



Oregon Workforce Investment Board		
Policy		
Subject: Minimum Training Expenditures		
Number/Reference: N/A	Effective Date: 6/9/2017	Revision # Original

Overview

The Oregon Workforce Investment Board’s (OWIB’s) Strategic Plan 2016-2020 includes Goal 3 which reads: *Invest in Oregonians to build in-demand skills, match training and job seekers to opportunities, and accelerate career momentum.* Consistent with this Goal, the OWIB established a minimum training expenditure threshold for Local Workforce Development Boards (WDBs).

It is important to note that Local WDBs do not provide training directly to customers, but provide all direct training services through contracts with a variety of service providers. Further, the statewide standard expressed in this policy (25%) is considered an appropriate standard considering that significant staff costs are essential to delivering training services to prepare customers for training, engage businesses in sectors or for on-the-job training placements, administer the programs, and other related tasks and Local WDBs are responsible for many other important functions besides training (WIOA sec. 107(d)).

Policy Statement

Local Workforce Development Boards (WDBs) must expend 25% of the Workforce Innovation and Opportunity Act (WIOA) Adult and Dislocated Worker program allocations (excluding Administration funds) that is within their direct board control on training as described in this policy (Option 1). This is a minimum threshold; Local WDBs may expend more than 25% on training.

Local WDBs may petition for an alternate formula that demonstrates the same minimum commitment to training (Option 2). Any Local WDB alternate formula must be proposed to and approved by the OWIB using the local plan modification process. This option is primarily meant to allow boards flexibility to include other funds beyond federal WIOA funds in the training expenditure percentage calculation. Some examples include, but are not limited to: other grants received by the Local WDB (e.g. Back to Work Oregon) or leveraged funds resulting in training. If leveraged funds are used, the Local WDB must demonstrate that the leverage is the result of Local WDB actions.

Funding in this policy includes expenditures made during a completed Program Year (July 1 through June 30 of the following year). For funding sources covering more than one Program Year, the Local WDB must identify what portion of the funding is being counted in each Program Year that the funding source covers.

The formula is as follows:

$$\frac{\text{Total Qualifying Training Expenditures using Option 1 or Option 2 Funds}}{\text{Total Option 1 or Option 2 Funds}} \times 100 \geq 25\%$$

Attachment A includes more detail regarding what is included in the numerator and denominator in the above formula.

Falling short of the minimum training expenditure will cause a corrective action as prescribed by the OWIB Executive Committee working with the Local WDB.

Qualifying Training Expenditures under this Policy

Expenditures for training as defined below can be counted toward the 25% minimum requirement.

The WorkSource Oregon (WSO) Operational Standards, and the definition of training within them, shall be used as the basis for determining the eligibility of training expenditures under this policy. Within the WSO Standards, Training Services are defined as:

1. Adult Education and Literacy (including, but not limited to, English language acquisition; integrated education and training programs; and workforce preparation activities as defined under WIOA sec. 203(17))
2. Talent Development (including, but not limited to, essential workplace skills: resume development, basic computer skills, interviewing skills, networking/social media use, and soft skills; and may also include short-term pre-vocational services)
3. Skill Development (including, but not limited to, skill upgrades; retraining; entrepreneurial training; and occupational skills training leading to industry-recognized and post-secondary credentials)
4. Work-Based Learning (including, but not limited to, on-the-job training (OJT); apprenticeship; work experiences and internships that are linked to careers; and career exploration)

The WSO Operational Standards define training services more broadly than WIOA (20 CFR § 680.200). All WIOA-defined training services are included in the WSO Operational Standards. In addition, expenditures on customized training and incumbent worker training (considered Business Services in the WSO Operational Standards) are also Qualifying training expenditures.

In addition, expenditures for supportive services that are directly connected with training may also be counted toward the 25% minimum requirement. Examples include:

- Assistance with uniforms or other appropriate work attire;
- Work-related tools, including such items as eyeglasses and protective eye gear;
- Assistance with books, fees, school supplies, and other necessary items for students enrolled in postsecondary education classes; and
- Payments and fees for employment-related applications, tests, and certifications

In all cases, Qualifying expenditures are those that represent the cost of training as described above and do not include personnel or operating expenditures related to the Local WDB or WSO Center.

Reporting and Monitoring

WIOA requires that Local WDBs track training-related expenditures (WIOA sec. 116(d)(2)(D) and WIOA sec. 116(d)(3)(A)). For the purposes of this policy, Local WDBs will report prior Program Year training

expenditure outcomes during monitoring. A review of the requirement to expend 25% of the Workforce Innovation and Opportunity Act (WIOA) funding that is within their direct board control on training as described in this policy will be incorporated into the Monitoring Guide each Program Year.

Base Year

Program Year 2017-18 (July 1, 2017 through June 30, 2018) will be the Base Year for the Minimum Training Expenditures Policy. Methods of data collection and reporting will be developed during the Base Year (Attachment B). The 25% standard will be reviewed and reassessed to determine if it continues to be an appropriate standard after reviewing the results from Program Year 2017-18.

Action(s)

Local WDBs may develop additional policies and procedures, as appropriate, to comply with the above policy requirements. Local WDBs must track training-related expenditures and report Program Year outcomes as they relate to this policy during monitoring according to the following timeline:

- Local WDBs must select the method for reporting on the minimum training expenditure by June 30, 2017. Selecting Option 1 requires no additional action by a Local WDB. Selecting Option 2 (alternate formula) requires that it be approved by OWIB through the local plan modification process.
- Local WDBs must begin tracking training-related expenditures as they relate to this policy beginning July 1, 2017.
- Local WDBs must report training-related expenditures and the calculation to determine whether or not the minimum training threshold was met during Program Year 2016-17 beginning with monitoring in Program Year 2017-18 and continuing each subsequent year.

Attachments

- Attachment A – Numerator-Denominator Detail
- Attachment B – Base Year Activities