

OCT 13 2009



The Honorable Jim Douglas  
Governor of Vermont  
State Capitol  
Montpelier, Vermont 05609-0101

Dear Governor Douglas:

As part of Vermont's modification to the State Plan for Title I of the Workforce Investment Act (WIA) and the Wagner-Peyser Act, the State submitted waiver plans to request that the State's waivers of statutory and regulatory requirements under WIA be approved for the remainder of Program Year (PY) 2009 (copy enclosed). These requests are written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c) and appear to meet the standard for approval at 20 CFR 661.420(e). The following is the disposition of the State's submission. This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, Subtitles B and E, and sections 8-10 of the Wagner-Peyser Act.

In the letter dated June 18, 2009, ETA granted Vermont approval of the following waiver through June 30, 2010:

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

The approval for this waiver remains in effect. The letter dated June 18, 2009 granted a temporary extension of the remaining Vermont waiver request. The previous approval of the extension is hereby terminated and replaced by the decision set forth in this letter. The waiver approval that follows applies to both WIA formula funds and funds made available under the American Recovery and Reinvestment Act of 2009.

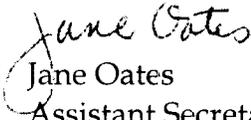
Requested Waiver: Waiver of WIA Section 123 that requires that providers of Youth program elements be selected on a competitive basis.

The State is requesting 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 this waiver through June 30, 2010. Under this waiver, the State is permitted to have its One-Stop Career Centers or partner agencies directly provide 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 Parts 95.40-95.48 and 97.36) and all state and local procurement laws and policies.

The approved waiver is 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 required by TEG L No. 14-00, Change 3, the State should address the impact this waiver has had on the State's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to continuing our partnership with you and achieving better workforce outcomes. If you have any questions, please do not hesitate to call me at (202) 693-2700, or Holly O'Brien, the Acting Regional Administrator for Region I, at 617-788-0170 or [Obrien.Holly@dol.gov](mailto:Obrien.Holly@dol.gov).

Sincerely,

  
Jane Oates  
Assistant Secretary

Enclosure

cc: Glen Josephson, Federal Project Officer for Vermont, ETA Boston Regional Office  
Holly O'Brien, Acting Regional Administrator, ETA Boston Regional Office

## **Attachment A – Waiver Requests**

Vermont is requesting two waivers for Program Year 2009. The first is to waive the requirement for selecting training providers on a competitive basis found at Section 123 of the Workforce Investment Act for the work experience, supportive services and follow-up program elements. The second is to waive the youth performance measures for 18-24 youth who receive only work experience during the October 1, 2009 through March 31, 2010 time period.

**The first request is to continue the waiver of the competitive selection of youth training providers that is found at Section 123 of the WIA.** This waiver which has been in place since Program Year 2001 allows VDOL youth case managers to provide three program elements, work experience, supportive services and follow-up without undergoing a competitive bidding process. This waiver was most recently extended in February of 2008. At that time, USDOL stated “For the waiver to apply to the work experience element, a local area must document that there are no viable providers or that all current providers are underperforming, and that all readily available services are being utilized.” VDOL posted a request for interest in providing the work experience element on a statewide basis on its website and received no responses.

The youth case managers are responsible for the design framework component including such services as intakes, objective assessments and development of individual service strategies. Allowing them to deliver the work experience, supportive services and follow-up elements is more cost effective and seamless than would be the alternative of undergoing a competitive process, negotiating and monitoring grants and referring youth participants to various other service providers for these three program elements. The youth participants are the ultimate beneficiaries of this waiver. It allows them to relate to a single case manager for most of their programmatic needs during their enrollment and for the twelve month period following exit.

This waiver if granted should result in higher levels of program outcomes as measured by the youth performance measures, in particular, entered employment, employment retention and earnings change for older youth.

**Secondly, Vermont requests that the core indicators of performance found at Section 136(b)(2)(A) be waived for out-of-school youth aged 18-24 who are served with Recovery Act funds beyond the summer months who participate in work experience only.** Vermont would use only work readiness, which applies to such youth who participate in summer youth employment only, as the only performance indicator for this group of participants.

This waiver would allow projects started with Recovery Act summer employment funds to continue beyond the May 1 through September 30 timeframe of summer employment opportunities under the same terms and conditions. This waiver will allow youth to earn

more over an extended period of time during a period when employment opportunities are extremely limited. One particular project involving refurbishment of several state parks would start in the summer and continue into the fall. Upon completion of the work experience it is anticipated that most of the participants will receive core WIA adult services to facilitate their transition into unsubsidized employment.

The state and local board, the Workforce Development Council, has been briefed on VDOL's intention of requesting these waivers and has been given the opportunity to comment. It has subsequently been posted on VDOL's website in order that other interested parties and the general public have the opportunity to comment.