

## West Virginia State Workforce Development Board

**Policy Area:** State Governance

**Title of Policy:** Training Services Requirement

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**Approved by:** West Virginia  
Workforce Development Board

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### I. Purpose

This issuance provides guidance on the use of Workforce Innovation and Opportunity Act (WIOA) formula funds for training services by providing a required minimum expenditure threshold for such services.

### II. Summary

The Workforce Innovation and Opportunity Act (Pub. L. 113-128) authorizes training services for adults and dislocated workers to build and upgrade the skills needed for jobs and careers. Training services range from traditional classroom education to work-based learning such as apprenticeship and on-the-job training. To ensure more West Virginians receive access to needed training services, a minimum training expenditure requirement is being implemented.

### III. References

- Workforce Innovation and Opportunity Act (Pub. L. 113-128)
- United States Department of Labor, Workforce Innovation and Opportunity Act; Final Rule, 20 CFR, Part 680 Subpart B, Training Services
- West Virginia Code, §5B-2B. *West Virginia Workforce Investment Act*

### IV. Policy

Each local workforce development board in West Virginia must ensure that at least 40 percent of the combined total of WIOA Adult and Dislocated Worker funds ~~to~~ encompassing both Program Year (PY) and Fiscal Year (FY) portions of a given formula-funded grant is allocated to training services. These training services, as defined under the Workforce Innovation and Opportunity Act at §134(c)(3)(D) and the regulations at 20 CFR, Part 680, Subpart B, should lead to recognized postsecondary education and workforce credentials aligned with high-growth occupations in the local workforce development area or region.

At the conclusion of each ~~state fiscal year~~ Federal Program Year, WorkForce WV shall prepare and submit a comprehensive report to the State Workforce Development Board no later than September 30th. This report will detail the training expenditure rates of WIOA Adult and Dislocated Worker funds for each individual local workforce development area.

## **V. Definition of Training**

To meet the minimum training requirement, training services shall be provided by an approved training provider under the state's eligible training provider list. An exception to this requirement is when an employer is functioning as a training provider.

Training services that count toward the 40 percent minimum training expenditure requirement include:

- **Occupational Classroom Training**
  - Occupational training is predominantly technical training, which prepares a student for entry into a particular occupation or set of occupations and must be delivered in compliance with West Virginia's Eligible Training Provider requirements.  
Expenditures for occupational training may include:
    - Occupational Classroom Training funded by an Individual Training Accounts (ITA): All payments made to a training institution or training provider for occupational classroom training funded through an ITA utilized by the training participant.
    - Occupational Classroom Training not funded by and Individual Training Account (ITA): All payments made to a training institution or training provider for occupational classroom training authorized pursuant to a contract for training services, or other contractual arrangement, that constitutes an exception to the use of an ITA (29 CFR Part 663.430).
- **On-The-Job Training (OJT)**
  - OJT payments are payments made to public, not-for-profit, and private sector employers for training costs authorized pursuant to an OJT contract.
- **Work Experience**
  - Work experience payments, including those for internships, represent compensation to participants for hours worked in work-based training. To qualify as an eligible expenditure toward the 40 percent training requirement, work experience must be combined with another training modality, such as occupational classroom training.
- **Customized Training**
  - Customized training is training designed to meet the special requirements of an employer or group of employers. To meet the 40 percent minimum requirement, the customized training must be delivered under a contract with an employer who:
    - Agrees to hire WIOA participants upon completion of the customized training; or
    - Is training employed workers who:
      - Do not earn wages at a self-sufficiency level and to whom the employer commits to continue to employ; and
      - Are being trained in new technologies, new production or service procedures, or who require additional skills or workplace literacy required for retention and progression in employment.

- Class-Size Training Contracts
  - Class-Size Training Contracts may be entered into and may accrue to the 40 percent minimum requirement when there is a need to place multiple WIOA- registered students in the same training program with one educational institution or eligible training provider. Congressional authority authorizes the use of WIOA formula funds to purchase contracts for class size training. The costs associated with these contracts are an allowable training expenditure when the following criteria are in place:
    - The contract will lead to placement in an in-demand occupation and is in place with an institution of higher education or other eligible training provider.
    - Training services include a full range of occupational skills training or customized training as described in WIOA section 134.
    - When an arrangement is made under which WIOA registrants may occupy only a portion of a class-size training contract, a method is developed to allocate the costs of the class associated with the percentage of WIOA-registered students to the contract. (ALL costs associated with the class- size training contract must be allocated in proportion to the number of WIOA registered students compared to the overall number of students.)
- Transitional Jobs
  - Transitional jobs are a type of work-experience local workforce development boards may provide under WIOA. Payments made for wages to an employer that represent hours worked in a work experience accrue to the 40 percent minimum training requirement.
- Registered Apprenticeship (RA)
  - The following are items that may be expenses meeting the 40 percent requirement as part of a Registered Apprenticeship: ITAs, on-the-job training, and contracted classes.
- Incumbent Worker Training
  - Incumbent Worker Training involves working with an employer to upgrade the skills of a particular workforce. Training may occur in the workplace or an off- site location during, or after, work hours. Only those costs that are associated with training of incumbent workers meet the 40 percent requirement. For the purposes of this policy, those costs are:
    - Training development
    - Instructor wages
    - Tuition
    - Training materials and supplies
    - Fees

- Remedial Training/Pre-Vocational Services
  - Payments made to a training institution for classroom instruction in academic remediation for a postsecondary education or workforce program or for short-term prevocational services or for education for high school equivalency. These services are limited to no more than nine months in duration, unless provided in conjunction with occupational training services.

## **VI. Other Allowable Cost**

Other allowable costs that count toward the 40 percent minimum training expenditure requirement include:

- Supportive services
  - Those services that are directly related to training, as opposed to secondary or more general support, include those that are essential for the participant to engage in and complete the training program itself. These supportive service costs are allowed to be included:
    - Tools and Equipment:  
Tools, equipment, or uniforms that are **required** for the specific training program.
    - Training Materials and Supplies:  
Books, manuals, and other materials or supplies that are necessary for participation in the training.
    - Testing and Certification Fees:  
Fees for exams, certifications, or licenses that are required to complete the training program or to qualify for a job upon completion.
    - Health and Medical Services Required for Training:  
Physicals, drug tests, or immunizations that are mandatory for enrollment or participation in the training program.
  - General Supportive Services for participant access and well-being, such as childcare and transportation, are not allowable for inclusion in the 40 percent minimum training expenditure requirement, as they are not directly tied to the training itself. These services address barriers that individuals may encounter while participating in training but do not fall under the category of direct training-related expenses. Instead, these supportive services must be addressed through the remaining formula-funded dollars and by collaborating with regional partners to provide additional support that addresses these barriers.
- Case Management
  - Allowable case management costs (salary and benefits) include:
    - Time spent by WIOA staff in developing contracts and documents with training providers/employers necessary for participant enrollment in training programs as well as working directly with participants through their training. This includes tasks such as verifying training attendance, providing supportive services, obtaining and discussion of measurable skills gains, general review of training progress and preparation for completion of training.  
*Note: Direct contact does not include correspondence by mail.*
    - **Time Allocation:**
      - Allocate 2 hours of case management time per employer for tasks such as:

- Completing paperwork necessary to establish required training contracts and documentation necessary for participation in OJTs, Incumbent Worker Training, or Customized Training.  
*Note: This 2.0 hour allocation is only for the establishment of new contracts for OJT/IWT/CT.*
- Allocate 1 hour of case management time per participant for tasks such as:
  - ⊖ Development of the ITA with training provider and completion of required documentation necessary to participate in an ITA (e.g. Training Account application, training funds requests, MOUs).  
*Note: This does not include enrollment, assessment or research activities.*
- Allocate 30 minutes per participant per interaction for *direct contact*, including:
  - *Verifying that the participant has begun their training component.* This assumes direct contact with the participant and specific discussion involving elements of their training (such as overcoming barriers of training, i.e. transportation, attainment of all needed supplies, books, etc., financial aid issues, as well as academic progress, etc.)
  - *Discussion of attainment of Measurable Skills Gains (MSGs) with the participant.* Progress Reports, grades, etc., should be obtained from the provider. However, these should also include discussion/review with the participants. A note can be entered representing contact with the provider to obtain this information. However, if direct engagement is not involved with the participant, this 0.5 hour credit cannot be claimed.
  - *Support Services.* Reviewing documents such as attendance verification for travel, receipts for classroom supplies, clothing, books, tools, equipment, etc. with the participant directly and the process of completing the locally required paperwork to request support service reimbursement.
  - *Direct interaction with participants to discuss various aspects of training,* including attendance, assignments, understanding of the material involved, and overall performance. It is important to note that simply collecting progress reports and related paperwork without reviewing them with the participant does not qualify for inclusion in the training expenditure rate. The goal of this interaction is to ensure the participants are on track to successfully complete their training program.

- *Training completion activities.* As participants near completion of their training component, career planners should directly contact participants to review their upcoming training completion, such as guidance regarding final exam schedules, graduation requirements, upcoming licensing exams, providing guidance in job search and entering the workforce. Once the training is completed a conversation is critical to ensure that the participants have no need for future services (e.g. support services) and are prepared to transition from training to employment.

- **Documentation Requirements:**

- All assigned time must be documented in MACC using the appropriate service assignment.
- Each service should include a detailed note describing the direct service activity performed.
  - The supervision of staff is excluded from consideration for inclusion in meeting the 40 percent training expenditure requirement.
  - The local workforce development board must have a written policy to identify the process by which their staff will track and report any time being applied towards training cost. This process must include specific criteria and a standardized format that all staff will utilize when providing and documenting services. The documentation should be *individualized* to accurately reflect the required tasks performed, demonstrating that they meet the threshold to be considered allowable under the case management activity provision of this state policy.
  - Furthermore, the process must clearly outline the method by which these costs will be accounted for and reported, ensuring they are consistently applied across all case management staff. This method is essential for ensuring compliance with the 40 percent training requirement and must be rigorously followed by all relevant personnel.

## **VII. Enforcement**

Failure by a local workforce development board to meet the required training expenditure percentage will trigger corrective actions and progressive sanctions for subsequent years of non-compliance.

- **Progressive Sanctions:**

- **First Year of Non-Compliance:**

- The local workforce development board must develop and submit a detailed action plan outlining the specific steps to achieve compliance with the required training expenditure percentage.
- This action plan must be approved by the state workforce board and include measurable goals and timelines to ensure compliance.

- **Second Year of Non-Compliance:**
  - In addition to submitting an action plan, the local workforce development board must address the failure to meet the training expenditure requirement in their local plan.
    - This should include:
      - An analysis of the root causes of non-compliance.
      - A comprehensive strategy to ensure future adherence to the expenditure requirement.
  - Recapture and Reallocation: A portion of the local area board's Adult and Dislocated Worker funds may be recaptured and reallocated to other compliant areas.
- **Third Year of Non-Compliance:**
  - Persistent non-compliance for three consecutive years will result in severe corrective actions, potentially including the reorganization of the local workforce development board.
  - The state workforce board will assess the situation and determine necessary steps, which may involve:
    - Restructuring the board's leadership.
    - Altering governance structures.
    - Modifying operational procedures to ensure compliance.
- **Monitoring and Enforcement:**
  - WorkForce WV will annually monitor compliance with the training expenditure requirement and report findings to the state workforce board.
  - Local workforce development boards will be notified of any non-compliance and the corrective actions required as soon as non-compliance is identified.
  - The effectiveness of these corrective actions will be reviewed annually. Adjustments to this policy may be made as necessary to enhance compliance and improve the effectiveness of the workforce development system.

## **VIII. Procedures**

WorkForce WV is responsible for providing additional guidance and establishing processes to collect the necessary data for reporting to the State Workforce Development Board (SWDB) in accordance with this policy. This includes, but is not limited to, defining reporting requirements, timelines, and methodologies that Local Workforce Development Boards (LWDBs) must follow. To ensure compliance, accuracy, and accountability, WorkForce WV will communicate updates or modifications to these processes as necessary.