Issue: The Competitive Selection Process for Occupational Skills Providers and the use of the Eligible Training Provider (ETP) List for Youth

Discussion. Section 123 (29 U.S.C. 2843) of the WIA requires the identification of eligible youth service providers by awarding grants and contracts on a competitive basis for youth activities and services. The competitive selection process under the WIA requires local boards to select youth program providers who can best serve local youth needs, after considering recommendations from the youth councils. TEGL No. 9-00 addressed a number of questions that have been posed about administrative procurement procedures and about the extent to which providers of youth services must be competitively procured (e.g., such as the program design framework component, the 10 program elements, and youth services delivered in a One-Stop setting). It also dealt with some commonly raised questions and consolidated earlier issues. Since the issuance of TEGL No. 9-00, additional questions have been raised related to the competitive selection process and possible waivers. These questions and our responses are presented below.

Question: Do competitively selected occupational skills training providers and providers of other services have to recompete for each individual for whom training is provided?

Answer: No. Occupational skills training for youth program participants may be provided by a training provider (such as a community college or vocational school) that has been competitively selected to provide training for eligible youth on an individual referral basis. Once a provider has been competitively selected, whether for skills training or other authorized activities, the grant or contract may stipulate whether the services will be provided on a group-size or per slot (i.e., individual referral) basis. States and local boards are not limited to funding group size training, but may provide vouchers or "fee-for-service" funds to community colleges, vocational schools or other service providers, based on the participant's objective and individual service strategy.

Question: Are there any circumstances when the Adult Services Eligible Training Provider (ETP) list may be used as a separate resource to identify training providers for youth?

Answer: The intent of the WIA section 123 (29 U.S.C. 2843), requiring local boards to identify eligible providers of youth activities by awarding grants and contracts on a competitive basis, is to provide flexibility in the development and design of comprehensive youth services and to increase the quality of youth services. This section differs from the requirements for identifying eligible providers of adult and dislocated worker training activities, which are found in the WIA section 122 (29 U.S.C. 2842). The eligible training provider (ETP) list is a statewide compilation of training providers that are approved to provide services to adults and dislocated workers and is not a substitute for the requirements for selections of eligible providers of youth activities under the WIA section 123. As state ETP systems evolve and become more sophisticated, the Department would support opportunities to more closely coordinate the competitive youth provider selection process with the ETP selection process. For example, if

consistent with state and local procurement standards, the ETP selection process may provide a model for creating an index of pre-qualified providers of youth activities. This method is helpful to identify potentially eligible contractors but does not eliminate the requirement that providers of youth services be competitively selected. In the short-term, for local boards seeking to publicize competitive opportunities for providers of the WIA youth program-funded training services to older youth, the ETP list may be one of many helpful resources for finding potential bidders.

In addition, the ETA will consider waivers on the regulatory prohibition of using Individual Training Accounts (ITAs) for older youth (20 CFR 664.510), which would allow those youth with the ITAs to select training providers from the ETP list. A precedent for these waivers has already been established by the state of Indiana, which was granted a waiver to allow the use of the ITAs for out-of-school youth. To be considered for waivers, states must address the following items: 1) what guidelines will be provided to the local areas on the use of the ITAs;
2) how these guidelines will be incorporated into local areas' service delivery plans for youth; 3) what criteria will be used for determining when the use of the ITAs is appropriate; and 4) what assistance will be provided to youth to assist them in choosing an appropriate service provider.