

# MERCED COUNTY WORKFORCE DEVELOPMENT BOARD

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## POLICY BULLETIN

MCWDB PB # 06-25	Date Released: June 26, 2025
To:	All Merced County Workforce Development Board Staff and Service Providers
From:	Erick Serrato, Director, Merced County Workforce Development Board
Effective Date:	June 26, 2025
Subject:	Work-Based Learning- Work Experience, Internships and Transitional Jobs
Responsible Official:	MCWDB Program Manager

### **PURPOSE**

The purpose of this policy is to provide direction and guidance in the administration of Work-Based Learning (WBL) opportunities—including Work Experience (WEX), Internships, and Transitional Jobs—for Workforce Innovation and Opportunity Act (WIOA) Adult, Dislocated Worker, and Youth participants. These activities are designed to offer structured, real-world workplace experiences that support participants in gaining occupational skills, workplace competencies, and pathways to unsubsidized employment.

Work Experience (WEX), Internships, and Transitional Jobs are considered individualized career services within the WIOA Career Services framework. Each is defined as a planned, time-limited, and structured learning experience in a workplace setting that provides participants with hands-on skill development aligned with their career pathways and employment goals.

These Work-Based Learning (WBL) opportunities may be paid or unpaid, as appropriate, and may take place in private for-profit businesses, nonprofit organizations, or public sector entities. They are established through a formal agreement between Merced County or the Service Provider, the Contractor (employer/work site), and the participant. When applicable, wages are funded by Merced County and the Merced County Workforce Development Board (MCWDB), their Service Provider and paid directly to the participant. Contractors that act as the Employer of Record and pay the participant wages directly will be monetarily reimbursed for wages and costs associated. All applicable labor standards and protections under the Fair Labor Standards Act must be observed when an employee/contractor relationship exists.

### **BACKGROUND**

WIOA emphasizes the importance of equipping job seekers, particularly those with barriers to employment, with the skills, experience, and support necessary to succeed in the labor market. Work-Based Learning (WBL) is a key strategy within WIOA for achieving this goal.

WBL provides participants with meaningful, real-world work experiences that are aligned with in-demand industry sectors and occupations. These experiences promote the development of occupational skills, workplace competencies, and professional networks that are essential for long-term employment success. WBL opportunities help bridge the gap between classroom training and actual employment by allowing individuals to apply their knowledge in practical settings while gaining exposure to employer expectations.

WIOA defines several types of WBL activities, including Work Experience (WEX), Internships, Transitional Jobs, On-the-Job Training (OJT), and Registered Apprenticeships. This policy focuses specifically on WEX, Internships, and Transitional Jobs, which are especially beneficial for individuals with limited or inconsistent work histories.

Through partnerships between Merced County, WIOA-funded Service Providers, local employers, and participants, WBL opportunities support both the workforce system's goals and regional economic development by building a pipeline of skilled, work-ready individuals.

***For the purpose of this policy, the following definitions apply:***

*Contractor:* The employer (work site) hosting the WBL opportunity, including WEX, Internships, and Transitional Jobs.

*Internship:* Structured, time-limited experiences that take place in a workplace, generally to provide career exploration and skills development. WIOA-funded internships follow the same labor laws and WEX structure and can be categorized under WEX or WBL in policy and practice.

*Job Shadowing:* A short-term, paid or unpaid work-based learning experience in which a participant observes a worker to learn about a particular job, industry, or career pathway.

*On-the-Job Training (OJT):* Training by an employer that is provided to a paid participant while engaged in productive work in a job that:

- (a) Provides knowledge or skills essential to the full and adequate performance of the job;
- (b) Is made available through a program that provides reimbursement to the employer of a percentage of the wage rate of the participant for the extraordinary costs of the training and additional supervision related to the training; and
- (c) Is limited in duration as appropriate to the occupation and the participant's prior experience. (WIOA Sec. 3(44), 20 CFR § 680.700)

*Service Provider:* The organization receiving WIOA funds from the MCWDB to deliver WIOA programs, including WBL activities, or acting as the employer of record.

*Transitional Job:* Time-limited, wage-paid work experiences that are subsidized and are in the public, private, or nonprofit sectors for individuals with barriers to employment who are chronically unemployed or have an inconsistent work history.

*Work Experience (WEX):* A planned, structured learning experience that takes place in a workplace for a limited period. WEX may be paid or unpaid, as appropriate.

**POLICY**

All WBL participants must meet WIOA program eligibility requirements (i.e. Right to Work Documentation), be enrolled into the respective WIOA program, and have received an assessment resulting in the development of an Individual Service Strategy (ISS) or Individual Employment Plan (IEP) that documents the participant's Career Pathway and the need for a WBL.

WBL may be provided to eligible Adults and Dislocated Workers (DW) for whom one or more of the following conditions exists:

- 1. The participant has no previous, or consistent, work history; and/or,
- 2. The participant has had no work history within the past five years; and/or,
- 3. The participant is otherwise eligible for WIOA intensive services and is in need of this service to assist them in preparing for participation in another appropriate training service or activity or to successfully obtain and retain unsubsidized employment.

Participants who have received funding through an ITA, cohort, or other WIOA funded training are also eligible for WBL. Funding for training and WBL is separate.

## **WEX for Youth**

WIOA places a priority on providing Youth with occupational learning priorities and requires local areas spend at least 20 percent of their Youth formula allocation on WEX. WIOA youth program funds spent on paid and unpaid WEX, including wages and staff costs, must be tracked and reported monthly as part of the local WIOA youth financial reporting.

Allowable expenditures include:

- Wages/stipends paid for participation in a WEX;
- Staff time working to identify and develop a WEX opportunity, including staff time spent working with Contractors to identify and develop the WEX;
- Staff time working with Contractors to ensure a successful WEX, including staff time spent managing the WEX;
- Staff time spent evaluating the WEX;
- Participant WEX orientation sessions;
- Contractor WEX orientation sessions;
- Classroom training or the required academic education component directly related to the WEX;
- Incentive payments directly tied to the completion of WEX; and
- Employability skills/job readiness training to prepare youth for a WEX.

For the MCWDB WIOA Youth program, WEX is similarly defined with the additional requirement that paid and unpaid WEX must include academic and occupational education (provided either concurrently or sequentially) to help participants explore careers, develop skills, and prepare for the workforce. WEX may include the following:

1. Summer employment opportunities and other employment opportunities available throughout the school year;
2. Pre-apprenticeship programs;
3. Internship, job shadowing, and entrepreneurship activities;

The academic and occupational education component refers to contextual learning that accompanies a WEX. It includes the information necessary to understand and work in specific industries or occupations. For example, if a youth is in a WEX in a hospital, the occupational education could be learning about the duties of different types of hospital occupations such as a phlebotomist or physical therapist. Whereas, the academic education could be learning some of the information needed to know such as the name of a specific bone in the body, or the function of a specific ligament.

WEX is required to take place in the workplace, which ideally means on a work site where youth are in a work setting interacting with other workers in the specific industry and occupation. When due to the rural nature of a local area or when the MCDWB Director announces a local, state, or national emergency, if it is not possible to provide WEX experiences on a work site, it is acceptable to provide remote or virtual WEX experiences for youth. During declared emergencies, activities that prepare for the world of work are also acceptable for WEX (i.e. Work Readiness classes, Earn & Learn, Career Research).

## **WBL for Adults and Dislocated Workers**

WIOA promotes WBL as a key strategy to help individuals, particularly those with barriers to employment, gain the experience, skills and connections needed for long-term success in the labor market. WBL supports participants by providing real-world work opportunities that align with in-demand industries and occupational pathways. These experiences foster the development of both technical and soft skills and strengthen participants' readiness for unsubsidized employment.

To ensure the effective administration of WBL activities, MCWDB and their adult service provider follows a structured process that includes the following steps:

1. **Eligibility and Program Enrollment:** The participant is determined eligible for WIOA services and enrolled in the appropriate program (Adult, Dislocated Workers).
2. **Assessment and Individualized Employment Plan (IEP):** A comprehensive assessment is conducted to identify the participant's skills, interests, and barriers to employment. Based on this assessment, an IEP is developed to outline career goals and the need for WBL.
3. **Matching and Referral:** The participant is matched with a suitable WBL opportunity based on their career pathway, skill gaps, and employment objectives. Service providers identify appropriate worksite partners willing to host the participant.
4. **Worksite Agreement and Orientation:** A formal agreement is executed between Merced County or the service provider, the worksite (Contractor), and the participant. This agreement outlines responsibilities, learning objectives, duration, supervision, and compliance with applicable labor laws. Both the participant and the worksite receive orientation and training on expectations and procedures.
5. **WBL Placement and Support:** The participant begins the WBL placement and receives regular check-ins, coaching, and supportive services as needed. The participant's progress is monitored to address issues and to ensure that the experience remains aligned with the participant's goals.
6. **Evaluation and Completion:** Upon completion, the worksite provides feedback on the participant's performance. Merced County or the service provider evaluates the success of the placement, updates the participant's career plan, and assists with next steps—such as unsubsidized employment, further training, or credential attainment.

### **Contractor Eligibility**

WBL contracts can only be written after a worksite has been developed and the Contractor is eligible to participate in a WBL Agreement under the following guidelines:

1. The Contractor must not be involved in a current labor dispute or have workers currently in a layoff status;
2. Shall not terminate the employment of any of their current employees or otherwise reduce its workforce either fully or partially (such as reduction in hours or benefits) with the intention of filling the vacancy with a WBL participant or as the result of having a WBL participant;
3. The Contractor must be willing to train the assigned worker on identified tasks;
4. Every Contractor subject to the Fair Labor Standards Act's minimum wage provisions must post, and keep posted, a notice explaining the Act in a conspicuous place in all of their establishments so as to permit employees to readily read it;
5. The WBL participant is subject to the same standards as a regular employee of the Contractor. If a Contractor requires all of the employees to be drug tested, fingerprinted or screened for tuberculosis, the WBL participant will be subject to testing per Department guidelines;
6. The Contractor must have Commercial General Liability: \$1,000,000 per occurrence and \$2,000,000 annual aggregate covering bodily injury, personal injury and property damage. Merced County and its officers, employees and agents shall be endorsed to above policies as additional insured, using ISO form CG2026 or an alternate form that is at least as broad as form CG2026, as to any liability arising from the performance of this Agreement;
7. Must be registered with the Internal Revenue Service (IRS), and for all current employees: have an account with the California Employment Development Department for Unemployment Insurance and carry Workman's Compensation Insurance;

8. Must have a current and valid Business License to operate at the location of the business, unless exempted by the state and/or local licensing agency, and provide their Federal Employer Identification Number (FEIN);
9. Must have safe and healthy working conditions with no previously reported health and safety violations that have been reported but have not been corrected;
10. Does not illegally discriminate in training or hiring practices because of race, color, sex, national origin, religion, physical or mental disability, political beliefs or affiliations or age;
11. Shall not allow the WBL activity to result in the infringement of promotional opportunities of their current employees; and
12. Shall not allow the participant to be involved in the construction, operation or maintenance of any part of any facility that is used, or to be used, for religious instruction or as a place of religious worship.

### **WBL Skills and Contract Development**

WBL contracts are designed to promote the development of good work habits and basic work skills for individuals who have never worked, have limited occupational exposure, or have been out of the labor force for an extended period. These habits and skills include skills necessary to successfully obtain and retain employment: punctuality, attendance, communication, teamwork, dependability, and task completion. WBL should focus on assisting individuals to establish a work history, demonstrate success in the workplace, and/or develop the skills that lead to entry into and retention in unsubsidized employment.

WBL may be provided concurrently with other appropriate core, intensive, or training activities. WBL requires the development of a training plan or outline which will be included in the worksite agreement. The Contractor will assist in the development of the learning objectives. Regular time sheets and evaluations of participant progress are required no less frequently than twice per month throughout the duration of the activity. There is no requirement or expectation that the individual will be retained by the worksite following the successful completion of the paid WBL activity.

WBL is designed to enhance the learning experience of the participant, therefore, contract development will take into consideration the following participant information listed in order of importance and preference, participant's career choice and field of study, experience and work history, and the participant's ability to perform WBL duties.

Participants and worksites must be given an orientation, and the WBL Agreement must be used for all WBL assignments. A single WBL Agreement may be written for a group training with a single training site provided the working conditions, job description, training plan, wage rates and terms of the Agreement are the same for all participants covered by the Agreement.

The WBL Agreement details the specific guidelines that must be followed by the Contractor, participant, and MCWDB. WBL Agreements must be fully approved and signed by Merced County, the MCWDB (if applicable) or Service Provider's Director, or their designee, and the Contractor prior to the start of the WBL.

WBL Agreements may be modified. All modifications must be in writing and signed by all parties prior to the effective date of the modification. Verbal modifications of WBL agreements are not valid.

WBL Agreements must contain, at a minimum, all the following:

- Clear statement of purpose;
- Identification of all parties including the WBL participant;
- Requirements of the Contractor, participant, and WIOA Service Provider;
- WBL start and end dates;
- WBL job title and responsibilities;
- Required tools, equipment, or uniforms, if applicable;
- Supportive services that are needed by the participant, if applicable;
- Detailed computation of the anticipated wages to be earned

- Concurrence between Contractor and union when WBL is under a collective bargaining agreement, if applicable;
- A training plan that is incorporated by reference in the body of the contract;
- Signature and dates of all parties to the agreement.

### **Duration and Funding Limits**

Typically, WBL activities average between two to twelve (2-12) weeks. When determining the duration of a WBL activity, the following factors should be considered:

- Objectives of the WBL;
- Length of time necessary for the participant to learn the skills identified in the ISS/IEP;
- The Contractor having sufficient quantity and quality of meaningful work activities for the participant; and
- WBL budget

Job Shadowing, a brief WBL of up to 40 hours (Adult) and up to 16 hours WEX (Youth), is allowable and is to be used as an opportunity to sample/job shadow an occupation to determine interest and possible need for training in that field. The intent is to provide participants with the opportunity to obtain hands-on information to assist them in better assessing their career interest, skill levels, and additional training required to obtain appropriate skill level for their chosen career. In this brief WBL, hours may or may not be paid, may be spread out over a maximum of eight (8) hours per day; to allow maximum exposure at different times and at possible levels of activity.

A participant may have multiple WBL opportunities at different sites with documented need as outlined in the ISS/IEP, but only one at a time. WBL is subject to a maximum number of hours per grant/program. WBL learning opportunities, unless otherwise allowed through a specific grant or by approval by the Director, is subject to a maximum funding limit of \$7,200. Specific grants or WBL opportunities may vary in terms of length and pay, all parties entering into the agreement are bound by the constraints of that specific grant indicated on the WBL contract.

### **Compensation / Wages**

Participants enrolled in a paid WBL shall not be compensated at a rate that is higher than the employer's entry-level wage for an equivalent position. The hourly wage shall not be less than the State or local minimum wage, whichever is higher.

Participants shall only be paid for the hours worked during the WBL as documented on the participant WBL time sheets. Timesheets must be signed by the worksite supervisor, the participant, and turned in timely. WBL participants are not authorized to work overtime and shall not be compensated for:

- Vacation breaks;
- Lunch breaks; or
- Holidays recognized by the service provider or the Contractor as a "paid holiday".

### **Worker's Compensation & Injury/Accident Reporting**

The MCWDB, Service Provider, or another third-party entity, is the employer of record and will be responsible for Worker's Compensation coverage for the participant while that participant is in WBL. At no time will a participant begin the WBL activity without the appropriate Worker's Compensation coverage. The participant will be instructed on how/when to report an injury/accident that occurs during the workday. The participant will be required to sign a statement confirming the instructions and a copy is to be kept in the working file.

### **Monitoring**

MCWDB staff or Service Providers shall conduct regular and on-going monitoring and oversight of WBL participants and work sites to ensure compliance of federal, state, and local policy. On site monitoring at the minimum will be:

1. Two weeks after start date.
2. One month after start date and monthly after that.

The monitoring with the Contractor and participant is to review the participant's progress in meeting training plan objectives and document any issues that may arise. Any deviations from the WBL agreement should be dealt with promptly. WBL participant's training and payroll records may be reviewed by federal, State and MCWDB monitors. These entities have the right to access, examine and inspect any site where any phase of the WBL program is being conducted. Proper WBL documentation must be maintained in such a way to facilitate an audit. WBL training and payroll records must be maintained for seven (7) years after the participant's conclusion of WIOA enrollment activities.

Monitoring focus includes verifying and documenting that:

1. Documentation supports that the Contractor meets eligibility outlined in the policy;
2. The length of the WBL is reasonable for the participant to learn the skills identified on the ISS/IEP;
3. An orientation was provided to the participant and the worksite when the placement does not include a direct hire with the Contractor. Direct hires receive onboarding and orientation from the Contractor; and
4. For Youth WEX: Academic and Occupational learning was documented as a component.

### **References**

WIOA Section 129 (c)(2)(C)

WIOA Section 134 (c)(2)(A)

WIOA Section 188 (a)(2) and (3)

Title 20 CFR 680.180

Title 20 CFR 680.190

Title 20 CFR Section 681.200

TEGL 10-23

Workforce Services Directive WSD17-07 "WIOA Youth Program Requirements"