



**Monterey County Workforce Investment Board (WIB)**  
**LOCAL POLICY BULLETIN #2012-03**

Effective Date: Starting Program Year 2012-13, July 1, 2012  
Full WIB Adopted: December 5, 2012

**TO:** All Monterey County Providers of Workforce Investment Act (WIA) Title I Services

**SUBJECT:** WIA Training Expenditure Requirements

**PURPOSE:** The purpose of this policy is to provide guidance on implementation and tracking of training expenditure requirements imposed by Senate Bill (SB) 734.

**REFERENCE:** WIA Directive WSD11-9, WIA Training Expenditure Requirements (5/17/2012)

**POLICY:** SB 734 imposes new training expenditure requirements on local Workforce Investment Board's and their Service Providers carrying out WIA funded programs. The specified WIA training expenditure requirements and minimum amounts are detailed in this policy.

**DEFINITIONS:** These definitions apply to this policy only and are independent of the definitions included in any other policy statement issued by the Monterey County WIB.

*Cash Contributions* - Federal and/or non-federal contributions of funds made available to Service Providers to be used for training services. Examples include federal and/or non-federal money received from employers, foundations, private entities, local governments, etc.

*In-Kind Contributions* - Federal and/or non-federal contributions of non-cash resources used for training services. Examples include donated personnel, services, or use of equipment or space.

*Job Readiness Training* - Job readiness training includes services that teach skills needed to be successful in the workplace, rather than skills needed to get into the workplace. For example, job readiness training courses could teach WIA clients skills such as how to communicate in an office environment, how to function as part of a team, or how to work in a deadline driven workplace. In each of these instances, the focus of the training would be on competencies needed to succeed during the workday while on the job. The focus of job readiness training is not on the skills needed to find and apply for a job, for example, services that focus on the way one conducts a job search, or how to do an interview, or how to write a resume. Under the federal statute, these services are classified either as Core or Intensive services in WIA section 134. For example, job search assistance is defined as a core service, while group counseling or prevocational services focused on resume writing and interview skills are both classified as intensive services. These types of services do not qualify as training because they do not provide the client with competencies needed to perform specific tasks on the job. As such they do not qualify under the definition of a training program outlined in Section 663.508 of Title 20 of the Code of Federal Regulations, and do not qualify as training expenditures under SB 734.

*Leveraged Resources* - All federal and non-federal resources (cash contributions and in-kind contributions) used by the Service Provider for training services. Leveraged resources must be allowable and auditable under the WIA program, and meet the requirements included in the "Summary of Training Expenditures & Leveraged Resources" attachment of this policy.

*Match* - Resources expended to support training services, if required as a condition of funding. Match resources can be cash match and/or in-kind contribution match. Match resources must meet the requirements included in the "Summary of Training Expenditures & Leveraged Resources" attachment of this policy.

**Required Training Expenditure Level**

Beginning Program Year (PY) 2012-13, local boards are required to spend at least 25% of the combined total of their Adult and Dislocated Worker WIA formula fund allocations on workforce training services. This minimum training expenditure requirement does not apply to the youth WIA formula fund allocation. A portion of the minimum training expenditure requirement (an amount of up to 10% of the combined total of the Adult and Dislocated Worker formula fund allocation) may be met by applying designated leveraged resources used for training services.



Reference attachment "Summary of Training Expenditures & Leveraged Resources" of this policy.

There is no requirement that a specific amount be spent from each allocation (WIA Adult vs. WIA Dislocated Worker), therefore the 25% could be WIA Adult funds, WIA Dislocated Worker funds, or a combination of both.

Beginning PY 2016-17, the minimum training expenditure requirement will increase from 25% to 30%. Local boards will be required to spend at least 30% of their combined Adult and Dislocated Worker WIA formula fund allocations on workforce training services. This minimum training expenditure requirement does not apply to the youth WIA formula fund allocations. A portion of the minimum training expenditure requirement (an amount up to 10% of the Adult and Dislocated Worker formula fund allocation) may be met by applying designated leveraged resources used for training services. Reference attachment "Summary of Training Expenditures & Leveraged Resources" of this policy.

### **Training Services**

In order to apply toward the minimum training expenditure requirement, formula funds and leveraged resources must be expended on WIA Adult or Dislocated Worker participants enrolled in a training activity entered into the Management Information System (MIS) utilized by the Monterey County WIB and its WIA Service Providers.

For a service to qualify as training it must also meet the definition of a training program in Section 663.508 of Title 20 of the Code of Federal Regulations which defines training in the following manner:

*§ 663.508 What is a "program of training services"?*

*A program of training services is one or more courses or classes, or a structured regimen that upon successful completion, leads to:*

*(a) A certificate, an associate degree, baccalaureate degree, or*

*(b) The skills or competencies needed for a specific job or jobs, an occupation, occupational group, or generally, for many types of jobs or occupations, as recognized by employers and determined prior to training.*

Examples of training services include:

- Occupational skills training, including training for nontraditional employment
- On-the-job training (OJT)
- 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
- Adult education and literacy activities provided in combination with one or more of the other training services listed above
- Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training

With the exception of OJT and customized training, all training services listed above will require the training vendor be on the State of CA Eligible Training Provider List, <http://etpl.edd.ca.gov/>.

Additionally, Service Providers must keep sufficient records and ensure completeness of required training documents and compliance with program requirements, State laws and WIA regulations. Examples of sufficient records would include:

- Participant application for WIA services, proof of registration in the Virtual One Stop (VOS) or equivalent case management system and proof of WIA eligibility prior to participation.
- An Individual Employment Plan (IEP) that documents the participant's need for training that is supported by an in-depth comprehensive assessment of the participant's educational background, work history and knowledge, skills and abilities, occupational goals and interests, labor market research and trends, employment barriers and recommended interventions, preliminary skill gap and interviewer's observations,



conclusions, and recommendations concerning the participant's inability to obtain/retain employment that leads to self-sufficiency without training. The assessment should also demonstrate that a comparison was done on the schools/training providers, programs offered and costs before a customer made the decision to attend training.

- Individual Training Accounts (ITA) – completion of all training contract documents including: WIA Enrollment/Registration form, the WIA ITA Contract Coversheet Information, and the WIA Agreement for Educational Services. All required Eligible Training Provider List (ETPL) information should be transferred to all ITA contract documents exactly as it is listed on the ETPL. The WIA Enrollment/Registration form must show previous activities in both WIA Core and Intensive Services. All new training provider contracts must include a completed W-9.
- On-the-Job Training (OJT) – completion of a contract with the employer that meets the applicant's needs. Completion of all OJT contract documents including WIA Enrollment/Registration form, the WIA OJT Contract Cover Sheet and the WIA On-the-Job Training Agreement.

### **Leveraged Resources**

Service Providers may apply leveraged resources used for training services toward meeting a portion of their minimum training expenditure requirement in an amount of up to 10% of their Adult and Dislocated Worker expenditures.

Only the following 7 categories of leveraged funds may be utilized as part of the 10% credit:

1. Federal Pell Grants established under Title IV of the Higher Education Act of 1965
2. Public programs authorized by the Workforce Investment Act of 1998 (e.g., Job Corps, Migrant Seasonal Farm Worker, Rapid Response, WIA Title II Adult Education and Literacy, national and state WIA discretionary grants, WIA youth program, etc.) Local boards are permitted to apply youth formula funds expended on training for individuals ages 18-21 as a leveraged resource if: (1) the individuals are co-enrolled in either the WIA Adult or Dislocated Worker program, and (2) the training meets all requirements set forth in this policy.
3. Trade adjustment assistance
4. Department of Labor National Emergency Grants
5. Match funds from employers, industry, and industry associations (including the employer paid portion of on-the-job training and customized training)
6. Match funds from joint labor-management trusts
7. Employment training panel grants

Service Providers are not required to use leveraged resources toward meeting the minimum training expenditure requirement. However, if a Service Provider does choose this option, they must report all leveraged resources applied as part of the 10% credit in attachment "Summary of Training Expenditures & Leveraged Resources" of this policy. Leveraged resources must be tracked by source in accordance with the 7 categories above, and a total amount per source.

Additionally, Service Providers must keep sufficient records of the leveraged resources which can be independently verified. Examples of sufficient records would include:

- A commitment letter or written agreement from an employer or training provider
- A training agreement with an employer detailing the employer's contribution
- A copy of the Pell Grant award letter or relevant correspondence from the school
- An executed worksite agreement and participant time record
- A participant progress report and/or evidence of completion

This list is not all inclusive. The Monterey County WIB has the discretion to determine what constitutes sufficient records.

Note: Details of all leveraged resources reported under this policy must be included in the amounts reported under Section 3 in the "Summary of Training Expenditures & Leveraged Resources" attachment of this policy.

Each Service Provider's training expenditures (both from the allocated funding and from reports of leveraged resources) will be monitored by Monterey County WIB via the Monthly "Summary of



Training Expenditures & Leveraged Resources” attachment of this policy.

If a Service Provider’s training expenditures are not meeting the required percentage of total allocated funding expenditures (including both training expenditures and leveraged resources) on a monthly basis, Monterey County WIB may request a corrective action plan.

These reported monthly figures will be verified during on-site monitoring reviews of the Service Providers by the Monterey County WIB.

**ATTACHMENT:**

1. Summary of Training Expenditures & Leveraged Resources

**INQUIRIES:** For questions or assistance related to this policy, please contact the Monterey County Workforce Investment Board staff at (831) 796-6434.

This policy is posted on the WIB website located at: [www.montereycountywib.org/policies/](http://www.montereycountywib.org/policies/)