



INDIANA  
**WORKFORCE**  
DEVELOPMENT  
AND ITS **WorkOne** CENTERS

**TO:** Indiana's Workforce Investment System

**FROM:** Jeffrey M. Gill, Interim Commissioner/General Counsel

**DATE:** November 14, 2014

**SUBJECT:** DWD Policy 2014-07  
Performance-Based Funding Policy

*only*

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**PURPOSE**

To provide guidance on the implementation and administration of performance-based funding requirements in IC 22-4.1-4-6.

**RESCISSION**

None

**BACKGROUND**

Under IC 22-4.1-4-6, the State Workforce Innovation Council ("SWIC") is charged with allocating a percentage of Indiana's Workforce Investment Act of 1998 ("WIA") Adult and Dislocated Worker training funds ("A and DW Training Funds"), as described in 29 U.S.C. 2864(d)(4)(D), toward performance-based funding training.

The SWIC, via its Resolution 2014-02, set such allocation as ten percent (10%) of A and DW Training Funds and authorized the Department of Workforce Development ("DWD") to implement and manage performance-based funding within Indiana's Workforce Investment System.

**CONTENT**

**Criteria.** Beginning December 1, 2014, local areas shall apply 10% of their remaining unobligated A and DW Training Funds pursuant to the following criteria:

- Distributed only to SWIC-approved providers, which are those providers approved on *INTraining*, the WIA approved list of eligible training providers;
- Eligible providers must accept the performance-based funding 70/30 tuition reimbursement schedule as described in the *Performance-based Tuition Reimbursement* section below;

- Priority given to providers who assist in post-completion job placement activities;
- Training must be available to eligible individuals who have received a high school diploma or equivalency certificate; and
- Training must (1) lead to DWD-designated industry recognized credentials or associate degrees, which must (2) lead to DWD-categorized high wage, high demand occupations that are tied to existing employer demand within the region where the training is offered.

**Performance-based Tuition Reimbursement.** Eligible training providers will be reimbursed for the cost of training in two phases (70/30 rule):

1. Providers are eligible to receive 70% of the cost of the program if the student is present during the first day of training.
2. After the student completes the requisite coursework and is prepared to sit for the industry-recognized certification in his/her chosen field or if the student earns his/her associate degree, providers will be reimbursed the remaining 30% of the program cost. A provider will not be reimbursed the remaining 30% if a student fails to complete the program.

**Reporting.** Local workforce areas shall report to DWD, and DWD shall report to the Indiana Network of Knowledge (“INK”), which is the workforce intelligence system established by IC 22-4.5-10-3, the following information for each individual receiving training under this program:

- Training provider name and address;
- Amount of funding provided for training; and
- Training outcome or results, including any license, credential, or degree awarded, or the job obtained.

#### **OWNERSHIP**

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#### **EFFECTIVE DATE**

Immediately

#### **ENDING DATE**

Upon rescission

#### **ACTION**

Local areas receiving WIA A and DW Training Funds shall implement and follow the guidelines outlined within this Policy.

#### **ATTACHMENT**

None