**Funding Guidelines Policy**

**Purpose**. The Delaware Workforce Development Board (DWDB) establishes funding guidelines to supplement and complement its strategic plan. The guidelines not only establish a baseline of the service delivery for Delaware’s publicly funded workforce system, but also serve as an annual policy document. The Funding Guidelines prioritize workforce investment for a Program Year (July through June). This document prescribes the use of both State and Federal funds in relation to the publicly funded workforce system and can segregate funds for special projects. The DWDB and required partners will develop funding guidelines for approval by the Executive Committee in September or the full Board in October. Overall, these guidelines and procedures are put in place to ensure that public funds are effectively and strategically utilized to support workforce development efforts in Delaware, with a focus on programs that lead to employment or enhance employability.

**General**. The DWDB funds various types of programs throughout the year, including but not limited to; youth programs, adult programs, dislocated worker programs, occupational skills programs, and post-secondary education/training programs. All programming must ultimately lead to employment and/or increase the likelihood of employment. The DWDB does not fund enrichment programs or education programs that do not directly lead to employment. Training is primarily driven by the state’s High Demand Occupation List which looks to align occupational expenditures with the state’s economic development and high demand/high growth industries. Funds are allotted through a competitive contracting process and the Individual Training Account (ITA) process, in partnership with Delaware Department of Labor, Division of Employment and Training (DOL-DET).

**Priorities:** DWDB establishes priorities annually to guide investments, and these recommendations are suggested for adoption by the workforce system.

**Initial Allocation Recommendations.** Funding allocation recommendations are provided to the DWDB Executive Committee by DOL-DET. The Executive Committee will review DOL-DET recommended initial funding allotments. The board can accept or reject, in whole or in part, the recommendations.

**General Guidance and Funding Background.** The DWDB has funding authority through two sources; federal (WIOA) and state funds (State Blue Collar and Learning for Careers).

**Workforce Innovation and Opportunity Act (WIOA) Funds:**

* Youth
  + US DOL states that WIOA youth dollars must, at a minimum, be split 25% for ISY and 75% for OSY
* Adult
* Dislocated Worker
* Wagner-Peyser

**State Blue Collar Funds:** All moneys collected through the Blue Collar Training Tax shall be deposited in the Special Administration Fund of the Department of Labor. This fund shall be dedicated to the establishment and implementation of programs to provide counseling, training, and placement of dislocated workers, to assist in school-to-work transition activities such as vocational guidance, training, placement, and job development, to provide for industrial training, to provide for career advancement training for state employees and to pay the administrative costs of such programs.

Breakdown of funds collected:

* 10% retained by Division of Unemployment Insurance for costs associated with the collection of the tax.

Remaining funds-

* + 25% to the DIV of Small Business
  + 75% to a special fund to be administered by the Workforce Development Board (“Board”) to be awarded to appropriate subgrantees to provide for services to dislocated workers, to assist in school-to-work transition activities and to underwrite such other innovative training programs as the Board may approve, under regulations promulgated by the Board in coordination with the Department of Labor. No more than fifty percent of the Blue-Collar Funds may be used for Youth Programs. The remaining Blue-Collar funds will be used to fund adult training program and to underwrite such other innovative training programs the board finds appropriate.
    - DWDB spend authority cap is $3.9 million per year.

**Learning for Careers:** Delaware appropriates $500,000 to the Department of Labor for the creation of the LFC program. The Program’s funds shall be used by the Delaware Workforce Development Board (Board) to engage employer groups, chambers, and associations in creating paid work experiences for youth. The purpose of the Program is to expand employer participation in youth employment programs in addition to increasing the number of youth served through summer youth employment programs, secondary school work-based learning and co-operative education programs, and postsecondary work-based learning and clinical/experiential learning programs. The funds for the Program will be administered by DET in coordination with the Department of Education through a competitive process administered under the Board to award the Program funds to applicants. The Board shall also be authorized to accept private donations and federal funding to support the Program. The Board is authorized to grant awards or enter contracts with an employer association, employer chamber, employer group, or state agency acting on behalf of a group of employers. The Board, with the consent of the Secretary of Education or designee and the Secretary of Labor or designee, may adopt implementing rules or regulations. The application for the award of funds under this Program and any rules or regulations adopted pursuant to this Section shall be available on the Board’s website. By the end of each fiscal year, the Board must report to the General Assembly summary data on the awards granted.

**Target Populations:**

**Youth:** The DWDB and DOL-DET deliver youth services primarily by soliciting proposals from providers for both In-School-Youth and Out-of-School-Youth. The selection process is competitive.

**Adult/Dislocated Worker:** The DWDB and DOL-DET offer services for adult and dislocated worker through the solicitation of proposals from providers and establishing the Eligible Training Provider List (ETPL) and providing Individual Training Account (ITA) vouchers for eligible individuals.

**Funding Mechanisms:** Funding mechanisms help ensure that resources are allocated efficiently and effectively to support workforce development needs of targeted populations. The competitive nature of the process encourages providers to deliver high quality programs that align with the goals and priorities of the DWDB. DWDB utilizes two primary methods to fund programs.

* Competitive Requests for Proposals (RFP) via contracts. Providers submit proposals and contracts are awarded based on evaluation criteria.
* Individual Training Accounts (ITA) via the Eligible Training Provider List (ETPL). Eligible individuals receive ITAs that can be used to access training services from approved providers on the ETPL.

**Request for Proposals:** The DWDB issues the following guidance:

1. The DWDB manages and approves the RFP process. (See below for the overview of the RFP procedures).
2. DWDB delegates authority to the RFP panels to make recommendations for funding programs.
3. Panel leads will meet and establish a priority list for funding other programs should additional funds become available.
4. The Executive Director of the DWDB, the Director of the DOL-DET will reallocate returned funds to programs meeting or exceeding performance measures. Returned funds will not be reallocated to programs not meeting their measures. If other funds become available an additional RFP will be issued.
5. Panels have the discretion to fund proposals in whole, in part, or not at all. When funding programs, RFP panels will – to the greatest extent possible – fund programs in full and not divide limited funds between programs.
6. No more than fifty percent of the Blue-Collar Funds may be used for Youth Programs. The remaining Blue-Collar funds will be utilized to fund adult training programs and to underwrite other innovative training programs the board finds appropriate.
7. Year – to – Year RFP Process**.** The board directs the DWDB staff to annually update “The Steps to RFP Success” Letter of Instruction prior to the December, Executive Committee meeting.

**Requests for Proposal (RFP) Procedures.** An overview of the RFP process:

1. Develop the high demand occupation list.
2. Develop funding guidelines.
3. Establish resources.
4. DWDB and DOL-DET develop RFPs.
5. Submit RFP to OMB.
6. Proposal orientation.
7. Solicit participation for review panels.
8. Receive proposals.
9. Internal review of proposals.
10. Develop categories by industry.
11. Panel review of the written proposals.
12. Proposal clarification (if needed).
13. Consolidation meeting.
14. Notify the board of funding recommendations.
15. Feedback for proposals (if needed).
16. Contract development and execution.

**Contract guidance.** This section issues guidance for all contracts. The contract may be a mix of Federal WIOA funds, state Blue Collar Funds, and other funds which may become available through resource alignment activities. Even though the DWDB has issued RFPs in early January for most of its contract services, the DWDB may issue other throughout the year as needed. It is the DWDB intent that partners and representatives of different agencies contribute and “braid” funds whenever possible as they prepare Requests for Proposal (RFP).

1. To the extent possible, definitions provided in the federal law and regulations are the definitions for all sources of funds, including Blue Collar, except the definition of eligibility.
2. The DWDB may, at its discretion, establish local performance measures for specific populations (e.g., Re-entry, underserved youth, and adults) when using state dollars. The DWDB will ensure local performance measures are established in an RFP document as appropriate.
3. Prior to executing a contract, proposers without current contracts, will provide a copy of their most recent tax return, or a copy of a prepared financial statement signed by a third-party financial professional to establish their fiscal soundness and eligibility.
4. All Providers will offer training which provides the client with the opportunity to earn a Diploma, or a GED, or Industry Recognized Certificate as defined in USDOL TEGL 10-16.
5. Basic language and numeric skills training, when appropriate, will be provided concurrently with skills training. As part of the RFP, proposers will be asked to describe their plan to meet this requirement.
6. The DWDB requires programs with a combination of activities; it prefers programs combining classroom training including internship, and/or clinical, and actual work experience. All work experience shall be paid.
7. Contractors will provide retention services, as necessary, including day and evening requirements to meet performance measures for 12 months following exit, except for Adult Blue Collar. Adult Blue-Collar exits will require 6 months of follow-up.
8. The proposal rating criteria will favor those proposals that demonstrate the ability to operate quality, cost effective training programs that result in high placement rates, long term job retention, and credential attainment. Criteria may be expanded from time-to-time to reflect board priorities.
9. DWDB will strive to provide training based on each county's needs and in reasonable proportion to the population. This is a goal, not a hard and fast rule; submissions by geographic area may not support this.
10. Program providers shall define their staff qualifications in the proposal for any position for which they are requesting funding.
11. Proposers will include clients use Delaware Job Link to find a job. This will include a current updated resume built in the Delaware Job Link system.
12. Blue Collar adult training contracts will be hybrid. The normal standard for the hybrid is to fund as, a 60% Cost Reimbursement and a 40% Performance Based contract.
13. DOL-DET and core partners will ensure all work experience requirements are paid.

**Specific Youth Contract Guidance.** This section provides general guidance on all youth contractors/proposers.

1. Youth programs will be contracted. Proposals will be solicited for Out-of-School Youth and In-School Youth programs.
2. In-School and Out-of-School Youth programs may be funded with Blue Collar and/or WIOA funds.
3. Youth proposers will identify the credential obtained when a program is successfully completed.
4. The Youth Committee will provide oversight for contracted youth programs on behalf of the board.
5. A member of the Youth Committee will staff the youth RFP panels.
6. Contracted youth programs will:
   * Provide an objective assessment of the academic levels, skill levels, and service needs of each participant, and developmental needs of such participant, for identifying appropriate services and career pathways for participants.
     + Develop service strategies for each participant directly linked to one or more of the performance indicators which identify career pathways that include education and employment goals (including in appropriate circumstances, nontraditional employment), and appropriate services for the participant considering the assessment conducted.
     + Preparation for postsecondary educational and training opportunities.
     + Provide strong linkages between academic instruction and occupational education which leads to the attainment of recognized postsecondary credentials.
     + Preparation for unsubsidized employment opportunities, in appropriate cases.
     + Activities leading to the attainment of a secondary school diploma or its recognized equivalent, or a recognized postsecondary credential.

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* + - Effective connections to employers, including small employers, those in-demand industry sectors and occupations of the local and regional labor markets.
    - All providers are required to spend at least twenty – five percent (25%) of their allocation to provide paid work experience activities.

1. Preference will be given to training that align with DWDB growth and enabling sectors as identified in the Prioritize Sectors priority.
2. Funded youth providers are not required to directly provide all program elements. All funded providers are required to ensure youth have access to all program elements:
3. Tutoring, study skills training, instruction, and evidence-based dropout prevention and recovery strategies that lead to completion of the requirements for a secondary school diploma or its recognized equivalent (including a recognized certificate of attendance or similar document for individuals with disabilities) or
4. for a recognized postsecondary credential.
5. Alternative secondary school services, or dropout recovery services, as appropriate. Paid and unpaid work experience that have as a component academic and occupational education, which may include – (i) summer employment opportunities and other employment opportunities available throughout the school year; (ii) pre-apprenticeship programs; (iii) internships and job shadowing; and (iv) on-the-job training opportunities.
6. Occupational skill training, which shall include priority consideration for training programs that lead to recognized postsecondary credentials that are aligned with in-demand industry sectors or occupations.
7. Leadership development opportunities, which may include community service and peer-centered activities encouraging responsibility and other positive social and civic behaviors, as appropriate.
8. Supportive services.
9. Adult mentoring for the period of participation and a subsequent period, for a total of not less than 12 months.
10. Follow-up services for not less than 12 months after the completion of participation, as appropriate.
11. Comprehensive guidance and counseling, which may include drug and alcohol abuse counseling and referral, as appropriate.
12. Financial literacy education.
13. Entrepreneurial skills training.
14. Services that provide labor market and employment information about in-demand industry sectors or occupations available in the local area, such as career awareness, career counseling, and career exploration services.

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1. Activities that help youth prepare for and transition to postsecondary education and training.
2. Education offered concurrently with – and in the same context as – workforce preparation activities and training for a specific occupation or occupational cluster.

**Contract Extensions:** DWDB has the authority to extend contracts when necessary. Contract extensions involve prolonging the terms of an existing agreement for a period of time. The duration of the extension is specified in the extension agreement. This could vary depending on the circumstances and needs at hand.

**Individual Training Accounts (ITA) General Rules**. This paragraph provides general policy guidance.

1. The DWDB-approved Eligible Training Provider List (ETPL) process manual will govern the steps for initial eligibility and subsequent renewal of providers seeking inclusion or maintaining their status on the ETPL.
2. The DWDB Management Analyst will annually update the Manual in May for approval by the Executive Committee in June of each year.
3. Individuals can access an ITA through an American Job Center (AJC)
4. American Job Centers, when appropriate, will assess career service applicants in reading and math skills.
5. American Job Center staff will determine and document eligibility for individuals involved in a career/training service.
6. Any local American Job Center office providing federal services that fails to achieve 85% of its goal in any year may be required to have a correction action plan.
7. American Job Centers will promote the importance of digital literacy skills to individuals by utilizing the Library North Star Digital Literacy and Learning Express programs.
8. DWDB will only add programs to the ETPL that train for occupations on the high demand occupation list.

**Performance Measures**. The DWDB will only approve and/or renew ETPL programs and/or contracts which meet or exceed Delaware’s federally mandated performance measures. ETPL credit programs at open enrollment degree granting institutions are exempt from the credential attainment requirement measure when applying for initial inclusion on the Eligible Training Provider List (ETPL). Credit programs at degree granting institution on the ETPL will meet all performance measures when applying for subsequent renewal. Even so, the DWDB recognizes that some priority populations may require special considerations. . The DWDB may at its discretion—on a case-by-case basis—allow providers serving targeted population some latitude during initial eligibility determination and subsequent renewal.

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