



February 9, 2023

**Workforce Innovation and Opportunity Act Policy Letter No. 17-04.3**

To: Local Workforce Development Board Directors, Comprehensive Case Management and Employment Program Lead Agencies, and OhioMeansJobs Center Operators

From: Matt Damschroder, Director

Subject: Waivers for Implementation of the Comprehensive Case Management and Employment Program

**I. Purpose**

The purpose of this policy is to provide guidance on the use of the United States Department of Labor (USDOL) approved waivers of Workforce Innovation and Opportunity Act (WIOA) laws and regulations.

**II. Effective Date**

July 1, 2022-June 30, 2024

**III. Rescission**

Workforce Innovation and Opportunity Act (WIOA) [Policy Letter No. 17-04.2](#), Waivers for Implementation of the Comprehensive Case Management and Employment Program (September 29, 2022).

**IV. Background**

The Comprehensive Case Management and Employment Program (CCMEP) was created to transform the network of human services and workforce programs across Ohio. To help Ohioans move beyond poverty to meaningful employment, Ohio has modernized its system by integrating youth programs funded by Temporary Assistance for Needy Families (TANF) and WIOA to create a new way to work.

By integrating WIOA and TANF youth programs, Ohio may more effectively utilize and leverage federal dollars from these funding sources to support the needs of customers who are eligible for these separate funding sources. Braiding funds allows the WIOA youth program to provide more

comprehensive services to participants while maximizing partner resources to assist youth.

To allow more flexibility with WIOA youth program funds to implement CCMEP, Ohio requested the following waivers:

1. Waiver of WIOA Section 129(a)(4) and 20 CFR 681.410 which require that local workforce development areas expend at least 75 percent of local area youth funds to provide services to out-of-school youth (OSY) and calculation of the local area expenditure for each local area.
2. Waiver of 20 CFR 681.550 to allow WIOA individual training accounts (ITAs) for in-school youth (ISY).
3. Waiver of 20 CFR 681.590(b) to allow local workforce development areas to count both WIOA local youth formula funds and TANF funds toward the minimum 20 percent expenditure requirement for paid or unpaid work experience.
4. Waiver associated with the requirement at WIOA Section 129(a)(4)(A) and 20 CFR 681.410 that States expend 75% of Governor's reserve Youth funds on Out of School Youth (OSY).

On June 7, 2022, the Ohio Department of Job and Family Services received a letter from the United States Department of Labor (USDOL) fully approving Ohio's requested waivers. These waivers are approved through Program Year (PY) 2023 or June 30, 2024.

## **V. Requirements**

### **A. Waiver to allow TANF funds to count toward the 75 percent expenditure requirement for out-of-school youth and to calculate the expenditure requirement on a statewide basis.**

Under CCMEP, with its emphasis on co-funding to benefit a more cost-effective service delivery, the number of disconnected youth that can be served will increase, particularly given the large infusion of TANF dollars. This will ultimately allow WIOA youth dollars to have a further reach and greater impact in local communities. Additionally, by allowing the calculation of the expenditure rate to be statewide, there would be more flexibility amongst all the local areas to serve the population of participants unique to that local area.

To recognize the influx of TANF dollars being invested in the WIOA out-of-school youth population under CCMEP, the Office of Workforce Development (OWD) will include the amount of TANF dollars spent on co-enrolled WIOA out-of-school youth during a program year (PY) both

the numerator and denominator of the out-of-school rate calculation. The formula below defines the calculation to be used beginning with PY22 funds:

<b>Out-of-School Youth (OSY) Rate Calculation Under Waiver Authority</b>	
$\frac{\text{WIOA OSY expenses}}{\text{Total WIOA OSY + In-School Youth expenses}}$	$+ \frac{\text{TANF spent on co-enrolled WIOA OSY}}{\text{TANF spent on co-enrolled WIOA OSY}}$

To align TANF spending to a WIOA program year, the time period for CCMEP TANF expenses to be included in both the numerator and denominator will be the TANF expenses for co-enrolled out-of-school youth reported in the twelve months preceding the end-date of the WIOA Youth funds at the local area level. For example, PY21 Youth funds are available to local areas until June 30, 2023, so the calculation will include TANF dollars invested in local services benefitting out-of-school youth from July 1, 2021 until June 30, 2023.

The example below compares the out-of-school youth rate calculation under current WIOA law to the proposed waiver flexibility for a local area that spent \$400,000 of its \$600,000 in PY20 WIOA Youth program funds during the two years of availability as well as \$200,000 of its CCMEP TANF funds spent during the second year of the Youth grant on services for out-of-school youth who are co-enrolled:

<p><i>Of \$600,000 in Youth spending, \$400,000 was spent on OSY:</i></p> $\frac{\$400,000 \text{ (divided by)}}{\$600,000}$ <p style="text-align: center;"><b>= 67%</b></p>	<p><i>The area also invests \$200,000 of its TANF funds on co-enrolled OSY WIOA Youth:</i></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;"><u>WIOA</u></th> <th style="text-align: left; border-bottom: 1px solid black;"><u>TANF</u></th> <th style="text-align: left; border-bottom: 1px solid black;">=</th> <th style="text-align: left; border-bottom: 1px solid black;"><u>\$600,000</u></th> </tr> </thead> <tbody> <tr> <td style="border-bottom: 1px solid black;">\$400,000</td> <td style="border-bottom: 1px solid black;">+ \$200,000</td> <td style="border-bottom: 1px solid black;">=</td> <td style="border-bottom: 1px solid black;">\$600,000</td> </tr> <tr> <td style="border-bottom: 1px solid black;">\$600,000</td> <td style="border-bottom: 1px solid black;">\$200,000</td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">\$800,000</td> </tr> <tr> <td colspan="3" style="text-align: center;"><b>= 75%</b></td> <td></td> </tr> </tbody> </table>	<u>WIOA</u>	<u>TANF</u>	=	<u>\$600,000</u>	\$400,000	+ \$200,000	=	\$600,000	\$600,000	\$200,000		\$800,000	<b>= 75%</b>			
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<b>= 75%</b>																	

To determine the amount of TANF funds spent on co-enrolled WIOA out-of-school youth, OWD will pro-rate the CCMEP TANF expenditures in a program year based on the number of participants served in each CCMEP TANF population during that year (i.e., served with TANF funds only, co-enrolled in WIOA in-school youth, and co-enrolled in WIOA out-of-school youth). Only the proportion of CCMEP TANF expenses for

the program year attributable to co-enrolled WIOA out-of-school youth based on relative participant counts in the three categories will be included in the out-of-school youth rate calculation.

**B. Waiver to allow the use of individual training accounts (ITA) for in-school youth (ISY), ages 16-21 years.**

The intent of using ITAs in the WIOA ISY program is to expand training options, increase program flexibility, enhance customer choice, and reduce paperwork. This waiver encourages the youth population to seriously look at career pathways and in-demand occupations and empowers them to make their own decisions, thereby taking responsibility for their actions.

Under this waiver, local WDBs and CCMEP lead agencies may use ITAs for in-school youth. Local WDB directors should contact the lead agencies and/or youth program providers to coordinate this activity and ensure local area policies pertaining to ITAs will be adhered to.

By using an ITA, the local WDB does not have to competitively procure training services funded by WIOA for in-school youth. However, training services must still be provided in a manner which maximizes informed consumer choice in selecting an eligible training provider.

This waiver expands the population of individuals who may receive an ITA. Therefore, the requirements for providing an ITA found in Workforce Innovation and Opportunity Act Policy Letter (WIOAPL) No. 15-11.2, Use of Individual Training Accounts, and paragraph (E)(4)(a) of rule 5101:14-1-02 of the Ohio Administrative Code will also include in-school youth in addition to out-of-school youth.

**C. Waiver to allow TANF funds to count towards the 20 percent work experience expenditure requirement.**

The purpose of this waiver is to increase participant enrollment in work experiences by having TANF funded, co-enrolled participants count towards the 20 percent requirement defined in 20 CFR 681.590. The waiver supports the principles of streamlining services, increasing accountability and accessibility, state and local flexibility and ease of administration.

Both WIOA youth and TANF expenditures will count toward the 20 percent expenditure requirement for paid or unpaid work experience for youth co-enrolled in those programs. In addition to WIOA local youth program funds spent on paid and unpaid work experiences, including wages and staff costs for development and management of work experiences, local areas in Ohio may include TANF work experience

expenditures in the calculation of the 20 percent work experience expenditure requirement.

If TANF funds are used for a co-enrolled youth's work experience wages, those funds must be added to the numerator and denominator of the existing 20 percent work experience calculation.

<p>Of \$500,000 in WIOA Youth spending, \$50,000 was spent on work experience:</p> $\frac{\$50,000 \text{ (divided by)}}{\$500,000}$ <p>=10%</p>	<p>The area also invests \$100,000 of its TANF funds on work experiences for co-enrolled WIOA Youth:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">WIOA</th> <th style="text-align: left; border-bottom: 1px solid black;">TANF</th> <th style="text-align: left; border-bottom: 1px solid black;">=</th> <th style="text-align: left; border-bottom: 1px solid black;">Total</th> </tr> </thead> <tbody> <tr> <td>\$50,000 +</td> <td>\$100,000</td> <td>=</td> <td>\$150,000</td> </tr> <tr> <td>\$500,000</td> <td>\$100,000</td> <td></td> <td>\$600,000</td> </tr> <tr> <td colspan="3"></td> <td>= 25%</td> </tr> </tbody> </table>	WIOA	TANF	=	Total	\$50,000 +	\$100,000	=	\$150,000	\$500,000	\$100,000		\$600,000				= 25%
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This will allow for more youth to be served in the WIOA Youth program, more work experiences to be developed, and, ultimately, better outcomes for co-enrolled WIOA and TANF youth.

**D. Waiver associated with the requirement at WIOA Section 129(a)(4)(A) and 20 CFR 681.410 that the State expend 75 percent of Governor's reserve youth funds on OSY.**

The state of Ohio requested a waiver to lower the minimum OSY expenditure requirement for providing direct services to youth to 50 percent. This waiver will allow more flexibility of funding special projects with WIOA Statewide Activities funding to meet the mission of the state and address the effects that the COVID-19 pandemic and shutdown of schools to in-person learning had on students.

The goal of this waiver is to promote innovative special projects through the implementation of evidence-based programs and strategies that increase services to at-risk, in-school youth in local schools and communities, despite their education status.

This waiver will allow local areas to partner with Ohio schools to identify students who are most in need, provide necessary services, and leverage federal funding for positive results.

**VI. Technical Assistance**

Ongoing support, guidance, training and technical assistance on workforce development area designation, subsequent designation, or redesignation requirements, including stakeholder consultation, are available to all local areas.

Requests for technical assistance may be sent to ODJFS, Office of Workforce Development: [CCMEPQNA@jfs.ohio.gov](mailto:CCMEPQNA@jfs.ohio.gov).

## **VII. References**

Workforce Innovation and Opportunity Act, §§ 129 and 189, Public Law 113-128.

20 C.F.R. §§ 679.600 - 679.620, 681.410 and 681.550.

ODJFS, Workforce Innovation and Opportunity Act Policy Letter No. 15-11.2, Use of Individual Training Accounts, (August 11, 2020).