

GAO Highlights

Highlights of [GAO-18-475](#), a report to the Ranking Member, Committee on Health, Education, Labor and Pensions, U.S. Senate

Why GAO Did This Study

Approximately 4.6 million youth ages 16 to 24 were neither in school nor employed in 2016. WIOA, enacted in July 2014, provides, in part, grants to states and local areas to assist youth—particularly out-of-school youth—in accessing employment, education, and training services. It also emphasizes the provision of work experiences to in- and out-of-school youth.

GAO was asked to review how states and local areas are using WIOA grants to serve youth. This report examines (1) what is known about states' and local areas' progress in meeting WIOA spending requirements for serving out-of-school youth and for providing youth with work experiences; (2) how local areas are addressing WIOA's emphasis on serving out-of-school youth and any challenges, and (3) how local areas are addressing WIOA's emphasis on youth work experiences and any challenges. GAO reviewed relevant federal laws, regulations, and guidance; interviewed DOL officials; analyzed DOL state level WIOA youth program expenditure data from program years 2015 and 2016, the most recent data available; surveyed a nationally representative sample of local workforce development areas; and visited nine local workforce development areas in three states selected for their relatively large WIOA Youth funding allotments and relatively high rates of out-of-school youth.

GAO is not making recommendations in this report. DOL and the Department of Education provided technical comments on a draft of this report, which were incorporated as appropriate.

View [GAO-18-475](#). For more information, contact Chelsa Gurkin at (202) 512-7215 or gurkinc@gao.gov.

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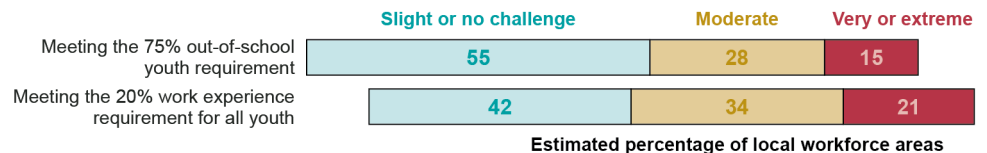
WORKFORCE INNOVATION AND OPPORTUNITY ACT

States and Local Areas Report Progress in Meeting Youth Program Requirements

What GAO Found

Most states reported they were on target to meet the Workforce Innovation and Opportunity Act's (WIOA) requirement to spend 75 percent of their Program Year 2015 and 2016 youth grant funding to serve out-of-school youth, according to Department of Labor (DOL) data. Because deadlines had not arrived for the spending of state youth grant allotments for these program years, compliance could not be determined. Similarly, most local areas reported they were on track to meet the out-of-school youth spending requirement, as well as the requirement that 20 percent of local youth grant funds be spent on providing work experiences to youth. Through GAO's survey, many local areas reported it was not challenging or only slightly challenging to meet the spending requirements, but some reported experiencing greater challenges (see figure). Under WIOA, DOL does not collect local expenditure information, but states must monitor local areas' compliance while DOL monitors state oversight. DOL has taken some steps to determine whether states are carrying out their monitoring responsibilities, including limited on-site monitoring and ongoing dialogue with states. According to DOL officials, the agency's monitoring of the new requirements has thus far focused on providing technical assistance and guidance, but they reported plans for more formal compliance monitoring.

Some Local Workforce Areas Reported Experiencing Greater Challenges in Meeting Workforce Innovation and Opportunity Act Spending Requirements



Source: GAO survey of local workforce areas in the 50 U.S. states and the District of Columbia. | GAO-18-475

Note: All percentage estimates in this figure have a margin of error of plus or minus 10 percentage points or fewer. Percentages do not add to 100 due to rounding and because a small number of survey respondents answered "don't know" or did not respond.

Local areas reported in GAO's survey that they used a combination of strategies to meet the WIOA spending requirement for serving out-of-school youth and to address other related challenges. For example, many local areas reported suspending enrollment of in-school-youth to help meet the requirement to spend 75 percent of youth grant funds on out-of-school youth. In addition, local areas reported having taken steps to address challenges locating, retaining, and serving out-of-school youth in their WIOA-funded programs, including increasing their recruiting efforts and strengthening partnerships with other WIOA programs, state and local government agencies, and community-based organizations.

To meet WIOA's 20 percent spending requirement for work experiences, local areas reported expanding work experience opportunities for youth, most commonly with temporary paid employment. An estimated 81 percent of local areas reported they paid youth participants' salaries, with most paying the entire salary. Many local areas also reported challenges, including youths' lack of job-readiness and employers' reluctance to hire WIOA participants. To address these challenges, local areas reported providing job-readiness training for youth and strengthening partnerships with employers.