Employment Training Panel

Workforce Literacy Pilot Program

Information Session
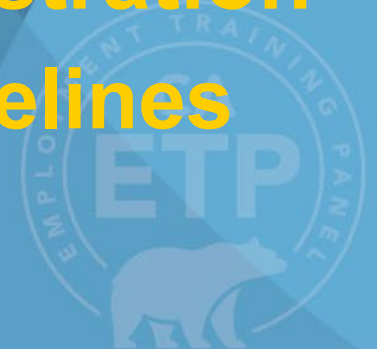
Ilya Launitz
Robert Meyer

February 21, 2023

Today's Session:

- **Workforce Literacy Pilot Program Overview**
- **Eligibility for Applicants**
- **Training Population**
- **Training**
- **Reimbursement and Administration**
- **Application Process and Timelines**
- **Questions & Answers**

PREFATORY NOTES

This presentation is intended as a summary of the Workforce Literacy Pilot Program (WLPP) guidelines which were approved by the Panel on October 28, 2022.

The contents of this presentation, and any communication with ETP are not binding on the State and shall in no way alter any specification, term, or availability of funding.

What is ETP? (CORE Funding)

ETP is a State agency that uses a **pay-for-performance contract** to reimburse the costs for employer-customized job skills training. FY22/23 Focus on Priority Industry Sectors and Initiatives of the Labor and Workforce Development Agency.

Multiple Employer Contract partners:
https://etp.ca.gov/training-opportunities/

Application Process Assistance and Interactive Orientation
https://etp.ca.gov/getting-started/apply-for-funds/interactive-orientation/

More information: *ETPEDUnit@etp.ca.gov*

WLPP Overview and Background

*The Employment Training Panel (ETP) received $10 Million in one-time General Fund dollars, in Fiscal Year 2022-23, to launch a new **Workforce Literacy Pilot Program**. WLPP contracts will be 2 years in length (with the last 90 days used for retention). These funds shall be available for encumbrance or expenditure until June 30, 2025.*

Funding appropriated from the General Fund to ETP for the purpose of workforce training is defined as an "Alternative Funding Source" subject to Unemployment Insurance Code section 10214.6(a), and Section 4451(d) of Title 22 of the CA Code of Regulations.

WLPP Overview and Background

California is home to millions of immigrants, refugees, and English Language Learners who face barriers limiting access to education and workforce development services including job-training programs that provide opportunities to gain skills and experience leading to sustainable wages.

ETP will address these barriers by engaging employers to build the skills of their workers to improve the competiveness of their business and effectively lift people out of poverty and on a path to upward mobility.

WLPP Intended Outcomes

- *Create or expand workplace literacy training in English, math, digital skills, workforce preparation activities, and technical skills. Employer industry sectors may include: retail, agriculture, hospitality, manufacturing, janitorial, shipping, childcare, healthcare, warehousing, food production, and other relevant industries.*

- *Research has shown that greater English literacy skills are closely correlated with higher earnings, and workplace literacy programs that help workers to build these skills can play a powerful role in economic advancement.*

WLPP Application

ETP will assess Workforce Literacy Pilot Program applications for the quality of its training programs to ensure the intent of this program is met.

ETP will open the application window for this program: **February 27, 2023 (starting at 8:00AM PST) and closing March 20, 2023 (until 3:00 PM PST)**

In the event the demand for this program is greater than the allocated funding, priority may be given to first-time ETP applicants or applicants with fewer existing ETP contracts.

WLPP Application Priorities

Applicants will need to provide a description of their training program to include the benefits of their training to their trainees, the industry sectors, occupational priorities, pathways to upward mobility, duration and intensity of the training program, and other relevant details.

- *Priority will be given to programs where training includes the complementing of literacy and technical skills, such as Contextualized Instruction, which refers to the use of occupationally specific materials for instruction.*

WLPP Application Priorities

- *Priority will also be given to programs where certifications are earned by trainees who complete the training.*

- *Priority will also be given to programs that rely more on instructor led training, including for digital skills, with or without self-paced training as a complement. No program can charge trainees for any portion of the ETP funded training.*

Contract Format

ETP uses a pay-for-performance contract to fund a structured training program to achieve specific goals. The contract is a legally binding document.

The contract term is a maximum of 24 months, and all training must be delivered within 21 months or less, to allow time for retention.

WLPP projects are capped at $600,000.

ETP funding is only for training and employment that is provided within the term dates of an approved contract; ETP funding is not retroactive.

Contract Funding

If all funding for this program is not awarded by June 30, 2023, or if any funding is recuperated by ETP, and a contractor can demonstrate more than seventy-five percent (75%) of potential earnings based on eligible reported (tracked) hours to ETP, then a contractor may go before ETP's Panel to request an amendment to increase funding.

Concurrent Contracts

Contractors may apply for a Workforce Literacy Pilot Program funded project in addition to a core funded program and/or other alternate funded programs in the same fiscal year if those programs are not also funding the intended trainee population and training types of this program.

Concurrent enrollment is allowed for trainees enrolled in this program and an ETP core program funded project, however concurrent training hours or topics between the two programs are not allowed.

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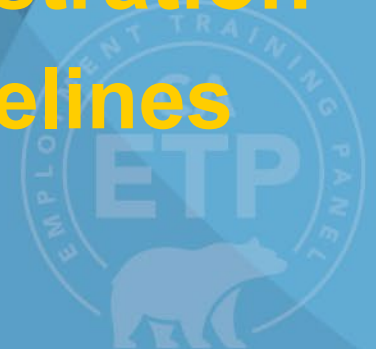
Contract Models

Single Employer

    ETP eligible employers train their own new and existing employees in employer-customized job skills training.

Multiple Employer Contractor (MEC)

    ETP contractor aggregates the training needs of multiple employers to train and place job seekers (New Hires) and to upskill new and existing workers (Job Creation Retrainees and Retrainees).

WLPP Applicants may apply for ETP Core funding and alternative funding in the same fiscal year. ETP contract performance will evaluated for any application.

Basic WLPP Employer Eligibility

Employers can be private-for-profit and subject to the Unemployment Insurance (UI) tax. They may also be non-profit or municipal employers not subject to UI tax.

Employers must report wages for employees through EDD.

Employers must be located in California and may only train California workers.

WLPP Industry Sectors

Employers can be within the following industry sectors: retail, agriculture, hospitality, manufacturing, janitorial, shipping, childcare, healthcare, warehousing, food production, and other relevant industries.

These industry sectors are not exclusive however do demonstrate a concentration of intended worker occupations with a historical alignment with the objectives of WLPP.

WLPP MEC Contractor Eligibility

Multiple Employer Contractors (MEC) include:

- **Group of Employers** – Chambers of Commerce, Trade Association, Economic Development Corporation and Joint Apprenticeship Training Committees, organized labor (unions), pre-apprentice programs
- Public or Private **Training Agency**
- **Workforce Development Board**
- Workforce Investment and Opportunity Act (WIOA) **Grant Recipient/Administrator**
- **Non-Profit Community Based Organizations**

Community Based Organizations

Under the WLPP, a "**community-based organization**" means a 501c3 organization of demonstrated effectiveness that:

(A) is representative of a community or significant segments of a community; and
(B) provides educational or related services to individuals in the community.

As part of the application, CBOs will be asked to provide demonstration of 501C3 status and a description of their community educational and related services.

Notice of Intent and Union Support Letters

Contractors must send a Notice of Intent to their respective union(s) explaining the proposed training program and provide the union an opportunity to participate in development of the ETP Contract.

In addition, the union(s) must send a Union Support Letter to ETP granting their support for the proposed training program and verify that they were able to participate in the development process.

Retraining Requirements

Employers Must Demonstrate:

- The Need for Training;

- That Funding is supplemental and not supplanting the company's own funds;

- That they provide Secure Jobs (low turnover rate); and

- An **In-Kind Contribution**, includes wages paid during training, course materials, equipment depreciation and facility rental. Does not mean cash on hand.
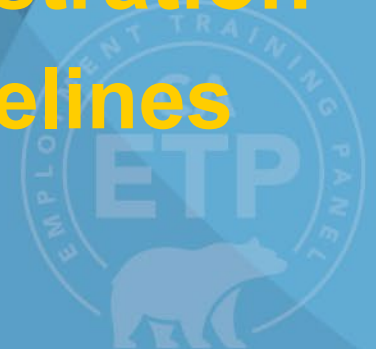
Turnover Rate Calculation

All employers participating must have a **turnover rate** for permanent full-time employees (individuals working an average of 35 hours or more per week) not to not exceed 20 percent for the preceding calendar year at the facility where training is being requested.

Instructions to calculate turnover rate: Divide the number of full-time employees who separated from their jobs during the most recent calendar year (January – December) by the average number of full-time employees employed during the same time period at the same company site(s).

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WLPP Trainee Population

WLPP Trainee populations may include the following:

Unemployed Individuals/Job Seekers
New Hire Trainees (MEC ONLY)

New and Existing Full-time Workers
Retrainees and Job Creation Retrainees

Seasonal Workers

DAS-Recognized Pre-Apprenticeship participants

WLPP Trainee Population

Trainees must also be: Immigrants, Refugees; or English Language Learners

English Language Learner is defined as an individual (at least 18 years of age at the time of enrollment) "who has limited ability in speaking, reading, writing, or understanding of the English language, and whose native language is a language other than English; or who lives in a family or community environment where a language other than English is the dominant language."

Trainee Eligibility

- Temp to Perm placement models can qualify.

- Unemployment Insurance eligibility is not required for WLPP trainees.

- Demonstration of union support must be submitted for Trainees represented by a Collective Bargaining Agreement.

  Contracts may be approved with a 15-day contingency if Union Support documentation is forthcoming.

Basic Trainee Requirements

Trainees must complete a minimum of 8 hours of training within the contract term. Maximum is 200 hours of training per trainee.

Training Funds are **EARNED**

- after the trainee completes a post-training employment retention period working full-time; and
- earns the State minimum wage or the local minimum wage if higher than the State minimum wage.

Contractors must ensure that Employers pay trainees (at their normal wages) for all hours in which they participate in ETP funded training.

WLPP Retention

The post-training employment retention period ETP Regulation 4400(v) may include:

90 days after the end of training; or 500 hours of employment during a period not to exceed 272 calendar days after completion of training.

Seasonal Workers may use a retention period of not less than 500 hours within 12 months of the end-of-training with up to three employers in the seasonal industry.

Additional Retention Notes

For the WLPP retention period, full-time will be considered 35 hours per week.

WLPP Trainees do not need to be employed full-time during retention.

Training may include part-time workers if the training results in full-time employment by the end of the retention period.

Trainee Wages

The required post-training, employment-retention minimum wage for all trainees under this program will be the California State minimum wage or the local minimum wage for localities with a higher minimum wage than the State.
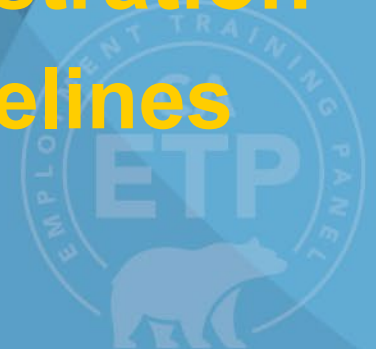
Applicants will identify **actual wages paid** for each occupation, including a minimum and maximum wage paid per hour. WLPP Contractors will be required to report training wages at enrollment for all trainees.

Contractors must pay trainees (at their normal wages) for all hours in which they participate in ETP funded training.

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WLPP Training Types

Three training types will be eligible under WLPP:

- *Literacy Skills*
  English, Math, and Digital Literacy;
- *Workforce Preparation Activities; and*
- *Technical Skills.*

At least seventy percent (70%) of training hours for each trainee must include literacy skills, with a significant portion of the literacy skills dedicated to English literacy.

No program can charge trainees for any portion of the ETP funded training.

Training Types: Literacy Skills

The term "literacy" means an individual's ability to read, write, and speak in English, compute, and solve problems, at levels of proficiency necessary to function on the job, in the family of the individual, and in society.

For the purpose of this program, Literacy Skills will also include the following:

English Literacy: means instruction designed to help individuals who are English language learners achieve competence in reading, writing, speaking, and comprehension of the English language.

Digital Literacy: means the skills associated with using technology to enable users to find, evaluate, organize, create, and communicate information.

Training Types: Workforce Preparation Activities

The term "Workforce Preparation Activities" means activities, programs, or services designed to help an individual acquire a combination of basic academic skills, critical thinking skills, and self-management skills.

This includes training in competencies such as utilizing resources, using information, working with others, understanding systems, and obtaining skills necessary for successful transition into and completion of postsecondary education or training, or employment.

Training Types: Technical Skills

The term "Technical Skills" refers to the specialized knowledge and expertise required to perform specific job related tasks and use specific tools and programs in workplace situations. This training type will group much of the job skills focus found in Core Program contracts.

Notes: Priority will be given to programs where training includes the complementing of literacy and technical skills, such as Contextualized Instruction, which refers to the use of occupationally specific materials for instruction.

Priority will also be given to programs where certifications are earned by trainees who complete the training.

Training Delivery Methods

WLPP contracts may include the following training delivery formats:

- Classroom/Laboratory;
- Instructor Led/Distance Learning (E-learning);
- Distance Education/Hybrid Learning; and
- Computer-Based Training (CBT).

No training program shall consist of a majority of CBT. There is no Productive Laboratory training under WLPP.

Priority will also be given to programs that rely more on instructor led training, including for digital skills, with or without self-paced training as a complement.

Training Delivery Methods

"**Classroom training**" is formal instruction provided in a setting removed from the trainee's usual work environment. Trainees in a classroom must meet regularly for training in a specific skill under the constant and direct guidance of a qualified trainer.

"**Laboratory training**" is hands-on instruction or skill acquisition under the constant and direct guidance of a qualified trainer. Laboratory training may require the use of specialized equipment or facilities.

Training Delivery Methods

"**Electronic-delivery training (E-learning)**" is instruction delivered by a live trainer through a web based system. E-Learning training must follow a specific and standardized Curriculum for each course identified in Exhibit B: Menu Curriculum and be delivered to a fixed number of enrolled trainees.

In addition, the live trainer must be available for interaction with all trainees in real-time during all hours of E-learning training, consistent with the contract Curriculum.

Training Delivery Methods

"**Distance Education/Hybrid Learning**" is defined as formal interaction which uses one or more technologies to deliver instruction to students who are separated from the instructor and which supports regular and substantive interaction between the students and instructor, either synchronously or asynchronously. This may include utilizing technology to assist with comprehension of the curriculum.

Note: The reimbursement rate for this training type will be $23 per training hour per trainee. This is a pending change to ease program development.

Training Delivery Methods

"**Computer-Based Training (CBT)**" is training delivered through a computer program at a pace set by the trainee (self-paced). There is no requirement for delivery by a live trainer. This type of training need not be interactive.

This type of training is not reimbursed at the class/laboratory rate, but at a reduced rate specific to CBT, $9 per hour.

No training program shall consist of a majority of CBT.

Delivery Methods/Trainer Ratios

Delivery Method	Maximum Trainer to Trainee Ratio
Classroom, Laboratory, Electronic-delivery training (E-learning), Distance Education/Hybrid Learning [Interactive]	1:20
All Interactive for New Hires	1:15
Computer-Based Training (CBT)	N/A

Training Providers

Employer may select any combination of internal or external training provider as part of an ETP contract.

Under WLPP, contractors must certify in the application that all training under this program will only be delivered by qualified instructors.

A qualified instructor is someone who is competent in the subject matter, holds a bachelor's degree, and has a minimum of two years of directly relevant teaching experience.

A MEC can use either employer facilities to train or a center-based facility to accommodate employers.

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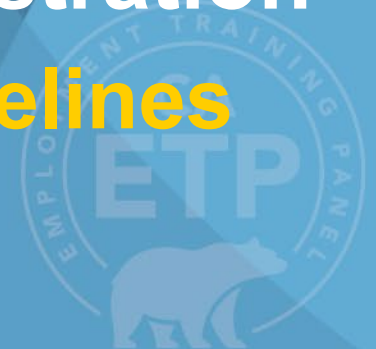
Reimbursement

<u>The cost of training is the cost of training.</u>

ETP uses a **fixed-fee training reimbursement rate** that is inclusive of all administration and training costs. New Hire Training can not pass costs to Trainee.

Under WLPP, ETP reimbursement rates will be $9 per training hour per trainee for CBT and $23 per training hour for all interactive training delivery methods.

ETP funding = total training hours* x reimbursement rate

* based only upon the number of valid training hours delivered and tracked.

MEC Support Costs

Due to the costs of creating and supporting a program for the intended population and training types, all eligible MECs may receive twenty percent (20%) support costs for this program.

An additional ten percent (10%) for support costs will be allowed for programs training unemployed individuals.

Contractors are encouraged to use support costs to educate front-line managers/supervisors on the benefits of this training for their staff so they may support and encourage their staff to participate in the training.

ETP Administration

Contractor is responsible for all contract administration including record keeping and payroll documentation.

Contractors may use alternate record keeping for this program. Contractors must get approval by their Regional Office development analyst prior to start of training.

All training hours must be reported in ETP systems within 90 days of the delivery of training.

ETP may conduct a third party independent evaluation at the program's conclusion to assess the program's impact on worker retention, wages, and skills. Contractors are required to participate in any such evaluation.

Fund Recuperation

To maximize the usage of awarded funds and effectiveness of program design, any and all funds not expended in accordance with this Workforce Literacy Pilot Program shall be returned.

This includes, without limitation, any and all Administrative Costs and Support Costs allowed herein, at a rate commensurate with expected individual trainees not actually served and enrolled as determined by ETP.

ETP

Fund Recuperation

The parties will acknowledge and agree that any and all returned funds may be used to fund other contractors awarded a contract under this Alternative Funding Source program.

Additionally, in order to ensure timely recuperation of funds not expended in accordance with this program, the parties acknowledge and agree that ETP shall conduct two performance assessments regarding the demand for funds.

Fund Recuperation: Period 1

At the end of 12 months into the Term of the Contract, ETP will conduct a performance assessment in order to measure the percentage of expected performance.

In the event the foregoing assessment demonstrates less than fifty percent (50%) of potential earnings based on eligible reported (tracked) hours to ETP, then ETP may right-size to the expected earnings by the end term date of the Contract based on percentage actually reached in the first 12 months of the Term for the Contract.

ETP

Fund Recuperation: Period 2

At the end of 18 months, ETP will conduct a second performance assessment in order to measure the percentage of expected performance.

In the event the foregoing assessment demonstrates less than seventy percent (70%) of potential earnings based on eligible reported (tracked) hours to ETP, then ETP may right size to the expected earnings by the end term date of the Contract based on percentage actually reached in the 18 months of the Term for the Contract.

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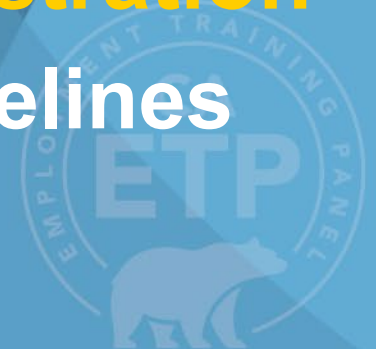
WLPP Application Questions

- Describe your training program, including the benefits of the training to your trainers, pathways to upward mobility, duration and intensity of the training program.

- Provide further information if the training program includes the complementing of literacy and technical skills, such as Contextualized Instruction, which refers to the use of occupationally specific materials for instruction.

- What efforts will you take to ensure trainees make it through the end of the training program.

WLPP Application Questions

- Describe how at least seventy percent (70%) of the hours trained for each trainee will include a significant portion dedicated to English literacy skills.

- Describe how much of the training hours will rely on instructor led training methodologies, with or without self-paced training as a compliment.

- Describe how the trainees will remain employed after completion of your training program.

WLPP Application Questions

- Describe how your program will promote the benefits of literacy training to frontline managers/supervisors to help ensure they support their employees doing the training program.

- Will any of the employees participating in the training be working part-time at the start of training? If so, will the training result in full-time employment within 90 days after completion of training for the participating part-time employees?

ETP Application Process

Any interested party will need to register in the Cal-E-Force system and then complete and submit an ETP application specifically for the Workforce Literacy Pilot Program. https://etp.ca.gov/fundingopportunities/

The application window for this program will open 2/27/2023 at 8AM PST and close at 3/20/23 at 3PM PST. ETP will assess applications for quality training programs to ensure the intent of this program is met.

In the event the demand for this program is greater than the allocated funding, priority may be given to first-time ETP applicants or applicants with fewer existing ETP contracts.

CEF New Company Sign Up

On the ETP website

Apply For Contract Funds

Please see ETPs Funding Priorities for the fiscal year on the Funding Priorities & Limitations page.
Applications are now being accepted through ETP's Cal-E-Force online system.

- New Users – select the New Company Sign Up button below to register in the Cal-E-Force system. If your company is already in the system please contact your company's administrator for login information.
- Submit Application – Users with an company account created in Cal-E-Force can log into the system by selecting the Existing Company Login button & follow the screens to complete an application.
- Authorize a Subcontractor – If you are choosing to identify a subcontractor to assist you in completing your application select the Existing Company Login button below, and follow the screens to get your subcontractor identified and registered.

Cal-E-Force:

New Company Sign Up   Existing Company Login

ETP Cal-E-Force Hub

If someone at your company has already signed up, please contact them to add you as a user. Otherwise, please continue to register for a new user below.

Note:Passwords require the presence of both letters and numbers, and must be a minimum of 10 characters in length and the username should be in email format.

* First Name

* Last Name

* Email

* Company Name

Please check your email after selecting the sign up button to receive your username and instructions to login

Sign Up

Already have an account?

WLPP Significant Dates

Event	Date
Information Session	February 14 and 21, 2023
Application Window	**February 27, 2023 8:00 A.M. PST to March 20, 2023 3:00 P.M. PST**
Application Review and Proposal Development	March through May 2023
Targeted Panel Approval	June 9, 2023
Estimated start date of training	June 10, 2023

*****Note** – All dates after the final proposal submission deadline are approximate and may be adjusted as conditions dictate.

Application Submission

The ETP will accept proposals between **February 27, 2023 (starting at 8:00AM PST) and March 20, 2023 (until 3:00PM PST) – late applications will not be accepted**.

Exceptions will not be allowed and there is no appeal for not meeting the proposal deadline.

Submission method is via ETP's Cal-E-Force application website:

https://etp.ca.gov/fundingopportunities/

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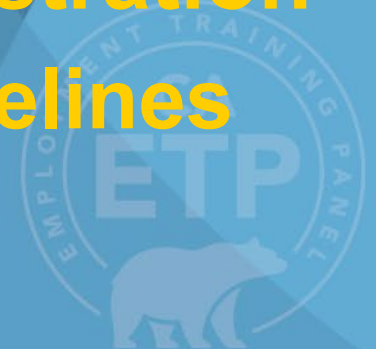
WLPP Related Questions

Questions?

ETPworkforceliteracypilotprogram@etp.ca.gov

ETP Website has support documents including guidelines, application and contract templates, and sample information:

https://etp.ca.gov/fundingopportunities/literacyprogram/

The Cal-E-Force Hub has all related documentation for the HWAF application:

https://etp.ca.gov/fundingopportunities/

Questions & Answers

Thank you!