

The Workforce Connection, Inc.

Policy Title: Incumbent Worker Training

Policy Number: 2016-500-02, Change 2

Status: Active

Effective: March 19, 2024

Purpose/Introduction: The purpose of the Work-Based Training policy is to maintain compliance with WIOA Title I Adult, Dislocated Worker and Youth programs and all other associated grants that utilize training agreements/contracts for Incumbent Worker Training,

References:

WIOA ePolicy Chapter 7, Section 2 and all subsections

<https://apps.illinoisworknet.com/WIOAPolicy/Policy/Index/137>

- WIOA ePolicy Chapter 7, Section 2.2.3 Incumbent Worker Training Policy
- WIOA ePolicy Chapter 7, Section 2.2.3.1 Incumbent Worker Definition
- WIOA ePolicy Chapter 7, Section 2.2.3.2 Employers Eligibility
- WIOA ePolicy Chapter 7, Section 2.2.3.3 Individuals Receiving IWT
- WIOA ePolicy Chapter 7, Section 2.2.3.4 General Requirements
- WIOA ePolicy Chapter 7, Section 2.2.3.5 Matching and Allowable Costs
- WIOA ePolicy Chapter 7, Section 2.2.3.6 Employer Agreement
- WIOA ePolicy Chapter 7, Section 2.2.3.7 IWT Program Application Process
- WIOA ePolicy Chapter 7, Section 2.2.3.8 Programmatic Reporting
- WIOA ePolicy Chapter 7, Section 2.2.3.9 Performance Requirements
- WIOA Section 3(14-Customized Training)
- WIOA Section 134 (d)(4)
- 20 CFR 680.780, 680.790, 680.800, 680.810, 680.820, 680.210(b), and 682.320(b)(3)

Background: Incumbent Worker Training (IWT) provides both workers and employers with the opportunity to build and maintain a quality workforce and increase both participants' and companies' competitiveness. It is a type of work-based training and upskilling designed to ensure that employees of a company can acquire the skills necessary to retain employment and advance within the company or to acquire the skills necessary to avert a layoff. Incumbent Worker Training is responsive to the special requirements of an employer or a group of employers in partnership with other entities for the purposes of delivering training to: Help avert potential layoffs of employees, or to increase the skill levels of employees so they can be promoted within the company and create backfill opportunities for the employers.

Local Policy/Procedures:

LWIAs must consider the following factors when determining the eligibility of employers to receive funds:

1. The occupation(s) for which incumbent worker training is being provided must be in demand as defined by WIOA Section 3(23) and as determined by local workforce area-specific labor market information;

2. The industry to which the employer is assigned, as determined by its North American Industry Classification System (NAICS) code, must be in demand as defined by WIOA Section 3(23) and as determined by workforce development area-specific labor market information produced by ESD;
3. The employer must not have laid off workers within 12 months to relocate to Illinois from another state;
4. The employer must attest, in writing, that it is not delinquent in unemployment insurance or workers' compensation taxes, penalties, and/or interest.

Training:

- Training will be in occupations in a targeted sector as defined in the local plan.
- Skill Attainment will be skills that directly benefit the workers receiving the training by making them more qualified in their field of employment, and/or provide new skills for new product lines or processes.
- All training programs provided as part of an IWT project must be competitively procured by the Employer. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source, or, if after solicitation of a number of sources, competition is determined inadequate. If it is determined that there is more than one training provider for the specific training, three (3) quotes must be submitted as part of the application process.

Employer Share of Training Costs:

Employers participating in incumbent worker training are required to pay the non-WIOA (non-federal) share of the cost of providing training to their incumbent workers. The employer share is based on the size of the workforce (wages paid to the participant while in training can be included as part of that share) as follows:

- At least 10 percent of the cost for employers with 50 or fewer employees
- At least 25 percent of the cost for employers with 51 to 100 employees
- At least 50 percent of the cost for employers with more than 100 employees

Listed below are costs that may be reimbursed through the grant or used as a matching contribution.

- Instructor wages; include wages and benefits for instructors who are employed by the company.
- Tuition
- Training materials and supplies
- Fees required to complete training
- Training facility costs (off-site or on-site) (matching costs only)
- Cost for use of employer's equipment during training (matching costs only if the company is producing at less than full capacity)
- Fees for technical or professional certifications and/or licensures for incumbent workers as a direct result of the training received.

The Workforce Connection will not approve training costs exceeding \$10,000 of grant funds per employee. No exceptions will apply.

Funds for Incumbent Worker Training are based on funds available.

Action Required: This information should be disseminated to all The Workforce Connection, Inc. staff, fiscal agent staff, program service providers, partner agencies, sub-awardees, and contractors.

Responsible Party: The Business Account Managers and the Business Services Team will provide review and implementation of incumbent worker training projects and the Executive Director of The Workforce Connection must sign all contracts.

Inquiries: Questions regarding any aspect of this policy should be directed to The Workforce Connection Executive Director.

Effective Date: Immediately