



Workforce Investment Act (WIA) Program Policy #104

Subject: Training Services

Effective Date: November 14, 2012

Policy Statement: The Region 2000 Workforce Investment Board (WIB) seeks to promote a skilled workforce capable of meeting employer's needs. This policy outlines the various training services that are available through WIB resources to assist jobseekers, employees and employers.

Background:

The Workforce Investment Act (WIA) establishes Individual Training Accounts (ITAs) as the primary tool for access to a variety of training services. These training services can include:

- 1) Occupational skills training;
- 2) Programs that combine workplace training with related instruction, which may include cooperative education programs;
- 3) Training programs operated by the private sector;
- 4) Skill upgrading and retraining;
- 5) Entrepreneurial training;
- 6) Job readiness training that leads to employment;
- 7) Adult education and literacy activities provided in combination with training services listed above that lead to employment.

ITAs can be used for adults, dislocated workers, older youth and out-of-school youth. The Region 2000 Workforce 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, which are also outlined in this policy.

I. General Provisions for Individual Training Accounts (ITAs)

- a. ITAs shall only be issued after a customer has received core and intensive services and continues to be unsuccessful in finding employment.
- b. ITAs arrange for the payment of customer training costs direct to the training provider.
- c. ITAs may only be issued after careful consultation between the customer 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.
- d. ITAs may only be issued for programs and providers included on the state Eligible Training Provider (ETP) list.
- e. 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 WIB Policy 102. Other supportive service needs must also be considered by the case manager to assist the customer in succeeding with their training plan.
- f. 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.
- g. ITAs are to be signed by the customer, case manager and training provider; and can be processed at various time of the year depending on the customer's training schedule.
- h. ITAs must be submitted to the Fiscal Agent not later than the week following the time that they are issued by the Workforce Center.
- i. 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 WIB cannot guarantee continued availability of funding, and the case manager must make the customer aware of this fact and maintain customer acknowledgement in the file.**
- j. **There is no minimum waiting period by which a customer should be held before training is made available following the above steps.**

II.

III. ITA Funding Limitations

The individual ITA limit per customer 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 customer file to track and manage this limit.**

IV. On-the-Job Training

Use of on-the-job training requires that a customer is determined WIA eligible, enrolled and has first received core and intensive services.

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 WIB staff shall develop guidelines on development of OJT contracts for use by WIB 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 WIB 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 WIB; and
- (3) The OJT meets the identified training needs of the participant, according to an individual employment plan.

Employed workers may fall under the WIB'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 Region 2000 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 [WIA Sec. 181 (a) (5)].

(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 [WIA Sec. 195(4)];

(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 [20 CFR, Sec. 667.268]; 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 [WIA Sec. 101(31)(C)].

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.

G) Consumer reports

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 WIB upon request.

V. Customized Training

Use of customized training requires that a customer is determined WIA eligible, enrolled and has first received core and intensive services.

A) Customized training is defined as training:

- (1) That is designed to meet the special requirements of an employer or a group of employers; and
- (2) That is conducted with a commitment by the employer(s) to employ, or in the case of incumbent workers, continue to employ, an individual on successful completion of the training; and
- (3) For which the employer pays for not less than 50 percent of the cost of the training [WIA Sec. 101(8)].
- (4) Customized training must not be provided to employers that 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.
- (5) Customized training of an eligible employed individual may be provided when the employee is not earning a self-sufficient wage as determined by WIB policy 103. In that case, the training should lead to the potential for increased wages.

B) The Workforce Center must collect the performance information for each OJT participant

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C) Consumer reports

All customized training 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 WIB upon request.