



CENTRAL REGION

<b>Workforce Innovation and Opportunity Act (WIOA) Program Policy #104</b>
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**Subject:** Training Services

**Effective Date:** November 14, 2012

**Revised:** January 10, 2018

**Policy Statement:**

The Central Virginia Workforce Development Board (WDB) seeks to promote a skilled workforce capable of meeting employer's needs. This policy outlines the various training services that are available through WDB resources to assist jobseekers, employees and employers.

**Background:**

Under WIOA, training services may be provided if the VA Career Works Lynchburg Center staff, including partner programs' staff, determines after conducting an interview, an evaluation, or assessment, and career planning, that the individual:

- Is unlikely or unable to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment through career services alone;
- Is in need of training services to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment;
- Has the skills and qualifications to successfully participate in the selected program of training services;
- Is unable to obtain grant assistance from other sources to pay the costs of such training, including such sources as State-funded training funds or Federal Pell Grants established under title IV of the Higher Education Act of 1965, or requires WIOA assistance in addition to other sources of grant assistance, including Federal Pell Grants (20 CFR 680.230 and WIOA sec. 134(c)(3)(B) contain provisions relating to fund coordination.);
- Is a member of a worker group covered under a petition filed for Trade Adjustment Assistance (TAA) and is awaiting a determination. If the petition is certified, the worker may then transition to TAA approved training. If the petition is denied, the worker will continue training under WIOA;
- Is determined eligible in accordance with the State and local priority system in effect for

adults under WIOA sec. 134(c)(3)(E) if training services are provided through the adult funding stream; and

- Selected a program of training services that is directly linked to the employment opportunities in the local area or the planning region, or in another area to which the individual is willing to commute or relocate.

WIOA provides enhanced access and flexibility for work-based training options, such as Registered Apprenticeship (RA), on-the-job training, customized training, and incumbent worker training. Types of training services that may be provided include:

- Occupational skills training, including training for nontraditional employment;
- On-the-job training;
- Incumbent worker training
- Programs that combine workplace training with related instruction, which may include cooperative education programs;
- Training programs operated by the private sector;
- Skill upgrading and retraining;
- Entrepreneurial training;
- Job readiness training provided in combination with the training services described in any of clauses (a) through (g) or transitional jobs;
- Adult education and literacy activities, including activities of English Language acquisition and integrated education and training programs, provided concurrently or in combination with services provided in any of clauses (a) through (g); and
- Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

Individual Training Accounts (ITAs) are the primary method to be used for procuring training services under WIOA, similar to the provision of training services under WIA. However, in certain circumstances, a training contract may be used to provide training services, instead of an ITA. These circumstances are referred to as the "training exceptions" or "contract exceptions". Training contracts may only be used if at least one of the five circumstances listed below applies and the process for their use is described in the Local Plan.

- On-the-job training, which may include paying for the on-the-job training portion of an RA program, customized training, incumbent worker training, or transitional jobs;
- If Central Virginia Workforce Development Board (WDB) determines that there are an insufficient number of Eligible Training Providers in the local area to accomplish the

purpose of a system of ITAs. This determination process must include a public comment period for interested providers of at least 30 days and must be described in the Local Plan;

- To use a training services program of demonstrated effectiveness offered in a local area by a community-based organization or other private organization to serve individuals with barriers to employment. Central Virginia WDB must develop criteria to be used in determining demonstrated effectiveness, particularly as it applies to individuals with barriers to employment to be served. The criteria may include:
  - o Financial stability of the organization;
  - o Demonstrated performance in the delivery of services to individuals with barriers to employment through such means as program completion rate; attainment of the skills, certificates, or degrees the program is designed to provide; placement after training in unsubsidized employment, and retention in employment; and
  - o How the specific program relates to the workforce investment needs identified in the local plan;
- If Central Virginia WDB determines that the most appropriate training could be provided by an institution of higher education or other provider of training services in order to facilitate the training of a cohort of multiple individuals for jobs in-demand sectors or occupations, provided that the contract does not limit consumer choice; and
- If Central Virginia WDB determines, a pay-for-performance contract is suitable consistent with 683.500 (note that no more than 10 percent of the local funds may be spent on pay-for-performance contract strategies as they are defined in section 3(47) of WIOA, and be consistent with 20 CFR 683.510).

Additionally, Central Virginia WDB may determine that providing training through a combination of ITAs and contracts is the most effective approach. This approach could be used to support placing participants in programs such as Registered Apprenticeships and other similar types of training.

ITAs can be used for adults, dislocated workers, older youth and out-of-school youth. The VA Career Works Lynchburg Center serves as the access point where ITAs can be issued in accordance with the provisions of this policy. Other training options include On-the-Job and Customized Training.

#### **I. General Provisions for Individual Training Accounts (ITAs)**

- a. ITAs arrange for the payment of participant training costs direct to the training provider.
- b. ITAs may only be issued after careful consultation between the participant and their case manager. A service strategy with employment goals and related training plan are part of this process. Minimum considerations must also include:

- i. Occupations in demand in the local area, or those that have a high potential for sustained demand or growth in the local area as indicated in contemporary labor market information sources.  
*Note: demand occupations in other areas are acceptable if the customer commits in writing their willingness to relocate for the job opportunity.*
  - ii. Customer interest and aptitudes as documented through assessments.
  - iii. Customer choice must also be factored, though this factor alone does not dictate final training decisions.
- c. ITAs may only be issued for programs and providers included on the state Eligible Training Provider (ETP) list.
  - d. ITAs may also be used to pay for associated training costs such as books, supplies, tools and uniforms, in accordance with levels set in the WDB Policy 102. Other supportive service needs must also be considered by the case manager to assist the participant in succeeding with their training plan.
  - e. The case manager must follow-up on a regular basis to develop retention strategies, identify and proactively manage issues that may arise and if necessary, to authorize or cancel continued ITA assistance.
  - f. ITAs are to be signed by the participant, case manager and training provider; and can be processed at various times of the year depending on the participant's training schedule.
  - g. ITAs must be submitted to the Fiscal Agent not later than the week following the time that they are issued by the Workforce Center.
  - h. Attendance records and report card (or other indicators of progress issued by the training provider) are required for issuance of subsequent ITAs once a customer has started a training program. Additional ITAs will not be issued if the customer has defaulted on a student loan. **The WDB cannot guarantee continued availability of funding, and the case manager must make the participant aware of this fact and maintain documentation in the record.**
  - i. **There is no minimum waiting period by which a customer should be held before training is made available following the above steps.**

## II. ITA Funding Limitations

The individual ITA limit per participant approved for training is \$10,000 over the course of no more than 2-years. (156 weeks for a nursing degree). **Case managers must maintain a training payment log in the participant file to track and manage this limit.**

## III. On-the-Job Training

OJT continues to be a key method of delivering training services to adults and dislocated workers. Central Virginia WDB will provide up to 50 percent of the wage rate of the participant to employers for the costs of training while the participant is in the program. OJT

contracts may also be entered into with RA program sponsors or participating employers in registered apprenticeship programs for the OJT portion of the registered apprenticeship program consistent with 20 CFR 680.700.

**A. The term `on-the-job training' (OJT) means:**

- (1) Training by an employer that is provided to a paid employee while engaged in productive work in a job; and
- (2) Knowledge or skills training that is essential to the full and adequate performance of the job; and
- (3) Training that provides reimbursement to the employer of up to 50 percent of the wage rate of the participant, for the extraordinary costs of providing the training and additional supervision related to the training;

**B. The WDB staff shall develop guidelines on development of OJT contracts for use by WDB service providers.**

OJT contracts may be written for eligible employed workers when:

- (1) The employee is not earning a self-sufficient wage as determined by WDB policy 103;
- (2) The OJT relates to the introduction of new technologies, introduction to new production or service procedures, upgrading to new jobs that require additional skills, workplace literacy, or other appropriate purposes identified by the WDB; and
- (3) The OJT meets the identified training needs of the participant, according to an individual employment plan.

Employed workers may fall under the WDB's Existing Worker Training Enhancement program established under separate policy.

**C. Eligible employers:**

- (1) May be in the public, private non-profit, or private sector;
- (2) Must have the personnel to provide adequate supervision and training;  
*A training plan signed by the employer must describe the skills to be learned and the responsibilities of the supervisor or trainer.*
- (3) Must provide a minimum of 50% of the employee's wage throughout the training. A minimum hourly wage rate of \$10 is required for participation in the Central Region OJT program;

*Individuals in on-the-job training must be compensated at the same rates, including periodic increases, as trainees or employees who are similarly situated in similar occupations by the same employer and who have similar training, experience and skills. Such rates must be in accordance with applicable law, but may not be less than the higher of the rate specified in*

*section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) or the applicable State or local minimum wage law [20 CFR, Sec. 667.272].*

(4) Must provide benefits and working conditions at the same level and to the same extent as other trainees or employees working a similar length of time and doing the same type of work.

(5) Must not have a history or pattern of failing to provide OJT participants with continued long-term employment with wages, benefits, and working conditions that are equal to those provided to regular employees who have worked a similar length of time and are doing the same type of work.

(6) Must not have relocated from any location in the United States within 120 days, if the relocation resulted in any employee losing his or her job at the original location; and

(7) Must not use OJT assignments to displace regular employees, or to replace any employee on layoff.

#### **D. Payments to Employers**

(1) Are deemed to be compensation for the extraordinary costs associated with training participants including additional supervision, training and the costs associated with the lower productivity of the participants, and those extraordinary costs need not be documented by the employer [20 CFR, 663.710]; and

(2) Must not be in excess of 50 percent of the wage rate of the OJT participant.

(3) Timesheets are to be maintained for the duration of the OJT as specified in the contract, and will be the basis by which payments to the employer are generated. Timesheets must be signed by both the employer and customer before submission to the case manager.

#### **E. Duration**

An OJT contract must be limited to the period of time required for a participant to become proficient in the job for which the training is designed. In determining the appropriate length of the contract, consideration should be given to the skill requirements of the job, the academic and occupational skill level of the participant, prior work experience, and the participant's individual employment plan.

*The training plan shall describe a timeline for completion of the training.*

#### **F. The Workforce Center must collect the performance information for each OJT participant.**

All OJT performance information, along with the other relevant information, must be tracked by the Workforce Center and made available to the public at the Workforce Center and to the WIOA upon request.