


CareerSource Heartland		
SECTION: WIOA	PROCEDURE # D18	PAGE 1 of 7
TITLE: Incumbent Worker Training	EFFECTIVE DATE: 05/02/2023	
APPROVED BY: 	REPLACES	

PURPOSE: To provide a consistent and well-documented format for the approval and implementation of Incumbent Worker Training opportunities in accordance with CareerSource Florida and CareerSource Heartland (CSH) policy and Workforce Innovation and Opportunity Act (WIOA) guidelines.

PROCEDURE:

Incumbent Worker Training (IWT) is a work-based training option designed to meet the needs of an employer or group of employers to retain a skilled workforce or avert layoffs by helping the employees obtain the skills necessary to retain employment. Based on its' needs, the company chooses the training and the training provider. Training may be provided by a Florida-based public or private educational institution, an accredited or licensed private training company/instructor, a company employee, or a combination of providers. IWT Training Providers are not required to be on the state approved Eligible Training Provider List (ETPL). A recognized credential is recommended but not required.

Since work-based training meets one of the training exceptions described in 20 CFR 680.320(a)(1), CSH will use contracts for this training rather than an ITA.

While IWT is most appropriate for private sector employers, CSH will consider using these funds for non-profit and local government entities.

CSH requires a commitment by the employer or group of employers to retain or fully employ participants after successful completion of the IWT program.

Up to 20 percent of CSH's combined total of adult and dislocated worker allocations may be used for IWT. IWT funds cannot be used for administrative activities and costs such as office supplies.

CSH requires employers to pay a minimum of fifty percent (50%) of the non-federal share of the cost of training. This may be done through cash payments and/or fairly evaluated in-kind contributions. For example, the employer contribution may include the wages the employer pays to the incumbent worker trainee while the worker is attending training. The 50% threshold may be adjusted with prior approval of the CSH President/CEO.

IWT funds cannot be used to provide training for new hires.

Employer Eligibility

Priority and approval for local IWT funding will be based on several factors including all information provided on the employer's application. Consideration of eligibility for local IWT funds will be given to employers meeting at least one of the following criteria.

1. The trainee(s)[(employee(s))] meets one or more of the following:
 - A. Is unlikely to retain employment leading to self-sufficiency
 - B. Is a recipient of public assistance
 - C. Needs training to retain employment
 - D. Is low-income (per WIOA guidelines)
 - E. Is basic-skills deficient with reading, writing or computing at or below the 8th grade level on a generally accepted standardized test
 - F. Has a disability
 - G. Is an English language learner
 - H. Is an ex-offender
 - I. Is a Veteran of the U.S. Military or a U.S. Military Veteran's eligible spouse
2. The training improves the labor market competitiveness of the employees and the employer.
3. Identification of any of the following additional factors with expected positive impact, such as:
 - A. the number of employees participating in the training
 - B. the wage and benefit levels of those employees (both pre-and post-training earnings)
 - C. the availability of other employer-provided training and advancement opportunities
 - D. credentials and skills gained as a result of the training
 - E. the number of layoffs averted as a result of the training
 - F. whether the industry/occupation/training is part of a larger sector and/or career pathway strategy
 - G. size of the employer

Eligible Businesses must:

1. Have been in operation in Local Workforce Development Area (LWDA) 19 for at least one (1) year prior to application date.
2. Be fully licensed to operate a business in LWDA 19.
3. Have at least one (1) full-time employee.
4. Demonstrate financial viability.
5. Be current on all state tax obligations.
6. Be able and willing to provide written "Need of Training" statement for each employed worker indicating:
 - A. the need for training to retain employment, and
 - B. the employee's aptitude to successfully complete the training and to practically apply to employment the skills learned in training, and
 - C. verification of the length of each trainee's employment history with the IWT employer
7. Cover not less than fifty percent (50%) of the cost of training through cash payment and/or

fairly evaluated in-kind contributions. The 50% threshold may be adjusted with prior approval of the CSH President/CEO.

8. List the number of employees who will be participating in the training.
9. Be willing to assist with facilitation of trainee information.
10. List the wage and benefit levels of those employees to be trained. This includes wages and benefits at present, prior to training, and anticipated upon completion of training.
11. List any other employer-provided training and advancement opportunities.
12. Be willing to provide follow-up information relating to credentials if applicable, and individual trainee wages, and continued employment.

Priority will be given to businesses with twenty-five (25) employees or less but may be provided to employers who are upgrading skills of employees in occupations represented on the local Demand Occupations List or those whose proposals represent significant skills upgrade needed for employee job retention.

Eligible Participants must:

1. Be employed.
2. Be a minimum of eighteen (18) years of age.
3. Meet the Fair Labor Standards Act requirements for an employer-employee relationship.
4. Have an established employment history with the employer for six (6) months or more. This may include verifiable time spent as a temporary or contract worker performing work for the IWT employer.

Exception: Per TEGL 19-16, where IWT is being provided to a cohort of employees, not every employee in the cohort must have an established employment history of six (6) months with the employer, as long as the majority of the employees being trained meet the six-month requirement.

5. Must be willing to provide verifying eligibility information, including completion of the WIOA application and provision of I-9 (includes I-9 backup documentation) and selective service registration documentation. (IWT participants are not required to meet WIOA eligibility or priority of service unless they are also enrolled in WIOA to receive career and training services. However, this information is federally required to be collected and reported). *
6. Meet the criteria that designated training is necessary for the individual to retain employment that allows for self-sufficiency per CSH policy.

* Demographic and performance information for IWT participants must be reported to the United States Department of Labor. See the Incumbent Worker Training Required Data Elements for the list of required elements. Although individuals receiving IWT are not participants for the purpose of inclusion in WIOA performance indicator calculations, required IWT participant

data elements include basic information as well as the information needed to calculate IWT performance indicators for employment in the second and fourth quarters after exit, median earnings in the second quarter after exit, measurable skill gains, and credential attainment. For the purposes of calculating these metrics, the exit date for an individual who has only received IWT will be the last date of training, as indicated in the training contract.

An Individual Employment Plan (IEP) is not required for participants enrolled in IWT.

WIOA Adult and Dislocated Worker participants enrolled in Incumbent Worker Training are counted in all performance measures, except for the credential attainment indicator at 20 CFR 6.77.155(a)(1)(iv) for performance accountability purposes.

IWT must be recorded in the State's management information system using service code 316 (Incumbent Worker Training (Local)). A case note must be entered that includes the required elements indicated in the State's code guide. These elements include the specific details related to the activities of the training assignment, the name of the organization providing training to the participant, a point of contact, the address and a phone number.

Additional Considerations:

Reimbursable Training Expenses may include but are not limited to:

- ◆ Instructors/Trainers Salaries
- ◆ Curriculum Development
- ◆ Textbooks/Manuals
- ◆ Materials and supplies including space and overhead required for training provision
- ◆ Tuition/fees

Non-reimbursable Costs include:

- ◆ Trainee Wages
- ◆ Purchase of capital equipment
- ◆ Purchase of any item or service that may be used outside the training project
- ◆ Travel expenses of trainers or trainees
- ◆ Assessment, testing, or certification fees

(Note: Non-reimbursable costs can be included as part of the employer's match.)

Businesses must provide a matching contribution of a minimum of fifty percent (50%) to the total training project cost. Allowable match includes but is not limited to: wages earned by trainees while in training, wages paid to employees who are trainers, in-kind space costs when training is provided at employer's place of business or when employer has rented facilities for training provision. The 50% threshold may be adjusted with prior approval of the CSH President/CEO.

Total payment cannot exceed **\$10,000** per business per contract.

PROCESS:

Application as Incumbent Worker Training Employer

Prior to being accepted as an Incumbent Worker Training site, the Employer must complete the Incumbent Worker Training application for approval of services. The CSH Business Operations

Team representative may assist the Employer with the completion of this form. The CSH President/CEO then reviews and approves or denies the application.

Businesses failing to retain (without valid reason) employees who received and successfully completed training will be ineligible for further consideration for these services.

The application is a prerequisite to the development of the Incumbent Worker Training Contract and may or may not result in a Contract after review.

Incumbent Worker Training Contract

Upon approval of application, the Incumbent Worker Training Contract will be formulated. The application information will be used to expedite the Contract process. The Contract is entered into between CareerSource Heartland and the Incumbent Worker Training employer. The Contract will specify the occupation(s) for which training is to be provided; the duration of training; the participant(s) to be trained; training costs with employer match cost breakdown; the maximum amount of reimbursement; credential(s) to be earned if applicable; and any other specifics relating to the Contract. The Contract will require that the employer maintain and make available to CSH, through the CSH Business Representative, time and attendance, payroll, and other records to support amounts reimbursed.

Simultaneously, the documentation process for trainees may begin. Center Branch Managers or their designee, in conjunction with the CSH Business Representative, will ensure that all required WIOA documentation is obtained prior to the first day of training. This documentation includes but is not limited to the completed WIOA application and required documentation.

Any proposed or needed changes to the original contract must be submitted on the Incumbent Worker Training Amendment Form and approved by the CSH President/CEO to be considered valid.

Contracts Requirements

The following assurances are required for IWT contracts:

1. Funds will not be used to directly or indirectly aid in the filling of a job opening which is vacant because the former employee is on strike or is being locked out in the course of a labor dispute, or the filling of which is otherwise an issue in a labor dispute involving a work stoppage.
2. Funds will not be used to directly or indirectly assist, promote, or deter union organizing.
3. Funds will not be used to displace (including a partial displacement, such as a reduction in the hours of non-overtime work, wages, or employment benefits) a current employee (as of the date of participation).
4. Funds will not be used to impair an existing contract for services or collective bargaining agreement, and no activity that would be inconsistent with the terms of a collective bargaining agreement shall be undertaken without the written concurrence of the labor organization and employer concerned.
5. Funds will not be used to employ a participant in a job if any other individual is on layoff from the same or any substantially equivalent job, or the employer has terminated the

employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy created with the participant.

6. Funds will not be used to create a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals (as of the date of participation).
7. Funds will not be used to encourage or induce relocation.
8. The established non-federal reimbursement share of the cost of providing the training.
9. A statement that the training is designed to meet the special requirements of the employer (including a group of employers) to retain a skilled workforce or avert layoffs by assisting the workers in obtaining the skills necessary to retain employment.
10. A commitment by the employer to retain or avert the layoffs of the incumbent worker(s).
11. Documentation that the participant has an established employment history with the employer of six months or more or that the participant was part of a training group where the majority of the group meets the six months requirement.
12. A statement confirming that funds will not be used to pay the wages of incumbent employees during their participation in economic development activities provided through a statewide workforce development system.

Completion of Training

When training has been completed the employer must submit an invoice, accompanied by proof of payment of invoiced costs, proof of credential(s) earned if applicable, employment verification, and the participants salary prior to training and the salary after training completion. If submitted in its entirety, the invoice along with its back-up should be immediately delivered to the CSH fiscal department. If an invoice is submitted without the required back-up documents, a copy of the invoice should be immediately delivered to the CSH fiscal department and the designated CSH Business Representative will then collaborate directly with the employer to ensure all required documentation missing is submitted in a timely manner.

Quarterly Follow-ups

As a program participant completes services and their case is exited in the State's MIS, the MIS will trigger four quarters of Quarterly Follow-up Services to be completed. Follow-up Services are mandatory for all exited program participants except for those participants who are globally excluded due to death, institutionalization, health/medical, or reservist called to active duty.

Monitoring

All Incumbent Worker Training contracts are reviewed by the Business Representative, the Chief Programs Officer (CPO), and the President/CEO prior to signing.

Formal oversight and monitoring of Incumbent Worker Training contracts will be conducted at random to ensure compliance with applicable laws and regulations, and to ensure the integrity of

WIOA funds and review performance. Monitoring will include review of all file and training documentation.

Through its normal internal control processes:

1. CSH's Finance Department completes a desk review to assure billing and fiscal compliance;
and
2. The President/CEO reviews and serves as the check approver prior to remitting payment.

CSH will ensure participating employers agree to cooperate with monitoring requirements conducted by the state and/or LWDB and adhere to all other applicable local, state, and federal rules and regulations.