



GREATER MEMPHIS LOCAL WORKFORCE DEVELOPMENT BOARD (GMLWDB)

GREATER MEMPHIS LOCAL WORKFORCE DEVELOPMENT AREA

- EFFECTIVE DATE:** July 1, 2020
- DURATION:** Indefinite
- POLICY:** On-the-Job Training (OJT) & Incumbent Worker Training (IWT) Policy
- PURPOSE:** This policy will establish uniformed guidelines consistent with WIOA for On-the-Job Training and Incumbent Worker Training Programs.

REFERENCE(S):

This policy will establish guidelines consistent with WIOA Section 134(d)(4)(A), 134 (d)(4)(A)(l),134 (d)(4)(C), 134 (d)(4)(4)(D), 2 CFR. 200.306, 20 CFR 690.780, 680.790, 680.800, 680.810, 680.820, 681.210(b), 681.210(b)(3)-(4), TEGL 9-16; 134 (a)(2) and WIOA Section 134 (a)(3)(A)(i).

BACKGROUND:

The purpose of this policy under the Workforce Innovations & Opportunities Act (WIOA) Title I Adult, Dislocated, and Youth programs is to provide procedures for implementing and managing training agreements and/or contracts for On-the-Job Training, Incumbent Worker Training.

Employer Eligibility Criteria:

In order for a business or employer to qualify for a grant, it must meet all the following criteria:

- Grantee must be classified as a Tennessee for-profit business (or a not-for-profit business in health care)
- Must be in operation for at least one (1) year (IWT Only)
- Must employ at least five full-time employees or more
- Must be current on all local, state, and federal tax obligations
- Must be a financially viable business not currently or recently experiencing, nor expecting to experience, a bankruptcy in the past twelve (12) months
- Must not appear on any federal suspensions or debarment list.

Participant Eligibility Criteria:

- All individuals taking part in an On the Job (OJT) Training Grant must meet the eligibility criteria of an Adult, Dislocated Worker, or Youth, as defined by WIOA, and be fully registered in Jobs41N.
- Individuals taking part in Incumbent Worker Training (IWT) do not have to meet eligibility as

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- described above. However, they must be entered in Jobs41N with all the information necessary to record them as an IWT recipient.

Funds may be used to implement innovative programs and strategies designed to meet the needs of all Tennessee employers (including small employers). These programs may include:

- Customized training
- Sectoral and industry cluster strategies
- Implementation of industry or sector partnerships
 - Career pathway programs
 - Microenterprise, entrepreneurial training, and support programs
 - Utilization of effective business intermediaries
 - Layoff aversion strategies
 - Activities to improve links between the One-Stop Delivery system and all employers (including small employers) in the State

The following will also be considered during the review:

- Characteristics of the individuals to be trained: consideration should be given to employers who propose to train individuals with barriers to employment as defined in WIOA Section 3(24).
- The quality of training - whenever possible the training should allow the participant to gain industry-recognized training experience and/or lead to industry-recognized credentials and/or an increase in wages
- The number of participants the employer plans to train or retrain
- The wage and benefit levels of participants both before and after training
- The occupation(s) for which incumbent worker training is being provided must be in demand for that industry

Types of Grants and Funding:

Grant funds will be awarded to businesses based on their needs as defined by local policy and guidance. All expenditures must follow the policies and procedures of the Local, State and Federal government fiscal responsibilities and expended in the contract period.

The contract awarded will be cost reimbursed (for OJT). No expenses are reimbursed until a contract has been fully executed (signed by all parties) and, all participant data has been submitted and deemed eligible. Monthly invoices are due for the previous month and must include documentation of expenditures. Invoices will be paid within 30 days of receipt of approved documentation.

A. Incumbent Worker Training

IWT provides both workers and employers with the opportunity to build and maintain a quality workforce. Employers effectively train and retain employees by providing skills upgrades and process improvement training for existing, full-time employees. IWT is designed to retain a skilled workforce or avert layoffs.

Other factors considered:

- a. Participant must have been employed and have an established history with the employer receiving the grant for six (6) months or more
- b. A US Citizen or individual legally entitled to work in the US
- c. Age 18 or older
- d. Registered with the Selective Service unless an exception is justified (Selective Service requires registration of all males who are 18 or older and born on or after January 1, 1960)
- e. Employer is required to match a minimum of 10% - 50% of the requested training costs.

B. On-the-Job Training

OJT is a hands-on method of delivering training services to include teaching skills, knowledge, and competencies needed for adult and dislocated employees to perform a specific job within the workplace.

Other factors considered:

- a. Must be enrolled with the American Job Center prior to first date of employment
- b. A US citizen or individual legally entitled to work in the US
- c. Age 18 or older
- d. Registered with the Selective Service unless an exception is justified (Selective Service requires registration of all males who are 18 or older and born on or after January 1, 1960)
- e. Grant will reimburse the employer up to 50% based on the skill of the individual and the degree of training required. Additional reimbursements may be made on a case-by-case basis.

Costs That May Qualify for Reimbursement:

Grant funding may reimburse all or part of the costs (provided that the employer has proper documentation) of training eligible employees.

Reimbursable Training Expenses

- Instructors/trainers salaries capped at the actual amount or \$50/hour if company trainers are used (whichever is less)
- Curriculum development not to exceed 5% of total State obligation (curriculum development is defined as the time necessary for company officials to determine training needs or the actual development of curriculum)
- Textbooks and manuals
- Materials and supplies
- Tuition expense (tuition is defined as instruction provided by an institution regulated by the Tennessee Higher Education Commission)

Non-Reimbursable Costs

- Trainee's wages (IWT only)
- Purchases of capital equipment
- Purchase of any item or service that may possibly be used outside of the training project
- Travel expenses of trainers or trainees
- Assessment, testing, or certification fees
- Language training unless specific to terms of employment
- Advertisement or recruitment
- Any costs not approved in the final subrecipient agreement

Training Services

- All training should have specific start and end dates. All training must be completed by the last day of the specific program period.
- Training can be provided through Tennessee's public or private educational institutions, private training organizations, trainers employed by the business, or a combination of training providers.
- Training can be conducted at the business's own facility, at the training provider's facility, or at a combination of sites.

Grant Award Determination:

WIN GMLWDA Determination

WIN GMLWDA must follow the steps below prior to submitting applications to TDWLD:

1. WIN GMLWDA must work within its regional planning structure in accordance with the adopted regional plans to review and consider each application based on the scores reflected in the criteria fulfillment guide.
2. Representatives from the Greater Memphis Local Workforce Development area should take part in the scoring of applications.

3. Applications funded by local area formula funding, per WIOA Section 134(d)(4), will not be required to be scored on a regional level.

Businesses must submit the application online and all required documents found at <https://www.tn.gov/workforce/employers/training.html>. Local Workforce Development Boards must determine the eligibility of applications for each LWDA that is representative (based on county and grouped by region) of the company or business.

Grant Awards Requirements

- Businesses approved for funds must enter into a contractual agreement. The contract commits the business to complete the training as proposed in its application, as well as committing to compliance with all applicable local, state, and federal laws.
- Approved budget items are reimbursed upon presentation of adequate documentation of the training and evidence that the training expense incurred has been paid.
- Businesses must submit monthly reimbursement requests, or in the timely manner agreed upon between WIN GMLWDA and company in the contract, with required support documentation, to their WIN GMLWDA representative.
- The employer share is based on the size of the workforce as follows: (IWT Only)
 - o At least 10% of the cost for employers with 50 or fewer employees
 - o At least 25% of the cost for employers with 51 to 100 employees
 - o At least 50% of the cost for employers with more than 100 employees
- Businesses will keep accurate records of the project implementation process and certify that all information provided, for the purpose of requesting reimbursements and reporting training activity, is accurate and true.
- Any other contract provisions established by the WIN GMLWDA.

Grant Award Considerations:

- Will the training be associated with an in-demand occupation?
- Will the training provide a skills upgrade?
- Will the training create new jobs?
- Will the training save jobs or prevent layoffs?
- Will the training improve the long-term wage level of the trainees?
- Will the training improve the short-term wage level of the trainees?
- Will the training provide a certification?
- Will the training provide or enhance process improvement for the business?

Additional Grant Award Procedures

- A. Cost per participant will be considered when evaluating the effectiveness and efficiency of the award. Factors include:
 - a. Does the total amount of the grant divided by the number of participants represent a cost equivalent to other training options in the GMLWDA?
 - b. Is the training provided in a demand occupation? Does it provide the steps for an in-demand career pathway?
 - c. Has the company/trainer demonstrated successful performance previously?
- B. Monitoring
 - a. Participant data will be reviewed for eligibility and completeness prior to payment of invoices

- b. Supporting documentation must be provided with each invoice demonstrating appropriate and allowable expenses and employer match.
- c. For trainer wages, documents providing direct expenses (gross wages paid) to grant must be provided.
- d. The Contract Manager should review submitted data and invoices for accuracy.
- e. The Contract Manager should have regular contact with grant recipients to ensure proper information is being maintained.
- f. Lack of response by grant recipient to the Contract Manager may result in termination of the contract.

C. Promotion Strategies and Goals


- a. GMLWDA will respond to any pre-applications entered into the State's website, in order to answer any questions and provide detailed information about Business Grants.
- b. GMLWDA will share information about Business Grants on visits to all employers during their meetings.
- c. GMLWDB will reach out to employers who express interest through pre-application and determine the appropriateness of requests to the Business Service Team.

INQUIRIES

Please contact Amber Covington, Executive Director, acovington@memphischamber.com with any questions or concerns regarding this policy.



Desi Franklin
Workforce Midsouth, Inc. Board


Adopted Date

GMLWDB is a proud partner of the American Job Center network, is an Equal Opportunity Employer. The Career Center System is an Employer/Equal Opportunity Program. Auxiliary aids and services are available upon request to individuals with disabilities. TTY: 1-800-848-0299