


Incumbent Worker Training Guidelines

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Companies located in Lancaster County are eligible to apply for Incumbent Worker training funds. The following guidelines apply.

Note that these guidelines are subject to change at the LCWDB's discretion and based on funding.

Incumbent Worker Training Overview

The Incumbent Worker Training (IWT) Program provides funding to help cover the costs of training needed to retain a competitive workforce. Such training is meant to assist with upskilling current workers, expansion, new technology, retooling, new services/product lines, and/or new organizational structuring, or to be used as part of a layoff aversion strategy. As a result, IWT is not intended to fund the periodic safety and refresher courses necessary for a business to continue to operate (i.e. First Aid, CPR, and Occupational Safety and Health Administration certifications) or the occupational training a new hire would need.

Eligibility

Employer

LCWDB has defined employers eligible to receive WIOA incumbent worker funds as: Private-for-profit businesses, non-profit organizations, and public sector employers.

An employer will NOT be eligible to participate in IWT contracts if:

1. The employer has any other individual on layoff from the same or substantially equivalent position.
2. The IWT would infringe upon the promotion of or displacement of any currently employed worker or a reduction in their hours.
3. The same or a substantially equivalent position is open due to a hiring freeze.
4. The positions are for seasonal employment.
5. The employer is a private for-profit employment agency, i.e. temporary employment agency, employee leasing firm or staffing agency.
6. The position being trained for is not full-time, i.e. minimum of 32 hours per week.
 - a. Exceptions may be made if the position/training leads to a full-time position.
7. The employer has laid off workers within 120 days to relocate to Pennsylvania from another state.
8. The employer is not current in unemployment insurance and workers' compensation taxes, penalties, and/or interest or related payment plan.

Incumbent Worker (Employee)

All incumbent workers being trained must be:

1. Employed by the company requesting the training

2. Must be PA residents
3. Meet the Fair Labor Standards Act requirements for an employer-employee relationship
4. Have an established employment history with the employer for six (6) months or more **prior to the start of training.**
5. Be employed in a High Priority Occupation as defined by the PA Department of Labor and Industry for the Lancaster County Workforce Development Area.

The employee may be underemployed.

Training

Training may not be

- Periodic safety and refresher courses necessary for a business to continue to operate (i.e. First Aid, CPR, and Occupational Safety and Health Administration certifications)
- Occupational training a new hire would need
- For skills required and expected in the employee's current role
- Training cannot be a program required by local, state, or federal agencies.

Employer Outcomes

The training must provide at least one of the following outcomes for the employer.

- Quality Improvement (Total Quality Management, Reduced Junk, etc.)
- Increased Productivity (Production Man Hour, Product Throughput, Lean, etc.)
- Improved Profits (Cost Savings, etc.)
- Increased industry competitiveness (Increased investment in economies of scale, equipment, etc.)

Employee Outcomes

The training must provide at least one of the following outcomes for the employee.

- Wage increase (other than cost of living increase)
 - minimum of a 3% increase in wage and benefits per employee/incumbent worker after training.
- Promotion
- Industry Recognized Credential
 - Must be recognized outside of current employer. Ex: CDL, Cisco Certified - Network Associate (CCNA), Certified Welder
- Layoff aversion
 - Funding for Incumbent Worker Training (IWT) used for averting layoffs is allowable. A layoff is considered averted when: a worker's job is saved with an existing

employer that is at risk of downsizing or closing, or a worker at risk of dislocation transitions to a different job with the same employer or a new job with a different employer and experiences no or a minimal period of unemployment. Through the application process we will determine layoff risk, and when and whether IWT is an appropriate response. Consideration will be given as to whether, absent the training, a good job will be lost or degraded, and whether the job will be retained or improved with the training.

Costs

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
 - These may be considered an in-kind match but **are not** considered part of the employer match.
- Purchase of any item or service that may possibly be used outside of the training budget, this includes:
 - computer equipment
 - non-training related software
- Meals, lodging or travel expenses of trainers or trainees
 - Exceptions may be made for lodging for trainer/instructor if necessary
- Advertisement or recruitment
- Purchase of capital equipment
- Capital improvements
- Costs incurred prior to approval of IWT
- Membership fees/dues
- Conferences

Funding

Employer Match Payment of Non-Federal Share

Employers receiving funds for incumbent worker training are required to pay for the non-federal share of the cost of providing such training. In accordance with WIOA Sec. 134 (d)(4) (C-D), LCWDB has established the non-federal share of such cost based on the size of the workforce as follows:

- 10% of the cost for employers with 50 or fewer employees
- 25% of the cost for employers with 51 to 100 employees
- 50% of the cost for employers with more than 100 employees.

This means that the Incumbent Worker Training Funding allowable can be approved **for up to the following amounts:**

- 90% of the cost for employers with 50 or fewer employees
- 75% of the cost for employers with 51 to 100 employees
- 50% of the cost 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 application for the incumbent worker training funds for each training project. This applies to all employers, including employers with seasonal or intermittent employee size fluctuations.

If multiple employer sites exist within a local workforce development area (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 budget.

Funding Limits

Limit of \$3,000 per employee per training

Limit of \$20,000 per employer, per program year

IWT training funds cannot be used to reimburse for training that has been or will be paid or supported (in whole or in part) by another local, state and/or federal funding source.

Note that our program year is July 1 to June 30.

IWT master agreements are typically written for three-year terms

The training costs to be reimbursed must be incurred and dated within the program year of the application and addendum.

The training must start within the program year of the application and addendum.

Internal Trainings

Any in-house trainings must have a clearly established timeline, defined training objectives, and methodologies.

IWT is not to be used for on-the-job learning such as would be achieved through a normal onboarding process.

Time spent performing normal job duties under supervision and/or mentorship is not considered eligible for Incumbent Worker Training Funds.

Application

Companies must complete the application which can be found on the Lancaster County Workforce Development Board (LCWDB) website at www.lancastercountywib.com.

Signed applications should be sent to bbecker@lancastercountywib.com

For questions about the application process please contact Brie at bbecker@lancastercountywib.com or 717-735-0333.

Applications must include a cash match letter as outlined on the application.

Applications will be evaluated by LCWDB staff with final approval determined by the LCWDB Executive Director.

Evaluation Considerations

Applications will be evaluated for adherence to the guidelines outlined here, as well as:

- Extent to which proposed training is aligned with the vision and goals of LCWDB as established in the local and regional workforce plans
- The extent to which the participants will benefit from the training – at the minimum a skills gain must be provided that will result in retention or advancement.
- The quality of the training (e.g., industry-recognized credentials, advancement opportunities, etc.)
- The wage and benefit levels of participants before and after training
- Training that is directly associated with layoff aversion and retention will be given priority.

Timeline

Applications are reviewed and awarded on a rolling basis as funding allows.

If applications are being reviewed on a rolling basis, every effort will be made to provide applicants with a preliminary decision within two weeks of receiving a completed application.

When funding is limited, applications will be reviewed and awarded on a quarterly basis according to the following schedule:

Fiscal Quarter	Application Period	Decision Notice by:
1 st	July 1 – Sept 30	July 15
2 nd	Oct 1 – Dec 31	Oct 15
3 rd	Jan 1 – March 30	Jan 15
4 th	April 1 – Jun 30	April 15

Reimbursement is issued within 45 days from the 15th of the month following the start of training **and** LCWDB's receipt of all required documents.

Process

1. Employer submits application and completes any follow-up with the board.
 - a. Application Materials
 - i. A completed application document
 - ii. Company cash match letter
 - iii. Supporting documentation including total costs and breakdown where applicable
 - iv. Description of training
May be a course outline, syllabus, learning objectives list, etc.
 - v. List of trainee names
2. If the employer does not already have a profile in CWDS, they must work with the Business Services Team at the CareerLink to set one up.
3. If the employer does not already have a Master Agreement in place with the LCWDB, one will be sent to the employer for signing.
4. A preliminary funding decision will be provided to the employer.
5. The employer confirms that the training began as described in the application.
6. An addendum to the master agreement is created for the approved funding.
7. The employer provides the invoice, proof of payment, and W-9.
 - a. Invoice must be provided within 30 days of the training completion or the execution of the addendum, whichever is later.
 - b. The invoice must include the name of the training and the date of the training.
 - c. If possible, the invoice should also include the names of the employees trained and the addendum number.
8. LCWDB issues a check to the employer for the approved reimbursement amount.

Abandonment

An application will be considered abandoned if the employer does not respond to follow-up communications or requests from the LCWDB for three (3) months. This applies at any point in the process, regardless of approval.

Once abandoned, a new application must be submitted if the employer wishes to continue pursuing IWT funds for the same project. Note that the training must still fall within the required time parameters.

IWT Funds for Apprenticeship

Existing RA

IWT Funding may be used for existing Registered Apprenticeships (registered with the Commonwealth of Pennsylvania) using the guidance above, with the following exceptions.

Application Form

There is a specific application for Apprenticeship IWT funding. This can also be found on the Lancaster County Workforce Development Board (LCWDB) website at www.lancastercountywib.com.

Funding

The Incumbent Worker Training Funding allowable can be approved **for up to:**

- 75% of the cost for employers with 1 to 100 employees
- 50% of the cost for employers with more than 100 employees.

Residency and Location

Both the Employer and the Employee/Apprentice must be located in Lancaster County

The Training must take place in Pennsylvania

Acknowledgments

The submission of an application does not assure or imply an award of a contract to the employer submitting the application.

IWT funding is dependent on the availability of funds at the LCWDB.

LCWDB reserves the right to accept or reject any or all applications in whole or in part, to negotiate any offer made, and/or to cancel or amend any part of this application package for whatever reason.

In addition, based on current or proposed legislative activity, LCWDB reserves the right to adjust any conflicting administrative and/or programmatic requirements that may occur prior to or after the contracting process.

All incumbent worker training must comply with CFR 680.790 which states:

CFR 680.790 What is incumbent worker training?

Incumbent worker training must satisfy the requirements in WIOA sec. 134(d)(4) and increase the competitiveness of the employee or employer. For purposes of WIOA sec. 134(d)(4)(B), incumbent worker training is training:

- a) Designed to meet the special requirements of an employer (including a group of employers) 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.
- b) Conducted with a commitment by the employer to retain or avert the layoffs of the incumbent worker(s) trained.

Employer Requirements

Employers agree to the following:

1. Their funding request meets all eligibility requirements for Incumbent Worker Training.
2. Employers who have financial responsibilities related to the receipt and disbursement of funding under the Agreement shall be covered by fidelity bonding.
3. The training to be provided will be in accordance with WIOA 181(a)(1)(A) and 683.275 for wage and labor standards. Worker protection requirements are set forth in WIOA Sections 181(a) (1) (A) and (B), (b) (2), (3), (4) and (5) and 188.
4. Agree to cooperate with monitoring efforts as required by WIOA legislation and adhere to all other applicable local, state and federal rules and regulations.
5. Funds are not used to directly or indirectly assist, promote or deter union organizing.
6. LCWDB will reimburse the employer with receipt of actual invoices and proof of payment based on company size and award amount.
7. Employers agree to provide reporting information (i.e. wage increase, retention, etc.) to LCWDB upon request and as required by the appropriate funding stream.
 - a. This includes entering training outcomes in the Pennsylvania Commonwealth Workforce Development System (CWDS).
8. Employers will work with the Business Services Team at the PA CareerLink® to create the necessary profile(s) on CWDS.
9. Employers will post job openings on the PA CareerLink® Website.

10. Employers will work with the Business Services Team at the PA CareerLink® to determine if other supports may be available for their business.
11. Employers agree to enter training outcomes in CWDS.
12. Employers will be asked to provide the LCWDB with marketing content in the form of a testimonial, photo, success story, etc.