



Workforce Innovation and Opportunity Act Policy
Employment System Administration and Policy

Washington envisions a nationally recognized fully integrated One-Stop system with enhanced customer access to program services, improved long-term employment outcomes for job seekers and consistent, high quality services to business customers. In order to achieve this vision, Employment System Administration and Policy sets a common direction and standards for Washington's WorkSource system through the development of WorkSource system policies, information memoranda, and technical assistance.

Policy Number: 5608
To: Washington WorkSource System
Effective Date: July 1, 2015
Subject: Self-Employment Training

1. **Purpose:**

This policy addresses the requirements for the Employment Security Department (ESD) and Local Workforce Development Boards (LWDBs) to comply with state statutes regarding self-employment training.

2. **Background:**

RCW 50.20.250 requires LWDBs to establish a plan for expending WIOA funds on self-employment assistance training at a rate commensurate with either customer demand or the rate of self-employment within each workforce development area (WDA).

Section 134(c)(3)(D)(vii) of the Workforce Innovation and Opportunity Act (WIOA) cites "entrepreneurial training" (also known as self-employment training) as an allowable training service for adults and dislocated workers.

3. **Policy:**

- a. Individuals eligible for WIOA must be provided the opportunity to enroll in self-employment or entrepreneurial training programs on the same basis as they are provided the opportunity to enroll in other WIOA-funded training, which is consistent with WIOA customer choice principles.
- b. LWDB Responsibilities:
 - i. Notify all WIOA-eligible individuals of the availability of self-employment training in their Workforce Development Area (WDA), including but not limited to WIOA-eligible training providers, and

- ii. Prepare and implement a plan for expending WIOA funds on self-employment training at a rate proportional to the demand for such services in their WDA or the self-employment rate in their WDA (see Section 3.c.ii).
 - The WIOA-related self-employment plan (see Attachments B and C) will be a component of a LWDB's annual WIOA formula grant allocation package through which it provides to ESD the estimated enrollment and expenditure levels over the four quarters of the grant period.
 - For the purposes of tracking actual expenditures against the planned level of expenditures, LWDBs will also be required to report actual expenditures on quarterly WIOA expenditure reports (Attachment D).

Note: It is important for LWDBs to recognize that Individual Training Accounts (ITAs) do not represent the full spectrum of demand. Interested individuals may have been denied or may have "dropped-out" prior to the establishment of an ITA.

c. ESD's Responsibilities:

- i. Work with LWDBs and the Workforce Training and Education Coordinating Board (Workforce Board) to ensure that the process by which self-employment training providers join the state's Eligible Training Provider List (ETPL) is efficient and that the number of self-employment training providers on the ETPL is sufficient to meet demand. Online self-employment training providers or self-employment training providers from the surrounding area may be utilized to reach a sufficient number of providers to match the demand as long as the providers are on the ETPL.
- ii. Establish the methodologies and options for determining the demand for self-employment training. The options are outlined as follows:
 - The quantifiable share of individuals interested in self-employment training within the WDA utilizing Self-Employment Training Demand Data;
 - The quantifiable share of individuals interested in self-employment training within the WDA utilizing LWDB administrative data as reviewed and approved by WCDD; or
 - The WDA's self-employment rate, if available, from a recognized federal source (e.g., U.S. Bureau of Labor Statistics, U.S. Census Bureau, American Community Survey).

Note: The above methodologies for determining demand for self-employment training will be re-evaluated annually. At a minimum, the Self-Employment Training Demand Data will be updated to provide a more current representation of self-employment training demand ([WIN 0042](#)). Proposals submitted to WCDD that seek to establish a local rate of self-employment training interest will need to describe how self-employment training interest is captured.

4. Definitions:

None.

5. References:

- WIOA Section 134(c)(3)(D)(vii)
- [Revised Code of Washington 50.62.030](#)
- [Revised Code of Washington 50.20.250](#)
- [WIN 0042](#) – Self-Employment Training Demand Targets

6. Supersedes:

WIA Title I-B Policy 3705

7. Website:

http://www.wa.gov/esd/1stop/policies/wioa_title1.htm

8. Action:

Local Workforce Development Boards and their contractors, as well as Employment Security Regional Directors, should distribute this policy broadly throughout the system to ensure that WorkSource System staff are familiar with its content and requirements.

9. Attachments:

Attachment A: Self-Employment Targets. WIN 0042 announces self-employment training demand targets on an annual basis by highlighting an approach that aligns with one of the options described in Section 3.c.ii.

Attachment B: WIOA Title I Youth, Adult, and Dislocated Worker Service Planning Form. The WIOA Youth, Adult and Dislocated Worker formula program planning forms satisfy the requirement that LWDBs prepare a plan for expending WIOA funds on self-employment training. Each document has line items related to planned entrepreneurial training participants and expenditures by quarter.

Attachment C: WIOA Title I Expenditure Reporting Form. The WIOA quarterly expenditure report, through which LWDBs report to ESD, captures expenditures for entrepreneurial training services. This information will be compared to planned expenditures reflected in the service plan (Attachment B) with actual versus plan being reviewed and analyzed quarterly.

Attachment D: SKIES Data Entry Instructions for WIOA Entrepreneurial Training. These SKIES data entry instructions demonstrate proper and accurate establishment and close-out of this activity, as well as how information it is counted for WIOA common measures performance.

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