.
 - (6) Internships and work experiences linked to careers.
 - (7) Workforce preparation activities, including basic academic skills, critical thinking skills, digital literacy skills, and self-management skills.
 - (8) Financial literacy services.
 - (9) Out-of-area job search assistance and relocation assistance.
 - (10) English-language acquisition and integrated education and training programs.
- d. Training Services – When determined appropriate, the following training services are allowable (Section 134(c)(3)(D), WIOA, 128 Stat. 1529):
- (1) Occupational skills training, including training for nontraditional employment.

- (2) On-the-job-training (OJT). Employers may be reimbursed up to 50 percent, and, in some instances, 75 percent, of the wage rate of an OJT participant for the extraordinary costs of providing the training and additional supervision related to the OJT. The employer is not required to document its extraordinary costs (Section 134(c)(3)(H), WIOA, 128 Stat. 1531). Instances in which the reimbursement level may be up to 75 percent are based on the following criteria:
 - (a) Participant characteristics (e.g., length of unemployment, current skill level, and barriers to employment);
 - (b) Size of the employer;
 - (c) Quality of employer-provided training and advancement opportunities, and
 - (d) Other factors the state or local board may determine appropriate, such as number of employees participating in the training, wage and benefit levels of employees, and relation of the training to the competitiveness of the participant.
- (3) Incumbent worker training (20 CFR section 680.800; Section 134(d)(4), WIOA, 128 Stat. 1535) (see III.G.3.b.(2), “Matching, Level of Effort, Earmarking – Earmarking,” for a limitation).
- (4) Programs that combine workplace training with related instruction, including cooperative education programs.
- (5) Training programs operated by the private sector.
- (6) Skill upgrading and retraining.
- (7) Entrepreneurial training.
- (8) Transitional jobs, as long as they do not exceed 10 percent of the funds allocated to the local area and are consistent with the requirements of Section 134(d)(5), WIOA, 128 Stat. 1537.
- (9) Job readiness training in combination with other training programs.
- (10) Adult education and literacy training.
- (11) Customized training (customized training is designed to meet the specific requirements of an employer. Such employers are required to pay a significant portion of the cost of the training (Section 3(14), WIOA, 128 Stat. 1431)).

- e. Follow-up Services – Follow-up services must be provided, as appropriate, for participants who are placed in unsubsidized employment, for up to 12 months after the first day of employment. Follow-up services may include counseling about the work place (Section 134(c)(2)(A)(xiii), WIOA, 128 Stat. 1527; TEGL 19-16, 4. *Follow-up Services*, p. 5).
- f. Pay for Performance (PFP) – Pay for Performance (PFP) is a type of performance-based contract allowed under the WIOA that maximizes the likelihood that the government pays only for demonstrably effective services and may secure performance outcomes at a lower cost than might otherwise occur. Local WIOA funds set aside for PFP contract strategies remain available over an extended period, compared to the usual two-year limit for such funds, and are only paid to a service provider upon meeting certain performance outcome thresholds. If a local area opts to implement a PFP contract strategy, the contract must provide Adult and Dislocated Worker training services in WIOA Section 134(c)(3)(D) and/or Youth activities in Section 129(c)(2), as applicable. For the Adult and Dislocated Worker contract strategies, such services are the “allowable training” listed in WIOA Section 134(c)(3)(D), which includes occupational skills training, OJT, incumbent worker training, cooperative education, private sector training, skill upgrading and retraining, entrepreneurial training, transitional jobs, job readiness training, adult education and literacy activities, and customized training.

Subtitle B, Chapter 3 Adult and Dislocated Worker Employment and Training Activities – Other Activities

At the discretion of the state and local boards, the following services may be provided (Section 134(d), WIOA, 128 Stat. 1532 et seq.):

- a. Job seeker services, including:
 - (1) Customer support to enable individuals with barriers to employment to navigate among multiple services,
 - (2) Training programs for displaced homemakers and for individuals training for nontraditional occupations, and
 - (3) Work support activities for low-wage workers.
- b. Employer services, including:
 - (1) Customized screening and referral of individuals in career and training services to employers; and
 - (2) Customized employment-related services to employers, employer associations, or other organization on a fee-for-service basis, in

- addition to labor exchange services available to employers under the Wagner-Peyser Act; and
- (3) Activities to provide business services and strategies.
- c. Coordination activities, including:
- (1) Employment and training activities in coordination with child support enforcement and child support services;
 - (2) Employment and training activities in coordination with cooperative extension programs carried out by the US Department of Agriculture;
 - (3) Employment and training activities to facilitate remote access to services provided through a one-stop delivery system, including facilitating access through the use of technology;
 - (4) Improving coordination with economic development activities to promote entrepreneurial skills training and microenterprise services;
 - (5) Improving linkages with small employers;
 - (6) Strengthening linkages with unemployment insurance programs;
 - (7) Improving coordination of activities for individuals with disabilities; and
 - (8) Improving coordination with other federal agency supported workforce development initiatives.
- d. Implementing PFP contract strategies for training services. PFP contract strategies include only the activities listed in the definition of PFP contracting strategies at WIOA Section 3(47), such as payments for performance outcomes and independent validation of results.
- e. Technical assistance for AJCs, partners, and eligible training providers on the provision of services to individuals with disabilities.
- f. Activities for setting self-sufficiency standards for the provision of career and training services.
- g. Implementing promising services to workers and businesses.
- h. Supportive services, including needs related payments.

- i. Locating transitional jobs, which are time-limited work experiences that are subsidized and are in the public, private, or nonprofit sectors. They are for individuals with barriers to employment who are chronically unemployed or who have an inconsistent work history and are combined with comprehensive career and supportive services (Section 134(d)(5)(A), WIOA, 128 Stat. 1537).

Subtitle B, Youth Activities

- a. Youth activities can provide a wide array of activities relating to employment, education, and youth development. The activities identified in Section 129(c)(2), WIOA (128 Stat. 1509 and 1510) include the following:
 - (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 post-secondary 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: (a) summer employment opportunities and other employment opportunities available throughout the school year; (b) pre-apprenticeship programs; (c) internships and job shadowing; and (d) OJT opportunities;
 - (4) Occupational skill training, which includes priority consideration for training programs that lead to recognized post-secondary credentials that align with in-demand industry sectors or occupations in the local area involved, if the local board determines that the programs meet the quality criteria described in Section 123, WIOA (128 Stat. 1498);
 - (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 civil behaviors;
 - (7) Supportive services;

- (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 less than 12 months after the completion of participation;
- (10) Comprehensive guidance and counseling, which may include drug and alcohol abuse counseling and referral, as appropriate;
- (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 local area, such as career awareness, career counseling, and career exploration services; and
- (14) Activities that help youth prepare for and transition to post-secondary education and training;
- (15) PFP contract strategies must be used to provide Adult and Dislocated Worker training services in WIOA Section 134(c)(3) and/or Youth activities in Section 129(c)(2), as applicable. The Youth services include training and also tutoring, work experience, supportive services, counseling, entrepreneurship, labor market information, financial literacy, and other services listed in WIOA Section 129(c)(2).

A local area conducts a feasibility study or determination to identify the problem the project will address, the population that will be targeted, the services that will be provided, and the performance outcomes that will be used as criteria; and to estimate the acceptable cost to the government associated with achieving the projected performance outcomes. The state modifies its WIOA grant to set aside the funds that will be used for PFP and thus will have a longer obligation period and establishes financial controls to track this fund use at the local level. The local area begins its PFP project, including negotiating and awarding a PFP contract. The local PFP project recruits participants and provides services. An independent validator determines if the project has achieved its outcomes. The local area pays for any outcomes as named in its PFP contract. If outcomes have not been achieved, the local area does not pay for outcomes.

- b. Funds allocated to a local area for eligible youth shall be used for programs that:
- (1) Objectively assess academic levels, occupational skills levels, service needs (e.g., occupational, prior work experience, employability, interests, aptitudes), supportive service needs of each participant, and developmental needs of each participant, for the purpose of identifying appropriate services and career pathways;
 - (2) Develop service strategies that are directly linked to one or more indicators of performance of the youth program described in Section 116(b)(2)(A)(ii), WIOA, 128 Stat. 1472, and identify career pathways that include education and employment goals, appropriate achievement objectives, and the appropriate services needed to achieve the goals and objectives for each participant taking into account the assessment conducted; and
 - (3) Provide activities leading to the attainment of a secondary school diploma or its recognized equivalent, postsecondary education preparation, strong linkages between academic instruction and occupational education that lead to the attainment of recognized postsecondary credentials, preparation for unsubsidized employment opportunities, and effective connections to employers in in-demand industry sectors and occupations of the local and regional labor markets (Section 129(c)(1)(A)(B)(C), WIOA, 128 Stat. 1508).

Waivers and Workforce-Flexibility

- (1) Under the secretary of labor's general waiver authority (Adult, Dislocated Worker, and Youth Waivers), the secretary may waive statutory or regulatory requirements of the adult and youth provisions of the WIOA and sections 8 through 10 of the Wagner-Peyser Act) (29 USC 49g through 49i) (Section 189(i)(3), WIOA, 128 Stat. 1601).
- (2) Under an approved Workforce Flexibility plan, a governor may be granted authority to approve requests for waivers of statutory or regulatory provisions of Title I submitted by local workforce areas (29 USC 2942; Sections 190(a)-(d), WIOA, 128 Stat.1602 et seq.).

3. *WIOA, Activities Unallowed*

- a. WIOA Title I funds may not be used for the following activities, except as indicated:
- (1) Construction, purchase of facilities or buildings, or other capital expenditures for improvements to land or buildings except with the prior approval of the secretary of labor. WIOA Title I funds can be used for construction only in limited situations, including meeting obligations to provide physical and programmatic accessibility and reasonable accommodations, certain repairs, renovations, alterations, and capital improvements of property, and for disaster relief projects under Section 170(d), WIOA, 128 Stat.1575, Youth Build programs under Section 171(c)(2)(A)(i), WIOA, 128 Stat. 1578, and for other projects that the secretary determines necessary to carry out the WIOA, as described under Section 189(c) of WIOA, 128 Stat. 1599.
 - (2) Employment-generating activities, economic development activities, investment in revolving loan funds, capitalization of businesses, investment in contract bidding resource centers, and similar activities not directly related to training for eligible individuals, with the exception of employer outreach and job development activities, which are considered directly related to training for eligible individuals (Section 181(e), WIOA, 128 Stat. 1588).
 - (3) The employment or training of participants in sectarian activities. Participants shall not be employed in the construction, operation, or maintenance of a facility that is or will be used for sectarian instruction or as a place for religious worship. However, WIOA funds may be used for the maintenance of a facility that is not primarily or inherently devoted to sectarian instruction or religious worship if the organization operating the facility is part of a program or activity providing services to WIOA participants (Section 188(a)(3), WIOA, 128 Stat. 1598).
 - (4) Encouraging or inducing the relocation of a business or part of a business from any location in the United States if the relocation results in any employee losing his or her job at the original location (Section 181(d)(1)), WIOA, 128 Stat. 1588).
 - (5) Providing customized training, skill training, or OJT or company specific assessments of job applicants or employees of a business or a part of a business that has relocated from any location in the United States, until the company has operated at that location for 120 days, if the relocation resulted in any employee losing his or

her job at the original location (Section 181(d)(2), WIOA, 128 Stat. 1588).

- (6) Paying the wages of incumbent employees during their participation in economic development activities provided through a statewide workforce investment system (Section 181(b)(1), WIOA, 128 Stat. 1586).
- (7) Public service employment, except to provide disaster relief employment, as specifically authorized in Section 194(10), WIOA (128 Stat.1606).

- b. Funds available to states and local areas under Subtitle B may not be used for foreign travel (29 USC 2931(e), WIOA, 128 Stat. 1588).

E. Eligibility

1. Eligibility for Individuals

- a. All Programs

Selective Service – Participants between the ages of 18 and 26 need to register with the Military Selective Service, Section 3 (50 USC App. 453)) Such registration is also required by Section 189 (h), WIOA 113-128.

- b. All Subtitle B Statewide and Local Programs

- (1) An adult must be 18 years of age or older (Section 3(2), WIOA, 128 Stat. 1429).
- (2) A dislocated worker means an individual who meets the definition in Section 3(15), WIOA, 128 Stat. 1431).
- (3) A dislocated homemaker means an individual who meets the definition in Section 3(16), WIOA, 128 Stat. 1432).
- (4) An in-school youth and an out-of-school youth are eligible to participate in workforce investment activities if they meet the definition in Section 129(a)(1)(B) and (C), WIOA, 128 Stat. 1504 et seq.

- c. Subtitle B Youth Activities

A person is eligible to receive services under Youth Activities if they are an out-of-school youth or an in-school youth (Section 129(a)(1), WIOA, 128 Stat. 1504).

- (1) An “out-of-school youth” is an individual who is:
 - (a) Not attending any school (as defined under state law);
 - (b) Not younger than 16 or older than age 24 at time of enrollment. (Because age eligibility is based on age at enrollment, participants may continue to receive services beyond the age of 24 once they are enrolled in the program); and
 - (c) One or more of the following:
 - (i) A school dropout;
 - (ii) A youth who is within the age of compulsory school attendance, but has not attended school for at least the most recent complete school year calendar quarter (school year calendar quarter is based on how a local school district defines its school year quarters); in cases where schools do not use school year quarters, local programs must use calendar year quarters);
 - (iii) A recipient of a secondary school diploma or its recognized equivalent who is a low-income individual and is either basic skills deficient or an English language learner;
 - (d) An offender;
 - (e) A homeless individual, aged 16 to 24 who meets the criteria defined in Section 41403(6) of the Violence Against Women Act of 1994 (42 USC 14043e–2(6)), a homeless child or youth aged 16 to 24 who meets the criteria defined in Section 725(2) of the McKinney-Vento Homeless Assistance Act (42 USC 11434a(2)) or a runaway;
 - (f) An individual in foster care or who has aged out of the foster care system or who has attained 16 years of age and left foster care for kinship guardianship or adoption, a child eligible for assistance under Section 477 of the Social Security Act (42 USC 677), or in an out-of-home placement;
 - (g) An individual who is pregnant or parenting;
 - (h) An individual with a disability;

- (i) A low-income individual who requires additional assistance to enter or complete an educational program or to secure or hold employment (Sections 3(46) and 129(a)(1)(B), WIOA, 128 Stat. 1437 and 1504).
- (2) An “in-school youth” is an individual who is:
 - (a) Attending school (as defined by state law);
 - (b) Not younger than age 14 or (unless an individual with a disability who is attending school under state law) older than age 21;
 - (c) A low-income individual; and
 - (d) One or more of the following:
 - (i) Basic skills deficient;
 - (ii) An English language learner;
 - (iii) An offender;
 - (iv) A homeless individual, aged 14 to 21 who meets the criteria in Section 41403(6) of the Violence Against Women Act of 1994 (42 USC 14043e–2(6)), a homeless child or youth aged 14 to 21 who meets the criteria in Section 725(2) of the McKinney-Vento Homeless Assistance Act (42 USC 11434a(2)), or a runaway;
 - (v) An individual in foster care or who has aged out of the foster care system or who has attained 16 years of age and left foster care for kinship guardianship or adoption, a child eligible for assistance under Section 477 of the Social Security Act (42 USC 677), or in an out-of-home placement;
 - (vi) An individual who is pregnant or parenting;
 - (vii) An individual with a disability;
 - (viii) An individual who requires additional assistance to complete an educational program or to secure or hold employment (sections 3(27) and 129(a)(1)(C), WIOA, 128 Stat. 1435 and 1505).

2. Eligibility for Group of Individuals or Area of Service Delivery

Not Applicable

3. Eligibility for Subrecipients

Not Applicable

G. Matching, Level of Effort, Earmarking**1. Matching**

Not Applicable

2. Level of Effort

Not Applicable

3. Earmarking**a. Statewide Activities**

- (1) The governor shall reserve not more than 15 percent of each of the amounts allotted to the state Adult, Dislocated Worker, and Youth Activities for a fiscal year to carry out statewide activities under Section 129(b) or statewide employment and training activities for adults or dislocated workers under section 134(a) (Section 128(a), WIOA, 128 Stat. 1502).
- (2) Not more than 5 percent of the funds allotted to a state under Section 127(b)(1)(C) of WIOA shall be used by the state for administrative activities related to youth workforce investment and employment and training activities (Section 129(b)(3), WIOA, 128 Stat 1508).
- (3) The state must reserve for rapid response activities a portion of funds, up to 25 percent, allotted for dislocated workers. The funds are used to plan and deliver services to enable dislocated workers to transition to new employment as quickly as possible, following either a permanent closure or mass layoff, or a natural or other disaster resulting in a mass job relocation (20 CFR section 682.350; sections 133(a)(2) and 134(a)(2)(A), WIOA, 128 Stat. 1516 and 1520).

b. Local Areas

- (1) A local area may expend no more than 10 percent of the Adult, Dislocated Worker, and Youth Activities funds allocated to the

local area under Sections 128(b) (WIOA, 128 Stat. 1502) and 133(b) (WIOA, 128 Stat. 1516) for within state allocations. The funds provided for administrative costs by one of the three fund sources (Adult, Dislocated Worker, Youth Activities) can be used for administrative costs of the other two sources.

- (2) The amount that may be spent on incumbent worker training may not exceed 20 percent of the amount of the combined total of federal funds allocated to local areas to carry out the Adult and Dislocated Worker programs for a program year (20 CFR section 680.800; Section 134(d)(4), WIOA, 128 Stat. 1535).
- (3) WIOA authorizes workforce investment areas, with the approval of the governor, to transfer up to 100 percent of the Adult Activities funds to Dislocated Workers Activities, and up to 100 percent of Dislocated Workers Activities funds to Adult Activities (Section 133(b)(4), WIOA, 128 Stat. 1518).
- (4) At the discretion of the local board, not more than 10 percent of the total funds allocated to the local area under section 128(b) and under section 133(b)(2)-(3) may be used to implement a pay-for-performance contract strategy as defined in WIOA Section 3(47) (WIOA Section 129(c)(1)(D) and 134(d)(1)(A)(iii)).
- (5) As no state has received prior approval for implementation of a PFP contract strategy, no funds from the program years prior to PY 2019 are available for PFP contract strategies or for the accompanying extended disbursement. However, these funds could still be used for other types of performance-based contracting, but the life of those funds remains the normal two-year limit for local WIOA grant funds.

c. Youth Activities

- (1) A minimum of 75 percent of the Youth Activity funds allocated to states and local areas, except for the local area expenditures for administration, must be used to provide services to out-of-school youth (Section 129(a)(4)(A), WIOA, 128 Stat. 1506).
- (2) Not less than 20 percent of Youth Activity funds allocated to the local area, except for the local area expenditures for administration, must be used to provide paid and unpaid work experiences (Section 129(c)(4)), WIOA, 128 Stat. 1510).

H. Period of Performance

1. *Statewide Activities*

Funds allotted to a state for any program year are available for expenditure by the state during that program year and the two succeeding program years (29 USC 3249(g)(2)).

2. *Local Areas*

Funds allocated by a state to a local area for any program year are available for expenditure only during that program year and the succeeding program year. Funds which are not expended by a local area in two-year period must be returned to the state, which can use the funds for statewide projects during the third program year of availability. The state may also distribute the funds to local areas, which may have expended their original allocation and may need additional funds to complete their projects within the two-year period (29 USC 3249(g)(2)).

Funds used to carry out PFP contract strategies by local areas shall remain available until expended through procedures outlined in Attachment III of TEGL 8-20 (WIOA 189(g)(2)(D)).

L. Reporting

1. Financial Reporting

- a. *SF-270, Request for Advance or Reimbursement* – Not Applicable
- b. *SF-271, Outlay Report and Request for Reimbursement for Construction Programs* – Not Applicable
- c. *SF-425, Federal Financial Report* – Not Applicable
- d. *ETA-9130, Financial Report (OMB No. 1205-0461)* – All ETA grantees are required to submit quarterly financial reports for each grant award they receive. Reports are required to be prepared using the specific format and instructions for the applicable program(s); in this case, *Workforce Innovation and Opportunity Act* instructions for the following: *Statewide Adult; Workforce Statewide Youth; Statewide Dislocated Worker; Local Adult; Local Youth; and Local Dislocated Worker*. A separate ETA 9130 is submitted for each of these categories. Funds reserved and set aside for PFP contract strategies are required to be reported on ETA 9130 basic reports for each WIOA fund source utilized. Reports are due 45 days after the end of the reporting quarter. Financial data is required to be reported cumulatively from grant inception through the end of each reporting period. Additional information can be accessed at <http://www.doleta.gov/grants/>; scroll down to the section on Financial Reporting. See TEGL 02-16 for specific and clarifying instructions about

the ETA 9130 at
https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5156.

2. Performance Reporting

WIOA Participant Individual Record Layout (PIRL) (OMB No. 1205-0526)

The report is used to report services, activities, and outcomes of service for all job seekers and veterans at

https://www.doleta.gov/performance/pfdocs/ETA_9170_WIOA_PIRL_Final.pdf

This report is submitted quarterly.

The WIOA Adult and Dislocated Worker Programs are responsible for reporting common WIOA performance indicators. *Key data elements* include:

- Data Element 1602 – Employed 2nd Quarter after Exit Quarter: is the percentage of program participants who are in unsubsidized employment during the second quarter after exit from the program (certain criteria apply);
- Data Element 1606 – Employed 4th Quarter after Exit Quarter: This element is the percentage of program participants who are in unsubsidized employment during the fourth quarter after exit from the program.
- Data Element 1704 – Median Earnings, Median Wages 2nd Quarter After Exit – is the median earnings of program participants who are in unsubsidized employment during the second quarter after exit from the program, as established through direct UI wage record match, federal or military employment records, or supplemental wage information. The median is the number that is in the middle of the series of numbers so that there is the same quantity of numbers above the median as there are below the median.
- Data Element 1800 – Credential Attainment Rate is the percentage of those participants enrolled in an education or training program (excluding those in OJT and customized training) who attained a recognized postsecondary credential or a secondary school diploma, or its recognized equivalent, during participation in or within one year after exit from the program.
- Data Element 1806 – Measurable Skill Gains is the percentage of participants who, during a program year, are in an education or training programs that lead to a recognized postsecondary credential or employment and who are achieving measurable skill gains, defined as documented academic, technical, occupational, or other forms of progress, towards such a credential or employment.

- Data Element 1618 – Effectiveness in Serving Employers. WIOA section 116(b)(2)(A)(i)(VI) requires the departments to establish a primary indicator of performance for effectiveness in serving employers. The departments have determined that this indicator will be measured as a shared outcome across all six core programs within each state to ensure a holistic approach to serving employers. The departments are initially implementing this indicator in the form of a pilot program to test the rigor and feasibility of the three proposed approaches, and to develop a standardized indicator. This indicator is reported on an annual basis; therefore, the reporting period for the effectiveness in serving employers indicators is the program year.
- The correct form numbers for reporting performance indicators are as follows:
 - Participant Reporting WIOA PIRL ETA-9170.
 - Statewide Performance Report WIOA PIRL ETA-9169.

WIOA Youth program grantees are responsible for reporting WIOA performance indicators as identified in WIOA Section 116(a)(2)(A)(ii) which includes:

- Data Element 1900 – Employed, or in Education or Training Activities in the 2nd Quarter after Exit is the percentage of title I youth program participants who are in education or training activities, or in unsubsidized employment, during the second quarter after exit from the program.
- Data Element 1901 – Employed, or in Education or Training Activities in the 4th Quarter after Exit is the percentage of program participants who are in education or training activities, or in unsubsidized employment, during the fourth quarter after exit from the program.
- Data Element 1704 – Median Earnings, see above.
- Data Element 1800 – Credential Attainment Rate, see above.
- Data Element 1806 – Measurable Skill Gains, see above.
- Data Element 1618 – Effectiveness in Serving Employers, see above.

For additional information, on WIOA performance reporting, including results, requirements, and information about the Workforce Integrated Performance System (WIPS), you may visit <https://www.dol.gov/agencies/eta/performance/results>. At this link, you will find program data collected quarterly and annually.

3. Special Reporting

Not Applicable

4. Special Reporting for Federal Funding Accountability and Transparency Act

See Part 3.L for audit guidance.

M. Subrecipient Monitoring

1. Recipients must ensure that commercial organizations that are subrecipients under WIOA Title I and expend more than the minimum level specified in 2 CFR Part 200, Subpart F, have either an organization-wide audit conducted in accordance with 2 CFR Part 200 or a program-specific financial and compliance audit (20 CFR section 683.210).
2. Each state must have a monitoring system which:
 - a. Provides for annual on-site monitoring reviews of local areas' compliance with DOL uniform administrative requirements, including the appropriate administrative requirements and cost principles for subrecipients and other entities receiving WIOA funds, as required by Section 184(a)(4), WIOA (128 Stat. 1591);
 - b. Ensures that established policies to achieve program quality and outcomes meet the Act's objectives, including policies relating to the provision of services by AJC centers, eligible providers of training services, and eligible providers of youth activities;
 - c. Enables the governor to determine if subrecipients and contractors are in substantial compliance with WIOA requirements;
 - d. Enables the governor to determine whether a local plan will be disapproved for failure to make acceptable progress in addressing deficiencies; and
 - e. Enables the governor to ensure compliance with WIOA nondiscrimination and equal opportunity requirements (29 USC 3248) (20 CFR sections 683.410(b)(1) through (3)).
3. The state must require that prompt corrective action be taken if any substantial violations are identified as result of annual on-site monitoring and must impose the sanctions provided in sections 184(b) and (c) of WIOA if a subrecipient fails to take required corrective action. The state may issue additional requirements and instructions to subrecipients on monitoring activities (20 CFR sections 683.410(b)(4) and (5)).