
Incumbent Worker Training

Workforce Investment Board,
of Tulare County

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Overview

- WIOA Definition of IWT
- Customer Centered Design
- UpSkill America
- Funding
- UpSkill Tulare County
- Results



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WIOA: Definition of Incumbent Worker Training

- IWT is designed to ensure that employees of a company are able to gain the skills necessary to retain employment and advance within the company or to provide the skills necessary to avert a layoff.
- An ideal IWT would be one where a participant acquires new skills allowing him or her to move into a higher skilled and higher paid job within the company, thus allowing the company to hire a job seeker to backfill the incumbent worker's position
- Designed to increase the competitiveness of the participant and the employer



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Customer Centered Design

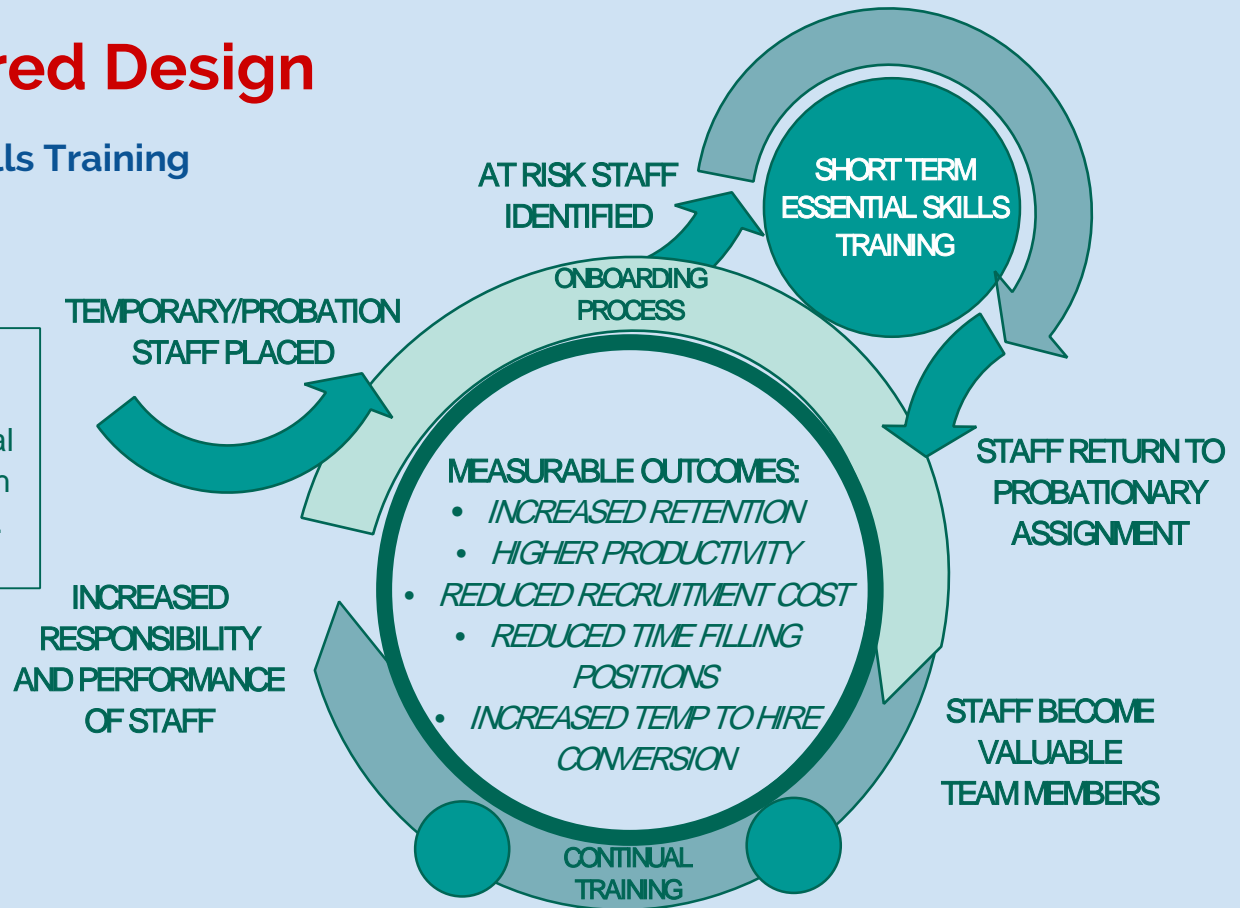
- DOL CCD Challenge
 - Customer Centered Design
 - How might we keep businesses at the center of sector partnerships and career pathways?
 - Team organized to provide a solution to increase retention of middles skilled positions (key insight)
 - Staff has potential to promote to middle-skilled positions but lacks skills...
 - How might we keep businesses at the center of Incumbent Worker Training?

Customer Centered Design

Prototype: Essential Skills Training

Objective:

Increase workforce retention and productivity by developing essential skills in “at risk” employees through short term and continuous training.



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Customer Centered Design

- Went to our board with the prototype & asked for funding
- Granted approval to qualify a list of trainers to provide IWT as recommended from independent raters representing the sector advisory board
- Approval to expend WIOA Adult and Dislocated Worker funding
- Birth of UpSkill Tulare County, Incumbent Worker Training initiative

UpSkill America

Check out video @ [upskillamerica.org](https://www.upskillamerica.org)

UpSkill America is an employer-led movement to expand economic opportunity for America's workers.

Upskilling is most effective when employers, workers and education/training providers are all fully committed in partnership to the success of the endeavor.



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WIOA: Incumbent Worker Training, Funding

- WIOA permits up to 20% of the combined total of Adult and Dislocated Worker funds to be set aside for IWT

The Non-Federal Share...

...shall not be less than:

10% of the cost, for employers with not more than 50 employees

25% of the cost, for employers with more than 50 but not more than 100 employees

50% of the cost, for employers with more than 100 employees

The non-Federal share may include the amount of wages paid by the employer to a worker while the worker is attending the training

UpSkill Tulare County: Our Process

- Business Outreach and Engagement
- SA's select trainings to fund
- Send out RFP for training providers
- Rating Approval Process
- Selection
- Contract w/ training provider
- Market trainings to businesses
- Employer Eligibility
 - Requirements (State and Local)
- Fill Cohorts & provide IWT
- Follow up & Report

UpSkill Tulare County: Our Process

Business Outreach and Engagement

- Business Services Team
- Outreach meetings

Training Selection

- Industry sector advisory development
- Industry sector advisories decide trainings to fund
- Demand driven



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UpSkill Tulare County: Our Process

Rating Approval Process

- RFP sent out to potential training providers
- Proposals received
- Anonymous volunteer raters from sector advisories
 - Ratings based on need, cost, flexibility, mixed cohort availability, and strategy

Selection/Contract

- Selection based on a minimum rating score of 80/100
- Training Contracts then negotiated and signed with training providers



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UpSkill Tulare County: Our Process

Marketing

- Cooperative marketing with training provider
- Marketing at advisory meetings, economic development roundtables, chamber events, training provider newsletters, etc.

Employer Eligibility

- 51% of trainees have been employed for at least 6 months
- 51% of trainees earn an hourly wage of \$18 or less
- Multiple employers must be involved in each cohort
- Required documentation filled and signed:

- **Employee Info Release Authorization**
- **IWT Sign Up List**

- **Eligible Employer Letter**
- **Share of Cost Calculator**



UpSkill Tulare County: Our Process

Fill Cohorts and Provide IWT

- Open communication with employers and training provider in filling the cohort, selecting training location and schedule
- Current trainings we are providing:
 - Industrial - Frontline Supervisor, Essential Workplace Skills, Basic Math for Manufacturing, and Intro to Lean Systems
 - Health Care - Frontline Supervisor and Intro to Lean Systems

Follow Up & Report

- Must follow up with business 6 months after training completion
- Verify continued employment of past trainee



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UpSkill Tulare County: Testimonials



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Electric Motor Shop and Supply Co.

Electric Motor Shop and Supply Manager Rodney Wilson was having a difficult time recruiting and retaining employees who have workplace “soft skills” like communication, cell phone etiquette, tardiness, stress management, and teamwork;

“This is a skill set that is missing in our and surrounding communities for incoming and incumbent workers. When I discovered UpSkill Tulare County, I sent as many of my crew as I could.”



Electric Motor Shop and Supply sent 7 employees to the Essential Workplace Skills training and 3 additional employees to Front-line Supervisory training, Both provided by COS.

“This training provides an opportunity for growth for my current and upcoming Supervisors, met a need of the company for internal improvement, and satisfies my desire to promote from within.”

-Rodney Wilson



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JO-ANN Visalia Distribution Center Manager Bruce Nicotero was having a difficult time finding training due to budgetary constraints. When he became aware of UpSkill Tulare County, he knew it was his solution.



“We know we have team members who have potential, but they need training to polish their skills. We are not able to provide that training internally.”



“We are always looking for ways to engage our employees. This is a good way to build team strength and increase morale.”

- Bruce Nicotero

Supporting Business Engagement and Layoff Aversion Efforts



Robert Meyer
Director of Economic Development

What is ETP?

ETP is a State agency that uses a **pay-for-performance contract** to reimburse the costs for employer-customized job skills training.

ETP does not:

- provide training
- mandate training topics for the employer
- select or approve trainers

ETP Funding

The Employment Training Tax is collected as part of the Unemployment Insurance Tax paid by employers for each employee in California.

The funding is aggregated into the Employment Training Fund which is administered by the Employment Training Panel.

ETP funding projected at \$105 Million for FY18/19.

ETP 101

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(Just enough to get you in trouble)

Program Details

Single Employer and Multiple Employer Contract (MEC) formats

Trainees can be:

- employed (Retrainee)
- unemployed at the start of training (New Hire) or
- owners of small businesses (9 or fewer FTE)

Reimbursement is based upon the number of hours of training, independent of the cost in most cases.

8 Hour minimum for training; Must work full-time after training and earn contract minimum wage.

Program Details

Employer-customized job skills training is eligible for reimbursement.

- Legally-mandated or very general training is not funded by ETP.

Training can be delivered in multiple formats.

Training Topics, Delivery Method and Range of Hours are the **Curriculum**.

Any combination of Training Providers may be included in an ETP funded program.

Employer Eligibility

To be eligible, employers must do the following:

- Have one or more Full-Time Employee
- Use a California Employer Account Number (CEAN) to report wages
- Be subject to the Employment Training Tax

Professional Employer Organizations can be used by employers under certain circumstances.

Special criteria may exist for alternatively-funded programs, such as Alternative Fuel programs.

Priority Industries

ETP identifies Priority Industries as part of its annual strategic planning process. These industries are provided increased reimbursement and under limited circumstances, lower minimum wages.

The current Priority Industries are:

- Manufacturing/Food Production
- Biotechnology & Life Sciences
- Information Technology Services
- Multimedia/Entertainment
- Goods Movement & Transportation Logistics
- Agriculture
- Allied Healthcare
- Construction
- Green / Clean Technologies

Initiatives

ETP promotes training initiatives prioritized as critical to supporting the citizens of California.

Current ETP Initiatives include:

- Alternative and Renewable Fuels Vehicle Technology Program (ARFVTP)
- Non-Traditional Apprenticeship
- RESPOND – Drought (Core)
- Veterans Training (New Hire and Incumbent)
- Individuals with Disabilities
- At-Risk Youth
- Ex-Offender

Reimbursement

Reimbursement rates are intended for training and administrative costs

Type of Trainee/Proposal	Class/Lab, Productive Lab Videoconference, E-Learning
Retraining – Standard	\$15
Retraining – Job Creation, New Hire	\$20
Small Business – Standard (100 or less employees but no more than 250 worldwide. Including businesses served under an Multiple Employer Contractor or entrepreneurial agreement.	\$22
Priority Industry/Large Employer (100 or more employees)	\$18
Priority Industry Small Business (100 or less employees but no more than 250 worldwide. Including businesses served under an MEC or entrepreneurial agreement.	\$26

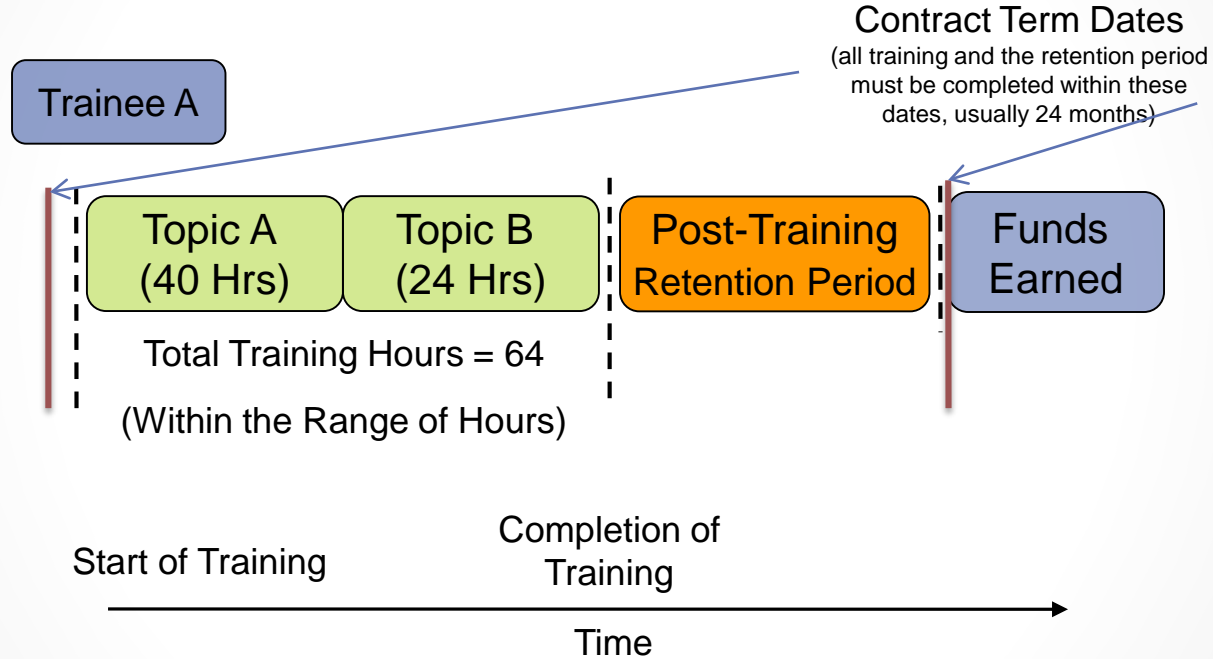
CBT Training \$8 per
hour

Wage Requirement

Effective for contracts approved on or after January 1, 2018 and before December 31, 2018.

Category	New Hire	Retrainee
Standard ETP Minimum Wage	\$13.66 - \$15.18	\$16.70 - \$18.22
High Unemployment Area (with Wage Waiver)	\$11.00 - \$11.39	\$12.53 - \$13.67
SET Frontline Workers	\$30.36	
SET Frontline Workers (Critical Proposal/Priority Industry)	\$22.27	

Trainee Model



The Case for Partnership

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(A little more than enough to get you
and your friends in trouble)

ETP Funding

403 Contracts Approved (\$97M)

335 Single Employer Contracts (\$62.7M)

27 Apprenticeship Contracts (\$13.7M)

24 Training Agencies (\$13.5M)

9 Group of Employers (\$3.5M)

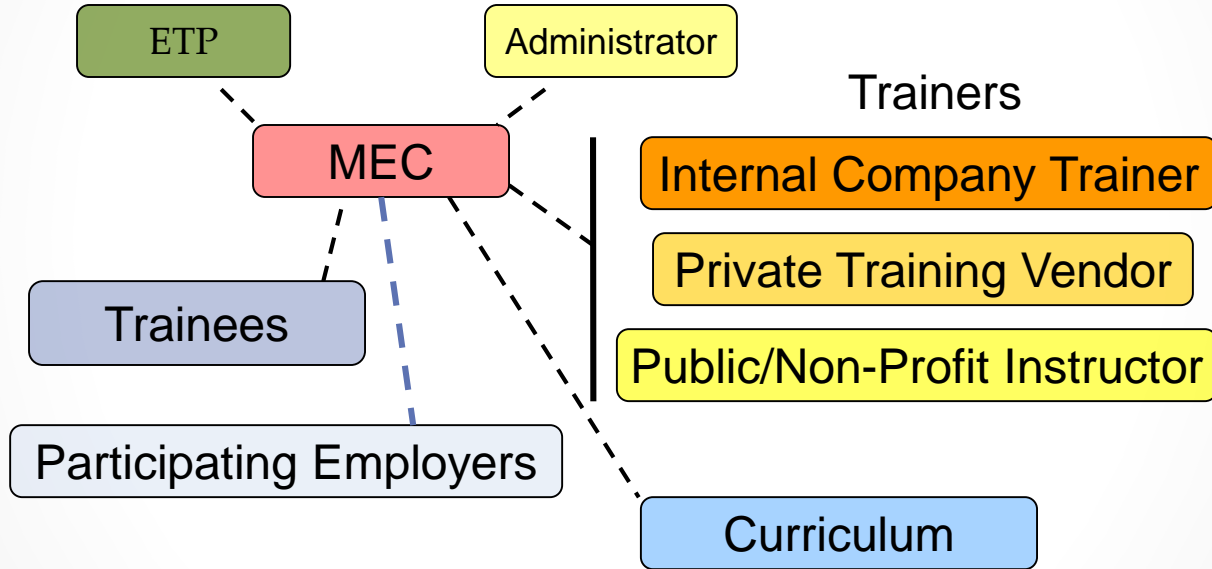
8 WDB / WIOA (\$3.6M)

83% of contracts awarded are for Single Employers.

ETP Served 2,511 Employers, over 87% served thought Multiple Employer Contractors.

Source: ETP Annual Report FY15/16

MEC Contract Model



MEC Program Costs

ETP Contractors may not use multiple public funding sources for the same hour of training.

Permitted Overlaps: Training Topic, Class Population, Occupation, Location, New/Existing Worker

Contractor may charge for training costs in excess of ETP reimbursement for retraining (Not for New Hire).

Support Costs: up to 8%* can added to ETP reimbursement rates for marketing and outreach

Administration Costs: up to 13% of earned funds may be used for administration of an ETP contract.

Who is MEC Eligible?

- Community Colleges, Universities and University Foundations, Unified School Districts, Adult Schools, Regional Occupation Programs (ROPs) and Private Training Agencies (Certified by BPPE).
- Workforce Development Boards and WIOA Grantees or Administrative Entities
- Chambers of Commerce, Professional Membership Associations, Trade Associations, Economic Development Corporations, Joint Apprenticeship Training Committees

Projects



(How we get everyone in trouble)



Food Service Partners

Pre-Employment Training, OJT with WIOA Co-Enrollment, Transportation Assistance and Accelerator Grant supported co-investment.

City of Richmond Workforce Development Board

Tax Credit and Incentive Assistance, Permit Assistance

Governors Office for Economic Development

ETP-funded training (prior to direct Single Employer contract) and Technical Assistance

California Manufacturing and Technology Association

ETP Contract for **\$350,402** to train 78 existing workers and 109 new production and operations staff.

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Incumbent Worker Training Draft Directive

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