

# Idaho Workforce Development Training Fund Policy Proposal

## Recap of discussion on program goals:

### Objective/Goals Brainstorm

- Increase the growth of the economy (prosperity) - wages
- Help people increase their economic mobility
- Give workers skills (employability)
- Create talent pipeline for business
- “Educational” transaction (employability)
- Be responsive (immediate needs)
- Provide the funding
- Share best practices
- Accountability
- Start projecting needs and direct funding
- Proof of concept
- Hard to fill vs under/unemployed

### ROI Brainstorm

- Retention
- Wage increases
- New jobs created
- Capital investment
- How grants impact hard to fill jobs
- How grants reduce/close skills gaps

## Proposed Goals of the Idaho Workforce Development Training Fund Grant Programs:

- Support growth of the economy by assisting employers with job creation and integration of technology, specifically through the development of skills in their existing and/or new employees.
- Increase the economic mobility of Idahoans through training that leads to wage gains and retention.
- Provide timely assistance to businesses while shifting focus to broader talent pipeline development strategies that serve multiple employers.
- Encourage replication of best practices in talent pipeline development.
- Provide a return on investment to Idahoans as evidenced by increased wages, job creation, capital investment, retention of Idaho’s workforce, credential attainment and/or customer satisfaction (employer and trainee).
- Promote innovation in talent development.

## Proposed metrics for Workforce Development Training Fund:

### Employer Grants

- Number of employees trained.
- Wage gain at one-year post training.
- Retention in Idaho (whether at the employer who trained them or another Idaho employer).
- Capital investment in expansion/technology updates that precipitated the grant.

### Industry Sector Grants

- Number of individuals trained.
- Number receiving credential(s).
- Number of individuals employed within 30 days following the training.
- Number of individuals employed by the industry consortium (whether incumbent or new hires).
- Wage gains for individuals trained (look at wage prior to training and one-year post training).
- Retention in Idaho at one-year post training.
- Employer satisfaction with sector partnership.

### Innovation (Micro) Grants

- Number trained/impacted.
- Number receiving credential(s).
- Number of employers involved in project.
- Trainee/participant satisfaction.
- Employer satisfaction.
- Additional metrics proposed by the community-based team.
- If direct training is provided to adults, Council staff may require the grantee to collect social security numbers so that employment information can be tracked.

### Employer Grants

Existing Policy	Modification	Relevance (How it is used)	Additional Guidance
Entry level wage must be no lower than \$12 per hour.	Entry level wage must be no lower than \$12 per hour or the average county wage published annually by the Idaho Department of Labor.	Applications will not move forward if the proposal includes jobs that pay less than \$12 per hour. The scoring matrix will be recalibrated to award points based on the percentage of the county average wage rather than a simple wage chart.	The “County Average Wage” will be sourced from the Idaho Department of Labor and is updated annually.

<b>Existing Policy</b>	<b>Modification</b>	<b>Relevance (How it is used)</b>	<b>Additional Guidance</b>
Employer must provide a health benefit plan.	No change.	Applications will not move forward if the applicant does not provide health benefits per the definition adopted by the Council.	“Health benefit plan” means any hospital or medical policy or certificate, any subscriber contract provided by a hospital or professional service corporation, or managed care organization subscriber contract. Health benefit plan does not include policies or certificates of insurance for specific disease, hospital confinement indemnity, accident-only, credit, dental, vision Medicare supplement, long term care or disability income insurance, student health benefits only coverage issued as a supplemental to liability insurance, workers compensation or similar insurance, automobile medical payment insurance or nonrenewable short-term coverage issues for a period of twelve (12) months or less.
The company must produce a product or service that is sold more than 50% outside the region where the business is located with the exception of health care based on the "high wage/high growth" concept.	Eliminate from policy.		<i>Note – with the focus on higher wages, this becomes less relevant.</i>
Company is increasing its current workforce OR is retraining existing staff with obsolete skills in order to avoid layoffs.	Company is increasing its current workforce and/or retraining existing workers with skills necessary for specific economic opportunities or industrial expansion initiatives.	Applications will not move forward unless the applicant shows evidence of new job creation and/or need to retrain workers in conjunction with “specific economic opportunities or industrial expansion”.	Language comes directly from statute.  The “evidence” will include capturing the capital investments being made by the company.
Company must be registered with the Secretary of State to do business in Idaho and be in "good standing".	No change.	Applications will not move forward if the applicant is not registered to do business in Idaho or in good standing with the Secretary of State.	
Third party call centers do not qualify for WDTF funds.	Eliminate from policy.		<i>Note – with the focus on higher wages, this becomes less relevant.</i>

Existing Policy	Modification	Relevance (How it is used)	Additional Guidance
Temporary and contract positions do not qualify for training reimbursement.	No change.	Applications will not move forward if the applicant is requesting funding for temporary and/or contract positions.	Employer training costs incurred during a temp-to-hire process with a temporary employment agency will become eligible for reimbursement at such time as the employee is hired into a full-time permanent position with the WDTF employer paying at least \$12 per hour with employer assisted medical benefits. Temporary employees hired only to meet seasonal demand do not qualify as temp-to-hire.
The executive director of the Idaho Workforce Development Council is authorized to impose a claw back provision when they determine it to be in the best interest of the fund.	No change.	Provide a remedy if the grantee lays off employees who were trained using grant funds within a year of the training.	"Contractor (company) shall retain in full-time employment all trainees successfully completing the training program, provided such trainees are performing in accordance with contractor's company standards. Notwithstanding the foregoing, contractor shall not be obligated to retain employees in full-time employment after a period of one year from the date they completed the training program. Should contractor terminate an employee before the expiration of one year from the date the employee completed the training program for reasons unrelated to employee performance, then contractor shall not be in default of this contract but shall be obligated to repay to the department any training funds received for the terminated employee."
The quantitative funding model is used for determining eligibility and the amount of funding per job for new and retained jobs.	Keep in policy; modify the quantitative funding model to align with other policy changes and expectations from the Council.	The quantitative funding model is used to determine the maximum amount of funding available per job for the applicant.	The quantitative funding model will be reviewed annually by the Workforce Development Policy Committee.
N/A	If a grantee has received a WDTF grant previously, past performance will be reviewed and taken into consideration into future awards.	This could be incorporated into the quantitative funding model or as a standalone review item.	Need to define what components of past performance will be reviewed and how it will impact future awards. Could include utilization rate of prior grants, performance against proposed wage gains, retention of employees, number of prior awards, etc.

Existing Policy	Modification	Relevance (How it is used)	Additional Guidance
<p>Contractor (company) agrees to submit all new hires to the New Hire Report at <a href="https://labor.idaho.gov/newhire">https://labor.idaho.gov/newhire</a>. Only Idaho taxable payroll employee training costs which are cross matched and verified on Idaho's Hire Report Data Base are eligible for reimbursements cost (excludes employee's wages during training).</p>	<p>Only Idaho taxable full-time, non-seasonal employees are eligible for reimbursement.</p>	<p>Evidence of an employer's definition of full-time will taken into consideration by the grant review committee.</p> <p>Reimbursements for training costs will be validated against Idaho's Hire Report Database.</p>	<p>Full-time is defined as 40 hours/week or 2080 hours per year. If an employer defines full-time differently, they may provide evidence for the Council to consider.</p>
<p>Contractor (company) shall provide a list of all positions and average wage, along with individualized skill training plans as required by their job classifications. Training shall be provided to all identified employees and be completed before the expiration of the contract. The training plan should <b>include the training vendor</b>, training title, training description, skills attainment and cost. If the company provides internal training, the training must be a structured on-the-job training with a specific outline of the training curriculum, skills gained, expected outcomes and details on the effectiveness of the training.</p>	<p style="text-align: center;">?</p> <p><i>Delete the training vendor at a minimum based on employer input?</i></p>	<p>The training plan is reviewed by staff and the grant review committee in determining whether an application should be recommended for funding; however, both staff and the committee do not generally have the expertise to determine if the training is high-quality or whether it will achieve the goals for skills attainment.</p> <p>Reimbursements are not currently tied to the specific training plan. Rather staff validates how many employees were eligible for reimbursement and reimburses based on the average cost per employee up to the invoice amount.</p>	<p>Need to provide guidance on what's acceptable for the "specific outline of training curriculum". An on-the-job training schedule from a registered apprenticeship program could be used.</p>

Existing Policy	Modification	Relevance (How it is used)	Additional Guidance
N/A	A pre-award of grant funds (up to \$XXXX) may be provided to assist in the development of a training plan for companies who <insert qualifiers>. Company must submit a pre-application and have been determined eligible for a WDTF grant.	The pre-application would provide the maximum funding level per job which provides a baseline for the applicant to work under. The Council could provide a list of approved “consultants” which the company could choose from or the company could submit a request for a specific consultant to develop the training plan.	
N/A	<p>WDTF grants may reimburse the following eligible expenses for training that provides transferrable skills gains or leads towards promotional opportunities rather than employee onboarding and/or periodic training to meet specific regulatory requirements.:</p> <ul style="list-style-type: none"> <li>• Training costs associated with vendor provided or internal training including instructor wages, reasonable travel costs and materials.</li> <li>• Equipment/facilities?</li> <li>• Assessments?</li> </ul>	The training plan is reviewed by staff and the grant review committee in determining whether an application should be recommended for funding. Any items outside of the eligible expenses would trigger a revision of the application.	<p><i>This comes from the Terms &amp; Conditions covering all three grant programs, not policy:</i></p> <p>Eligible expenses include training seminars, tuition, fees, books and classroom materials, instructor wages and benefits, instructor and trainee travel at State of Idaho per diem rates, reasonable equipment lease and rental costs during the training project period, rent of training facilities, reasonable cost of both pretraining and post training assessment of trainees, costs of curriculum development, authorized training equipment, and other reasonable costs related to approved training.</p>
N/A	Grantees may have only one Workforce Development Training Fund grant open at a time.	Past performance of grantees has been included in the criteria above to be used in determining whether or how much to award.	

## Industry Sector Grants

Existing Policy	Modification	Relevance (How it is used)	Additional Guidance
Maximum award is \$250,000.	Eliminate the maximum.		
Each grant must be expended within two years with the option for a one year, no-cost extension if the outcome benchmarks are met.	Industry sector grants are available for up to three years.	Allows the project to gain momentum after start-up. Will allow tracking of outcomes to be more realistic.	
The applicant must be a business entity representing a consortium of at least three industry partners with a similar occupational need. All industry partners must meet current WDTF business requirements for employer grants.	No change.	Applications will not move forward if the consortium partners do not meet the requirements under the employer grant program.  <i>Note – by eliminating some of the restrictions on employer grants, it frees the sector grants up to address industry needs.</i>	A business entity representing the consortium may include any of the following: industry partners, a non-profit or community-based organization, a public training provider or private training provider. The entity must be authorized to conduct business in Idaho and in good standing as evidenced through the Idaho Secretary of State and/or State Board of Education.
The industry consortium must develop a targeted occupation labor market analysis that identifies the current and projected gaps in employment for the industry and select a training solution to alleviate identified skill gaps. This may be a public/private postsecondary training provider, development of work-based training components or a combination of the two.	The industry consortium must show need for the training proposed in the application.	The Grant Review committee could consider need and sustainability in a scoring matrix.	

Existing Policy	Modification	Relevance (How it is used)	Additional Guidance
<p>The industry consortium, together must provide a 25% cash match of the total grant request, or 100% in-kind match equal to the total grant request, and a memorandum of understanding signed by each partner delineating their contributions.</p>	<p>The industry consortium, together with its training provider partner, must provide resources that directly support the proposed training, at a rate of no less than 25 percent cash, or no less than 100 percent in-kind match, or a combination of cash and in-kind match.  <b>Letters of intent from all partners must accompany the application.</b></p>	<p>The match rates will be incorporated could be integrated into a scoring matrix used by the Grant Review Committee.</p>	<p>In-kind is defined as the cash value of a partner's time, equipment, supplies, space, assessments, travel costs, and marketing costs used to directly support the project that is not reimbursed with grant resources.</p>
<p>Administrative costs cannot exceed five percent of the WDTF grant award.</p>	<p>Administrative costs cannot exceed ten percent of the WDTF grant award. Excess administrative costs may be applied towards match requirements.</p>	<p>Applications will not move forward if administrative costs exceed 10% of the grant request.</p>	
<p>Funds may be used only for the development and delivery of occupational training components that address the identified industry's skill gaps.</p>	<p>Training should provide transferrable skills gains for all individuals participating in the program. Training should lead to wage gains and/or promotional opportunities for incumbent employees of the consortium partners. Training may include traditional classroom delivery, online delivery and/or work-based learning delivery.</p>	<p>The transferability of skills and promotional opportunities will be incorporated into the scoring matrix used by the Grant Review Committee.</p> <p>If similar training is currently available, applicants will be asked to defend why their proposal better meets industry needs.</p> <p><i>Could use the location quotient for the occupation the training is preparing people for as a factor.</i></p>	<p>Soft-skill training is not excluded from sector grants; however, it should be embedded in the training. A sector grant application focused on soft-skill training alone would not be eligible for funding.</p>

Existing Policy	Modification	Relevance (How it is used)	Additional Guidance
<p>Grant funds must be used for delivery of training that alleviates the identified skills gaps and may include: personnel costs for development of training modules and/or delivery of training in a classroom; salary of a business training employee/trainer or for industry expert trainer at a job site; space, equipment or supplies necessary for training; outreach efforts to attract individuals to the training opportunity.</p>	<p>Eligible use of grant funds includes:</p> <ul style="list-style-type: none"> <li>● Personnel costs for development and/or delivery of training; or tuition, fees, books and materials for existing training integrated into the program.</li> <li>● Personnel costs for the industry mentor/on-the-job trainer for structured on-the-job training.</li> <li>● Reasonable training facility costs.</li> <li>● Reasonable equipment costs and supplies.</li> <li>● Reasonable travel costs for the instructor and/or trainee.</li> <li>● Reasonable outreach/marketing efforts to attract individuals to the training program.</li> <li>● Cost of assessments associated with the provision of recognized credentials.</li> </ul>	<p>Applications will not move forward if the budget contains ineligible costs.</p>	<p><i>This comes from the Terms &amp; Conditions covering all three grant programs, not policy:</i></p> <p>Eligible expenses include training seminars, tuition, fees, books and classroom materials, instructor wages and benefits, instructor and trainee travel at State of Idaho per diem rates, reasonable equipment lease and rental costs during the training project period, rent of training facilities, reasonable cost of both pretraining and post training assessment of trainees, costs of curriculum development, authorized training equipment, and other reasonable costs related to approved training.</p> <p><i>New guidance:</i></p> <ul style="list-style-type: none"> <li>● All budget items must be backed up by invoices, receipts and/or payroll records.</li> <li>● Travel reimbursements will not exceed State of Idaho per diem rates.</li> <li>● Outreach/marketing efforts must be coordinated with the Workforce Development Council's marketing plan.</li> <li>● Trainee wages are not an eligible use of grant funds and may not be included in the match requirements.</li> </ul>

<b>Existing Policy</b>	<b>Modification</b>	<b>Relevance (How it is used)</b>	<b>Additional Guidance</b>
N/A	Grantees are required to submit quarterly reports as delineated in the written contract. The quarterly report will include provision of the entire 9-digit social security number of the trainees/participants.	Reinforces in the policy that social security numbers will be required.	The Grantee is responsible for obtaining FERPA waivers for all Trainees in accordance to Code of Federal Regulations: 34C.F.R. §99.30 Subpart D.
N/A	Intellectual property, training curriculum and/or how-to guides may be retained by the Workforce Development Council to share with other partners statewide.	An "intellectual property" clause would be inserted into the Sector Grant contract upon request by the Council or Council staff.	<i>Work with legal to update/develop language. Existing language in Terms and Conditions:</i>  <i>OWNERSHIP OF INFORMATION. All rights and title to data, technical data, or materials developed or generated under the terms of this Grant by Grantee shall vest in Grantee. Grantee agrees not to market or make commercially available any information or materials developed or generated under the terms of this Grant. The requirements of this Section are to be included in all approved sub-Grants and assignments.</i>

### **Innovation (Micro) Grants**

<b>Existing Policy</b>	<b>Modification</b>	<b>Relevance (How it is used)</b>	<b>Additional Guidance</b>
Micro Grants are available for up to \$25,000 for a one-year period.	Innovation Grants are available for up to \$25,000 for a one-year period.	Applications will not be moved forward if the budget exceeds \$25,000 or the performance period exceeds one year.	
N/A	Innovation grants can fund projects that address local workforce development needs. Projects may provide skills training to individuals and/or assist individuals with connecting to careers.	Defines eligible activities for Innovation grants.	

Existing Policy	Modification	Relevance (How it is used)	Additional Guidance
New or enhanced training must address specific employer-identified skills gaps in the community; training cannot supplant or compete with current training opportunities.	No change.	Applications will not be moved forward if there are existing training options for population to be served by the grant.	This becomes a bullet under the policy above defining eligible activities for Innovation Grants.
Training may include work-based learning opportunities or classroom training that addresses the skill gaps identified by employers in the community while providing job candidates with new skills or enhancing the skills of employees at risk of being permanently laid off that allow them to achieve a higher earning level.	Training may include work-based learning opportunities, classroom training or virtual training that addresses the skill gaps identified by employers in the community.	The type of training and its applicability to the target population may be included in a scoring matrix used by the Grant Review Committee.	This becomes a bullet under the policy above defining eligible activities for Innovation Grants.
N/A	Assisting individuals to connect to careers may include providing information and outreach on career education and workforce training opportunities and/or soft skill development.	The proposed project design will be evaluated subjectively by the Grant Review Committee.	This becomes a bullet under the policy above defining eligible activities for Innovation Grants.
The community-based team must provide 100% match (in-kind, cash or a combination).	No change.	Applications will not move forward if the budget does not demonstrate 100% match.	<i>Discuss whether we will require documentation of the match before making reimbursements or whether the match being listed in the application is sufficient.</i>

<b>Existing Policy</b>	<b>Modification</b>	<b>Relevance (How it is used)</b>	<b>Additional Guidance</b>
The lead applicant must represent a community-based team with representation and support from business, education and other community partners as an ideal partnership.	The lead applicant must represent a community-based team with representation and support from business, education and/or other community partners.	The partner mix of the community-based team will be evaluated subjectively by the Grant Review Committee.	
The lead applicant must be an entity physically located in the State of Idaho with the fiscal capacity to track funds and safeguard spending.	No change.	Applications will not move forward unless the entity is authorized to conduct business in Idaho and in good standing as evidenced through the Idaho Secretary of State and/or State Board of Education.	
An applicant must include a description of who will be targeted for training, any pre-requisites for training and the team's planned outreach to under-represented groups.	The applicant must show need for the training and/or activities proposed in the project along with populations targeted.	The Grant Review Committee will consider need, targeted populations and sustainability in the scoring matrix.	
To document the Workforce Development Training Fund's return on investment, individuals 18 and over must provide social security numbers as a condition for participating in training.	Eliminate from policy.	The metrics identified above will be incorporated into the reporting requirements.	
N/A	Grantees may have more than one Innovation Grant project open. However, past performance will be reviewed and taken into consideration into future awards.	The Grant Review Committee will consider past performance in the scoring matrix.	

Existing Policy	Modification	Relevance (How it is used)	Additional Guidance
N/A	Grantees may apply for funding to serve more than one local area/region. The budget for each region cannot exceed \$25,000.	The Grant Review Committee will have discretion to award/not award each region individually. The Committee may further require proof of concept in one region before recommending additional funding.	
N/A	Intellectual property, training curriculum and/or how-to guides may be retained by the Workforce Development Council to share with other partners statewide.	An "intellectual property" clause may be inserted into the Innovation Grant contract upon request by the Council or Council staff.	<i>Work with legal to develop language.</i>