



PTA FOR WORK EXPERIENCE PROCEDURE

Procedure Number: 2040

Effective Date: September 1, 2017

Workforce Snohomish encourages its subrecipients and contractors to maximize the use of work experiences as a tool to help more job seekers become employed and move along career pathways. Work experiences may be provided in the public, non-profit or private sectors. Work Experiences fall into two broad categories

- **Work Based Training** which are considered Training Services under WIOA and consist of On-the-Job Training, and Apprenticeships; and
- **Work Based Learning** which are considered Individualized Career Services under WIOA and consist of Internships, Transitional Jobs, Pre-apprenticeships, Job Shadowing and Work-Based Mentoring.

Procedures for both types of Work Experiences are included in this document as well as requirements for complying with the requirement at 20 CFR Section 681.590 for the region to expend at least 20% of non-administrative Title I Youth funds.

General Requirements for all Work Experiences

Work Experiences will only be provided to eligible, fully enrolled job seekers, including youth, who have a Service Plan in place documenting the need for such services, and who are actively engaged in managing their service plans. Job seekers engaged in Work Experiences may be employed or unemployed as per the specific guidelines below. All WIOA provisions apply.

- Subrecipients must determine and document in case notes that other resources are not available to meet job seeker needs before using WIOA Title I resources to fund Work Experiences. Subrecipients must work with partners to expand the funding available to meet job seeker needs.
- WIOA Title I funds for Work Experiences may only be provided at the levels established in this procedure.
- Priority of services requirements described on the Workforce Snohomish [Eligibility, Registration and Enrollment Policy](#) apply to PTAs and by extension to the provision

of Work Experiences. Job seekers who have been documented to receive priority of services in their service plan/case notes, must also receive priority for Work Experiences when funded with WIOA Title I resources.

- Subrecipients must provide job seekers with the information needed to make informed choices about their employment future and the Work Experiences necessary to support that future (e.g. skills assessment, labor market conditions and trends, training vendor performance). Such activities must be documented in case notes.
- Subrecipients must determine that Work Experience expenses funded via a PTA **are reasonable, allowable and necessary** to the job seeker's completion of services defined in the service plan in order to reach employment goals on a path to self-sufficiency.
- **Specific learning objectives for Work Experiences must** be documented in the job seeker's service plan.
- Participation in a Work Experience shall be for a reasonable length of time, based on the needs of the job seeker as documented in the service plan.
- ITAs are not required for work experiences, except where indicated below. Providers of work experiences are not subject to the requirements of the eligible training provider list, and, with the exception of Registered Apprenticeships, are not included on the State list of eligible training providers.
- Work experiences typically require the establishment of a contract or agreement with the business providing the experience, clearly stating roles, responsibilities, and expectations. Such agreements are specifically described in the procedures below.
- **Fair Labor Standards Act (FLSA) requirements apply to all Work Experiences.**
 - Job seekers enrolled in a paid work experience shall be paid an hourly wage at the same rate as similarly situated employees or trainees, but not less than the higher of the minimum wage prescribed under the FLSA or applicable State or local minimum wage laws.
 - Job seekers engaged in work experiences may only be paid wages and associated benefits for time in work experience, not other intensive or training activities. Compensation may be provided by the employer, the subrecipient or another partner, as described below.
 - Job seekers engaging in work experiences must not displace other workers.
 - Failure to apply the FLSA may result in disallowed costs, audit findings and even legal action.
- Work Experiences may be combined with other services as needed to meet the needs of the job seeker. Work Experience expenses must be tracked separately

from other expenses that are part of a job seeker's PTA.

- All subrecipients and their staff will avoid organizational and personal conflicts of interest as per the [Workforce Snohomish Conflict of Interest Policy](#) in the development and monitoring of Work Experiences.

Requirement Work Experiences funded with Title I Youth Resources

As per 20 CFR Section 681.590, sub-recipients must provide a mechanism for tracking that at least 20% of non-administrative Title I Youth funds available in the area will be used to support paid and unpaid Work Experiences for WIOA Title I enrolled Youth. Subrecipients may include the costs of setting up and managing the work experiences as well as the cost of wages or stipends paid to youth. Youth work experiences **will include academic and occupational education**, provided concurrently or sequentially with the Work Experience, inside or outside of the work site. Where possible, subrecipients will coordinate work experiences with services provided by other youth serving organizations and programs.

Additional Procedures Specific to Work Based Training

Work Based Training is a “learn and earn” strategy; the job seeker is employed and earns a wage during the period that they are in training. There is an expectation that the job seeker will be retained upon completion of the Work Based Training.

Work Based Training may be funded up to \$4,500 for each job seeker participating, except as indicated below. Sub-recipients determine the size of the award based on the specifics of the training provided; \$4,500 is intended as a cap, rather than a generally accepted amount to pay for Work Based Training service.

- **On-the-Job Training (OJT)** is a “hire first” program where a business is reimbursed up to 75% of the wage rate of a new employee for a set period of time to provide the training necessary for the employee to become fully skilled to perform the requirements of and be retained in a new job. OJT may also be provided for businesses to train current employees who are not earning a self-sufficient wage or wages comparable to or higher than wages from previous employment, in order to prepare these employees for 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.

While the reimbursement provided via OJT is based on a rate of reimbursement for job seekers wages during the training, OJT is not a wage subsidy program. The rate is only used as a mechanism to determine what the business will be paid for the training it provides.

Subrecipients must use a WFS approved OJT Contract, to establish all on-the-job training assignments. The contract must include:

- Clarification that reimbursement to the business is to cover the extraordinary cost of training and supervision of the OJT participant. The business does not have to

document this cost.

- A training plan with objectives that the job seeker must meet to complete the training.
- An attachment documenting the method used to determine the length of the OJT. The length of the contract includes the length of the training as well as an agreed upon retention period.
 - o The length of the training period is the time required for the job seeker to become proficient in the occupation for which the training is being provided. Consideration must be given to the skill requirements of the occupation, the academic and occupational skill levels of the participant, the participant's prior work experience, and the participant's Service Plan.
 - o The training period should not be less than one month or more than six months without express approval of the subrecipient lead.
- The rate of reimbursement and total amount the business will be reimbursed for training.
 - o Total reimbursement for the OJT should not exceed \$4,500 – subrecipients should work with the business to see if an OJT can be provided for less than this amount.
 - o The rate should be based on the amount of training required by the job seeker to adequately perform the job. Workforce Snohomish recommends reimbursement for no more than 50% of the job seeker's wages during the training period.
 - o Under special circumstances a business may be reimbursed up to 75% percent of the job seeker's wages during the OJT only if one or more of the following specific conditions are met, documented using an appropriate form, and approved by the subrecipient lead:
 - The job seeker has one or more barriers to employment as defined in WIOA Section 3(24);
 - The employer is a small business with fewer than 250 employees;
 - The training results in an industry-recognized credential or an advancement opportunity for the job seeker;
 - The business agrees to train several employees at the same time;
 - The training results in a significant increase in the job seeker's wages and/or benefit level at the conclusion of the OJT;
 - The OJT is an in-demand occupation as defined by WIOA Section 3(23) and determined by ESD labor market information; or
 - The business providing the OJT is in an in-demand industry as defined by WIOA Section 3(23) and determined by ESD labor market information, or in an in-balance industry as determined by ESD labor market information, or in a declining industry, but there are compelling reasons (e.g., evidence of long-term viability of the employer) justifying reimbursement above 50 percent.

Subrecipients must document the factor(s) that were used to approve an increase in the employer reimbursement level above 50%, using an approved form.

- A single contract may be used for several OJT trainees with a single business, provided the working conditions, job description, training plan, wage rates, and terms of the contract are the same for all participants covered by the contract.
- The subrecipient will complete one OJT Participant Responsibility form for each job seeker participating in an OJT.
- Subcontractors **may not** enter into OJT contracts for occupations that
 - o Do not require specific occupational training for employment;
 - o Rely on tips, commission, or piecework as the principal source of compensation;
 - o Are intermittent or seasonal occupations;
 - o Are related to political, electoral, or partisan activities.
- Subcontractors **may not** enter into OJT contracts business that
 - o Have previously failed to provide OJT participant 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.
 - o Have a **pattern of failing** to retain employees following completion of OJT contracts. A business that has not retained 2 or more OJT employees in the last year without reasonable cause for termination has a pattern of failing to retain employees.
 - o Have a high turnover rate or other indicators of a potentially negative work environment.
 - o Have relocated to the local area in the last 120 days, displacing workers in another state or another part of the state.
 - o Have laid off the job seeker or other employees from the same position for which the OJT is being provided;
 - o Are not current in unemployment insurance and workers' compensation taxes, penalties, and/or interest or related payment plan.
 - o Exceed the maximum ratio of one OJT participant to every four regular, unsubsidized employees.
 - o Intend to have a relative of the OJT participant supervise the OJT position. For the purpose of this policy, "relative" shall include mother, father, son, daughter, grandfather, grandmother, grandson, granddaughter, step-child, foster parent, foster child, mother-in-law, father-in-law, daughter-in-law, son-in-law, sister-in-law, and brother-in-law.
 - o Plan to train individuals previously employed by the business.
- Subrecipients must complete the OJT Employer Billing Information form when establishing an OJT.
- Businesses participating in OJT must maintain adequate time and attendance, payroll, and other records to support any invoice submitted to the sub-recipient. Invoices will be made using the OJT Invoice Progress Report form and

supporting documents (i.e. Timesheets) must be submitted at agreed upon intervals, but not less than twice during the contract period – once at the completion of training and once at the completion of the retention period. Businesses may only be reimbursed for the training period as long as the OJT participant is making adequate progress on the training plan. Reimbursement cannot be made for

- Work performed outside the term of the contract or during periods of work stoppage (e.g., strikes, holidays, vacation, sick leave, weather, or other emergency-related closing).
 - Overtime, shift differential, premium pay, and other non-regular wages. This does not preclude a participant from working such hours, only for reimbursing the business based on these activities.
- Subrecipients are prohibited from charging a fee to a participant for referral to or placement into an OJT position.
 - Each OJT contract will be monitored by the subrecipient through on-site visits of sufficient regularity to ensure the propriety of reimbursement claims and the provision of training as specified in the contract.
- **Apprenticeship** combines on-the-job training with job-related instruction. Apprentices are employed and earn wages during the training period. Apprenticeships include Registered Apprenticeship programs which are listed on the [Eligible Training Provider List](#) as well as non-registered apprenticeships.
 - Subrecipients may fund registered apprenticeships using an OJT, using an ITA, especially if formal occupational training is offered by an institution of higher education as part of the apprenticeship, or using a combination of ITA and OJT as appropriate. If using an OJT, subrecipients should follow the OJT procedures in this document. If using an ITA either jointly or separately, subrecipients should follow the procedures in the [Workforce Snohomish PTA Training Procedure](#).
 - ITAs generally should not be used for non-registered apprenticeships. Subrecipients should use the OJT procedures in this policy for funding non-registered apprenticeships.

Additional Procedures Specific to Work Based Learning

Work Based Learning Experiences are planned, structured experiences that take place in a public, private or nonprofit workplace for a limited period of time to promote the development of good work habits, basic work skills, and, as appropriate, an ethic of service for job seekers who:

- Have never worked,
- Have very limited exposure to the world or work,
- Have been out of the labor force for an extended period of time, or
- Are currently unable to obtain employment due to general economic conditions.

Work Based Learning Experiences are different from Work Based Training in two ways:

- There is no expectation that a job seeker participating in a work experience will be hired at the end of the work experience, although this may happen on occasion.
- The work experience is designed to provide the job seeker with opportunities to learn and gain skills and competencies, rather than providing the employer operational benefit.

The type(s) of Work Based Learning in which a given job seeker is engaged must be based on the needs and skills of the job seeker and be developmentally appropriate given the job seeker's age, career awareness, and related experiences.

When Work Based Learning Experiences are developed for job seekers who are also WIOA Title I funded Youth, education and training activities must be provided in conjunction with the internships. The educational training may be provided prior to, at the same time as or subsequent to the internships, based on the job seeker's service plan and specific needs, and must be documented in the service plan and case notes.

WIOA defines work experiences as an intensive service. Subrecipients may only obligate the portion of funding for the work experience during the Program Year (July 1 through June 30 of the following year) in which the work experience is initiated. Any remaining funds identified for the work experience may be obligated at the start of the next program, provided the job seeker is still enrolled and progressing appropriately in the work experience and other service plan activities. Work experience obligations and expenditures are to be tracked separately from other PTA activities.

- **Internships**

Internships may be provided to any job seekers who require this type of work based learning to succeed in their employment goals. The internship should be of a fixed duration, established prior to the outset of the internship. An internship may be paid or unpaid, as per the guidelines below. The more the internship provides the job seeker with skills that can be used in multiple employment settings, as opposed to skills particular to one employer's operation, the more likely the intern would be exempt from wages.

- **Unpaid internships.** An unpaid intern does not perform the routine work of the business on a regular and recurring basis, and the business cannot be dependent upon the work of the intern. An unpaid internship must meet the following criteria:
 - The internship, even though it includes actual operation of the facilities of the employer, is similar to training which would be given in an educational environment;
 - The internship experience is for the benefit of the intern;
 - The intern does not displace regular employees, but works under close supervision of existing staff;
 - The employer that provides the training derives no immediate advantage from the activities of the intern; and on occasion its operations may actually

- be impeded;
- The intern is not necessarily entitled to a job at the conclusion of the internship; and
- The employer and the intern understand that the intern is not entitled to wages for the time spent in the internship.

If all of the factors listed above are met, an employment relationship does not exist under the FLSA, and FLSA minimum wage and overtime provisions do not apply to the intern.

Unpaid internships should not be used by the employer as a trial period for individuals seeking employment at the conclusion of the internship period. If an intern is placed with the employer for a trial period with the expectation that he or she will then be hired on a permanent basis, that individual generally would be considered an employee under the FLSA, and therefore would have to be paid.

- ***Paid Internships:*** If an intern is engaged in the operations of the employer or is performing productive work (for example, filing, performing other clerical work, or assisting customers), then the fact that the intern may be receiving some benefits in the form of a new skill or improved work habits will not exclude them from the FLSA's minimum wage and overtime requirements because the employer benefits from the interns' work. In such cases the intern should be paid by the employer based on hours worked recorded in a time sheet provided by the employer, and receive pay and other benefits at a level comparable to employees performing similar work. The employer may be the subrecipient or other partner. The total cost of a paid internship should not exceed \$4,500, unless otherwise approved by the subrecipient lead. Factors for making such a determination would include the length of the internship and the wages paid to other workers doing the same type of work.

Regardless of whether the internship is paid or unpaid, subrecipients must enter into an Internships Agreement with the business providing the internship. The agreement should describe the length and learning objectives of the internship as well as any requirements of business or intern. It should clearly specify whether a paid or unpaid internship is being provided, the hourly rate, and how the intern's participation will be tracked (using time sheets and learning objectives for paid interns, only learning objectives for unpaid internships).

Both paid and unpaid interns may be provided a stipend to cover living or other costs while engaged in the internship as per the Workforce Snohomish procedure for Supportive Services. In such cases, the stipend amount must not be based specifically on number of hours worked or the specific tasks performed for the employer.

Subrecipients should only enter into internships with reputable businesses that

clearly understand that internships are a tool to support the job seeker's learning rather than a way to meet specific business needs.

- **Transitional Jobs:**

Transitional Jobs are subsidized employment provided in the public, private, or nonprofit sectors for job seekers with barriers to employment who has

- **An inconsistent work history**, consisting of relatively short term attachment to past jobs (about 1 year or less) and gaps in work history that cannot be explained by recent economic conditions.
- **Chronic unemployment**, typified by unemployment for a period equal to what would be required for exhaustion of Unemployment Insurance benefits, a work history with frequent episodes of unemployment, despite being able and willing to work.

Examples of an inconsistent work history:

- A job seeker has had a series of low wage, dead end jobs over the last 7 years, generally lasting 3 to 14 months, and periods of joblessness of 6 month or more in between.
- A job seeker has not completed a post-secondary degree and has mostly worked odd jobs, many of them under the table. His resume has a lot of holes in it, and when asked he admits that he was fired from past jobs for a variety of reasons.
- A job seeker has held a series of jobs in the same occupational category for the last 20 years, but has periods of unemployment of a year or more which he can only explain as "I couldn't find a new job" or "there were no jobs out there."

Examples of chronic unemployment:

- A job seeker without a post-secondary credential who lost her job due to an earlier recession, but was eventually able to find a similar position with less pay once the recession ended. She then lost the 2nd job to automation. She has been unemployed for more than two years and has considered retraining for another occupation, but without a post-secondary degree she would have a long climb ahead of her, and her transferable skills do not apply to most of the occupations in demand in her community. Her skills have declined due to lack of use, and she has lost her confidence, although she is personable and seems responsible.
- A job seeker has worked construction and been laid off for longer and longer periods of time during economic downturns. Since the last recession, he has not been able to find a job for almost 2 years, exhausting his eligibility for unemployment insurance payments.

Transitional Jobs must be combined with comprehensive employment and supportive services, documented in the job seeker's service plan and case notes. The subrecipient must document how the transitional job will help the job seeker establish a work history, demonstrate success in the workplace, and develop the

skills that lead to entry into and retention in unsubsidized employment. The employment and supportive services are intended to help the job seeker identify employment goals, and progress toward these.

Job seekers participating in Transitional Jobs support the operations of the employer and perform productive work. Regardless of whether the subrecipient or a partner pays to subsidize the wage of the job seeker engaged in transitional employment, FLSA minimum wage and overtime requirements must be enforced. The wages and benefits paid for the transitional job must be similar to those paid for other employees performing similar work. Wages must be based on hours worked as recorded on a time sheet.

Subrecipients must enter into a Transitional Job agreement with the job seeker as well as the business, clearly stating all of the expectations of all parties – the subrecipient and other service providers, the employer and the job seeker. The agreement should clarify the rate of pay and the duration of the experience along with the learning objectives for the job seeker. Subrecipients may pay up to \$4,500 to subsidize the wages for a Transitional Job. The overall reimbursement should be based on the wages of others doing work similar to the transitional job, the length of the placement, and whether other resources are available to offset the cost of wages. Other services paid for via the PTA must be tracked separately.

Subrecipients may not spend more than the amount of Title I Adult and/or Dislocated Worker Funds budgeted for transitional jobs in their contracts with Workforce Snohomish, excluding the costs of providing comprehensive employment and support services.

- ***Pre-apprenticeship programs:*** Pre-apprenticeship programs provide instruction and/or training to increase math, literacy, and other vocational and pre-vocational skills needed to gain entry into a Registered Apprenticeship program. A pre-apprenticeship program funded with WIOA funding must have at least one Registered Apprenticeship partner and develop a strong record of enrolling their pre-apprentices into a Registered Apprenticeship program.

A pre-apprenticeship is not a training activity and therefore does not require an ITA. Pre-apprenticeships are typically delivered in cohorts, where the cost of training may be covered using the short-term training procedure in the supportive services procedure, or using customized training. When funding pre-apprenticeship via short term training, the upper limit is \$400 over a six-month period, unless otherwise approved by the sub-recipient lead. Pre-apprenticeship delivered under a customized training contract must conform to all requirements of the Customized Training policy and procedures.

- ***Job shadowing and work-based mentorship opportunities:*** Job shadowing is a time limited (from an hour-long visit with one person, to an extended week-long stay allowing interaction with numerous staff and observation of a variety of job activities) opportunity for youth to observe employees doing their job, in order to

make more informed educational and career decisions. Work-based mentorships support youth who are learning job skills while on-the-job by pairing them with more seasoned mentors to help them navigate the workplace and gain job readiness skills.

Job shadowing and work based mentorships are unpaid work experiences, although a job seeker may receive incentive funds for meeting specific benchmarks during job shadowing or work-based mentorship.

Subrecipients should enter into an agreement with the entity providing the job shadowing or work-based mentorship opportunity, spelling out the expectations of the job seeker, the subrecipients and the entity providing the job shadow or mentorship.

Job shadowing and work-based mentorships may be provided to individual job seekers or groups of job seekers as appropriate.

Additional Subrecipient Lead Responsibilities

- Review and approve all Work Experience contracts and agreements
- Approve any expenditure in excess of the limits set out in this procedure, where such excess expenditures are allowable.
- Maintain a mechanism for obligating and re-obligating funds;
- Maintain records of time and attendance and employer reimbursement;
- Track all Work Experience reimbursement and expenditures by job seeker;
- Ensure all records of eligibility and associated documents, time and attendance records, employer reimbursement information, and all progress reports for a given job seeker are maintained in case notes and participant file; and
- Provide any and all Federal, State, County, and Workforce Snohomish monitors and auditors with access to such records given reasonable notice.

Workforce Snohomish Responsibility

- Workforce Snohomish will assure that subrecipients spend no more than 10% of non-administrative WIOA Title I funds on Transitional jobs, and at least 20% of non-administrative youth resources on Work Experiences.
- Workforce Snohomish will ensure that internal controls regarding the issuance of Work Experiences are maintained in accordance with this procedure and the Workforce Snohomish Internal Controls policy.