WORKFORCE INNOVATION AND OPPORTUNITY ACT

Incumbent Worker Training Policy

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EQUAL OPPORTUNITY AND NONDISCRIMINATION STATEMENT: All Recipients and sub-recipients/subgrantees 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.

South Central Oklahoma Workforce Board's Workforce Innovation and Opportunity Act Title I program funding statement can be found at https://scowib.info/funding

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

INCUMBENT WORKER TRAINING POLICY

REFERENCES:

- WIOA 134(d)(4); WIOA 133(b); WIOA 181(d)(2); WIOA 194(13)
- 20 CFR 680.320, 680.530, and 680.780–840
- 20 CFR 683.200
- 2 CFR Part 200
- TEGL 19-16
- TEGL 10-16, Change 3
- WSD #1-2025

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

POLICY:
Incumbent Worker Training is designed to meet the specific needs of an employer or group of employers within the same industry or sector, aiming to retain a skilled workforce and/or avert layoffs. Incumbent workers benefit by acquiring the skills necessary to retain employment and/or to advance within the company.

Employers who participate in IWT must commit to retaining or preventing layoffs of workers undergoing training. This guidance cover IWT funded by local Adult and Dislocated Worker (DLW) allocations, as well as statewide IWT activities unless otherwise specified.

Definitions:

Incumbent Worker: An individual currently employed and meeting the eligibility criteria outlined in this policy.
In-Kind Contributions: Non-cash contributions such as wages paid to workers during training, fairly evaluated in line with federal cost principles.
Backfill Strategy: Promoting workers to more advanced positions while filling their previous roles with WIOA participants.

Eligibility Requirements

Incumbent Worker Eligibility
To qualify as an incumbent worker, an individual must:

1. Be employed.
2. Meet the Fair Labor Standards Act (FLSA) requirements for an employer-employee relationship (29 USC Chapter 8):
    - The individual must be classified as an employee (not an independent contractor or volunteer).

- The employer must control or direct the work performed by the individual, including their schedule and conditions of employment.
- The employer must pay wages that comply with FLSA standards, such as minimum wage and overtime requirements.

3. Have an established employment history with the employer for at least six (6) months.
4. If IWT is being provided to a cohort of employees, not every employee in the cohort must have an established employment history, but the majority must (at least 51%) meet the six-month employment history requirement.

Two categories of IWT recipients:

1. **Participants**: IWT recipients who also receive WIOA Title I services and are reported under WIOA indicators of performance.
2. **Reportable Individual:** Workers receiving only IWT who are NOT subject to standard WIOA performance measures but still need to be reported under specific data elements (see data reporting below).

Employer Eligibility Criteria

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

- **Employee Characteristics**: Evaluate the extent to which the employees in the organization represent populations with barriers to employment, as defined in WIOA Section 3(24). These populations may include:
  - Displaced homemakers
  - Low-income individuals
  - Individuals with disabilities
  - Older workers
  - Ex-offenders
  - Homeless individuals
  - Foster care youth
  - English language learners
  - Migrant and seasonal farmworkers
  - Single parents
  - Long-term unemployed
  - Individuals nearing exhaustion of Social Security benefits
  - **Documentation of Barrier**: If this criterion is used for eligibility, SCOWB must document, as an attachment to the Project Funding Proposal, Attachment A, the number of employees within these categories. For example, in a company with 100 employees:
    - 20 employees have a criminal record.
    - 15 employees are over the age of 55.
    - 10 employees have limited English proficiency.
    - Based on these figures, approximately 45% of the workforce would meet the WIOA Section 3(24) definition of having potential barriers to employment.

- **Impact on Worker Competitiveness:** Whether the training will enhance workers' skills, particularly those with barriers to employment, leading to retention or advancement.
- **Employer and Industry Competitiveness:** The training's relevance to increasing the competitiveness of both the employer and employees.
- **In-Demand Occupation**: The occupation being trained for must be in an in-demand industry as defined by WIOA Section 3(23) or by SCOWB.
- **Additional Factors**: SCOWB may also consider:
    - Number of employees being trained.
    - Wage and benefit levels before and after training (post-training wages must be higher).
    - Other training and advancement opportunities offered by the employer.
    - Quality of the training (e.g., industry-recognized credentials).
    - Layoffs averted due to the training.
    - Integration of IWT into broader sector or career pathway strategies.

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.

By enhancing employee skills and providing industry-recognized credentials, IWT can lead to promotions for incumbent workers, creating opportunities for other WIOA participants to fill backfill positions within the company.

To be eligible for Incumbent Worker Training (IWT) funds, businesses must meet the following requirements. Failure to comply with any of these criteria will disqualify them from receiving IWT funds:

1. **Debarment and Suspension**:
    - Businesses must not be debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from transactions with the U.S. Department of Labor (USDOL) or the State of Oklahoma.
    - **Helpful Links for Verification**:
        - 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
2. **Tax Compliance**:

- Businesses must not have any outstanding tax liabilities to the State of Oklahoma for over six months. Before entering into an IWT agreement, SCOWB requires businesses to disclose any known tax liabilities, including those from other states.
- If tax liabilities exist, SCOWB must document how the liability has been resolved (e.g., letters from the business or the relevant state authority).
- Businesses must include their State Unemployment Tax Account (SUTA) Number on Attachment E, Statewide IWT Referral Form. If a SUTA number is not available, they must establish an account through *EZ Tax Express* and provide the date the account application was submitted.

3. **Out-of-State Violations**:
   - SCOWB must consider any out-of-state violations when determining a business's eligibility for IWT funds.
4. **Labor Practices**:
   - Businesses must not have more than one unfair labor practice contempt of court finding. Refer to Oklahoma Legal Information for verification.
5. **Licensing and Approvals**:
   - Oklahoma businesses must hold all necessary and current approvals, licenses, or qualifications to operate in the state. If a business loses its ability to conduct business legally during the IWT program, all IWT activities must cease.
6. **Prohibition on Relocation Incentives**:
   - IWT funds cannot be used to encourage or induce the relocation of a business if it results in job losses at its previous U.S. location.
   - Businesses that have relocated to Oklahoma and laid off workers in their former U.S. location are ineligible for IWT funds until they have operated in Oklahoma for at least 120 days.
7. **Pre-Award Review for Relocations**:
   - Before awarding funds, SCOWB must conduct a pre-award review to ensure the business is not relocating employment from another area. This review must include:
     - The business names, including any predecessors or successors.
     - The name, title, and address of the company official certifying the information.
     - Whether WIOA assistance is being sought for past or impending job losses at other company facilities.
   - The pre-award review should also verify compliance with the Worker Adjustment Retraining Notification (WARN) Act and may involve consultations with labor organizations and others in the affected local area.
8. **Compliance with Fines and Penalties**:
   - Businesses must not have any unresolved civil, criminal, or administrative fines or penalties owed to or pending in the State of Oklahoma.
9. **Union Activities**:
   - IWT funds must not be used to directly or indirectly support, promote, or deter union organizing efforts.
10. **Labor Disputes**:

- IWT funds cannot be used to fill positions vacated due to strikes, lockouts, or labor disputes. Additionally, funds cannot be used to fill a job that is part of an ongoing labor dispute involving work stoppages.

11. **General Administrative Rules**:
    - All general fiscal and administrative regulations outlined in 20 CFR Chapter V, Part 683, Subpart B – Administrative Rules, Cost, and Limitations must be followed when utilizing IWT funds.

Funding and Employer Contributions

Funding Priorities

Preference for ITW funding is to be given to: :

- Smaller businesses with less than 50 employees.
- Businesses located in an Opportunity Zone as defined by Oklahoma Statutes Title 68, Section 3603 Definitions.
- Businesses located in a rural county (i.e., not a part of a metropolitan area).
- Training for occupations on the Oklahoma's Top 100 Critical Occupations list which can be found at: https://oklahoma.gov/workforce/about/policies.html.
- Training provided to increase employee skills as a layoff avoidance strategy; or
- Training that leads to a significant upgrade in employee skills.

SCOWB may use up to twenty percent (20%) of their combined total of Adult and DLW allocations to pay for the Federal share of IWT. These funds may only be used for programmatic activities, while administrative costs must be covered by the board's administrative funds. Local IWT policies must comply with WIOA Section 134(d)(4) and 20 CFR §§ 680.780–820.

Whether funding for IWT is coming from SCOWB or from statewide IWT funds, employers are required to pay the non-Federal share of the cost of training, which is determined as follows:

- Employers with ≤ 50 employees: 10% of the cost
- Employers with 51–100 employees: 25% of the cost
- Employers with >100 employees: 50% of the cost

Non-Federal Contributions can include cash or fairly evaluated in-kind contributions, such as wages paid to workers during training.

Example of In-Kind Contribution Calculation:
Scenario: An employee earns $20/hour and participates in 40 hours of IWT.
In-kind contribution calculation:
$20/hour × 40 hours = $800 in employer contribution

All contributions must meet the standards of reasonableness, necessity, and allocability as outlined in 2 CFR 200.402-405. This means that contributions must be necessary for the training, reasonable in cost

relative to the benefits gained, and directly attributable to the IWT program. Costs should be carefully documented to ensure they are justifiable, relevant to the program's objectives, and allowable under federal regulations. In-kind contributions must be fairly evaluated and recorded to demonstrate compliance with these standards.

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.

Referral Process for Statewide Incumbent Worker Training (IWT) Funds

When utilizing State Incumbent Worker Training (IWT) funds instead of local Adult and Dislocated Worker (DLW) allocations, the following standardized referral process for LWDBs and documentation are required. The goal is to ensure consistent and efficient referrals while maximizing the use of statewide resources to address employer training needs.

1. **Eligibility Criteria:**
   Businesses referred to the state for IWT funds must:
   - Meet the definition of an eligible employer under WIOA Section 134(d)(4).
   - Demonstrate the need for training to improve employee skills and prevent layoffs.
   - Be unable to fully fund training through local workforce funds.
2. **Alignment with Statewide Workforce Goals:**
   Referrals should prioritize businesses in high-demand industries, as defined in Oklahoma's State Workforce Plan, or those supporting layoff aversion strategies.

Referral Process

1. **Initial Business Assessment by SCOWB:**
   SCOWB staff will:
   - Conduct an initial needs assessment with the business to determine its training requirements.
   - Confirm the business's eligibility for IWT funds based on state and federal criteria.

- Discuss funding options, including local resources, before escalating to a state-level referral.
- Discussions should include detailed information about the IWT program, including:
  - **Benefits of the Program:**
    - Helps businesses address skill gaps within their workforce.
    - Increases employee productivity and company competitiveness.
    - Reduces the risk of layoffs by upskilling workers.
    - Supports career advancement opportunities for employees.
  - **Employer Cost-Sharing Requirements:** Employers are required to contribute a percentage of the training costs, determined by company size:
    - 50 or fewer employees: 10% cost share.
    - 51-100 employees: 25% cost share.
    - Over 100 employees: 50% cost share.
  - **Application Process:**
    - SCOWB will explain the application process and assist employers in completing documentation.
  - **Training Provider Eligibility Requirements:** Since **Incumbent Worker Training** providers are not subject to Eligible Training Provider requirements per **§680.530,** the state has established alternative criteria to ensure quality and accountability while maintaining flexibility. That criterion is:
    - **Alignment with State Workforce Goals**: Training programs must align with Oklahoma's in-demand industries or address skill gaps identified by local workforce development boards.
    - **Demonstrated Expertise**: Providers must demonstrate the capacity to deliver high-quality, employer-specific training. This includes proof of experience, relevant certifications, or a history of successful training outcomes.
    - **Performance Outcomes**: Providers must track and report key metrics, such as:
      - Number of employees trained.
      - Skills acquired or certifications earned.
      - Job retention or wage increases resulting from training.
    - **Employer Partnership**: Providers must work directly with employers to ensure the training meets specific business and employee needs.
    - **Customized Training Plan**: Training proposals must include:
      - Clear learning objectives.
      - Details of the curriculum and delivery method (e.g., on-site, virtual, or classroom).
      - Expected outcomes for both the employer and the employee.
    - **Accountability and Monitoring**:
      - Providers must agree to periodic monitoring by local workforce development boards or the state to verify the effectiveness of the training.

- Submit reports on program outcomes.

2. **Referral Submission to the State:**
   If statewide IWT funds are deemed appropriate:
   - SCOWB staff will assist the business gathering all necessary documentation and completing the required forms in the table below.

Required Documentation	Submission Details
Employer Request Letter	On company letterhead, detailing training needs.
Project Funding Proposal (Attachment A)	Detailed breakdown of proposed training costs.
Grantee Worksheet (Attachment B)	Financial breakdown, including employer contribution.
Incumbent Worker Training Employee List (Attachment C)	List of employees participating in training.
Anticipated Outcomes (Attachment D)	Expected outcomes such as skills gained, layoffs averted, or promotions achieved.
Statewide IWT Referral Form (Attachment E)	Request for use of Statewide Funds for IWT.

   - SCOWB should review the application for completeness and submit all required documents in one email to OESC via at WorkforceServices.Inquiry@oesc.ok.gov.
   - SCOWB should send the employer a confirmation email that this step has been completed.
3. **State Review and Approval:**
   - OESC will review the referral to ensure the business and training meet eligibility and priority criteria.
   - The OESC will communicate approval or denial of the request to SCOWB within 10 business days.
   - **Note:** The completed application must be approved by OESC before the start of the incumbent worker training.
4. **Business Notification and Coordination:**
   - If approved:
     - OESC will coordinate directly with the local workforce board to establish payment for statewide IWT funds.
     - SCOWB will support the employer in setting up the training program.
     - SCOWB will collect and report required data for participants and reportable individuals.
   - If denied:
     - SCOWB will work with the employer to understand the reason for denial and discuss alternative funding or workforce development options.
5. **End of Training Review**
   - A review to evaluate the effectiveness of the completed program should be conducted. This review should at a minimum:
     - Assess whether participants achieved the intended skills or certificates
     - Compare actual outcomes against anticipated outcomes stated in the training plan.

- Gather feedback from the employer regarding the quality and impact of the training.
- Evaluate the alignment of the training with workforce needs and business goals.
- Analyze overall training effectiveness in improving participant skills and meeting employer expectations.
- Identify strengths and areas for improvement for future training programs.
- Record these findings in a formal review report with any recommendations for future programs. This report should be submitted to OESC via WorkforceServices.Inquiry@oesc.ok.gov.

Use of Rapid Response Funds:

Rapid Response funds may be allocated for State IWT activities as part of broader layoff aversion strategies. These funds should be used in cases where training will directly prevent layoffs or help businesses adjust to economic changes that might otherwise result in job losses.

State Recommendations to LWDBs:
The State or the Governor's Council may also make recommendations to Local Workforce Development Boards (LWDBs) for providing IWT that impacts the state as a whole. Local boards are encouraged to explore and develop IWT opportunities that:

- Support employers in improving workforce competitiveness.
- Avert potential layoffs.
- Provide opportunities for incumbent workers to advance into higher-wage positions.

Documentation Requirements:
Regardless of whether IWT is funded with local Adult and Dislocated Worker (DLW) allocations or through Statewide Employment and Training Activities under WIOA Sections 134(a)(3), the following documentation is required:

- **Employment History Verification:** Document the incumbent worker's six-month work history with the employer. **Example:** pay stubs, payroll records.
- **Employer's Non-Federal Share:** Include the employer's required contribution amount, based on the size of the workforce. **Example:** Budget documents, invoices, or financial statements outlining the employer's cost share.
- **Opportunity for Advancement:** Provide a statement affirming that, when incumbent workers advance, the employer will make an effort to fill the now-vacant position with a local WIOA participant, when feasible. **Example:** a written employer statement or inclusion in the IWT agreement.
- **Employer Cost Match Tracking:** Specify the process for documenting and tracking the employer's cost share contributions. Records must be maintained by the employer, LWDB, and service provider. **Example:** A cost tracking log, receipts, or timesheets for in-kind contributions.
- **In-Kind Contribution Valuation:** Detail the methodologies used to determine the value of in-kind contributions, ensuring they meet the cost match requirements outlined in 2 CFR §

200.306. **Example:** Calculations based on fair market value of goods or services provided, along with supporting documentation.

- **Monitoring Requirements:** Outline the local monitoring processes to ensure compliance with IWT guidelines. **Example:** A monitoring plan or checklist used by local area staff.
- **Required Documentation:** Ensure any additional documentation required by the local area is included. **Example:** Local forms or checklists specific to the area.
- **Regulatory Compliance:** Provide assurances that all Regulatory and Prohibited Activities requirements are met. **Example:** Signed assurances in the IWT agreement and documentation of compliance during reviews.
- **Performance Data Sharing:** Include a commitment from the employer to share required performance data with the LWDB. **Example:** A data-sharing agreement or periodic performance reports.
- **Equal Employment Opportunity (EEO) Compliance:** Affirm that the employer complies with nondiscrimination and EEO policies, including handling complaints and participating in compliance reviews. **Example:** Signed nondiscrimination agreements and records of EEO policies.
- **Agreement Dates and Funding:** Clearly specify the start and end dates of the IWT agreement and include the approved funding amounts and limits for the training. **Example:** Finalized and signed IWT agreement.

Data Reporting

Accurate and timely data reporting is essential for tracking the success of Incumbent Worker Training (IWT) programs. SCOWB is required to collect and report specific data for two categories of IWT recipients: Participants and Reportable Individuals. Participants receive both IWT and other WIOA Title I services, and their outcomes are tracked using standard WIOA performance indicators. Reportable Individuals receive only IWT services and, while they are not included in standard WIOA performance metrics, their basic information and outcomes must still be reported for program accountability.

The table below outlines the required data elements for both categories of IWT recipients, providing clear expectations on what data to report, how it should be reported, and the timelines for submission. This ensures consistent tracking of participant progress, employer contributions, and program compliance.

Data Category	Details to Report	Follow-up Expectations & Performance Measures	Reporting Frequency
Basic Participant Information	Report the participant's name, gender, race/ethnicity, age, veteran status, and disability status.	Track and maintain records for all IWT participants. Ensure demographic data is consistent with federal reporting requirements.	Quarterly

Employment Status	Report employment status before and after the training, including promotions or job title changes.	Follow-up to verify employment retention at both the second and fourth quarters post-exit.	Second and fourth quarters post-exit
Wages	Collect pre- and post-training wages to determine wage increases due to training.	Track wage growth post-training, particularly in the second quarter after exit, and report increases in earnings.	Second quarter post-exit
Measurable Skill Gains	Document progress in skill gains during the training program, including certifications, competencies, or milestones achieved.	Measure ongoing progress during training and record any certification/licensure achieved during or immediately after the program.	Ongoing during training and reported at completion
Credential Attainment	Report any industry-recognized credentials, certificates, or licenses earned as a result of the training.	Ensure credential data is reported as part of performance measures for skills gain and credentials.	Upon training completion
Employment Retention	Track and report employment retention at the same employer in the second and fourth quarters after exit.	Verify continued employment with the same employer in both second and fourth quarters post-training to meet retention goals.	Second and fourth quarters post-exit
Median Earnings	Report median earnings in the second quarter after exit.	Track overall earnings for participants to report median wages for performance indicators.	Second quarter post-exit
Employer Information	Report employer name, industry sector, business size, and contributions (both cash and in-kind).	Ensure employer data is tracked and that the business size matches the employer contribution percentage required by IWT guidelines.	Upon IWT Agreement submission and updated post-training
Employer Contribution	Document employer's financial contributions, including in-kind contributions and cash matches, as applicable.	Follow up with employers to ensure compliance with the non-federal match contribution as required under federal guidelines.	Upon IWT Agreement submission and as contributions are received
Performance Data Reporting	Track and report employment, earnings, and skills gain data for reportable individuals (those receiving only IWT).	Ensure that reportable individuals are tracked for the same performance outcomes as participants, even though they are not included in WIOA core measures.	At exit and ongoing follow-up

Monitoring and Compliance

Effective monitoring and compliance processes are critical to ensuring that Incumbent Worker Training (IWT) programs adhere to federal, state, and local guidelines. SCOWB must establish a structured and ongoing monitoring process to evaluate program performance, financial management, and regulatory compliance throughout the duration of the IWT program. Below are the expectations and procedures for ensuring compliance and accountability.

Monitoring Frequency

- **Quarterly Monitoring**: SCOWB must conduct quarterly reviews of all IWT programs. These reviews will focus on both programmatic and fiscal compliance, ensuring that training activities align with approved proposals, and that employer contributions are being tracked and documented as required.
- **End of Training Review/Annual Review:** Incumbent Worker Training (IWT) programs are intended to be short-term, targeted training initiatives designed to address specific skill gaps and enhance workforce competitiveness. A review should be conducted at the conclusion of each training program to evaluate the overall performance and fiscal compliance of the IWT program.
  For training programs lasting 12 months or longer, at least one review should be conducted annually to ensure ongoing compliance and effectiveness. This review may include site visits, interviews with employers and participants, and an assessment of participant outcomes such as employment retention, wage gains, and credential attainment.
  The frequency and scope of reviews should reflect the short-term nature of IWT programs while ensuring accountability and alignment with program goals.

Areas of Focus for Monitoring

Monitoring must encompass the following key areas to ensure compliance with all applicable regulations:

- **Programmatic Compliance**: Review the alignment of training activities with the approved IWT agreement, including training objectives, participant progress, and employer engagement.
- **Fiscal Compliance**: Ensure that all financial contributions, both cash and in-kind, are properly tracked and meet the required employer contribution levels based on business size. Monitor the accuracy of invoices, receipts, and records submitted by employers and training providers.
- **Participant Data**: Verify that all required participant data is collected and accurately reported, including employment status, wage increases, skills gains, and credential attainment. Ensure that both participants and reportable individuals are tracked in accordance with reporting guidelines.
- **Employer Contributions**: Confirm that employer contributions are accurately recorded, including both cash and in-kind contributions. Verify that contributions meet the minimum requirements as outlined in the policy and the IWT agreement.

Documentation Requirements

- **Records Maintenance**: SCOWB must maintain thorough documentation of all monitoring activities, including reports on financial transactions, participant outcomes, and employer contributions. All records should be available for review by state and federal oversight agencies.
- **Corrective Action Plans**: If non-compliance is identified during monitoring, SCOWB must work with the employer or training provider to establish a corrective action plan. The plan should include specific steps to address any deficiencies, along with a timeline for resolution.
- **Follow-Up**: SCOWB is responsible for following up on corrective actions to ensure that any issues are resolved. Ongoing compliance must be documented, and any unresolved issues must be escalated to the Oklahoma Employment Security Commission (OESC).

State Oversight and Reporting

- **State Reviews**: The OESC will conduct annual reviews of SCOWBs monitoring activities to ensure compliance with state and federal regulations. SCOWB is required to provide OESC with all requested monitoring documents as part of this oversight process.
- **Audit Compliance**: All IWT programs are subject to state and federal audits. SCOWB must ensure that records are maintained in accordance with 20 CFR 683.410 and other applicable regulations to ensure readiness for audits and external reviews.

Penalties for Non-Compliance
Failure to adhere to monitoring and compliance requirements may result in penalties, including the suspension of IWT funds, disqualification from future IWT programs, or other legal actions as required by federal and state law.

Local Guidance

IWT is generally provided to private sector employees. SCOWB supports IWT to non-profit and local government entities in the case of in demand occupations. 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.

SCOWB supports underemployed incumbent workers who are employed part time but seek full time opportunities. 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. Upskilling frontline workers for higher-skilled positions within the same industry can increase their earnings through more work hours and higher wages.

SCOWB supports the opportunity to upskill existing employees through an IWT with the opportunity to backfill entry level positions with WIOA Title I participants.

ADDENDA/REVISIONS: The SCOWB Executive Director is authorized to issue additional instructions, guidance, approvals, and/or forms to further implement the requirements of policy, without making

substantive change to the policy, except in situations when a new or updated state and federal guidance is issued.

ACTION REQUIRED: SCOWB will disseminate the Incumbent Policy to all SCOWB contractors, staff, and board members. All contractors, staff, and board members will be responsible for following this policy.

ATTACHMENTS:
Attachment A: Project Funding Proposal
Attachment B: Grantee Worksheet
Attachment C: Employee List
Attachment D: Anticipated Outcomes
Attachment E: Statewide IWT Referral Form

APPROVED: 02/1/2025

Incumbent Worker
Project Funding Proposal

This agreement is between **(*enter your business here*)**, and (***SCOWB)***. 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

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

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 **Workforce System Directive #28-2024**?	
What is the type of preference?	
Provide a brief description of what is done at this location:	

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 *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 (local WDB)).*
   - 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: ☐ *Project Lead* ☐ *Employer* ☐ *(local WDB)* *The selection made will be responsible for coordinating any fiscal payments with the training provider.*

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*
- *Statewide IWT Referral Form, attachment E*

Employee

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

Grantee Worksheet

BUDGET NARRATIVE *(local WDB)*

Add additional pages as necessary

TRAINING COSTS

Description	Detail	Amount	Match
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
	Subtotal	$ -	$ -

PERSONAL SERVICES

Description	Detail	Amount	Match
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
	Subtotal	$ -	$ -

TRAVEL

Description	Detail	Budget	Employer
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
	Subtotal	$ -	$ -

CONTRACTUAL

Description	Detail	Amount	Match
		0.00	0.00
		0.00	0.00
	Subtotal	$ -	$ -

SUPPLIES

Description	Detail	Amount	Match
		0.00	0.00
		0.00	0.00
	Subtotal	$ -	$ -

ADMINISTRATION

Description	Detail	Amount	Match
		0.00	0.00
		0.00	0.00
	Subtotal	$ -	$ -

Total	$ -	$ -

Grantee Name
Program, File#
Original Agreement

Attachment B, Rev 9/30/19

Incumbent Worker Training | Employee List | *(local WDB)*

Employee's Name	Employment Location (city location)	Hire Dat	Position Title	Credentials/Licenses to be Obtained	Training Dates

Number each page if more than one.

Attachment C, Rev 9/27/19

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.

Statewide Incumbent Worker Training (IWT) Referral Form

Purpose:

This form is to facilitate the referral process for Local Workforce Development Boards to connect with eligible businesses to access Statewide IWT Funds. Complete all sections and attach all supporting documentation before submission.

Instructions for Submission

- **Email Submission:**
  Send the completed form and required attachments to **WorkforceServices.Inquiry@oesc.ok.gov**.
  (Please indicate "IWT Referral" in the subject line of the email.)
- **Assistance:**
  For help, contact the OESC WIOA Team at **WorkforceServices.Inquiry@oesc.ok.gov**.
  (Indicate "IWT" in the subject line.)

Business Information

- **Business Name:**
- **Address:**
- **City:** **State/Zip:**
- **Contact Person (CP):**
- **CP Title:** **CP Phone Number:**
- **CP Email:**

Training Information

- **Training Description:**
  Example: Software training for data analysis tools.
- **Number of Employees to be Trained:**
- **Anticipated Outcomes (e.g., skills gained, certifications):**
  Example: Increase proficiency in [specific skill], achieve certification in [program].
- **Training Provider Name:**
- **Proposed Training Dates:**

Justification for IWT Funds

- **Have local workforce funds been explored for this training?**
  Yes No
  Details:
- **Reason for Requesting Statewide IWT Funds:**

Example: Local funds exhausted; training aligns with priority industry needs.

Employer Information

- **State Unemployment Tax Account (SUTA) Number:**
  (*If unavailable, establish an account via EZ Tax Express.*)
- **Federal Employer Identification Number (FEIN):**

Referral Submission Information (To Be Completed by LWDB Staff)

- **Name:**
- **Title:**
- **LWDB:**
- **Email Address:**
- **Date of Submission:**

Acknowledgment
I, the undersigned, confirm that the information provided in this referral is accurate to the best of my knowledge and that the employer agrees to meet all program requirements, including cost-sharing and performance reporting.

Signature: **Date:**

Checklist for Required Attachments
Employer Request Letter
Project Funding Proposal (Attachment A)
Grantee Worksheet (Attachment B)
Incumbent Worker Training Employee List (Attachment C)
Anticipated Outcomes (Attachment D)

OESC IWT Coordinator Section (For Official Use Only)

- **Date Referral Received:**
- **Approved:** Yes No
  - **Comments:**
- **Date Notification Sent to LWDB:**
- **Next Steps:**