



# Executive Summary

## TEGL 14-08





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**Bobby Jindal**, Governor  
**Tim Barfield**, Executive Director

**Office of Workforce Development**

April 8, 2009

**VISION:**

The Louisiana Workforce Commission will be an indispensable provider of workforce solutions.

**MISSION:**

The Louisiana Workforce Commission will lead the development of the system that delivers the workforce Louisiana's current and future employers need.

**Group:**

The time for distribution of federal funds under the American Recovery and Reinvestment Act of 2009 is fast upon us. Please know how much we appreciate the diligence you have shown in preparing your teams on a local and regional basis for the effective, efficient use of these funds. Your efforts, both now and in the future, are critical to the achievement of the intended impact of these funds, and you are to be commended for your commitment to the citizenry of Louisiana. The necessary contract documentation will be sent on April 9, 2009, and I thank you in advance for your timely execution and return of same.

Attached you will find a true and exact copy of TEGL 14-08 along with a summary brief of the key components contained therein. It is imperative that you and your team thoroughly review both the TEGL 14-08 and summary document. The summary is provided through the direction of our newly created policy team which was introduced during our statewide meeting in early March. The team consists of LWC legal counsel Rob Roux, along with Cynthia Douglas and Greg DeClouet. The creation of our policy team and the guidance they provide will be key to the accurate and timely dissemination of information, with the summary of TEGL 14-08 serving as an example of the increased level of services you may expect in the future.

Since our meeting in early March, questions have poured in from around the state, evidence of the seriousness of the approach to the administration of Stimulus dollars. In order to enhance the efficient delivery of information throughout the state, we will be pursuing various means through which we will compile questions and responses for the mutual benefit of all. Please know that your questions regarding programmatic issues should first be directed to the appropriate Deputy Director. Specific questions regarding TEGL interpretation will be collected and presented to our policy team for investigation and response at the Deputy Director level.

Our policy teams' top priority will be the review of all past and future TEGL documents pertaining to Stimulus funds, and will include a summary brief on a per TEGL basis.

Thank you again for your ongoing support and commitment and we look forward to the tremendous impact of your efforts in the very near future.

Best Regards,  
Howard Sanders  
Director



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**Workforce Information Notice (WIA)  
State Information Notice No. 01-09**

**Subject: Guidance and Summary of USDOL ETA TEGL NO. 14-08**

- PURPOSE:** To inform WIB Directors, Local Area Coordinators, Business and Career Solution Staff and OWD Staff of the guidance provided by the United States Department of Labor through TEGL No. 14-08 concerning the Implementation of the WIA and Wagner-Peyser Act funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009.
- BACKGROUND:** The American Recovery and Reinvestment Act (ARRA) of 2009 was signed into law by President Obama on February 17, 2009. On March 18, 2009, the USDOL issued a “Guidance for Implementation of the WIA and Wagner-Peyser Act funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009.” As an aid to all WIA interested parties, a summary of TEGL 14-08 is issued herein. Additional guidance and information will be issued from the state on ARRA matters as needed and as required in the future.
- EFFECTIVE DATE:** This State informational Notice is effective March 31, 2009, and will remain in effect until further notice.



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## Office of Workforce Development

### **Review of USDOL Training and Employment Guidance Letter No. 14-08**

**Introduction:** On March 18, 2009 the USDOL issued TEGL No. 14-08 providing “Guidance for Implementation of the WIA and Wagner-Peyser Act funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009.” The State intends to provide guidance and work together with LWIAs to develop strategies to address ETA’s expectation to increase the number of individuals served and trained. Below is a summary of key points referenced in TEGL 14-08. Please note that, in order to fully understand the intent of USDOL, you must read the TEGL fully. **Implementation of Recovery Act funds must be delivered in accordance with the Integrated Service Delivery Model found in the Louisiana Workforce Commission Policy 9 series.**

The Employment and Training Administration (ETA) stressed that the Recovery Act must be implemented expeditiously and effectively, with full transparency and accountability of the Recovery Act Funds (RAF). Each Business and Career Solution Center must “take an expansive view of how the funds can be integrated into the transformational efforts to improve the effectiveness of the public workforce system.” **It is fully expected that implementation of the Recovery Act will yield increased services and training for workers in need.**

Workforce Boards are expected to partner with each other regionally and across political jurisdictions to align workforce development services with strategies for regional development. It is expected that the additional workforce funding will substantially increase the number and proportion of customers who are receiving training.

Under a dual-customer approach, seamless career pathways should be developed and offered. Additionally, support services and needs-based payments should be made available making it easier for young people and adults, particularly those most in need, to advance and persist through progressive levels of the education and job training system as quickly as possible so as to gain the education and workforce skills needed for the workforce. The success of each Business and Career Solution Center in implementing the Recovery Act will be gauged in part by the progress it achieves in using annual appropriations, along with recovery Act funds, to help unemployed, under-employed, and dislocated workers find new, good jobs. Additionally, it must be the goal of each Business and Career Solution Center to give these workers access and an opportunity to remain in the middle class. Further, it is a necessary objective of each Business and Career Solution Center to help low-skill or low-income workers acquire 21<sup>st</sup> century skills, find family-supporting jobs in healthy industries and access the middle class; and to help enhance the education pathways for disadvantaged and disconnected youth to improve their labor market prospects and long term career success.

Please note that Recovery Act funding **must** be spent concurrently with other WIA and Wagner-Peyser funding, and cannot be used “to replace state or local funding...dedicated to workforce development and summer jobs.” ETA acknowledged that the State will need to hire additional personnel (at least through the life of these funds) to administer workforce programs and deliver services. As a result, ETA “strongly” encouraged states to exempt WIA and Wagner-Peyser programs from hiring freezes and personnel restrictions.

## **KEY RECOVERY ACT PROVISION AND EMPHASES**

The Recovery Act permits LWIBs to contract with institutions of higher education to train multiple individuals in high-demand occupations if the contracts do not limit customer choice and are not duplicating existing training courses and curriculum. LWIBs will be allowed to pay for the full cost of training at the beginning of the course. As part of the contract, institutions can develop curriculum for emerging sectors but should focus on short-term increase in training capacity, not long-term curriculum development activities (i.e. add green technology to building trades training).

ETA encouraged the State and LWIAs to place an emphasis in serving low-income, displaced, and under-skilled adults and disconnected youth. Priority use of WIA Adult formula funds must be for services to recipients of public assistance and other low-income individuals. Support services and needs-related payments must also be utilized. WIA funds used for adult education must be provided in connection with occupational skill training leading to a job or career. **To accomplish this, Locals are encouraged to review and update their policies as necessary.**

Because the Recovery Act includes a “new major investment to provide Reemployment Services” to UI claimants, ETA stresses and encourages States to foster partner relationships between UI and One-Stop services.

ETA mentioned the concept of creating “green jobs” through the Recovery Act. ETA’s emphasis was made clear as the TEGl referenced green jobs/opportunity/training/education 29 times. As the LWIAs develop training strategies, they need to keep in mind green jobs that may be available not only now but also in the future. Now is the opportunity to lay down the foundation for the future job skills that will be need throughout the 21<sup>st</sup> century.

It was also noted that the Recovery Act includes funds invested in projects administered through other agencies.

## **RECOVERY ACT JOBS**

To accomplish transparency, the State will list all jobs generated through the Recovery Act on LAVOS. In meeting the spirit of TEGl 14-08, each LWIA is encouraged to development and maintain a website that informs the public concerning the receiving of funds, planning and performance of the Recovery Act funds.

## **AVAILABILITY OF FUNDS**

WIA funding for Adults, Dislocated Workers, and Youth are considered to be Program Year (PY) 2008 funds and, therefore, is subject to recapture by the end of PY 2009 (June 30, 2010) unless obligated. The obligation (staff cost is not consider an obligation), that is carry-over must be expended by the end of PY 2010 (June 30, 2011). Congress desires that most of these funds be expended within the first year of eligibility.

## **MONITORING**

States were reminded that regular oversight and monitoring of both its normal WIA and Wagner-Peyser services and the additional funding provided under the Recovery Act must occur. (WIA Regulation 20 CFR 667.410).

## **PROGRAM AND PERFORMANCE REPORTING**

ETA is developing reporting guidelines for these funds with the intent to minimize any new collection burdens. Final guidance on participant and performance reporting will be issued under a separate TEGL.

## **WIA ADULT PROGRAM**

Recovery Act Funds (RAF) available for the WIA Adult Program are subject to the 15% reserve for state activities. RAF can be used on all activities specified under the WIA Adult program.

LWIAs should have assessment and data-driven career counseling integrated into their service strategies to support adults in successful job search and training activities align with areas of anticipated economic and job growth.

### **Training activities as specified in WIA Adult Program.**

Increase utilization of Pell Grant additional funding through RAF.

- Occupational skills training

- Employer-based training

- Programs that combine workplace training and related instruction

- Registered apprenticeship training programs operated by the private sector

- Skill upgrade and retraining

- Entrepreneurship training

- Job readiness training

- Adult education and literacy training

- Customized training

- Training that supports adult basic education training, including English as a second language

To maximize the reach of Adult formula funds, each Business and Career Solution Center should help eligible customers take advantage of the significant increase in Pell Grant funds also included in the Recovery Act.

States must also assure that supportive and need-related payments are available to those receiving training, especially those within the priority populations (recipients of public assistance, low-income, displaced, and under-skilled adults).

In connection with the WIA Adult Program, ETA encouraged states to consider the following service delivery strategies:

- Target WIA Adult formula funds on services that most effectively and efficiently help those impacted by the current economy to obtain employment

- Coordinate and align with Wagner-Peyser, Reemployment Services, TAA, UI and Business and Career Solution Career Center Partner Programs
- Leveraging and Support for Registered Apprenticeship Programs
- Align with State and Regional Economic Recovery Plans

Additionally, LWC highly recommends that, at a minimum, a WorkKeys assessment be administered to the target population having a 7<sup>th</sup> – 8<sup>th</sup> grade reading level. The utilization of other assessment tools should also be considered.

**States and local areas are reminded that they are to implement priority of services for veterans and eligible spouses into their training programs. Example: When the veteran’s priority is applied in conjunction with another statutory priority - like the Recovery Act’s priority for recipients of public assistance and low-income individuals - veterans and eligible spouses who are members of the Recovery Act priority group must receive the highest priority within that priority group, followed by non-veteran members of the Recovery Act priority group.**

**WIA DISLOCATED WORKER PROGRAM**

Recovery Act Funds (RAF) are available for the WIA Dislocated Worker Program until June 30, 2011. Pursuant to the Recovery Act, WIA Dislocated Worker Funds may be used to provide the necessary services to dislocated workers to support reentry into the job market.

**LWC has determined that it will not reserve 25% of Dislocated Worker formula funds for Rapid Response activities. LWC will send these funds down to the LWIAs.**

The ETA reminded states that individuals can qualify as a dislocated worker under four separate categories (defined in §101 (9) of the Act): General Dislocated Workers, Individuals affected by Plant Closures, Self-Employed or Unemployed, and Displaced Homemaker.

In connection with the WIA Dislocated Worker Program, states were encouraged to consider the following service delivery strategies:

- Target WIA Dislocated Worker formula funds on services that most effectively and efficiently help those impacted by the current economy to obtain employment
- Coordinate and align with Wagner-Peyser, Reemployment Services, TAA, UI and One-Stop Career Center Partner Programs
- Establish policies that assure supportive services and needs-related payments are part of the dislocated worker service strategy
- Align with State and Regional Economic Recovery Plans

**States and local areas are reminded that they are to implement priority of services for veterans and eligible spouses into their training programs. Example: When the veteran’s priority is applied in conjunction with another statutory priority - like the Recovery Act’s priority for recipients of public assistance and low-income individuals - veterans and eligible spouses who are members of the Recovery Act priority group must receive the highest priority within that priority group,**

**followed by non-veteran members of the Recovery Act priority group.**

### **ADDITIONAL WIA ADULT and DISLOCATED WORKER PROGRAM GUIDANCE**

In utilizing WIA Adult and Dislocated Worker RAF, ETA encouraged states to use the following methods of training: Individual Training Accounts, Customized Training, Employer-Based Training, Contracts with institutions of higher education and other training providers, contract with community-based organizations, and registered apprenticeship.

In this guidance, ETA is clarifying requirements in WIA regulations related to the sequence of services for the WIA Adult and Dislocated Worker programs as follows:

- Before providing intensive services, a local area must determine that an individual is unable to obtain employment through core services, among other criteria.
- To provide training services to an individual, the local area must determine that an individual is unable to obtain employment through intensive services, among other criteria.

As stated in the preamble to the WIA regulations, these determinations do not mean that the individual must go through layers of service to prove that need; the determination of need itself can be a core and/or intensive service, such as an assessment or development of an individual. ETA reminded the States that, under the Recovery Act program, training or other needed services (core services, intensive services, and training) can be provided sequentially or concurrently, or in whatever order makes the most sense for the individual.

### **WAGNER-PEYSER ACT FUNDING**

The Recovery Act makes available funding for employment services operations (excluding reemployment services) to assist persons in Business and Career Solution Centers secure employment and workforce information by providing services such as job search assistance, skills assessment, and labor market information.

Ninety percent of the RAF is intended for employment services such as job search and placement services which include assessing of skill levels, abilities and aptitudes; career guidance when appropriate; job search workshops; and referral to employers. The services offered to employers, in addition to referral of job seekers to job openings, include matching job requirements with job seeker experience, skills and other attributes; helping with special recruitment needs; assisting employers analyze hard-to-fill job orders; assisting with job restructuring; and helping employers. It is expected that these services will be provided within the Business and Career Solution Centers.

Ten percent of the RAF allotted is reserved for use in other areas including performance incentives for public service offices, services for groups with special needs and the extra costs of exemplary models. Veterans must receive priority of service under Wagner-Peyser activities. Because of the 10% funds, a determination will be made concerning the staffing of local offices as well as a strategy for the reemployment services.

In implementing Wagner-Peyser services, states are encouraged to consider the following service delivery strategies:

- Seamless Service Integration with WIA services, UI, and Business and Career Solution Partners to ensure individuals will have a full array of employment and training services
- Support Assessment and Career Counseling services
- Enhance Workforce and Economic Information availability
- Outreach to Migrant and Seasonal Farm workers

### **REEMPLOYMENT SERVICES**

Under the Recovery Act, reemployment services, which provides job search and other employment-related assistance service to UI claimants, must be provided within Business and Career Solution Centers. Funding for reemployment services are available for obligation through September 30, 2010, and must be expended by June 30, 2011.

In connection with the utilization of reemployment services funding, states were encouraged to consider the following strategies:

- Effective collaboration between the LWIAs, State Employment Service, UI, and Labor Market offices to create a comprehensive strategic plan to most effectively UI claimants and businesses
- Provide a full array of services to for UI claimants. Suggested strategies include:
  - Claimant reemployment job clubs
  - Reexamine the UI Profiling System to expand the basis for referral
  - Additional training for Business and Career Solution staff on assessment and profiling
  - Collaborate with UI to ID claimants who would most benefit from reemployment or WIA services
  - Target job development efforts to better ID the skills transferability needs of UI claimants
  - One-on one career guidance and counseling
  - Development of individual reemployment plans
  - Provide soft-skills pre-training services
- Assess claimants through he use of profiling and statistical modeling
- Upgrade information technology

### **YOUTH PROGRAM**

Although the use of RAF is not limited to summer employment, Congress expressed a keen interest in local areas spending as much of these youth funds for youth employment opportunities during the summer of 2009 (May 1- September 30, 2009). (Local areas should immediately begin the eligibility determination process for upcoming summer employment.) Local areas, may, however, spend RAF over the course of two summers and the non-summer months in between. **LWC highly recommends that at least 70% of the funding be used this summer.**

The Recovery Act increased the eligibility age to 24 (up to the 25<sup>th</sup> birthday) and indicated that the work readiness indicator will be the only indicator used to assess the effectiveness of summer employment. Basic and occupational portions of the skill attainment rate and the literacy/numeracy gains measure won't be required for youth participating only in summer employment. **All youth who do not participate in summer employment or who may be served beyond the summer months must be included in the regular WIA reporting mechanisms and be subject to the full set of WIA youth measures.**

The use of RAF for youth allows flexibility for the Local Areas. Local Areas will NOT be required to make all 10 youth program elements available through the use of RAF. Local Areas can determine whether the 12 month follow-up will be used for youth served with RAF during the summer months only. Local Areas may determine the type of assessment and Individual Service Strategy for youth served during the summer months only. Local Areas have the option to determine whether academic learning should be directly linked to summer employment.

Local Areas should be reminded that all safety and child labor laws must be observed. Currently, minimum wage is \$6.55/hr. On July 24, 2009, the minimum wage will be raised to \$7.25/hr. **ETA cautioned that states and local areas must have a policy guiding the payment of classroom based stipends and wages.**

Because youth eligibility was expanded to 24 years of age, there may be an increased volume of veterans eligible for youth services. States and Local Areas are reminded that they are required to provide priority of service for veterans and eligible spouses.

Under the Recovery Act, Local Areas must ensure that a minimum of 30% of RAF be used to serve out-of-school youth. **Current state policy targeted 50% out of school youth that are served with the regular allotment of WIA Youth funding. Local Areas will be notified if this policy will continue under the Recovery Act.**

**The grant recipient/fiscal agent may administer youth employment opportunities themselves without going through a competitive procurement process. Other youth service providers, however, must be selected by awarding a grant or contract on a competitive basis.**

In connection with summer employment opportunities, states were encouraged to consider the following design elements:

- Provide an Objective Assessment as well as Individual Service Strategies
- Design Age Appropriate Activities and provide Work Readiness Goals
- Establish a Meaningful Work Experience
- Ensure proper worksites supervision. **NOTE:** Worksites may not be a casino or other gambling establishment, an aquarium, zoo, golf course or swimming pool.
- Incorporate Green Work Experiences
- Provide Connections to Registered Apprenticeship
- Integrate Work-Based and Classroom-Based Learning Activities
- Offer Summer Youth Employment Opportunities that link academic and occupational learning

- Continue Services supporting Older/out-of-School Youth during non-summer months
- Focus on the Neediest Youth
- Determine if a 12-month follow-up will be required for youth served with RAF during the summer months only

**LWC strongly encourages the LWIAs to use as much of these funds as possible to operate expanded summer youth employment opportunities during the summer of 2009, and provide as many youth as possible with summer employment opportunities and work experiences throughout the year, while ensuring that these summer employment opportunities and work experiences are high quality. LWC is also particularly interested in and encourages LWIAs to develop work experiences and other activities that expose youth to opportunities in “green” educational and career pathways.**

**NOTE** that a new reporting form will be used to track youth served with RAF. A TEGl will be issued with details.