



DYLAN WRIGHT
DIRECTOR
OC COMMUNITY RESOURCES

CYMANTHA ATKINSON
ASSISTANT DIRECTOR
OC COMMUNITY RESOURCES

VACANT
DIRECTOR
ADMINISTRATIVE SERVICES

ANDI BERNARD
INTERIM DIRECTOR
OC ANIMAL CARE

JULIA BIDWELL
DIRECTOR
OC HOUSING & COMMUNITY DEVELOPMENT

RENEE RAMIREZ
DIRECTOR
OC COMMUNITY SERVICES

STACY BLACKWOOD
DIRECTOR
OC PARKS

JULIE QUILLMAN
COUNTY LIBRARIAN
OC PUBLIC LIBRARIES

Community Resources

April 8, 2020

To: All WIOA Subrecipients of the Orange County
Workforce Development Board

From: Carma Lacy
Director of Workforce Development

Subject: Layoff Aversion Policy
Information Notice No. 20-OCWDB-06
Supersedes Information Notice No. 17-OCDB-10

PURPOSE:

This policy provides guidance to all Orange County Workforce Development Board (OCWDB) One Stop Service Providers on the requirements for the provision of the Workforce Innovation and Opportunity Act (WIOA) Layoff Aversion services.

IMPLEMENTATION/EFFECTIVE DATE:

This notice is effective on the date of issuance.

REFERENCES:

Workforce Innovation and Opportunity Act § 134, Pub. L. 113-128.

20 C.F.R. §§ 682.300-682.370.

USDOL, Training and Employment Guidance Letter WIOA No 19-16, Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and Wagner-Peyser Act Employment Service (ES), as amended by title III of WIOA, and for Implementation of the WIOA Final Rules (March 1, 2017).

ETA, Unemployment Insurance Program Letter No. 03-13, Financing of Temporary Federal Short-Time Compensation Programs under Section 2163 of the Middle Class Tax Relief and Job Creation Act of 2012 (December 4, 2012).

BACKGROUND:

Under WIOA, workforce development, education, and economic development partners coordinate services and activities to meet the needs of employers throughout the business cycle, including assisting with potential reductions in their labor force. Local WIOA-funded providers of employer services and other partners in workforce, economic development, and education programs should coordinate to provide a range of layoff aversion (LA) strategies as part of their routine and on-going menu of



COMMUNITY INVESTMENT DIVISION
1300 SOUTH GRAND
BLDG. B, SECOND FLOOR
SANTA ANA, CA 92705
PHONE: 714.480.6550
FAX: 714.567.7132

business services (e.g., identifying employers who are at-risk of downsizing, assessing employer needs, facilitating access to capital, providing worker training, helping to improve quality or production processes, etc.)

LA strategies save jobs and increase economic productivity by preventing or deferring layoff events, shortening the duration of unemployment, and minimizing the negative impacts on workers, the employer, and the community. A layoff is averted when:

1. A worker's job is saved with an existing employer that is at risk of downsizing or closing;
2. A worker at risk of dislocation transitions to a different job with the same employer; or
3. A worker at risk of dislocation transitions to a new job with a different employer and experiences no or a minimal period of unemployment.

LA strategies can be effective tools to assist employers in developing the skilled workforce necessary to adapt to the changing economy, to stay in business, and to retain talent. The local area should opt to deploy LA strategies that are most likely to retain jobs and critical industries in the region, promote new industry-sector growth strategies and new jobs in the economy, and provide improved coordination between partners. Such strategies may include, but are not limited to:

1. Assisting employers in managing reductions in force, which may include:
 - Early identification of firms at risk of layoffs (e.g., early warning networks or trend monitoring);
 - Assessment of the needs of, and options available to, at-risk firms (e.g., asset mapping, employee buy-outs, or succession planning); and
 - The delivery of services, or referrals to other resources and providers, to address the assessed needs;
2. Ongoing engagement, partnership, and relationship-building activities with businesses in the community to create an environment for successful LA efforts and to enable the provision of assistance to dislocated workers in obtaining reemployment as soon as possible;
3. Funding feasibility studies to determine if a company's operations may be sustained through a buyout, employee ownership, or other means to avoid or minimize layoffs;
4. Implementing incumbent worker training (IWT) programs;
5. Connecting companies to:
 - Short-time compensation (e.g., Worksharing) or other programs designed to prevent layoffs or to quickly reemploy dislocated workers, available under Unemployment Insurance programs;
 - Employer loan programs for employee skill upgrading; and
 - Other Federal, State, or local resources as necessary to address other business needs that cannot be funded by WIOA;
6. Establishing linkages with economic development activities at the Federal, State, and local levels, including Federal Department of Commerce programs and available State and local business retention and expansion projects;
7. Partnering or contracting with business-focused organizations to assess risks to companies, propose strategies to address those risks, implement services, and measure impacts of services delivered;
8. Conducting an analysis of the suppliers of an affected company to assess their risks and vulnerabilities from a potential closing or shift in production of their major customer;

9. Engaging in proactive measures to identify opportunities for potential economic transition and for fulfilling worker training needs in growing industry sectors or expanding businesses; and
10. Connecting businesses and workers to short-term, on-the-job, or customized training programs and apprenticeships before or after layoff to help facilitate rapid reemployment.

In addition to providing services following a layoff or closure, the WIOA Rapid Response program is designed to be proactive by helping local areas implement these and other Layoff Aversion strategies.

Definitions

Business Cycle - A business cycle is identified as a sequence of four phases:

Contraction – A slowdown of business activity

Trough – The lower turning point of a business cycle, where a contraction turns into a contraction

Expansion – A speedup in the pace of economic activity

Peak - The upper turning of a Business cycle

Customer Relationship Management Module (CRM) – The CRM is a CALJOBS based tool, supported by the Employment Development Department (EDD), which allows local boards and their partners who have access to the CALJOBS system to record, track, and report a variety of business engagement activities at the individual company level.

Economic Development - The International Economic Development Council defines Economic Development as a program, group of policies, or activity that seeks to improve the economic well-being and quality of life for a community, by creating and/or retaining jobs that facilitate growth and provide a stable tax base.

Employer - An individual, business, company, firm, agency, organization, etc. that employs one or more people.

Employer Contact (122 Report) - This form is only used to report the development, implementation, and completion of business solution strategy(s) relating to and resulting in job retention at the current place of employment and the rapid re-employment (talent transfer) of affected workers.

Employment Training Panel - The ETP provides Incumbent Worker Training (IWT) funding to employers to assist in upgrading the skills of their workers through training that leads to good paying, long term jobs. The ETP is a funding agency, not a training agency. Businesses determine their own training needs and how to provide training. ETP staff is available to assist in applying for funds and other aspects of participation.

Imminent Layoffs - Workforce reductions by an employer that, according to documented foreseeable circumstances, are likely to occur within the next 36 months, and likely to result in the potentially affected workers remaining out of work for at least 6 months.

Incumbent worker - An employed individual who meets the Fair Labor Standards Act requirements for an employer-employee relationship and has an established employment history with the employer for six months or more or is a member of a training cohort in which most of the workers have such an employment history.

Incumbent worker training (IWT) - Training designed to meet the special requirements of an employer (including a group of employers) to retain a skilled workforce or avert the need to lay off employees by assisting the workers in obtaining the skills necessary to retain employment. IWT is conducted with the commitment of the employer to retain or avert the layoffs of the incumbent workers trained. IWT may be funded with local adult or dislocated worker formula grants or with state RR funding.

Jobs Retained - A layoff is averted when (1) a worker's job is retained with the current employer that at risk of downsizing or closing; (2) when a worker at risk of dislocation transitions to a different job with the same employer.

Layoff - A separation due to the lack of work or other factor(s) not related to the behavior or performance of the employee.

Layoff Aversion (LA) - The process of using a series of activities, studies, and networks to examine a business, or sector's cycle, organizational conditions, markets, and broad community relationships etc., in an effort to determine workforce and economic solutions that can mitigate job loss or save jobs.

Manufacturing Extension Partnership (MEP) - The National Institute of Standards and Technology Hollings MEP works with small and mid-sized manufacturers to help them create and retain jobs, increase profits, and save time and money. The MEP also works with partners at the state and federal levels on programs that put manufacturers in position to develop new customers expand markets and create new products.

Notification - The process by which an individual on the RR team is made aware of a possible layoff or employer closing. A notification can come from a variety of sources, including, but not limited to: a WARN letter, word of mouth, the media, local Chamber of Commerce, California Trade Unit, One Stop Center, union officials, local government, affected workers, etc.

Orange County Workforce development board (OCWDB) director - The individual hired or designated by the local OCWDB to assist in completion of duties for the local OCWDB, including oversight of workforce development employment and training programs and development of the budget for the local area.

Planning region - Two or more local workforce development areas assigned by the State to align workforce development activities and resources with larger regional economic development areas and available resources to provide coordinated and efficient services to both job seekers and employers.

Potentially affected workers (PAW) - Employees at risk of becoming unemployed due to an event.

Rapid Re-Employment (Talent Transfer) - A laid off worker is hired by a different employer and experiences a short unemployment (45 days or less). To qualify for this activity, a confirmed job offer must be on file from the hiring employer and issued 45 days of the date the participant becomes unemployed.

Small Business Development Centers of California (SBDC) - The SBDCs provide training a no cost one-on-one counseling to help small businesses and entrepreneurs overcome obstacles to growth. Topics range from: start-up assistance, planning for growth and expansion, technology, innovation, and capital.

Worker Adjustment Retraining Notification Act (WARN) - The Federal Act that protects workers, their families, and communities by requiring most employers with 100 or more employees to provide notification 60 calendar days in advance of plant closings and mass layoffs. General provisions of WARN covers employers with 100 or more employees, not counting those who have worked less than 6 months in the last 12 months and those who work an average of less than 20 hours a week. Additional material for compliance and assistance can be found at <http://www.doleta.gov/layoff/warn.cfm> .

Worksharing Program/Short Term Compensation - Work Sharing is described in Section 1279.5 of the California Unemployment Insurance Code and provides employers with an alternative to layoffs and provides their employees with payment of reduced Unemployment Insurance benefits. Note: This activity is considered a job saved/retained as this strategy does minimize the impact on the Unemployment Insurance fund and should be reported on the Layoff Aversion Form 122.

Policies and Procedures

OCWDB subrecipients shall observe the state guidance on rapid response and layoff aversion provided in WSD 16-04.

Use of Rapid Response Funds

The Categorization of Rapid Response Activities table provided below lists the required and allowable uses of Rapid Response funds. Layoff Aversion are a required activity in WIOA, and OCWDB abides by the state policy that the full scope of Rapid Response activities must be provided in the local area.

The scope of business solutions that may be provided at Rapid Response events is not restricted to the activities listed in Section 134 of the WIOA. Subrecipients are encouraged to leverage other funding sources (local or state) to provide a broader scope of business solutions. Examples include: Trade Adjustment Assistance (TAA), Unemployment Insurance Claim filing, economic development, financial counseling, and mental health counseling.

Categorization of Rapid Response Activities
Title 20 Code of Federal Regulations Notice of Proposed Rule Section 682.330

Activity	Required	Allowable	Prohibited
Conducting planning meeting with employer	X		
Assessing layoff aversion potential	X		
Conducting orientation meeting with employees	X		
Providing TAA orientation	X		
Delivering/mailling Rapid Response informational materials	X		
Providing access to CalJOBS SM and SkillsMatch on-site, using company's or mobile facility	X		
Enabling participants to register with America's Job Center of California SM onsite	X		
Job fair or information expo focused on one or more dislocation events, at or not at the dislocation site	X		
Coordinating Labor-Management/Workforce Transition Committee	X		
Providing information about services available in the AJCCs and setting up systems to provide on-site access to information and services	X		
Providing training orientation on industry specific opportunities (ex: Biotech)	X		
Providing resources for food, shelter, clothing and other emergency assistance	X		
Conducting Business Engagement Activities	X		
Conducting Research on Business Activities	X		
Devising layoff aversion strategies with employer	X		
Providing layoff aversion technical assistance to employer	X		
Conducting business services workshops	X		
Training affected workers to upgrade skills for another position in company	X		
Attending Regional Roundtable		X	
Attending conferences		X	
Conducting interview technique workshops		X*	
Conducting job search assistance and resume writing workshops		X*	
Completing Unemployment Insurance applications			X
Job fair or information expo not related to a dislocation event			X

* Local Workforce Development Areas may conduct group workshops (e.g. job search assistance and/or resume writing workshops) as part of on-site Rapid Response to business closures or significant layoffs and charge the cost to their 25 Percent Rapid Response funds if they have determined, in consultation with the local workforce services manager, that EDD workforce services staff are not available to conduct such workshops.

Layoff Aversion Employer Contact

OCWDB Subrecipients shall contact employers who may be at-risk of layoffs or closures through a series of activities, studies, and networks to examine a business' sector's cycle, organizational condition, markets, and broad community relationships, in an effort to determine workforce and economic solutions that can mitigate job loss or save jobs.

20 CFR 682.320(a) provides that layoff aversion consists of strategies and activities, including those in sections 680.320(b), 680.330, and 680.340, to minimize or prevent the duration of unemployment resulting from layoffs. Those strategies include but are not limited to:

1. Providing assistance to employers in managing the reduction in force, which may include early identification of firms at risk of layoff, assessment of the needs and the options for at-risk firms, delivery of services to address those needs;
2. Ongoing engagement, partnership, and relationship activities with the businesses in the community;
3. Funding feasibility studies to determine if the company's operation may be sustained through a buyout or other means to avoid or minimize layoffs;
4. Developing, funding, and managing incumbent worker training programs or other worker upskilling approaches;
5. Connecting companies to Worksharing or other programs available under Unemployment Insurance;
6. Establishing linkages with economic development activities at the federal, state, or local levels
7. Partnering or contracting with business focused organizations to assess risks to companies and propose strategies to address those risks;
8. Conducting analysis of suppliers of an affected company to assess their risks and vulnerability to a potential closing or shift in production;
9. Engaging in proactive measures to identify opportunities for potential economic transitions;
10. Connecting businesses and workers to short-term, on-the-job, or customized training programs and registered apprenticeships before or after layoffs to facilitate rapid reemployment.

Contact with employers may be conducted on-site, by telephone, or the use of other interactive technology and shall take place prior to notice of layoffs. Subrecipients shall coordinate with One Stop system partners to identify the needs of businesses and help identify the needs of businesses and help identify and design appropriate layoff interventions.

Local Area Strategic Framework for Layoff Aversion Activities

Local workforce development boards (WDB) have the unique opportunity to implement proactive programs meant to predict and avert layoffs, thereby saving jobs and helping their communities grow and prosper. Under the strategic direction of the OCWDB, the partners in the local area must establish processes and procedures to:

1. Effectively deliver services to employers throughout the business cycle (i.e., normal expansions and contractions of the economy);
2. Develop an operations protocol for local area and regional partner programs that provide employer services to coordinate their efforts;
3. Identify opportunities to conduct Layoff Aversion activities;
4. Determine the appropriate Layoff Aversion strategy or mix of strategies that best fits each opportunity;
5. Develop the Rapid Response funding request for implementation of Layoff Aversion strategies when local area resources are insufficient to address the local needs;
6. Implement the approved Layoff Aversion strategies; and

7. Capture the data associated with Layoff Aversion in the appropriate State-designated information systems.

When the need to implement one or more Layoff Aversion strategies has been identified, local area partner or community resources available to implement the strategy must be explored, including WIOA adult and dislocated worker formula funds.

Incumbent Worker Training (IWT)

One of the most commonly implemented and effective Layoff Aversion strategies is the provision of IWT to enable workers to obtain the skills necessary to avert potential layoffs.

Many employers express the need to upgrade the skills of their workforce to enhance profitability and competitiveness, but the primary focus of the Rapid Response program must remain on serving unemployed workers and averting layoffs. Examples of situations that would justify the need for IWT funding to prevent imminent layoffs include, but are not limited to:

1. An employer experiences ongoing losses or declining sales that are likely to be mitigated by IWT;
2. A significant share of the employer's revenue is derived from contracts or agreements that risk being discontinued if worker skills are not upgraded to complete the deliverables; or
3. Successful implementation and operation of new equipment or technology necessary for the sustained viability of the company requires specialized or intensive worker training.

IWT services must be implemented in compliance with the IWT guidelines (i.e., employer eligibility requirements, training provider considerations, procurement options, allowable costs, etc.). See Information Notice No. 20-OCWDB-05 Incumbent Worker Training for complete guidelines on Incumbent Worker Training.

Asset Mapping

Asset mapping identifies resources in the community and provides local areas with an inventory of key resources in their local workforce development area. Key resources include entities that provide business services that align with the employer's future goals and focus on business retention, offering a broad base of advice and coaching on profitability, operations, and financing. Providers must ensure that these sources are tapped only when it is determined that an employer is targeted for assistance is in need of services, at which time Providers can facilitate a connection or provide the employer with contact information.

An asset mapping list includes entities with which the Provider already has relationships, such as local government; chambers of commerce; local, regional, or state economic development entities; local banks; and utility companies. Once core partners have been established and confidentiality agreements in place, the partners can leverage other resources, whether public or private, to help the employer recover.

It is recommended that Providers sign confidentiality agreements, when appropriate, and remain cognizant of the sensitive nature of the information shared about employers with entities in the asset mapping process.

Proactive LA Strategies

Local areas should utilize proactive Layoff Aversion strategies that target industries that will most significantly improve the labor market and economy of the region. This includes industries that:

1. Provide the types of long-term wages, benefits, and career opportunities that will allow individuals and families to become and/or remain financially independent and self-sufficient;
2. Employ a relatively large share of the local or regional workforce;
3. Have established career pathways for low-income populations;
4. Diversify job opportunities for workers in the labor market; and
5. Create economic spin-off activity or technological advancement.

Prefeasibility Studies

Providers may devise and oversee development of prefeasibility studies for the aversion of plant closures. Prefeasibility studies provide objective evidence to the likelihood of an employer remaining operational and, if so, under what conditions. Providers must ensure confidentiality of the information collected in developing a prefeasibility study and involve management and labor in the process.

Typical feasibility studies assess the employer's business operations in the following areas:

1. Organizational Structure
2. Market
3. Operations/Manufacturing
4. Financial
5. Legal
6. Conclusions and Methodology

Early Warning Indicators (EWS)

1. Detecting early warning indicators is a strategy that complements other information gathered through EWS and aids in identifying and tracking companies in possible distress.
2. Early warning indicator data sources include:
 - Unemployment Insurance data;
 - UI Worksharing program data;
 - Payday claims;
 - Employment Rolls; and
 - Labor Market Information (LMI), which is useful in analyzing trends of industries of a region, whether a region is growing, stable, or declining in sales, employment, etc. Information collected by California's Labor Market Information department includes:
 - Labor force and employment information;
 - Employment and projected data by industry and occupation;
 - Population and other demographic data;
 - Local economic trends and characteristics, including cost of living information;
 - Occupational data by race, gender, and wage rates, including earning data by industry and geographic data; and
 - Skill sets by occupation.

Additional evidence to support information provided through early warning indicators include the following:

1. WARN notices which are useful in analyzing layoff activity by industry sector and occupations laid off;
2. Declining Sales;
3. Supply Chain Issues;
4. Adverse Industry/Market Trends;
5. Changes in Management or Ownership;
6. Workers do not have In-Demand Skills
7. Public loan defaults - information shared through state and local economic development offices;
8. Utility companies - reports on usage drops can indicate elimination of a shift, cutbacks in overtime, fewer machines operating, etc.;
9. Representatives from among an employer's customers and suppliers;
10. Major trade journals, business journals, and local and regional newspapers;
11. Employer annual and quarterly financial information;
12. Dun & Bradstreet or Experian - these companies provide information on firms and industries under stress. Reports are generated monthly and relevant information can be found in the financial stress score and the commercial credit score.

Layoff Aversion and Reporting Requirements

1. The OCWDB Layoff Aversion Form 122 shall be completed by subrecipients to report the development, implementation, and completion of business solution strategies to prevent layoff, (e.g. IWT, Worksharing, Talent Transfer, etc.) delivered to businesses during the stages of the business cycle that relate to and result in job retention and/or rapid re-employment.
2. Subrecipient shall complete OCWDB Layoff Aversion Form 122 following the line item instructions in Attachment II.
3. Supporting documentation of outcomes are required to be attached to each OCWDB Layoff Aversion Form 122
 - Letter from the business affirming that the layoff aversion activity are coordinated or provided resulted in jobs saved/retained
 - Written letter job offer from the hiring employer
4. The OCWDB Layoff Aversion Form 122 may be submitted for a "single" job retained at an existing employer and/or single rapid re-employment with a different employer
5. The OCWDB Layoff Aversion Form 122 and instructions are included as Attachment I and II of this policy. OCWDB subrecipients shall provide, by the (7th) calendar day of each month a Layoff Aversion Activity Tracking report for the preceding months activities, in a format approved by the OCWDB.
6. Prior to providing and providing Training for Layoff Aversion, Providers shall submit the Layoff Aversion Documentation Form (which is attached) for OCWB approval.

The EDDs WSIN 15-21 communicated to the local workforce system the availability of the module for CALJOBS, the Customer Relationship Management Module (CRM). The CRM meets the business needs of managing, recording, and conducting all business engagement activities. It states that the use of this module regionally across the local areas will help eliminate duplicate contacts from local/regional agencies to the same employers, provide information regarding historical activities and the types of activities being conducted with an individual employer.

Case Files

Case files are maintained by the subrecipient to document Rapid Response and the Layoff Aversion Activities provided to employers and affected employees. These files must be kept in a centralized location and available to staff providing Rapid Response and Layoff Aversion services to employers. Please note these activities and documentation of outcomes are subject to local, state, and federal monitoring processes.

Case files shall include documentation of the services reported to the OCWDB Rapid Response Required Activities Form 121.

Documentation shall include but is not limited to:

1. Company Information
2. Notice of layoff/closures or determination of need
3. California WARN notices
4. All source documents needed for validation of reported dates, meeting attendees, or members of the Rapid Response Team
5. Initial and/or comprehensive assessments
6. Written approval from the OCWDB, to conduct group workshop (e.g. job search assistance and/or resume writing workshops)
7. Contracts with employers for customized training, incumbent worker training, and Worksharing strategies which shall include:
 - Number of employees participating in training
 - Wage and benefit levels of those employees (both pre and post participation earnings)
 - List of other training and advancement opportunities provided by the employer
 - Breakdown of the employer share in the cost (both cash or in-kind)
8. Training progress reports, timesheets, and attendance reports
9. Invoices which may include the employer in-kind such as wages paid to participants, while in training and shall include paystubs, timesheets, and certificates
10. Letter from business affirming that layoff aversion activity coordinated or provided results in jobs saved/retained
11. Complete resume for clients being referred to Talent Transfer
12. Talent Transfer hires confirmed by the hiring employer through a written job offer that includes a start date
13. Printed case management notes showing provision of all substantial services provided and coordination between team members and partners

ACTION

Bring this policy to the attention of all staff.

INQUIRIES

If you have any questions regarding this policy, please contact your Contract Administrator at 714-480-6500.

ATTACHMENTS

Attachment I: OCWDB Layoff Aversion Form 122

Attachment II: Layoff Aversion Form 122 Line Item Instructions

Attachment III: Layoff Aversion Documentation Form

LAYOFF AVERSION ACTIVITIES FORM 122

- Jobs Retained
 Rapid Re-Employment



COMPANY INFORMATION

Company Name Amazing Company
Address 1234 Example Street
City Somewhere
State CA
Zip 92725
Local Priority Sector Yes
Contact Name Mr. James Reliable
Title President
Phone (714) 652-4545
Email jamesreliable@amazingco.com
Local RR Number #5322
Industry Sector 56_Administrative_and_Support_and_Waste_Management_and_Remediation

LOA LOGISTICS

Date of Initial Contact Wednesday, January 25, 2017
LOA or RRE Start Date Monday, February 13, 2017
LOA or RRE End Date Tuesday, February 28, 2017
Total Jobs Retained 11
Retention Documented Yes
RRE Company Name In The Black Inc.
RRE Address 1234 Sample Avenue Ste. 55
RRE City Anywhere
RRE Zip 98556
RRE Documented Yes
RRE Total 2

BUSINESS ENGAGEMENT TEAM

<input type="checkbox"/> OCDB Subrecipient	Contractor Name	<input type="checkbox"/> One-Stop Staff	Region / Contact Name
<input type="checkbox"/> Lead Staff	Mrs. Jackie Local	<input type="checkbox"/> SBDC Rep.	Region / Contact Name
<input type="checkbox"/> Employer Rep.	Contact Name	<input type="checkbox"/> DSN Rep.	Agency / Contact Name
<input type="checkbox"/> Union Rep.	Contact Name / Local #(s)	<input type="checkbox"/> Industry Association	Agency / Contact Name
<input type="checkbox"/> Employment Development Dept.	Contact Name / Phone	<input type="checkbox"/> Training Rep.	Agency / Contact Name
<input type="checkbox"/> Regional Partner	Region Name	<input type="checkbox"/> Chamber of Commerce	City / Contact Name
	Contact Name / Phone	<input type="checkbox"/> Other	Agency / Contact Name

Description of Participation

BUSINESS SOLUTION DELIVERED

- Business Solution Strategy
- Incumbent Worker Training
- Customized Training
- Facilitation and Coordination with Partners
- Work Sharing
- RRE Talent Transfer (hiring within 45-days)

Provide brief description of solution delivered:
 Incumbent Worker Training, Work Sharing, etc. and by whom
 (Employment Training Panel, Vendor, Partner)

SUMMARY

Identify the details of services provided here.

122 REPORT LINE ITEM INSTRUCTIONS

The LAYOFF AVERSION ACTIVITIES FORM 122 are those relating to layoff aversion (LOA) activities resulting in job retained at the current employer and/or rapid re-employment (RRE) services (Talent Transfer) at new employer, conducted during any stage of business cycle as defined in the directive.

Complete a separate LAYOFF AVERSION ACTIVITIES FORM 122 for each layoff aversion solution and/or rapid re-employment service delivered.

The LAYOFF AVERSION ACTIVITIES FORM 122 and required attachments must be completed within 24 hours of completion of activities. OCWDB subrecipients shall provide, by the seventh (7th) calendar day of each month, a Layoff Aversion Activity tracking report for the preceding months activities, in a format approved by OCWDB.

Type of LOA		
Jobs Retained	R	A business solution is offered that resulted in the company retaining its employees. Use the toggle button to select or deselect this option.
Rapid Re-Employment (Talent Transfer)	RE	A talent transfer service is coordinated with compatible company to transition employment between companies within 45-days of the employee's layoff date. Use the toggle button to select or deselect this option.
Company Information		
Company Name (1)	R	Name of the company retaining jobs and a business solution delivered.
Address	R	Street address of company, which is the location where Rapid Response services were provided.
City	R	City of company.
State	R	State of company.
Zip	R	Zip code of company.
Local Priority Sector	R / RE	Yes or No -- Is the Sector identified in the local/regional Strategic Plan as a Priority (Select item from drop down menu)
Contact Name	--	Name of the company point of contact.
Title	--	Title or position of the company point of contact.
Phone	--	Phone of the company point of contact.
Email	--	Email address of the company point of contact.
Local RR Number	--	The unique identifying number assigned to an employer when an employer agrees to services. This number can be applied to more than one 122 form for the purpose of tracking activities reported over several days.
Industry Sector	R/ RE	Select NAICS Code item from drop down menu.
LOA Logistics		
Date of Initial Contact (1)	R / RE	Insert date of initial contact (mm/dd/yy)
Date of 121 Planning	--	Date on which the Provider staff met with company to plan layoff aversion activities for its affected workers.

LOA or RRE Start Date (5)	R	Insert Date (mm/dd/yy)
LOA or RRE End Date (6)	R	Insert Date (mm/dd/yy)
Total Jobs Retained (10)	R	Enter total number of jobs retained resulting from Business Solution.
Retention Documented (12)	R	Yes or No -- Do you have documentation from the employer attesting to the jobs retained? (Select from drop down menu) (Documentation must be attached to this report and retained at the local level)
RRE Company Name (3)	RE	Insert company name where worker(s) are rapidly re-employed.
RRE Address	--	employed.
RRE City (4)	RE	Insert company city where worker(s) are rapidly re-employed.
RRE Zip	--	Insert company zip where worker(s) are rapidly re-employed.
RRE Documented (13)	RE	Yes or No -- Do you have documentation from the gaining employer(s) attesting to the placement/hiring of the worker(s). A pay stub from the participant is acceptable documentation. (Select from the drop down menu) (Documentation must be attached to this report and retained at the local level)
RRE Total (11)	RE	Enter number of workers rapid re-employed (Talent Transfer).
Business Engagement Team		
Business Engagement Team	R / RE	Select check boxes to identify, for quick reference, members of the business engagement team. Provide contact names and other descriptions requested next to the check box selected
Business Solution Delivered		
Business Solution Delivered	R / RE	Select the check boxes to identify, for quick reference, the services delivered. Provide a brief description of solution delivered. Include the type and by whom the service was coordinated with or provided by.
Summary		
Summary	R / RE	Identify the details of services provided.

Legend:

R = Jobs Retained

RE = Rapid Re-Employment



ATTACHMENT III Lay-off Aversion Documentation



This document must be completed prior to entering into or implementing any agreement(s) with a company(ies) for incumbent worker training. The Grantee may proceed with this project once approval has been obtained from OCWB.

Date Submitted:

Name of Employer:

Grantee:

Employer Sector / Industry:

Grant Number:

Total Number of Employees at Work Site:

Project Name:

Number of Employees to be Trained:

Training Cost:

Start/End Date of Training:

Project Cost:

Participant will Receive

(if different than the training cost)

Training Only

Industry Recognized Certificate or Credential

1 – Check the layoff aversion “at-risk” indicator(s) below that are applicable for this company:

(More than one may be checked – check as many as applicable. See pages 2 and 3 of this document for descriptions of the at-risk indicators)

Below each at-risk indicator that is checked, you must provide specific/detailed information/discussion that supports the “at-risk” indicator as the factor on which the layoff aversion strategy is, or will be based.

Declining Sales

Supply Chain Issues

Adverse Industry / Market Trends

Changes in Management Philosophy or Ownership

Worker Does Not Have In-Demand Skills

Strong Possibility of a Job if a Worker Attains New Skills

Other “at-risk” Indicators

2 – Describe how that training will address the “at-risk” indicator(s) identified above and explain how the training will result in averting the layoff of employees.

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- 3 – If the Grantee is not the training provider, discuss who will be providing the training, and if not provided in-house confirm that the trainer selected or to be selected were done so through an appropriate procurement process. If more than one training provider is used, describe the specific responsibilities of each.
4. – Describe the training that will be provided. Attach a course syllabus, or course/training outline for the training to be provided.
- a. – Discuss the workers that will be trained and provide the number of trainees by position title that will receive training. In the case of multi-class training, identify which positions will take each element
- b. – Provide specifics such as but not limited to; type of training; training mechanism length of training; training outcome (i.e., certificate, credential, etc.)
- 5 – Provide us with the name of the staff that will be responsible for entering the appropriate information in the Incumbent Worker Tracking System (IWTS).

--- **Layoff Aversion At-Risk Indicator Descriptions** ---

Layoff aversion is often dependent on the particular situation and potential options. Successful outcomes depend on a variety of factors. There are various strategies to consider when averting closures or business failures to ensure job retention. The first step in determining the appropriate layoff aversion strategy is to understand the “at-risk” indicators. In many cases, more than one “at-risk” indicator will apply to a given event. Below are some of the “at-risk” indicators Illinois has identified to determine if a business is in need of intervention.

- Declining sales** - A company has undergone or will undergo (must be confirmed) a significant loss in sales that puts part of their workforce in threat of layoff. Declining sales must be expressed in terms of X dollars or Y units for Z period of time (months or years), along with information that provides known or suspected reasons for the decline. When determining if a decline in sales is the cause of a potential layoff, have considerations been given to the industry as a whole; is the decline a percentage of the market; has product quality, production delays, or pricing contributed to the decline in sales, etc.
- Supply chain issues** - A company loses a supplier or consumer that threatens the employment of part of their workforce, or acquired a new supplier that requires new skills

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to maintain the workforce. Supply chain issues must be accompanied by an explanation as to why the change occurred. When determining whether a supply chain issue will contribute to a potential layoff, have considerations been given to other suppliers' ability to provide same or like products, has the company considered alternative product(s) production and sales that would not require retraining of staff or layoff, can the new training required be conducted by the new supplier, etc. Supply chain issue must be supported by documentation of the factors causing the supply problem.

- **Industry /market trends** - The industry / market standards have changed to the point where new training is needed to retain the current workforce. For example, have the employer's customers asked for production or delivery of products to be handled in a specific way that requires skill upgrade training? When considering whether industry / market trends may cause a potential layoff, has the company consulted with industry experts to determine if assistance is available to assist with upgrades to the manufacturing process or employee knowledge, or contacted other companies in the industry to share upgrades in skills training or equipment, etc.

- **Changes in management philosophy or ownership** - A company has undergone a new approach to conducting business or new ownership requires new skills to maintain the employment of part of the workforce. Changes in ownership are generally the result of a lack of profitability, but may also occur where a company is profitable, but not profitable enough (this level of profit may meet the profit requirements of another owner) or the current owners do not have the resources to take advantage of new business strategies. An owner may also pass away unexpectedly without a succession plan in place. New or changes in philosophies will generally accompany new ownership. Changes in philosophy may also occur when operations no longer meet their core business application or are viewed as excess capacity to their overall operations. When considering changes in ownership or philosophy as the cause of a potential layoff, has new ownership been determined (including such options as employee stock ownership plans), have alternatives been considered in the restructuring of the company that might reduce the number of layoffs, have community groups and labor organizations been involved in the discussions to lend their expert advice, etc.

- **Worker does not have necessary skills** - A worker's skills or functions are no longer relevant to the employer's production process and the worker is at risk of losing their employment without undergoing training to acquire new skills. A lack of necessary skills may be the result of a change in philosophy or product line or a change in the industry demands that results in the need for new technologies and abilities by the current workforce. Products and production lines are ever changing as they adapt to the needs of the market. With this change comes a need for evolution of the skill set of the workers. When considering if the lack of necessary skills is the cause of potential layoffs, has it been determined which workers have the ability to attain new relevant skills, are there other considerations to be made with an increase in skills such as new equipment / machinery needs or safety devices, etc.

- **Strong possibility of a job if a worker attains new skills** - The worker is in a position that is subject to layoff, and by acquiring new skills training he / she can move into a position that is not subject to layoff. New skills attainment may avert a layoff for

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individuals within a company or may make them more attractive to other companies. When considering whether the new skills will provide a strong possibility to prevent layoffs, what considerations have been given towards where the positions would be moved (in-house or with a new company), does the company have the capacity to expand another line of product (new or existing) to support the workers subject to layoff, has the business community shown a need and capacity for additionally trained workers, are the workers willing to relocate if the new opportunities are with another location of the same company or with a new company in a different locale, etc.

- **Other “at-risk” indicators** - Additional causes for potential layoffs may exist that the company and local area need to outline in making a case for assistance for incumbent workers. These may be other criteria that the Local Workforce Investment Area (LWIA) can gather with the consultation of the employer that puts part of their workforce “at-risk” for layoff (e.g., trend in company layoffs).