

Workforce Innovation and Opportunity Act
Guidelines for Adults, Dislocated Workers, and
Youth

Texas Workforce Commission
WORKFORCE DEVELOPMENT DIVISION

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I. INTRODUCTION

The Workforce Innovation and Opportunity Act (WIOA) offers an integrated and comprehensive range of services consisting of workforce development activities benefiting employers, job seekers, and communities. The purposes of WIOA are to:

- increase, particularly for individuals with barriers to employment, access to and opportunities for the employment, education, training, and support services needed to succeed in the labor market;
- support the alignment of workforce investment, education, and economic development systems for a comprehensive, accessible, and high-quality workforce development system;
- improve the quality and labor market relevance of workforce investment, education, and economic development efforts to provide individuals with the skills and credentials necessary to secure and advance in employment with family-sustaining wages, and to provide employers with the skilled workers needed to succeed in a global economy;
- promote improvement in the structure and delivery of services through the workforce development system to better address the educational and training needs of workers, job seekers, and employers;
- increase the prosperity of workers and employers; the economic growth of communities, regions, and states; and the global competitiveness of the United States; and
- provide workforce investment activities, through state and local workforce development systems, that increase participants' employment, retention, earnings, and attainment of recognized postsecondary credentials, and as a result, improve the quality of the workforce, reduce dependency on public assistance, increase economic self-sufficiency, meet the skills requirements of employers, and enhance the productivity and competitiveness of the nation.

The purpose of the *WIOA Guidelines for Adults, Dislocated Workers, and Youth* is to provide Local Workforce Development Boards (Boards) with criteria and documentation sources for establishing WIOA Title I program eligibility for adults, dislocated workers, and youth. This policy guidance is based on WIOA **final rules spanning WIOA Titles I–IV, which were made publicly available in late June 2016. The WIOA final rules pertaining to Titles I and III were published in the *Federal Register* on August 19, 2016, and become effective on October 18, 2016, unless otherwise noted.** ~~and the five notices of proposed rulemaking (NPRMs) spanning WIOA Titles I–IV, which were published in the *Federal Register* on April 16, 2015. If necessary, guidelines will be updated upon the issuance of final rules, expected in January 2016.~~ **This version of the WIOA Guidelines is not based on a complete review of the WIOA regulations. Future updates will be added to a new version of the WIOA Guidelines.**

Boards are required to document the eligibility of adult, dislocated worker, and youth populations served with WIOA funds. These guidelines describe each WIOA job seeker population and provide information and procedures for documenting and verifying eligibility within them.

II. SERVICES FOR ADULTS AND DISLOCATED WORKERS

WIOA removed the sequence of service requirement established under WIA, which required that an individual complete an intensive service before receiving training services. Other than a determination of need made using an employment plan, there is no requirement that additional career services be provided before an individual enrolls in training. If individuals are determined to be in need of training consistent with WIOA §134(c)(3), then they may be placed in training services.

WIOA establishes two levels of employment and training services for adults and dislocated workers: career services and training services.

Career Services

Career services for adults and dislocated workers must be available in at least one Workforce Solutions Office in each local workforce development area (workforce area). There are three types of career services, as identified in §678.430 of the NPRMs:

- Basic career services;
- Individualized career services; and
- Follow-up services.

Basic Career Services

Basic career services must be made available and, at a minimum, must include the following services, as consistent with allowable program activities and federal cost principles:

- Determinations of whether the individual is eligible to receive assistance from the adult, dislocated worker, or youth programs;
- Outreach, intake (including worker profiling), and orientation to information and other services available through the Texas workforce system;
- Initial assessment of skills levels, including literacy, numeracy, and English language proficiency, as well as aptitudes, abilities (including skills gaps), and support service needs;
- Labor exchange services, including:
 - job search and placement assistance, and, when needed by an individual, career counseling, including the provision of information on nontraditional employment and in-demand industry sectors and occupations; and
 - appropriate recruitment and other business services on behalf of employers, including information and referrals to specialized business services not traditionally offered through the Texas workforce system;
- Provision of referrals to and coordination of activities with other programs and services, including programs and services within the Texas workforce system and, when appropriate, other workforce development programs;

- Provision of workforce and labor market employment statistics information, including information relating to local, regional, and national labor market areas, including:
 - job vacancy listings in labor market areas;
 - information on job skills necessary to obtain the vacant jobs listed; and
 - information relating to **the local Target Occupations List in demand** and the earnings, skills requirements, and opportunities for advancement in those jobs;
- Provision of performance information and program cost information on eligible providers of training services by program and provider type;
- Provision of information, in usable and understandable formats and languages, about how the Board is performing on local performance accountability measures, as well as any additional performance information relating to the Texas workforce system;
- Provision of information, in usable and understandable formats and languages, relating to the availability of support services or assistance, and appropriate referrals to those services and assistance, including:
 - child care;
 - child support;
 - medical or child health assistance available through the state’s Medicaid program and Children’s Health Insurance Program;
 - benefits under the Supplemental Nutrition Assistance Program (SNAP);
 - assistance through the earned income tax credit; and
 - assistance under a state program for Temporary Assistance for Needy Families (TANF), and other support services and transportation provided through that program;
- Provision of information and assistance regarding filing claims for unemployment compensation, by which the Board must provide assistance to individuals seeking such assistance. **At this time, Boards must continue to provide Unemployment Insurance (UI) claimants with the same types of assistance provided under WIA. UI claimants and employers are priority customers at the Workforce Solutions Office. Boards must ensure that staff provide timely assistance to claimants wishing to use Workforce Solutions Office resources to transmit claim-related material to TWC for claims and appeals adjudication purposes. These customers must also be afforded immediate access to space and any telecommunications equipment necessary to participate in UI hearings. Staff should continue to provide customers with dedicated resources as needed—computers, telephones, and printed materials about claim filing and UI rights and responsibilities.**

Each Board is provided with a dedicated, direct telephone line to a UI Tele-Center to provide immediate support to claimants with urgent and/or time-sensitive claims-related issues. The workforce areas’ help line numbers are posted to the Intranet on the [Workforce Development Resources page](#) (near the bottom of the page). These numbers are for staff only and must not be given to claimants.

- Assistance in establishing eligibility for programs of financial aid assistance for training and education programs not provided under WIOA.

Individualized Career Services

Individualized career services must be made available if determined to be appropriate in order for an individual to obtain or retain employment. These include the following services, as consistent with WIOA requirements and federal cost principles:

- Comprehensive and specialized assessments of the skills levels and service needs of adults and dislocated workers, which may include:
 - diagnostic testing and use of other assessment tools; and
 - in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals;
- Development of an individual employment plan to identify the employment goals, appropriate achievement objectives, and appropriate combination of services for the participant to achieve his or her employment goals, including the list of, and information regarding eligible training providers;
- Group counseling;
- Individual counseling;
- Career planning;
- Short-term prevocational services, including development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct services to prepare individuals for unsubsidized employment or training;
- Internships and work experience that are linked to careers, **including transitional jobs**;

Internships and work experience are planned, structured learning experiences that take place in a workplace for a limited period of time. Work experience may be paid or unpaid, as appropriate. An internship or work experience may be arranged within the private for-profit sector, the nonprofit sector, or the public sector. Labor standards apply in any work experience setting where an employee/employer relationship, as defined by the Fair Labor Standards Act (FLSA), exists.

- Workforce preparation activities;
- Financial literacy services as described in WIOA §129(b)(2)(D);
- Out-of-area job search and relocation assistance; and
- English language acquisition and integrated education and training programs.

Follow-Up Services

Follow-up services must be made available, as appropriate—including counseling regarding the workplace—for participants in adult or dislocated worker activities who are placed in unsubsidized employment for a minimum of 12 months after the first day of employment.

Training Services

WIOA is designed to increase participant access to training services. Training services are provided to equip individuals to enter the workforce and retain employment.

Examples of training services include:

- occupational skills training, including training for nontraditional employment;
- on-the-job training (OJT), **as described in WIOA §3(44)**, ~~including registered apprenticeship;~~
- **registered apprenticeship;**
- incumbent worker training in accordance with WIOA §134(d)(4);
- workplace training and cooperative education programs;
- private sector training programs;
- skills upgrading and retraining;
- entrepreneurial training;
- ~~transitional jobs in accordance with WIOA §134(d)(5);~~
- job readiness training provided in combination with other training described above;
- adult education and literacy activities, including activities of English language acquisition and integrated education and training programs, in combination with training; and
- ~~customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.~~

On-the-Job Training

On-the-job training (OJT) is provided by an employer to a paid participant while engaged in productive work in a job that:

- **provides knowledge or skills essential to the full and adequate performance of the job;**
- **is made available through a program that provides reimbursement to the employer of up to 50 percent of the participant’s wage rate (except as provided by the bulleted conditions below) for the extraordinary costs of the training and additional supervision related to the training; and**
- **is limited in duration as appropriate to the occupation for which the participant is being trained, taking into account the training content and the participant’s prior work experience and service strategy.**

Boards may increase the reimbursement rate of OJT contracts up to 75 percent, when taking into account the following factors:

- **the characteristics of the participants—whether they are “individuals with barriers to employment” as defined in WIOA §3(24);**
- **the size of the employer, with an emphasis on small businesses (a business with 250 or fewer employees);**

- the quality of employer-provided training and advancement opportunities (e.g., if the OJT contract is for an in-demand occupation and will lead to an industry-recognized credential); and
- other factors the Board may determine to be appropriate, which may include the number of employees participating, employee wage and benefit levels (both at present and at completion), and relation of the training to the competitiveness of the participant.

Note: Boards must document (in a hard case file or in *TWIST Counselor Notes*) the factors used when deciding to increase the wage reimbursement levels above 50 percent and up to 75 percent.

Incumbent Worker Training

Incumbent worker training programs are provided by the Board in conjunction with employers or groups of employers to assist workers in obtaining the skills necessary to retain employment or avert layoffs.

The following factors are considered when determining employer eligibility to receive WIOA funding assistance for incumbent worker training:

- the characteristics of the program participants;
- the relationship of training to the competitiveness of the participant and the employer; and
- other factors the Board determines appropriate, which may include the number of employees participating in the training, the wage and benefit levels of those employees at present and anticipated upon completion of training, and the existence of other employer-provided training and advancement opportunities.

Boards must use the following sliding scale to determine the employer's contribution to the incumbent worker training cost:

- no less than 10 percent contribution for employers with 50 or fewer employees;
- no less than 25 percent contribution for employers with more than 50 but less than 100 employees; and
- no less than 50 percent contribution for employers with more than 100 employees.

The employer share of funding may include the amount of the wages paid by the employer to the worker while the worker is attending an incumbent worker training program. The employer may provide the share in cash or in kind, fairly evaluated.

Boards must not use more than 20 percent of their combined total of adult and dislocated worker funds to subsidize incumbent worker training.

Customized Training

Customized training is designed to meet the specific requirements of an employer or group of employers, conducted with a commitment by an employer or group of employers to

employ an individual upon successful completion of the training, and for which the employer pays a significant portion of the training cost.

For employers located in only one workforce area, the Board may determine what represents a significant portion of the training cost, taking into account employer size and other factors the Board may determine to be appropriate, which may include the number of employees participating, employee wage and benefit levels (both at present and anticipated upon completion), the relation of the training to the competitiveness of the participant, and other employer-provided training and advancement opportunities.

For employers located in multiple workforce areas, TWC will be issuing further guidance in a future issuance of these guidelines on determining the employer's contribution of the training costs.

WIOA funding for training is limited to participants who:

- are unable to obtain grant assistance from other sources to pay training costs; or
- require assistance beyond that available under grant assistance from other sources to pay training costs and related support services.

Boards and training providers must coordinate funds available to pay for training and must consider the availability of other grant assistance to pay for training costs, such as TANF, state-funded training funds, and federal Pell Grants, so that WIOA funds supplement other sources of training grants. When coordinating other grant assistance, Boards and training providers must take into account the full cost of participating in training services, including the cost of dependent care, transportation, and other support services.

Boards must ensure that Workforce Solutions Office staff documents each participant's income and expected expenses for the entire training period. WIOA funds may be used to offset any deficit.

A WIOA participant may enroll in WIOA-funded training while the participant's application for a Pell Grant is pending, as long as the Board has made arrangements with the training provider and the WIOA participant regarding allocation of the Pell Grant.

Boards must ensure that WIOA funds are not used to pay training costs:

- for any portion or term of training for which the participant has signed a loan as part of financial aid; or
- that were paid by the participant (or other source) prior to WIOA program registration.

Before receiving training services under WIOA:

- eligibility determination for specific services is required; and
- a determination of need must be made using an employment plan, as set forth in WD Letter 35-10, issued on October 12, 2010, and entitled "Workforce Investment Act Individual Employment Plan for Adults and Dislocated Workers Enrolled in Training."

The Workforce Information System of Texas (TWIST) *Counselor Notes* must contain a determination of need for training services, as determined through the employment plan.

Eligibility for Training Services

Training services may be made available to employed and unemployed adults and dislocated workers who:

- a Board determines, after a determination of need is made using an employment plan:
 - are unlikely or unable to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment through career services;
 - are in need of training services to obtain or retain employment leading to economic self-sufficiency or wages comparable to or higher than wages from previous employment; and
 - have the skills and qualifications to participate successfully in training services;
- have selected a program of training services that is directly linked to:
 - occupations that are on the Board's targeted occupations list, or are on the targeted occupations list for another workforce area to which an adult or dislocated worker is willing to commute or relocate;
 - Board-determined early pathway occupations and stackable credentials that lead toward a Board target occupation; or
 - occupations that have been determined on a case-by-case basis to have a high potential for sustained demand and growth in the workforce area, based on sufficient and verifiable documentation, in accordance with the Board's procedures and Texas Workforce Commission (TWC) rule §841.34(b); and
- are unable to obtain grant assistance from other sources to pay the costs of such training and related support services, including such sources as state-funded training funds, Trade Adjustment Assistance (TAA), and federal Pell Grants or require WIOA assistance in addition to other sources of grant assistance, including federal Pell Grants.

Permissible Local Activities

WIOA Title I formula funds allocated to workforce areas for adults and dislocated workers must be used to provide career and training services through Workforce Solutions Offices. Boards determine the most appropriate mix of these services, but both types must be available for eligible adults and dislocated workers.

WIOA Title I funds may also be used to provide the additional services described below:

Job Seeker Services

- Customer support to enable individuals with barriers to employment (including individuals with disabilities) and veterans to navigate among multiple services and activities
- Training programs for displaced homemakers and for individuals training for nontraditional occupations (as defined in WIOA §3(37): occupations or fields of work in which individuals of one gender comprise less than 25 percent of the individuals so employed), in conjunction with programs operated in the workforce area

- Work support activities for low-wage workers, in coordination with Boards, that will provide opportunities for these workers to retain or enhance employment

Work support activities may include any activities available under the WIOA adult and dislocated worker programs in coordination with activities and resources available through partner programs. These activities may be provided in a manner that enhances the worker's ability to participate, for example by providing activities during nontraditional hours or providing on-site child care.

- Support services, including needs-related payments, as described in WIOA §134(d)(2) and (3)
- Transitional jobs, as described in WIOA §134(d)(5) ~~to individuals with barriers to employment who are chronically unemployed or have an inconsistent work history~~

Transitional jobs are time-limited work experiences that are subsidized for adults and dislocated workers who have barriers to employment because of chronic unemployment or inconsistent work history. These jobs may be in the public, private, or nonprofit sectors. Transitional jobs can be effective solutions for individuals to gain necessary work experience that they would otherwise not be able to get through an OJT contract. The goal is to establish a work history for the individual, demonstrate work success, and develop skills that lead to entry into unsubsidized employment. In a transitional job, there is no expectation that the individual will continue his or her employment with the employer after the work experience is complete.

Boards may establish a policy to place a limit on the duration of transitional jobs offered in the workforce area, as long as the jobs have set start and end dates.

Boards must not use more than 10 percent of their combined total of adult and dislocated worker funds to subsidize transitional jobs.

TWC will be providing further guidance on transitional jobs in a future issuance of these guidelines.

Employer Services

- Customized screening and referral of qualified participants in training services to employers
- Customized employment-related services to employers, employer associations, or similar organizations on a fee-for-service basis that are in addition to labor exchange services available to employers under the Wagner-Peyser Act
- Activities to provide business services and strategies that meet the workforce investment needs of employers, as determined by the Board and consistent with the Board plan

Coordination Activities

- Employment and training activities in coordination with any of the following:
 - child support enforcement activities, as well as child support services and assistance activities, of the state and local agencies carrying out part D of title IV of the Social Security Act (42 USC 651, et seq.);
 - cooperative extension programs carried out by the U.S. Department of Agriculture;
 - activities to facilitate remote access to services provided through the Texas workforce system, including facilitating access through the use of technology
- Activities to:
 - improve coordination between workforce development and economic development and to promote entrepreneurial skills training and microenterprise services; and
 - improve services and links between the local workforce system and employers, including small employers
- Improving coordination between employment and training activities and programs carried out in the workforce area for individuals with disabilities

Other Allowable Activities

- Technical assistance for Boards, partners, and eligible training providers on the provision of service to individuals with disabilities in workforce areas, including the following:
 - Staff training and development
 - Provision of outreach and intake assessments
 - Service delivery
 - Service coordination across providers and programs
 - Development of performance accountability measures
- Activities to adjust the economic self-sufficiency standards referred to in WIOA §134(a)(3)(A)(xii) for local factors or activities to adopt, calculate, or commission for approval, economic self-sufficiency standards for workforce areas that specify the income needs of families, by family size, the number and ages of children in the family, and sub-state geographical considerations
- Implementing **or** promising service to workers and businesses, which may include support for education, training, skills upgrading, and statewide networking for employees to become workplace learning advisors and maintain proficiency in carrying out the activities associated with such advising

Individuals with Barriers to Employment

The term “individual with a barrier to employment” means a member of one or more of the following populations:

- **Displaced homemakers;**
- **Low-income individuals;**
- **Native Americans, Alaska Natives, and Native Hawaiians;**
- **Individuals with disabilities, including youth who are individuals with disabilities;**
- **Older individuals (55 or over);**

- **Ex-offenders;**
- **Homeless individuals or homeless children and youth;**
- **Youth who are in or have aged out of the foster care system;**
- **Individuals who are English language learners (who need instruction to gain competency in reading, writing, speaking, and comprehension of the English language), individuals who have low levels of literacy, and individuals facing substantial cultural barriers;**
- **Eligible migrant and seasonal farmworkers;**
- **Individuals within two years of exhausting lifetime eligibility under part A of Title IV of the Social Security Act;**
- **Single parents (including single pregnant women); and**
- **Long-term unemployed individuals.**

100 Percent Transferability between Adult and Dislocated Worker Funding

WIOA provides Boards with the flexibility to transfer up to 100 percent of funds between WIOA adult and dislocated worker allocations.

TWC will execute a transfer within five to seven business days of a Board’s notification to transfer funds. At the time of request, Boards must:

- be aware that the process may take up to seven business days to complete;
- send an e-mail notification to TWC’s Board Contract Management at bcm@twc.state.tx.us including:
 - “Priority Transfer” in the subject line; and
 - the requested percentage of transfer and dollar amount; and
- be aware that transfer amounts may include limitations for Boards under a Technical Assistance Plan (TAP) or Corrective Action Plan (CAP) ~~for an adult or dislocated worker.~~

Boards must ensure that appropriate coding for adults and dislocated workers is entered into TWIST.

III. WIOA ADULT

While WIOA adult eligibility requirements remain mostly consistent with WIA, there are some significant changes to the service priority provisions.

Consistent with WIA, priority for adult services must be given to recipients of public assistance and other low-income individuals, with added priority for individuals who are basic skills deficient. Under WIA, this priority applies only when adult funds are restricted. Under WIOA, however, priority access to services by members of this group applies automatically. Boards are no longer allowed to make a declaration of restricted or unrestricted funds.

WIOA expands the definition of low-income individual to include individuals who receive or are eligible to receive a free or reduced-price lunch under the Richard B. Russell National School Lunch Act (NSLA).

Adults must meet basic eligibility requirements and any service priority criteria in effect for the Board.

WIOA Adult Eligibility

To be eligible to receive WIOA services as an adult in the adult and dislocated worker programs, an individual must:

- be 18 years of age or older;
- be a citizen or noncitizen authorized to work in the United States; and
- meet Military Selective Service registration requirements (males only).

Note: Authorization to work in the United States may be verified through eligibility for UI benefits.

Service Priority for Individualized Career Services and Training Services

Individualized career services and training services must be given on a priority basis, regardless of funding levels, to:

- public assistance recipients;
- other low-income adults; and
- individuals who are basic skills deficient.

Veterans and eligible spouses continue to receive priority of service for all DOL-funded job training programs, which include WIOA programs. The existing guidance on priority of service for veterans remains in effect. ~~See WD Letter 35-11, issued on November 3, 2011, and entitled “Priority of Service for Eligible Veterans—Update.”~~ **See WD Letter 25-15, issued on October 26, 2015, and entitled “Applying Priority of Service and Identifying and Documenting Eligible Veterans and Transitioning Service Members.”**

Priority for individualized career services and training services must be provided in the following order:

1. Eligible veterans and eligible spouses—**as defined in WD Letter 25-15**—who are also recipients of public assistance, low-income, or basic skills deficient.

2. **Foster youth and former foster youth—as defined in WD Letter 43-11, issued on November 3, 2011, and entitled, “Priority of Service for Eligible Foster Youth”—who are also recipients of public assistance, low income, or basic skills deficient.**
3. All other individuals who are recipients of public assistance, low-income, or basic skills deficient.
4. All other eligible veterans and eligible spouses.
5. **All other foster youth and former foster youth.**
6. All other individuals, including local Board priority groups.

Each Board must establish a policy to ensure priority for the populations described above. The Board’s policy may include a process that also gives priority to other individuals, as long as priority for those individuals comes after the first three groups described above.

For example, Boards may establish local priority groups for older workers (age 40 or older) or employed individuals whose income is below the Board’s self-sufficiency level, but these local priority groups do not replace the statutory priority given to individuals who are recipients of public assistance, low-income, or basic skills deficient. The Board’s local priority groups must fall within Group #4, “All other individuals, including local Board priority groups,” as listed above.

Low-Income Individuals

An individual who meets any *one* of the following criteria satisfies the low-income requirement for WIOA adult services:

- Receives, or in the past six months has received, or is a member of a family that is receiving or in the past six months has received, assistance through SNAP, TANF, or the Supplemental Security Income (SSI) program, or state or local income-based public assistance;
- Receives an income or is a member of a family receiving an income that, in relation to family size, is not in excess of the current combined U.S. Department of Labor (DOL) 70 percent Lower Living Standard Income Level and U.S. Department of Health and Human Services (HHS) Poverty Guidelines shown on the **WIOA** Income Guidelines web page at <http://www.twc.state.tx.us/workforce-innovation-opportunity-act-eligibility-income-guidelines>;
- Is a homeless individual as defined in §41403(6) of the Violence Against Women Act of 1994, or a homeless child or youth as defined in §725(2) of the McKinney-Vento Homeless Assistance Act;
- Receives or is eligible to receive a free or reduced-price lunch under the NSLA (this only applies to the individual receiving the free or reduced-price lunch);
- Is a foster youth, as defined in Texas Family Code §264.101(a-1) and §264.101(d) on behalf of whom state or local government payments are made; or
- Is an individual with a disability whose own income meets:

- WIOA's income requirements, even if the individual's family income does not meet the income requirements; or
- the income eligibility criteria for payments under any federal, state, or local public assistance program.

Family

A family is defined as two or more individuals related by blood, marriage, or decree of court, who are living in a single residence and are included in one or more of the following categories:

- Two married individuals and dependent children;
- A parent or guardian and dependent children; and
- Two married individuals.

In a situation in which a job seeker is claiming, for the purpose of defining his or her family, to be in a common-law marriage, written attestation must be obtained from both parties affirming the fact.

Family Income

For the purpose of determining WIOA income eligibility, the following are excluded from income:

- Unemployment compensation
- Needs-based scholarship assistance
- Financial assistance under Title IV of the Higher Education Act—Pell Grants, Federal Supplemental Educational Opportunity grants, Federal Work Study Program, PLUS, Stafford loans, and Perkins loans
- Child support payments
- Cash assistance payments (including TANF, SSI, Refugee Cash Assistance, general assistance, emergency assistance, and general relief)
- Onetime income received in lieu of TANF cash assistance
- Income earned by a veteran while on active military duty and certain other veterans' benefits, such as compensation for service-connected disability, compensation for service-connected death, vocational rehabilitation, and education assistance
- Regular payments from Social Security, such as Old-Age and Survivors Insurance
- Lump sum payments received as assets in the sale of a house, in which the assets are to be reinvested in the purchase of a new home (consistent with IRS guidance)
- Payments received as the result of an automobile accident insurance settlement that are being applied to the repair or replacement of an automobile
- Foster care payments
- Any withdrawal from an Individual Development Account for the purchase of a home, medical expenses, or educational expenses
- Onetime cash payment, including tax refunds; loans, which are debt and not income; onetime insurance payments; gifts; and lump sum inheritances
- Noncash assistance such as employer-paid fringe benefits, food, or housing received in lieu of wages, Medicare, Medicaid, SNAP, school meals, and housing assistance

Note: When a federal statute specifically provides that income or payments received under such statute shall be excluded in determining eligibility for the level of benefits received under any other federal statute, such income or payments shall be excluded in WIOA eligibility determination (for example, adoption subsidies).

Anything that is not listed above as excluded from income is included as income. **Social Security Disability Insurance (SSDI) is included as income.**

Basic Skills Deficient

An individual who is unable to compute or solve problems, or read, write, or speak English at a level necessary to function on the job, in the individual's family, or in society satisfies the basic skills deficient requirement for WIOA adult services.

~~In assessing~~ **If using an assessment instrument** to assess basic skills, Boards must use assessment instruments that are valid and appropriate for the target population and must provide reasonable accommodation in the assessment process, if necessary, for individuals with disabilities.

Boards may:

- **determine the method of assessment and process used to determine an individual's inability to compute or solve problems, or read, write, or speak English at a level necessary to function on the job, in the individual's family, or in society; and**
- **based on the method of assessment or assessment tool used, set benchmarks for assessment results that determine basic skills deficiency.**

Regardless of how basic skills deficiency is determined, documentation must be maintained in a hard case file and in TWIST *Counselor Notes*.

Initial assessment of skills levels and determinations of whether the individual is eligible to receive assistance from adult and dislocated worker programs are basic career services, which are allowable services and allowable costs for any individual who meets basic eligibility criteria (age, authorization to work in the United States, and Selective Service).

IV. WIOA DISLOCATED WORKER

The WIOA dislocated worker program offers employment and training services for eligible workers who are unemployed through no fault of their own or who have received an official layoff notice. WIOA expands the definition of dislocated worker to include the spouse of active military who lost employment as a result of a permanent change in duty location or is unemployed or underemployed and experiencing difficulty in obtaining or upgrading employment.

WIOA Dislocated Worker Eligibility

To be eligible to receive WIOA services as a dislocated worker in the adult and dislocated worker programs, an individual must:

- be a citizen or noncitizen authorized to work in the United States;
- meet Military Selective Service registration requirements (males only); and
- meet the definition of dislocated worker at WIOA §3(15).

Note: Authorization to work in the United States can be verified through eligibility for UI benefits.

Definition of Dislocated Worker

A dislocated worker is an individual who meets one of the following five sets of criteria:

1. The individual:

- has been terminated or laid off, or has received a notice of termination or layoff, from employment;
- is eligible for or has exhausted entitlement to unemployment compensation, or has been employed for a duration sufficient to demonstrate attachment to the workforce, but is not eligible for unemployment compensation due to insufficient earnings or having performed services for an employer that were not covered under a state's UI law; and
- is unlikely to return to a previous industry or occupation. Unlikely to return **to a previous industry or occupation** is determined through an evaluation of the labor market, which determines that:
 - the industry or occupation shows either no growth or a decline in available job opportunities as documented by labor market statistics or TWC-approved labor market analyses;
 - the individual has been seeking—since termination, layoff, or receipt of notice of layoff—but has been unable to find employment in his or her previous industry or occupation due to economic conditions and/or skill limitations;
 - the individual was profiled and determined likely to exhaust UI benefits; or
 - there is a lack of suitable matches in WorkInTexas.com.

Note: Individuals laid off on a temporary basis, with a specific recall date, are not eligible under Category 1 of the WIOA dislocated worker eligibility criteria.

Temporary or Seasonal Workers—Individuals laid off or terminated because of the cyclical, intermittent, or seasonal nature of their employment may be provided individualized career services and training services under the dislocated worker program. However, such services should be available only to those individuals interested in developing skills in non-seasonal occupations rather than in continuing as temporary or seasonal workers.

Military Service Members

Separating military personnel or recently separated veterans qualify as Category 1 dislocated workers if they:

- are discharged under conditions other than dishonorable, whether voluntarily or involuntarily;
- are non-retirees.

Note: WIOA §3(63)(B) defines “Recently Separated Veteran” to mean any veteran who applies for participation under WIOA within 48 months after the discharge or release from active military, naval, or air service.

Expedited Eligibility

Trade-affected workers and UI claimants who have been profiled and determined likely to exhaust benefits meet the definition of a Category 1 dislocated worker. Eligibility can be verified and documented through the following:

- an open TAA Program Detail;
- a copy of the RRES outreach letter sent to the participant; or
- verification through TWC’s online job-matching service, WorkInTexas.com. (The RRES indicator—a dollar sign with a red background—appears in the WorkInTexas.com automated file for each RRES participant.)

2. The individual:
 - has been terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise;
 - is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days; or
 - for purposes of eligibility to receive services other than training services, individualized career services, or support services, is employed at a facility at which the employer has made a general announcement that such facility will close.
3. The individual was self-employed (including employment as a farmer, a rancher, or a fisherman) but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters. This includes individuals working as independent contractors or consultants but not technically employees of a firm.
4. The individual is a displaced homemaker, as defined in WIOA §3(16). A displaced homemaker is an individual who:
 - has been providing unpaid services to family members in the home;

- is unemployed or underemployed and experiencing difficulty finding or upgrading employment; and
- meets one of the following:
 - has been dependent on the income of another family member but is no longer supported by that income; or
 - is the dependent spouse of a member of the Armed Forces on active duty and whose family income is significantly reduced because of a deployment, a call or order to active duty, a permanent change of station, or the service-connected death or disability of the member.

A displaced homemaker may lose support income due to divorce or the death of a spouse. In addition, the loss of support income may be the result of a former wage earner's job loss and that former wage earner may still be living in the home.

5. The individual is the spouse of a member of the Armed Forces on active duty and:
 - has experienced a loss of employment as a direct result of relocation to accommodate a permanent change in duty station of such member; or
 - is unemployed or underemployed and experiencing difficulty finding or upgrading employment.

Boards may establish policies and procedures for use in determining an individual's eligibility as a dislocated worker, consistent with the definition at WIOA §3(15). These policies and procedures may address such conditions as:

- what constitutes a "general announcement" of plant closing under WIOA §3(15)(B)(ii) or (iii); and
- what constitutes "unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters" for determining the eligibility of self-employed individuals, including family members and farmworkers or ranch hands, under WIOA §3(15)(C).

Specialized Reemployment Services

Specialized reemployment services may be available to dislocated workers. Under WIOA, Boards are charged with developing a plan that includes how workforce investment activities carried out in the workforce area will coordinate with statewide rapid response activities in assisting dislocated workers obtain reemployment as soon as possible. The dislocated worker program specifies three types of specialized reemployment services:

- *Rapid Response*
Rapid response services provide short-term early intervention and immediate assistance with layoffs and plant closures. The services are designed to transition workers to their next employment as soon as possible.
- *Rapid Reemployment Services*
RRES is geared toward UI claimants who are identified as likely to exhaust benefits and are required to participate in reemployment services as a condition of UI eligibility.

- *Trade Adjustment Assistance*
The TAA program provides additional benefits for dislocated workers from companies that are directly affected by increased imports or certain shifts of production to other countries.

V. WIOA YOUTH

WIOA sets out a number of changes for the youth formula-funded program. The most significant change is the shift to focus resources primarily on out-of-school youth (OSY). WIOA raises the minimum percentage of funds required to be spent on OSY from 30 percent to 75 percent. This intentional shift refocuses the program to serve OSY during a time when large numbers of youth and young adults are out of school and not connected to the labor force.

Additionally, under WIOA, opportunities for work experience become an important element of the program. WIOA prioritizes work experience with the requirement that Boards must spend a minimum of 20 percent of youth funds on work experience.

WIOA also introduces five new program elements:

- financial literacy;
- entrepreneurial skills training;
- services that provide labor market and employment information about in-demand industry sectors or occupations available in the workforce areas;
- activities that help youth prepare for and transition to postsecondary education and training; and
- education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster.

WIOA enhances the youth program design through an increased emphasis on individual participant needs by adding new components to the objective assessment and individual service strategy. WIOA incorporates career pathways as part of both the objective assessment and development of the individual service strategy. In addition, the individual service strategy must directly link to one or more of the performance indicators. The program design under WIOA also includes effective connections to employers, including small employers, in in-demand industry sectors and occupations.

Unlike under WIA or under the definition of an in-school youth (ISY) under WIOA, low income is not a requirement to meet eligibility for most categories of OSY under WIOA. However, low income is now a criterion for youth who need additional assistance to complete an educational program or to obtain or retain employment. Also, WIOA has made youth with a disability a separate eligibility criterion, and has changed the age criterion for OSY eligibility to youth not younger than 16 and not older than 24 years at the time of enrollment.

Additionally, WIOA includes a new OSY criterion: a youth who is within the age of compulsory school attendance but has not attended school for at least the most recent school year's calendar quarter.

WIOA Youth Eligibility

To be eligible to receive WIOA youth services, an individual must:

- be a citizen or noncitizen authorized to work in the United States;
- meet Military Selective Service registration requirements (males only); and

- be an ISY or OSY, as defined by WIOA §129(a)(1)(B)–(C).

Note: Authorization to work in the United States can be verified through eligibility for UI benefits.

In-School Youth

As defined in WIOA §129(a)(1)(C), an ISY is an individual who is:

- not younger than 14 and not older than 21 years **at time of enrollment**;
- attending **secondary or postsecondary school at the time of enrollment in WIOA** * ~~(as defined by State law~~;
- low-income, as defined by WIOA §3(36), or lives in a high-poverty area (see the [Low-Income Exception](#)); and
- one or more of the following:
 - Basic skills deficient, as defined by WIOA §3(5);
 - An English language learner, **defined as an individual who has a limited ability in speaking, reading, writing, or understanding the English language, and whose native language is a language other than English; or who lives in a family or community environment where a language other than English is the dominant language (self-attestation or notes in TWIST Counselor Notes are acceptable documentation)**;
 - An offender;
 - A homeless individual, a homeless child or youth, a runaway, in foster care or has aged out of the foster care system, a child eligible for assistance under §477 of the Social Security Act (42 USC §677), or in an out-of-home placement;
 - Pregnant or parenting;
 - Disabled; or
 - Requires additional assistance to ~~enter or~~ complete an educational program or to secure or hold employment (WIOA §3(27) and §129(a)(1)(C)). No more than 5 percent of ISY served in the workforce area may be deemed eligible because of the criteria described in this bullet.

*** Effective October 18, 2016, or when changes are added to TWIST, whichever occurs first, all youth who are in postsecondary education at the time of enrollment in WIOA must meet ISY eligibility criteria and, if eligible, must be served using ISY funds.**

Low-Income

~~WIOA allows a low-income exception in which 5 percent of all youth participants in a workforce area may be participants who ordinarily would be required to be low-income for eligibility purposes and who meet all other eligibility criteria for WIOA youth except the low-income criterion. Boards must calculate the 5 percent based on the percent of all youth served by the Board's WIOA youth program in a given program year.~~

An individual who meets any *one* of the following criteria satisfies the low-income requirement for WIOA youth services:

- Receives, or in the past six months has received, or is a member of a family that is receiving or in the past six months has received, assistance through SNAP, TANF, or the SSI program, or state or local income-based public assistance.
- Receives an income or is a member of a family receiving an income that, in relation to family size, is not in excess of the current combined DOL 70 percent Lower Living Standard Income Level and HHS Poverty Guidelines identified on the **WIOA** Income Guidelines web page at: <http://www.twc.state.tx.us/workforce-innovation-opportunity-act-eligibility-income-guidelines>
- Is a homeless individual as defined in §41403(6) of the Violence Against Women Act of 1994, or a homeless child or youth as defined in §725(2) of the McKinney-Vento Homeless Assistance Act.
- Receives or is eligible to receive a free or reduced-price lunch under the NLSA.
- Is a foster youth, as defined in Texas Family Code §264.101(a-1) and §264.101(d), on behalf of whom state or local government payments are made.
- Is an individual with a disability whose own income meets:
 - WIOA’s income requirements, even if the individual’s family income does not meet the income requirements; or
 - the income eligibility criteria for payments under any federal, state, or local public assistance program

Basic Skills Deficient

An individual who meets either of the following criteria satisfies the basic skills deficient requirement for WIOA youth services:

- Is a youth who has English reading, writing, or computing skills at or below the 8th grade level on a generally accepted standardized test; or
- Is a youth who is unable to compute or solve problems, or read, write, or speak English, at a level necessary to function on the job, in the individual’s family, or in society.

~~In assessing~~ **If using an assessment instrument to assess** basic skills, Boards must use assessment instruments that are valid and appropriate for the target population, and must provide reasonable accommodation in the assessment process, if necessary, for individuals with disabilities.

Skill levels “at or below the eighth-grade level” may be determined by:

- **a TABE test score of 8.9 or below (TABE is the only assessment instrument that TWIST can use to calculate the educational functioning level); or**
- **another generally accepted standardized test.**

Boards may:

- **determine the method of assessment and process used to determine a youth’s inability to compute or solve problems, or read, write, or speak English at a level necessary to function on the job, in the individual’s family, or in society; and**
- **based on the method of assessment or assessment tool used, set benchmarks for assessment results that determine basic skills deficiency.**

Regardless of how basic skills deficiency is determined, documentation must be maintained in a hard case file and in TWIST Counselor Notes.

High-Poverty Area

A youth living in a high-poverty area automatically meets the low-income criterion. A high-poverty area is a Census tract, a set of contiguous Census tracts, Native American Reservation, tribal land, or Native Alaskan Village or county that has a poverty rate of at least ~~30~~**25** percent, as set every five years using American Community Survey 5-Year data.

Out-of-School Youth

An OSY is an individual who is:

- Not younger than 16 and not older than 24 years at the time of enrollment;
- Not attending **secondary or postsecondary** school **at the time of enrollment in WIOA*** (~~as defined by State law~~); and
- One or more of the following:
 - A school dropout, as defined by the state (a youth attending an alternative school at the time of enrollment is not a considered a dropout);
 - ~~Within the age of compulsory school attendance (6–18),~~ **Between the ages of 16 and 18,** but has not attended school for at least the most recent complete school year’s calendar quarter (**acceptable documentation includes a self-attestation referenced in TWIST Counselor Notes and maintained in a hard case file, or a school attendance record**);
 - A recipient of a secondary school diploma or its recognized equivalent who is a low-income individual (see [Low-Income Exception](#)) or lives in a high-poverty area and is either:
 - basic skills deficient, as defined by WIOA §3(5); or
 - an English language learner, **defined as an individual who has a limited ability in speaking, reading, writing, or understanding the English language, and whose native language is a language other than English; or who lives in a family or community environment where a language other than English is the dominant language (self-attestation or notes in TWIST Counselor Notes are acceptable documentation)**;
 - Subject to the juvenile or adult justice system;
 - A homeless individual, a homeless child or youth, a runaway, in foster care or has aged out of the foster care system, a child eligible for assistance under §477 of the Social Security Act (42 USC §677), or in an out-of-home placement;
 - Pregnant or parenting;
 - Disabled; or
 - A low-income individual (see [Low-Income Exception](#)), or an individual who lives in a high-poverty area, who requires additional assistance to enter or complete an educational program or to obtain or retain employment.

~~The Board may~~ **Boards must** establish definitions and eligibility documentation requirements for the “requires additional assistance to complete an educational program, or to obtain or retain employment” criterion of ISY and OSY eligibility.

*** This change becomes effective October 18, 2016, or when changes are added to TWIST, whichever occurs first. OSY currently enrolled in postsecondary school will continue to be served as OSY until exit. On the effective date mentioned above, all youth who are in postsecondary education at the time of enrollment in WIOA must meet ISY eligibility criteria and, if eligible, must be served using ISY funds.**

School

For the purpose of determining ISY and OSY eligibility, a child is “attending school” if, **at the time of enrollment in WIOA**, the child is:

- **is enrolled in a school that leads to the attainment of a state-recognized high school diploma, including a:**
 - public school;
 - charter school; ~~or~~
 - private school; ~~or~~
 - **disciplinary alternative education program (DAEP); or**
 - **homeschooled; or**
- ~~homeschooled;~~
- **is a youth attending high school equivalency programs funded by the public K–12 system; or**
- **is enrolled in postsecondary school (effective October 18, 2016, or when changes are added to TWIST, whichever occurs first).**

The following programs are not considered “school” under WIOA:

- Adult education provided under Title II of WIOA
- YouthBuild programs
- Job Corps programs
- **High school equivalency programs (not funded by the public K–12 system)**
- **Dropout re-engagement programs**

Low-Income Exception

WIOA maintains a 5 percent low-income eligibility exception in which 5 percent of youth who would ordinarily need to be low income for eligibility purposes, do not need to meet the low-income criteria. However, because not all OSY are required to be low income, the 5 percent low-income exception under WIOA is calculated based on the number of youth enrolled in a given program year who are required to meet the low-income criteria.

For example, a workforce area enrolled 200 youth, and 80 of those youth were OSY who were not required to meet the low-income criteria, 60 were OSY who were required to meet the low-income criteria, and 60 were ISY. In this example, the 60 OSY required to be low income and the 60 ISY are the only youth factored into the 5 percent low-income exception calculation. Therefore, in this example, six of the 120 youth who ordinarily would be

required to be low income do not have to meet the low-income criteria based on the low-income exception.

Youth Program Design

The design framework of local youth programs must:

- Provide for an objective assessment of each youth participant, including a review of the academic and occupational skill levels and service needs, for the purpose of identifying appropriate services and career pathways for participants and informing the individual service strategy. The objective assessment must include a review of:
 - basic skills;
 - occupational skills;
 - work experience;
 - employability;
 - interests;
 - aptitudes;
 - support service needs; and
 - developmental needs.

A new assessment of a participant is not required if the Board determines that it is appropriate to use a recent assessment (**made within the last six months**) of the participant conducted as part of another education or training program.

- Develop, and update as needed, an individual service strategy for each youth participant that:
 - is directly linked to one or more indicators of performance (as described in WIOA §116(b)(2)(A)(ii));
 - identifies appropriate career pathways that include education and employment goals;
 - considers career planning and the results of the objective assessment; and
 - prescribes achievement objectives and services for the participant; and
- Provide case management of youth participants, including follow-up services.

Boards must ensure that Workforce Solutions Office staff:

- provide youth participants with information regarding the full array of applicable or appropriate services available through the Board or other providers or partners; and
- refer youth participants to appropriate training and educational programs that have the capacity to serve them either on a sequential or concurrent basis.

In order to meet the basic skills and training needs of applicants who do not meet the eligibility requirements of a particular program or who cannot be served by the program, Boards must ensure that youth are referred for further assessment, as necessary, or referred to appropriate programs to meet the skills and training needs of the youth.

Youth Program Elements

Boards must ensure that the following 14 services are available to youth participants:

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 postsecondary 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:
 - Summer employment opportunities and other employment opportunities available throughout the school year;
 - Pre-apprenticeship programs—a program or set of strategies designed to prepare individuals to enter and succeed in a registered apprenticeship program and has a documented partnership with at least one, if not more, registered apprenticeship programs;
 - Internships and job shadowing;
 - OJT opportunities, as defined in WIOA §3(44)

Work experience is a planned, structured learning experience that takes place in a workplace for a limited period of time. Work experience may be paid or unpaid, as appropriate, and may take place in the private for-profit sector, the nonprofit sector, or the public sector. Labor standards apply in any work experience in which an employee/employer relationship, as defined by FLSA or applicable state law, exists.

4. Occupational skills training, which includes priority consideration for training programs that lead to recognized postsecondary credentials that align with in-demand industry sectors or occupations in the workforce area involved, if the Board determines that the programs meet the quality criteria described in WIOA §123.

Occupational skills training is an organized program of study that provides specific vocational skills that lead to proficiency in performing actual tasks and technical functions required by certain occupational fields at entry, intermediate, or advanced levels.

Boards must give priority consideration to training programs that lead to recognized postsecondary credentials that align with in-demand industry sectors or occupations in the workforce area. Such training must:

- be outcome oriented and focused on an occupational goal specified in the individual service strategy;
 - be of sufficient duration to impart the skills needed to meet the occupational goal; and
 - result in attainment of a recognized postsecondary credential
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 civic behaviors

Leadership development opportunities are opportunities that encourage responsibility, confidence, employability, self-determination, and other positive social behaviors, such as:

- exposure to postsecondary educational possibilities;
- community and service learning projects;
- peer-centered activities, including peer mentoring and tutoring;
- organizational and teamwork training, including team leadership training;
- training in decision making, including determining priorities and problem solving;
- citizenship training, including life skills training such as parenting and work behavior training;
- civic engagement activities that promote the quality of life in a community; and
- other leadership activities that place youth in a leadership role such as serving on youth leadership committees, such as a Standing Youth Committee.

Positive social and civic behaviors are outcomes of leadership opportunities that are incorporated by Boards as part of their menu of services and that focus on areas that may include the following:

- Positive attitude development;
- Self-esteem building;
- Openness to work with individuals from diverse backgrounds;
- Maintaining healthy lifestyles, including being alcohol and drug free;
- Maintaining positive social relationships with responsible adults and peers and contributing to the well-being of one's community, including voting;
- Maintaining a commitment to learning and academic success;
- Avoiding delinquency;
- Postponing parenting;
- Responsible parenting, including child support education;
- Positive job attitudes and work skills; and
- Keeping informed in community affairs and current events.

7. Support services, as defined in WIOA §3(59), which enable an individual to participate in WIOA activities. These services include, but are not limited to, the following:

- Linkages to community services;
- Assistance with transportation;
- Assistance with child care and dependent care;
- Assistance with housing;
- Needs-related payments;
- Assistance with educational testing;
- Reasonable accommodations for youth with disabilities;
- Referrals to health care; and
- Assistance with uniforms or other appropriate work attire and work-related tools, including such items as eyeglasses and protective eye gear.

8. Adult mentoring for a duration of at least 12 months that may occur both during and after program participation.

Adult mentoring for youth must:

- be a formal relationship between a youth participant and an adult mentor that includes structured activities in which the mentor offers guidance, support, and encouragement to develop the competence and character of the youth;
- include a mentor who is an adult other than the assigned youth case manager; and
- at a minimum, match the youth with an individual mentor with whom the youth interacts on a face-to-face basis. Group mentoring activities and mentoring through electronic means are allowable as part of mentoring activities.

Mentoring may include workplace mentoring in which the local program matches a youth participant with an employer or employee of a company.

9. Follow-up services for not fewer than 12 months after the completion of participation

Follow-up services are critical services provided after a youth's exit from the program to help ensure the youth is successful in employment and/or postsecondary education and training.

Follow-up services for youth may include:

- leadership development opportunities and support services;
- regular contact with a youth participant's employer, including assistance in addressing work-related problems;
- assistance in securing better-paying jobs, career pathway development, and further education or training;
- work-related peer support groups;
- adult mentoring; and
- services necessary to ensure the success of youth participants in employment and/or postsecondary education.

Boards must attempt to provide all youth participants **with** ~~must receive~~ some form of follow-up services for a minimum duration of 12 months. Follow-up services may be provided beyond 12 months at the Board's discretion. The types of services provided and the duration of services must be determined based on the needs of the individual, and therefore, the type and intensity of follow-up services may differ for each participant. However, follow-up services must include more than only a contact attempted or made for securing documentation in order to report a performance outcome.

If a youth cannot be located or refuses follow-up services, discontinue attempts to provide follow-up services and document in TWIST Counselor Notes.

10. Comprehensive guidance and counseling, which may include drug and alcohol abuse counseling, as well as referrals to counseling, as appropriate to the needs of the individual youth

Comprehensive guidance and counseling is individualized counseling to participants that includes career and academic counseling, drug and alcohol abuse counseling, mental health counseling, and referral to partner programs, as appropriate. When referring participants to necessary counseling that cannot be provided by the Board, the Board must coordinate with the organization it refers to in order to ensure continuity of service.

11. Financial literacy education

The financial literacy education program element **may** include **any of the following** activities that:

- support the ability of participants to create budgets, initiate checking and savings accounts, and make informed financial decisions;
- support participants in learning how to effectively manage spending, credit, and debt, including student loans, consumer credit, and credit cards;
- teach participants about the significance of credit reports and credit scores, what their rights are regarding their credit and financial information, how to determine the accuracy of a credit report and how to correct inaccuracies, and how to improve or maintain good credit;
- support a participant's ability to understand, evaluate, and compare financial products, services, and opportunities and to make informed financial decisions;
- educate participants about identity theft, ways to protect themselves from identify theft, and how to resolve cases of identity theft and in other ways understand their rights and protections related to personal identity and financial data;
- support activities that address the particular financial literacy needs of non-English-speaking participants, including providing support through the development and distribution of multilingual financial literacy and education materials; **and**
- **support activities that address the particular financial literacy needs of youth with disabilities, including connecting them to benefits planning and work incentives counseling.**
- ~~• provide financial education that is age appropriate and timely, and provides opportunities to put lessons into practice, such as by access to safe and affordable financial products that enable money management and savings; and~~
- ~~• implement other approaches to help participants gain the knowledge, skills, and confidence to make informed financial decisions that enable them to attain greater financial health and stability by using high quality, age appropriate, and relevant strategies and channels, including, when possible, timely and customized information, guidance, tools, and instruction.~~

When providing any of the financial activities listed above, Boards must ensure that the financial education provided is age-appropriate and timely, and provides opportunities to put lessons into practice, such as by access to safe and affordable financial products that enable money management and savings.

Additionally, Boards may implement other approaches to help participants gain the knowledge, skills, and confidence to make informed financial decisions that enable participants to attain greater financial health and stability by using high-quality, age-

appropriate, and relevant strategies and channels, including, when possible, timely and customized information, guidance, tools, and instruction.

12. Entrepreneurial skills training

Entrepreneurial skills training provides the basics of starting and operating a small business. Such training must develop the skills associated with entrepreneurship, including, but not limited to, the ability to:

- take initiative;
- creatively seek out and identify business opportunities;
- develop budgets and forecast resource needs;
- understand various options for acquiring capital and the trade-offs associated with each option; and
- communicate effectively and market oneself and one's ideas.

Approaches to teaching youth entrepreneurial skills include, but are not limited to, the following:

- Entrepreneurship education that provides an introduction to the values and basics of starting and running a business. Entrepreneurship education programs often guide youth through the development of a business plan and may also include simulations of business start-up and operation.
- Enterprise development, which provides support and services that incubate and help youth develop their own businesses. Enterprise development programs go beyond entrepreneurship education by helping youth access small loans or grants needed to begin business operation and by providing more individualized attention to the development of viable business ideas.
- Experiential programs that provide youth with experience in the day-to-day operation of a business. These programs may involve the development of a youth-run business that young people participating in the program work in and manage. Or, they may facilitate placement in apprentice or internship positions with adult entrepreneurs in the community.

13. Services that provide labor market and employment information about in-demand industry sectors or occupations available in the workforce area, such as career awareness, career counseling, and career exploration services

14. Activities that help youth prepare for and transition to postsecondary education and training

Postsecondary education includes many kinds of education and training programs, including technical college degree and certification programs, apprenticeships, two- and four-year public and private colleges and universities, trade schools, and more.

Transition planning may include, but is not limited to, programs designed to expand access to college and other postsecondary institutions, particularly for youth facing barriers to enrollment. Activities may focus on improving academic readiness,

identifying postsecondary strengths and interests, and helping with applying for college and institutional admission or financial aid.

Common activities include, but are not limited to:

- **individualized career planning;**
- **career shadowing;**
- **postsecondary education admissions counseling;**
- **postsecondary education application assistance;**
- **postsecondary education financial aid assistance;**
- **fields of study guidance;**
- **postsecondary education campus visits;**
- **postsecondary education entrance exam preparation; and**
- **study skills workshops and parent support workshops.**

Resources for such activities may include school counselors, teachers and parents, graduates and current students, and employers, as well as career exploration programs, and library and online career information.

Boards have the discretion to determine what specific program services a youth participant receives based on each participant's objective assessment and individual service strategy. Boards are not required to provide every program service to all youth participants.

Program Expenditures for Out-of-School Youth

WIOA increases the minimum OSY expenditure rate for youth formula-funded programs to 75 percent.

If a Board cannot meet the 75 percent requirement for its 2015 funds, it must demonstrate progress toward meeting the 75 percent OSY minimum expenditure rate. Boards must:

- show a minimum increase of 10 percentage points compared to the previous year;
- receive no lower than a 50 percent OSY expenditure rate; and
- be prepared to describe how the Board will achieve the 75 percent OSY expenditure rate with PY 2016 funds, such as:
 - presenting concrete steps taken to comply with 75 percent OSY expenditure rate requirements; and
 - demonstrating strategies taken to secure contractors, solidify partnerships, and transition from a focus on ISY to OSY.

All Boards must spend a minimum of 75 percent of PY 2016 youth funds on OSY.

Boards must successfully service the remaining ISY who are completing participation while beginning to shift WIOA funds to serve more OSY. New enrollments must reflect the shift in emphasis to OSY programs.

Administrative costs are limited to 10 percent of local youth funds and are not subject to the 75 percent minimum OSY expenditure requirement. The OSY expenditure rate is calculated after subtracting funds spent on administrative costs.

In order to enhance individual participant choice in his or her education and training plans and provide flexibility to service providers, Boards may use Individual Training Accounts (ITAs) for OSYs, ages 16 to 24, using WIOA youth funds when appropriate.

For youth to use an ITA, they must be considered OSY when approved for the training. School status is determined at enrollment. This status remains the same throughout their participation in WIOA until exit. A youth who is “In-School” at enrollment will not be able to use an ITA since his or her In-School status does not change regardless of his or her current age. A youth who is “Out-of-School” at enrollment could be approved for an ITA.

Program Expenditures for In-School Youth

Decreased funding for ISY programs requires Boards to identify existing resources throughout their communities that can provide services to ISY.

Program Expenditures for Youth Work Experience

Under WIOA, not less than 20 percent of local youth funds must be used to provide OSY and ISY with 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:

- Summer employment opportunities and other employment opportunities available throughout the school year;
- Pre-apprenticeship programs—a program or set of strategies designed to prepare individuals to enter and succeed in a registered apprenticeship program and has a documented partnership with at least one, if not more, registered apprenticeship program;
- Internships and job shadowing;
- OJT opportunities, as defined in WIOA §3(44).

Boards must track program funds spent on paid and unpaid work experiences, including wages and staff costs for the development and management of work experiences, and report such expenditures as part of the local WIOA youth financial reporting. The 20 percent minimum is calculated based on non-administrative local area youth funds and is not applied separately for ISY and OSY.