

August 30, 2011

Ms. Kimberly Vitelli
Office of Workforce Investment
Employment and Training Administration
U.S. Department of Labor
200 Constitution Ave., NW, Room S-4231
Washington, D.C. 20210

Mr. Byron Zuidema
Regional Administrator
USDOL-ETA-Region 5
230 South Dearborn Street, 6th floor
Chicago, IL 60604

Dear Ms. Vitelli and Mr. Zuidema:

The Minnesota Department of Employment and Economic Development (DEED) respectfully submits the attached waiver request related to the competitive procurement of eligible providers of youth services under WIA. The waiver requests that certain Minnesota Workforce Service Areas be exempt from competitively procuring youth service providers for three of the required program elements under WIA: paid and unpaid work experience, support services, and follow-up services.

Solicitation of Public Comments will occur concurrently with your consideration of this waiver. The waiver request will be posted on the Public Comment page of the Department of Employment and Economic Development's policy website for fourteen days and an e-mail will be delivered to the public comment listserv announcing the posting of the waiver. At the end of the comment period, we will submit a copy of any comments received to DOL/ETA.

If you have any questions related to this waiver, please contact Kay Tracy at 651-259-7555, or kay.tracy@state.mn.us.

Sincerely,



Bonnie Elsey
Director, Workforce Development Division

Attachment

WORKFORCE DEVELOPMENT DIVISION

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**STATE OF MINNESOTA
WORKFORCE INVESTMENT ACT – WAIVER REQUEST
COMPETITIVE PROCUREMENT OF YOUTH PROGRAM ELEMENTS**

The State is requesting a waiver to allow the fiscal agent/grant recipients of Minnesota Workforce Service Areas (WSAs) flexibility in the procurement of certain youth program elements. The three program elements that this waiver will apply to are: paid and unpaid work experience, supportive services, and follow-up services. This waiver is being requested to ensure coordination, continuity, ease of administration, and cost effectiveness in providing youth activities.

The WIA Youth program operates on the premise of long-term participation, during which time strong relationships are likely to be formed between youth participants and youth service provider staff. Strong relationships between the staff and youth are a key factor in youth success. When a different youth provider is sought through a competitive process, services may be disrupted and these relationships may be severed. The established relationship may not continue to exist and youth are more likely to leave the program because of instability.

In some areas of the state, there are not enough service providers to make a selection on a competitive basis, and the administrative costs associated with the formality of a competitive process reduce the already limited resources available to serve the neediest youth. This waiver would give the fiscal agent/grant recipient the option of providing the three program elements above directly or through partner agencies.

This waiver request adheres to the format provided in WIA Section 189(i)(4)(B) and WIA Regulations 20 CFR 661.420(c).

1) Specific Statutory/Regulatory Requirement to be Waived:

Minnesota requests the waiver of WIA Section 123, which requires the competitive selection of eligible providers of youth activities.

2) State or Local Statutory or Regulatory Barriers:

There are no state or local barriers to implementing the requested waiver.

3) Goals to be Achieved by the Waiver:

This waiver request supports the following overarching goals pertaining to the delivery of youth services in Minnesota:

- Continuity and efficiency of service delivery
- Minimize duplication of effort
- Maximize public investment
- Improve services to the neediest youth
- Leverage and coordinate resources

Through co-enrollment, Minnesota WSAs integrate the delivery of WIA youth services with services funded by other federal (e.g. TANF) and state (e.g. Minnesota Youth Program)

resources. More flexibility in the procurement process will facilitate continued co-enrollment and integration.

4) Expected Programmatic Outcomes:

If this waiver is approved, expected outcomes include:

- Effective case management and follow-up services
- Reduce the movement of youth participants among multiple service providers
- Longer participation of youth
- Maximize the use of limited resources to best meet the needs of participants
- Reduce administrative costs of providing services when there are not enough providers in a region to warrant a competitive process
- Longitudinal tracking of data to better evaluate program outcomes

5) Individuals Impacted by the Waiver:

Eligible youth, youth service providers and fiscal agents/grant recipients in the WSAs will benefit from this waiver.

6) Process for Monitoring Implementation of the Waiver and Gathering Input:

Local boards, staffs, and grant recipients/fiscal agents have been notified of the waiver request and are being given a direct opportunity to comment on this specific waiver. Both the general public and stakeholders will have access to the waiver request on DEED's website.

Local areas wishing to implement this waiver are required to state so in their Local WIA Plan. State staff review the implementation of this waiver during the annual on-site review of WIA youth programs.