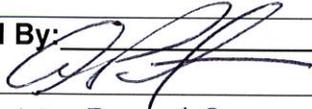


ARIZONA@WORK Pima County Workforce Development System

WORKFORCE INNOVATION AND OPPORTUNITY ACT	WIOA TITLE I-B ADULT AND DISLOCATED WORKER PROGRAMS Adult and Dislocated Worker Incumbent Worker Training Guidelines
Approved By: 	Director, Pima County Community Services, Employment and Training Department <i>Arnold Palacios</i>
Date: <u>10-2-19</u>	

I. BACKGROUND AND PURPOSE

These guidelines provide policy and procedures for the Local Workforce Development Area (LWDA) referred to as the ARIZONA@WORK Pima County One-Stop Workforce Development System to use when determining eligibility and providing services governed by the Workforce Innovation and Opportunity Act (WIOA) for both Adult and Dislocated Worker clients.

Background and Purpose: Training is designed to help the local area employer's and workers in the workforce obtain the skills necessary to retain employment and prevent job loss. The training activities are carried out by the One Stop System in conjunction with training providers and employers or a group of employers (which may include employers in partnership with other entities for delivering such training) to assist such workers in obtaining the skills necessary to retain employment or avert layoffs.

Section 134(d)(4) of Workforce Innovation Opportunity Act (WIOA), states Incumbent Worker Training (IWT) should increase the competitiveness of the employee and/or employer.

- A. Up to 20 percent of the adult and dislocated worker funds may provide for the federal share of cost of providing Incumbent Worker training.

II. REFERENCES

- Workforce Innovation and Opportunity Act (WIOA) of 2013; and
- Arizona Department of Economic Security WIOA Title I-B Policy Manual, Chapter 2 – Section 500, Training Section 29, Issue date: December 29, 2015; Revision date: February 15, 2018.

IV. DEFINITION OF INCUMBENT WORKER TRAINING

Incumbent Worker Training (IWT) is designed to meet the special needs of an employer, including a group of employers. IWT is to help the employer(s) to retain a skilled workforce by having current employees obtain the skills necessary to retain employment. Or so employees may be promoted within the company and create backfill opportunities for less-skilled employee, or avert the need to lay off employees by assisting the workers with skills needed to retain employment.

V. Incumbent Worker Eligibility Requirements

A. To qualify as an incumbent worker, the individual must:

1. Be employed;
 2. Meet the Fair Labor Standards Act for an employer-employee relationship; and
 3. Have an established work history with the employer for at least six months. Exceptions may be granted if business is seeking lay-off aversion or rapid response services.
 4. Note: An exception exists when the incumbent worker training is being provided to a cohort of employees. Not every employee in the cohort must have an established employment history with the employer for six months or more, as long as a majority of those employees being trained meet the employment history requirement.
- A. Incumbent workers who are working for the employer, and who are considered underemployed (e.g. workers who would prefer to work Department of Economic Security Chapter 2 – Section 500 WIOA Title I-B Policy Manual Training Section 28 Issue date: December 29, 2015 Revision date: February 15, 2018 full-time, but who are working part-time for economic reasons) may also participate in Incumbent Worker Training.
- B. An incumbent worker does not have to meet the eligibility requirements for career and training services for adults and dislocated workers under WIOA

Title I-B, unless they are also enrolled as a participant in the WIOA Title I-B Adult and Dislocated Worker Program as a result of receiving other services from the WIOA Title I-B Adult or Dislocated Worker program.

- C. Incumbent Worker Training is considered a business service. Individuals who only receive Incumbent Worker Training are not included in the WIOA performance indicator calculations. Although participant and performance data on all incumbent workers who only receive Incumbent Worker Training is reported to USDOL, the required elements are limited to the demographics information and the elements needed to calculate employment in the 2nd and 4th quarters after exit, median earnings, and credential attainment rate.
- D. The training services are directly linked layoff aversion, promotion or to employment opportunities in the local area or the planning region, or in another area to which the individuals are willing to commute or relocate;
- E. To enroll an individual in (Incumbent Worker Training) in AJC, LWDA staff must check “yes” on the Incumbent Worker question, enroll the incumbent worker in the WIOA Title I-B Adult Program, and enter the Incumbent Worker Service.

VI. Employer Eligibility for Incumbent Worker Training

The LWDA must determine the employer’s eligibility for participating in Incumbent Worker Training. The following factors are used to help evaluate whether the training would increase the competitiveness of the employees or both the employees and the employer:

- A. The characteristics of the participants in the program (e.g. individuals barriers to employment); and
- B. The relationship to the occupational competitiveness of the employer and the employees;
- C. The LWDA may also consider other factors, including
 - 1. The number of employees participating in the training;
 - 2. The wage and benefit levels of the employee (at the beginning and anticipated upon the completion of the training);
 - 3. The availability of other employer-provided training and advancement opportunities;
 - 4. Credentials and skills gained as a result of the training;
 - 5. Layoffs avoided as a result of the training;

6. Utilization as part of a larger sector and/or career pathway strategy; and
 7. Employer size.
- D. Local policies must be consistent with the state and local plan, as well as with career pathways and sector strategy approaches.
- 1. To participate in the Incumbent Worker and Customized Training program, businesses must further:**
 - a) All businesses must be located and conducting business within the Pima County, AZ. Each business agrees to:
 - b) Complete an application with Pima County Business Services Team.
 - (1) At a minimum, a four part narrative plan will identify the need for the training, include a career ladder statement for the participants, syllabus by the training provider, and cost sharing statement.
 - c) Unless entirely privately funded, adhere to applicable Federal administrative requirements, as well as the nondiscrimination and equal opportunity provisions of the laws;
 - d) The industry sector and positions must be defined as high demand as determined by company growth report and labor market information; **OR**
 - e) Provide a Training Development Plan that identifies the training need and competencies that will be achieved for each individual selected to receive the training
 - f) Provide copies of a "Certificate of Completion" for each individual who successfully completes the prescribed training program. Such certificates must contain the individual's name and the class or course completed through training;
 - g) Employment, Lay off aversion, and agreement to interview all individuals who have successful completed training;
 - h) Be available for program monitoring on a scheduled basis; and
 - i) Provide quarterly post-training reports, including information on the retention, promotions of trainees, and the impact training made on the business, for at least one year after the completion of the training;
 - 2. To participate in the Incumbent Worker, a business must NOT:**
 - a) Displace any currently employed workers (including a partial displacement such as a reduction in non-overtime work, wage, or employment benefits);
 - b) Impair an existing contract for services or a collective bargaining agreement;
 - c) Procure, contract for, or incur costs to be paid from WIOA Title IB program funds prior to the start date, as determined by the date when all parties sign an agreement;
 - d) Be provided to any company that has relocated within the previous 120 days of its application if the relocation has resulted in any employee losing his or her job at the original location;

- e) Include proprietary training specific to a company, unless skills are determined to be transferable to other businesses or industries; and
- f) Be used to directly or indirectly assist, promote, or deter union organizing.

VII. Incumbent Worker Training Funds

- A. The LWDA Entity may reserve up to 20 percent of total adult and dislocated worker allotments for ITW. The 20 percent must only be used for Incumbent Worker Training activities that are programmatic in nature, as the administrative activities must be paid out of the LWDA's administrative funds.
- B. Employers participating in Incumbent Worker Training must pay the non-federal share of the cost of providing the training to their incumbent workers. Payments may be made through both cash payments and fairly evaluated in-kind contributions. The employer's contribution may include the wages paid to the incumbent worker trainee while the worker is attending training. LWDA's must develop policies regarding the non-federal share of the cost of Incumbent Worker Training.
- C. The LWDA must take into consideration the following factors when establishing the non-federal share:
 - 1. The number of employees participating in the training;
 - 2. The wage and benefit levels of the employee (at the beginning and anticipated upon the completion of the training); and
 - 3. The availability of other employer-provided training and advancement opportunities.
- D. The non-federal share depends on the size of the employer and must not be less than:
 - 1. Ten percent of the cost for employers with not more than 50 employees;
 - 2. Twenty-five percent of the cost for employers with more than 50 employees, but not more than 100 employees; and
 - 3. Fifty percent of the cost for employers with more than 100 employees.