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William H. Gaunce  
Commissioner

**Department for Training and ReEmployment**  
Cabinet for Workforce Development  
209 St. Clair Street, 4th Floor  
Frankfort, Kentucky 40601

Allen D. Rose  
Secretary

May 24, 2002

OFFICE OF THE SECRETARY  
DEPARTMENT OF LABOR  
WASHINGTON, D.C. 20210

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RECEIVED

The Honorable Elaine Chao  
Secretary  
U. S. Department of Labor  
200 Constitution Avenue NW  
Room S-2018  
Washington, D.C. 20210

Dear Secretary Chao:

Kentucky is requesting a waiver on the regulatory prohibition of using Individual Training Accounts (ITAs) for older youth (20 CFR 664.510), which would allow older youth to use ITAs and select training providers from the Eligible Training Provider list. We seek this waiver for our entire state consisting of ten local Workforce Investment Areas.

We have a high-quality WIA youth system in our state; but like other states we strive to improve our comprehensive services to older youth. Older youth want to seek and secure the resources necessary to obtain self-sufficient, full-time employment. This waiver would serve to increase efficiency and customer choice for our older youth.

One-Stop operators would have a full array of services to offer the older youth that can benefit from these services without having to register in both youth and adult programs. The waiver would also allow for ease in tracking of funds for each funding stream.

As outlined in Training and Guidance Letter (TEGL) No. 12-01, attached are responses to the requested items in TEGL, Attachment B. Also, attached are letters of support from the Kentucky Workforce Investment Board and Youth Committee, a representative of Local Workforce Investment Areas and a representative of local service providers.

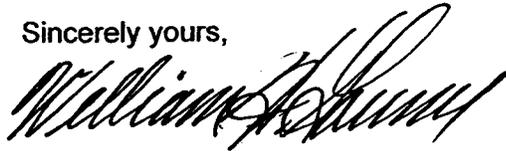


Phone: 502.564.5360 TTY: 502.564.9164  
Fax: 502.564.8974 TTY Toll Free: 888.258.7577  
Web Address <http://dtr.state.ky.us>



If you need additional information, please contact me at (502) 564-5360.

Sincerely yours,

A handwritten signature in black ink, appearing to read "William H. Gaunce". The signature is fluid and cursive, with a large initial "W".

William H. Gaunce  
Commissioner

**Attachments**

cc: Julia Inman  
Secretary Allen Rose  
Colonel Elmo Head  
Ken Oilschlager  
Nancy Laprade  
Anna Goddard

**Commonwealth of Kentucky  
Waiver Request  
Workforce Investment Act  
Prohibition of use of Individual Training Accounts for Older Youth**

The Department for Training and ReEmployment (DTR), as the administrative entity for the Workforce Investment Act (WIA or Act), is requesting a waiver of the regulatory prohibition of using Individual Training Accounts (ITAs) for older youth.

In compliance with WIA Section 189(I)(4)(B) and WIA Regulations 661.420(c), please accept the following as a request for a waiver.

**A. Statutory Regulation to be Waived:**

WIA Regulation 29 CFR §664.510 prohibits the use of Individual Training Accounts for older youth. This waiver requests the use of Individual Training Accounts for older youth with implementation being upon approval of this waiver request.

**B. Goals to be Achieved by the Waiver:**

- Ensures the local areas have the flexibility to design and deliver programs based on the needs of their customers, rather than restrictions based solely on age.
- Reduces the paperwork and tracking processes requirement in dual enrollment (Older Youth and Adult) as is now necessary for an older youth to access occupational skills training through the Adult Individual Training Account (ITA) and Eligible Training Provider List (ETPL) process.
- Offers Youth the real-life learning experience of making an informed decision that has direct impact on his/her life. Using the ITA/ETPL process with older youth offers case managers the opportunity to discuss the process of decision-making (training provider, finances, etc) and the results that ensue.
- Levels the performance playing field by allowing Older Youth to be counted only once in the performance measures, rather than twice as when dually enrolled in Adult and Youth funds. (This can be especially critical when serving challenging populations such as Older Youth.)

**C. State or Local Statutory or Regulatory Barriers:**

There are no existing state or local statutory or regulatory barriers to implementing this waiver request.

**D. Description of the Goals of the Waiver and Expected Outcomes:**

Under WIA, the focus of youth programs have changed from the provision of short-term, stand alone job training to providing year-round, long-term services designed to assist both in-school and out-of-school youth make the transition to post-secondary training and careers. We believe the intent of this regulation is viable; however, we do not feel that contracted year-round youth programs are the best and only training vehicle for certain individuals within Kentucky's older youth population. Older youth continue to be one of the most difficult populations to serve because their interest lies in obtaining self sufficient, full-time employment

## **I. Further Information**

### **1) What guidelines will be provided to the local areas on the use of ITAs?**

The Department for Training and ReEmployment, administrator of the Workforce Investment Act in Kentucky, will issue through guidance memorandums, authority for the ten Local Workforce Investment Areas (LWIAs) to pursue the use of Individual Training Accounts (ITAs) for older youth utilizing the methodology outlined in sections 663.400-440 and 663.500-595 of the regulations.

### **2) How will these guidelines be incorporated into local areas' service delivery plans for youth?**

Each local area that chooses to make use of this methodology for older youth will be required to amend their local area plan. They will be required to state how the ITA will be utilized, the maximum length of training, and the maximum amount of allowable funding.

### **3) What criteria will be used for determining when the use of the ITAs is appropriate?**

Each LWIA will follow locally established policies and procedures governing the use. The LWIAs will be encouraged to monitor the process during the on-site monitoring visits. The state will monitor the process during the annual on-site assessment.

### **4) What assistance will be provided to youth to assist them in choosing an appropriate service provider?**

Case managers will guide the process when the individual is a walk-in at the comprehensive One-Stop Centers. If the individual is receiving services through a locally funded contract, the responsibility then lies with the contractor. It will, however, be the responsibility of the LWIA to provide training and technical assistance to the contractors.



**Department for Training and ReEmployment**  
Cabinet for Workforce Development  
209 St. Clair Street, 4th Floor  
Frankfort, Kentucky 40601

William H. Gaunce  
Commissioner

Allen D. Rose  
Secretary

May 10, 2002

The Honorable Elaine Chao  
Secretary  
U.S. Department of Labor  
200 Constitution Avenue NW  
Room 5-2018  
Washington, D.C. 20210

Dear Secretary Chao:

The Kentucky Workforce Investment Board and Board Youth Committee support the attached waiver request on the regulatory prohibition of using Individual Training Accounts (ITAs) for older youth (20 CFR 664.510), which would allow those youth with the ITAs to select training providers from the Eligible Training Provider list.

Our overall vision is to afford Kentucky's youth every opportunity to become productive citizens through life long learning and training opportunities. We believe this waiver would enhance our service strategy for this age group.

This waiver would serve as a catalyst to increased efficiency and customer choice. It would also provide our older youth a major stepping stone toward successful training ultimately leading to employment.

If I may be of further assistance, please contact me at (502) 564-0494.

Sincerely,

  
Ken Oilschlager, Chairman  
Kentucky Workforce Investment  
Board

  
Colonel Elmo Head, Chairman  
Kentucky Workforce Investment  
Board Youth Committee



Phone: 502.564.5360 TTY: 502.564.9164  
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April 19, 2002

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Elaine Chao  
Secretary  
U. S. Department of Labor  
200 Constitution Avenue - NW  
Room S-2018  
Washington, D. C. 20210

Dear Secretary Chao:

The Lincoln Trail Local Workforce Investment Area supports the Commonwealth's request to waive the regulatory prohibition of using Individual Training Accounts (ITAs) for older youth (20 CFR 664.510). Older youth continue to be one of the most difficult populations to serve because they are more interested in obtaining self-sufficient, full-time employment more often than being involved in a typical structured setting that youth contracts provide. The waiver would give us increased flexibility to provide the older youth with additional choices for WIA services. More importantly, it develops a natural gateway for them to move from basic educational or work readiness skills to occupational skills and ultimately self-sufficient employment.

We appreciate your consideration of this waiver request to allow Kentucky's older youth to have more options for WIA services.

Sincerely,

Sherry L. Johnson  
Associate Director





**Grant Co. High School**  
715 Warsaw Road  
Dry Ridge, KY. 41035  
859-824-9739



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**Gail K. Bailey**  
School 859-824-9739  
Cell 513-259-4043  
Pager 513-944-0135  
Home 859-824-1542

**Drop-out Prevention Directors  
Grant County**

**Scott Shipp**

School 859-824-9739  
Home 859-824-7251

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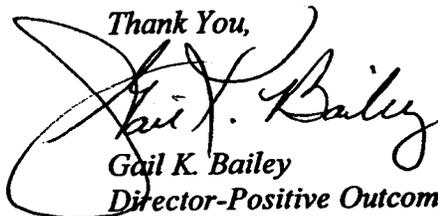
*To: Sharon Britton  
From: Gail K. Bailey  
Re: Support ITA's  
Date: 4/25/02*



*Ms. Britton,*

*I would like to extend my support in favor of increasing services available to the older youths served. Often times we get youths to a certain level of success but are not able to complete the entire cycle. Services should be available that enables programs to offer life careers and educational training. Adding this feature will help ensure the long term success of the youths we serve.*

*Thank You,*

  
Gail K. Bailey  
Director-Positive Outcome Program