

Executive Committee Agenda

Zoom Webinar/Teleconference
Friday, August 11, 2023 10:00 a.m.

Introduction & Call to Order	D. Zartman
Public Comment	
Review & Approval of Meeting Minutes	D. Zartman
Committee Updates & Action Items	
<ul style="list-style-type: none">• Audit/Finance Committee• EARN Committee• Governance Committee• Personnel Committee• Policy & Performance Committee• Youth Committee	
Executive Director Updates	E. Mulberger
Open Discussion	D. Zartman
Upcoming Meeting Dates	D. Zartman
<ul style="list-style-type: none">• LEO Meeting - September 20, 2023 @ 9:00 a.m.• Joint WDB/LEO Meeting – September 20, 2023 @ 10:00 a.m.• Executive Committee Meeting – October 13, 2023 @ 10:00 a.m.	

Executive Committee

Meeting Notes

May 12, 2023

The Executive Committee of Advance Central PA held a hybrid in-person/Zoom meeting on Friday, May 12, 2023.

The following members attended:

Jamie Aurand
Jim Beamer
Kenneth Chappell
Ken Holdren
Suzanne White
Dave Zartman

The following members were excused:

Michele Foust
Dean Girton
Jim Stopper

The following staff attended:

Brooke Gessner
Korrie Lucas
Erica Mulberger
Kelly Walter

Proceedings

The meeting was called to order at 10:04 a.m. by Dave Zartman, Executive Committee Chair.

Public Comment

There were no public comments.

Review & Approval of Meeting Minutes

- ▲ Ken Holdren made a motion to approve the January 13, 2023 Executive Committee meeting minutes. Suzanne White seconded the motion. The motion was unanimously approved with no abstentions.

Executive Committee Updates & Action Items for Discussion/Approval

Youth Committee

Suzanne White, Youth Committee Chair, provided the update.

Out-of-School Youth (OSY) Paid Internship

Suzanne provided a brief background for how the Youth funding allocation must be used. The Workforce Innovation and Opportunities Act (WIOA) requires 75% of the overall Title I Youth Allocation to be spent on Out-of-School Youth (OSY) versus In-School Youth (ISY). WIOA further requires that 20% of the allocation be spent on work-based activities such as paid internship. The local policy limits paid internship to 240 hours in length with pay equal to \$10.35 per hour.

Projections through June 30th show overall compliant OSY expenditures at approximately \$738,000 (81%) and paid internship expenditures at roughly \$170,000 (23 % of projected final expenditures) however, direct participant paid internship expenditures are falling short for a number of reasons. While the OSY provider staff are coaching participants about the value of internship and the support they'll receive, participants often make more money in unsubsidized employment. Host employers see value in a longer internship and some employers have turned down the host opportunity because they pay interns a higher wage than our program.

To help maintain compliance and benefit both the young person and employer host, it is recommended to extend the length of a paid internship to 360 hours (an average of 30 hours per week for 12 weeks) and increase the wage to a range of \$12.00 per hour up to \$15.00 per hour to match an employer's wage for interns.

- ▲ Suzanne White made a motion to revise the Out-of-School Youth contract with Central Susquehanna Intermediate Unit to increase the length of paid internship up to 360 total hours and the pay of paid internship to \$12.00 per hour up to \$15.00 per hour to match the wage paid by the employer to

unsubsidized interns performing the same role. Ken Chappell seconded the motion. The motion was unanimously approved with no abstentions.

In-School Youth (ISY) Paid Internship

Staff are evaluating the possibility of applying similar changes to paid internship offered in ISY programming. The ISY paid internships are funded with TANF Youth Development dollars so the 20% expenditure requirement does not apply.

Committee Membership

Advance Central PA staff are currently working to rejuvenate the standing committees of the Workforce Development Board (WDB), including to add WDB members to the Youth Committee.

Audit/Finance Committee

Brooke Gessner, Advance Central PA Finance Manager, provided the update on behalf of Jim Stopper.

Financial Reports Through March 31, 2023

The Contract Expense and Obligation Report was presented with Brooke noting several grants listed as expiring on June 30th will be submitted through a waiver process for extension: PY20 Rapid Response, PY22 TANF, all of the Next Gen funds, and the PASmart grants.

The Advance Central PA Operating Budget to Actual Report showed an expenditure rate of 61.72%.

The Consolidated RSAB Expense Report showed total expenditures and revenues for the PA CareerLink[®] sites at 62.30%. Advance Central PA has submitted the PA CareerLink[®] Operating Budget for next fiscal year to the state for approval.

The Subcontractor Budget to Actual Comparison report showed expenditures for each of Advance Central PA's subcontractors. A member asked why Central Susquehanna Opportunities Inc. (CSO) had a low expenditure rate. Brooke responded this was expected for Adult/Dislocated Worker because she had directed CSO to spend Statewide funding obtained to help overcome the allocation shortfall before spending the new allocation. CSO staff vacancies also contributed to the low expenditure rate. In regard to EARN, Brooke has scheduled a meeting with CSO leadership regarding unanticipated low expenditures.

According to the FY22 Consolidated Training Contract Obligations report, 73 participants were approved for Individual Training Accounts (ITA) and 16 participants were approved for On-the-Job Training (OJT) from July 1, 2022 through April 21, 2023, compared to 69 ITAs and 21 OJTs in the same timeframe last year.

Request for Rapid Response Funds

In years past, Advance Central PA has utilized Rapid Response funds from the PA Department of Labor & Industry to support: The Link, additional funds for Dislocated Worker training, and to support jobseeker and business services budgets. Staff is recommending a new request in the amount of \$125,000.

- ▲ **Jim Beamer made a motion to authorize Advance Central PA staff to request \$125,000 Rapid Response funds from the PA Department of Labor and Industry. Ken Holdren seconded the motion. The motion was unanimously approved with no abstentions.**

A budget meeting is to be determined.

EARN Committee

Ken Chappell, EARN Committee Chair, provided the update.

Monitoring Updates

Ken reported the final monitoring report for PY21 from the PA Dept. of Human Services (DHS) Bureau of Employment Programs (BEP) has been issued. While the monitor was impressed with the quality of the program and commitment to the betterment of participants and their families, there were four corrective actions required. Staff have responded and have implemented corrective action plans.

The "TANF Sample" is a monitoring facilitated by BEP each month for federal reporting purposes. Advance Central PA has been selected as a pilot site to use a new feature to upload information.

DHS has a new Director of BEP, Jolene Reid. Under her direction, the Bureau will be facilitating focus groups with EARN providers in May. Advance Central PA staff have submitted names of EARN staff from our area to participate.

Following those meetings, focus groups will also be held with participants. It is staff's understanding that the goal is for BEP to learn what is working well, what needs improvement, and understand more about barrier remediation.

The next EARN Committee meeting is to be determined.

Governance Committee

Erica Mulberger, Advance Central PA Executive Director, provided the update on behalf of Dean Girton.

The WDB must add a new private sector member to be compliant and to meet re-certification requirements. Erica has contacted a prospective candidate but awaits an application. The plan would be for the Governance Committee to vet the candidate and make a recommendation for LEO Board consideration at their June 21st meeting.

Concerns regarding policies from the PA Dept. of Labor & Industry (L&I) that may be burdensome versus substantive and meaningful were brought forth with reference to the Local Governance Policy. Erica recalled that public comments were submitted by staff as well as from Dave Zartman as WDB Chair. She offered that other WDBs across the Commonwealth, in addition to the Pennsylvania Workforce Development Association, submitted comments as well.

Personnel Committee

Jamie Aurand, Personnel Committee Chair, provided the update.

Staffing Updates

Advance Central PA has hired Melanie Scurto as Mentor Coordinator responsible for day-to-day Path to Careers related work and for re-launching LIFT, the locally developed mentorship program.

Gabi Randall recently transitioned from the Business Engagement Coordinator position to fill the Research and Grants Coordinator position; the Business Engagement Coordinator position is posted.

Personnel Committee Meeting Update

The Personnel Committee met May 1, 2023 to discuss recommendations related to staffing. Four actions were taken and approved by three of the four committee members who were present with no abstentions.

Jamie presented a draft organizational chart that includes the addition of four positions: Youth Coordinator, Outreach Coordinator, Accounting Coordinator, and Operations Manager to which Alexa Hann has been promoted.

Advance Central PA has sent a request for funds to L&I to fund the Outreach Coordinator as a pilot position responsible for preparing outreach materials for all PA CareerLink® along with Advance Central PA and implementing an outreach strategy for the region; if successful the plan would be to share costs with partners.

- ▲ **Jamie Aurand made a motion to approve the proposed changes to the Organizational Chart adding a Fiscal Coordinator, Youth Coordinator, Outreach Coordinator, and Operations Manager. Jim Beamer seconded the motion. The motion was unanimously approved with no abstentions.**

There was discussion about the budget with the addition of four staff members and Erica explained the budget can sustain these additional positions. She added that Advance Central PA is currently maxed out applying for grants with the staff we have.

Staff Promotion

The Committee approved the promotion of Alexa Hann from Youth Programs Manager to Operations Manager. The new Youth Coordinator position will backfill most of the duties that Alexa does now relating to youth programs. The Advance Central PA management team and Personnel Committee members all recognize the contributions Alexa makes to the organization and believe she will excel in the new role. With Executive Director and Personnel Committee approval, no further action is needed.

Salary Scale and Salary Increases

Advance Central PA's Salary Management and Administration Policy states the need to update the salary scale annually by an amount approximate to the Consumer Price Index for All Urban Wage Earners during the past 12 months. As of April 12, 2023, that would be a 4.5% increase. Due to the semi-uncertain nature of Advance Central PA's funding, the Personnel Committee approved a shift in the salary scale and COLA increase effective July 1, 2023 of 2% instead of the 4.5% from the Consumer Price Index. Staff will also have the ability to earn a merit increase in January 2024.

- ▲ **Jamie Aurand made a motion to increase the salary scale by 2% for all positions based on budget and comparison of the Consumer Price Index for All Urban Wage Earners during the past 12 months. Suzanne White seconded the motion. The motion was unanimously approved with no abstentions.**
- ▲ **Jamie Aurand made a motion to award a 2% cost of living increase to all staff with a tenure greater than 6 months effective July 1, 2023 pending budget approval. Ken Holdren seconded the motion. The motion was unanimously approved with no abstentions.**
- ▲ **Jamie Aurand made a motion to approve a 3% merit pool budget for Fiscal Year 2024 pending budget approval. Jim Beamer seconded the motion. The motion was unanimously approved with no abstentions.**

Suzanne expressed appreciation for separating the motions to increase the salaries of those who excel in their positions with the ability to earn a merit-based increase.

The Personnel Committee will meet as needed.

Policy and Performance Committee

Jim Beamer, Policy and Performance Committee Chair, provided the update.

The Policy and Performance Committee met May 10, 2023 to review and make changes to the ITA and OJT policies. Referencing the full summary of changes provided in the meeting packet, Jim highlighted the revisions the Committee approved and/or developed during the meeting to keep them relevant and provide clarification.

OJT Policy revisions include changes to employer eligibility such as allowing multiple OJT contracts for a single employer and defining a cap that balances meaningful impact to employers with making funding available for multiple companies across the region. The Policy updates also include language allowing the Executive Director to apply permanent disqualification of employers from OJT for egregious issues. Changes to participant eligibility allow for expanded use of assessments and outline that an individual cannot receive funding for ITA and OJT simultaneously. A new section on Registered Apprenticeship was added to outline the protocol for applying OJT funding and define completion. It was also determined that staff should be allowed to consider a master contract.

Members held discussion, including in regard to permanent disqualification and ultimately agreed on the need for such language.

- ▲ **Jim Beamer made a motion to approve revisions to the Advance Central PA On-the-Job Training Policy as presented. Jamie Aurand seconded the motion. The motion was unanimously approved with no abstentions.**

ITA Policy revisions include changes to participant eligibility to expand on allowable assessments, better define the program types in alignment with the Eligible Training Provider List, and expand the allowable support services to include books. As with the OJT Policy, a new section on Registered Apprenticeship was added to outline the protocol for applying ITA funding. Finally, the Committee solidified the process for tuition refunds so that Advance Central PA receives it first, then if the refund amount is greater than the amount of the ITA, the participant shall receive the remainder.

- ▲ **Jim Beamer made a to approve revisions to the Advance Central PA Individual Training Account Policy as presented. Ken Chappell seconded the motion. The motion was unanimously approved no abstentions.**

The Policy and Performance Committee will meet as needed.

Executive Director Update

Erica Mulberger, Advance Central PA Executive Director, provided the update.

Upcoming Presentations

On May 24th, Erica will be introducing The Link to the PA State WDB as a unique solution to providing workforce services.

Erica will be speaking at a Senate Majority Policy Committee Hearing on May 17th where she will be part of a panel providing testimony on rural workforce challenges, population decline, and childcare challenges. Regarding

childcare, Erica shared that while attending a recent conference, she learned Iowa has a proposed bill where the state would pay 1/3 of the child care costs, families 1/3, and businesses 1/3 with tax credits. Erica plans to run the numbers to see how a similar policy might impact the labor force in Central Pennsylvania.

FY24 Budget

An Audit/Finance Committee meeting is being coordinated so members can review a proposed budget. The new allocations are approximately \$700,000 higher than last year, but only \$422,000 greater when factoring in the additional funds that were requested and received last year based on the significant decrease in funding received last year.

Other Updates

Erica has been working to gather and send information related to a subpoena received related to several healthcare providers participating in the region's industry partnership. Erica has spoken with Advance Central PA's solicitor. There are no concerns at this time, but it is an example of an unanticipated project that requires staff time.

Open Discussion

There was none.

Date of Next Meeting

LEO/Annual Meeting of the Members – June 21, 2023 at 9:00 a.m.

Joint WDB/LEO Board – June 21, 2023 at 10:00 a.m.

Executive Committee Meeting – August 11, 2023 at 10:00 a.m.

Adjournment

With no further business to discuss, Dave adjourned the meeting at 11:00 a.m.

Respectfully Submitted,



Kelly Walter, Office/Board Coordinator

Executive Committee Updates and Actions to be Taken

August 11, 2023

1. Motion to approve the minutes from the May 12, 2023 Executive Committee meeting.

Motion:

Second:

Audit/Finance Committee • Jim Stopper, Chair

The Audit/Finance Committee will meet as needed.

EARN Committee • Kenneth Chappell, Chair

The EARN committee will meet as needed.

Governance Committee • Dean Girton, Chair

The Governance Committee will meet as needed.

Personnel Committee • Jamie Aurand, Chair

The Personnel Committee will meet as needed.

Policy and Performance Committee • Jim Beamer, Chair

The Policy and Performance Committee will meet as needed.

Youth Committee • Suzanne White, Chair

The Youth Committee will meet as needed.

FY23 CONSOLIDATED TRAINING CONTRACT OBLIGATIONS
As of **6/30/2023**

Fund Source	Budget	Encumbrance	Actual	Total Obligation	Budget Available for Encumbrance	Number of Participants	Percentage of Total Budget Obligated
INDIVIDUAL TRAINING ACCOUNTS (ITAs)						FY23 ITA	
Adult	\$2,566	\$0	\$1,990	\$1,990	\$576	2	77.55%
Adult POS	\$196,786	\$7,402	\$174,660	\$182,062	\$14,724	63	92.52%
Dislocated Worker	\$93,758	\$4,862	\$33,764	\$38,625	\$55,132	11	41.20%
TOTAL ITA	\$293,110	\$12,264	\$210,413	\$222,677	\$70,433	76	75.97%

ON THE JOB TRAININGS (OJTs)						FY23 OJT	
Adult	\$39,084	\$629	\$28,217	\$28,846	\$10,238	5	73.80%
Adult POS	\$61,984	\$1,235	\$40,801	\$42,036	\$19,948	10	67.82%
Dislocated Worker	\$62,505	\$935	\$2,449	\$3,384	\$59,121	2	5.41%
Out of School Youth	\$76,098	\$0	\$13,311	\$13,311	\$62,787	4	17.49%
TOTAL OJT	\$239,671	\$2,799	\$84,778	\$87,577	\$152,094	21	36.54%
TOTAL ITA/OJT	\$532,781	\$15,063	\$295,191	\$310,254	\$222,527	97	58.23%

INCUMBENT WORKER TRAINING						Number of Participants	Percentage of Total Budget Obligated	
Fund Source	Budget	Encumbrance	Actual	Total Obligation	Budget Available for Encumbrance			
Next Gen Adv. Manuf. 2019	2021	\$68,000	\$0	\$27,900	\$46,840	\$21,160	34	69%
	2023			\$18,940				
Next Gen Healthcare 2019	\$65,751	\$0	\$250	\$250	\$65,501	0	0%	
Next Gen Adv. Manuf. 2020	\$210,000	\$0	\$0	\$0	\$210,000	0	0%	
Next Gen. Healthcare 2020	\$193,800	\$0	\$0	\$0	\$193,800	0	0%	
Total	\$537,551	\$0	\$47,090	\$47,090	\$490,461	20	9%	



Executive Order

Commonwealth of Pennsylvania

Governor's Office

Executive Order 2023-17 – Commonwealth Workforce Transformation Program (CWTP)

Date: July 31, 2023

By Direction of:
Josh Shapiro, Governor

WHEREAS, the federal Infrastructure Investment and Jobs Act of 2021, Pub. L. 117-58 (IIJA), and the federal Inflation Reduction Act of 2022, Pub. L. 117-169 (IRA), offer unique opportunities for the Commonwealth of Pennsylvania to accelerate critical investments in roads, bridges, energy, water, sewer, and transformative economic development projects, many of which require the adaptation of new technologies and techniques that improve the efficiency and effectiveness of our economy and enhance the prosperity and well-being of residents of the Commonwealth; and

WHEREAS, the Commonwealth's diverse workforce must grow and evolve to realize fully the benefits of both initiatives including the use of these federal investments to create good jobs with family-sustaining wages and equitable pathways to these good jobs for workers from all communities; and

WHEREAS, some of the greatest risks associated with executing these projects arise when companies cannot find experienced workers or are unwilling to take the financial or operational risks to train and hire new workers; and

WHEREAS, the IIJA and IRA call for States to build workforce programs in response to these challenges; and

WHEREAS, workforce programs that use evidence-based strategies such as sector-based training, registered apprenticeship programs, and supportive services are demonstrated to improve training, employment, and earnings outcomes; and

WHEREAS, the IIJA and IRA provide States with the flexibility to design and execute their own workforce programs using IIJA or IRA monies.

NOW, THEREFORE, I, Josh Shapiro, Governor of the Commonwealth of Pennsylvania, by virtue of the authority vested in me by the Constitution of the Commonwealth of Pennsylvania and other laws, do hereby establish the Commonwealth Workforce Transformation Program (hereinafter referred to as the "CWTP" or "Program") and instruct the Pennsylvania

Department of Labor and Industry, in conjunction with the Office of the Budget and the Executive Director of Critical Investments, to develop and implement policies and procedures to govern the CWTP and allocate funding in accordance with the following:

1. Purpose.

The Commonwealth Workforce Transformation Program (CWTP) shall coordinate the distribution of the IIJA and IRA monies available for workforce development and on-the-job training (OJT) via a grant program distributed through the various state agencies that will receive such federal funding. The Department of Labor and Industry shall manage the CWTP with assistance from the Office of the Budget and in accordance with the IIJA, the IRA, and the regulations or guidance issued by the relevant federal agencies.

2. Definitions.

a. An **Eligible Organization** is a for-profit corporation, limited liability company, partnership, not-for-profit organization, or public benefit corporation operating in Pennsylvania; which

- (1)** Has received a contract or grant from an agency of the Commonwealth of Pennsylvania or by the federal government under the IIJA or IRA for work occurring in the Commonwealth of Pennsylvania, or
- (2)** Is a subcontractor to an Eligible Organization that has received a contract or grant under the IIJA or IRA for work occurring in the Commonwealth of Pennsylvania, or
- (3)** Has received a tax credit from the U.S. Department of the Treasury made available under the IRA for a capital investment in excess of ten million dollars (\$10,000,000) within the Commonwealth of Pennsylvania.

b. Covered Expenses include, to the extent allowable under the IIJA and IRA:

- (1)** Wages paid directly to a new employee, including any bonuses or other monetary compensation reportable as "W-2" Wages. The term "new employee" used throughout this Executive Order means a new employee as that term will be or is defined in the CWTP guidelines issued pursuant to this Program.
- (2)** Any Payroll Taxes paid by the Eligible Organization to federal, state, or local taxing authorities in conjunction with the new employee's employment.
- (3)** Any direct costs associated with the OJT program incurred by the Eligible Organization during the first six (6) months of employment for the new employee, including but not limited to:
 - (a)** Registered pre-apprenticeship programs,
 - (b)** Registered apprenticeship program costs,
 - (c)** Costs associated with establishing a training program,

- (d) Costs incurred for the use of a training facility, and
- (e) Supportive services and direct cash assistance that help individuals facing systemic barriers to employment to be able to participate in training and employment. Eligible supportive services include, but are not limited to, costs incurred for bona fide services and assistance provided to new employees for: housing; child and dependent care; work-related tools; work-related clothing or uniforms; educational testing; needs-related payments or emergency cash assistance; transportation and travel to or from training and work sites; reasonable accommodations; legal assistance; referrals to healthcare, mental health counseling or drug treatment; linkages to community services; application fees and other costs of apprenticeship or required pre-employment training, tests, or certifications; or financial counseling to the extent that eligible organizations demonstrate to the CWTP, within its discretion, that the foregoing effectively recruit or retain workers who have traditionally faced systemic barriers to training and employment.

3. Program.

The Program shall establish guidelines that permit Eligible Organizations to apply for grants of up to forty thousand dollars (\$40,000) per each new employee, which grant may not exceed four hundred thousand dollars (\$400,000) in aggregate for all new employees hired by the Eligible Organization for each particular contract, to reimburse the Eligible Organization's payment of Covered Expenses.

4. The Department of Labor and Industry shall:

- a. Manage the CWTP in alignment with the programmatic requirements of the IIJA, IRA, and any relevant guidance issued by authorized federal agencies.
- b. Implement policies for the overall Program, including the appropriate forms and documentation to be filed by Eligible Organizations to apply for the grants.
- c. Develop compliance and reporting tools for Eligible Organizations as required to implement the Program.
- d. Facilitate participation in the CWTP with companies, not-for-profit organizations, labor unions and worker organizations, and other employment or training service providers previously qualified to provide OJT services for other Executive Agencies.
- e. Prioritize awards to grant applicants that most effectively demonstrate the implementation of OJT programs encouraged by the IIJA and IRA.

5. The Office of the Budget shall:

- a. Establish a process to allocate portions of IIJA and IRA funding to this Program, such that Eligible Organizations may be reimbursed for Covered Expenses in accordance with relevant federal reporting requirements.
- b. Seek reimbursement from the federal government for up to a maximum amount of four hundred million dollars (\$400,000,000) over the five years of expected funding from the IIJA and IRA.

- c. Segregate such funds as might be required to allocate specific grants made to Eligible Organizations under the CWTP such that those grants match program requirements for individual federal agencies.
- d. Provide for such overhead and operational costs that may be reasonably necessary for the execution of the Program, incorporating those costs for federal reimbursement.

6. The Department of Corrections shall:

- a. Provide CWTP participants with information regarding reentry programs to ensure that participants are aware of the workforce opportunities that may be addressed by hiring individuals who are reentering the community after incarceration.
- b. Inform incarcerated individuals of the on-the-job training opportunities that may be available to them under the CWTP.
- c. Coordinate with the Executive Director of the CWTP to ensure that the CWTP effectively connects employers in need of workers with previously incarcerated or soon-to-be-released incarcerated individuals who may be interested in workforce opportunities under the CWTP.

7. Contracting Executive Agencies shall:

- a. Include language in all solicitations issued using IIJA and IRA funding that describes the CWTP and how to qualify for funding under the Program.
- b. Request offerors to submit a description of any OJT programs that the offeror may have available to new employees that qualify for the CWTP under Section 2.a., above.

8. The Fiscal Offices for Executive Agencies Receiving IIJA and IRA Funding shall:

- a. Allocate at least three percent (3%) of all funding received by the Commonwealth under the IIJA and IRA, including both formula awards and competitive grants as set forth in IIJA and IRA, where applicable, to be used to support CWTP in accordance with IIJA and IRA.
- b. Ensure such allocations are designated on all fiscal reports and budgets submitted to federal agencies for any and all programs funded under the IIJA and IRA.
- c. Report the following information to the Executive Director of Critical Investments or to the Executive Director's designee within thirty (30) days of the issuance of any grant award letter for projects or grants funded by IIJA and IRA under the program:
 - (1) The name and address of the recipient of the grant award letter;
 - (2) The amount of funds issued under the grant award letter;
 - (3) A brief description of the work to be completed under the grant award letter; and

(4) Whether the recipient indicated in the proposal an intent to apply for funding from the CWTP.

d. Comply with guidance issued by the Office of the Budget, or by the Executive Director of Critical Investments, for this Program.

9. Staff.

The Executive Director of Critical Investments shall administer, under the direction of the Office of the Budget, the Program until an Executive Director is appointed. The Secretary of Labor and Industry shall hire an Executive Director of the CWTP, who shall report to the Office of the Governor and to the Secretary of Labor and Industry and shall administer the CWTP thereafter. The Executive Director shall administer the Program until all federal IIJA and IRA funding has been expended. The Executive Director shall hire such individuals as may be necessary to carry out the objectives of the CWTP and the purposes of this Executive Order, subject to the approval of the Secretary of Labor and Industry and the Office of the Budget.

10. Implementation.

This Executive Order shall be implemented consistent with applicable law. This Executive Order is not intended to, and does not create, any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the Commonwealth, its departments, agencies, or entities, its officers, employees, or agents, or any other persons.

11. Effective Date.

This Executive Order shall take effect immediately.

12. Termination Date.

This Executive Order shall remain in effect until amended or rescinded by the Governor.

FACT SHEET: COMMONWEALTH WORKFORCE TRANSFORMATION PROGRAM (CWTP)

Overview

- The federal Infrastructure Investment and Jobs Act (IIJA) of 2021 and Inflation Reduction Act (IRA) of 2022 provide funding for states to train and build strong workforces in critical industries related to energy efficiency, infrastructure, and economic development. These initiatives have the goals of growing the economy, enhancing our competitiveness, creating good jobs accessible to all communities, and making our economy more sustainable, resilient, and just.
- In Pennsylvania, the Commonwealth Workforce Transformation Program (CWTP) provides grants to employers that hire and train new workers on IRA and IIJA projects in critical industries. The CWTP is available for IRA and IIJA contracts or grant awards from the Commonwealth or the federal government. Projects funded pursuant to other laws or programs are not eligible for CWTP grants.
- The CWTP promotes workplace equity and economic development by encouraging new on-the-job training programs, supporting apprenticeship and other established programs, bolstering the workforce in IRA and IIJA industries, promoting hiring from underserved communities including the unemployed and underemployed, the formerly incarcerated, and new entrants into the workforce, and rewarding those who maintain the highest workplace standards.

CWTP Grants

CWTP provides grants of up to forty thousand dollars (\$40,000) for each New Employee hired and trained in Pennsylvania, up to a maximum of four hundred thousand dollars (\$400,000) per contract or award under the IRA and IIJA. The grants reimburse Eligible Organizations for the cost of wages and similar compensation, supportive services provided to New Employees with significant barriers to employment, payroll taxes, and/or training costs paid to or on behalf of New Employees.

Eligibility

- Effective date: grants are available for IRA and IIJA contracts and awards entered into on July 31, 2023 and thereafter.
- Eligible employers: any entity that received (1) a contract or grant (including their subcontractors or subgrantees) from a Commonwealth agency or the federal government under the IIJA or IRA for work occurring in Pennsylvania or (2) a tax credit from the U.S. Department of Treasury under the IRA for a project of greater than \$10,000,000 or more located in the Commonwealth of Pennsylvania.
- New Employees: must live in Pennsylvania, have been newly hired to work full-time, with full benefits, on an IRA or IIJA project for at least six straight months, and completed or been enrolled in the employer's approved on-the-job training program during that period of employment. New Employees must also meet at least one of the following: (1) have recently

graduated or received a certification from a high school, trade school, or community college; (2) have been enrolled in or completed an approved Apprenticeship or Pre-Apprenticeship Program; (3) be registered with PA CareerLink® at the time of hire; (4) be paroled or released from a correctional institution within the previous six (6) months of hire; (5) has been a recipient of benefits under the Supplemental Nutrition Assistance Program (SNAP), Special Supplemental Assistance Women Infants and Children (WIC) or other Pennsylvania cash assistance program within the previous six (6) months of hire.

- Covered on-the-job training programs: employers must offer New Employees enrollment in: (1) an approved Apprenticeship or Pre-Apprenticeship Program registered with the Commonwealth; (2) an on the job (OJT) program approved through a Local Workforce Development Board (WDB); (3) a program through the Department of Labor & Industry's Office of Vocational Rehabilitation (OVR); or (4) another CWTP-approved training program that effectively carries out the on-the-job training goals of the IIJA and IRA.
- Responsible contractors: employers must be in compliance with the Commonwealth's contractor integrity and contractor responsibility requirements, including but not limited to payment of all tax liabilities or other Commonwealth obligations and compliance with all applicable prevailing wage, wage payment, health and safety, equal opportunity, and other workplace laws.
- Compliance with other labor standards in multi-party agreements: the CWTP may waive strict compliance with eligibility requirements for and/or prioritize CWTP grant applications from employers that perform work under an IRA or IIJA project that is subject to a project labor agreement or community benefits agreement.

Additional Information

- Employers interested in applying for a CWTP grant should contact the CWTP once they receive a contract or award for an infrastructure project funded through the IIJA or IRA
- Employers must provide all requested documentation showing eligibility including but not limited to certified and other payroll records, substantiation of supportive services provided, proof of remittance of applicable payroll taxes, documentation of training programs and costs, contracts, subcontracts, grant agreements, subgrant agreements, documentation of tax credits, and other project documents.
- Program Guidelines on the CWTP are forthcoming. The Commonwealth reserves the right to alter the information above, including eligibility requirements and/or applicability of funding to specific programs, at its sole discretion.

CWTP Q&A

1. Q: What is the Commonwealth Workforce Transformation Program (CWTP)?

A: The CWTP is a workforce development program that provides funds to organizations which have received a contract, grant, or tax credit to carry out an IIJA or IRA project in Pennsylvania.

2. Q: What is the purpose of the CWTP?

A: To invest in the Commonwealth's workforce by providing on-the-job training to new employees, including from underserved communities, accelerating critical investments in roads, bridges, energy, water, sewer, and transformative economic development projects in Pennsylvania.

3. Q: What projects are eligible?

A: Any project in Pennsylvania awarded funds from the Commonwealth that were appropriated under the IIJA or IRA on or after July 31, 2023.

4. Q: What is an Eligible Organization?

A: Any entity that received a contract, subcontract, grant or subgrant from a Commonwealth agency or the federal government under the IIJA or IRA for work occurring in Pennsylvania. It also includes entities that receive federal tax credits worth \$10,000,000 or more for an IRA project in Pennsylvania.

5. Q: How much can an Eligible Organization apply for?

A: Up to \$40,000 per each New Employee, up to a total of \$400,000 in aggregate per project for all New Employees hired by the Eligible Organization.

Total grant available per new employee	Up to \$40,000
Total grant available per project	Up to \$400,000

6. Q: Is an organization still eligible for CWTP funds if workforce development was not part of its IIJA/IRA project award?

A: No.

7. Q: Are the CWTP funds in addition to the Eligible Organization's original IIJA or IRA project award?

A: Yes.

8. Q: Can CWTP funds be used for existing employees or only new employees?

A: Only new employees.

9. Q: Who is considered a new employee?

A: An individual who must live in Pennsylvania, have been newly hired to work full-time, with full benefits, on an IRA or IIJA project for at least six straight months, and completed or been enrolled in the employer's approved on-the-job training program for at least six months. New Employees must also meet at least one of the following: (1) have recently graduated or received a certification from a

high school, trade school, or community college; (2) have been enrolled in or completed an approved Apprenticeship or Pre-Apprenticeship Program; (3) be unemployed and registered with PA CareerLink® at the time of hire; (4) be paroled or released from a correctional institution within the previous six months of hire; (5) has been a recipient of benefits under the Supplemental Nutrition Assistance Program (SNAP), Special Supplemental Assistance Women Infants and Children (WIC) or other Pennsylvania cash assistance program within the previous six (6) months of hire.

10. Q: What costs are eligible for the new employee?

A: Any of the following costs associated with on-the-job training of the new employee: wages, supportive services, payroll taxes, pre-apprenticeship program costs, apprenticeship program costs, costs associated with establishing a training program, and costs incurred for the use of a training facility.

11. Q: For how long must the new employee be employed?

A: Six months.

12. Q: What labor laws must be adhered to by the Eligible Organization?

A: All Eligible Organizations must follow the Pennsylvania Prevailing Wage Act, Davis-Bacon Act or related acts, and any and all other wage statutes, employment laws, and/or regulations applicable.

13. Q: What documentation is/will be required to receive CWTP funds?

A: The CWTP has discretion to require documentation needed to show compliance with program requirements such as program eligibility, New Employee expenses, project documents, and information deemed relevant. Further information will be included in the program guidelines.