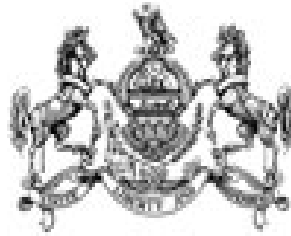


# **COMMONWEALTH OF PENNSYLVANIA**



## **DEPARTMENT OF LABOR AND INDUSTRY**

### **Incumbent Worker Training Program Guidelines**

Building A Skilled Workforce

**Department of Labor and Industry  
Pennsylvania Workforce Investment Board  
901 North 7<sup>th</sup> Street, Suite 103  
Harrisburg, Pennsylvania 17102**

October 19, 2005

Commonwealth of Pennsylvania  
Edward G. Rendell, Governor  
[www.state.pa.us](http://www.state.pa.us)

Department of Labor & Industry  
Stephen M. Schmerin, Secretary  
[www.dli.state.pa.us](http://www.dli.state.pa.us)

## **Table of Contents**

<b>Section 1- Introduction</b>	<b>Page 3</b>
<b>Section 2- Program Design and Goals</b>	<b>Page 5</b>
<b>Section 3- Eligible Applicants</b>	<b>Page 8</b>
<b>Section 4- Disallowable Costs and Activities</b>	<b>Page 9</b>
<b>Section 5- Application Content</b>	<b>Page 9</b>
<b>Appendices</b>	<b>Page 11</b>
Appendix A	Evaluation
Appendix B	Time Line
Appendix C	Additional Supporting Documents
Appendix D	Sustainability Plan
Appendix E	Budget Form
<b>Attachments</b>	
Attachment - 1	Quantitative Measures Record
Attachment - 2	Sample Timeline
Attachment - 3	Budget Summary

**Submit Five Paper Copies of Applications. No electronic applications, please.**  
**Applications should be sent to:**

**Sandi Vito**  
**Deputy Secretary of Workforce Development**  
**1700 Labor and Industry Building**  
**7<sup>th</sup> Street and Forster Avenue**  
**Harrisburg, PA 17120**

## **Section 1 - Introduction**

Pennsylvania is at the leading edge of the U.S movement to build a workforce system that is responsive and can meet the skill needs of employers, expand opportunity and security for workers, and boost the competitive position of the business community. America's prosperity is dependent upon the strength of its workforce. Governor Rendell recognizes the need to have workforce and economic development practitioners and the educational and training community work together to effectively and efficiently serve the needs of employees and employers.

The administration is committed to implementing an integrated and comprehensive workforce development agenda that is anchored in the creation of effective Industry Partnerships and Incumbent Worker Training Grants that are linked with key regional industries and labor markets.

**An Industry Partnership is a multi-employer collaborative that brings together management and employees to improve the competitiveness of a cluster of companies.** The companies may produce similar products or services, or they may share similar supply chains, critical human resource needs, infrastructure requirements and business services. These partnerships serve as the foundation to identify the training needs of the companies by developing effective and responsive training solutions that will enhance their competitive position.

This new workforce development strategy seeks to utilize education and training dollars to generate cutting edge skills needed by employers while promoting opportunities and advancement for workers and job seekers.

To meet growing and critical needs for workforce excellence in Pennsylvania, the Commonwealth has developed a \$15 million Incumbent Worker Training Program to further support targeted industries as part of the Governor's Job Ready Pennsylvania initiative.

Across the Commonwealth, manufacturers, associations, healthcare facilities, financial institutions, business service companies, local workforce investment boards, and labor unions have identified incumbent worker training as the most immediate and critical workforce development need. The Incumbent Worker Training Program is intended to begin to address the needs and to promote strategic collaborations to meet the needs of the specific clusters and the critical sub-clusters and high priority occupations as identified by the Department of Labor and Industry. Incumbent Worker Training funds are available to existing or emerging Industry Partnerships that serve multiple employers in the same industry cluster, identify high level skill needs, and job training and education for the clusters existing workforce that advances a competitive advantage for the cluster and career opportunities for the employees.

## **Targeted Industry Clusters**

In 2004, the Department of Labor and Industry's Center for Workforce Information and Analysis developed a set of "Targeted Industry Clusters" that will be used by the state's lead workforce development agencies - the Departments of Labor and Industry, Community and Economic Development, Education, and Public Welfare - to develop effective workforce strategies that focus scarce training dollars on existing and projected job opportunities. The Incumbent Worker Training Grant will be targeted to Industry Partnerships in the following Industry Clusters:

- Life Sciences
  - Bio-medical
  - Health Care
- Education
- Business and Financial Services
- Advanced Materials and Diversified Manufacturing
  - Chemical, Rubber and Plastics
  - Electronics
  - Metals and Metal Fabrication
  - Printing
  - Vehicle and Vehicle Equipment
- Building and Construction
- Agriculture and Food Production
  - Food Processing
- Information and Communication Services
- Logistics and Transportation
- Lumber, Wood and Paper

## **High Priority Occupations**

Within each cluster, critical labor force and skill shortages exist in certain occupations. These high priority occupations have been identified by the Commonwealth and regional business leaders and used to target training and education to occupations most likely to enable our citizens to compete for higher skills, higher wage jobs that are in demand by our businesses. The list of high priority occupations and the methodology used to define them can be found online at [www.paworkforce.state.pa.us](http://www.paworkforce.state.pa.us) (click on "High Priority Occupations" off the quick links menu.)

The Incumbent Worker Training Fund Program is intended to align with the Commonwealth's targeted industry clusters and the high priority occupations within each cluster. High priority occupations may serve as a training goal or a baseline of information for training plans. Incumbent worker training funds can be used for high priority occupations or emerging occupations with high skill needs identified by Industry Partnerships.

## **Section 2 – Program Design and Goals**

Incumbent Worker Training funds will be awarded to new and emerging Industry Partnerships that are comprised of consortium of employer representatives, and, where possible, employee associations and/or a representatives of the workforce. The partnerships should include at least four employers in an industry cluster defined above in which the businesses share common product markets, workforce needs, and technology. Industry Partnerships are an effective way to reach more businesses, aggregating demand for training, and ensuring that the training and education delivered meets the needs of both employers and workers, particularly for small and mid-sized firms without human resource professionals on staff or access to training support.

To qualify for awards, Industry Partnerships must:

- consist of multiple employers and employee representatives in one of the industry clusters listed above. Firms may be linked by similar markets, labor pools, technologies, and/or through supply chains;
- understand the skill needs of business and industry in their region and targeted industry cluster;
- understand the career ladders within and between firms in their targeted cluster and have a strategy to improve long-term outcomes for the workforce; and
- understand the business and innovation strategies necessary to make the industry cluster more competitive and have a developed action plan to implement competitive and innovation-based strategies.

The long-term goal for this initiative is to create an infrastructure that will provide training and education that enhance the skills of incumbent workers, raising the earnings of workers and the revenues of businesses by increasing productivity and the quality of services within Pennsylvania. Up to 25% of the funds requested may be used to fund the training of new hires if the applicant can demonstrate that this training is an integrated component to the overall strategy to improve the competitive position of the targeted cluster. To achieve this goal, the Incumbent Worker Training Program has the following objectives that ***must*** be addressed in the application:

- address specific industry cluster challenges based on a demonstrated knowledge of the industry and the trends impacting it. Applications should describe how the training funds would be linked to an overall strategy intended to enhance the competitiveness of the sector and participating industries;
- identify skill gaps within the targeted cluster, the filling of which will lead to enhanced productivity, product development, process and/or quality improvements, as well as improved business revenues and worker earnings;

- align training and education with potential career ladders and advancement opportunities for the workforce, particularly in occupations in high demand by employers. Where possible, training should provide portable, transferable skills to employees and focus on industry-recognized credentials and accreditations; and
- provide private sector match for training. Match is required at a 1 to 1 ratio for both new hires and incumbent worker training activities. Source of matching funds may include paid release time for workers to participate in training, contributions of equipment and training personnel, consulting services, tuition reimbursement, or funds from private/public sector training funds. In rare cases, the 1:1 match requirement may be reduced for highly distressed industries. Requests for such a reductions should include a strong justification. Applicants seeking a reduction in the match requirement are encouraged to inquire about the feasibility to Terri Kaufman at (717) 705-8821 or [tkaufman@state.pa.us](mailto:tkaufman@state.pa.us).

*Special Proposals:*

In addition to the above, the Pennsylvania Department of Labor and Industry is interested in proposals that have the following goals and characteristics. Proposals are not limited to the following, but the Commonwealth is interested in funding and evaluating projects in which the following goals might be met. Proposals in these areas should have strong stakeholder support, particularly from the employers that will be involved. (Additional priorities may be identified later in the fiscal year based on an analysis currently underway of workforce challenges in Pennsylvania’s targeted clusters. An amendment to the guideline may be issued. Workforce professionals and other intermediaries can also check [www.paworkforce.state.pa.us](http://www.paworkforce.state.pa.us) to see whether reports are available.) Special proposals in the following categories are sought:

- Linking entry level training and placement programs for TANF (Temporary Assistance for Needy Families) recipients to incumbent worker training that lead to improved skills and better career opportunities for low-income persons entering or re-entering the workforce.
- Strengthening of career ladders and upward mobility opportunities for entry-level workers within business and financial services industries. The Commonwealth would also entertain creative proposals for fostering skill development and career advancement in clerical occupations that cut across multiple industry clusters.
- Recruitment and retention of minorities and women into construction occupations in which long-term shortages are projected. Programs in this area could be linked with strategies that improve chances for extended employment of new recruits. In addition, the Commonwealth is interested in the development of apprenticeships that are articulated to credit and result in associate degrees.

- Training and education through Industry Partnerships in health care and/or direct care fields that have the potential to promote the spread of best organizational practices, and the creation of system-wide career ladders and other strategies that would improve job quality, quality of care, and worker retention.
- Training and education through partnerships of Logistics and Transportation firms with the potential to help firms more effectively utilize information technology, advance the skill level of workers to take advantage of cutting edge technologies, and improve Pennsylvania's over-all location-based advantages in this targeted cluster. Proposals would also be entertained that seek to strengthen career ladders in logistics and transportation from warehouse jobs to truck driving, supervision, and higher-paid logistics jobs.
- Education and training that would increase the competitiveness of value-added processing of Pennsylvania lumber within the state. Such proposals might link end manufacturers with lumber/wood suppliers in the state and include strategies to make both supplier and manufacturer more competitive in the global market place through product development or improvements in work organization and supply chain processes.
- Training and education of technical workers in high demand occupations in the information and communications sector, as well as the bio-medical cluster, that combines classroom and experiential learning. Proposals in this area should address how they plan to sustain the partnership across multiple employers. Workplace learning programs, such as internships and apprenticeships, that include a mentoring program between more established workers in the field and newer entrants into the occupation, are of particular interest. Also of interest is training that would increase incumbent worker's technological currency and employment security. In addition, proposals to promote growth of the information and communications sector in rural areas are also of interest.
- Training and education through dairy farming or other production agricultural partnerships that focus on improving the skill levels and advancement opportunities of entry level workers.
- Training and education that can help the Pennsylvania printing industry and their workers transition to the information technology-intensive printing industry of the future. This could be planned and delivered statewide or be regionally based on common curricula, credentials, and career lattices that improve skill portability within and between the printing cluster and other industries with in-housing printing operations.

*Preference will be given to projects that meet the following additional criteria:*

- Utilize existing community resources to support the initiative. Community resources might include, but are not limited to, local workforce and economic

dollars, investments by private foundations, or in-kind contributions from educational entities.

- Build on existing initiatives or work, including existing partnerships, employer/employee consortia.
- Demonstrate a clear link between an innovation-focused business strategy and the proposed training and education.
- Provide training that results in an industry recognized credential.
- Strengthen regional coordination between Local WIBs, Economic Development and Educational Partners.
- Deliver training that combines aptitude and interest assessment, case management, and career development planning.
- Demonstrate a credible strategy for reaching small and midsize businesses.
- Offer education/training on-site or in classrooms that provide credits or credentials linked to institutions of higher learning.
- Use Community Colleges as the primary training provider in regions where such services exist and are appropriate to service the needs of the industry.
- Disseminate best practices in human resource management to assist firms with retention strategies.
- Provide training interventions of sufficient intensity to have beneficial effects on wages, career advancement, and/or identified firm goals.
- Demonstrate regional collaboration that serves to strengthen the ability of the project to better match labor market demands.

### **Section 3 - Eligible Applicants**

Entities that are knowledgeable/experienced in working with targeted industry clusters (or sub-clusters) may apply for incumbent worker grant funds. The lead application will serve as the fiscal recipient of the funds and should have a leadership role in developing and maintaining the Industry Partnership through ongoing interaction with the regional provider network, businesses and employee representatives. ***The lead applicant may not seek reimbursement for training services that they may provide (the costs of these services may be applied as matching funds).***

To ensure collaboration and alignment with other regional workforce development initiatives, Local Workforce Investment Boards (LWIBs) must be represented in the partnership.

The following entities are eligible to serve as lead applicants as long as the above conditions are met:

- Regional Workforce Investment Boards
- Industrial Development Authorities and Corporations
- Non-profit organizations or associations serving as regional or local workforce intermediaries
- Business Consortium
- Organized Labor

#### **Section 4- Disallowable Costs and Activities**

Although the proposed training plan may contain some of these elements, the grant award cannot be used to pay for the costs associated with items below. However, additional partnering agencies and programs may be available to assist with some of the elements related to a comprehensive training plan or business strategy.

- Basic skills and literacy training
- Training that can be supported by existing programs such as Customized Job Training and WEDNet
- Articulation agreements
- Proprietary training owned by a single business
- Basic occupational health and safety training
- Training provided by lead applicant or IRC (Note: Training services provided by an IRC or the lead applicant are not eligible for reimbursement but may be applied as matching funds)
- Equipment or building construction
- Funds cannot be used to reduce the workforce or displace workers
- Projects cannot violate any conditions of a collective bargaining agreement
- Overhead costs of more than 5%

#### **Section 5 - Application Content**

The intent of this Incumbent Worker Training Program is to encourage initiatives that are tailored to meet the needs of an industry cluster and its workforce.

Applications should be no more than ten pages. This page count does not include the project budget, time line, organizational qualifications, staff resumes, or other information appropriate for the appendix.

- 1. Abstract and Project Goals (2 pages)** – a one page summary of the main features of the application and an outline or chart that describes key project goals and the objectives that will be undertaken to meet these goals.
- 2. Needs Statement and Business Strategy (description of cluster, its business strategy, and skills gaps)** – a succinct summary of the targeted industry cluster, its overall business needs, and training needs. This section should demonstrate an understanding of the competitive challenges of the cluster, the human resource challenges of the industry and the business strategy necessary to meet those challenges, and the role of workforce development in the overall strategy for competitive repositioning.

**3. Description of regional partnership** – This section must include descriptions on the following:

- the mission and goals of the regional partnership;
- the partners currently participating;
- other employers, worker representatives or other stakeholders that will be recruited into the partnership;
- any history of previous activities undertaken by the partnership
- current partnership structure (organizational structure, frequency of meetings, decision making, etc.);
- the governance structure envisioned for the partnership (i.e., what individuals and organizations will control it); and
- project management - If a project manager has been selected, please provide a resume for that individual. If a project manager is to be hired, please provide a draft job description for the position.

**4. Project Design** – Projects must demonstrate an understanding of employer demand, the human resource challenges and the necessary education and training to better meet that demand.

This section should briefly describe key elements of the project design and how these elements respond to employers' and workers' needs as well as the demands of the workplace. Depending on the proposed project, this description may include the following:

- how firms are recruited and selected for training efforts;
- what human resource challenges will be addressed with grant;
- specific strategies expected that will benefit workers and the local economy including but not limited to wage gains, attainment of credentials, retention and recruitment improvement, or improvements in job quality;
- how workers are recruited and selected for training;
- worker skill assessments to determine training needs for firms and individuals within those firms;
- type(s) of training to be provided;
- how training will be delivered;
- any activities supporting firms to plan for, support, and/or build upon training efforts;
- any activities supporting individuals in completing, utilizing, and/or building upon the training being provided; and
- description of alignment of existing workforce training and education programs.

**5. Projected Outcomes** – Describe the planned quantitative and qualitative outcomes of this project, how these outcomes will meet longer terms goals, and how these outcomes will be measured. This section must clearly state that the applicant would provide data for Appendix A and address any additional outcomes expected from the project.

## Appendices

- **Appendix A - Evaluation:** Applications must include a statement that applicants are willing to collect participant data, including the information on the attached data sheet. An additional statement must indicate that the lead applicant is willing to participate in a third-party evaluation by providing data and access for interviews, and by participating in networking and seminars with other partnerships. (The evaluation process will be designed in collaboration with grantees to ensure that it does not impose an unreasonable burden on participating firms and to maximize opportunities for learning that benefit partnership members and all Pennsylvania manufacturers and their workers.) Grantees may also be invited to serve as part of a state and national learning collaborative on innovation and sector-based workforce development. (Reference attachment 1)
- **Appendix B - Time Line:** This section should include a timeline for the program design and training delivery. (Reference attachment 2)
- **Appendix C - Additional supporting documents:** Resume and job descriptions, spreadsheets and proposed detailed training plan should be included in this section.
- **Appendix D - Sustainability Plan:** Up to five bonus points will be awarded to Partnerships that provide a sustainability plan for the regional Industry Partnership and training aligned with industry demand.
- **Appendix E- Budget form:** The budget must also include a narrative that provides additional information on costs and indicates how the funding is tied to program design and goals. This section should include information on any other sources of matching funds that will be used to support this effort. (Reference Attachment 3)

Applications will be accepted for review and funding consideration on the following deadlines:

- September 15<sup>th</sup>
- October 31<sup>st</sup>
- December 31<sup>st</sup>

Proposals will be accepted on an ongoing basis after the final deadline subject to fund availability. However, the funding period is one year and all funds must be used by June 30, 2006. The maximum for any one grant is \$400,000. Total funds available are \$15 million.

Submit five paper copies of the applications to:

**Sandi Vito**  
**Deputy Secretary for Workforce Development**  
**1700 Labor and Industry Building**  
**7<sup>th</sup> Street and Forster Avenue**  
**Harrisburg, PA 17120**

**No electronic applications, please.**

*Attachment – 1*

## Quantitative Measures Record

### Reporting Document

*(to be completed by each participating company)*

<b>Company Name:</b>	<b>Address:</b>
<b>Employer FEIN:</b> (Federal Employer Id Number)	<b>Phone:</b>
<b>Industry Code:</b> (North American Industry Classification Code)	<b>Fax:</b>
	<b>E-Mail:</b>

<b>Training Participant:</b> (required for each individual training participant)	<b>Social Security Number:</b>
<b>Training Start Date:</b>	<b>Training Completion Date:</b>
<b>Training Description:</b> (describe briefly)	
<b>Certificate obtained upon completion:</b> (circle one) Yes No	<b>Date Obtained:</b>
<b>Credential obtained upon completion:</b> (circle one) Yes No	<b>Date Obtained:</b>

**Attachment 2**

**Sample Time Line** - This section should include a timeline for all aspects of the project, with particular emphasis on program design and training delivery. The sample timeline table below should be modified to fit your project.

	<b>Outline of Process</b>	<b>Duration</b>	<b>Start Date</b>	<b>Finish Date</b>
<b>Creating a program foundation</b>				
	Identifying the partnership			
	Recruiting additional stakeholders			
	Selecting a program			
	Hiring project manager			
<b>Program Design</b>				
	Recruiting and selecting firms			
	Assessing training needs			
	Selecting training to be delivered			
	Aligning the resources of existing training systems			
	Designing curriculum			
	Designing assessments			
<b>Program Support</b>				
	Identify and implement support activities			
	Define process for recruiting and selecting training participants			
	Define measures of program success			
<b>Training Delivery</b>				
	Locate facilities			
	Schedule training			
	Recruit and select participants			
	Deliver training			
	Assess training outcomes			
	Define next step activities			

<b>Attachment – 3</b>				
<b>Budget Summary</b>				
<b>Budget Categories</b>		<b>FY 04-05 L&amp;I Budget Request</b>	<b>Matching Funds*</b>	<b>Total</b>
<b>Administration**</b>				
<b>Program Manager</b>				
<i>Salary</i>				
<i>Benefits</i>				
<i>Travel</i>				
<b>Subtotal</b>				
<b>Operating Costs</b>				
<b>Subtotal</b>				
<b>Other***</b>				
<i>Office Supplies/Postage</i>				
<i>Miscellaneous costs</i>				
<b>Subtotal</b>				

<b>Training Costs</b>				
<i>Materials</i>				
<i>Training Materials (Equipment is not eligible expense)</i>				
<i>Instructors (In-house “Company Trainers”)</i>				
<i>Contracted Instructional Services (Lists all contracted providers)</i>				
<i>Other Costs (Provide Detail)</i>				
<b>Subtotal</b>				
<b>Total</b>				

\*Please provide sources of matching funds on a separate sheet

\*\*Not to exceed 5% of the total request

\*\*\*Additional Budget Categories can be added as appropriate

Matching funds required: 1 to 1 ratio