Guaranteed Free Training (GFT) Program Guidelines

For Fiscal Year
2008 – 2009

Basic Skills Training
Up to $450 per eligible employee

Information Technology Training
Up to $850 per eligible employee

Training Period:
July 1, 2008-June 30, 2009

The Goal of the **Guaranteed Free Training** Program is to strengthen the business environment of the Commonwealth of Pennsylvania by improving the skill level and productivity of Pennsylvania workers.

Funding for the Guaranteed Free Training (GFT) Program is provided by the PA Department of Community and Economic Development (DCED).

Basic Skills Training

To be eligible for a basic skills grant, Employers and employees trained must meet the following qualifications:

Employer:

- Must be based in Pennsylvania or maintain a significant presence in the state.
- This Grant is limited to manufacturing or technology-based businesses to include Biotech and Environmental-Tech companies.
- Point-of-sale retail businesses, gaming establishments, employment agencies, government agencies, government owned facilities, education, training vendors and non-profit entities are **not** eligible. Note: some unions, labor organizations, and non-profit healthcare entities may qualify as exceptions. Please contact a WEDnetPA partner for more information.

Employees participating in the training:

- Must earn at least 150% of the current federal minimum wage at start of training, excluding benefits.
- Must be a permanent full-time employee and eligible to receive full-time benefits.
- Must be a verifiable resident of Pennsylvania and employed in Pennsylvania.
- Must be a front-line employee or a first level supervisor.
- Employees with decision making responsibilities (may include, but not limited to budgetary, policy making, etc.) are not eligible for basic skills funding.
- Employees who supervise other supervisors are not eligible for basic skills funding.

Information Technology Training

To be eligible for an information technology grant, companies and employee**s** trained must meet the following qualifications:

Employer:

- Must be based in Pennsylvania or maintain a significant presence in the state.
- This Grant is not limited to specific economic clusters.
- Point-of-sale retail businesses, gaming establishments, employment agencies, government agencies, government owned facilities, education, training vendors and non-profit entities are **not** eligible. Note: some unions, labor organizations, and non-profit healthcare entities may qualify as exceptions. Please contact a WEDnetPA partner for more information.

Employees participating in the training:

- Must earn at least 150% of the current federal minimum wage at the start of training, excluding benefits.
- Must be a permanent full-time employee and eligible to receive full-time benefits.
- Must be a verifiable resident of Pennsylvania and employed in Pennsylvania.
- Must have a clear connection between the training and the employee's job responsibilities.

Basic Skills Training

Additional Criteria:

- The company must verify that any employee involved in this training contract does not exceed the maximum reimbursement of $450 for the Basic Skills training for any GFT contract within a fiscal year.
- A company may receive a maximum of $75,000 per fiscal year.
- The company is also limited to participation in the Guaranteed Free Training program and the Customized Job Training program to two consecutive years and three out of the past five years. This restriction includes GAT offers. If a GAT offer is for multiple years, each year is counted as a year of eligibility. A company can check their eligibility at http://wednetpa.com/gft/companygrant.asp.
- The company will sign the applicable Statement of Eligibility Memorandum of Agreement (GFT-002) confirming that the Company, employees and training meet all of the requirements of the program.
- The company agrees to provide the participating employee's valid social security number, job title and hire date to determine eligibility to the program.
- A company is defined by their Federal Employer Identification Number (FEIN), not their location or operating functions.

Employee Turnover Policy:

- New grant recipients with a high historical employee turnover rate of 50% or greater may be declared ineligible.
- Prior grant recipients with a high employee turnover rate of 40% or greater may be declared ineligible.

Written justification from the company is required to be submitted with their application for consideration. This policy may be waived and is at the discretion of the WEDnetPA statewide director.

Information Technology Training

Additional Criteria:

- The company must verify that any employee involved in this training contract does not exceed the maximum reimbursement of $850 for the Information Technology training for any GFT contract within a fiscal year.
- A company may receive a maximum of $50,000 per fiscal year.
- The company is also limited to participation in the Guaranteed Free Training program and the Customized Job Training program to two consecutive years and three out of the past five years. This restriction includes GAT offers. If a GAT offer is for multiple years, each year is counted as a year of eligibility. A company can check their eligibility at http://wednetpa.com/gft/companygrant.asp.
- The company will sign the applicable Statement of Eligibility Memorandum of Agreement (GFT-002) confirming that the Company, employees and training meet all of the requirements of the program.
- The company agrees to provide the participating employee's valid social security number, job title and hire date to determine eligibility to the program.
- A company is defined by their Federal Employer Identification Number (FEIN), not their location or operating functions.

Employee Turnover Policy:

- New grant recipients with a high historical employee turnover rate (greater than 50%) may be declared ineligible.
- Prior grant recipients with a high employee turnover rate (greater than 40%) may be declared ineligible.

Written justification from the company is required to be submitted with their application for consideration. This policy may be waived and is at the discretion of the WEDnetPA statewide director.

Basic Skills Training

Eligible Training:

Eligible training activities, as set forth by DCED will be those that improve the skill level of employees through the introduction of **basic** skills required to be successful in various jobs. As such, basic skills training will be defined according to the type and scope of business being conducted by the employer.

Training for employees that is above basic skills may be eligible for the Customized Job Training program, which is also funded by the Department of Community and Economic Development (DCED). Please consult a WEDnetPA partner for assistance.

The eligible training period is July 1, 2008 through June 30, 2009. Training cannot take place outside of this timeframe and must not have been invoiced/reimbursed on another current fiscal year's contract.

Training activities must be started within 5 months of the contract award date or the end of the fiscal year (whichever comes first) and be completed by June 30th or the awarded funds will be forfeited. Acceptable documentation indicating the start of training must be provided upon request.

Information Technology Training

Eligible Training:

Eligible training uses technology to **improve the technical skill level** of trainees. The employees participating can be reimbursed with ITT funds, regardless of job title, type of company or company size, as long as there is a clear connection between the training and the employee's job responsibilities. As such, Information Technology training will be defined according to the type and scope of business being conducted by the employer but cannot include company-wide software end user training.

Training not eligible under the Information Technology program may be eligible under the Basic Skills program. Please consult a WEDnetPA partner for assistance.

The eligible training period is July 1, 2008 through June 30, 2009. Training cannot take place outside of this timeframe and must not have been invoiced/reimbursed on another current fiscal year's contract.

Training activities must be started within 5 months of the contract award date or the end of the fiscal year (whichever comes first) and be completed by June 30th or the awarded funds will be forfeited. Acceptable documentation indicating the start of training must be provided upon request.

Basic Skills Training

Types of Eligible Training (not all inclusive):

- Communication and Teamwork
- Applied Mathematics and Measurement
- Workplace Health and Safety
- Problem Solving
- Quality Assurance
- Business Operations
- Computers
- Product and Process Control
- Workplace Behavior Skills
- Manufacturing Fundamentals:
  - Blueprint Reading
  - Welding, Soldering
  - Tooling, Grinding
  - Machine Setup & Maintenance

No On-the-Job, company orientation or product specific sales training is eligible for reimbursement. *Grant funds cannot be used for adult literacy activities such as ESL.* Where appropriate, WEDnetPA partners will collaborate with Adult Literacy Service providers to address workplace literacy needs. Company in-house training is permitted for eligible training.

Training can be provided by the WEDnetPA partner institution, in-house or by third party vendors. **The company will always select their training provider.**

Information Technology Training

Types of Eligible Training (not all inclusive):

- E-Business/Commerce
- Technology Support
- Information Security
- Data Base Development
- Software Engineering
- Computer Programming
- Network Administration
- Systems Analysis
- Management Information Systems
- Website Design & Development
- Advanced Applied Manufacturing Technology:
  -CAD -CAM
  -CNC -PLC

Any training deemed ineligible under basic skills is not eligible for ITT reimbursement. Any spreadsheet, word processing, presentation/graphic or basic/introductory database management training does not qualify for ITT reimbursement as they are considered basic skills and are eligible under the Basic Skills program. *Company-wide software training for end users is not eligible for the Information Technology training program.* Company in-house training is permitted for eligible training.

Training can be provided by the WEDnetPA partner institution, in-house or by third party vendors. **The company will always select their training provider.**

Guaranteed Free Training Program

Eligibility:
Eligibility must be met on three levels: company, employee and training. Once a company has been determined to be eligible by a WEDnetPA partner, an application can be submitted on its behalf. Employees and training must also be determined eligible before reimbursement will be made.

Subcontracting:
WEDnetPA partners are encouraged to subcontract with other WEDnetPA partners or other third party training providers where appropriate and requested by the Company. **The Company will always select the training provider.** The Third Party Subcontractor Memorandum of Agreement (GFT-004) must be completed if the WEDnetPA partner is reimbursing the subcontractor directly. By signing the Third Party Memorandum of Agreement, the subcontractor is responsible for meeting all of the same reporting requirements as WEDnetPA partners would under these guidelines. In cases where a WEDnetPA partner is using a subcontractor for the training, the WEDnetPA partner will receive reimbursement for the training, and will be responsible for reimbursing the subcontractor or Company according to the terms of the subcontract.

WEDnetPA does not endorse any third party training vendor services.

GFT Application Timeline:
Only the 33 approved WEDnetPA partners are authorized to administer applications for the GFT program. WEDnetPA accepts no responsibility for applications solicited by entities other than the 33 approved WEDnetPA partners. To apply for Grant funds, the following must be completed:

1. GFT Application	GFT-003 rev. 05/01/08
2. GFT Training Plan	GFT-009 rev. 05/01/08
3. GFT Statement of Eligibility MOA	GFT-002 rev. 05/01/08
4. GFT Third Party Subcontractor MOA (if applicable)	GFT-004 rev. 05/01/08

WEDnetPA partners can accept applications from eligible companies from **May 1, 2008 through July 11, 2008**. Partners who take applications from eligible companies during this period will be notified in writing by September 1, 2008 regarding the approval/non-approval of their pending applications.

When applications are reviewed, consideration will be given to, but not limited to the following target areas: industry partnerships, targeted industry clusters, geographic impact, company size and quality of jobs.

Applications may continue to be accepted after the initial application period but approval will be based on the availability of funds throughout the balance of the fiscal year.

Governor's Action Team Applications:
Applications for DCED Governor's Action Team (GAT) offer letters may be submitted any time during the fiscal year. For consideration, a copy of the complete GAT offer letter with the signed acceptance page must accompany the application. Generally, GFT policy guidelines apply to GAT offer letters. Within these guidelines, WEDnetPA is only obligated to fund the Company, based on the specific stipulations of its GAT offer letter.

Reimbursement for Training:
Companies are eligible to receive grant funds up to $450 for Basic Skills and up to $850 for Information Technology training per eligible employee in one fiscal year, regardless of training methodology (i.e. traditional, online, blended, etc.).

If a trainee meets the requirements of an eligible employee in two separate fiscal years, the WEDnetPA partner, on behalf of the company, may invoice up to $450 for basic skills training and $850 for information technology training for that employee in each of the fiscal years as long as it is for *different* training. Note: an employee can also appear on multiple contracts within the same fiscal year provided he/she does not exceed the $450 and/or $850 cap.

To receive reimbursement for training, the company, employees and training must first meet all eligibility requirements as set forth under the Eligibility section of this document. If the cost of providing the training exceeds the stated cap per employee under the grant, the employer must cover the balance of those costs.

GFT funds cannot be used to reimburse for training costs that have already been paid by another state and/or federal funding source.

Eligible expenses are the hourly salary of the trainer(s) for actual hours trained (not to include preparation time), instructor benefits (not to exceed 40%), cost of books and training materials, room rental (if applicable) for off-company-site training only, copying/printing of training materials or other materials consumed within the training period. **Companies that conduct in-house training must use the GFT in-house spreadsheet and may seek reimbursement only for actual eligible training costs incurred.**

Ineligible expenses include, but are not limited to: membership fees, in-house online training, employee (trainee) salary during training period, exam fees, test preparation, fees not associated with actual training, sales tax, travel expenses for trainers or employees trained, preparation time of trainer, costs to develop the training, room rental for on-company-site training, food, materials and tools used in job (calculators, calipers, hard hats, etc.), shipping and handling of training materials to training site, training materials not consumed within training period (such as hardware and software), general education requirements towards degree work, college level advance degree coursework, credit courses towards completion of degree work unrelated to current job and fixed assets.

Please consult a WEDnetPA partner for clarification of eligible & ineligible training costs.

Invoicing Process:
New Requirement: Companies must submit invoicing documentation to their WEDnetPA partner within 45 calendar days of the completion of each training event or the applicable WEDnetPA partner's designated year end invoicing deadline, whichever comes first. The GFT Verification Report signed by a Company official will serve as the employers' guarantee of satisfaction statement.

If the Company is dissatisfied with the training done by a training provider and a current signed Third Party Subcontractor Memorandum of Agreement (GFT-004) is on file with the WEDnetPA partner administering the grant, the training provider will retrain the employees at the training provider's expense.

Reporting Requirements:
There are a number of reporting requirements from the Pennsylvania Department of Community and Economic Development. In order for the WEDnetPA statewide office to meet those requirements, an application has been developed that includes all of the required information. That application and other required documents must be completed and submitted to a WEDnetPA partner for review and approval by the statewide office. The application timeline is outlined on page 6 of this document.

There are specific reporting requirements for invoicing. The invoicing guidelines and procedures are outlined above in this document.

Contact Information: For additional information regarding the **Guaranteed Free Training** program, please contact any one of the 33 authorized WEDnetPA partners directly or visit our web site at www.wednetpa.com.