

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	<b>CLASSIFICATION</b> WIA/Youth
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**ADVISORY:**      **TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 11-09, Change 2**

**TO:**                STATE WORKFORCE AGENCIES  
 STATE WORKFORCE LIAISONS  
 STATE WORKFORCE ADMINISTRATORS  
 STATE AND LOCAL WORKFORCE INVESTMENT BOARDS  
 ALL YOUTHBUILD GRANTEES

**FROM:**            ERIC M. SELEZNOW /s/  
 Acting Assistant Secretary

**SUBJECT:**        Clarification of Expanded Participant Eligibility for the YouthBuild Program

**1. Purpose.** To clarify policy guidance previously issued to states and national YouthBuild program grantees concerning the Employment and Training Administration’s (ETA) definition of “sequential service strategy” as it pertains to YouthBuild program participants under the Workforce Investment Act (WIA) of 1998. Specifically, this change TEGL clarifies eligibility requirements and how these requirements apply to the sequential service strategy.

**2. References.**

- Workforce Investment Act of 1998, Pub. L. 105-220 or regulations at 20 CFR 664.310;
- YouthBuild Transfer Act (Pub.L. 109-281 September 2006);
- YouthBuild Final Rule, 20 CFR, part 672; and
- Training and Employment Guidance Letter No. 11-09, Change 1, “Expanded Participant Eligibility for the YouthBuild Program.”

**3. Background.** The Department wants to ensure that YouthBuild grants are serving the hardest to serve youth within local communities, especially those youth that are disengaged from the educational system. Therefore, Training and Employment Guidance Letter (TEGL) 11-09, published December 4, 2009, issued policy guidance to states and national YouthBuild program grantees on the WIA definition of school drop-out. The YouthBuild Transfer Act (PL 109-281 September 2006) authorized the transfer of the YouthBuild program from the Department of Housing and Urban Development (HUD) to the Department of Labor (DOL) by amending WIA to add Section 173A.

Both the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5 2009) and the Omnibus Appropriations Act, 2009 (Pub. L. 118-8) broadened the WIA YouthBuild school drop-out provision for Program Years 2008 and 2009 to state that a “YouthBuild program may serve an individual who has dropped out of high school and re-enrolled in an alternative school, if that

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re-enrollment is part of a sequential service strategy.” This broadened definition of who can be served by YouthBuild programs was also codified by the YouthBuild Final Rule in 2012. TEG 11-09, Change 1 defined the application of a sequential service strategy as enrollment into “an alternative school that is connected with a YouthBuild program and provides a year or more of educational services prior to enrollment into the YouthBuild program supported by DOL. This definition is intended to [only] include a charter school that is operated by a YouthBuild program.” This Change 2 TEG 11-09 provides further clarification to the term “sequential service strategy” for the purposes of participant eligibility in a YouthBuild program.

**4. Sequential Service Strategy.** A sequential service strategy is defined as the educational and occupational skills training plan developed for individuals who have dropped out of high school and want to enroll in a YouthBuild program. The plan is designed so that the individual enrolls in an alternative school that is run by a YouthBuild program, and after receiving a year or more of educational services, enrolls in the YouthBuild program. The sequential service strategy is only applied to youth who are enrolled into a YouthBuild program directly from a YouthBuild-operated Charter School. Prior to the YouthBuild Transfer Act of 2006, some YouthBuild programs operating under HUD funding established YouthBuild Charter Schools into which youth were first enrolled, prior to enrollment into the YouthBuild grant program. With the YouthBuild Transfer Act, the original definition of high school drop-out under WIA did not allow for this scenario, creating a disconnect between the way in which YouthBuild programs had been operating to date and the eligibility definitions under WIA.

In order to accommodate this pre-existing component of the YouthBuild model, the definition of high school drop-out was permanently expanded by TEG 11-09, Change 1, to include youth coming from these YouthBuild Charter Schools. In our view, the law did not intend to expand eligibility beyond youth in YouthBuild Charter Schools. Therefore, the sequential service strategy provision is limited in scope to only YouthBuild-operated Charter Schools and does not apply to broader alternative school settings within communities that may partner with YouthBuild programs to offer specialized educational services or from which YouthBuild programs may be seeking to recruit participants. This flexibility is only granted to YouthBuild programs with alternative schools that award high school diplomas and not GEDs because research establishes that individuals who receive a high school diploma have a higher long-term earning potential than individuals who receive a GED. The flexibility for YouthBuild grantees to use a “sequential service strategy” is an incentive for more programs to move towards high school diploma granting academic components, and supports earlier dropout recovery of future YouthBuild participants and prevents programs from having to drop youth out of their program so they can then reenroll as an out-of-school youth.

YouthBuild is intended to mainly target youth that are disengaged from education and are lacking in credentials. Youth that have re-enrolled into alternative schooling on their own have chosen to re-engage and are not those most in need of services. YouthBuild programs that recruit youth that are out of school and provide educational services prior to participation in the formal YouthBuild program meet the threshold of serving high school drop-outs because the youth were drop-outs still at the point of engagement with YouthBuild. It is for this reason that the eligibility exception is allowed for the YouthBuild Charter School sequential service strategy only. Youth recruited from community-based alternative schools (those schools that are not part of the traditional matriculating public school system and that tend to enroll those who have dropped out of traditional public schools and often utilize GED curricula) will not be considered high school drop-outs under the sequential service strategy and are not eligible for YouthBuild under this eligibility criterion.

Youth who do not qualify as high school drop-outs for YouthBuild eligibility would only qualify for YouthBuild if they fall under the 25 percent exception. Youth within this exception may transfer to a YouthBuild program that offers high school diplomas from a secondary school based on the recommendation of a guidance counselor, principal, or other trusted school official or if they already have a high school diploma or other state-recognized equivalent but are basic skills deficient. A youth is considered basic skills deficient for the purposes of YouthBuild if the youth has English reading, writing, or computing skills at or below the eighth grade level on a generally accepted standardized test or a comparable score on a criterion-referenced test (as defined in Section 101(4) of the Workforce Investment Act).

**5. Inquiries.** Questions on this TEGL may be addressed to the appropriate ETA regional office.