

**Nevada Department of Employment, Training and Rehabilitation
(DETR)
Workforce Innovation and Opportunity Act
State Compliance Policy (SCP)**

Policy Number: 1.21

Originating Office: DETR; Workforce Investment Support Services (WISS)

Subject: Work Experience (WEX), Internships, Registered Apprenticeship and Transitional Jobs.

Issued: NEW; Approved GWDB Executive Committee, 11-14-16; Ratified GWDB, 01-19-17

Purpose: To provide the Workforce Innovation and Opportunity Act (WIOA) requirements for Work Experience, Internships, Registered Apprenticeship and Transitional Jobs for the Adult and Dislocated Worker programs.

State Imposed Requirements: This directive contains some state-imposed requirements. These requirements are printed in **bold, italic type**.

Authorities/References: Workforce Innovation and Opportunity Act P.L. 113-128; 20 CFR §680.180-195, 330 &700-750, TEN 13-12; TEGL 02-07; TEN 44-11; TEGL 3-15.

ACTION REQUIRED:

Upon issuance bring this guidance to the attention of all WIOA service providers, local workforce development board (LWDB) members and any other concerned parties. Any LWDB's policies, procedures, and or contracts affected by this guidance are required to be updated accordingly.

Background:

Work-based training is employer-driven with the goal of unsubsidized employment after participation. Generally, work-based training involves a commitment by an employer or employers to fully employ successful participants after they have completed the program. Work-based training can be an effective training strategy that can provide additional opportunities for participants and employers in both finding high quality work and in developing a high quality workforce. Each of these work-based models can be effectively used to target different job seeker and employer needs. Providers of Work-based training must be providing the highest quality training to participants and are subject to performance and dissemination requirements of WIOA sec. 134(a)(2)(B)(v) and 122(h), separate from that of the Eligible Training Provider List (ETPL).

NOTE: Additional Work based training programs can be found by referencing SCP 1.14 and 1.19.

Work Experience (WEX); Internship-

Are planned, structured, time-limited learning experiences that take place in a workplace. They may be paid or unpaid, as appropriate and be provided in the private for-profit, non-profit, or public sectors. Labor standards apply to any internship or work experience in which an employee/employer relationship exists under applicable law. An internship or work experience for a participant in WIOA is classified as an Individualized Career Service as described in 20 CFR § 678.430(b). Internships and work experiences provide a helpful means for an individual to gain experience that leads to unsubsidized employment.

Care must be taken when matching the participant to a job site taking into consideration the demonstrated aptitudes/interests, the location (transportation) and availability of supervising staff.

Registered Apprenticeship (RA)-

RA programs offer employment and a combination of on-the-job learning and related technical and theoretical instruction through a training provider. Apprentices are employed at the start of their apprenticeship and work through a series of defined curricula, usually in a classroom, until the completion of their apprenticeship programs. Components of RAs include structured On-the-Job training, related training and instruction, rewards in skill gains and national occupational credentials. RA programs automatically qualify to be placed on the State and LWDB list (ETPL). RA programs must appear on the list to be utilized. *Each program is reviewed by the LWDB on a quarterly basis to insure continued endorsement by the RA Council.*

Transitional Jobs-

Are time-limited work experiences that are subsidized and are in the public, private, or nonprofit sectors for individuals with barriers to employment who are chronically unemployed or have an inconsistent work history, and are combined with comprehensive career and supportive services. They differ from traditional work experience in that the participant must be paid. The goal of transitional jobs is to establish a work history for the individual that demonstrates success in the workplace, and develops the skills that lead to entry into and retention in unsubsidized employment. Unlike On the Job Training (OJT) there is no assumption that the individual will be retained in their transitional job after the experience is over, though that would be a successful experience and outcome.

Policy and Procedure:

Work Experience (WEX)/Internships (20 CFR §680.180)

For the purposes of WIOA sec. 134(c)(2)(A)(xii)(VII), an internship or work experience is a planned, structured learning experience that takes place in a workplace for a limited period of time. Internships and other work experience may be paid or unpaid, as appropriate and consistent with other laws, such as the Fair Labor Standards Act. An internship or other work experience may be arranged within the private for profit sector, the non-profit sector, or the public sector. Labor standards apply in any work experience setting where an employee/employer relationship, as defined by the Fair Labor Standards Act, exists. Transitional jobs are a type of work experience, as described in [20 CFR]§ 680.190 and 680.195.

Registered Apprenticeship **(20 CFR §680.330)**

Registered apprenticeships automatically qualify to be on a State's eligible training provider list (ETPL) as described in [20 CFR] § 680.470.

(a) ITAs [Individual Training Accounts] can be used to support placing participants in registered apprenticeship through:

(1) Pre-apprenticeship training, as defined in [20 CFR] §681.480 of this chapter; and

(2) Training services provided under a registered apprenticeship program.

(b) Supportive services may be provided as described in [20 CFR]§ 680.900 and 680.910.

(c) Needs-related payments may be provided as described in [20 CFR] § 680.930, 680.940, 680.950, 680.960, and 680.970.

(d) Work-based training options also may be used to support participants in registered apprenticeship programs (see [20 CFR] § 680.740 and 680.750).

(20 FR § 680.740)

(a) OJT [On the Job Training] contracts may be entered into with registered apprenticeship program sponsors or participating employers in registered apprenticeship programs for the OJT portion of the registered apprenticeship program consistent with [20 CFR]§ 680.700. Depending on the length of the registered apprenticeship and State and local OJT policies, these funds may cover some or all of the registered apprenticeship training.

(b) If the apprentice is unemployed at the time of participation, the OJT must be conducted as described in [20 CFR] § 680.700. If the apprentice is employed at the time of participation, the OJT must be conducted as described in [20 CFR] § 680.710.

(20 CFR § 680.750)

There is no Federal prohibition on using both ITA and OJT funds when placing participants into a registered apprenticeship program. See [20 CFR] § 680.330 on using ITAs to support participants in registered apprenticeship.

Transitional Jobs (WIOA sec. 134(c)(3)(D), 134(d)(5))

Transitional Jobs are a WIOA Training Service as described in [WIOA sec.]134(c)(3)(D). The local board may use not more than 10 percent of the funds allocated to the local area involved under section 133(b) to provide transitional jobs under subsection (c)(3) that—

(A) are time-limited work experiences that are subsidized and are in the public, private, or nonprofit sectors for individuals with barriers to employment who are chronically unemployed or have an inconsistent work history;

(B) are combined with comprehensive employment and supportive services; and

(C) are designed to assist the individuals described in subparagraph (A) to establish a work history, demonstrate success in the workplace, and develop the skills that lead to entry into and retention in unsubsidized employment.

If local areas choose to use transitional jobs as part of their service delivery strategy, they should adopt policies and identify employers (public, private or nonprofit) that can provide quality experiences for individuals to eventually obtain unsubsidized employment. Additionally, these policies should include plans on the amount reimbursements would be for the jobs, what supportive services should be included, and any limits on the duration of the transitional job.

(20 CFR §680.190)

A transitional job is one that provides a time-limited work experience, that is wage-paid and subsidized, and is in the public, private, or non-profit sectors for those individuals with barriers to employment who are chronically unemployed or have inconsistent work history, as

determined by the LWDB. These jobs are designed to enable an individual to establish a work history, demonstrate work success in an employee-employer relationship, and develop the skills that lead to unsubsidized employment.

Funding (20 CFR §680.195)

The local area may use up to 10 percent of their combined total of adult and dislocated worker allocations for transitional jobs as described in [20 CFR] § 680.190. Transitional jobs must be combined with comprehensive career services (see [20 CFR] § 680.150) and supportive services (see [20 CFR] § 680.900).

WIOA sec. 122(h)

(h) ON-THE-JOB TRAINING, CUSTOMIZED TRAINING, INCUMBENT WORKER TRAINING, AND OTHER TRAINING EXCEPTIONS.—

(1) IN GENERAL.—Providers of on-the-job training, customized training, incumbent worker training, internships, and paid or unpaid work experience opportunities, or transitional employment shall not be subject to the requirements of subsections (a) through (f) [of WIOA sec 122].

(2) COLLECTION AND DISSEMINATION OF INFORMATION.—

A one-stop operator in a local area shall collect such performance information from providers of on-the-job training, customized training, incumbent worker training, internships, paid or unpaid work experience opportunities, and transitional employment as the Governor may require, and use the information to determine whether the providers meet such performance criteria as the Governor may require. The one-stop operator shall disseminate information identifying such providers that meet the criteria as eligible providers, and the performance information, through the one-stop delivery system. Providers determined to meet the criteria shall be considered to be identified as eligible providers of training services.

WIOA sec.181

(a) BENEFITS.—

(1) WAGES.—

(A) IN GENERAL.—Individuals in on-the-job training or individuals employed in activities under this title shall be compensated at the same rates, including periodic increases, as trainees or employees who are similarly situated in similar occupations by the same employer and who have similar training, experience, and skills, and such rates shall be in accordance with applicable law, but in no event less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) or the applicable State or local minimum wage law.

(B) RULE OF CONSTRUCTION.—The reference in subparagraph (A) to section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) shall not be applicable for individuals in territorial jurisdictions in which section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) does not apply.

(2) TREATMENT OF ALLOWANCES, EARNINGS, AND PAYMENTS.—

Allowances, earnings, and payments to individuals participating in programs under this title shall not be considered as income for the

purposes of determining eligibility for and the amount of income transfer and in-kind aid furnished under any Federal or federally assisted program based on need, other than as provided under the Social Security Act (42 U.S.C. 301 et seq.).

(b) LABOR STANDARDS.—

(1) LIMITATIONS ON ACTIVITIES THAT IMPACT WAGES OF EMPLOYEES.—No funds provided under this title shall be used to pay the wages of incumbent employees during their participation in economic development activities provided through a statewide workforce development system.

(2) DISPLACEMENT.—

(A) PROHIBITION.—A participant in a program or activity authorized under this title (referred to in this section as a “specified activity”) shall not displace (including a partial displacement, such as a reduction in the hours of non-overtime work, wages, or employment benefits) any currently employed employee (as of the date of the participation).

(B) PROHIBITION ON IMPAIRMENT OF CONTRACTS.—A specified activity shall not impair an existing contract for services or collective bargaining agreement, and no such activity that would be inconsistent with the terms of a collective bargaining agreement shall be undertaken without the written concurrence of the labor organization and employer concerned.

(3) OTHER PROHIBITIONS.—A participant in a specified activity shall not be employed in a job if—

(A) any other individual is on layoff from the same or any substantially equivalent job;

(B) the employer has terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created with the participant; or

(C) the job is created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals (as of the date of the participation).

(4) HEALTH AND SAFETY.—Health and safety standards established under Federal and State law otherwise applicable to working conditions of employees shall be equally applicable to working conditions of participants engaged in specified activities. To the extent that a State workers’ compensation law applies, workers’ compensation shall be provided to participants on the same basis as the compensation is provided to other individuals in the State in similar employment.

(5) EMPLOYMENT CONDITIONS.—Individuals in on-the-job training or individuals employed in programs and activities under this title shall be provided benefits and working conditions at the same level and to the same extent as other trainees or employees working a similar length of time and doing the same type of work.

(6) OPPORTUNITY TO SUBMIT COMMENTS.—Interested members of the public, including representatives of businesses and of labor organizations, shall be provided an opportunity to submit comments to the Secretary with respect to programs and activities proposed to be funded under subtitle B.

(7) NO IMPACT ON UNION ORGANIZING.—Each recipient of funds under this title shall provide to the Secretary assurances that none of such funds will be used to assist, promote, or deter union organizing.

(c) GRIEVANCE PROCEDURE.—

(1) IN GENERAL.—Each State and local area receiving an allotment or allocation under this title shall establish and maintain a procedure for grievances or complaints alleging violations of the requirements of this title from participants and other interested or affected parties. Such procedure shall include an opportunity for a hearing and be completed within 60 days after the filing of the grievance or complaint. [Reference State Compliance Policy 4.3]

(2) INVESTIGATION.—

(A) IN GENERAL.—The Secretary shall investigate an allegation of a violation described in paragraph (1) if—

(i) a decision relating to such violation has not been reached within 60 days after the date of the filing of the grievance or complaint and either party appeals to the Secretary; or

(ii) a decision relating to such violation has been reached within such 60 days and the party to which such decision is adverse appeals such decision to the Secretary.

(B) ADDITIONAL REQUIREMENT.—The Secretary shall make a final determination relating to an appeal made under subparagraph (A) no later than 120 days after receiving such appeal.

(3) REMEDIES.—Remedies that may be imposed under this section for a violation of any requirement of this title shall be limited—

(A) to suspension or termination of payments under this title;

(B) to prohibition of placement of a participant with an employer that has violated any requirement under this title;

(C) where applicable, to reinstatement of an employee, payment of lost wages and benefits, and reestablishment of other relevant terms, conditions, and privileges of employment; and

(D) where appropriate, to other equitable relief.

(4) RULE OF CONSTRUCTION.—Nothing in paragraph (3) shall be construed to prohibit a grievant or complainant from pursuing a remedy authorized under another Federal, State, or local law for a violation of this title.

(d) RELOCATION.—

(1) PROHIBITION ON USE OF FUNDS TO ENCOURAGE OR INDUCE RELOCATION.—No funds provided under this title shall be used, or proposed for use, to encourage or induce the relocation of a business or part of a business if such relocation would result in a loss of employment for any employee of such business at the original location and such original location is within the United States.

(2) PROHIBITION ON USE OF FUNDS AFTER RELOCATION.—

No funds provided under this title for an employment or training activity shall be used for customized or skill training, on-the-job training, incumbent worker training, transitional employment, or company-specific assessments of job applicants or employees, for any business or part of a business that has relocated, until the date that is 120 days after the date on which such business commences operations at the new location, if the relocation

of such business or part of a business results in a loss of employment for any employee of such business at the original location and such original location is within the United States.

(3) **REPAYMENT.**—If the Secretary determines that a violation of paragraph (1) or (2) has occurred, the Secretary shall require the State *[or local area]* that has violated such paragraph (or that has provided funding to an entity that has violated such paragraph) to repay to the United States an amount equal to the amount expended in violation of such paragraph.

(e) **LIMITATION ON USE OF FUNDS.**—No funds available to carry out an activity under this title shall be used for employment generating activities, investment in revolving loan funds, capitalization of businesses, investment in contract bidding resource centers, economic development activities, or similar activities, that are not directly related to training for eligible individuals under this title. No funds received to carry out an activity under subtitle B shall be used for foreign travel.

(f) **TESTING AND SANCTIONING FOR USE OF CONTROLLED SUBSTANCES.**—

(1) **IN GENERAL.**—Notwithstanding any other provision of law, a State *[or local area]* shall not be prohibited by the Federal Government from—

(A) testing participants in programs under subtitle B for the use of controlled substances; and

(B) sanctioning such participants who test positive for the use of such controlled substances.

(2) **ADDITIONAL REQUIREMENTS.**—

(A) **PERIOD OF SANCTION.**—In sanctioning participants in a program under subtitle B who test positive for the use of controlled substances—

(i) with respect to the first occurrence for which a participant tests positive, a State may exclude the participant from the program for a period not to exceed 6 months; and

(ii) with respect to the second occurrence and each subsequent occurrence for which a participant tests positive, a State may exclude the participant from the program for a period not to exceed 2 years.

(B) **APPEAL.**—The testing of participants and the imposition of sanctions under this subsection shall be subject to expeditious appeal in accordance with due process procedures established by the State.

(C) **PRIVACY.**—A State shall establish procedures for testing participants for the use of controlled substances that ensure a maximum degree of privacy for the participants.

(3) **FUNDING REQUIREMENT.**—In testing and sanctioning of participants for the use of controlled substances in accordance with this subsection, the only Federal funds that a State may use are the amounts made available for the administration of statewide workforce investment activities under section 134(a)(3)(B).

(g) **SUBGRANT AUTHORITY.**—A recipient of grant funds under this title shall have the authority to enter into sub-grants in order to carry out the grant, subject to such conditions as the Secretary may establish.

LWDB Policy Requirements Summary

Boards Must Have Written Policy Defining the Following

- Eligibility of participant, where applicable, and training provider in each Work- based Training service.
- Documentation and reporting of Performance and methods of Dissemination of Work- based Training activities to the public.
- Definition of Self Sufficient Wage in the local area.
- Contract requirements for OJT providers and participants, including file, MIS, financial activities/records, job descriptions specific to employment, progress reports.
- WEX/Internship policy/procedures including requirements in documentation, contract requirements, payment to participant, duration timelines, job site safety precautions, participant progress reports, selection of employers taking into account necessary state and federal requirements. (WEX and Intern participants are employed by the WIOA Service Provider and must be provided all State and Federally requirements including those of minimum wage laws, FICA and Workers Compensation coverage)
- RA procedures policy/procedures in coordination of activities, documentation of wage/increases, skills gain, and appropriate participant exit timeframes.
- Policy and procedures as to in identifying employers, amount of reimbursements, what support services to provide and any limits to duration of the Transitional Job.

Required Participant File Content (WIOA sec. 134, 181, 194, 20 CFR§ 680.700-750, Data Element Validation)

The participant case file must contain at a minimum and per Local Board requirements;

- *Administered assessments and the Individual Employment Plan (IEP) wherein the participant's interests, abilities and needs are identified and related to the WEX, Internship, Pre-Apprenticeship, RA, or Transitional Job activity/employment.*
- *The WEX/Internship Contract; contract modification if any.*
- *RA Contract or documentation identifying all components, time frames, salary etc.*
- *Job Description for the participating Work-based training*
- *Progress Reports (content and interim per Local Board policy)*
- *Financial documentation(including time sheets, invoices and payroll records) as to costs associated with WEX/Internship*

Required Case Note/Comment

- *The need for the training service has been properly documented*
- *Co-enrollment details as to shared costs and services if any*
- *Contact with participant/ Work-based Employer*
- *Start and end dates, invoice details in time frames and costs*
- *Receipt of progress reports, performance and necessary steps taken to improve below standard performance*

Reference MIS Data and Performance Desk Reference Guide for specific data entry requirements at:

http://detr.state.nv.us/worforce_investment_pages/workforceinvestment.htm

NOTE: Should separate files, such as financial records, be maintained by service providers, these files must be present at time of monitoring.