



WORKFORCE IMPLEMENTATION GUIDANCE (WIG) LETTER

DATE: May 18, 2017
NO: WIG PS 16-005
TO: LOCAL WORKFORCE SYSTEM STAKEHOLDERS
FROM: MENELIK ALLEYNE, WIOA Services Director
SUBJECT: INCUMBENT WORKER TRAINING

1. **Purpose.** To provide additional guidance for Incumbent Worker Training.
2. **References.** [WIG PS-15-005](#); [WIG GA-15-005](#) [WIOA Section 134\(d\)](#)
[20 CFR § 680](#)
[TEGL 19-16](#)
3. **Definitions.**
 - IWT – Incumbent Worker Training
 - WIOA – Workforce Innovation and Opportunity Act
 - LWDA – Local Workforce Development Area
 - OWD – Office of Workforce Development
 - FSR – Financial Status Report
4. **Background.** WIG PS 15-005, dated September 28, 2015, provided initial policy guidance regarding WIOA Incumbent Worker Training. The following shall serve as additional guidance for local use of up to 20% of Adult and Dislocated Worker funds for Incumbent Worker Training.
5. **Incumbent Worker Training.** Additional federal guidance on IWT was issued in TEGL 19-16 dated March 1, 2017. Those additions, as well as additional State Policy Guidelines, are included in the attached revisions to the Workforce Policies and Procedures Guide.

Due to the increased employer interest in IWT and to assure adherence to the guidelines, the Workforce Division has attached a packet of templates which may be utilized by LWDA's. Samples include:

- a. [IWT Policy](#) (reflecting new requirements in TEGL 19-16 and State Policy)
- b. [IWT FAQ](#)

- c. [IWT Employer Application](#)
- d. [IWT Pre-Award Checklist](#)
- e. [IWT Employer Agreement](#), including:
 1. [Attachment A](#) - The *completed* Employer Application
 2. [Addendum A](#) - IWT Budget
 3. [Addendum B](#) - IWT Roster/ Documentation of Trainee Employment History
 4. [Addendum C](#) - Trainee Skills Gap/Training plan
 5. [Attachment B](#) - Conflict of Interest Certification
 6. [Attachment C](#) - Contractor Affidavit under O.C.G.A. § 13-10-91(b)(1)
 7. [Attachment C 1](#) - Subcontractor Affidavit under O.C.G.A. § 13-10-91(b)(3)
- f. [Calculation and Tracking of Employers Non-Federal Share Worksheet](#)
- g. [Detailed Training Plan](#)

LWDAs utilizing previously-developed LWDA forms should pay particular attention to the additional documentation requirements for a pre-award checklist, the Roster and Documentation of Trainee Employment History, the Training Skills Gap, the Calculation and Tracking of Employers Non-Federal Share Worksheet and the Detailed Training Plan.

- 6. Documentation requirements in GWROPP:** Incumbent workers who receive training are not required to meet the WIOA eligibility requirements for career and training services for adults and dislocated workers unless they are also enrolled as a participant receiving other WIOA adult or dislocated worker services. USDOL does not consider individuals who receive only incumbent worker training services to be participants required for inclusion in WIOA performance indicator calculations.

While not required to meet eligibility requirements for adult and dislocated worker programs, LWDAs are still required to report certain participant and performance data on all individuals who receive only incumbent worker training. The required elements are limited to demographic information and the elements needed to calculate employment in the 2nd and 4th quarters after exit, median earnings in the 2nd quarter after exit, and credential attainment. For the purposes of calculating these metrics, the exit date for an individual who only has received incumbent worker training will be the last date of training, as indicated in the training contract.

IWT's have their own "application" in GWROPP. The application is streamlined and only requires the Contact Information, Demographics, Veteran, Employment, Education, and Eligibility/Grants tabs to be completed. On the Eligibility/Grants tab, "Incumbent Worker Training" should be checked "Yes" and the particular grant should be selected (whether locally funded or state funded).

- 7. Action Requested.** OWD requests that local areas incorporate the additional IWT guidance into local policy.
- 8. Inquiries.** Inquiries regarding this guidance should be directed to the designated programmatic technical assistance representative.

9. **Attachment.** Workforce Policies and Procedures Guide Section 3.4.1.4, IWT Sample Templates

10. **Expiration.** Continuing.

The Incumbent Worker Training Sample Document Packet

The Incumbent Worker Training Sample Document Packet (Prepared for LWDA use)

1. [LWDA IWT Policy](#) (including new requirements in TEGl 19-16 and State Policy.
2. [IWT FAQ](#)
3. [IWT Employer Application](#)
4. [IWT Pre-Award Checklist](#)
5. [IWT Employer Agreement](#), including:
6. [Attachment A](#) - The completed Employer Application
7. [Addendum A](#) – IWT Budget
8. [Addendum B](#) – IWT Roster/ Documentation of Trainee Employment History
9. [Addendum C](#) – Trainee skills gap/Training plan
10. [Addendum D](#) – Placeholder for Detailed Training Plan
11. [Attachment B](#) – Conflict of Interest Certification
12. [Attachment C](#) – Contractor Affidavit under O.C.G.A. § 13-10-91(b)(1)
13. [Attachment C 1](#) – Subcontractor Affidavit under O.C.G.A. § 13-10-91(b)(3)
14. [Calculation and Tracking of Employers Non-Federal Share Worksheet](#)
15. [Example of Detailed Training Plan](#)

Sample LWDA INCUMBENT WORKER TRAINING POLICY

Sample LWDA INCUMBENT WORKER TRAINING POLICY

Reference: Workforce Innovation and Opportunity Act Section 134 (d) (4) and Section 188 and Workforce Innovation and Opportunity Act Regulations 20 CFR 680.780, 680.790, 680.800, 680.810, 680.820, 680.830, 680.840, 683.260 683.270, 683.275, 683.280.

Purpose: To provide policies for LWDA Incumbent Worker training.

Background and Definition: WIOA Section 134 (d) and 20 CFR 680.790 define Incumbent Worker Training (IWT) as training designed to meet the special requirements of an employer or group of employers (which may include employers in partnership with other entities for the purposes of delivering training) 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. Incumbent worker training must satisfy the requirements in WIOA sec. 134(d)(4) and increase the competitiveness of the employee or employer. CFR 680.790 specifies that the training be conducted with a commitment by the employer to retain or avert the layoffs of the incumbent workers trained.

Incumbent Worker Training must:

1. Occur between employees and employers with an established relationship in which all individuals receiving training have been employed by the company for at least six months at the time of the training;
2. Improve the skills of the existing workforce;
3. Increase both an individual's and a company's competitiveness;
4. Mitigate the impact of a layoff if utilized as part of a layoff aversion strategy; and
5. Wherever possible, allow the individual to gain industry recognized training experience and ultimately should lead to an increase in wages.

Funding: Local Workforce Development areas (LWDA/s) may reserve and use no more than 20 percent of Adult and Dislocated Worker funds allocated to the local area to pay for the Federal share of the cost of providing incumbent worker training. (WIOA Section 134 (d)(4)(A)(i)). The 20 percent may be used for IWT activities that are programmatic in nature, as administrative activities must be paid from LWDA administrative funds.

No WIOA funds shall be used to pay the wages of incumbent employees during their participation in economic development activities provided through a statewide workforce development system.

Incumbent Worker Eligibility

20 CFR 680.780 specifies that to qualify as an incumbent worker, the incumbent worker needs to be employed, meet the Fair Labor Standards Act requirements for an employer-employee relationship, and have an established employment history with the employer for 6 months or more, with the following exception: In the event that the incumbent worker training is being provided to a cohort of employees, not every employee in the cohort must have an established employment history with the employer for 6 months or more as long as a majority of those employees being trained do meet the employment history requirement.

All employees participating in incumbent worker training must meet the eligibility requirements below:

- At least 18 years of age;
- A citizen of the United States or a non-citizen whose status permits employment in the United States;
- Males born on or after January 1, 1960 must register with the selective service system within 30 days after their 18th birthday or at least before they reach the age of 26;
- Meet the Fair Labor Standards Act requirements for employer-employee relations and have an established employment history with the employer for 6 months or more (which may include time spent as a temporary or contract worker performing work for the employer receiving IWT funds);
- Existing workers must be currently employed full-time with the participating employer.

Incumbent Worker participants must meet the eligibility requirements above. An incumbent worker participant does not have to meet the eligibility requirements for career and training services for adults and dislocated workers under WIOA, unless they also are enrolled as a participant in the WIOA adult or dislocated worker program. As such, they are not included in calculations for the State performance measures. States and LWDA's are, however, required to input data into GWROPP on individuals who receive incumbent worker training, including characteristics, services and outcomes.

Employer Eligibility:

1. For the purpose of determining the eligibility of an employer to receive funding, the LWDA shall take into account factors (which help to evaluate whether training would increase the competitiveness of the employees or both the employees and the employer) consisting of:
 - a) the characteristics of the individuals in the program;
 - b) the relationship of the training to the competitiveness of the employees or both the employees and the employer; and
 - c) such other factors as the LWDB may determine to be appropriate, which may include:
 - 1) the number of employees participating in the training;
 - 2) the wage and benefit levels of those employees (at present and anticipated upon completion of the training);
 - 3) the existence of other training and advancement opportunities provided by the employer;
 - 4) layoffs averted as a result of the training;
 - 5) utilization as part of a larger sector and/or career pathway strategy; or 6) employer size
2. IWT should be provided for private sector employers; however, non-profit and local government entities may be recipients of IWT funds.
3. Employers must be in operation at least twelve months and employ at least five full-time employees, be financially viable and current on all state and federal tax obligations.
4. Any employer that has received payments under previous on-the-job training, customized training or IWT and that exhibited a pattern of failure to provide workers continued, long term employment as regular employees with wages and working conditions at the same level and to the same extent as similarly situated employees is ineligible to enter into further WIOA IWT contracts.
5. In considering an employer's eligibility for an IWT contract, LWDA's should consider the employer's past history with IWT, OJT and customized contracts, financial stability, history of layoffs, relocation and labor disputes as well as occupational and industry outlooks.
6. LWDA's must conduct an employer pre-award review checklist containing requirements of WIOA 683.260 and TEGl 19-16.

Employer Non-Federal Share/Employer Reimbursements:

1. WIOA Section 134 (d) states that employers participating in IWT shall be required to pay for the non-Federal share of the cost of providing the training to incumbent workers of the employers. The LWDB shall establish the non-Federal share of such cost (taking into consideration such other 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, and the availability of other employer-provided training and advancement opportunities.
2. The employer non-Federal share is dependent on the size of the employer and shall not be less than:
 - a. 10 percent of the cost, for employers with not more than 50 employees;
 - b. 25 percent of the cost, for employers with more than 50 employees but not more than 100 employees; and
 - c. 50 percent of the cost, for employers with more than 100 employees.
3. Employer size is based on the number of employees currently employed at the local operation where the incumbent worker training placements will be made. Employer Size is determined by the number of employees at the time of the execution of the incumbent worker training contract. This applies to all employers, including employers with seasonal or intermittent employee size fluctuations. Employers must provide documentation that indicates employer size.
If multiple Employer sites exist within an LWDA: Employer agreements may be limited to physical locations within the LWDA area or the LWDA may develop one agreement with multiple locations, training descriptions and budgets.
4. The non-Federal share provided by an employer may include the amount of the wages paid by the employer while the worker is attending training, equipment purchased for training, curriculum development expenses, travel and lodging costs, etc. The employer may provide the share in cash or in kind, fairly evaluated. The employer non-Federal share must not be calculated using any other Federal funds, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs.
5. The business will be required to calculate its actual non-federal share as a part of the application for training funds and at the conclusion of the training. Should the non-federal share not meet the limits, the funds could potentially have to be repaid. Official payroll records, time and attendance records, invoices for equipment purchased, etc. must be utilized to determine the amount of the employer's share of cost.
6. Employer cost share contributions must be tracked and documented in the contract file and recorded on the Financial Status Report. In addition, the methodologies for determining the value of in-kind contributions must be documented in the contract file and conform to cost sharing requirements at 2 CFR 200. 306 and 2 CFR 2900.8.
7. No WIOA funds shall be used for Incumbent Worker wages. (Section 181 (b) (1)).

Employer Contract Requirements:

1. IWT is provided based on a formal, written contract with the employer or group of employers that is signed prior to the initiation of training with a copy given to the employer(s).
2. May be added by LWDA: Priority will be given to incumbent worker training contracts which:

- a) Provide training in one of the LWDA's target industries;
 - b) The individual's hourly wage is no less than xxx/hour and the position provides fringe benefits;
 - c) The individual has the opportunity for upward mobility into a higher-paying job classification; and
 - d) The employer indicates an interest or potential to "back-fill" entry level positions with WIOA participants.
3. Incumbent worker training shall be limited to the period of time required for the individual (s) to become proficient in the skills for which the training is being provided. In determining the appropriate length of an IWT contract, consideration should be given to the skill requirements of the occupation and the academic and occupational skill level of the individual. LWDA's shall utilize ONET SVP skills training requirements in addition to an assessment of the individuals past skill and experience to justify the length of training.
4. Incumbent Worker training contracts shall not be written to provide skills for seasonal, temporary or intermittent employment.
5. IWT training may incorporate work-based, classroom and other training activities approved under WIOA to meet employer skill requirements. The employer or an intermediary may provide the training.
6. The IWT contract should address at a minimum:
- a) Employer documentation of the six-month work history requirement
 - b) Maximum allowable costs of training;
 - c) Employer commitment to retain the individual as a full time employee with the same wages, benefits, hours and working conditions;
 - d) Hourly wage of the individual;
 - e) Length of training required;
 - f) Description of occupations involved, skill(s) and competencies to be provided and learned;
 - g) Assessment and identification of the individual's skills gaps;
 - h) Performance measures outcome requirements;
 - i) A provision for termination for lack of funds or recapture of overpayments, lack of individual attendance or failure of employer to comply with initial or upgraded employment requirements; and
 - j) A provision for maintaining and providing records for LWDA, state and federal monitoring and review.
 - k) Employer Assurances below shall be included in all IWT contracts.

Employer Assurances: The Employer agrees to adhere to the following provisions:

1. 20 CFR 680.790 specifies that the training be conducted with a commitment by the employer to retain or avert the layoffs of the incumbent workers trained.
2. WIOA Section 134 (d) and 20 CFR Section 680.820 specify that employers participating in IWT shall be required to pay the non-Federal share of the cost of providing training to incumbent workers. The amount of non-Federal share depends upon factors such 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 training), the relationship of the training to the competitiveness of the employer and employees and the availability of other employer provided training and advancement opportunities.

3. 20 CFR Section 680.830 specifies that funds provided to employers for incumbent worker training must not be used to directly or indirectly assist, promote or deter union organizing.
4. 20 CFR Section 680.840 specifies that WIOA funds may not be used to directly or indirectly aid in filling of a job opening which is vacant because the former occupant is on strike, or is being locked out in the course of a labor dispute, or the filling is otherwise an issue in a labor dispute involving a work stoppage.
5. 20 CFR Section 683.260 specifies that WIOA funds must not be used for incumbent worker training for employees of any business or part of a business that has relocated from any location in the US until the company has operated at that location for 120 days, if the relocation has resulted in any employee losing their job at the original location.
6. 20 CFR Section 683.270 specifies that a participant in a WIOA program activity must not displace (including a partial displacement such as a reduction in the hours of non-overtime work, wages of employment benefits) any currently employed employee (as of the date of the participation).
7. 20 CFR Section 683.270 specifies that a WIOA program or activity must not impair existing contracts for services or collective bargaining agreements. When the program or activity would be inconsistent with a collective bargaining agreement, the labor organization and employer must provide written concurrence before the activity begins.
8. 20 CFR Section 683.270 also specifies that a participant may not be employed in or assigned to a job if: (1) any other individual is on layoff from the same or any substantially equivalent job; (2) the employer has terminated the employment of any regular, unsubsidized employee or otherwise caused an involuntary reduction in its workforce with the intention of filling the vacancy created with the WIOA participant; (3) the job is created in a promotional line that infringes in any way on the promotional opportunities of currently employed workers as of the date of the participation.
9. 20 CFR Section 683.275 specifies that individuals employed in activities under WIOA must be compensated at the same rates, including periodic increases, as trainees or employees who are similarly situated in similar occupations by the same employer and who have similar training, experience and skills.
10. 20 CFR WIOA Section 683.275 specifies that individuals employed in programs and activities under WIOA must be provided benefits and working conditions at the same level and to the same extent as other trainees or employees working a similar length of time and doing the same type of work.
11. 20 CFR Section 683.280 specifies that health and safety standards established under federal and State law otherwise applicable to working conditions of employees are equally applicable to working conditions of participants engaged in programs and services under WIOA. To the extent that a State workers' compensation law applies, workers' compensation must be provided to participants in program and activities under WIOA on the same basis as the compensation is provided to other

individuals in the State in similar employment. Information on how to comply with Georgia law is available at <http://sbwc.georgia.gov>.

12. WIOA Section 181 (b)(1) specifies that no WIOA funds shall be used to pay the wages of incumbent employees during their participation in economic development activities provided through a statewide workforce development system.
13. WIOA Section 188 specifies that no individual shall be excluded from participation in, denied employment in the administration of or in connection with any such program or activity because of race, color, religion, sex in a WIOA program or activity solely because of the status of the individual as a participant.
14. WIOA Section 188 specifies that no participants shall be employed to carry out the construction, operation or maintenance of any part of a facility that is used or to be used for sectarian instruction or as a place for religious worship with the exception of maintenance of facilities that are not primarily use for instruction or worship and are operated by organizations providing services to WIOA participants.
15. The Employer must comply with 29 CFR 38.10 (d) (e) (f). As provided in 20 CFR [§38.3\(b\)](#), [29 CFR part 32](#), subparts B and C and appendix A, which implement the requirements of Section 504 pertaining to employment practices and employment-related training, program accessibility, and reasonable accommodation, have been incorporated by reference. Employers, employment agencies, or other entities covered by Titles I and II of the ADA should be aware of obligations imposed by those titles. See [29 CFR part 1630](#) and [28 CFR part 35](#). Similarly, recipients that are also employers covered by the anti-discrimination provision of the Immigration and Nationality Act should be aware of the obligations imposed by that provision. See [8 U.S.C. 1324b](#).
16. 2 CFR 200. The Employer agrees that no individual in a decision making capacity will engage in any activity, including the administration of the IWT contract supported by WIOA funds, if a conflict of interest, real or apparent, is present. A conflict of interest may arise in the event that an employee under this contract is an immediate family member (or partner) of an individual engaged in a decision making capacity with the LWDA, the LWDB, the employer or an organization that has a financial or other interest in the firm or organization selected for the contract. Immediate family is defined as husband, wife, son, son-in-law, daughter, daughter-in-law, mother, mother-in-law, father, father-inlaw, brother, brother-in-law, sister, sister-in-law, aunt, uncle, niece, nephew, stepparent, stepchild, grandparents, grandchild, half-brother, half-sister, first cousin or individual residing in the same household. In the event of a potential conflict of interest, the employer will notify the LWDA in writing.
17. WIOA Section 194 (5) No person or organization may charge an individual a fee for the placement or referral of the individual in or to a workforce investment activity under this title.
18. WIOA Section 194 (13) Services, facilities or equipment funded under WIOA may be used, as appropriate, on a fee-for-service basis, by employers in a local area in order to provide employment and training activities to incumbent workers – (A) when such services, facilities or equipment are not in use for the provision of services for eligible participants under this title; and (B) if such use for incumbent workers would not have an adverse effect on the provision of services to eligible participants under this title; and (C) if the income derived from such fees is used to carry out the programs authorized under this title.

19. The Employer must meet the provisions of the Georgia Security and Immigration Compliance Act (GSICA). The GSICA requires that all public employers, contractors and subcontractors register and comply with the federal work authorization program operated by the United States Department of Homeland Security to verify new employee work eligibility. (O.C.G.A. 13-10-91)



Frequently Asked Questions & Answers for Incumbent Worker Training

Frequently Asked Questions & Answers for Incumbent Worker Training.

What is the Workforce Innovation and Opportunity Act (WIOA) Incumbent Worker Training Program? The Workforce Innovation and Opportunity Act (WIOA) Incumbent Worker Training (IWT) is designed to provide funding assistance to qualifying employers to provide skills training to full-time, permanent employees. The training must be necessary for employers to retain a skilled workforce, improve the skills of employees, increase the competitiveness of the employee and the employer or retain or avert layoffs of the incumbent workers trained.)

What is an Incumbent Worker?

A full-time paid employee who:

1. has been employed at least 6 months with the applicant employer more (which may include time spent as a temporary or contract worker performing work for the employer receiving IWT funds,
2. is at least 18 years of age; and
3. is a citizen of the United States or a non-citizen whose status permits employment in the United States.
4. Males born on or after January 1, 1960 must register with the selective service system within 30 days after their 18th birthday or at least before they reach the age of 26.

Can an employer train workers employed through a temporary agency?

No, workers must have an employer/employee relationship as defined by the Fair Labor Standards Act and have an established employment history with the employer for 6 months or more. (This may include time spent as a temporary or other contract worker for the employer).

Some of the workers in need of training have recently moved from the temporary agency payroll to full time employment with the employer, are these workers eligible?

In the event that IWT is being provided to a cohort of employees, not every employee in the cohort must have an established employment history with the employer for 6 months or more as long as the majority of those employees being trained meet the employment history requirement.

What kind of training can be funded under IWT?

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. Employers will determine and select the types of training and training provider(s) that meet their employer and training requirements before submitting an application for consideration. Please note: Funding of training projects may be prioritized by Local Workforce Development Area (LWDA) high demand sector strategies which determines employers that will have the greatest potential for impacting job growth and retention and economic competitiveness.

Which companies are eligible to apply?

IWT should be provided for private sector employers; however, non-profit and local government entities may be recipients of IWT funds if approved by LWDA's. Employers must be in operation at least twelve months and employ at least five full-time employees, be financially viable and current on all state and federal tax obligations. Any company that has received payments under a previous WIOA contract and that exhibited a pattern of failure to provide workers continued, long term employment as regular employees with wages and working conditions at the same level and to the same extent as similarly situated employees is ineligible.

Which entities are not eligible for IWT funding?

- Employers currently receiving training funds, either directly or indirectly, from Georgia State government unless those training funds do not duplicate the training efforts outlined in the IWT application
- Training providers, unless it is to address the skills gaps of the training provider's incumbent workers
- Workforce Development Boards or administrative entities - Labor unions

What information is required for the "Employer Match" portion of the training budget?

The employer must identify, in their IWT application, their share (non-federal match) to the training program.

The employer match is dependent on the size of the employer and shall not be less than:

- 10 percent of the cost, for employers with not more than 50 employees;
- 25 percent of the cost, for employers with more than 50 employees but not more than 100 employees; and
- 50 percent of the cost, for employers with more than 100 employees.

How is Employer Size Determined?

Employer size is based on the number of employees currently employed at the local operation where the incumbent worker training placements will be made. Employer Size is determined by the number of employees at the time of the execution of the incumbent worker training contract. This applies to all employers, including employers with seasonal or intermittent employee size fluctuations. Employers must provide documentation that indicates employer size.

What costs are included in Employer Match?

The non-Federal share provided by an employer may include the amount of the wages paid by the employer while the worker is attending training, equipment purchased for training, curriculum development expenses, travel and lodging costs, etc. The employer may provide the share in cash or in kind, fairly evaluated. The employer non-Federal share must not be paid by the Federal government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs.

The employer will be required to calculate its non-federal share as a part of the application for training funds and an actual share at the conclusion of the training. Should the non-federal share not meet the limits, the funds could potentially have to be repaid. Official payroll records, time and attendance records, invoices for equipment purchased, etc. must be utilized to determine the amount of the employer's share of cost.

Employer cost share contributions must be tracked and documented in the contract file and recorded on the Financial Status Report. In addition, the methodologies for determining the value of in-kind contributions must be documented in the contract file and conform to cost sharing requirements at 2 CFR 200. 306 and 2 CFR 2900.8.

What costs may be reimbursed under IWT?

Examples of allowable costs include:

- Training materials and supplies including manuals
- Training tuition or registration
- Instructor/trainer wages (If not included in tuition)
- Materials and supplies
- Certification/Testing

- Off-site training space (e.g., classroom rental, etc.)

If the company training site/facility is located in an international location, companies will need to provide documentation prior to consideration of training site costs. All expenses must be reasonable, necessary and allowable and conform to the regulations found in the Uniform Administration Guidance.

What training costs will not be reimbursed under IWT?

WIOA funding cannot be used to pay for trainee's wages and benefits during the training, travel expenses, capital improvements, training equipment, administrative costs, catering of training events, and costs outside the agreement period (effective beginning and ending dates of the agreement). However, these types of training expenses, incurred within the approved agreement period, may be included as part of the "Employer Match".

How does an employer submit an application and become approved for an IWT Program?

Upon receipt of a completed Incumbent Worker Training Employer Application, the application will be reviewed to determine the employer's eligibility for IWT funding. More information may be requested from the employer to determine eligibility. Applications should be submitted at least 30 days prior to the start date of the desired Incumbent Worker Training. The application must be reviewed for eligibility and approved. Then, a contract for delivery of Incumbent Worker Training is drafted, approved and signed by all parties. This contract must be executed prior to the start date of the IWT. Funding cannot be provided for any costs for an Incumbent Worker Training program that starts before the contract for delivery of training has been executed.

What information is an employer required to submit on the employees to be trained?

WIOA requires the following information collected for each incumbent worker trainee: name, contact information, Social Security number, DOB, citizenship/right to work status, selective service compliance and participant characteristics. A participant roster including occupation title, date of employment, actual training start and end date, completion of training and credentials or certificates awarded is included as part of the IWT contract. Documentation of the six months employment requirement should also be submitted.

Where may the training take place?

Training may be conducted at the employer's own facility, at a public or private training provider's facility, a WIOA program facility site or at a combination of sites that best meet the needs of the employer.

Who selects the training provider?

The employer selects the training provider that best suits the company's training needs. Trainers may be public or private professional trainers, equipment vendors, or subject matter experts.

What training costs can be reimbursed under IWT?

Training expenses may include instructors' fees, trainee(s) tuition, required textbooks, manuals and required expendable training supplies and materials and off-site training space. Necessary computer software that is used 100% for training purposes only, may also be considered for reimbursement.

How are employers reimbursed for approved training expenses?

Employers will be provided with the required forms to complete for expense reimbursements. Employers should submit the reimbursement requests after the completion of training. If training is conducted at a Technical College of Georgia (TCSH) facility, the TSCG facility may direct bill the LWDA. WIOA Section 181 prohibits funding of foreign travel costs; therefore, travel for training should be included in employer match. Final expenses must be reported

within thirty (30) days after training activities are complete or the agreement end date, whichever is the earliest end date of program activity.

What information is required for reimbursement of expenditures covered in the agreement?

Before an invoice can be paid, the following documentation must be received:

- Copy of paid employer or training provider invoice. The invoice should include the date(s) and type(s) of training provided.
- Copy of the check with which the invoice was paid or other documentation as evidence of payment.
- For each training program or session, a copy of the participant roster, which includes trainees' names, last four (4) digits of SSN, the date(s) and type(s) of training, completion and credentials/certificates awarded should be noted on each roster. In addition, this roster should include the signature of the trainer or employer certifying that the listed employees did participate in the training.
- Documentation of matching expenditures such as payroll registers, copies of paid travel costs, etc.

What outcomes are expected from the IWT grant?

The specific outcomes of training through the IWT will provide skill-attainment opportunities for employees, or contribute to the competitiveness and productivity of the employee and the employer or retain or avert layoffs of the incumbent workers trained.

What information will the employer need to maintain for the Training Program Assessment reviews?

Once training begins, the employer should maintain adequate records of the costs associated with the training and benefits the training activities have provided to the employer and to the employees. This information will be used to document the impact the training has had on employee retention, wages, promotions, efficiency, etc.

Incumbent Worker Training Application

Incumbent Worker Training Application

*To be completed by the applicant and/or Lead Applicant. *

*All requested information on this form must be provided. *

SECTION I: EMPLOYER INFORMATION

Employer Name:		
Street/Mailing Address:		
City/State/ZIP:		County:
Employer Contact Person:		Title:
Phone #:	Fax #:	
E-mail:	Website:	
Description of Employer Product (s) or Service(s):		
Years in Operation in Georgia:		Years at Current Training Location:
Employer Size Total	Staffing agency used for new-hires.	Yes <input type="checkbox"/> No <input type="checkbox"/>
Full-time employees:	Number Part-time:	Number of Seasonal:
Employer Type (check all that apply): Corporation <input type="checkbox"/> ; Sole Proprietor <input type="checkbox"/> ; Partnership <input type="checkbox"/> ; Private For-Profit <input type="checkbox"/> ; Private Not-for-Profit <input type="checkbox"/>		
FEIN #:		
DUNS#	GA UI #:	NAICS Code:
Is this employer a subsidiary of another employer or affiliated with a parent employer?		Yes <input type="checkbox"/> No <input type="checkbox"/>
If yes, provide the following information about the parent/affiliated employer if different from the above or indicate "Same" below.		
Parent/Affiliated Employer Name:		
Street/Mailing Address:		

City/State/ZIP:		County:
Authorized Representative:		Title:
Phone #:	Fax #:	
E-mail :	Website:	

SECTION II: EMPLOYER STATUS INFORMATION

Current on all Georgia state taxes?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Current on all federal taxes?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Current on all county, city and local taxes?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Filed for bankruptcy recently?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Filed outstanding judgment liens?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Operated in the local area for at least 12 months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Received IWT funding in the last year?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Union affiliated. If yes, attach a letter of endorsement from union official?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Plans to have other training in addition to IWT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Outstanding wage and hour, health and safety or discrimination complaints or adverse decisions?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Experienced a sale or change of ownership?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Reduction in the number of hours or number of shifts?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Layoffs in the previous 12 months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

TRAINING IS NECESSARY DUE TO: (CHECK ALL THAT APPLY)

Company Expansion	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Changing industry requirements	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Retooling	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Introduction of new services/product lines	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Expansion of physical operations/production lines	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Organizational restructuring	Yes <input type="checkbox"/>	No <input type="checkbox"/>
New technology	Yes <input type="checkbox"/>	No <input type="checkbox"/>

ANTICIPATED OUTCOMES OF TRAINING:

Will result in wage increases: Yes <input type="checkbox"/> No <input type="checkbox"/>	Will create new jobs within the company Yes <input type="checkbox"/> No <input type="checkbox"/>
Will significantly increase employee skills: Yes <input type="checkbox"/> No <input type="checkbox"/>	Will provide industry certifications : Yes <input type="checkbox"/> No <input type="checkbox"/>
Will result in ability for trainee to advance within the company: Yes <input type="checkbox"/> No <input type="checkbox"/>	Will address identified skills gaps Yes <input type="checkbox"/> No <input type="checkbox"/>
Will result in continued employment and no reduction in wages: Yes <input type="checkbox"/> No <input type="checkbox"/>	Will increase the company efficiency Yes <input type="checkbox"/> No <input type="checkbox"/>
Will make the company location more competitive Yes <input type="checkbox"/> No <input type="checkbox"/>	Will be an important part of the company's overall employee development efforts Yes <input type="checkbox"/> No <input type="checkbox"/>

SECTION III: TRAINING INFORMATION and PLAN

Briefly explain how IW training will address the identified skills gaps, improve employee retention, impact company stability and increase the competitiveness of the employer and employee by either (1) upgrading their skills and knowledge to retain their current job **or** (2) gaining new skills and knowledge so they qualify for a different job with their employer and (3) gain new skills to avert potential layoff.

In the brief description, indicate whether training is for 1, 2, or 3 above:

Identify the skills gaps requiring training.

Amount of IWT funds requested: \$		Amount of Employer Match: \$
Anticipated Training Start date:		Training End date:
Total Training Duration - # of hours/weeks:		
Total Number of Trainees:	Number of Planned Cycles:	Planned Number of Trainees per cycle:
Total number of Training Hours per Employee:		Number of Training Hours per Cycle:
Training will result in industry recognized certification: Yes <input type="checkbox"/> No <input type="checkbox"/>		Type or Title of Certification:
Training Course Title:		

Training Course Description: Include description of proposed training project. Be specific. Include job titles or occupations of trainees, departments, type of training is different by title and department, identified skill gaps and how training addresses skills improvement; or how training will impact company advancement opportunities; or how training increases company competitiveness; or other training needs to be addressed.)

Please provide or attach detailed information on the training curriculum.

Occupations requiring training assistance (including skills requirements of the occupations):

List of competencies employees will attain:

Training Provider will be: In -house ; Public institution ; Private Training Institution ; Private Trainer/Instructor

Training will be provided: On -site ; At Training Institution ; Other site (specify):

Training Provider Information

Name of Training Provider (in-house, institution, or individual):

Name of Training Provider Contact:

Street/Mailing Address:

City/State/ZIP:

Phone #:

Ext. #:

E-Mail:

Identify/describe the trainer's credentials

SECTION IV: TRAINING BUDGET

Please apply for only the amount needed to meet immediate needs and that clearly support the training plan above. All expenses must be reasonable, necessary and allowable and conform to the regulations found in the Uniform Administration Guidance.

Any part of the budget may be removed or adjusted prior to application approval.

Employer Non-Federal Share: Employers eligible for IWT funding must provide a portion of the training costs as a non-Federal share. The portion of the non-Federal share that an employer must contribute is dependent upon the size of the employer and shall not be less than:

- 10% of the training costs – for employers with not more than 50 employees
- 25% of the training costs – for employers with more than 50 employees but less than 100 employees
- 50% of the training costs – for employers with more than 100 employees

Employer size is based on the number of employees currently employed at the local operation where the incumbent worker training placements will be made. Employer Size is determined by the number of employees at the time of the execution of the incumbent worker training contract. This applies to all employers, including employers with seasonal or intermittent employee size fluctuations. Employers must provide documentation that indicates employer size.

If multiple Employer sites exist within an LWDA: Employer agreements may be limited to physical locations within the LWDA area or the LWDA may develop one agreement with multiple locations, training descriptions and budgets.

The non-Federal share provided by an employer may include the amount of the wages paid by the employer while the worker is attending training, equipment purchased for training, curriculum development expenses, travel and lodging costs, etc. The employer may provide the share in cash or in kind, fairly evaluated. The employer non-Federal share must not be paid by the Federal government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs.

The employer will be required to calculate its non-federal share as a part of the application for training funds and an actual share at the conclusion of the training. Should the non-federal share not meet the limits, the funds could potentially have to be repaid. Official payroll records, time and attendance records, invoices for equipment purchased, etc. must be utilized to determine the amount of the employer's share of cost.

Employer cost share contributions must be tracked and documented in the contract file and recorded on the Financial Status Report. In addition, the methodologies for determining the value of in-kind contributions must be documented in the contract file and conform to cost sharing requirements at 2 CFR 200. 306 and 2 CFR 2900.8.

Costs that may qualify for Reimbursement:

- Training materials and supplies including manuals
- Training tuition or registration
- Instructor/trainer wages (If not included in tuition)
- Materials and supplies
- Certification/Testing
- Off-site training space (e.g., classroom rental, etc.)

Non-Reimbursable Costs:

- Trainee Wages
- Purchase of any item or service that may possible be used outside of the training budget (to include computer equipment and nontraining related software
- Travel expenses of trainers or trainees
- Advertisement or recruitment
- Purchase of capital equipment
- Capital improvements

- Costs incurred prior to approval of IWT
- Meals, lodging or travel – (Exception for lodging for trainer/instructor if necessary)
- Membership fees/dues
- Conferences

IWT TRAINING BUDGET (Total Training Project)

Category	IWT Funds Requested	Employer Match	Explanation
Training Registration/Tuition			(Example: CAD training \$100 x 10 employees = \$1,000)
Instructor Wages (if not included in tuition)			(Specify instructor/trainer wages if not included in tuition)
Manuals/Textbooks			(Example: Microsoft manuals @ \$30 x 10 employees = \$300)
Materials/Supplies			(Specify)
Certification/Testing			(Specify type and cost including testing, etc.)
Training Equipment Purchase	X		(Specify and justify need)
Trainee Wages	X		(Specify Hourly Rate and # of Hours in Training)
Employee Training-related travel, lodging and food	X		(Specify and justify need)
On-site facility usage	X		(Specify and justify need)
Off-site Training Space (e.g., classroom rental, etc.)			
Other (Specify)			(Specify and justify need)
TOTAL TRAINING COSTS:			GRAND TOTAL (IWT AND EMPLOYER):
IWT Cost/trainee:			Total Cost/trainee:

SECTION V: AUTHORIZATION AND CERTIFICATION

As the authorized representative of the employer submitting this application, I hereby certify the following:

1. The employer meets the requirements for IWT and is eligible to submit this application;
2. The information contained in this application is true and accurate and reflects the intentions of the IWT program;
3. I am aware that any false information, intentional omissions or misrepresentations may result in rejection of the application and possible disqualification for future funding;
4. I am aware that any false information, intentional omissions or misrepresentations may subject this employer to civil or criminal penalties;
5. I understand that training materials purchased with funds awarded under this project will be in the public domain and will be available for use by other eligible entities at no cost;
6. The employer agrees to adhere to all reporting requirements and to respond to a Customer Satisfaction Survey(s) if asked;
7. The employer agrees to provide all requested data elements as required for federal reporting, and
8. The employer assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the WIOA as follows: WIOA Section 188 specifies that no individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under or denied employment in the administration of or in connection with any such program or activity because of race, color, religion, sex (as otherwise permitted under Title IX of the Education Amendments of 1072), national origin, age, disability or political affiliation or belief or solely because of the status of the individual as a participant in a program or activity receiving WIOA funds;

Name and Title of Authorized Employer Representative

Signature

Date

IWT PRE-AWARD CHECKLIST

IWT PRE-AWARD CHECKLIST (TO BE COMPLETED BY THE LWDA IN CONJUNCTION WITH REVIEW OF AN APPLICATION FOR INCUMBENT WORKER TRAINING)

Section 1: Employer Information

Employer legal business name:	*FEIN #:	*DUNS#
*Verify FEIN and DUNS through sam.gov and/or sos.ga.gov and attach verification copy		
Contact person:	Title:	
Employer address:		
City:	State:	Zip:
Phone:	Email:	
Years in operation at current location		
Employer size/ # of current employees at time of contract:		
Include names under which the employer, including predecessors and successors in interest has operated		

Section 2: Employer Review

The employer has been in business for 12 months. *Verify	
The employer has provided a copy of the business license. *Verify	
The employer employs at least 5 full-time employees. *Verify	
The employer has provided documentation of the number of employees currently employed at the local operation where the training will occur. *Verify	
The employer meets the Fair Labor Standards Act requirements for employer-employee relations and has an established employed history with the trainees for six months or more. (Exception for Cohort training) *Verify	
The employer is current on all tax obligations. *Verify	
The employer sought WIOA assistance in connection with past or impending Job losses at other facilities owned by this employer or from a part of the employer that is relocating. *Attestation	
The employer has previously filed WARN notices. *Verify	
The employer verifies that WIOA funds will not be used to relocate operations in whole or in part. *Attestation	
If the employer has relocated from any U.S. location, did the relocation result in a layoff at the previous location? *Attestation	
If a layoff occurred due to relocation, has the employer operated in the current location for 120 days? *Verify	

Citations: WIOA 683.260, TEGL 19-16, State Policy

Section 3. Signatures

Authorized Signatures

I hereby certify that the above information is, to the best of my knowledge, true and correct.

Employer Signature _____ Date _____

Title _____

Type/Print Name/Title _____

LWDA Authorized Signature

I certify that I have verified items needed for the Pre-Award Review and that the Employer meets the requirements for IWT.

Signature and Title _____

Type/Print Name _____

Date _____

Incumbent Worker Training Agreement



Incumbent Worker Training Agreement

INCUMBENT WORKER TRAINING AGREEMENT # _____

- I. This Incumbent Worker Training (IWT) Agreement is between _____ listed below, and hereinafter referred to as the Employer and _____, hereinafter referred to as _____. The parties agree that the Employer shall provide training in accordance with the provisions and terms in this Agreement. The _____ shall oversee and manage the provision of training and shall make a payment to the Employer for satisfactory performance in accordance with the terms and conditions included herein.
- II. **Purpose:** Under the terms and conditions of this Agreement, the Employer agrees to provide training to incumbent employees necessary to retain a skilled workforce, improve the skills of employees, increase the competitiveness of the employee and the Employer or to retain or avert layoffs of the employees trained.)
- III. **Period of Performance:** This Agreement shall be effective as of _____ and shall remain in effect until _____, or until all approved training initiated under this Agreement are completed, whichever is first. Furthermore, approved training plans still in effect after the end date of this AGREEMENT shall continue under the provisions of the Agreement until said approved training plans have been completed.
- IV. **Funding:** Funding for the services rendered as part of this Agreement is provided by funds from the Workforce Innovation and Opportunity Act of 2014, as amended (herein referred to as WIOA) through a grant agreement between the state grantor and _____. Employer agrees that in the event that funds for carrying out the functions to which the Agreement relates are suspended or terminated in whole or in part, this Agreement shall be terminated immediately without further obligation of the _____, except that _____ shall reimburse Employer for its previously incurred costs.
- V. **Compensation:** Payments to Employer shall be reimbursements made upon receipt of an invoice from the Employer to _____ which shall be submitted by the Employer on a monthly basis during the term of this Agreement. The invoice shall request reimbursement for allowable expenses incurred during the previous month. Invoices shall only include allowable costs incurred by the Employer during the invoice period. _____ reserves the right to withhold reimbursement of any costs reflected on invoices submitted by the Employer if, after its reviews, it determines that said costs are not allowable. Invoices free of errors and/or omissions shall be processed within 30 business days after receipt.

The Employer must comply with the approved IWT Application requirements and budget. Failure to comply may result in repayment of all IWT reimbursements and termination of this Agreement.

The total amount to be paid to the Employer under terms of this Agreement shall not exceed \$_____ per trainee or \$_____ in total. All payments are contingent on the availability of funding.

VI. **Terms and Conditions:** The parties to this Agreement hereby agree to the following terms and conditions:

- A. The Employer agrees to:
 - 1. Adhere to all conditions set forth in **ATTACHMENT A, Incumbent Worker Training Application**, and subsequent addendums which are labeled **ADDENDUM A, Incumbent Working Training Budget**, **ADDENDUM B, Incumbent Worker Trainee Roster** and **ADDENDUM C, Trainee Skills Gap/Training Plan** attached hereto and made a part hereof.

2. Adhere to the WIOA requirements for paying the non-Federal share of the cost of providing the training. The non-Federal share provided by an Employer may include the amount of the wages paid by the Employer to a worker while the worker is attending training, equipment purchased for training, curriculum development costs, travel and lodging costs, etc.. The Employer may provide the share in cash or in kind, fairly evaluated. Official payroll records, time and attendance sheets, invoices for equipment purchases, etc. must be utilized to determine the amount of the Employer's share of cost.

The Employer non-Federal share is dependent on the size of the Employer and shall not be less than:

10 percent of the cost, for Employers with not more than 50 employees;

25 percent of the cost, for Employers with more than 50 employees but not more than 100 employees; and

50 percent of the cost, for Employers with more than 100 employees

3. Provide documentation that indicates Employer size. Employer size is based on the number of employees currently employed at the local operation where the incumbent worker training placements will be made. Employer Size is determined by the number of employees at the time of the execution of the incumbent worker training contract. This applies to all Employers, including Employers with seasonal or intermittent employee size fluctuations.
4. Complete and sign Form W-9, Request for Taxpayer Identification Number and Certification labelled **ATTACHMENT ____**, attached hereto and made a part thereof.
5. Hold the _____ their officers, agents and employees harmless from any and all claims or any kind, including, but not limited to, costs and expenses, on account of any suits or damages, including death, sickness or injury to persons or property arising from or connected with the program described herein and/or the operations of the EMPLOYER, its agents, representatives or employees.
6. Comply with the requirements for debarment and suspension in accordance with Executive Order 12549 and 12689, 2 CFR 180 and the requirements for a drug-free workplace codified at 29 CFR Part 98.
7. Comply with all applicable Federal, State and local laws including but not limited to: the Workforce Innovation and Opportunity Act of 2014 and its implementing regulations.
8. Maintain records for the IWT trainees and make copies available including: (1) documentation of employment history to verify six months employment history requirement (2) accurate daily time and attendance records showing the date of each day in which IWT occurs and the hours of IWT per day and (3) documentation of employer match including payroll records showing gross/net wages paid during the training hours. The Employer will retain all records pertinent to this Agreement for a period of six years from the end of the program year in which the Agreement ends. The aforementioned records will be retained beyond the six years if any litigation or audit is begun or if a claim is instituted involving the agreements covered by the records. Employer agrees to provide copies of the daily time and attendance records, payroll documentation, and proof of unsubsidized employment within 30 days of the end of the month in which IWT occurs. Failure to provide the required documentation may result in forfeiture of the payment to the Employer.
9. Comply with Monitoring, audit and review of the progress of training and inspection and copy and/or authorized local, State or Federal representatives of any records, books, papers, and documents which relate to this Agreement for compliance with the terms of this Agreement. Should any findings arise that warrant an audit, the _____ may employ an independent auditor to examine the Employer's records at the expense of the Employer. Such inspection may take place with or without notice at any time during normal Employer hours wherever the records are maintained; provided, if the Employer maintains or relocates any or all of the records outside the county of employment or service provision, it shall make them available, at its expense, either at some reasonable location in the county of employment or service provision, upon reasonable demand and notice. The Employer will be

responsible for resolution of findings disclosed within the audit. The Employer will reimburse _____ for all unresolved audit exceptions associated with this Agreement. Failure to reimburse _____ for unresolved audit exceptions will result in making the Employer ineligible for future consideration for WIOA funding.

10. If the Employer does not have an established employee grievance procedure, the Employer agrees to abide by the procedure provided by the ____.
11. Participate in any follow-up efforts conducted by ____ or its authorized representative to evaluate IWT effectiveness.

B. Employer Assurances: The Employer further assures and certifies to adhere to the following provisions:

1. 20 CFR 680.790 specifies that the training be conducted with a commitment by the Employer to retain or avert the layoffs of the incumbent workers trained.
2. WIOA Section 134 (d) and 20 CFR Section 680.820 specifies that Employers participating in IWT are required to pay the non-Federal share of the cost of providing training to incumbent workers. The amount of non-Federal share depends upon factors such 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 training), the relationship of the training to the competitiveness of the Employer and employees and the availability of other Employer provided training and advancement opportunities. Employer non-Federal share of IWT is specified in **ADDENDUM A, IWT Budget**.
3. 20 CFR Section 680.830 specifies that funds provided to EMPLOYERS for incumbent worker training must not be used to directly or indirectly assist, promote or deter union organizing.
4. 20 CFR Section 680.840 specifies that WIOA funds may not be used to directly or indirectly aid in filling of a job opening which is vacant because the former occupant is on strike, or is being locked out in the course of a labor dispute, or the filling is otherwise an issue in a labor dispute involving a work stoppage.
5. 20 CFR Section 683.260 specifies that WIOA funds must not be used for incumbent worker training for employees of any Employer or part of an Employer that has relocated from any location in the US until the company has operated at that location for 120 days, if the relocation has resulted in any employee losing their job at the original location.
6. 20 CFR Section 683.270 specifies that a participant in a WIOA program activity must not displace (including a partial displacement such as a reduction in the hours of non-overtime work, wages of employment benefits) any currently employed employee (as of the date of the participation).
7. 20 CFR Section 683.270 specifies that a WIOA program or activity must not impair existing contracts for services or collective bargaining agreements. When the program or activity would be inconsistent with a collective bargaining agreement, the labor organization and Employer must provide written concurrence before the activity begins.
8. 20 CFR Section 683.270 also specifies that a participant may not be employed in or assigned to a job if: (1) any other individual is on layoff from the same of any substantially equivalent job; (2) the Employer has terminated the employment of any regular, unsubsidized employee or otherwise caused an involuntary reduction in its workforce with the intention of filling the vacancy created with the WIOA participant; (3) the job is created in a promotional line that infringes in any way on the promotional opportunities of currently employed workers as of the date of the participation.
9. 20 CFR Section 683.275 specifies that individuals employed in activities under WIOA must be compensated at the same rates, including periodic increases, as trainees or employees who are similarly situated in similar occupations by the same Employer and who have similar training, experience and skills.

10. 20 CFR Section 683.275 specifies that individuals employed in programs and activities under WIOA must be provided benefits and working conditions at the same level and to the same extent as other trainees or employees working a similar length of time and doing the same type of work.
11. 20 CFR Section 683.280 specifies that health and safety standards established under federal and State law otherwise applicable to working conditions of employees are equally applicable to working conditions of participants engaged in programs and services under WIOA. To the extent that a State workers' compensation law applies, workers' compensation must be provided to participants in program and activities under WIOA on the same basis as the compensation is provided to other individuals in the State in similar employment. Information on how to comply with Georgia law is available at <http://sbwc.georgia.gov>.
12. WIOA Section 134 (d) states that Employers participating in IWT shall be required to pay for the non-Federal share of the cost of providing the training to incumbent workers of the Employers. The LWDBs shall establish the non-Federal share of such cost (taking into consideration such other 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, and the availability of other Employer-provided training and advancement opportunities.
13. WIOA Section 181 (b) (1) specifies that no WIOA funds shall be used to pay the wages of incumbent employees during their participation in economic development activities provided through a statewide workforce development system.
14. WIOA Section 188 specifies that no individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under or denied employment in the administration of or in connection with any such program or activity because of race, color, religion, sex (as otherwise permitted under Title IX of the Education Amendments of 1072), national origin, age, disability or political affiliation or belief or solely because of the status of the individual as a participant in a program or activity receiving WIOA funds.
15. WIOA Section 188 specifies that no participants shall be employed to carry out the construction, operation or maintenance of any part of a facility that is used or to be used for sectarian instruction or as a place for religious worship with the exception of maintenance of facilities that are not primarily use for instruction or worship and are operated by organizations providing services to WIOA participants.
16. 29 CFR 38.10 (d) (e) (f). As provided in 20 CFR [§38.3\(b\)](#), [29 CFR part 32](#), subparts B and C and appendix A, which implement the requirements of Section 504 pertaining to employment practices and employment-related training, program accessibility, and reasonable accommodation, have been incorporated by reference. Employers, employment agencies, or other entities covered by Titles I and II of the ADA should be aware of obligations imposed by those titles. See [29 CFR part 1630](#) and [28 CFR part 35](#). Similarly, recipients that are also Employers covered by the anti-discrimination provision of the Immigration and Nationality Act should be aware of the obligations imposed by that provision. See [8 U.S.C. 1324b](#).
17. WIOA Section 194 (5) No person or organization may charge an individual a fee for the placement or referral of the individual in or to a workforce investment activity under this title.
18. WIOA Section 194 (13) Services, facilities or equipment funded under WIOA may be used, as appropriate, on a fee-for-service basis, by Employers in a local area in order to provide employment and training activities to incumbent workers – (A) when such services, facilities or equipment are not in use for the provision of services for eligible participants under this title; and (B) if such use for incumbent workers would not have an adverse effect on the provision of services to eligible participants under this title; and (C) if the income derived from such fees is used to carry out the programs authorized under this title.

19. 2 CFR 200. No individual in a decision making capacity will engage in any activity, including the administration of the IWT contract supported by WIOA funds, if a conflict of interest, real or apparent, is present. A conflict of interest may arise in the event that an employee under this contract is an immediate family member (or partner) of an individual engaged in a decision making capacity with the LWDA, the LWDB, the Employer or an organization that has a financial or other interest in the firm or organization selected for the contract. Immediate family is defined as husband, wife, son, son-in-law, daughter, daughter-in-law, mother, mother-in-law, father, father-in-law, brother, brother-in-law, sister, sister-in-law, aunt, uncle, niece, nephew, stepparent, stepchild, grandparents, grandchild, half-brother, half-sister, first cousin or individual residing in the same household. In the event of a potential conflict of interest, the Employer will notify _____ in writing. The Employer shall agree by signing the Conflict of Interest Statement marked **ATTACHMENT B**;

20. The Employer must meet the provisions of the Georgia Security and Immigration Compliance Act (GSICA) by signing the affidavit marked **ATTACHMENT C and C1**, attached hereto and made a part hereof;

C. The _____ will provide the following functions:

1. Reimburse necessary, reasonable and allowable IWT costs in accordance with **ADDENDUM A, IWT BUDGET** and as specified in **V. Compensation** above.
2. Conduct regular oversight and monitoring of its WIOA activities and those of its subcontractors in order to:
 - a. Determine WIOA allowable expenditures;
 - b. Determine compliance with provisions of the WIOA and WIOA regulations and other applicable laws and regulations;
 - c. Provide technical assistance to subcontractors as necessary and appropriate
 - d. Evaluate the effectiveness of training.

D. **Modifications/Amendments:** This contract may be modified only by execution of a written amendment signed by both parties. This Agreement may be modified at any time prior to the last date of the Agreement performance. No backdated or retroactive modifications are allowable. Any modifications must be made by execution of a written, signed modification. If the training plan, the total training hours, the terms of the Agreement or the work location changes, the Agreement must be promptly modified. The Employer must submit any request for modification in writing.

E. **Termination:** Either the Employer or _____ may terminate this contract for any reason by providing the other party with a 30 day written notice. Notice must be posted by certified mail, return receipt requested.

If through any cause, the Employer shall fail to fulfill its obligations under this contract, or if the Employer shall violate any of the covenants, representations or stipulations of this contract, _____ shall have the right to immediately terminate the contract by giving written notice to the Employer of such termination. The Employer shall be entitled to receive just and equitable compensation for allowable costs incurred in the performance of its duties under this contract until termination.

The _____ shall promptly notify the Employer in writing of the determination and the reasons for the termination, together with the effective date, such notice must be posted by certified mail, return receipt requested. Notice of termination may specify a later date, but provision of a later date shall not relieve the Employer of ultimate liability for any funds later determined to be unallowable.



The Employer and ___ agree to all of the terms set forth in this contract and have executed the contract as of the ___ day of _____.

EMPLOYER

Company: _____
Address: _____
City/State/Zip: _____
Phone #: _____
FAX #: _____
Email: _____
Number of Employees: _____

Agency/Organization: _____
Address: _____
City/State/Zip: _____
Phone #: _____
FAX #: _____
Email: _____

Signature of Authorized Official

Signature of Authorized Staff

Typed Name/Title of Authorized Official:

Typed Name/Title:

Name/Title of Person(s) Authorized
to sign WIOA invoices:

LWDA Contact Person:

4. WIOA ADMINISTRATIVE ENTITY LIST APPLICABLE CONTACT INFORMATION

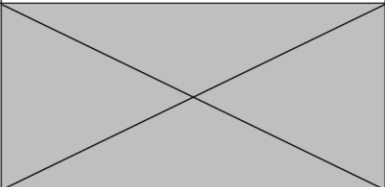
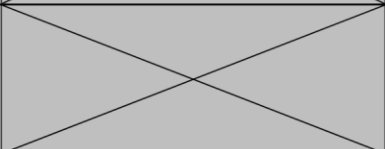
All applicable signatures and dates of signatures must be in the same handwriting as person to whom signature applies and should be in blue ink.

ADDENDUM A

IWT BUDGET

EMPLOYER:

Match Percentage:

Category	IWT Funds	EMPLOYER Match
Training Registration/Tuition		
Instructor/Trainer Wages (if not included in Tuition)		
Manuals/Textbooks		
Certification/Testing		
Materials/Supplies		
Training Equipment Purchase		
		

Trainee Wages		
Employee Training-related travel, lodging and food		
On-site facility usage		
Other (Specify):		
Total Training Costs:		

ADDENDUM B
INCUMBENT WORKER TRAINING ROSTER
DOCUMENTATION OF TRAINEE EMPLOYMENT HISTORY

Employer Name: _____

Authorized Employer Signature: _____

Training Course Name: _____ Period Covered: _____ INSTRUCTIONS:

1. The Employer may substitute an employee ID number for the last four digits of the employee's SSN
2. The Credential or Certificate earned must not be an attendance document. It must represent skills or knowledge acquired.
3. Employment History Documentation – Record date of permanent employment (may include time spent as a temporary/contract worker for the Employer). Verification of employment should be provided by the Employer.

Trainee Name	Last 4 digits S#	Job Title	Date Employed	Actual Training Start Date	Actual Training End Date	Completed Training (Yes/No)	Type of Credential or Certificate
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
13.							
14.							
15.							
16.							
17.							
18.							
19.							
20.							
21.							
22.							
23.							
24.							
25.							

ADDENDUM C
TRAINEE SKILLS GAP/TRAINING PLAN
(TO BE COMPLETED ON EACH TRAINEE)

EMPLOYER:				
TRAINEE:	OCCUPATION:	SVP:		
TRAINING OUTLINE:				
COMPETENCIES TO BE ATTAINED AS A RESULT OF INCUMBENT WORKER TRAINING ACTIVITIES	*TRAINING METHOD	*MEASUREMENT METHOD	EVALUATION (**RATE 0-3)	
			PRE	POST
*TRAINING AND/OR MEASUREMENT METHODS (LIST ITEM NUMBER OF ALL THAT APPLY): 1- DEMONSTRATION/CLASSROOM 2 – OBSERVATION 3 - VERBAL INSTRUCTIONS 4 - WRITTEN INSTRUCTIONS 5 - VERBAL TEST 6 - WRITTEN TEST				
**RATING SCALE				
0 - CAN DO NO PART OF THE TASK; TRAINING NEEDED		1 - CAN DO ONLY SIMPLE PARTS OF THE TASK (50% proficiency or less)		
2 - CAN DO MOST OF THE TASK (51% to 80% proficiency)		3 - CAN DO ALL PARTS OF THE TASK, NO TRAINING IS NEEDED		

ADDENDUM D DETAILED TRAINING PLAN

Attachment B Conflict of Interest Certification

The Employer agrees that no individual in a decision making capacity will engage in any activity, including the administration of the IWT contract supported by WIOA funds, if a conflict of interest, real or apparent, is present. A conflict of interest may arise in the event that an employee under this IWT contract is an immediate family member (or partner) of an individual engaged in a decision making capacity with _____ Board, the _____ or the Employer.

Immediate family is defined as husband, wife, son, son-in-law, daughter, daughter-in-law, mother, mother-in-law, father, father-in-law, brother, brother-in-law, sister, sister-in-law, aunt, uncle, niece, nephew, stepparent, stepchild, grandparents, grandchild, half-brother half-sister, first cousin or individual residing in the same household or an organization that has a financial or other interest in the firm or organization selected for the IWT contract. In the event of a potential conflict of interest, the Employer must notify the _____ in writing, of the potential conflict. No action regarding the individual may take place until approved by the _____ in writing.

Employer Name _____

Authorized Signatory _____

Printed Name and Title _____

Date _____

Attachment C

Contractor Affidavit under O.C.G.A. § 13-10-91(b)(1)

By executing this affidavit, the undersigned contractor verifies its compliance with O.C.G.A. § 13-10-91, stating affirmatively that the individual, firm or corporation which is engaged in the physical performance of services on behalf of (name of public Employer) has registered with, is authorized to use and uses the federal work authorization program commonly known as E-Verify, or any subsequent replacement program, in accordance with the applicable provisions and deadlines established in O.C.G.A. § 13-10-91. Furthermore, the undersigned contractor will continue to use the federal work authorization program throughout the contract period and the undersigned contractor will contract for the physical performance of services in satisfaction of such contract only with subcontractors who present an affidavit to the contractor with the information required by O.C.G.A. § 13-10-91(b). Contractor hereby attests that its federal work authorization user identification number and date of authorization are as follows:

Federal Work Authorization User Identification Number

Date of Authorization

Name of Contractor

Name of Project

Name of Public Employer

I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, __, 201__ in _____ (city), _____ (state).

Signature of Authorized Officer or Agent

Printed Name and Title of Authorized Officer or Agent

SUBSCRIBED AND SWORN BEFORE ME

ON THIS THE _____ DAY OF _____, 201__.

NOTARY PUBLIC

My Commission Expires:

Affidavits shall be maintained by ___ for 5 years from the date of receipt. Information may be subject to the Open Records Act unless protected.

ATTACHMENT C 1

Subcontractor Affidavit under O.C.G.A. § 13-10-91(b)(3)

By executing this affidavit, the undersigned subcontractor verifies its compliance with O.C.G.A. § 13-10-91, stating affirmatively that the individual, firm or corporation which is engaged in the physical performance of services under a contract with (name of contractor) on behalf of (name of public Employer) has registered with, is authorized to use and uses the federal work authorization program commonly known as E-Verify, or any subsequent replacement program, in accordance with the applicable provisions and deadlines established in O.C.G.A. § 13-10-91. Furthermore, the undersigned subcontractor will continue to use the federal work authorization program throughout the contract period and the undersigned subcontractor will contract for the physical performance of services in satisfaction of such contract only with sub-subcontractors who present an affidavit to the subcontractor with the information required by O.C.G.A. § 13-10-91(b). Additionally, the undersigned subcontractor will forward notice of the receipt of an affidavit from a sub-subcontractor to the contractor within five Employer days of receipt. If the undersigned subcontractor receives notice that a subsubcontractor has received an affidavit from any other contracted sub-subcontractor, the undersigned subcontractor must forward, within five Employer days of receipt, a copy of the notice to the contractor. Subcontractor hereby attests that its federal work authorization user identification number and date of authorization are as follows:

Federal Work Authorization User Identification Number

Date of Authorization

Name of Subcontractor

Name of Project

Name of Public Employer

I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, __, 201__ in _____ (city), _____ (state).

Signature of Authorized Officer or Agent

Printed Name and Title of Authorized Officer or Agent

SUBSCRIBED AND SWORN BEFORE ME
ON THIS THE _____ DAY OF _____, 201__.

NOTARY PUBLIC

My Commission Expires:

Affidavits shall be maintained by ___ for 5 years from the date of receipt. Information may be subject to the Open Records Act unless protected

Calculation and Tracking of Employers Non-Federal Share

Calculation and Tracking of Employers Non-Federal Share

Federal Citations:

WIOA 134 (d) (4)

(C) EMPLOYER PAYMENT OF NON-FEDERAL SHARE.— Employers participating in the program carried out under this paragraph shall be required to pay for the non-Federal share of the cost of providing the training to incumbent workers of the employers.

(D) NON-FEDERAL SHARE.

(i) FACTORS.—Subject to clause (ii) the local board shall establish the non-Federal share of such cost (taking into consideration such other 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, and the availability of other employer-provided training and advancement opportunities.

(ii) LIMITS.—The non-Federal share shall not be less than—

- (I) 10 percent of the cost, for employers with not more than 50 employees;
- (II) 25 percent of the cost, for employers with more than 50 employees but not more than 100 employees; and
- (III) 50 percent of the cost, for employers with more than 100 employees.

(iii) CALCULATION OF EMPLOYER SHARE.—The non-Federal share provided by an employer participating in the program may include the amount of the wages paid by the employer to a worker while the worker is attending a training program under this paragraph. The employer may provide the share in cash or in kind, fairly evaluated.

2 CFR § 200.306 Cost sharing or matching. For all Federal awards, any shared costs or matching funds and all contributions, including cash and third party in-kind contributions, must be accepted as part of the non-Federal entity's cost sharing or matching when such contributions meet all of the following criteria:

1. Are verifiable from the non-Federal entity's records;
2. Are not included as contributions for any other Federal award;
3. Are necessary and reasonable for accomplishment of project or program objectives;
4. Are allowable under Subpart E— Cost Principles of this part;
5. Are not paid by the Federal government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs;
6. Are provided for in the approved budget when required by the Federal awarding agency; and
7. Conform to other provisions of this part, as applicable.

INSTRUCTIONS FOR CALCULATING EMPLOYER MATCH:

After verification of allowable budgeted costs on the Employer-submitted IWT Application Budget Worksheet, calculate the total costs of training including the Employer Match.

Verify the Employer Size from the Pre-Award Review Checklist. (Documentation, not attestation)

EXAMPLE 1: (See attached completed worksheet)

The TOTAL COST of TRAINING (including Employer Match) equals \$400,000, including \$250,880 in wages and \$150,000 in tuition and instructor fees.

The Employer is utilizing budgeted Trainee Wages of \$250,880 as the match.

The Verified Employer Size is over 100 employees at the current location.

Per WIOA, the Employer's required non-federal share of the total cost of training is 50% or \$200,000

Employer meets the %50 match requirements (application calculation)

Potential WIOA Reimbursement – 50%: NOTE: WIOA cannot reimburse the costs of trainee wages (any portion of the \$250,800).

The Employer would be eligible to receive reimbursement for the \$150,000 in training costs.

EXAMPLE 2:

The TOTAL COST OF TRAINING IS \$2,370,000 including wages of \$2,000,000.

The cost of actual training at the Technical College site is \$370,000.

The Verified Employer Size is over 100 employees at the current location.

Per WIOA, The Employers required non-federal share of the total costs is 50% or \$1,000,000.

However, IWT cannot pay for the costs of trainee wages (\$2,000,000); The

Employer would be eligible to receive reimbursement for the \$370,000.

DOCUMENTATION:

Official payroll records, trainee employment history, trainee time and attendance records, invoices for training supplies, invoices for equipment purchased, etc. must be utilized to determine the actual amount of the employer's share of cost. Documentation should be traceable back to the ledger of record.

Employer cost share contributions must be tracked and documented in the contract file and recorded on the Financial Status Report.

In addition, the methodologies for determining the value of in-kind contributions must be documented in the contract file and conform to cost sharing requirements at 2 CFR 200. 306 and 2 CFR 2900.8.

BUDGET VERSUS EXPENSES RECONCILIATION

The employer will be required to calculate its non-federal share as a part of the application for training funds and **an actual share at the conclusion of the training**. Should the non-federal share not meet the limits, the funds could potentially have to be repaid

EXAMPLE OF COMPLETED NON-FEDERAL SHARE WORKSHEET

Category	IWT Funds Requested	Employer Match	Explanation
Training Registration/Tuition	\$100,000		XXX Training tuition at \$2500 per person x 40 employees
Instructor Wages (if not included in tuition)	\$50,000		(Additional instructor wages for 320 hours instruction (not included above))
Manuals/Textbooks			(Example: Microsoft manuals @ \$30 x 10 employees = \$300)
Materials/Supplies			(Specify)
Certification/Testing			(Specify type and cost including testing, etc.)
Training Equipment Purchase			(Specify and justify need)
Trainee Wages		\$250,880	(40 employees @ \$19.60 x 320 hours training)
Employee Trainingrelated travel, lodging and food			(Specify and justify need)
On-site facility usage			(Specify and justify need)
Off-site Training Space (e.g., classroom rental, etc.)			
Other (Specify)			(Specify and justify need)
TOTAL TRAINING COSTS:	\$150,000	\$250,880	GRAND TOTAL (IWT AND EMPLOYER): \$400,880
Employer Size : 350 Employers Non-Federal Share: %50 of \$400,880 or \$200,440			Excess Non-Reimbursable portion of share (wages) \$50,000 Total Eligible IWT Reimbursement \$150,000

Non-Federal Share Worksheet

Category	IWT Funds Requested	Employer Match	Explanation
Training Registration/Tuition			
Instructor Wages (if not included in tuition)			
Manuals/Textbooks			
Materials/Supplies			
Certification/Testing			
Training Equipment Purchase			
Trainee Wages			
Employee Trainingrelated travel, lodging and food			
On-site facility usage			
Off-site Training Space (e.g., classroom rental, etc.)			
Other (Specify)			
TOTAL TRAINING COSTS:	\$	\$	GRAND TOTAL (IWT AND EMPLOYER): \$
Employer Size : Employer's Non-Federal Share: %		Non-Reimbursable portion of share (wages) \$ Total Eligible IWT Reimbursement \$	

Example of Detailed Training Plan

Main Course	Description	Company to be impacted	Need Met
(Company Specific) Workforce Effectiveness (40 Hours)	(Company Specific) Business Success Skill	Turnover & Efficiency	Reduce Turnover & line efficiency
	Change Management/Preparing a Change Strategy	Attendance Rate	EE now not flexible to change
	Use of Effective Criticism	Attendance Rate	EE does not receive criticism well, takes personally
	Personal Time Management Skills from Company perspective	Downtime & Line Efficiency	Keep from being late and reduce turnover
	Business Etiquette/Interpersonal	Attendance Rate & Quality	EE do not respond professionally to leadership
	Relationships	Scrap Rate and Quality	Company is too fragmented, this can strengthen teams
(Company Specific) Communication Efficiency (40 hours)	Essentials of Business Communication - Part 1	Effective Shift Handoff	Stop production drops at every shift changeover
	Essentials of Business Communication - Part 2	Attendance, Morale, Turnover & Quality	Stop production drops at every shift changeover
	Navigating Transition & Change	Shift Change & Department	Manufacturing Communication Method is very short
	Dealing with Difficult People/Conflict Resolution	Line Efficiency	How and what to communicate harm shift changes
	Using your Senses to Identify & Communicate Operational/Production Issues	Line Efficiency	Calibrate workforce on appropriate ways to handle Calibrate workforce on appropriate ways to handle
	(Company Specific) Safe Workplace (40 Hours)	OSHA 10 Hour General Industry Training	Company Recordable
OSHA 10 Hour General Industry Training		Company Recordable	Reduce recordable accidents to zero
Recognizing Hazards in the Workplace		Company Recordable	Reduce recordable accidents to zero
Workplace First Aid/Managing Safety & Health		Company Walk Around Score	Recognize real hazards to prevent accidents
Whose Responsibility is Safety in the Workplace/ Following Established Safety Procedures		Company Walk Around Score	Recognize real hazards to prevent accidents
		Company Walk Around Score	Recognize real hazards to prevent accidents
(Company Specific) Quality Product Focus (40 Hours)	Facility General SPC I	Quality and OS&D	Company Zero Quality Defects KPI
	Quality Control/Understanding Measurements	Quality and OS&D	Company Zero Quality Defects KPI
	Basic Manufacturing Operations/Problem Solving Tools	Quality and OS&D	Company Zero Quality Defects KPI
	Total Quality Management (TQM) Basics	Quality and OS&D	Company Zero Quality Defects KPI

	ISO TS:16949	Quality and OS&D	Company Zero Quality Defects KPI
	Listening/Coaching & Mentoring	Units/Hour, Morale & OS&D	Carry Out Instruction Correctly
	Team Work & Team Building	Units/Hour & Line Efficiency	Lack of Team Work slows down efficiency
Professionalism in the (Company Specific) Workplace (40 hours)	Self-Assessment & Peer Yesterday/Leader Today	Morale	Related to evaluations and clear picture of self-performance
	Business Writing and Ethics/Civility in the Workplace	Line Efficiency & UPH	Communicating line issues, problems more accurately
	Workplace Diversity & Workplace Violence	Units/Hour	Utilized cultural differences better for better teamwork



3.4.1.4 INCUMBENT WORKER TRAINING (IWT)

3.4.1.4 INCUMBENT WORKER TRAINING (IWT)

I. Definition

IWT is designed to improve the skills of employees and the competitiveness of an employer. It is intended to retain skilled employees or avert a potential layoff. IWT may be offered to employers or groups of employers (which may include employers in partnership with other entities for purposes of delivering training) who, after assessment, are found to be in need of training for existing employees in order to remain competitive. IWT must be designed:

- A. Between employees and employers with an established relationship in which all individuals receiving training have been employed by the company for at least six months at the time of the training (see Incumbent Worker Eligibility for cohort exception);
- B. To improve the skills of the existing workforce (It is encouraged that this training lead to an industry recognized credential);
- C. To increase both an individual's and a company's competitiveness;
- D. To mitigate the impact of a layoff, if utilized as a part of a layoff aversion strategy; and
- E. The training should, wherever possible, allow the individual to gain industry recognized training experience and ultimately should lead to an increase in wages.

II. Funding

Local areas may utilize up to 20% of their Adult and Dislocated funds for IWT. WIOA § 134 (d)(4)(A)(i). The 20% funds cover only IWT program activities. IWT administrative costs must be paid from LWDA administrative funds.

III. Employer Eligibility

In accordance with WIOA § 134 (d)(4)(A)(ii), LWDBs must determine the eligibility of an employer for IWT taking into consideration:

- A. The characteristics of the individuals in the training.
- B. The ability of the training to increase the competitiveness of the employee and the employer.
- C. Such other factors as the local board may consider appropriate including, but not limited to:
 - 1. the number of employees participating in the training;

2. the wages and benefit to the employee before the training and the wages and benefit to the employee anticipated after the training;
3. the existence of other training and advancement opportunities provided by the employer;
4. layoffs averted as result of the training;
5. utilization as part of a larger sector and/or career pathway strategy; or,
6. employer size.

D. IWT should be provided for private sector employers, however, for-profit and local government entities may be recipients of IWT funds.

E. Employers must be in operation for a least twelve (12) months, employe at least five full-time employees at the local operation, be finanically viable and current on all state and federal tax obligations.

F. Any employer that has received payments under previous OJT, customized training or IWT and that exhibited a pattern of failure to provide workers continued, long term employment as regular employees with wages and working conditions at the same level and to the same extent as similarly situated employees is ineligible to enter into furthur WIOA IWT contracts.

G. In considering an employer's eligibility for an IWT contract, LWDA's should consider the employer's past history with IWT, OJT and customized training contracts, financial stability, history of layoffs, relocation and labor disputes as well as occupations and industry outlooks.

IV. Employer Pre-Award Review – LWDA's must conduct an employer pre-award review checklist containing requirements of WIOA 683.260 and TEGL 19-16.

V. Employer Non-Federal Share

WIOA § 134 (d)(4)(C) and § 134 (d)(4)(D)(i-iii). Employers deemed eligible must provide a portion of the training costs as a non-federal share. This contribution may be in the form of wages paid by the employer to a worker while the worker is attending training, equipment purchased for training, curriculum development expenses, travel and lodging costs, ect. The employer may provide the share in cash or in kind, fairly evaluated. The employer non-Federal share must not be paid by the Federal government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs.

The employer will be required to calculate its non-federal share as a part of the application for training funds and an actual share at the conclusion of the training. Should the non-federal share not meet the limits, the funds could potentially have to be repaid. Official payroll records, time and attendance records, invoices for equipment purchased, etc. must be utilized to determine the amount of the employer's share of cost.

Employer cost share contributions must be tracked and documented in the contract file and recorded on the Financial Status Report. In addition, the methodologies for determining the value of in-kind contributions must be documented in the contract file and conform to cost sharing requirements at 2 CFR 200. 306 and 2 CFR 2900.8.

No WIOA funds shall be used for incumbent worker wages.

The portion of the non-federal share that an employer must contribute is dependent upon the size of the employer and shall not be less than:

10% of the training costs for employers with fewer than 50 employees;

25% of the training costs for employers with 51 to 100 employees; or

50% of the training costs for employers with greater than 100 employees.

Employer size is based on the number of employees currently employed at the local operation where the incumbent worker training placements will be made. Employer Size is determined by the number of employees at the time of the execution of the incumbent worker training contract. This applies to all employers, including employers with seasonal or intermittent employee size fluctuations. Employers must provide documentation that indicates employer size.

If multiple Employer sites exist within an LWDA: Employer agreements may be limited to physical locations within the LWDA area or the LWDA may develop one agreement with multiple locations, training descriptions and budgets.

VI. Incumbent Worker Eligibility

All employees participating in incumbent worker training must meet the eligibility requirements below:

A. Employed full time with the participating employer

- B. At least 18 years of age;
- C. A citizen of the US or a non-citizen whose status permits employment in the US;
- D. Males born or or after January 1, 1960 must register with the selective service system within 30 days after their 18th birthday or at least before they reach the age of 26;
- E. Meet the Fair Labor Standards requirements of employer-employee relations and have an established employment history with the employer for 6 months or more with the following exception: In the event that the incumbent worker training is being provided to a cohort of employees, not every employee in the cohort must have an established employment history with the employer for 6 months or more as long as the majority of those employees are being trained to meet the employment history requirement. (20 CFR 680.780);

An incumbent worker does not have to meet the eligibility requirements for career and training services for WIOA, unless they are also enrolled as a participant in the WIOA adult or dislocated worker program. As such, they are not included in calculations for State performance measures. States and LWDA's are, however, required to report on individuals who receive incumbent worker training, including employment status after training, wages after training and credential attainment.

VII. IWT Contract Requirements

- A. IWT training is provided based on a formal, written contract with the employer or group of employers that is signed prior to the initiation of training with a copy given to the employer(s).
- B. An IWT contract must be limited to the period of time required for a individual to become proficient in the skills for which the training is being provided. In determining the appropriate length of the IWT agreement, consideration should be given to the skill requirements of the occupation, and the academic and occupational skill level of the individual. LWDA's shall utilize ONET SVP skills training requirements in addition to an assessment of the individuals past skill and experience to justify the length of training.
- C. IWT training contracts will not be written to provide skills for seasonal, temporary or intermittent employment.

- D. IWT Training may incorporate work-based, classroom and other training activities approved under WIOA to meet employer skill requirements. The employer or an intermediary may provide the training.
- E. IWT training contract must address:
 - 1. Employer documentation of the six month work history requirement;
 - 2. Commitment by the employer to retain the individual as a full-time employee with the same wages, benefits, hours, and conditions;
 - 3. Hourly wage of the individual;
 - 4. Length of training required;
 - 5. Maximum allowable costs of training;
 - 6. Description of the occupations involved, skill(s) and competencies to be provided and learned;
 - 7. Assessment (examples include TABE, Career Scope, Prove It, etc.) and identification of the individual's skills gap;
 - 8. Performance outcome requirements;
 - 9. Provision addressing termination for lack of funds or recapture of funds, lack of individual attendance, or failure of employer to comply with initial or upgraded employment requirements;
 - 10. Provision for maintaining and providing records for LWDA, state, and federal monitoring and review; and,
 - 11. Employer Assurances (below) should be included in the IWT contract.

VIII. Employer Assurances

- A. 20 CFR 680.790 specifies that the training be conducted with a commitment by the employer to retain or avert the layoffs of the incumbent workers trained.
- B. 20 CFR Section 680.820 specifies that employers participating in incumbent worker training are required to pay the non-Federal share of the cost of providing training to their incumbent workers. The amount of non-Federal share depends upon 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 training), the relationship of the training to the competitiveness of the employer and employees and the availability of other employer provided training and advancement opportunities.

- C. 20 CFR Section 680.830 specifies that funds provided to employers for incumbent worker training must not be used to directly or indirectly assist, promote or deter union organizing.
- D. 20 CFR Section 680.840 specifies that a funds WIOA may not be used to directly or indirectly aid in filling of a job opening which is vacant because the former occupant is on strike, or is being locked out in the course of a labor dispute, or the filling is otherwise an issue in a labor dispute involving a work stoppage.
- E. 20 CFR Section 683.260 specifies that WIOA funds must not be used for incumbent worker training for employees of any business or part of a business that has relocated from any location in the US until the company has operated at that location for 120 days, if the relocation has resulted in any employee losing their job at the original location.
- F. 20 CFR Section 683.270 specifies that a participant in a WIOA program activity must not displace (including a partial displacement such as a reduction in the hours of non-overtime work, wages of employment benefits) any currently employed employee (as of the date of the participation).
- G. 20 CFR Section 683.270 specifies that a WIOA program or activity must not impair existing contracts for services or collective bargaining agreements. When the program or activity would be inconsistent with a collective bargaining agreement, the labor organization and employer must provide written concurrence before the activity begins.
- H. 20 CFR Section 683.270 also specifies that a participant may not be employed in or assigned to a job if: (1) any other individual is on layoff from the same of any substantially equivalent job; (2) the employer has terminated the employment of any regular, unsubsidized employee or otherwise caused an involuntary reduction in its workforce with the intention of filling the vacancy created with the WIOA participant; (3) the job is created in a promotional line that infringes in any way on the promotional opportunities of currently employed workers as of the date of the participation.

- I. 20 CFR Section 683.275 specifies that individuals employed in activities under WIOA must be compensated at the same rates, including periodic increases, as trainees or employees who are similarly situated in similar occupations by the same employer and who have similar training, experience and skills.
- J. 20 CFR WIOA Section 683.275 specifies that individuals employed in programs and activities under WIOA must be provided benefits and working conditions at the same level and to the same extent as other trainees or employees working a similar length of time and doing the same type of work.
- K. 20 CFR Section 683.280 specifies that health and safety standards established under federal and State law otherwise applicable to working conditions of employees are equally applicable to working conditions of participants engaged in programs and services under WIOA. To the extent that a State workers' compensation law applies, workers' compensation must be provided to participants in program and activities under WIOA on the same basis as the compensation is provided to other individuals in the State in similar employment.
- L. Information on how to comply with Georgia law is available at <http://sbwc.georgia.gov>
WIOA Section 181 (b)(1) specifies that no WIOA funds shall be used to pay the wages of incumbent employees during their participation in economic development activities provided through a statewide workforce development system.
- M. WIOA Section 188 specifies that no individual shall be excluded from participation in, denied employment in the administration of or in connection with any such program or activity because of race, color, religion, sex in a WIOA program or activity solely because of the status of the individual as a participant.
- N. WIOA Section 188 specifies that no participants shall be employed to carry out the construction, operation or maintenance of any part of a facility that is used or to be used for sectarian instruction or as a place for religious worship with the exception of maintenance of facilities that are not primarily use for instruction or worship and are operated by organizations providing services to WIOA participants.
- O. The Employer must comply with 29 CFR 38.10 (d) (e) (f). As provided in 20 CFR §38.3(b), 29 CFR part 32, subparts B and C and appendix A, which implement the requirements of Section 504 pertaining to employment practices and employment-related training, program accessibility, and

reasonable accommodation, have been incorporated by reference. Employers, employment agencies, or other entities covered by Titles I and II of the ADA should be aware of obligations imposed by those titles. See 29 CFR part 1630 and 28 CFR part 35. Similarly, recipients that are also employers covered by the anti-discrimination provision of the Immigration and Nationality Act should be aware of the obligations imposed by that provision. See 8 U.S.C. 1324b.

- P. 2 CFR 200 The Employer agrees that no individual in a decision making capacity will engage in any activity, including the administration of the IWT contract supported by WIOA funds, if a conflict of interest, real or apparent, is present. A conflict of interest may arise in the event that an employee under this contract is an immediate family member (or partner) of an individual engaged in a decision making capacity with the LWDA, the LWDB, the employer or an organization that has a financial or other interest in the firm or organization selected for the contract. Immediate family is defined as husband, wife, son, son-in-law, daughter, daughter-in-law, mother, mother-in-law, father, father-in-law, brother, brother-in-law, sister, sister-in-law, aunt, uncle, niece, nephew, stepparent, stepchild, grandparents, grandchild, half-brother, halfsister, first cousin or individual residing in the same household. In the event of a potential conflict of interest, the employer will notify the LWDA in writing.
- Q. WIOA Section 194 (5) No person or organization may charge an individual a fee for the placement or referral of the individual in or to a workforce investment activity under this title.
- R. WIOA Section 194 (13) Services, facilities, or equipment funded under WIOA may be used, as appropriate, on a fee-for-service basis, by employers in a local area in order to provide employment and training activities to incumbent workers— (A) when such services, facilities, or equipment are not in use for the provision of services for eligible participants under this title; (B) if such use for incumbent workers would not have an adverse effect on the provision of services to eligible participants under this title; and (C) if the income derived from such fees is used to carry out the programs authorized under this title.
- S. The Employer agrees to comply with Georgia law regarding workers' compensation insurance for all ITW employees.
- T. If the employer does not have an established employee grievance procedures, the Employer agrees to abide by the procedure provided by the LWDA.

- U. The Employer agrees to participate in any follow-up efforts conducted by the LWDA or its authorized representative to evaluate the IWT effectiveness.

- V. The Employer must meet the provisions of the Georgia Security and Immigration Compliance Act (GSICA). The GSICA requires that all public employers, contractors and subcontractors register and comply with the federal work authorization program operated by the United States Department of Homeland Security to verify new employee work eligibility.