

Upper Cumberland  
Local Workforce Development Board  
**POLICIES AND PROCEDURES**

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Title: WIOA WORK BASED TRAINING POLICY  
Revised: June 9, 2020

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**PURPOSE:** This policy outlines the procedures to implement and manage work-based training agreements and contracts. These programs will be carried out through eligible WIOA Adult and Youth formula funding, Consolidated Business Grants (CBG), and other special work-based training grant contracts as funded.

**POLICY:** Work Based Training (WBT) Programs are an effective strategy to provide high-quality employment opportunities to participants, as well as providing skilled workers to meet the needs of area employers, and may include On-the-Job Training, Registered Apprenticeships, Transitional Jobs, Incumbent Worker Training, Work Experience and Job Shadowing.

Work-based training is employer-driven and provides grant subsidies to employers who hire individuals facing barriers to employment. These subsidies are provided when an employer agrees to hire the individual into unsubsidized employment after participation (*Federal Register Vol. 81, No 161, Page 56149, Subpart F*). On-the-Job Training, Registered Apprenticeships, Transitional Jobs, Incumbent Worker Training, Work Experience and Job Shadowing are work-based training models that can be effectively used to target different jobseekers, workers, and employer needs.

**I. Types of Work-Based Training:**

- A. On-the-Job Training (OJT)- OJT is a form of work-based training provided to an eligible WIOA participant upon entry into employment and while engaged in paid work. OJTs are customized to address specific gaps in the trainee's knowledge or skills that are inhibiting their ability to perform assigned duties fully and adequately. UCLWDB OJT programs should ensure that participants are trained to perform specific job tasks. OJT requests shall be funded through formula funds when appropriate and available. CBG funds will be allocated only when IWT and RA requests have been fully exhausted. WIOA Section 3(44) defines "on-

the-job training” as training by an employer that is provided to a paid participant while engaged in productive work in a job that:

1. Provides knowledge or skills essential to the full and adequate performance of the job;
2. Is made available through a program that provides reimbursement to the employer of up to fifty (50) percent (State and local areas may negotiate up to 75%) of the wage rate of the participant, except as provided in *WIOA Section 134(c)(3)(H)(i)*, for the extraordinary costs of providing training and additional supervision related to the training.
3. Is limited in duration as appropriate to the occupation for which the participant is being trained, considering the content of the training, the prior work experience of the participant, and the service strategy of the participant, as appropriate.”

- B. Registered Apprenticeship (RA)- Registered Apprenticeship is a work-based learning model where apprentices have supervised on-the-job training, along with job-related education, all while working full-time for the employer and earning a wage that increases during progression of the program. Registered Apprenticeship provides the apprentice with an advanced set of skills that meet the specific needs of industry employers. Apprenticeships are registered and validated by the U.S. Department of Labor. Upon completion of the RA program, participants will receive a nationally recognized and portable credential from the U.S. Department of Labor. The UCLWDB may also include support services, in coordination with career and or training services, to participants in an RA program in accordance with supportive services consistent with *WIOA Section 134(d)(2)*, *TEGL 19-16*, and local policies.
- C. Transitional Jobs- Transitional Jobs are time-limited, subsidized work opportunities and may be in the public, private, or nonprofit sectors. These jobs, combined with comprehensive career and supportive services, are intended for individuals with barriers to employment, those who are chronically unemployed, or individuals with an inconsistent work history, demonstrate the individual’s success in the workplace, and develop skills leading to entry and retention in unsubsidized employment. Under *WIOA Section 134(d)(5)*, local boards may use up to ten percent (10%) of their adult and dislocated worker funds to provide transitional jobs to individuals.
- D. Incumbent Worker Training (IWT)- The term “incumbent worker training” means training that is designed to meet the specific requirements of an employer or group of employers and conducted with a commitment by the employer or group of employers to continue to employ an individual upon successful completion of training. IWTs may be used to help avert layoffs or to increase the skill levels of employees so they are eligible for promotion advances within the company and create backfill opportunities. Under *WIOA Section 134(d)(4)(A)(i)*, local boards can use up to twenty percent (20%) of their adult and dislocated worker funds to provide for the Federal share of the cost of providing incumbent worker training. Incumbent Working Training requests shall take precedent for CBG funds allocated to the UCLWDB. IWT requests shall be considered first in concurrence with the UCLWDB Strategic Development Plan, provided requesting contractors meet the in-demand industry,

occupation or declining industry standards set forth in this policy. OJT requests shall be maintained by the UCLWDB Staff to the Board and recommended for approval through the appropriate funding streams provided that funds are available through CBG or formula Dollars.

- E. Work Experience- Work Experience is defined as subsidized or unsubsidized work experience that is a planned, structured learning experience in a workplace for a limited time. This experience provides participants with opportunities for career exploration and skill development. Work experience must include academic and occupational education (20 CFR 681.600).
  - F. Pre-Apprenticeship- A Pre-Apprenticeship program is coursework or training designed to prepare individuals to enter and succeed in a registered apprenticeship program. Once the participant completes the pre-apprenticeship program, he or she typically has the opportunity to interview for a registered apprenticeship program. Pre-Apprenticeship programs have a documented partnership with at least one registered apprenticeship program. Pre-apprenticeships are not paid positions and should not be confused with a youth apprenticeship program.
  - G. Job Shadowing- Job Shadowing is a work experience option where youth learn about a job by walking through the work day as a shadow to become competent workers. This experience is a temporary, unpaid exposure to the work place in an occupational area of interest to the youth.
- II. Eligibility for Employees/Trainees:** Work-based training opportunities must be identified as an appropriate activity for program participants on the Individual Employment Plan (IEP) or Individual Service Strategy (ISS). IEPs or ISSs, and/or case notes, will specify goals of the work-based training activity by identifying the purpose of the activity and expected outcomes.
- III. Participant Eligibility and Enrollment:** For all categories of Work Based Training, with the exception of Incumbent Worker Training, recipients shall be determined as eligible participants under one of the provisions of WIOA Title I by the Area Career Services Provider. The Local Career Services Provider shall be responsible for enrollment, establishment of Individual Service Strategies, and subsequent case management of each WBT recipient. The Career Services Provider shall complete all appropriate documentations and or services (including the 2nd and 4th quarter post training reports required of any WIOA Title I participant) and provide engaged and active case management through sustained case notes and input into the VOS case management system.
- IV. Requirements for Employed Participants:** Employees receiving IWT funds shall be regular full-time employees having a sustained work history with the contractor for a minimum of six (6) months. Excepted from this requirement will be cohorts of similarly situated employees to be trained under the IWT Grant where the majority of cohort members meet the minimum time in

employment. Title I eligibility is not a requirement for IWT participants to receive funds. However, all IWT participants must be documented in VOS as an IWT recipient.

**V. Employer Eligibility:**

- A. Employers participating in work-based training must be registered with the IRS, have an account with Unemployment Insurance, and carry workers' compensation insurance (*Federal Register Vol. 81, No. 161, Page 56117*).
- B. The employer must be financially solvent and have an adequate payroll record keeping system that tracks hours worked, gross pay, deductions, and net pay.
- C. The agreement between the UCLWDB and the employer will not displace any currently employed worker (*WIOA Section 1819(b)(2)(A)*). Agreements will not be made with an employer who has terminated any regular employees, or otherwise reduced the workforce, in order to hire an OJT employee.
- D. No contract may be written with a company that has relocated (for the first 120 days after beginning operations) if the move has resulted in any employee job losses at the original location (*WIOA Section 181(d)(2)*). To verify that the relocation has not resulted in a loss of employment WIOA program staff and the OJT employer must complete a Standardized Pre-Award Review.
- E. The employer must not currently be involved in a labor dispute or have workers currently in a layoff status (*20 CFR 680.840*).
- F. Employees may not work on construction, maintenance, or operation of any facility that is used for sectarian activities (*WIOA Section 188(a)(3)*).
- G. The prospective employers must not meet the existing "pattern of failing to provide OJT participants with continued long-term employment as regular employees with wages and employment benefits" (*20 CFR 680.700(b)*).
- H. The employer must not illegally discriminate in training or hiring practices because of race, color, sex, national origin, religion, disability, political beliefs or affiliation, or age (*WIOA Section 188(a)(2)*).

**VI. In-Demand Occupation Limitation:** All work-based training contracts will be limited to "in demand" occupations (defined in *WIOA Section 3(23)*) within the local labor market.

- A. The term "in-demand industry sector or occupation" is an industry sector that has a substantial current or potential impact (including jobs that lead to economic self-sufficiency and opportunities for advancement) on the State, regional, or local economy, as appropriate, and that contributes to the growth or stability of other supporting businesses, or the growth of other industry sectors; or an occupation that currently has or is projected to have a number of positions (including positions that lead to economic self-sufficiency and opportunities for advancement) in an industry sector so as to have a significant impact on the State, regional, or local economy, as appropriate.
- B. Labor Market Information (LMI) shall be provided by to the Board for consideration of approval for funding request. Additional considerations regarding specific local economic factors, population density, workforce education level, and all other considerations

deemed appropriate and necessary in due course of award approval shall be within the sole discretion of the Board.

- VII. Contractor Reimbursement:** Contractors shall submit invoices and all required documentation delineated within the Training Contract on or before the 5th day of each month subsequent to the beginning of the contract term and for the duration of the contract. The contractor shall make final invoicing no later than 10 calendar days after completion of the contract regardless of the calendar day. Reimbursement will be made to the Contractor by the UCLWDB Fiscal Agent within 45 Days upon full and correct invoicing.
- VIII. Data and Reporting-** UCLWDB or its contractors will properly record in the Jobs4TN system each work-based participant, including all necessary information about that participant. The UCLWDB will also ensure that all necessary information about the employer, participating in work-based training, be input in the same system. Monthly work-based expenditures will be entered into Grants4TN.
- IX. Priority of Service:** Statutory Adult Priority of Services requirements apply to work-based training. Veterans and eligible spouses continue to receive priority of service for all job training programs funded by the US Department of Labor, which include WIOA programs. *See UCLWDB Adult Priority of Service Policy and UCLWDB Veterans and Eligible Spouse Policy.*
- X. Contract Requirements:** Every work-based opportunity will include a contract agreement with the employer and a training plan for the employee. The contract must include the requirements of WIOA rules and regulations, the type of occupation and skills, the competencies to be learned, and the length of training that will be provided.
- XI. Basic Requirements:** The UCLWDB will monitor and review local plans and policies on a regular basis to ensure that their work-based activities are aligned with, and are facilitating the progress of, the career pathways strategies outlined in their local plan.
- XII. Cost Per Participant:** The UCLWDB will ensure a minimum of 50% of their WIOA Title I formula allocations are spent on allowable participant costs. Certain WIOA funded services, including on-the-job training expenses (*20 CFR 681, TEGL 19-16 and 21-16*) are considered as "qualifying" expenditures toward the minimum expenditure calculation. In all cases, qualifying expenditures are those that represent the cost of services as described below and do not include administrative, personnel staff or operating expenditures of the UCLWDB, UCLWDB staff, one-stop operators, and/or contracted service providers. *See UCLWDB Minimum Participant Cost Rate Policy.*
- XIII. Monitoring:**
  - A. All work-based training contracts must be monitored at least once by the UCLWDB. Monitoring will be based on the contract agreement between the employer and the UCLWDB. The employer shall submit to UCLWDB invoice forms, payroll records

showing gross wages paid to the trainee, and time records showing the actual hours worked. The UCLWDB fiscal agent will reimburse employers with UCLWDB program funds for the regular hours a trainee actually worked.

- B. UCLWDB On-the-Job contracts will be written so as to coordinate with Local, State, and Federal monitoring guidance and will include oversight of participant training and corresponding employer payroll records. The UCLWDB Monitoring Officer will also conduct onsite monitoring visits shortly after the trainee begins work and include additional visits at appropriate intervals as determined by the length of the training plan.
- C. To ensure effective monitoring, desk reviews of correspondence from the employer, including payment invoices and required documentation will be regularly conducted.
- D. The UCLWDB Business Services Coordinator will regularly review each trainee's progress in meeting program and service strategy objectives. Such strategies should include the trainee's acquisition of basic/occupational skills and the adequacy of supportive services provided as related to work-based training. Any deviation from the work-based training contract should be dealt with and documented promptly.
- E. The UCLWDB Compliance and Monitoring Officer shall set a quarterly projected budget for general expected funds execution. The OSO shall provide, at minimum, quarterly reports delineating participant cost and expenditures. This data will verify required utilization of formula funds. The UCLWDB Staff to the Board will review for compliance and may direct corrective actions should any discrepancies be identified.

**XIV. Work-based Training Advocacy and Outreach:** The UCLWDB Staff to the Board Business Services Coordinator, under the supervision of the UCLWDB Executive Director, will functionally direct Business services in coordination with the OSO as a cross-functional team to develop service strategies and engage businesses throughout the region in alignment with the UCLWDB Strategic Development Plan. The Team shall, at minimum, be comprised of the UCLWDB Staff to the Board Business Services representative which shall include the Team Lead, the OSO or designated representative, the Local Veterans Employment Representative (LVER), and a representative from the following partner agencies; Adult Education, Vocational Rehabilitation, Department of Human Services, and TN Dept. of Labor and Workforce Development. Strategies shall be based on the needs of the community, as identified by the board, which will dictate strategic sector targeting in alignment with the UCLWDB Strategic Development Plan. All outreach activities and services provided shall be properly recorded within VOS by the Business Services Team member that conducted the outreach or performed the service. Quarterly reports of outreach and activities shall be provided to the UCLWDB representative for Compliance and Monitoring.

**XV. Goals for Anticipated Participants:** The UCLWDB Staff to the Board shall calculate minimum anticipated participants based upon the MCPR programmed fund ratios. This shall set the minimum number of participants required to execute programmed funds. Additional data may be collected through the American Job Center to adequately reflect actual client traffic. Labor market statistics will also be factored in calculation to ensure reasonable forecasting can be made. The default growth rate shall be determined by the TN Dept of Labor and may be supplemented at the discretion of the Board to reflect area-based needs.

**ATTACHMENTS:** None

**EFFECTIVE DATE:** July 1, 2020

**DURATION:** Indefinite

**CONTACT:** For questions regarding this policy, contact Becky Hull, Executive Director, Upper Cumberland Local Workforce Development Board at [bhull@ucworkforce.org](mailto:bhull@ucworkforce.org)



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Board Chairperson, UCLWDB