



PROCURED TRAINING PROCEDURE

Procedure Number: 2060

Effective Date: September 1, 2017

When contracts are used to pay for individual or group training, in lieu of individual training accounts (ITAs), the training must be procured as per Workforce Snohomish's procurement policy, must be otherwise approvable under federal and state law and policy and must not supersede the rights of trainees for consumer choice. Trainees must receive services that maximize their choice to select and be referred to training.

All those engaged with awards of procured training will adhere to Workforce Snohomish's Conflict of Interest Policy and Procedures to avoid conflicts of interest.

Training contracts will be procured and managed by Workforce Snohomish staff rather than subrecipients or contractors.

Trainees who receive training via procured training contracts funded with WIOA Title I Adult, Dislocated Worker or Youth funds must complete an enrollment. The Workforce Snohomish Case Notes Procedure will be used to document all necessary training participant information.

Workforce Snohomish staff will procure training contracts when:

- Training is provided at the request of a business or group of businesses that intend(s) to hire and/or retain those who complete the training,
- A lack of training capacity limits customer choice and customers are not able to enroll in training of their choice on a timely basis or are otherwise required to choose another training program – for example when there are an insufficient number of Eligible Training Providers locally to fully utilize ITAs,
- It is efficient to contract with an effective local community-based organization or other private organization training program to do the training, or
- Training facilitates the training of multiple individuals in high-demand occupations.

Training procured for the reasons listed above ***may be provided*** by Eligible Training Providers on the state Eligible Training Provider List, effective local community-based organization or other private organization training program. When training is provided

by an entity other than Eligible Training Provider, the training provider must meet the following criteria for demonstrated effectiveness:

- Financial stability as evidenced by length of time in business, financial statements, etc.;
- Performance delivering services to hard-to-serve populations, demonstrated by:
 - Program completion rates
 - Skill attainment levels
 - Certificates, credentials or degrees delivered
 - Placement rates in unsubsidized employment
 - Employment retention rates, or
 - Connection of the training program to needs identified in the local plan.

Training contracts will, at a minimum document:

- The type of training provider (e.g., non-profit, private career school, college, etc.).
- The type of training program and credential (if applicable).
- How the provider will record and report participant information and expenditures
- Detailed information about costs and payments.
- Outcome and performance measures to be used.
- An agreement to adhere to state and local policies.
- Locally required boilerplate language.

When serving employed individuals who access Workforce Snohomish services on their own rather than through incumbent worker training, Subrecipients will use the PTA Occupation Skills Training Procedure, rather than this procedure.

Procedures Specific to Customized Training and Incumbent Worker Training

Workforce Snohomish will only enter into Customized or Incumbent Worker Training contracts with or on behalf of businesses that

- Have not laid off workers within 120 days to relocate to Washington from another state,
- Are current in unemployment insurance and workers' compensation taxes, penalties, and/or interest or related payment plan.
- Are in need of assistance in training future or current employees;
- Are able to contract for customized, short-term, training services (typically less than 6-9 months); and
- Do not have any real, implied, or apparent conflict of interest with the training provider.

Workforce Snohomish will use one of two procured training options for training initiated by businesses:

- ***Customized Training*** should be used when available training programs or

curricula do not meet the specific training requirements of an employer(s). Customized training is designed to meet the specific requirements of an employer (including a group of employers), is conducted with a commitment by the employer to employ an individual (or group of individuals) upon successful completion of the training, and the employer pays a “significant portion” of the cost of training as defined below.

- Additionally, in order to enter into a customized training contract, the business must be in an industry sector that:
 - Has projected growth as determined by ESD labor market information; or
 - Is stable as determined by ESD labor market information; or
 - Is experiencing a declining trend, but there are compelling reasons (e.g., evidence of long-term viability of the employer) justifying investment in customized training, or
 - The occupation for which the training is intended must be:
 - In demand as defined by WIOA Section 3(23) and determined by ESD labor market information; or
 - In balance as determined by ESD labor market information; or
 - Declining, but there are compelling reasons (e.g., evidence of long-term viability of the employer) justifying investment in customized training, and documented in case notes.

- ***Incumbent Worker Training*** is used to meet the special requirements of a business (or group of businesses) to retain a skilled workforce or avert the need to lay off employees by assisting workers in obtaining the skills necessary to retain employment or as part of an upskill/backfill strategy. Incumbent Worker Training is conducted with a commitment by the business to retain or avert laying off incumbent worker trainee(s) in order to increase the competitiveness of the incumbent worker(s) and/or the business.

Workforce Snohomish will not spend more than 20% of its WIOA Title I Adult or Dislocated Worker funds on Incumbent Worker Training.

An incumbent worker must be employed, meet the Fair Labor Standards Act requirements for an employer-employee relationship and have an established employment history with the employer for six months or more.

- When incumbent worker training is provided to a cohort of employees, a majority of the employees being trained must meet the employment history requirement.

The business(es) participating in Incumbent Worker Training must be

- 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 investment in incumbent worker training, or
- The occupation(s) for which incumbent worker training is being provided must be in demand as defined by WIOA Section 3(23) and as determined by workforce development area-specific labor market information produced by ESD;

In addition to the criteria above, one or more of the following criteria must be met for Workforce Snohomish to enter into a Customized or Incumbent Worker Training contract:

- One or more individuals with barriers to employment as defined in WIOA Section 3(24) are included in the training, and these individuals would benefit in terms of employment, retention or advancement as a result of the training;
- Training will result in industry-recognized credentials or advancement opportunities;
- More than three trainees will be hired or retained as the result of training;
- Training will result in increases in wages and/or benefits, or achievement or maintenance of self-sufficiency wages as defined in the Workforce Snohomish Self-Sufficiency Procedure.

Businesses participating in customized and incumbent worker training will pay the non-WIOA (non-federal) share of the cost of training based on the size of the workforce as follows:

- At least 10 percent of the cost for employers with 50 or fewer employees
- At least 25 percent of the cost for employers with 51 to 100 employees
- At least 50 percent of the cost for employers with more than 100 employees

Workforce Snohomish will track and document employer cost share contributions.

Wages paid to the participant while in training can be included as part of the business share. The business share can be provided as cash or in-kind that is fairly evaluated.

If WIOA Title I Dislocated Worker funds are used to cover the cost of Incumbent Worker Training, Workforce Snohomish will record the current employer as the employer of dislocation and the start date of the incumbent worker training contract as the date of dislocation in the state Management Information system to meet the requirement of U.S. Department of Labor's WIOA-affiliated Participant Individual Record Layout (PIRL) to provide an employer and date of dislocation.

If Customized or Incumbent Worker Training includes groups of businesses in different workforce areas or states, Workforce Snohomish will coordinate with its counterpart(s) on selection of training providers, use of ETP list to select providers, or the selection of training providers using mutually agreed-upon criteria. Costs will be shared based on the number of trainees from each participating Workforce Area.

Workforce Snohomish will use case notes to document incumbent worker training activity, current employer information, and contract start date.

Additional Procedures Specific to Increased Capacity and Cohort Training

Workforce Snohomish will use one of two procured training options for training initiated to meet the needs of job seekers, separate from a contract with a specific business(es):

- ***Increased Capacity Training*** should be used when a lack of training capacity limits customer choice and customers are not able to enroll in training of their choice on a timely basis or are otherwise required to choose another training program. This could occur because there are an insufficient number of Eligible Training Providers locally to fully utilize ITAs. Increased Capacity Training and ITAs may be combined to provide training services.

Increased Capacity Training will only be used when the training is directly linked to an in-demand industry sector or occupation, or a sector with high potential for sustained demand or growth, either locally or where training participants are willing to relocate.

As required by state policy, Workforce Snohomish staff will only enter into Increased Capacity Training contracts if the following information is included in the local plan describing:

- The competitive process to be used to procure contract services.
- How training services will be provided using training contracts.
- How Workforce Snohomish will serve as the point of access to contracted training services for participants.
- How services are to be coordinated with individual training accounts.
- How the Workforce Snohomish will ensure informed customer choice in selecting training programs regardless of how those services are provided.
- How costs will be shared.
- How contracted training providers will be monitored and audited.

No member of the Workforce Snohomish Board may cast a vote, or participate in any decision-making capacity, on the provision of an Increased Capacity Training contract services provided by such member (or any organization which that member directly represents), or on any matter that would provide any direct financial benefit to the member or to the member's organization.

- ***Cohort Training*** should be used to procure training that is available on the Eligible Training Provider List for a group or cohort of job seekers.