

**Document No.:** PL-18-008  
**Title:** Employer Training Policy



**Owner:** Diane Head, Executive Director

**Status:** Under Review

**Original Issue Date:** 8/15/2019

**Expiration Date:** Until further notice

**Last Revision Date:** Original Issuance

**To:** CareerSource North Florida Business Managers

**Purpose:** This policy provides the definition of and criteria for the expenditure of employer training grant funds through Customized/Employed Worker Training and On-the-Job Training.

#### **Reference:**

- Workforce Innovation and Opportunity Act Section 134(c)(3)(D); and Section 134(d)(4)
- U.S. Department of Labor, Employment and Training Administration Advisory System, Training and Employment Guidance Letter WIOA No. 19-16

#### **Background**

Section 134 of WIOA outlines the requirements for the use of funds for employment and training activities and designates on-the-job training and incumbent worker training as allowable uses of local funds. Further, the US DOLETA's TEGl No. 19-16 provides guidance on the use of Adult and Dislocated Worker funds toward training contracts. Under this authority, CareerSource North Florida offers two types of training grants to employers which can reimburse them for the expense of training their employees – Customized/Employed Worker Training (CEWT) and On-the-Job Training (OJT). This policy covers these, and other training products developed which directly reimburse the employer, addressing where each should be used and how to determine eligibility.

#### **Content**

##### **DEFINITIONS**

Customized/Employed Worker Training—is training that is designed to meet the specific requirements of an employer (including a group of employers); is conducted with a commitment by the employer to retain the trainee upon successful completion of the training; and for which the employer pays a significant portion of the cost of training taking into account the size of the employer and such other factors as the local board determines to be appropriate, which may include the number of employees participating in training, wage and benefit levels of those employees (at present and anticipated upon completion of the training), relation of the training to the competitiveness of a participant, and other employer-provided training and advancement opportunities.

On-the-Job Training—is paid training that is provided by an employer while the employee is engaged in productive work in a job that allows them to acquire knowledge or skills essential to the full and adequate performance of the job, and for which the employer can be reimbursed 50% of the wage rate of the participant to cover the extraordinary costs of providing training and supervision related to the training.

## **DESCRIPTION**

Consistent with the guidance of WIOA and the US Department of Labor Employment and Training Administration, the North Florida Workforce Development Board will offer employer training grants in the form of Customized/Employed Worker Training and On-the-Job Training to regional employers for the purpose of upskilling current and new employees. These programs are designed to help reduce the cost of training for employers to help meet the demand of increasing business growth and development.

### **General Requirements**

#### Eligible Employers

Employers that meet all of the following criteria are eligible to apply for a Customized/Employed Worker Training Grant:

1. Employers in the private, for-profit sector, non-profit, local governments, or public sectors;
2. Employers must have been in business in Hamilton, Jefferson, Lafayette, Madison, Suwannee, or Taylor Counties for a minimum of one year;
3. Employers must have at least two full-time employees;
4. Employers must carry Workers' Compensation Insurance; and
5. Employer must be up-to-date on all local, state, and federal obligations.

#### Eligible Trainees

CSNF will only reimburse an employer for the eligible expenses incurred when training an employee meeting ALL of the following:

1. Employees must work in Hamilton, Jefferson, Lafayette, Madison, Suwannee, or Taylor Counties.
2. Employees must be a US citizen or authorized to work in the United States.
3. Males born after 1959 must be registered with Selective Service.
4. Employees in the training program must be at least 18 years old,
5. Employees must complete and sign a program application and provide necessary documentation.

#### Prioritization

Employers who engage a wide range of services of CSNF and partners will receive priority in approval and receipt of training funds. Additionally, employers in Priority Industries set by NFWDB will received priority of approval and receipt of training funds.

Employers applying for training funds will be given priority based on the following tiers. In the instance of CEWT, employees will be listed at the time of application and approval will be based on the information provided. In the instance of OJT, the employee may not be known until further into the contracting process; therefore, for OJT's, this determination will be made as soon as the preferred job candidate is known.

1. Service priority will be given to employers applying to provide training to employees (or potential employees) who reside within the coverage area of CSNF.
2. Second priority will be given to employers applying for grant funds to train employees who are Florida residents but live outside the region. Approval may be made by the Executive Director.
3. Lastly, employers requesting training funds to train employees living outside the state will be given consideration and may only be approved by Board or Executive Committee vote.

### Training Costs

All matching costs claimed by the employer must be documented at the time of reimbursement request.

Employers will only be reimbursed for those individuals who are eligible under WIOA, who provide all required documentation, and who complete the training program. Reimbursement will not exceed the negotiated and approved application/contract amount.

Reimbursements are always subject to CSNF's availability of funds; however, it is always the intent of CSNF to honor all obligations and agreements.

\*Items related to these same sections may be referred to below, but will be specific to the type of training.

### **Customized/Employed Worker Training**

Through CEWT, CSNF may commit to reimbursing an employer up to 50% of their training costs, unless a waiver increases that percentage. During some periods of time, a waiver may be in place to provide a higher percentage of reimbursement. An agreement or multiple agreements with a single employer may be funded up to a maximum of \$20,000 in total for the year. The cost to CSNF for the training provided to each employee will be considered by CSNF in the application review process. There are limited funds available and they will be granted to local employers on a first come first serve basis. Grants are subject to the availability of funds.

Training costs eligible for reimbursement may include tuition, instructor costs, textbooks, and other training materials. Direct training costs used to calculate the employer's share of CEWT include but are not limited to:

- The wages and benefits paid to trainees during participation in training, including travel expenses incurred;
- In-kind value of facilities or equipment used during training;
- And/or these expenditure categories when not included in the reimbursement request to CSNF:
  - Training materials and supplies provided for participants, and
  - Wages and benefits paid to trainers employed by the employer(s) while conducting training.

Additional CEWT Trainee Criteria:

1. Employees must work a minimum of 20 hours a week.
2. Employees must fall below the Employed Worker Self-Sufficiency wage rate for the Program Year.
3. Employees must have been employed at least 90 days (or have completed their introductory/probationary period) before training begins unless one of the following apply:
  - A. The training will last at least 90 days or 160 clock hours, whichever is longer; or
  - B. CSNF is working jointly with an economic development organization in an effort to overcome specific issues/barriers for a company.

General Requirements:

Funds can be used to pay for up to 50 percent of the direct training costs when the training meets one or more of the following criteria:

1. Increases the worker's pay by at least \$1.00 per hour,
2. Increases in workers weekly hours from part-time to full time (at least 32 hours per week) (required outcome for part-time trainees),
3. Provides the worker employer paid health care benefits if not previously eligible,
4. Advances a worker into a higher level of skill or responsibility, or
5. Retains self-sufficient employment.

The benefit listed above must occur within 90 days of satisfactory completion of the training.

Authorized Training:

The funds must be spent on training that develops employees' specific occupational or soft skills knowledge and skills that will then contribute to the employer's ability to compete in the market, or if the employer is a non-profit or a public agency, to effectively deliver the services expected by constituents. Training should also improve the opportunities for the employees trained to keep their jobs, advance within the company, receive a wage increase, and/or gain additional skills. Stand-alone conferences or attending a conference cannot be included.

Occupational skills training may lead to an industry-recognized certificate/credential or a certificate/credential recognizing a skill standard that has been achieved. Soft skills training must lead to a completion certificate. All programs of training provided by a public education agency such as a state college, university, or technical college, meet this requirement. If the employer plans to use another type of training vendor, CSNF will work with employer to help determine if the certificate issued meets this requirement.

Training must be completed, including any post-tests for certification purposes, within six months from the CSNF signature date on the executed agreement.

## **On-the-Job Training**

An OJT contract is limited in duration as appropriate to the occupation for which the participant is being trained and to the current skill level of the employee-trainee. OJT is not subsidized employment for low-skill occupations that need very little training time.

Payments to employers are deemed as compensation for the extraordinary costs associated with the lower productivity of the employee-trainee during training. Payments shall not exceed more than 50% (unless a waiver is in effect) of the salary paid by the employer and may include scheduled raises or regular pay increases if noticed to CSNF well in advance and the contract modification has been approved. However, these payments may not be based on overtime, shift differential, premium pay, or other non-regular wages paid by the employer including paid leave such as vacation, sick, holidays, plant downtime, or other events. Reimbursement is based on actual hours worked at the base rate of pay.

OJT participants must be compensated by the employer at the same rates, including periodic increases, as similarly situated employees. Following training, upon completion of the 90-day retention period, OJT participants must earn no less than the regionally adjusted wage rate documented on the local Targeted/Demand Occupations List and no less than any employee with the same responsibilities and duties. They should also earn no less at the end of their training than their wage during the training period. Participants must receive the same benefits and have the same working conditions as similarly situated employees.

There are four principles, which should be applied in order to assure a sound On-the-Job Training program:

1. An assessment and service strategy which support the decision to provide training through OJT,
2. Appropriateness of the job for the individual,
3. A training plan and job description which clearly identifies the requirements of the job and the skills to be obtained by the participant, and
4. A contract with each employer and a training plan for each individual referred.

### Authorized Training:

Allowable OJT includes:

1. Job specific, technical or occupational skills training.
2. Upgrading of basic job skills if a person has not been able to obtain employment or may be unable to retain employment or obtain a promotion necessary to ensure self-sufficiency because of a deficit in their skills capabilities.
3. Must be in a demand occupation. Demand occupations are defined to mean those occupations listed on the Targeted/Demand Occupations List for CSNF.
4. Employability skills development where the employer specifically agrees to work with the participant to overcome skill deficits. This aspect of the training should not constitute more than 20% of the total training to be provided and must be combined with occupational skills training.
5. OJT is available to participants, who, after assessment have been referred to and hired by the employer. Employers may train participants who are ultimately placed and retained by another employer.

6. OJT is allowable as a sequenced or coupled training activity where justified in the participant's assessment and included in the individual service strategy. Where OJT is a sequenced activity, which follows institutional occupational skills training, the OJT must be for the attainment of skills requiring a minimum of 30 days of training.

#### Unallowable OJT:

Unallowable OJT includes:

1. Orientation that the employer provides to all new hires.
2. Job specific skills training that is normally provided to all new hires.
3. Training on proprietary equipment, software or processes which would be provided to any new or promoted employee.
4. Training for skills the participant already has or has demonstrated proficiency in as evidenced by the participant's job or educational history.
5. Jobs, which require a training period of less than 30 days.
6. Jobs paying less than the amount needed by an individual to rise above poverty level, however, where written justification is provided in the case file indicating that the job is an entry level position for a new entrant into the labor force, or an individual with a poor work history, or where there is the possibility of advancement, or is a rung in a career ladder job classification this condition may be waived.
7. Jobs paying only a commission or piece rate, or jobs where the base salary, excluding commission is below minimum wage.
8. Jobs with no entry qualifications except as provided above.
9. Jobs with employers or industries, which are seasonal or have a history of a high turnover rate. This shall be defined to include jobs with employers who have had less than an 60% retention rate using the formula detailed later in this document. In the event of mitigating circumstances relating to non-retention, a request for waiver of this condition may be made to CSNF.

#### Eligible Participants:

Only participants who have been assessed and for whom OJT has been determined as an appropriate activity on their employment plan will be referred to an employer for OJT. All potential OJT participants must be determined eligible to receive Workforce Innovation and Opportunity Act (WIOA) career services. This requires not just assessment, but also documentation collection and plan development.

#### Ineligible Employers:

Agreements will not be entered into with employers which, under previous agreements, have exhibited a pattern of failing to provide OJT participants with continued long-term employment as regular employees with wages, benefits, and working conditions at the same level and to the same extent as similarly situated employees. Employers who have not been located in the region for at least a year are not eligible.

Employers who do not meet the requirements stated in the eligibility section (“Eligible Employers”) above are also ineligible.

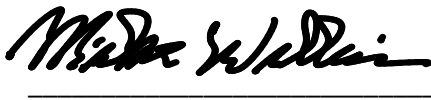
**Action**

For immediate implementation in WIOA employer training services. Program managers will provide operational guidance; staff will utilize in determining eligibility and approval.

**Timeline**

This policy is effective until further notice. It should be reviewed following three years of issuance or a change in referred guidance.

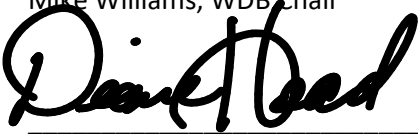
**Signature**



Mike Williams, WDB Chair

08/15/2019

Date



Diane Head, Executive Director

08/15/2019

Date

*CareerSource North Florida is an Equal Opportunity Program. Auxiliary aids and services are available upon request to individuals with disabilities. All voice telephone numbers on this website may be reached by persons using TTY/TDD equipment via the Florida Relay Service at 711.*