



WORKFORCE INNOVATION AND OPPORTUNITY ACT

Incumbent Worker Training Policy

IMPORTANT! This document contains important information about your rights, responsibilities and/or benefits. It is critical that you understand the information in this document, and we will provide the information in your preferred language at no cost to you. Call **Lafonda Colbert (580) 357-3500** for assistance in the translation and understanding of the information in this document.

¡IMPORTANTE! Este documento contiene información importante sobre sus derechos, responsabilidades y/o beneficios. Es importante que usted entienda la información en este documento. Nosotros le podemos ofrecer la información en el idioma de su preferencia sin costo alguno para usted. Llame al **Lafonda Colbert (580) 357-3500** para pedir asistencia en traducir y entender la información en este documento.

Telephone Relay Service is available by dialing 711 or 800-722-0353

**Caddo County, Grady County, McClain County, and City of Chickasha Labor Market Area
Comanche County, Cotton County, Tillman County, and City of Lawton Fort Sill Labor Market Area
Jefferson County, Stephens County, and City of Duncan Labor Market Area**

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

INCUMBENT WORKER TRAINING POLICY

PURPOSE: The purpose of this policy is to provide guidance regarding participant eligibility for Incumbent Worker Training (IWT) and employer eligibility for IWT reimbursement.

BACKGROUND: Incumbent Worker Training (IWT) is designed to meet the special requirements of an employer, or a group of employers within the same industry, to retain a skilled workforce or avert the need to lay off employees. Incumbent workers benefit by acquiring the skills necessary to retain employment and/or to advance within the company. IWT must be conducted with a commitment by the employer to retain or avert the layoff of the incumbent worker or workers participating in the training. The guidance in this issuance pertains to incumbent worker training funded with local Adult and Dislocated Worker (DLW) allocations, as well as statewide incumbent worker training activities, unless otherwise indicated.

INSTRUCTIONS:

INCUMBENT WORKER ELIGIBILITY

To qualify as an incumbent worker, an individual must:

1. Be employed,
2. Meet the Fair Labor Standards Act requirements for an employer-employee relationship (29 USC Chapter 8), and
3. Have an established employment history with the employer for six (6) months or more.

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 a majority (51% or more) meet the requirement. It must be noted however, that IWT may not be used to provide the occupational training a new hire needs.

Individuals receiving incumbent worker services are not subject to the eligibility criteria that apply to participants in the Adult or Dislocated Worker (DLW) programs, unless they are receiving other services under those programs. Therefore, individuals who only receive IWT and no other WIOA title I career to training service(s) are not included in WIOA performance indicator calculations for the core programs. *See Performance Indicator Reporting Requirement section of this policy for required reporting elements for IWT only participants.*

DEVELOPMENT OF LOCAL INCUMBENT WORKER TRAINING STRATEGIES

IWT is generally provided to private sector employees. For example, IWT may be used in the health care industry where hospitals are operated by non-profit or local government entities and an upskilling opportunity for nurses is available.

IWT may be utilized for underemployed incumbent workers that would prefer full-time employment but are working part-time within a company for economic reasons. These employees may have accepted part-time employment to gain or maintain employment with the company. Or, a previous dislocation has led them to accept reduced employment and often lower wages. This strategy focuses on increasing skills for underemployed frontline workers in an effort to advance the workers to more skilled positions with the same employer or industry sector, thus leading to an increase in earnings through more work hours and an increase in pay.

As part of an incumbent worker upskilling strategy, the South Central Oklahoma Workforce Board (SCOWB) encourages companies to develop an upskilling / backfill strategy that involves filling jobs with other WIOA participants when positions have been vacated by workers who are moving into more advanced positions within the company.

FUNDING INCUMBENT WORKER TRAINING

SCOWB may use up to 20 percent of their combined total of Adult and DLW allocations to pay for the Federal share of

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



A proud partner of the AmericanJobCenter network

IWT. Adult and DLW funding for IWT may only be used for activities that are programmatic in nature. Related administrative activities must be paid out of the SCOWB's administrative funds. A locally developed IWT, utilizing Adult and/or DLW allocations for the Federal share of the training costs, will operate under SCOWB's IWT policy, provided that the policy is in alignment with WIOA 134(d)(4) and 20 CFR §§ 680.788 through .820.

Employers participating in the IWT program are required to pay the non-Federal share of the cost of training. The non-Federal share may not be less than:

- 10 percent of the cost, for employers with 50 employees or less;
- 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.

The non-Federal share provided by a participating IWT employer may include the amount of the wages paid by the employer to a worker while in incumbent worker training. The employer may provide the share in cash or with fairly evaluated in-kind contributions. The employer and SCOWB will track and document the employer's cost share contributions. An accurate accounting of the non-Federal share must be kept, including how the value of any in-kind contributions have been determined. In-kind contributions will only count toward satisfying the cost-sharing requirement if the cost would be allowable if the employer was paying the cost instead of receiving the third party contribution. Allowable costs are determined by the tests of reasonableness, necessity, and allocability defined in 2CFR 200.402-405 – Basic Considerations.

STATEWIDE INCUMBENT WORKER TRAINING ACTIVITIES

When accessing State IWT funds rather than local Adult and DLW allocations to pay for the Federal share of IWT, the Incumbent Worker Project Funding Proposal (Attachment A) will be utilized as the IWT Application for the State funds. Adherence to all requirements in this issuance is necessary for approval of State IWT activities. The following documents/forms must be completed by the employer and all information requested in the documents must be provided to the Oklahoma Office of Workforce Development (OOWD) prior to the proposal/application being sent to the Governor's Council for approval:

- Employer Request Letter on Company Letterhead;
- Project Funding Proposal;
- Grantee Worksheet;
- Incumbent Worker Training Employee List; and
- Anticipated Outcomes.

A Project Rating Form will be completed by the members of the Workforce System Oversight Committee (WSOC) in order to make a consensus recommendation to the Governor's Council. Please refer to the Procurement of Training section of this policy for additional requirements for the use of State IWT Funds.

Rapid Response funds may be used for State Incumbent Worker Training Activities as part of a broader layoff aversion strategy. Also, the State or the Governor's Council may make recommendations to SCOWB for providing IWT that has a statewide impact. SCOWB is encouraged to cultivate opportunities to appropriately support employers in their efforts to develop a more competitive workforce or avert potential layoffs, and to provide advancement and wage gains opportunities to incumbent workers within their companies.

The same non-Federal share (i.e., the employer share of the cost of training), listed in the Funding Incumbent Worker Training section above, applies to IWT funded by statewide activities funds.

FUNDING PRIORITIES

Preference for ITW is to be given to any of the following:

- Smaller businesses with less than 50 employees;
- Businesses located in an Opportunity Zone as defined by Oklahoma Statutes Title 68, Section 3603 Definitions;

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



A proud partner of the AmericanJobCenter network

- Businesses located in a rural county (i.e., not a part of a metropolitan area);
- Training for occupations on the Oklahoma Critical Occupations list, found at <https://oklahomaworks.gov/wp-content/uploads/2020/10/2020-22-Critical-Occupations-List.pdf>;
- Training provided to increase employee skills as a layoff avoidance strategy; or
- Training that leads to a significant upgrade in employee skills.

EMPLOYER ELIGIBILITY CRITERIA

SCOWB must take the following into consideration when determining the eligibility of an employer to receive IWT funding:

- The characteristics of the individuals in the program, including the extent to which these individuals represent populations with barriers to employment, as defined in WIOA 3(24);
- The relationship of the training to the competitiveness of the individual. For example, extra consideration might be given to employers who propose to increase the competitiveness of individuals with barriers to employment, such as how these individuals would benefit from skill gains that result in retention or advancement;
- The relationship of the training to the competitiveness of the individual and the employer;
- The occupation for which the incumbent worker is training must be an in-demand industry as defined by WIOA 3(23) or as determined by SCOWB or Western planning region; and
- Other factors SCOWB determines to be appropriate, which include:
 - the number of employees participating in the training;
 - the wage and benefit levels of the participating employees at the beginning of training and anticipated upon completion of training (the new wage rate after training is completed must be higher than the employee's prior wage rate);
 - the existence of other training and advancement opportunities provided by the employer;
 - the quality of the training, as evidenced by industry-recognized training, experience and credentials;
 - layoffs averted as the result of the training; and
 - utilization of IWT as part of a larger sector and/or career pathway strategy.

IWT is designed to increase the competitiveness of the employer by developing a highly skilled workforce that will result in increased business financial viability, stability, competitiveness, and productivity. To avert the risk of closing, IWT may be developed with a business or business association to maintain their competitive status, incorporate new technology, or prevent downsizing. Process improvements that contribute to the competitiveness and productivity of a business are allowed as a component of IWT, when combined with training that results in new skill attainment for incumbent workers. However, training that is necessary for employers to meet federal "safe workplace" requirements, (e.g., OSHA, food handler certifications, etc.) is not considered IWT.

The competitiveness of workers participating in IWT may be increased by enhancing existing skills, learning new skills, and earning employer or industry-recognized credentials, in addition to retaining employment, maintaining their careers, and/or increasing their earnings potential. An ideal IWT project allows the opportunity for employers to promote incumbent workers with increased skill levels, which creates backfill opportunities for other WIOA participants, including less skilled or underemployed employees within the company, or for WIOA participants seeking employment.

PROCUREMENT OF TRAINING

The IWT program does not utilize an individual training account (ITA) to fund training for Adults and Dislocated Workers. In order to provide incumbent worker training with State funds, Attachment A: Incumbent Worker Project Funding Proposal (also referred to as the IWT Application or IWT Agreement) must be completed and signed by both the WIOA Project Lead and the Employer. The Funding Proposal/IWT Application must be approved by the Governor's Council prior to the start of incumbent worker training when IWT is funded by Statewide Activities Funds.

The following information is required regardless of whether incumbent worker training is funded with local Adult and DLW allocations or with the Allowable Statewide Employment and Training Activities funds listed at WIOA sec. 134(a)(3):

Equal Opportunity Programs/Employer

Auxiliary aids and services available upon request for individuals with disabilities



A proud partner of the AmericanJobCenter network

- the process for documenting the incumbent worker's six month work history requirement with the employer;
- the amount of the employer's non-Federal share, based on the size of the employer's workforce;
- a statement regarding the expectation that once incumbent workers advance with the employer, the employer then provides an opportunity to the SCOWB to fill the now vacant position with a local WIOA participant, whenever possible;
- the process for documenting how employer cost match contributions will be tracked and documented in the employer's, SCOWB's, and the Service Provider's files;
- the methodologies for determining the value of in-kind contributions and how contributions are documented in the approved project funding proposal/application, all of which must conform to the cost match requirements at 2 CFR § 200.306;
- local monitoring requirements;
- **other documentation required by the local area;**
- assurances as required in the Regulatory and Prohibited Activities section of this issuance;
- commitment by the employer to share required performance data with SCOWB;
- non-discrimination and Equal Employment Opportunity (EEO) assurances, including complaint processing and compliance reviews;
- start and end date of the IWT Agreement; and
- IWT limits, including the length of the approved IWT and funding amounts.

ALLOWABLE AND UNALLOWABLE COSTS

Allowable costs may include only costs directly related to training. Allowable costs may include:

- Instructor/trainer salaries;
- Curriculum development, textbooks, manuals, training software, materials and non-consumables; and
- Other necessary and reasonable costs directly related to training.

Unallowable costs include, but are not limited to:

- Foreign travel;
- Purchase or lease of capital equipment;
- Encouragement or inducement of a business or part of a business to relocate from any location in the United States; and
- Use of IWT funds to pay for a worker's wages and benefits during training.

REGULATORY LIMITATIONS AND PROHIBITED ACTIVITIES

Businesses that fail to meet any of the following criteria are not eligible to receive funds for IWT:

- Businesses must not be presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from participation in transactions by USDOL or the State of Oklahoma. Below are some websites that may be helpful in checking tax, environmental compliance, and debarment status.
 - Federal Exclusion and Debarment Site: <http://www.sam.gov>
 - Oklahoma Tax Commission: <https://www.ok.gov/tax/>
 - Oklahoma Employment Security Commission: www.ok.gov/oesc
 - Business Filing Search: <https://www.sos.ok.gov/>
 - Oklahoma Department of Environmental Quality: <http://www.deq.state.ok.us/OEA/index.html>
- Businesses shall not have any outstanding tax liability to the State of Oklahoma for over six months. Businesses are required to disclose any known outstanding tax liabilities, including those with other states, prior to entering into the IWT Agreement.
- SCOWB will consider existing out-of-state violations when determining eligibility to receive IWT funds.
- SCOWB will document any resolution of outstanding tax liability, which may include letters from the business or from the State in which the tax liability occurred.
- Businesses must ensure that they have no more than one unfair labor practice contempt of court finding.

<http://www.oklegal.onenet.net/ok.agency.decisions.basic.html>

- Oklahoma businesses must have all of the approvals, licenses, or other qualifications needed to conduct business in the state and all must be current. Should this status change during the course of the local IWT program activities, resulting in the business's disqualification from conducting business in Oklahoma, all training under the IWT program must cease.
- IWT funds may not be used, or be proposed for use, to encourage or induce the relocation of a business or part of a business if the relocation would result in a loss of employment for any employee at the original location when the original location is within the United States.
- Businesses that have relocated to Oklahoma and have laid-off workers at their former location in the United States may not be considered for the IWT program until they have been in operation at the new location for 120 days.
- To verify that a business is not relocating employment from another area, a pre-award review must be undertaken and documented by SCOWB. The review must include
 - the names under which the establishment conducts business, including predecessors and successors in interest;
 - the name, title, and address of the company official certifying the information; and
 - whether WIOA assistance is being sought in connection with past or impending job losses at other facilities of their company.
- The pre-award review should also include a review of whether appropriate notices have been filed, as required by the Worker Adjustment Retraining Notification (WARN) Act. The review may also include consultations with labor organizations and others in the affected local area(s).
- Businesses must not have any outstanding civil, criminal, or administrative fines or penalties owed to or pending in the state of Oklahoma.
- Funds provided to employers for IWT must not be used to directly or indirectly assist, promote, or deter union organizing.
- Funds provided to employers may not be used to directly or indirectly aid in the filling of a job opening that is vacant because the former occupant is on strike or is being locked out in the course of a labor dispute, or the filling of which is otherwise an issue in a labor dispute involving a work stoppage.
- All general fiscal and administrative rules listed at 20 CFR, Chapter V, Part 683, Subpart B –Administrative Rules, Cost, and Limitations apply.

EQUAL OPPORTUNITY AND NONDISCRIMINATION STATEMENT: All Recipients, and Sub-recipients/Sub-grantees must comply with WIOA's Equal Opportunity and Nondiscrimination provisions which prohibit discrimination on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions, transgender status, and gender identity), national origin (including limited English proficiency), age, disability, political affiliation or belief, or, for beneficiaries, applicants, and participants only, on the basis of citizenship status or participation in a WIOA Title-I financially assisted program or activity.

ATTACHMENTS:

Attachment A: Project Funding Proposal/Application

Attachment B: Grantee Worksheet

Attachment C: Employee List

Attachment D: Anticipated Outcomes

Attachment E: IWT Project Rating Form

Attachment F: IWT Applicant Scoring Sheet

APPROVED BY FULL BOARD DATE: 9/8/2022

Incumbent Worker *Project Funding Proposal*

This agreement is between (**enter your business here**), and (**local workforce development board**). Both parties agree to the terms of this agreement as set forth below. Project is expected to commence on (**enter start date here**) and terminate on (**enter end date here**).

PROJECT LEAD

PROJECT LEAD	
Contact Name:	Title:
Phone:	Email:
Business/Organization:	

EMPLOYER INFORMATION

EMPLOYER INFORMATION	
Legal Business Name:	
Owner/Officer:	Phone:
Address:	
Mailing Address (If different):	
Employer Sector: Healthcare Manufacturing Transportation Construction Finance Other:	
Is Employer expanding: YES NO	Length of time in business at this address:
Has the employer laid off workers within 120 days prior to relocation in OKLA from another state: YES NO	
Employers FEIN #:	UBI #:
The employer is current in unemployment insurance and workers' compensation taxes, penalties, and/or interest or related payment plan: YES NO	
Number of employees scheduled to participate in training:	
Total number of employed by employer in state and nationally:	
Is the company located in an area that gives preference as per OKLAHOMA WORKFORCE DEVELOPMENT ISSUANCE #09-2019 ?	
What is the type of preference?	
Provide a brief description of what is done at this location:	

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

PROJECT OVERVIEW

Description of Need:

List of Partners:

Project Timeline:

Will the Project Result in: *Increased Employee Wages Avert Future Layoffs Other:*

EMPLOYER RESPONSIBILITIES

1. Provide the information below as required for employer and each employee participating in the approved project opportunity utilizing approved documentation.
2. Agrees to work with *the South Central Oklahoma Workforce Board (SCOWB)* to identify and provide the employers process for complying with the required cost sharing requirements for this training, as determined by the size of the employer’s workforce. *(Wages paid to the participant while in training can be included as part of that share and the share can be provided as cash or in-kind that is fairly evaluated and approved by SCOWB).*
 - At least 10 percent of the cost for employers with 50 or fewer employees
 - At least 25 percent of the cost for employers with more than 50 employees but not more than 100 employees; and
 - At least 50 percent of the cost for employers with more than 100 employees
3. Complete required close out report within 30 days of completion of training.
4. Complete the following regarding the total cost of the program, including employer contribution:

Employer Cash:	Total Cost of Project:
Employee Wages:	Percentage Covered by Employer:
Employer In-Kind:	Total Requested From Board:
Total Employer Contribution:	Percentage Covered by Board:

Describe Employer Contribution:

TRAINING PROVIDER JUSTIFICATION

Training Provider:
Training Description:
Training Timeline:
Will training include local, state, or nationally recognized certificate? YES NO If so, list here:
Preferred Fiscal Contact for Training Provider: <i>Project Lead Employer (local WDB)</i> <i>The selection made will be responsible for coordinating any fiscal payments with the training provider.</i>

REQUIRED PROJECT DOCUMENTATION

Employer

- *Employer Request Letter on Company Letterhead*
- *Project Funding Proposal, Attachment A*
- *Final Project Report*
- *IW Training Contract*
- *Grantee Worksheet, attachment B*
- *Incumbent Worker Training Employee List, attachment C*
- *Anticipated Outcomes, attachment D*
- *Project Rating Form (Required if state money is requested), attachment E*

Employee

- *Employee Enrollment Form*
- *Grievance & Complaint Procedures*
- *Photo ID*
- *Consent for Sharing of Confidential Information*
- *Form I-9, Employment Eligibility Verification*
- *OKJobMatch Account*

PROJECT LEAD & EMPLOYER ASSURANCE

EQUAL OPPORTUNITY AND NONDISCRIMINATION STATEMENT: All Recipients, and Sub- recipients/Sub-grantees must comply with WIOA’s Equal Opportunity and Nondiscrimination provisions which prohibit discrimination on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions, transgender status, and gender identity), national origin (including limited English proficiency), age, disability, political affiliation or belief, or, for beneficiaries, applicants, and participants only, on the basis of citizenship status or participation in a WIOA Title-I financially assisted program or activity.

Project Lead:

Employer – Owner/Designated Officer:

Print First/Last

Print First/Last

Signature

Signature

Date

Date

This Incumbent Worker Training (IWT) opportunity is funded through the Workforce Innovation and Opportunity Act (WIOA) provided by the U.S. Department of Labor. This is a project led by the (local workforce development board).

Grantee Worksheet

BUDGET NARRATIVE

Add additional pages as necessary

TRAINING COSTS

Description	Detail	Amount	Match
Subtotal			

PERSONAL SERVICES

Description	Detail	Amount	Match
Subtotal			

TRAVEL

Description	Detail	Amount	Match
Subtotal			

CONTRACTUAL

Description	Detail	Amount	Match
Subtotal			

SUPPLIES

Description	Detail	Amount	Match
Subtotal			

ADMINISTRATION

Description	Detail	Amount	Match
Subtotal			

Grantee Name
Program, File #
Original Agreement

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



Anticipated Outcomes of Incumbent Worker Training

Employer:

Section 1. Check all that are applicable

- Will help prevent possible relocation of operations (layoff aversion)
- Will assist in the training of target groups or make employees more competitive
- Will contribute to the long term viability of our company
- Will be an important component of our company's overall workforce development efforts, such as sector or career pathway strategy
- Will make this location more competitive
- Important to the stated mission of our company
- Will contribute to the short term viability of our company
- Will assist in the improvement of international trade opportunities

Section 2. At least six of the following ten must be completed

- Will save _____ jobs within the company
- Will create _____ new jobs within our company
- Will lower turnover in our company by _____ percent
- Will increase profit margin by _____ percent over the next _____ months
- Will improve the long-term wage levels of trainees by _____ percentage
- Will create _____ openings in entry-level positions
- Will improve unit or labor costs by _____ percent
- Will increase overall efficiency by _____ percent
- Will increase or retain sales by _____ percent over the next _____ months
- Will improve the short-term wage levels of trainees by _____ percentage

Return on Investment Information

Planned ROI is expected to be _____ percentage over _____ months / years

Project Rating Form- Future of Work

Applicant:	
Contact Name & Title:	
County:	
Reviewer Name:	
Review Date:	

Interview Questions:

Please rate project on the questions below. The scoring range goes from 0 – 5, 0 being the worst, 5 being the best. Please score the project and make any comments or notes needed.

1. What is the training? How many employees will attend? What is the duration? What is the requested funding? What is the company contribution? Who is the training entity?	Score:
Comments:	
2. How will the training benefit the region, the employees, and the employer? Why is this training needed? Will it avert future layoffs or upskill employees to meet promotional requirements?	Score:
Comments:	
3. Is the training and/or employer directly associated with one of the local/regional priority ecosystems (Healthcare, Energy, Manufacturing, Transportation, Construction or Finance)?	Score:
Comments:	

<p>4. Will the training include a nationally, regionally, or industry recognized certificate?</p>	<p>Score:</p>
<p>Comments:</p>	
<p>5. Is the project aligned with an industry association partnership, such as an EDC, or other such business supported agency?</p>	<p>Score:</p>
<p>Comments:</p>	
<p>6. Beyond the required in-kind/cash match, does the application for funds include additional funding to support the project?</p>	<p>Score:</p>
<p>Comments:</p>	

Reviewer's Signature

Date

Overall Score: _____ /30