

Approved Date:

Effective Date: July 1, 2023

Subject: Incumbent Worker Training Program Policy

Purpose

This policy provides guidance and establishes procedures regarding the Workforce Innovation and Opportunity Act (WIOA) Incumbent Worker Training (IWT) Program in the Iowa Plains Local Workforce Development Area.

Background

- I. An Incumbent Worker is a person who is currently employed and could benefit themselves and their employer by upgrading their skills through training. The training should give the employee the opportunity for advancement and wage gains within their company. Incumbent Workers will be referred to as “employees”.
- II. The IWT Program is designed to meet the special requirement of an employer 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. This program provides both workers and employers with the opportunity to build and maintain a quality workforce. The IWT Program is a business-driven program designed to meet the needs of an employer or group of employers. There is an expectation that the employee will be promoted or retained by the company after they receive training. Ideally, this would also create additional back-fill opportunities for other workers.
- III. The program is intended to offset a portion, via reimbursement, of the business’s cost to train and upgrade the skills of its employees. Eligible businesses must demonstrate that by receiving funding assistance through the program, their business will not only improve the skills of their workers but also improve their business processes and competitiveness and decrease the risk of permanent layoffs.

Program Overview

- I. IWT Program funding is limited. The maximum award per application, per program year, is \$10,000.00 and the initial training agreement duration may not exceed 12 months. The maximum award may be adjusted based on funding availability, each program year. The total amount of funding that may be available is \$50,000.00 annually, based on the LWDA's budget.
- II. When workers lack necessary training and businesses experience skill gaps, the company's ability to compete, expand, and retain workers can be compromised. The Iowa Plains IWT Program addresses such needs. The IWT Program is to provide funding for continuing education and training of employees at existing Iowa businesses with physical locations in the Iowa Plains Local Workforce Development Area. The program may provide reimbursement to businesses that pay for preapproved direct training-related costs.

Eligible Employees

- I. An eligible employee is one who is directly employed by the company at a facility located within the Iowa Plains Local Workforce Development Area and meets the following requirements:
 - A. Must be at least 18 years of age
 - B. A citizen of the United States or U.S. Territory, a U.S. permanent resident, or an alien/refugee lawfully admitted to the U.S whose status permits employment in the United States
 - C. Iowa resident
 - D. Employee must be registered in the IowaWORKS system
 - E. Employee must work at least 32 hours per week
 - F. Employee must have an established employment history with the employer for six months or more and receives a W-2
 - G. Employee must be committed to attending all trainings
 - H. Employee must earn an hourly wage above the state minimum wage
 - I. Employee must agree to cooperate with data collection requirements

- II. An employee does not have to meet the eligibility requirements for participation in career and training services for Adults and Dislocated Workers under WIOA unless they are also enrolled as a participant in the WIOA Adult or Dislocated Worker program.
- III. Exception to the six-month requirement: In the event, IWT program funding is being provided to a cohort of employees, not every employee in the cohort must have an established employment history with the employer for six months or more, as long as a majority (at least 51%) of those employees being trained meet the employment history requirement.
- IV. IWT Program funding can also be used for underemployed workers if the use of the funding focuses on increasing skills for underemployed frontline workers in an effort to advance these workers to more skilled positions with the same employer; or workers who would prefer full-time work but are working part-time for economic reasons.

Ineligible Employees

- I. Anyone who receives a 1099 Form or
- II. Those who are placed through a temporary agency

Employer Eligibility

- I. Employers applying for IWT Program funding must meet the following criteria:
 - A. Financially viable, private sector employers and certain nonprofit and local government entities (e.g., a nonprofit or county hospital) are eligible to receive IWT Program funds
 - B. The business or businesses must have been in operation for 12 months, not currently or recently experiencing bankruptcy, be current on all local, state, and federal tax obligations, and not appear on any federal suspensions or debarment lists
 - C. An eligible business must be in Iowa, have a physical location in the Iowa Plains Local Workforce Development Area, and registered with the Iowa Secretary of State Office
 - D. Businesses are encouraged to provide training to a group of employees and not an individual employee; the number of employees in the company will be taken into consideration

- E. Businesses should demonstrate a commitment to retain or avert the layoff of employees receiving training
 - F. Businesses must submit a W-9 with their application for payment reimbursement
- II. Companies that are in the process of a layoff or have had a layoff in the last six months are not eligible for IWT Program (excludes temporary hires or contract workers). If a layoff occurs in a company while they have an open IWT program, the current workers will be able to complete the training.

Multiple Business Applications

- I. A group of employers who need the same training for their workers may submit a joint application. Multiple businesses can collaborate and apply for a collaborative training. The proposal for the common request must:
- A. Train employees of at least two different businesses, with one of those businesses designated as the Lead Applicant
 - B. Include employees of the Lead Applicant in the training
 - C. Include training descriptions and outcomes that address the employees from all businesses impacted by the proposed common training
 - D. Include information on each business that will be part of the training
- II. A business may be treated as a single company or multiple companies depending on the number of locations and Federal Employer Identification Number (FEIN). If each location operates under a different FEIN, each location will be considered a separate company and will need to submit separate applications to receive separate funding. If the locations operate under one FEIN, it will be considered one company and will therefore need to join its training efforts, submit one application, and receive one award.

Ineligible Employers

- I. The following businesses are not eligible to apply for funds under this program:
- A. Not-for-profit agencies or organizations (This does not apply to hospitals operated by nonprofit or local government entities in the State of Iowa)
 - B. Retail establishments
 - C. Entities whose administrations only comprise volunteers
 - D. Local Workforce Development Boards and their administrative entities
 - E. Labor unions

- F. Federal, state, county, or city governmental entities (This does not apply to hospitals operated by nonprofit or local government entities in the State of Iowa)
- G. Businesses that received ITW Program Funding in the current program year
- H. Employers that have received State-funding training dollars in the last 12 months, including funding from Accelerated Career Education Infrastructure(260G), Iowa Industrial New Jobs Training (260E), Iowa Jobs Training (260F), Iowa Apprenticeship Act (15B), Iowa Registered Apprenticeship Development Fund (15C), or Future Ready Iowa.

Funding Considerations

- I. Funding considerations shall be given to the following:
 - A. Businesses that provide employees with opportunities to acquire new or improved skills by earning a credential
 - B. Businesses who grant proposals represent a significant upgrade in employee skills
 - C. The characteristics of the participants in the program, specifically the extent to which they historically represent individuals with barriers to employment as defined in WIOA and how they would benefit from retention or advancement
 - D. The employees' advancement opportunities along with wages and benefits (both pre and post training earnings)
 - E. The existence of other training and advancement opportunities provided by the employer
 - F. Layoffs averted because of training
 - G. Utilization as part of a larger sector and/or career pathway strategy; or
 - H. Employer size
- II. While these considerations do not include an increased reimbursement percentage, applications that meet one or more of these conditions will receive priority during times of limited funding.

Employer's Cost-Sharing Requirement

- I. Businesses will be required to provide a portion of the training costs dependent upon the size of the business and the number of employees either through direct cost contribution or in-kind contributions.
 - A. At least 10% of the cost for employers with 50 or fewer employees
 - B. At least 25% of the cost for employers with 51 to 100 employees
 - C. At least 50% of the cost for employers with more than 100 employees
- II. The business must disclose cash and in-kind contributions. Examples of in-kind contributions, in addition to any direct costs, may include expenses associated with the use of space and equipment during the training project and trainee wages (including benefits) of employees during the training.

Performance Accountability

- I. The employer must agree to provide performance records and keep accurate records of the project's implementation process and certify that all information provided, to request reimbursements and report training activity, is accurate and true, including evidence that the business has paid the training expenses in accordance with the terms of the agreement prior to requesting reimbursement of allowable training costs. Before, during, and/or completion of training, businesses will be asked to provide the following:
 - A. All trainee documentation (proof of Social Security Number, citizenship/right to work, physical address, etc.) before the start of training to Iowa Plains
 - B. All training sessions must have signed attendance sheets or digital confirmation of attendance. Trainee participation is required.
 - C. Employee satisfaction surveys
 - D. All copies of credentials, certificates of completion, or other documentation of the employee's participation within 60 days of the end of training to be considered eligible for reimbursement
 - E. Must maintain monthly communication with an Iowa Workforce Development Business Engagement Consultant and/or Iowa Plains Career Planner on the status of the project
 - F. Each project requires one year of follow-up to track project outcomes once training is completed (provide updated trainee wages and promotions)
 - G. Employers submitting an application must agree to provide this information.

Allowability of Use of Funds

- I. With proper documentation allowable costs include (but are not limited to):
 - A. Training/course registration
 - B. Instructors/trainer salaries
 - C. Curriculum development
 - D. Textbooks and manuals
 - E. Materials and supplies
 - F. Tuition expenses
 - G. Off-site training space (e.g., classroom rental)

- II. Non-reimbursable costs include (but are not limited to):
 - A. Administrative costs
 - B. Trainee's wages
 - C. Purchases of capital equipment or capital improvement
 - D. Purchases of items or services that will be used primarily outside of the IWT Program
 - E. Travel expenses for trainers or trainees
 - F. Assessment, testing, or certification fees
 - G. Advertisement or recruitment
 - H. Annual membership for online courses

Training Services

- I. The IWT Program provides flexibility regarding the type(s) of training and the training provider(s). Based on the needs of the company and its overall workforce development needs, the company chooses its training and training provider that provides employees with opportunities to acquire new or improved skills.

- II. Training can include, but is not limited to, industry or employer-specific work skills, basic job skills, technical computer skills, new manufacturing technologies, equipment operation training, changes in production processes, and skills such as leadership, teamwork, communication, conflict resolution, and management skills if the employer can document the need and effect on employee production and/or retention with the company.

- III. Employers will determine and select the types of training and training provider(s) that meet their business and training requirements before submitting an application for consideration.
- IV. All agreements must show an end date that completes training within 12 months of the approval date. All training should have specific start and end dates.

Ineligible Training

- I. The following are ineligible types of training:
 - A. New hire orientation
 - B. Degree programs
 - C. Training that takes place where food and/or beverages are included in the cost
 - D. Training that includes the purchase of equipment (such as iPads or other equipment/supplies/devices that can be used outside of training) in the cost of the training
 - E. Self-paced learning
 - F. Non skill related assessments
 - G. Mandated safety training (such as OSHA)
 - H. Regularly provided annual training
 - I. English as a second language
 - J. Basic skills or remedial education
 - K. Non-job-related training

Eligible Training Providers and Activities

- I. Public or private educational institutions, trade associations, community-based organizations, economic development agencies, unions, government agencies, or subject matter experts may provide training. Training can be conducted at the business facility, at the training provider's facility, online, or a combination of sites.

Iowa Plains Criteria

- I. Iowa Plains reserves the right to accept or reject any or all applications submitted.
- II. Iowa Plains does not commit to pay for any cost incurred before any award notification or the execution of any contract. All applications and their accompanying attachments will become property of Iowa Plains after submission, and materials will not be returned. Costs incurred by a contracted entity in the delivery of services shall be reimbursed based on mutually agreed-upon conditions and delivery schedules with the submission of appropriate documentation.

Program Procedures

- I. Eligible businesses will complete the Iowa Plains Incumbent Worker Training Program Application and submit to the Business Engagement Consultant or the Title I Manager. The application is the only document that may be used to apply. Applications should be submitted at least 30 business days before the start date of the training. However, submittal within this timeframe does not guarantee that the approval date will be on or before the training start date.
- II. Upon receipt of the completed application, the Title I Manager and a Title I Program Coordinator will review the application to determine the employer's eligibility for funding. More information may be requested from the employer to determine eligibility.
- III. Within two weeks of the application approval, the agreement between Iowa Plains Local Workforce Development Area and the business will be prepared sent electronically to the employer for signature. Once the signed agreement has been received by Iowa Plains, the Iowa Plains Representative will sign. The fully executed agreement will then be emailed to the business. This agreement must be executed prior to the start date of the training. Funding cannot be provided for any costs incurred before the agreement for delivery of training has been completed. Once the agreement is fully executed, all required forms will be provided to the employer. These forms will include:
 - A. Trainee Data Submission Form
 - B. Reimbursement Request Form
 - C. Trainee Roster
 - D. Training Expenses Summary Report
 - E. Final Training Evaluation Form
- IV. The Reimbursement Request Form and the Final Training Evaluation form must be completed and submitted to the Iowa Plains Local Workforce Development Area within 60 days of the agreement end date. Reimbursement requests received after the 60-day cutoff will not be processed.

Equal Opportunity Program / Employer – Auxiliary aids and services available upon request for individuals with disabilities