

## **Union County Youth 20% Work Experience Expenditure Policy**

### **1. Purpose.**

To provide staff with guidance on the changes in the Youth Work Experience requirements under the WIOA Title I Youth Program.

### **2. References**

- Workforce Innovation and Opportunity Act (Public Law 113-128), Sections 116 and 129
- Training and Employment Guidance Letter (TEGL) 19-14, Vision for the Workforce
- System and Initial Implementation of WIOA
- TEGL 23-14, WIOA Youth Program Transition
- WIOA Section 129[c][4]

### **3. Background**

Youth Work Experience Expenditure Requirement: Local areas must spend at least 20 percent of their WIOA youth formula allocation on supporting work experiences for youth (WIOA Section 129[c][4]).

Under WIOA, paid and unpaid work experiences with academic components or occupational education may include the following four categories: summer employment opportunities and other employment opportunities available throughout the school year; pre-apprenticeship programs; internships and job shadowing; and on-the-job training opportunities. The U.S. Department of Labor encourages local programs to coordinate work experiences, particularly summer employment, with other youth-serving organizations and agencies. As was encouraged through joint letters in past years with the Departments of Health and Human Services and Housing and Urban Development, coordinating with Temporary Assistance for Needy Families, Community Services Block Grant and Community Development Block Grant programs can strengthen local summer employment efforts.

Work experience is a critical WIOA youth program element. Program expenditures on the work experience program element include wages as well as staffing costs for the development and management of work experiences. Similar to the 75 percent out-of-school-youth (OSY) expenditure requirement, administrative costs are not subject to the 20 percent minimum work experience expenditure requirement. The work experience expenditure rate is calculated after subtracting funds spent on administrative costs. The 20 percent minimum is calculated based on non-administrative local area youth funds and is not applied separately for ISY and OSY.

### **4. Policy**

In order to comply with the 20% minimum work experience requirement, the following guidance is provided:

*Procurement*– Youth RFP specifications will describe the 20% work experience requirement.

*Contracts*– All youth contracts will include benchmarks setting minimum work experience levels.

*Tracking*– Monthly work experience YTD encumbrances and YTD total expenditures will be tracked and reported as part of the monthly performance report.

The following example illustrates how a local area might calculate its 20 percent work experience expenditure requirement:

<b>Youth Formula Allocation (A)</b>	<b>Administration Costs (B)</b>	<b>Youth Program Expenditure (A-B)</b>	<b>20 Percent Work Experience Minimum Spending Requirement (A-B)*20%</b>
<b>\$2,000,000</b>	<b>\$180,000</b>	<b>\$1,820,000</b>	<b>\$364,000</b>
TThe local area would be required to spend at least \$364,000 (\$1,820,000 x .20) on work experience for IS youth and OS youth.			

Staffing costs must be reasonable and not exceed 10 percent of the work experience expenditures. Local areas must track funds spent on the 20 percent work experience requirement.

## 5. OSY Defined:

Under WIOA, 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) Characterized by being one or more of the following:
  - (1) A school dropout;
  - (2) 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;
  - (3) 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;
  - (4) An individual who is subject to the juvenile or adult justice system;
  - (5) A homeless individual, a runaway, an individual who is in foster care or has aged out of the foster-care system, a child eligible for assistance under section 477 of the Social Security Act, or an individual who is in an out-of-home placement;
  - (6) An individual who is pregnant or parenting;
  - (7) An individual with a disability;
  - (8) A low-income individual who requires additional assistance to enter or complete an educational program or to secure or hold employment. (WIOA sections 3(46) and 129(a)(1)(B))

## 6. Action

This directive is to be made available to appropriate staff.