



June 7, 2022

The Honorable Brian Kemp
Governor of Georgia
203 State Capitol
Atlanta, GA 30334

Dear Governor Kemp:

Thank you for your waiver request submission to the U.S. Department of Labor (Department) regarding certain statutory and regulatory provisions of the Workforce Innovation and Opportunity Act (WIOA) and the accompanying plan to improve the statewide workforce development system (enclosed). The waiver request was received March 18, 2022, as part of your recent WIOA State Plan modification. This letter provides the Employment and Training Administration's (ETA) official response to your request and memorializes that Georgia will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Georgia and ETA. This action is taken under the Secretary's authority to waive certain requirements of WIOA Title I, Subtitles A, B, and E, and Sections 8–10 of the Wagner-Peyser Act in WIOA Section 189(i).

Requested Waiver: Waiver associated with the requirement at WIOA Section 129(a)(4)(A) and 20 CFR 681.410 that the State and local areas expend 75 percent of Governor's reserve youth funds and local formula youth funds on out-of-school youth (OSY).

ETA Response: ETA approves for Program Year (PY) 2022 and PY 2023, which includes the entire time period for which states are authorized to spend those funds, the State's request to waive the requirement that the State expend 75 percent of Governor's reserve youth funds on OSY. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of Georgia to implement its plan to improve the workforce development system. Georgia may lower the expenditure requirement of Governor's reserve funds to 50 percent for OSY.

In addition, ETA approves for PY 2022 and PY 2023, which includes the entire time period for which states are authorized to spend those funds, the State's request to waive the requirement that local areas expend 75 percent of local youth formula funds on OSY. Georgia may lower the local youth funds expenditure requirement to 50 percent for OSY. As a result of this waiver, ETA expects that the number of in-school youth (ISY) served will increase, and performance accountability outcomes for overall WIOA Youth (including both ISY and OSY) will remain steady or increase for the majority of the WIOA Youth performance indicators.

The State must report its waiver outcomes and implementation of the approved waiver in the WIOA Annual Report. ETA will use this information to assess continued waiver approval and to identify promising practices that may be adopted more widely. ETA is available to provide

technical assistance to you in support of your goals. If you have questions, feel free to contact my office at (202) 693-2772.

Sincerely,

A handwritten signature in black ink, appearing to read "Brent Parton". The signature is stylized with a large initial "B" and a long horizontal stroke at the end.

Brent Parton
Acting Assistant Secretary

Enclosure

cc: Karen Kirchler, Deputy Commissioner, Georgia Department of Workforce Development
Renata Adjibodou, Acting Atlanta Regional Administrator, ETA
Winston Tompoe, Regional Director, Office of State Systems, ETA



April 29, 2022

USDOL ETA, Region 3
61 Forsyth St SW
Atlanta, GA 30303

Dear ETA Leadership,

In response to USDOL Employment and Training Administration's (ETA) email communication received on April 22, 2022, the TCSG Office of Workforce Development (OWD) is providing additional information regarding the Youth Waiver request included in Georgia's State Plan submission. OWD will also ensure this information is submitted within the Portal with the remainder of the requested revisions and additions. The full, amended waiver request is included as *Attachment A* to this letter, but the requested information is summarized below.

- *Clarify that the State is requesting the funding years for which Georgia wants the waiver.*

Georgia is requesting an extension of the current Youth Waiver through PY 22 and 23.

- *If the request is for PY22 and 23, please include quantifiable and measurable projected outcomes the state expects to attain.*

The Youth Waiver submitted via the portal erroneously included a chart that showed the projections for PY21, which will be corrected. These numbers are actually for PY22 and eight (8) LWDA's have confirmed they will be utilizing the waiver for PY22, if approved, and expect to serve an additional 682 ISY during that time. This increase would more than double the number of ISY served in Georgia. Additionally, OWD expects that the state will continue to see increases in youth education and employment rate and credential attainment.

- *Describe the process used and/or what will be used to monitor progress in implementation and outcomes.*

With regard to Youth expenditures, OWD monitors Local Workforce Development Area (LWDA) compliance in a number of ways. Regardless of waiver status, the required Work Experience (WEX) and Out-of-School Youth (OSY) expenditure requirements are captured on monthly and quarterly financial reporting from LWDA's to the OWD Finance/Grants team. The OWD Programs team monitors those expenditures to ensure LWDA's are on track to meet the requirements. If an LWDA is not on track to expend Youth funds, OWD notifies the LWDA and requires them to submit an Outreach & Performance Plan specific to their Youth program's projected outcomes and expenditures. The OWD Programs team reviews these plans and provides technical assistance, policy support, and recommendations or corrective



actions to strengthen program design. OWD monitors progress on corrective action implementation and maintains open communication with the LWDA throughout that period. This process ensures that potential deficiencies or unexpected issues in program design are caught early enough to allow for correction before the end of the program year.

LWDA's Youth program design and local policies are reviewed regularly by OWD through the State's review of Local & Regional Plans, annual monitoring reviews, and general technical assistance. OWD provides continuing technical assistance on Youth-related issues and has done so increasingly while the Youth Waiver has been in effect.

- *Confirm that the state included the waiver in the State Plan when it was put out for public comment.*

The modified State Plan was presented to the State Workforce Development Board Executive Committee on January 5, 2022 for review and approval for the public comment period. The plan was posted for public comment on January 14, 2022. Both the version presented to the SWDB Committee and the version posted for public comment did include the Youth Waiver request as it appears in Georgia's submission. No public comments were received despite cross-postings on state-level websites and inclusion in regular communications with stakeholders in the workforce system at both the state and local levels.

Please let us know if there is any additional clarification or information we can provide.

Sincerely,

Kristin Laarhoven
Executive Director
TCSG Office of Workforce Development

Attachment:
Attachment A – PY22 & 23 Youth Waiver Request

(e) Waiver Requests

Out-of-School Youth 75% Expenditure Requirement Waiver

Some of Georgia's LWDA's have experienced struggles with OSY recruitment and retention, thus OWD submitted a waiver of the requirement to expend at least 75 percent of funding on OSY population to be lowered to 50% for both statewide and local activities (<https://tcsgeorgia.edu/wp-content/uploads/2019/03/OSY-Waiver-Request.pdf>). ETA initially approved the requested waiver for Program Years 2018 and 2019 on June 18, 2019. Because of the late approval of this waiver, the local areas were unable to build programming that reflects the funding change for PY19, due to being in active contracts at the time the approval was received. A second waiver request was approved on September 28, 2020 for PY 20. The LWDA's have planned, designed and launched programming for PY 20 that is reflective of the new funding limits, and OWD will continue to provide technical assistance and guidance with the implementation of the waiver. OWD acknowledges that most of our local areas are currently above the 75% OSY funding requirement despite the implementation of the waiver; OWD believes this is due to the late approval of the waiver mentioned above, and hesitance that the extension of the waiver will not be approved. OWD seeks an extension of this waiver, not because locals are going to be delinquent, but because the 75% requirement has made it difficult for our areas to have any substantial ISY programming for youth who are at-risk of being disconnected from the education and training system. Some local areas had to cease ISY programming altogether. In our high-poverty counties, disregarding ISY programming is a very costly sacrifice. OWD seeks the continuation of this waiver not out of performance necessity, but in pursuit of programmatic flexibility for our local areas who wish to provide quality workforce development services to at-risk ISY.

While OWD recognizes the value and importance of WIOA's heightened emphasis on the alignment of programs that serve OSY in order to ensure they obtain the skills necessary to prepare for educational achievement and workforce participation, it creates an undue burden for our LWDA's who wish to provide quality ISY programming. This is especially burdensome when:

- ISY Work Experience programming is limited as a result of the 75% rule for OSY funds
 - LWDA's in Georgia have a successful track record of providing notable year-round work experience programs for ISY; however, many of these same areas are now only able to provide summer work experience for the youth in their service delivery areas, and for some even those programs have received cuts due to decreased funding. This means that fewer ISY are given the opportunity to participate in programs that will ensure youth enter the workforce with an expanded level of employability and soft skills that are necessary to secure entry-level jobs and beyond. Our local areas boast high-quality working relationships with their respective local school districts. These districts have seen

a drastic reduction in services provided to ISY. Local educators and school district officials serve on youth committees across our state. The local education officials and the local workforce areas are working in tandem to provide ISY programming. Due to the 75% OSY funding requirement, those programs have been greatly reduced. ISY programming crafted from these important partnerships are paramount to future success of the local and state workforce. Communities have grown to rely on these resources and are disappointed that successful programming is no longer available to their ISY. This eliminates opportunities for early intervention for youth in danger of dropping out and leads to at-risk youth becoming disconnected from an education system and resources that would connect those youth with a high school diploma or equivalent, and a viable career pathway.

The desired programmatic outcomes from the implementation of the waiver include:

- Ability for LWDAs to strategically focus their allocated funds on an approach to better serve at-risk youth, while discouraging a disconnection from education institutions. Specifically, among programmatic activities, LWDAs can fund a greater number of year-round and summer WEX activities targeting eligible at-risk ISY. We expect to see a continued increase in graduation rates.
- Opportunity to provide support for ISY while equipping them with the academic and technical skills necessary to improve their employability. The expansion of ISY programs will strengthen the talent pipeline for employers, and therefore reduce their training costs and employee turnover.

PY 20 Waiver Performance

To accurately assess the efficacy of the 75% OSY waiver in the state, OWD polled LWDAs on their utilization of the waiver and the impact of the waiver related to the total number of youth served through the waiver. These were the results:

Number of LWDAs that Utilized the Waiver on PY 20	Total Number of ISY served with the Waiver on PY 20
6	285

Five LWDAs successfully developed and launched an expanded ISY youth program that resulted in an increased number of ISY served in the State of Georgia. Due to the waiver 240 ISY with barriers to employment received services that otherwise would have not been available. This is particularly important due to the limitations brought to ISY by the COVID 19 restrictions. We asked LWDAs to share success stories that reflected the effectiveness of the waiver in Georgia.

Youth Programming Success Story (1) “ISY with Barriers served through the Waiver”

The WIOA Title I program at Rome High School is vital to a number of at risk students each school year. Many of our students come to us without any work experience and low self-esteem. A recent student that comes to mind is “B”. We started working with B during spring of his junior year. He was living in an unstable home with his mother and one brother, but he never disclosed his challenges. B suffered from anxiety, had no work experience and by the time he completed high school, he relocated at least five times. B was placed at the local public library through work experience. After he started receiving WIOA Title I services and supports he would ask why we wanted to help him. B soon trusted the staff assisting him and enjoyed his work. Toward the end of his senior year, B had enough desire and confidence to interview for a full scholarship. He was awarded the Gate Scholarship. B is currently majoring in Physics with a minor in Business. He is also planning to obtain a master’s degree in the near future. B is definitely a success story of how a little extra assistance through WIOA Title I services and encouragement can change the trajectory of a young person’s life.

Next, OWD polled the local areas on how the PY 20 waiver extension impacted their performance outcomes specifically, Q2 Youth Education and Employment, Q4 Youth Education and Employment, Q2 Median Earnings Credentials and Measurable Skills Gain. All five LWDA’s reported better performance results due to their increased flexibility to serve ISY. It is important to highlight that even though the LWDA’s are utilizing the waiver and obtaining positive performance outcomes, the local areas are not having issues with engaging the OSY caseload in active services. The areas utilizing the waiver understand that OSY is the priority, and will continue to recruit and provide career pathways leading to training and employment opportunities to those youth who are currently out of school. The locals will ensure emphasis on OSY by increasing their monitoring efforts and engaging their sub-contractors with OSY best practices. OWD monitoring will also reflect the OSY programmatic priority and will continue to provide assistance to the local areas with tools and strategies to better serve OSY.

Youth Programming Success Story (2) “Youth performance improvement through the Waiver”

LWDA 13 is very proud to share that there has been an amazing increase in the education/credential percentage achieved for PY 20 of 101.3% and skills gain which are strongly attributed to serving more In-School Youth due to the waiver. The waiver afforded the opportunity to help high school students to stay on track with pursuing a high school diploma and furthering their education and occupational skills training.

Finally, OWD polled the local areas on specific programmatic changes they planned to implement to take advantage of the 75% OSY waiver if the waiver is extended again for PYs 22 - 23. The poll questions addressed the utilization of the waiver, projected number of ISY to be

served if the waiver is extended, projected ISY percentage increase with waiver and expected performance (e.g., Education and Employment, Earnings, Credentials and Measurable Skills Gain). See results below:

LWDAs Planning on Utilizing the Waiver on PY 22	Projected ISY to be served with the Waiver on PYs 22	Projected ISY percentage Increase with the Waiver on PYs 22	Expected Performance for PYs 22 (e.g., Education and Employment, Earnings, Credentials and Measurable Skills Gain)
8	682	From 5% to 300%	To continue the increases in youth performance rates across the board

As evidenced by the number above, eight (8) out of the nineteen (19) LWDAs are already planning to utilize the waiver for PY 22. This means that close to half of all of the LWDAs in Georgia will utilize the waiver given the opportunity. As stated at the beginning of this request, if LWDAs are giving the opportunity to utilize this OSY Expenditure Waiver for a longer time, an increased number of LWDAs will expand their programmatic service for ISY. This will result in a more equitable and balanced over all WIOA Title I youth program in Georgia.

Additionally, the extension of the waiver is projected to more than double the number of ISY to be served in PY22. On PY 20 our LWDAs reported to served 240 but are planning to serve 682 ISY on PY22. The projected ISY percentage increase with the waiver goes from 5% to 300%, making clear the commitment of our LWDAs in utilizing the waiver and stressing the importance of the waiver.

Finally, when OWD polled the local areas they all reported positive increases in their performance due to the waiver utilization and the impact of WIOA Title I services for ISY. OWD expects that these positive performance impacts will increase if the waiver is extended through PYs 22 and 23. The waiver allows our local areas to better support our ISY which is reflected in the education, employment, and credential these participants obtained with the support and opportunities provided by LWDAs. OWD expects that the state will continue to see increases in youth education and employment rate and credential attainment.

Youth Programming Success Story (3) “Youth credential attainment through the Waiver”

LWDA 14 was able to have a summer youth employment program for the first time in several years. Fourteen WIOA eligible in-school youth earned two stacking credentials through Columbus technical college as well as gaining 120 hours of work experience during the summer.

The flexibility afforded by the waiver allows LWDAs to expand ISY programming to all counties within their regions, creating valuable partnerships with school districts, technical colleges, and other community partners throughout their area. These local areas expressed a desire to continue to expand their community partnerships through innovated services for youth in

general including ISY and OSY. For example, a local area expressed their success in serving OSY through work-experience opportunities in their community without the utilization of the waiver. However, they are planning to expand their ISY programming on PY 22 by increasing the number of ISY served to 75 which is a projected ISY increase of 33%. See their success story below:

Youth Programming Success Story (4) "Youth program flexibility through the Waiver"

Although Cobb did not utilize the ISY waiver, we were able to use youth formula funding to create meaningful work experiences with local businesses. One work experience that we would like to highlight is with Cobb County Fire Department. Cobb has been able to collaborate with the Cobb County Fire Department to provide paid work experiences to youth interested in becoming fire fighters. This work experience allows youth to complete advanced EMT Training/Fire Fighter Training at no cost to the youth and to earn wages. We had one graduate who received employment with Puckett EMS. He will transition into the role as a Cobb County firefighter by spring 2022. We have several youth in the pipeline for the upcoming EMT/Fire trainings, which are offered twice a year. Youth formula funds have assisted us in providing education and employment opportunities to our youth and assist our local government meet their employment needs.

Based on valuable local feedback, OWD feels confident that LWDA's will continue to expand ISY programming and to serve an increased number of ISY by utilizing the waiver while simultaneously keeping the emphasis of our youth programs on OSY and maintaining the quality of those programs. LWDA's have indicated a desire to utilize the flexibility provided by the 75% OSY waiver in order to expand ISY offerings. Therefore, OWD formally requests an extension on the waiver based on the results of the utilization of the waiver on PY20 and the projected increased on the waiver utilization and expected results for PYs 22-23.