



July 1, 2017

Eastern Carolina Local Area Issuance No. 2017-03

**Subject:** Eligible Training Providers

**Purpose:** To establish criteria and minimum standards for the certification of Eligible Training Providers to receive Workforce Innovation and Opportunity Act (WIOA) Title I funded Individual Training Account (ITA) vouchers. Local Workforce Development Boards are required to make a determination regarding whether WIOA resources will be used to support training. An ITA is a mechanism used by local Workforce Development Boards to establish an account to pay for Board approved training through a locally established voucher system.

**Background:** WIOA was signed into law on July 22, 2014. WIOA is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy. WIOA supersedes the Workforce Investment Act of 1998 and amends the Adult Education and Family Literacy Act, the Wagner-Peyser Act, and the Rehabilitation Act of 1973.

WIOA enhanced numerous features of the workforce system, including creating a greater emphasis on delivering successful job-driven training that results in credentials and career pathways for job seekers and low-income workers. Additionally, WIOA expanded the eligible training provider lists for technical and occupational classroom training programs, and it strengthened the provisions regarding training provider eligibility. WIOA updates provisions regarding eligible training provider (ETP) eligibility and performance, and strengthens the eligible training provider lists (ETPLs) maintained by states and locals, including adding Registered Apprenticeships to the list.

Workforce boards review training provider success, and ensure that training providers in their areas are available for the types of occupations listed on their targeted or demand occupations list for the local area. The eligible provider process is part of the strategy for achieving these goals. Local Boards, in partnership with the State, identify training providers and programs whose performance qualifies them to receive WIOA Title I funds to train adults and dislocated workers.

Eligible participants who need training can use the list of these eligible training providers to make an informed choice. The ability of providers to successfully perform, the procedures used to establish eligibility, and the degree to which information, including performance information, on those providers is made available to customers eligible for training services, are key factors affecting the successful implementation of the workforce investment system.

Attachment A outlines the criteria, minimum standards and procedures to be used by the Local Area for certifying Eligible Training Providers.

**Action:** No action required; for information only.

**Effective Date:** Immediately

**Expiration Date:** Indefinite

**Contact:** Tammy Childers, Executive Director

**Distribution:** NCWorks Career Center Managers, WIOA Title I Adult and Dislocated Worker Service Providers

*Tammy Childers*

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**Tammy Childers**  
**Executive Director**

**Attachment: as stated**

**Criteria, minimum standards, and procedures to be used by the Eastern Carolina Local Area for Certifying Eligible Training Providers \***

Eligible training providers are those entities eligible to receive WIOA Title 1 funds to provide training services to eligible adult and dislocated worker customers. Customers are informed they have choices in selecting their training providers through NCWorks.gov, the Eastern Carolina WDB website, and/or by visiting their local NCWorks Career Center where they can meet with a Career Advisor to discuss training. Customers are provided with a copy of the Eastern Carolina WDB's NCWorks Career Pathways Options Guide which provides the training options under each of the board approved industry sectors, and identifies wage information for the types of training for the local area. Occupational skills training funded under WIOA Title I must be directly linked to identified targeted-industry sectors that provide employment opportunities in the Eastern Carolina WDB region.

Upon being determined eligible for WIOA Title I training services, eligible adults and dislocated workers who will benefit from occupational skills training programs and who possess the requisite skills and abilities to successfully complete the program, may be enrolled in a WIOA-approved program.

Types of Training to Which These Procedures Apply (WIOA Section 134):

A. The following organizations may apply for certification as an eligible training provider:

1. Institutions of higher education that provide a program of training that leads to a recognized postsecondary credential;
2. Apprenticeship programs registered by the USDOL Office of Registered Apprenticeship;
3. Public or private training providers, including joint labor-management organizations, pre-apprenticeship programs, and occupational/technical training; and
4. Providers of adult education and literacy activities provided in combination with occupational skills training.

B. Description of Eligible Program(s) of Training:

In order for a provider of training services to receive WIOA Title I funds, its program(s) must be listed on the Eligible Training Providers List [ETPL] on NCWorks Online. These programs may provide training services, such as the following:

- a) Occupational skills training, including training for non-traditional employment and occupational skills training that integrates English-language and math instruction needed to succeed on the job.
- b) Programs that combine workplace training with related instruction, which may include cooperative education programs.
- c) Training programs operated by the private sector.
- d) Skill upgrading and retraining.
- e) Entrepreneurial training.
- f) Apprenticeship and Pre-apprenticeship Skills Training.

**Special Circumstances**

There are some training programs that are exempt from direct application to the ETPL or are subject to special ETPL policy provisions. These exceptions include the following:

- a) On-the-Job Training.
- b) Customized Training (as defined by the WIOA).
- c) Incumbent worker training or transitional employment.
- d) Instances where the Local Board determines the following:
  1. There is an insufficient number of eligible providers of training services in the local area.
  2. An exception is necessary to meet the needs of individuals with barriers to employment.

3. That it would be most appropriate to award a contract to an institution of higher education or other eligible provider to facilitate the training of multiple individuals in in-demand industry sectors or occupations.

C. Eligible Target Population:

WIOA training services are made available to an under-employed or unemployed eligible adult or dislocated worker, provided that:

1. The individual has met the eligibility requirements for training services, and has been determined by appropriate WIOA Service Provider staff to be unable to obtain or retain employment through such services **and**;
2. The individual has been determined by appropriate WIOA Service Provider staff to be in need of training services and to have the skills and qualifications to successfully complete the program **and**;
3. The individual has selected a program of training services that is directly linked to the employment opportunities either in the Local Area or in another area to which the individual is willing to relocate **and**;
4. The individual is unable to obtain grant assistance from other sources, including Federal Pell Grants, to pay the costs of such training or requires WIOA assistance in addition to other sources of grant assistance **and**;
5. The individual is determined eligible in accordance with any State or local priority system in effect if services are provided through the adult funding stream.

D. Initial Eligibility Training Provider Requirements:

The first step in the online application process for training providers is to verify that the training provider is licensed, certified, or authorized by the relevant state agency with oversight, to operate training programs in North Carolina. If a provider is in compliance with the oversight agency, the provider can proceed to the next step in the application process. If a program is not in compliance with the oversight agency as required by state law, the provider will not be able to apply for inclusion on the eligible training provider list until they meet the necessary requirements. This applies to in-state and out-of-state training providers with training programs.

Once the initial steps are completed on NCWorks.gov, interested training providers must then seek Local Area approval by contacting the Eastern Carolina WDB.

E. ECWDB Eligible Training Provider Process:

1. In order to be considered by the Eastern Carolina WDB to meet the eligible training provider requirements, the training provider must have been in business for a minimum of one year. In addition, if an approved training provider has a request for a new program, the new training program must have been in existence for a minimum of one year.
2. The proposed training must lead to an occupational skill credential resulting in certificate, degree, or diploma AND the occupational skill must have been identified by the WDB as in demand in the local area. If this requirement has been sufficiently addressed, the application process may continue.
3. The applicant must mail a printed copy of the application certifying that all information is accurate by the agency's signatory official. The training provider must include the following documents when submitting the application:
  - a) Federal ID Number.
  - b) Copy of last financial audit or if not available or required, proposing agency must submit the most recent financial statements including balance sheets, income statements, and statements of cash flow.
  - c) Copy of Agency Equal Employment Opportunity (EEO) Compliance and Grievance Procedures.
  - d) Copy of current Bond Coverage (or an explanation of coverage if approved).

- e) Current organization chart that identifies the principal officers of the business/organization. If any of the principal officers also serve in a similar capacity in any other business/organization, please identify those entities.
  - f) If applicable, copy of Articles of Incorporation and By-Laws of Organization (attach list of Current Board Members). If not applicable, provide the name under which the business is registered with the North Carolina Department of the Secretary of State.
  - g) If applicable, copy of current license issued by the appropriate North Carolina licensing organization.
  - h) A description of the proposed training program syllabus and course schedule.
  - i) Program cost information, including tuition and fees
  - j) Supporting documentation for verifiable performance data as stated on the application.
  - k) Copy of student's Tuition Refund Policy.
4. The occupation for which the training program prepares the student must be, at minimum, high-wage, high-demand, or high-skill occupations in the local area, as defined:
    - High-wage Occupation: Occupations paying more than the all-industry, all-ownership median wage for the Eastern Carolina WDB region.
    - High-demand Occupation: Occupations having more than the median number of total (growth plus replacement) openings for the Eastern Carolina WDB region.
    - High-skill Occupations: Occupations with a typical educational level needed for entry of postsecondary training (non-degree) or higher, OR occupations with an apprenticeship as the "typical on-the-job training" level, OR occupations typically needing related work experience or long-term OJT for entry and postsecondary training (non-degree) or above as competitive.
  5. The training provider must supply information on whether they have partnerships with business. The information may include whether the training program is offered or was designed as a result of the partnership, or may include a list of employers that have committed to hire graduates from the training program.
  6. The training provider must supply information regarding how successful completion of the program results in or leads to a federally or locally recognized credential.
  7. Description of the accessibility of training services (i.e., is this program of study facility-based training, or is it accessible throughout the state, to individuals in rural areas, through the use of technology);
  8. A description of the program's demonstrated effectiveness in serving employed individuals and individuals with barriers to employment.
  9. The following performance data:
    - Number of students completing training program
    - Number of students obtaining a credential within one year after program completion
    - Number of students in unsubsidized employment second quarter after exit
    - Number of students in unsubsidized employment fourth quarter after exit
    - Median hourly wage at placement
  10. As potential recipients of WIOA Title I funds, training providers must comply with non-discrimination and equal opportunity provisions of the following:
    - Regulations implementing Section 188 of the Workforce Innovation and Opportunity Act (29 CFR Part 38):
    - 29 CFR 37
    - Title VI of the Civil Rights Act of 1964, as amended;
    - Age Discrimination Act of 1975, as amended;

- Section 504 of the Rehabilitation Act of 1973, as amended;
  - Title IX of the Education Amendments of 1972, as amended;
  - The Non-traditional Employment for Women Act of 1991; and
  - Section 403(a)(5)(J) and 408(d) of Title IV of the Social Security Act, as amended September 1997.
11. Training providers that have been debarred by any state or the federal government are not eligible to be included on the ETPL during the debarment period. The NCWorks Career Pathways committee shall review the training provider's application and supporting documents to determine if Board requirements are met and prepare a written recommendation to be considered by the full Board at their regularly scheduled meeting.
  12. Upon Board approval, the Local Area staff may conduct a Pre-Award Survey using the document provided by the NC Department of Commerce's Division of Workforce Solutions at the training provider's site. The Pre-Award Survey may be waived if the training provider is licensed as a proprietary school by the appropriate board or agencies charged with regulating the proprietary school industry in North Carolina and has met the general requirements for licensing standards for program and course offerings, facilities, financial stability, personnel, and operating practices.
  13. The Eastern Carolina WDB shall review the application, make a determination of approval, and notify the applicant of the determination within 60 days of receiving the completed application. The Eastern Carolina WDB shall notify the applicant of the final determination in writing, including, in the case of a denial, reasons for the final determination and a statement that the provider may appeal the decision as provided in this policy. Applicants approved will receive initial eligibility for one calendar year. If the applicant wishes to continue providing training services, the applicant shall apply for continued eligibility 30 days prior to end of initial eligibility expiration. An initial eligibility determination will be decided for each training provider on a program by program basis; there is no blanket approval for all programs offered by a provider.
  14. A training provider or program may be denied initial eligibility for the following reasons:
    - a) The application is not complete or information was not provided in a timely manner.
    - b) The training program does not meet the definition of training services.
    - c) The training program does not result in or lead to a recognized postsecondary credential.
    - d) The training provider is not in compliance with the WIOA, regulations, or any agreement executed under the WIOA.
    - e) The training program does not meet the eligibility requirements as outlined in this policy.
    - f) It is determined that the training provider intentionally supplied inaccurate information.

F. Requirements for Training Providers Approved for WIOA Vouchers:

1. Training providers who have met the initial approval process to receive WIOA funds will be required to comply with the USDOL regulations and any other interpretations published by the USDOL. Administration and operation of this program is subject to compliance with the federal Workforce Innovation and Opportunity Act of 2014, State policies and procedures as issued from the Department of Commerce, Division of Workforce Solutions, and local policies and procedures as issued by the Eastern Carolina WDB.
2. The approved training provider will be required to comply with the procedures for issuing and reimbursing ITA vouchers that have been established by the WIOA service provider responsible for referring potential participants for training. All reimbursement agreements will be between the training provider and the WIOA Service Provider.
3. Approved training providers may remain certified as eligible training providers for an initial one year period. Upon review of satisfactory performance data and compliance with Local Area policies and procedures, the provider may be recertified as eligible. If performance data is unsatisfactory, the training provider will be removed from the approved training provider list.

4. After the initial eligibility period of one full fiscal year, training providers must submit online applications through the NCWorks.gov website for continued program eligibility every two years. Applications for continued eligibility must show the training program is still authorized by the appropriate oversight agency to operate and must include the following (in addition to updating the information provided for initial eligibility):
  - total number of participants enrolled in the program;
  - total number of participants completing the program;
  - total number of participants exiting the program;
  - information on recognized post-secondary credentials received by program participants; and
  - information on the program completion rate for such participants.

G. Removal from the Eligible Training Provider List:

The training provider must deliver results and provide accurate information in order to retain its status as an eligible training provider. If the provider's programs do not meet the established performance levels, the programs will be removed from the eligible provider list. The Board will determine the subsequent eligibility determination process, whether a provider's programs meet performance levels as described below.

The following criteria will be utilized for removing eligible training providers:

1. The training provider has intentionally supplied inaccurate information on an application. Upon determination, the training provider will lose its eligibility for two years from the date of determination. All local WDBs and NCWorks Career Center operators and other training providers will be notified immediately of the removal of a provider from the State approved list.
2. The training provider has substantially violated any requirement under the Workforce Innovation and Opportunity Act. Upon determination, the training provider loses its eligibility for a certain period of time or sanctions may be imposed. All local WDBs and NCWorks Career Center operators will be notified as to what conditions have been imposed.
3. The training provider failed to meet the applicable performance criteria during the previous year based on an annual review and reporting process, the training provider will not be approved for the next year. Meeting the performance criteria will be the main factor in re-establishing eligibility. All requirements, sanctions and the grievance process will be transmitted to training providers in writing so they will be aware of their responsibilities, rights and sanctions.
4. A provider whose eligibility is terminated may be liable for re-payment of all funds received for the program during any period of non-compliance.

H. Definition of "significant number of competent providers":

The board defines "significant number of competent providers" in the local area based upon the following types of training providers that are located within the local area who are subject to the ETPL requirements in order to receive WIOA Title I Adult and Dislocated Worker funds to provide training services to eligible adult and dislocated worker individuals through ITAs:

1. institutions of higher education that provide a program of training that leads to a recognized postsecondary credential;
2. apprenticeship programs registered by the USDOL Office of Registered Apprenticeship;
3. public or private training providers, including joint labor-management organizations, pre-apprenticeship programs, and occupational/technical training; and
4. providers of adult education and literacy activities provided in combination with occupational skills training.

I. Performance:

The Eastern Carolina WDB will ensure the continuous improvement of eligible providers of services and ensure that such providers meet the employment needs of local employers, workers and jobseekers through its oversight responsibilities of monitoring training provider performance. An annual review of the training providers' performance for continued eligibility must show that the

training program is still authorized by the appropriate oversight agency to operate and must include successful performance data in the following categories:

1. 80% of the number of participants completing the program;
2. 80% of the total number of participants exiting the program as employed in a training related occupation;
3. Participants enrolled in the training will have received a recognized post-secondary credential; and
4. Participant wage earnings will be recorded in NCWorks at a minimum showing the prevailing wage rate for the occupation in which the participant trained.

\* This policy is subject to change without prior notice.