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Resolution #1 : 6-17-21

Incumbent Worker Training Policy

Purpose: To provide information as required by WIOA section 134(d)(4); which details the necessary procedures to follow to review and assure all Incumbent Worker Training (IWT) requirements are met.

Background: The Atlantic County Office of Workforce Development and the Atlantic County Workforce Development Board defines Incumbent Worker Training (IWT) as training that is constructed for two (2) purposes:

- 1) Increase the competitiveness of the employee or employer,
- 2) Retain a skilled workforce or avert the need to lay off employees by assisting the workers in obtaining the skills necessary to retain employment or avert layoffs.

TEGL 3-15 states that “Incumbent worker training provides both workers and employers with the opportunity to build and maintain a quality workforce. Incumbent worker training can be used 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.”

Policy:

Maximum Cost per Employee and Frequency

The maximum allowable cost per customer trained will be \$5,000. Businesses may utilize this training service once every two years.

Employer Eligibility

Atlantic County Workforce Development Board (ACWDB) shall consider the following when determining the eligibility of an employer to receive WIOA funds for incumbent worker funding:

- (I) The characteristics of the participants in the program;
- (II) The relationship of the training to the competitiveness of a participant and the employer; and
- (III) Such other factors as the ACWDB may determine to be appropriate, which may include:
 - The number of employees participating in the training;
 - The wage and benefit levels of those employees (at present and anticipated upon completion of training)
 - The existence of other training and advancement opportunities provided by the employer.

Sample criteria to determine eligibility of an employer to receive WIOA incumbent worker funds include:

1. The characteristics of the incumbent workers to be trained and how they would benefit from retention or advancement. Consideration should be given to employers who propose to train individuals with barriers to employment.
2. The quality of training. Whenever possible, the training should allow the participant to gain industry-recognized training experience and /or lead to industry-recognized credentials and/or an increase in wages:
3. The number of participants the employer plans to train or retrain;
4. The occupation(s) for which incumbent worker training is being provided must be in demand;
5. The employer is:
 - a) In a high-growth /high demand sector; or
 - b) If not in a high-growth/high demand sector, there are compelling reasons (e.g. evidence of long-term viability of the employer) justifying investment in incumbent worker training.
6. The employer must not have laid off workers within the last 120 days to relocate from another state;
7. The employer is current in unemployment insurance and worker’s compensation taxes, penalties, and/or related payment plan.

Generally, IWT should be provided to private sector employers; however, there may be instances where non-profits and local government entities may be the recipients of IWT funds.

Employer Share of Training Costs

Employers who have employees receiving incumbent worker training are required to pay the non-WIOA (non-federal) share of the cost of the training. The minimum non-federal share of the incumbent worker training costs are based on the total number of the employer’s employees as follows:

Number of Employees	Minimum Employer Share
50 or fewer	10 percent
51 to 100	25 percent
More than 100	50 percent

Subject to the limits provided, the Atlantic County Workforce Development Board establishes the non-federal share of the costs considering such factors as:

- The number of employees participating in the training/
- The wage and benefit levels of the employees (at the beginning and anticipated upon completion of the training)
- The relationship of the training to the competitiveness of the employer and employees;
- The availability of other employer-provided training and advancement opportunities;
- The employer’s payment for the non-federal share can be cash payments, fairly evaluated in-kind contributions, or both.

Incumbent Worker Eligibility

- A U.S. citizen or otherwise legally entitled to work in the U.S.;
- Age 18 or above
- Registered for the Selective Service (males who are 18 or older and born on or after January 1, 1960) unless an exception is justified;
- Employed;
- Meet the Fair Labor Standards Act requirements for an employer-employee relationship <https://www.dol.gov/whd/flsa/> and;
- Have an established employment history with the employer for six (6) months or more.

Exception: When incumbent worker training is provided in a cohort, a majority, but not all, of the employees must have an employment history with the employer of six months or more (which may include time spent as a temporary or contract worker performing work of the employer receiving the IWT funds).

Eligible Costs – Include, but are not limited to:

1. Tuition and fees
2. Training and Course Costs
3. Instructor's wages
4. Course specific textbooks and manuals
5. Supplies and materials used during the training

Ineligible Costs-include, but are not limited to:

1. Trainees wages and benefits during the training (may be used to satisfy the Employer Match)
2. Training Equipment
3. Capital Improvements
4. Any costs outside of the agreement

Incumbent Worker Training Contract

Employers interested in participating in this program must first complete the Incumbent Worker Training Contract, which includes employer identifying information and further demonstrated need and purpose for the training, in addition to a proposed budget for training services. (attachment A). This document must be completed and returned to the Atlantic County Workforce Development Board Executive Director for review and consideration of approval. Employers will be notified of the agency decision within five (5) business days.

Incumbent Worker Invoicing

Employers submitting invoices for incumbent worker training must submit a completed copy of the Atlantic County Workforce Development Board Grant voucher. (see attachment B)

Supporting documentation must include:

- Attach sign-in/sign out sheet for the billing period.
- Attach attendance rosters for the billing period.
- Attach payroll register for those in training for the month you are billing for.

Invoices are to be submitted on a Workforce Development Grant (WDG) voucher. This voucher shall include the training provider name, program name, contract number, month of services rendered and requested reimbursement.

All invoicing documentation must contain original signatures and be mailed to:

Atlantic County Workforce Development Board
2 South Main St.
Pleasantville, NJ 08232
Attention: Fiscal Officer

This policy will be reviewed in twelve months.