

<b>Northeastern Workforce Development Board (NWDB)</b>	
<b>Policy and Procedures Incumbent Worker Training</b>	
<b>Policy 013</b>	<b>EFFECTIVE DATE: 09/10/2020 Revised 09/14/2023</b>
<b>Approved by: Northeastern Workforce Development Board</b>	<b>Executive Director: <i>Galan Williamson</i></b>

### REFERENCES

WIOA Sec.134(d)(4) & Sec. 181(d); 20 CFR 680.780 through 680.820; TEGL 19-16 & 10-16 Chg. 1

### PURPOSE

To provide guidance on the use of local title IB Adult and Dislocated Worker funds for Incumbent Worker Training (IWT).

### BACKGROUND

Incumbent worker training (IWT) under the Workforce Innovation Opportunity Act (WIOA) provides both workers and employers with the opportunity to build and maintain a quality workforce and increase both participants' and companies' competitiveness. It is a type of work-based training and upskilling designed to *ensure that employees obtain the necessary training to retain employment and possibly advance within the company.*

### EMPLOYER ELIGIBILITY

The NWDB will determine an employer's eligibility for participating in IWT based on the following factors which help to evaluate whether training would increase the competitiveness of the employees and/or employers:

- Since training resources are severely limited with demand outweighing supply, case managers and/or workforce development specialists will work with individuals to explore a number of training/career redirection options, including internet resources available to the general public, adult education, and community programs for skills development (such as literacy development programs, local training initiatives, faith-based program options).

**The following guidelines should be followed when evaluating and providing training services to individuals:**

- For an employer to receive Incumbent Worker Training funds, individual(s) receiving training must: → have worked for the company, in any capacity, for no less than six consecutive months and is a current full-time employee of the company.

- The NWDB requires employers to validate no less than six months employment within their company for each employee receiving IWT. NWDB will accept copies of payroll stubs, HR document showing date of hire, and/or I-9 form. The contract between the employer and the NWDB must include confirmation from the NWDB that employment for each employee has existed for no less than six months.
  - Employers must have an account in the Maine JobLink system which includes a record that they have received IWT services.
  - Employers must provide the following data: address of work site, employer size, job description of the current employee's position, and industry type.
  - Employers are required to pay for a significant cost of the training for employees receiving IWT. Employers can invest in training with cash payments and/or a fairly evaluated in-kind contribution. Wages paid to employees engaged in IWT may be considered as a source of matching funds. The NWDB will consider 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), considering the relationship of the training to the competitiveness of the employer and employees, and the availability of other employer-provided training and advancement opportunities.
- The minimum amount of employer share in the Incumbent Worker Training depends on the size of the employer:**
- At least 10 percent of the cost, for employers with 50 or fewer employees;
  - At least 25 percent of the cost, for employers with 51 to 100 employees; and,
  - At least 50 percent of the cost, for employers with more than 100 employees.

### **CRITERIA TO DETERMINE A LAYOFF RISK**

The NWDB or its providers will conduct an employer assessment to include the following:

- The company is phasing out a function which will lead to layoffs unless workers can be retrained to perform new functions.
- External economic or market forces, significant changes in technology or operating processes, rapidly changing industry or occupational job requirements, or emergence of new products are forcing changes to the skill requirements for workers leading to potential layoff if not addressed.
- Changing skill requirements are outside of normal skill growth and upkeep the employer would normally provide.
- Training programs would reasonably prepare workers to address these skill gaps.
- The employer makes a commitment to retain employees that receive IWT.

### **INCUMBENT WORKER ELIGIBILITY**

- When IWT is provided to a group of workers at a single employer, eligibility for training will be documented at the individual level.
- A WIOA application must be completed in MJL.
- All incumbent workers served with local funds must follow the WIOA service delivery system identified to include assessment services, case management services and training services.

- For locally funded IWT age, eligibility to work in the United States, and compliance with the Selective Service registration requirements still must be met and verified.
- Procedure that provides documented evidence that a layoff was avoided will be as follows:
- Follow-up with employer to see that worker jobs were saved because of IWT.
- If training does not result in layoff aversion, then the company will not be eligible for future IWT.

The employer selects the incumbent worker trainees. An incumbent worker does not have to meet eligibility requirements for title IB (unless that worker is also enrolled in a title IB program). Although incumbent worker outcomes are not included in title IB negotiated performance measures, information on each incumbent worker must be entered in Maine JobLink as identified below:

**Required Data Elements – Incumbent Worker Training**

Element	Element Name	Primary Collection Method
100	Unique Individual Identifier	Local/State
101	State Code of Residence	Local/State
108-A	ETA-Assigned 1 <sup>st</sup> LWB Code	Local/State
403	Occupational code of most recent employment prior to participation	Employer
404	Industry code of employment 1 <sup>st</sup> quarter prior to participation	Employer
900	Date of program entry	Local/State
901	Date of program exit	Local/State
907	Recipient of incumbent worker training	Local/State
908	Rapid Response (if applicable)	Local/State
1501	Most recent date received rapid response (if applicable) *	Local/State
1600	Employed 1 <sup>st</sup> quarter after exit	UI wage record or follow-up
1601	Type of employment match 1 <sup>st</sup> quarter after exit quarter	If SSN-UI wage record
1602	Employed 2 <sup>nd</sup> quarter after exit quarter	If SSN-UI wage record
1603	Type of employment match 2 <sup>nd</sup> quarter after exit quarter	If SSN-UI wage record
1604	Employed 3 <sup>rd</sup> quarter after exit quarter	If SSN-UI wage record
1605	Type of employment match 3 <sup>rd</sup> quarter after exit quarter	If SSN-UI wage record
1606	Employed 4 <sup>th</sup> quarter after exit quarter	If SSN-UI wage record
1607	Type of employment match 4 <sup>th</sup> quarter after exit quarter	If SSN-UI wage record

1618	Retention with same employer in the 2 <sup>nd</sup> and 4 <sup>th</sup> quarter	If SSN-UI wage record
1703	Wages 1 <sup>st</sup> quarter after exit quarter	If SSN-UI wage record
1704	Wages 2 <sup>nd</sup> quarter after exit quarter	If SSN-UI wage record
1705	Wages 3 <sup>rd</sup> quarter after exit quarter	If SSN-UI wage record
1706	Wages 4 <sup>th</sup> quarter after exit quarter	If SSN-UI wage record
1800	Type of recognized credential	Employer follow-up
1806	Date most recent measurable skill gain: Educational Achievement	Employer follow-up
1807	Date most recent measurable skill gain: Secondary Transcript /Report Card	Employer follow-up
1808	Date most recent measurable skill gain: Postsecondary Transcript/Report Card	Employer follow-up
1809	Date most recent measurable skill gain: Training Milestone	Employer follow-up
1810	Date most recent measurable skill gain: Skills Progression	Employer follow-up
1811	Date enrolled in education or training leading to postsecondary credential	Employer follow-up
1501	Most recent date received Rapid Response services (if applicable)	Local/State

For purposes of IWT tracking, the exit date is the date of the last day of training. Collection of trainee social security numbers is encouraged; any local area unable to attain trainee social security numbers must input the supplemental wage information and employment status information in Maine JobLink for each quarter after exit (1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, and 4<sup>th</sup>) to verify wage and employment status data.

### **IWT ASSESSMENT**

Criteria to determine how the skills attained during IWT will contribute either to the maintenance of employment or increase in employment security for workers. The NWDB and/or its providers will conduct a worker assessment to include the following:

- Upon completion of training, workers had marketable, in-demand skills that enabled them to perform work at a higher level.
- Workers received certifications or industry-recognized credentials.
- New skills were attained in a reasonable amount of time.
- Workers did not receive a formal layoff notice.
- The NWDB and/or its providers will follow-up with employer to ensure that the IWT addressed the skills gap of the workers.

## TRAINING AND COMPETITIVENESS

Incumbent worker training is restricted to skill attainment activities that increase worker competitiveness. Training that increases worker competitiveness is training that results in the employee:

- After successful completion of IWT employee receives a marketable credential or acquires skills in new technology or new operating processes required by the employer to maintain business due to external economic or market forces; or
- Acquiring skills that enable the employee to move into a higher-paid position within the company; or
- Meet the Fair Labor Standards Act requirements for an employer-employee relationship; and
- Have an established employment history with the employer for 6 consecutive months or more.
- If IWT is being provided to a cohort of employees, 51% employee in the cohort must have an established employment history with the employer for 6 months or more.

All Incumbent Worker Training funds are contingent upon the availability of federal funds and continued federal authorization for program activities. Any contract awarded hereto is subject to amendment or termination due to any NWDB policy changes, lack of funds, authorization, and/or legislative changes.

### Contact Information

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