

October 30, 2009

To: Local Workforce Investment Act Boards (WIBs), Administrative Entities, Fiscal Agents, One-Stop Partners, ODJFS Regional Rapid Response Coordinators, Local Area Rapid Response Coordinators and the Ohio Department of Development (ODOD) Business Service Representatives

From: John Weber, Acting Deputy Director, Office of Workforce Development

Subject: Status Update on Waiver Requests to the US Department of Labor

Per the Training and Employment Guidance Letter (TEGL) 14-08, the U.S. Department of Labor (USDOL) approved Ohio's waiver extension request through September 30, 2009.

On July 24, 2009, Ohio submitted a request to USDOL to extend these waivers through June 30, 2010. DOL recommended that this request include minor modifications to 2 of the 13 waivers. Waiver modifications include: 1) Limiting the rapid response/local area formula funds for incumbent worker training to lay-off aversion only, and 2) Eliminating the requirement to competitively select providers for seven of the ten youth program elements.

Since the submission of Ohio's waiver plan, DOL and OWD staff has maintained a continuous dialogue on the approval or denial of the waivers. USDOL is drafting their official response to Ohio on our waiver requests but do not anticipate the release of this letter before the end of October.

For the transition period, USDOL has proposed that we do not allow new participants who do not meet the approved waiver requirements. If a local area has already obligated funds to a participant or employer from the original waiver, then they can meet those obligations. There is no transition period for the recapture/reobligation waiver.

For the capitalization waiver, USDOL has proposed that we do not allow new participants for capitalization of their business. **However, the transition period would allow local areas to provide capitalization of a business until March 31, 2010, under the waiver** for any individual who started the entrepreneurial process prior to the end of the current waiver period. This applies to those participants that had the understanding that they would be eligible for capital funding for their own business, but could not complete all of the requirements before the end of the waiver period.

OWD is committed to providing the workforce community with the best information available on the status of the waivers so that the workforce community can plan their programs. In order to keep the workforce community informed about the waiver options available to us, OWD has constructed the following chart to indicate the anticipated approval, denial, or modification to Ohio's original waiver request.

If you have further questions, please send them to WIAQNA@jfs.ohio.gov

Waiver Provision	Status
<p>1. Waiver to permit the state to replace the statutory performance measures at WIA Section 136(b) with the common measures</p> <p>Allows the state to report only on the common measures, simplifies the reporting system and directly improves overall performance outcomes</p>	<p>Anticipated to be approved as requested</p>
<p>2. Waiver to permit Ohio to use up to 20 percent of local area adult and dislocated worker funds to provide statewide activities, identified at WIA Section 134(a)(3) for layoff aversion</p> <p>Provides broader flexibility for local areas to engage and work with businesses by improving the skills of their employers' workforce, improve skills, and avert layoffs</p>	<p>Anticipated to be denied except for incumbent worker training for layoff aversion</p>
<p>3. Waiver of the recapture and reallocation provisions of WIA sections 128(c), 133(c), and 20 CFR 667.160</p> <p>Provides the state with greater flexibility to recapture and reallocate funds and allows for increased efficiency and effectiveness in the management of federal funds</p>	<p>Anticipate that this waiver will be denied</p>
<p>4. Waiver of funds transfers limitation at WIA Section 133(b) (4) for the Adult and Dislocated Worker Programs</p> <p>Allows the state to approve local area requests to transfer up to 50 percent of their allocations between the Adult and Dislocated Worker Programs</p>	<p>Anticipated to be approved as requested</p>
<p>5. Waiver of the prohibition on the use of Individual Training Accounts (ITAs) for older and out-of-school youth which is found at 20 CFR 664.510</p> <p>Permits local areas to provide training to older and out-of-school youth through ITAs Improves the ability of local boards to respond quickly to the needs of youth Increases access to One-Stop services, and improves customer choice</p>	<p>Anticipated to be approved as requested</p>
<p>6. Waiver of the provision that prescribes a time limit on the period of initial eligibility for training providers which is found at 20 CFR 663.530</p> <p>Eliminates the time limit on the period of initial eligibility for training providers, permits Ohio to retain currently approved eligible providers, and provides increased training opportunities for WIA participants</p>	<p>Anticipated to be approved as requested</p>
<p>7. Waiver of the requirement at WIA Section 123 that providers of youth program elements be competitively selected</p> <p>Under this waiver, local areas can now provide additional services in-house without having to procure these services. This allows the service providers or the local grant recipient and/or fiscal agent to directly provide youth elements services. This waiver was requested to ensure coordination, continuity and ease of administration in providing youth activities. These additional services include:</p> <ul style="list-style-type: none"> ○ Mentoring ○ Summer employment opportunities ○ Tutoring and ○ Study skills training ○ Leadership development. 	<p>Anticipated to be approved as requested</p>

Waiver Provision	Status
<p>8. Waiver of the required 50 percent employer match for customized training at WIA Section 101(8) (c) to a sliding scale of 10 percent</p> <p>Improves flexibility at the local level, increases the number of employers using customized training, and increases the number of participants receiving customized training</p>	<p>Anticipated to be approved as requested</p>
<p>9. Waiver to permit the use of up to 50 percent of rapid response funds for statewide employment and training activities at Section 133(a) (2) for layoff aversion</p> <p>Provides greater flexibility to local areas to design and deliver services that meet the needs of their employers, improve worker skills, and avert layoffs</p>	<p>Anticipated to be denied except for incumbent worker training for layoff aversion.</p>
<p>10. Waiver to reduce the collection of participant data for incumbent workers which is found at 20 CFR 666 and 667.300(a)</p> <p>Permits the state to minimize the data capture requirements for incumbent workers</p>	<p>Anticipated to be approved as requested</p>
<p>11. Waiver of WIA Section 181(e) to permit the use of WIA funds of up to \$5,000 to capitalize a small business in concert with entrepreneurial training</p> <p>Allows WIA participants who complete enterprise or entrepreneurial training to receive up to \$5,000 in funding to capitalize a small business Measurable outcomes include the number of new jobs and businesses created</p>	<p>Anticipated to be denied</p> <p>Transition period until March 31, 2010 for capitalization funds.</p>
<p>12. Waiver of common measures for ARRA funded out-of-school youth, ages 18-24 who participate in work experience only outside of the summer months</p> <p>Provides flexibility in program design, increases the number of out-of-school youth enrolled in work experiences, and increases their job readiness skills</p>	<p>Anticipated to be approved as requested</p>
<p>13. Waiver of the procurement requirements under WIA Sections 123 and 20 CFR 664.610 for ARRA youth providers</p> <p>Allows local areas to expand existing competitively procured contracts and conduct expedited, limited competition to select service providers with demonstrated performance</p>	<p>Anticipated to be approved as requested</p>