



JUN 14 2012

The Honorable Mark Dayton
Governor of Minnesota
130 State Capitol
75 Rev. Dr. Martin Luther King Jr. Boulevard
Saint Paul, Minnesota 55155

Dear Governor Dayton:

This letter provides approval of an extension of Minnesota's current Workforce Investment Act (WIA) and Wagner-Peyser Act (W-P) State Plan for a portion of Program Year (PY) 2012. This letter also responds to Minnesota's requests for new and extended waivers. Training and Employment Guidance Letter (TEGL) No. 21-11, issued on March 27, 2012, provides guidance for states to secure approval of their WIA/W-P State Plans and waivers for PY 2012. In accordance with TEGL No. 21-11 and your extension request, the State must submit a full five-year WIA/W-P State Plan and annual W-P Agricultural Outreach Plan by September 15, 2012.

Extension of State Plan

Minnesota's existing State Plan will expire on June 30, 2012. This letter constitutes a written determination under WIA Section 112 (29 USC 2822), and WIA Section 501 (20 USC 9271) which pertains to State Unified Plans, that the Employment and Training Administration (ETA) is temporarily extending the approval of those portions of Minnesota's Unified State Plan that relate to WIA Title I and the Wagner-Peyser Act into PY 2012, for the period July 1, 2012 through December 31, 2012. The State already received its formula allotment for the WIA Youth program for PY 2012. The State is eligible to receive WIA formula allotments for the Adult and Dislocated Worker programs under the PY 2012 Annual Funding Agreement. The W-P Annual Funding Agreement for the PY 2012/Fiscal Year 2013 will provide the W-P Act initial base allocation of PY 2012 funds.

Unified Plan Partner Programs

Minnesota's Unified State Plan includes the Vocational Rehabilitation Program (VR), Adult Education and Family Literacy Programs (AEFL), Temporary Assistance for Needy Families (TANF), Food Stamp and Employment Training Program (FSET), and

Veterans' Programs. In accordance with WIA Section 501 (20 USC 9271), the Departments of Education (for both VR and AEFL), Health and Human Services, Agriculture, and the Veterans' Employment and Training Service (VETS) have the authority to deem complete or approve those portions of the Unified State Plan relating to their respective programs. We have advised these Federal agencies that ETA is extending the approval of those portions of the Minnesota Unified State Plan that relate to Title I of WIA and the Wagner-Peyser Act, and provided their offices with a copy of this letter.

The Jobs for Veterans' State Grant (JVSG) Plans approved by VETS through a separate application process for Fiscal Years (FY) 2010-2014 are considered to be incorporated into your Unified State Plan by reference only. Therefore, your Unified Plan needs to refer to the FY 2010-2014 JVSG Plan, indicating that approval by VETS of the grant modification for the period beginning October 1, 2012 is pending.

The Minnesota Unified Plan also includes Trade Act Programs (TAA), the Senior Community Service Employment Program (SCSEP), and the Unemployment Insurance (UI) Program. ETA exercises administrative authority over these programs, and those portions of the Minnesota Unified State Plan that relate to TAA, SCSEP, and UI Programs are approved through December 31, 2012.

Performance Levels

Minnesota requested to temporarily extend its existing PY 2011 WIA and W-P performance goals for a portion of PY 2012. ETA has incorporated these performance goals, identified as PY 2012 performance goals, into the Regional and National Office copies of the Unified State Plan. Please include these PY 2012 goals in the State's official copy of the Unified State Plan. As required by TEGL 21-11, the State must renegotiate its new PY 2012 goals upon submission of its full State Plan.

Waivers

As part of the State's extension of the WIA/W-P Act Unified State Plan, and as described in TEGL No. 21-11, the State requested temporary extensions of Minnesota's PY 2011 waivers of statutory and regulatory requirements under WIA for PY 2012. The State also submitted a request for new waivers (copy enclosed). The State's requests for new waivers are written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c). The disposition of the State's waiver extensions as well as its submission of new waiver requests is outlined below. This action is taken under the Secretary's authority at WIA Section 189(i) to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the Wagner-Peyser Act.

Extension of Waivers

Waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) to exempt the state from the requirement to conduct evaluations.

The State was previously granted a waiver of the requirement to conduct evaluations of workforce investment activities for adults, dislocated workers, and youth in order to establish and promote continuous improvement of the statewide workforce investment system. The State is granted an extension of this waiver through December 31, 2012.

Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) to exempt a state from the requirement to provide local workforce investment area incentive grants.

The State was previously granted a waiver of the requirement to provide local workforce investment areas incentive grants to reward regional cooperation, local coordination of activities, and exemplary performance. The State is granted an extension of this waiver through December 31, 2012.

Waiver of 20 CFR 665.200(b)(3) to exempt the state from the requirement to disseminate training provider performance and cost information.

The State was previously granted a waiver of the requirement to disseminate training provider performance and cost information. The State is granted an extension of this waiver through December 31, 2012.

Waiver of the required 50 percent employer contribution for customized training at WIA Section 101(8)(C).

The State was previously granted a waiver of the required 50 percent employer contribution for customized training to permit the use of a sliding scale for the employer contribution based on the size of the business. The State is granted an extension of this waiver through December 31, 2012. Under the waiver, the following sliding scale is permitted: 1) no less than 10 percent match for employers with 50 or fewer employees, and 2) no less than 25 percent match for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent contribution) continue to apply. When determining the funding source for customized training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State and local areas may provide customized training to individuals 18 years of age or older with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local areas may provide customized training to dislocated workers with WIA Dislocated Worker funds. Customized training provided with statewide funds must serve WIA eligible individuals.

Waiver of WIA Section 101(31)(B) to increase the employer reimbursement for on-the-job training.

The State was previously granted a waiver to permit an increase in employer reimbursement for on-the-job training through a sliding scale based on the size of the business. The State is granted an extension of this waiver through December 31, 2012.

Under the waiver, the following reimbursement amounts will be permitted: 1) up to 90 percent for employers with 50 or fewer employees, and 2) up to 75 percent for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent reimbursement) will continue to apply. When determining the funding source for on-the-job training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State and local areas may provide on-the-job training to individuals 18 years of age or older with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local areas may provide on-the-job training to dislocated workers with WIA Dislocated Worker funds. On-the-job training provided with statewide funds must serve WIA eligible individuals.

Waiver of WIA Section 133(b)(4) to increase the allowable transfer amount between Adult and Dislocated Worker funding streams allocated to a local area.

The State was previously granted a waiver to permit an increase in the amount a state is allowed to transfer between the Adult and Dislocated Worker funding streams. The State is granted an extension of this waiver through December 31, 2012. Under the waiver, transfer authority is limited to 50 percent. This limitation provides states flexibility while ensuring consistency with Congressional intent regarding the level of funding appropriated for the WIA Adult and Dislocated Worker programs.

Waiver of WIA Section 134(a) to permit local areas to use a portion of local funds for incumbent worker training.

The State was previously granted a waiver to permit local areas to conduct allowable statewide activities as defined under WIA Section 134(a)(3) with local WIA formula funding, specifically incumbent worker training. The State is granted an extension of this waiver through December 31, 2012. Under this waiver, the State is permitted to allow local areas to use up to 10 percent of local Dislocated Worker funds and up to 10 percent of local Adult funds for incumbent worker training only as part of a layoff aversion strategy. Use of Adult funds must be restricted to serving lower income adults under this waiver. ETA believes limiting incumbent worker training to the specified level and requiring it to be a part of layoff aversion is the best use of funds in the current economic climate where serving unemployed workers is a paramount responsibility of the workforce system. All training delivered under this waiver is

restricted to skill attainment activities. Local areas must continue to conduct the required local employment and training activities at WIA Section 134(d), and the State is required to report performance outcomes for any individual served under this waiver in the Workforce Investment Act Standardized Record Data system (WIASRD), field 309. TEGL No. 26-09, Section 7A, "Workforce Investment Act (WIA) Waiver Policy and Waiver Decisions for PY 2009 and 2010" and TEGL No. 30-09, "Layoff Aversion Definition and the Appropriate Use of Incumbent Worker Training for Layoff Aversion Using a Waiver" provide policy guidance related to implementation of this waiver.

Waiver of WIA Section 134(a)(1)(A) to permit a portion of the funds reserved for rapid response activities to be used for incumbent worker training.

The State was previously granted a waiver to permit use of rapid response funds to conduct allowable statewide activities as defined under WIA Section 134(a)(3), specifically incumbent worker training. The State is granted an extension of this waiver through December 31, 2012. Under this waiver, the State is permitted to use up to 20 percent of rapid response funds for incumbent worker training only as part of a layoff aversion strategy. ETA believes limiting incumbent worker training to layoff aversion is the best use of funds in the current economic climate where serving unemployed workers is a paramount responsibility of the workforce system. All training delivered under this waiver is restricted to skill attainment activities. The State is required to report performance outcomes for any incumbent workers served under this waiver in the Workforce Investment Act Standardized Record Data system (WIASRD), field 309. TEGL No. 26-09, Section 7A, "Workforce Investment Act (WIA) Waiver Policy and Waiver Decisions for PY 2009 and 2010" and TEGL No. 30-09, "Layoff Aversion Definition and the Appropriate Use of Incumbent Worker Training for Layoff Aversion Using a Waiver" provide policy guidance related to implementation of this waiver.

Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth.

The State was previously granted a waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts (ITAs) for older youth and out-of-school youth program participants. The State is granted an extension of this waiver through December 31, 2012. Under this waiver, the State can use ITAs for older youth and out-of-school youth program participants. The State must continue to make the 10 youth program elements available as described at WIA Section 129(c)(2). The State should ensure that funds used for ITAs are tracked and that the ITAs are reflected in the individual service strategies for these youth.

Waiver of the provision at 20 CFR 663.530 that prescribes a time limit on the period of initial eligibility for training providers.

The State was previously granted a waiver of the time limit on the period of initial eligibility of training providers provided at 20 CFR 663.530. The State is granted an extension of this waiver through December 31, 2012. Under the waiver, the State is allowed to postpone the determination of subsequent eligibility of training providers. The waiver also allows the State to provide an opportunity for training providers to re-enroll and be considered enrolled as initially eligible providers.

Waiver of WIA Section 123 that requires that providers of Youth program elements be selected on a competitive basis.

The State was previously granted a waiver of the requirement for competitive procurement of service providers for three of the ten youth program elements: supportive services, follow-up services, and work experience. The State is granted an extension of this waiver through December 31, 2012. Under this waiver, the State is permitted to allow its One-Stop Career Centers or partner agencies to directly provide the above youth program elements. In utilizing this waiver, the State and local areas must still meet Office of Management and Budget requirements (codified in 29 CFR 95.40-95.48 and 97.36) and all state and local procurement laws and policies.

New Waiver Requests

Waiver of performance measures for youth participants in summer youth employment activities and co-enrolled in TANF and WIA programs.

The State has requested a waiver of the common performance measures for youth who participate in subsidized summer youth employment activities that utilize Temporary Assistance to Needy Families (TANF) funds and are co-enrolled in WIA-funded youth programs. The requested waiver is approved and allows the State to use the work readiness indicator as the only indicator of performance for youth co-enrolled in WIA Youth and TANF programs and participating in subsidized summer youth employment activities. The waiver is effective from May 1, 2012 through September 30, 2012. This waiver applies only to WIA Youth performance requirements; the State must comply with any reporting requirements established through TANF. This waiver does not apply to WIA youth participating in program elements beyond summer employment and supportive services.

Waiver to provide program design flexibility in serving youth participants in summer youth employment activities and co-enrolled in TANF and WIA programs.

The State has requested a waiver of certain provisions under WIA Sec. 129(c) and 20 CFR 664 to allow Local Workforce Investment Area (LWIA) staff increased flexibility in program design. Through this waiver, the State will be able to provide program design flexibility in serving youth who participate in subsidized summer youth employment activities that utilize TANF funds and are co-enrolled in WIA-funded youth programs.

The requested waiver is approved. Specifically, the State is granted a waiver of statutory and regulatory provisions as follows:

- Waiver of the requirement at WIA section 129(c)(2)(I) and 20 CFR 664.450(b) to provide a minimum of 12 months of follow-up services, to allow local areas to provide follow-up services with WIA Youth funds as deemed appropriate for such youth participants.
- Waiver of the requirement at WIA section 129(c)(1)(A) and 20 CFR 664.405(a)(1) to provide an objective assessment and the requirement at WIA section 129(c)(1)(B) and 20 CFR 664.405(a)(2) to develop an individual service strategy (ISS), to allow local areas to provide an assessment or ISS as deemed appropriate for such youth participants.
- Waiver of the requirement at WIA section 129(c)(1)(C)(1) and (2) and 20 CFR 664.600(b) to provide direct linkages to academic and occupational learning, to allow local areas the flexibility to determine whether it is appropriate that academic learning be directly linked to summer employment for each youth served.

The approved waiver is effective from May 1, 2012 through September 30, 2012, and only applies to youth co-enrolled in WIA Youth and TANF programs and participating in subsidized summer youth employment activities. Youth transitioning to year-round WIA Youth services after September 30, 2012 must have in place an objective assessment and individual service strategy as required by WIA. The State may not apply this waiver to summer youth employment activities funded solely with WIA formula funds.

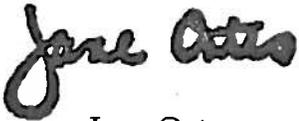
Waiver of the provision at 20 CFR 664.310 that defines youth dropout status.

The State has requested a waiver of 20 CFR 664.310 so that youth who are enrolled in alternative school programs at the time of registration can be classified as dropouts/out-of-school youth. ETA denies this waiver. Eligibility provisions are excluded from the WIA waiver authority per Sec. 189(i)(4)(A)(i). Furthermore, high school drop-out data suggest that a considerable population of out-of-school youth is present in the State who could be served by WIA Youth funds.

The approved waivers are incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and this constitutes a modification of the State Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and the approved State Plan. In addition, as described in TEGL No. 29-11, the State should address the impact that these waivers have had on the State's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to receiving your full Unified State Plan for PY 2012 and working together as you implement your State workforce strategies. If you have any questions related to the issues discussed above, please contact Carl Stahlheber the Federal Project Officer for Minnesota, at (312) 594-5415 or Stahlheber.Carl@dol.gov.

Sincerely,



Jane Oates
Assistant Secretary

Enclosure

cc: Byron Zuidema, Regional Administrator, ETA Chicago Regional Office
Carl Stahlheber, Federal Project Officer for Minnesota

Ms. Jane Oates
Assistant Secretary Employment & Training Administration
U.S. Department of Labor
200 Constitution Avenue, NW
Washington D.C. 20210

April 16, 2012

Dear Ms. Oates:

Minnesota's Unified Plan will expire on June 30, 2012. Minnesota is requesting a temporary extension to our current unified plan in order to collaborate in the design of a comprehensive five-year strategy for our workforce investment system. The unified plan will encompass multiple programs across a number of state agencies.

Minnesota is also requesting an extension of the PY11 negotiated performance goals to PY12. Staff will be prepared to negotiate new performance targets with USDOL during this time frame. Likewise, we are requesting an extension of our PY2011 statutory waivers and regulatory requirements under WIA to PY12 to include:

1. Waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) to exempt the state from the requirements to conduct evaluations.
2. Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR to exempt the state from the requirement to provide local workforce investment area incentive grants.
3. Waiver of 20CFR 665.200(b)(3) to exempt the state from the requirement to disseminate training provider performance and cost information.
4. Waiver of the required 50 percent employer contribution for customized training at WIA Section 101(8)(C).
5. Waiver of WIA Section 101(31)(B) to increase the employer reimbursement for on-the-job-training.
6. Waiver of WIA Section 133(b)(4) to increase the allowable transfer amount between Adult and Dislocated Worker funding streams allocated to a local area.
7. Waiver of WIA Section 134(a) to permit local areas to use a portion of local funds for incumbent worker training.
8. Waiver of WIA Section 134(a)(1)(A) to permit a portion of the funds reserved for rapid response activities to be used for incumbent worker training.
9. Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth.
10. Waiver of the prohibition at 20 SFR 663.530 that prescribes a time limit on the period of initial eligibility for training providers.
11. Waiver of WIA Section 123 to allow the fiscal agent/grant recipient flexibility in the procurement of certain youth program elements.

Ms. Jane Oates
April 16, 2012
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In addition, Minnesota is submitting three new waiver requests which are attached to this letter:

1. Waiver of 20CFR 664.310 to allow youth who are enrolled in alternative school programs as part of a sequential service strategy at the time of WIA enrollment to be considered dropouts/out-of-school youth.
2. Waiver of performance measures at WIA Section 136(b)(2)(A) for youth participants in summer youth employment activities and co-enrolled in TANF and WIA programs.
3. Waiver of certain youth program design elements at WIA Section 129 for youth participants in summer youth employment activities and co-enrolled in TANF and WIA programs.

Minnesota will submit its five-year plan on September 17, 2012. The additional time is necessary to collaborate with multiple programs across a number of state agencies in a transparent manner. It is the governor's intent to have a broad stakeholder consultation including businesses.

Sincerely,



Bonnie Elsey
Director Workforce Development

cc: Byron Zuidema

**Workforce Investment Act Waiver Request
DEFINITION OF DROPOUT/OUT OF SCHOOL YOUTH**

Date: April 11, 2012

State: Minnesota

Agency: Department of Employment and Economic Development (DEED)

The State is requesting a waiver to allow youth who are enrolled in alternative school programs as part of a sequential service strategy to be classified as dropouts/out-of-school youth upon registration in the WIA Youth program. This would make the treatment of youth in alternative school programs the same under WIA and the YouthBuild Program.

Statutory and/or regulatory requirements to be waived

WIA Section 101(33) and (39) define out-of-school youth and school dropout. In the regulations at 20 CFR 664.310, it is stated that "a youth attending an alternative school at the time of registration is not a dropout. An individual who is out-of-school at the time of registration and subsequently placed in an alternative school may be considered an out-of-school youth for the purposes of the 30 percent expenditure requirement for out-of-school youth."

However, in the YouthBuild regulations at 20 CFR 672.110, and 672.300, the Department of Labor treats youth who have "dropped out of school and reenrolled in an alternative school, if that reenrollment is part of a sequential service strategy" the same as school dropouts for eligibility purposes.

The State is requesting that the WIA regulation at 20 CFR 664.310 be waived and that youth who are enrolled in alternative school programs as part of a sequential service strategy at the time of WIA enrollment be considered dropouts/out-of-school youth.

Actions undertaken to remove state or local barriers

We are unaware of any state or local barriers to implementing the requested waiver.

Goals and expected programmatic outcomes of waiver

Approval of this waiver would support two key strategies identified in Minnesota's Unified Plan: 1) improve service effectiveness and efficiency to workers and job seekers; and 2) align workforce programs, policies, resources, and strategies structurally to reduce duplication and focus on the agency core mission.

Minnesota's Graduation Incentives Program allows enrollment in alternative programs for youth who meet one of the following twelve characteristics that place them at risk for dropping out of high school:

- (1) performs substantially below the performance level for pupils of the same age in a locally determined achievement test; or
- (2) is behind in satisfactorily completing coursework or obtaining credits for graduation; or
- (3) is pregnant or is a parent; or
- (4) has been assessed as chemically dependent; or
- (5) has been excluded or expelled; or
- (6) has been referred by a school district for enrollment in an eligible program; or
- (7) is a victim of physical or sexual abuse; or
- (8) has experienced mental health problems; or
- (9) has experienced homelessness sometime within six months before requesting a transfer to an eligible program; or
- (10) speaks English as a second language or has limited English proficiency; or
- (11) has withdrawn from school or has been chronically truant; or
- (12) is being treated in a hospital in the seven-county metropolitan area for cancer or other life threatening illness or is the sibling of an eligible pupil who is being currently treated, and resides with the pupil's family at least 60 miles beyond the outside boundary of the seven-county metropolitan area.

Although many youth who are part of the Graduation Incentives Program transfer directly to the alternative school from their regular school without dropping out, their connection to school is highly tenuous and they are susceptible to dropping out at any time. They are in need of the same services provided to WIA dropouts/out-of-school youth to complete their diploma/GED and move successfully into the workforce.

Approval of this request will facilitate co-enrollment and increase the flexibility of service providers in enrolling youth who are already attending alternative schools affiliated with WIA and YouthBuild programs. Several of Minnesota's WIA youth service providers also operate state and/or federally-funded Youthbuild projects. Making the treatment of youth in alternative schools consistent among WIA and YouthBuild will simplify the administration of the programs and increase the likelihood that youth in alternative schools will get the services they need.

The number of dropouts/out-of-school youth served through WIA in Minnesota is expected to increase if this waiver is approved and youth are more likely to receive the services they need.

The waiver will facilitate co-enrollment of youth into complementary programs which recognize participants who are in alternative schools to have the same needs as dropouts/out-of-school youth and provide appropriate services to improve individual outcomes.

Individuals impacted by the waiver

Alternative school students who might otherwise not be served under the current dropout/out-of-school youth definition and 30 percent expenditure requirement for out-of-school youth would benefit if this waiver is approved. Service to these youth is consistent with Minnesota's emphasis on serving youth most in need and the vision embraced by the Department of Labor and other federal, state, and local partners. Local program administrators will also be positively impacted if youth in alternative schools are treated in a similar manner in the WIA and YouthBuild programs because they will be able to apply the same definition for both programs.

Process for monitoring progress in implementation

Local areas who wish to include youth in alternative school programs as dropouts/out-of-school youth would request permission from the State to do so in their local WIA Youth plans. Local areas will be required to state how many youth will be enrolled as dropouts/out-of-school youth under this provision. State staff will review the implementation of this waiver during the annual on-site review of WIA youth programs. Information related to the implementation of this waiver will be collected in the State's client tracking system and will be available for review on a regular basis.

Notice to affected local boards

Local boards and staffs have been notified of the waiver request and are being given a thirty day direct opportunity to comment on this specific waiver. Copies of any comments received will be forwarded to the DOL/ETA national office and Chicago regional office.

Public comment

DEED intends to place this waiver request on its website for a thirty day public comment period and send a notice to interested individuals on DEED's mailing list. Copies of any comments received will be forwarded to the DOL/ETA national office and Chicago regional office.

Workforce Investment Act Waiver Request
INDICATORS OF PERFORMANCE FOR YOUTH WHO ARE CO-ENROLLED IN WIA FORMULA
YOUTH PROGRAM AND TANF-FUNDED SUMMER EMPLOYMENT

Date: April 11, 2012

State: Minnesota

Agency: Department of Employment and Economic Development (DEED)

The Department of Employment and Economic Development (DEED) and the Department of Human Services (DHS) are planning a summer youth employment project to improve the employment outcomes of teen parents in the summer of 2012.

DHS is making TANF funds available for a targeted summer youth employment project to improve the employment outcomes of teen parents receiving Minnesota Family Investment Program (MFIP) benefits. Minnesota's 2012 Teen Parent Summer Youth Project is an effort to improve the work participation rate for teen parents receiving MFIP benefits.

The State is requesting permission from DOL/ETA to waive the statutory WIA youth performance measures for youth who are co-enrolled in WIA Youth Activities and Minnesota's Teen Parent Summer Youth Project only. This waiver would use the Work Readiness Indicator as the only indicator of performance for youth who are co-enrolled in WIA Youth and the 2012 Teen Parent Summer Youth Project.

The use of such a waiver will allow Minnesota the flexibility to design a summer project that focuses on work readiness, work experience, and preparing youth for long-term employment opportunities rather than on meeting performance measures that do not align with the purpose of a summer youth employment program.

Statutory and/or regulatory requirements to be waived

Minnesota is requesting WIA Section 136(b)(2)(A) be waived to dismiss from consideration the WIA statutory performance measures and use the work readiness portion of the skill attainment rate as the only indicator of performance for youth co-enrolled in the WIA Youth Program and the 2012 Teen Parent Summer Youth Project.

Actions undertaken to remove state or local barriers

We are unaware of any state or local barriers to implementing the requested waiver.

Goals and expected programmatic outcomes of waiver

The goal of this waiver is to support Minnesota's efforts to improve services to the neediest youth as stated in Minnesota's Unified Plan, and evidenced by our state's longstanding participation in the federal Shared Youth Vision initiative and now the successor collaboration, the federal Interagency Working Group on Youth Programs.

Minnesota's 2012 Teen Parent Summer Youth Project is an effort to improve MFIP outcomes, particularly the Work Participation Rate (WPR), for teen parents. The waiver request supports Minnesota's attempts to increase the work participation rates of teen parents on MFIP through participation in a structured summer youth employment program.

The goal of this waiver is to allow Minnesota's WSAs/LWIBs to leverage TANF funds through the DHS to pay participant wages, fringe and direct service costs for teen parents who are unlikely to be otherwise employed during the summer of 2012.

Youth participants in the 2012 Minnesota Teen Parent Summer Youth Project will gain work experience at a wage of at least \$7.25 per hour for up to 30 hours per week for up to 12 weeks. Older youth may work additional weeks or hours. The wages, fringe and direct service costs will be funded from TANF funds. WIA funds would be used to pay for other services allowable under WIA that cannot be funded with TANF funds.

The youth who are served through the 2012 Teen Parent Summer Youth Employment Project will be working with MFIP Employment Services providers prior to their enrollment in the summer youth employment project. Following the completion of the summer project, most of these youth will be engaged in services provided through MFIP to continue to build academic skills, employability skills, and positive work habits and attitudes. For those participants who need additional services beyond what MFIP offers, service providers will be actively working to connect these youth to further education and training opportunities through WIA Youth, WIA Adult, WIA core services, other state-funded programs such as the Minnesota Youth Program and the Minnesota Youthbuild Program, and/or programs operated by local educational agencies as appropriate on an individual basis.

Individuals impacted by the waiver

Youth who will be served through Minnesota's 2012 Teen Parent Summer Youth Employment Project will be teen parents receiving MFIP.

Process for monitoring progress in implementation

DEED will enter into an Interagency Agreement with DHS to access TANF funds for the 2012 Minnesota Teen Parent Summer Youth Project. Early implementation is critical to the success of this summer project.

The waiver will be incorporated into a state guideline distributed to all local areas and posted to the DEED website on a Teen Parent Summer Youth Project webpage. Technical assistance will be provided to all LWIBs by DEED and DHS as appropriate to ensure swift, successful implementation of the 2012 Minnesota Teen Parent Summer Youth Project.

State staff will review the implementation of this waiver during the annual on-site review of WIA Youth Programs. Monitoring would ensure correct documentation of the youth participants who are co-enrolled in TANF and WIA funding which will be tracked and reflected in the Individual Service Strategy and Youth Employment Plan. Information related to the implementation of this waiver will be collected in the data collected from service providers on a regular basis.

Notice to affected local boards

Local boards and staffs have been notified of the waiver request and are being given a thirty day direct opportunity to comment on this specific waiver. Copies of any comments received will be forwarded to the DOL/ETA national office and Chicago regional office.

Public comment

DEED intends to place this waiver request on its website for a thirty day public comment period and send a notice to interested individuals on DEED's mailing list. Copies of any comments received will be forwarded to the DOL/ETA national office and Chicago regional office.

Workforce Investment Act Waiver Request
PROGRAM DESIGN FLEXIBILITY FOR YOUTH WHO ARE CO-ENROLLED IN WIA FORMULA YOUTH PROGRAM AND TANF-FUNDED SUMMER EMPLOYMENT

Date: April 11, 2012

State: Minnesota

Agency: Department of Employment and Economic Development (DEED)

The Department of Employment and Economic Development (DEED) and the Department of Human Services (DHS) are planning a summer youth employment project to improve the employment outcomes of teen parents in the summer of 2012.

DHS is making TANF funds available for a targeted summer youth employment project to improve the employment outcomes of teen parents receiving Minnesota Family Investment Program (MFIP) benefits. Minnesota's 2012 Teen Parent Summer Youth Project is an effort to improve the work participation rate for teen parents receiving MFIP benefits.

The State is requesting a waiver to allow flexibility in youth program design requirements for youth co-enrolled in Minnesota's Teen Parent Summer Youth Program and the WIA Youth Program only. Specifically, DEED requests flexibility in providing services to these youth as follows:

- Waive the requirement to provide follow-up services for not less than 12 months after the completion of the program, and allow local areas flexibility to provide follow-up services as they deem appropriate.
 - Given that summer employment programs usually run for 8 to 10 weeks, Local Workforce Investment Boards (LWIBs) will have the flexibility to determine if and when the 12-month follow-up requirement will be required for youth participating only in the TANF-funded Teen Parent Summer Youth employment program. LWIBs should provide follow-up services when deemed appropriate for such individuals.
- Waive the requirement to provide an objective assessment, and grant local areas the flexibility to determine the type of assessment and individual service strategy (ISS) that is appropriate for each youth participant.
 - Although some level of assessment and development of an ISS is required, a full objective assessment and comprehensive ISS as specified in the WIA Regulations will not be required for these youth.

- Waive the requirement that summer employment opportunities be directly linked to academic and occupational learning.
 - Rather than requiring the linkage to academic and occupational learning for all youth participating only in the TANF-funded Teen Parent Summer Youth employment program, local areas will have the flexibility to determine for each youth participant whether academic learning must be directly linked to summer employment.

This program flexibility will enable local areas to develop service strategies that will better meet the needs of these youth during the summer months. In particular, we anticipate it will be easier to work with these youth once they are actively engaged in work experience activities. As they enhance their work readiness skills, participate in career planning activities and gain a better understanding of available workforce development services, we believe that assessment and service strategy development will be an iterative process.

Statutory and/or regulatory requirements to be waived

The State is requesting waiver of the following youth program design requirements in WIA Section 129:

Sec. 129(c)(1)(A) Provide an objective assessment of the academic levels, skill levels, and service needs of each participant, which assessment shall include a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes (including interests and aptitudes for nontraditional jobs), supportive service needs, and developmental needs of such participant, except that a new assessment of a participant is not required if the provider carrying out such a program determines it is appropriate to use a recent assessment of the participant conducted pursuant to another education or training program.

Sec. 129(c)(1)(B) Develop service strategies for each participant that shall identify an employment goal (including, in appropriate circumstances, nontraditional employment), appropriate achievement objectives, and appropriate services for the participant taking into account the assessment conducted pursuant to subparagraph (A), except that a new service strategy for a participant is not required if the provider carrying out such a program determines it is appropriate to use a recent service strategy developed for the participant under another education or training program.

Sec. 129(c)(1)(C)(1) and (2) Programs need to provide (i) preparation for postsecondary educational opportunities, in appropriate cases; (ii) strong linkages between academic and occupational learning; (iii) preparation for unsubsidized employment opportunities, in appropriate cases; and (iv) effective connections to intermediaries with strong linkages to (I) the job market; and (II) local and regional employers.

Actions undertaken to remove state or local barriers

We are unaware of any state or local barriers to implementing the requested waiver.

Goals and expected programmatic outcomes of waiver

The goal of this waiver is to support Minnesota's efforts to improve services to the neediest youth as stated in Minnesota's Unified Plan, and evidenced by our state's longstanding participation in the federal Shared Youth Vision initiative and now the successor collaboration, the federal Interagency Working Group on Youth Programs.

Minnesota's 2012 Teen Parent Summer Youth Project is an effort to improve MFIP outcomes, particularly the Work Participation Rate (WPR), for teen parents. The waiver request supports Minnesota's attempts to increase the work participation rates of teen parents on MFIP through participation in a structured summer youth employment program.

Flexibility in program design will allow a simplified and streamlined delivery of services that will allow local areas to serve a greater number of youth during the summer months. Co-enrolled youth participating only in the TANF-funded summer youth employment program will have more time to focus on career planning, to identify employment goals and to participate in additional workforce development activities that better prepare them for securing long-term future employment.

The waiver will allow Minnesota's WSAs/LWIBs to leverage TANF funds through DHS to pay participant wages, fringe and direct service costs for teen parents who are unlikely to be otherwise employed during the summer of 2012.

Youth participants in the 2012 Minnesota Teen Parent Summer Youth Program will gain work experience at a wage of at least \$7.25 per hour for up to 30 hours per week for up to 12 weeks. Older youth may work additional weeks or hours. The wages, fringe and direct service costs will be funded from TANF funds. WIA funds would be used to pay for other allowable services that cannot be funded with TANF funds.

The youth who are served through the 2012 Teen Parent Summer Youth Employment Program will be working with MFIP Employment Services providers prior to their enrollment in the summer youth employment program. Following the completion of the summer program, most of these youth will be engaged in education and services provided through MFIP to continue to build academic skills, employability skills, and positive work habits and attitudes. For those participants who need additional services beyond what MFIP offers, service providers will be actively working to connect these youth to further education and training opportunities through WIA Youth, WIA Adult, WIA core services, other state-funded programs such as the Minnesota Youth Program and the Minnesota Youthbuild Program, and/or programs operated by local educational agencies as appropriate on an individual basis.

Individuals impacted by the waiver

Youth who will be served through Minnesota's 2012 Teen Parent Summer Youth Employment Project will be teen parents receiving MFIP.

Process for monitoring progress in implementation

DEED will enter into an Interagency Agreement with DHS to access TANF funds for the 2012 Minnesota Teen Parent Summer Youth Project. Early implementation is critical to the success of this summer project.

The waiver will be incorporated into a state guideline distributed to all local areas and posted to the DEED website on a Teen Parent Summer Youth Project webpage. Technical assistance will be provided to all LWIBs by DEED and DHS as appropriate to ensure swift, successful implementation of the 2012 Minnesota Teen Parent Summer Youth Project.

State staff will review the implementation of this waiver during the annual on-site review of WIA Youth Programs. Monitoring would ensure correct documentation of the youth participants who are co-enrolled in TANF and WIA funding which will be tracked and reflected in the Individual Service Strategy and Youth Employment Plan. Information related to the implementation of this waiver will be collected in the data collected from service providers on a regular basis.

Notice to affected local boards

Local boards and staffs have been notified of the waiver request and are being given a thirty day direct opportunity to comment on this specific waiver. Copies of any comments received will be forwarded to the DOL/ETA national office and Chicago regional office.

Public comment

DEED intends to place this waiver request on its website for a thirty day public comment period and send a notice to interested individuals on DEED's mailing list. Copies of any comments received will be forwarded to the DOL/ETA national office and Chicago regional office.