



POLICY #: P-18
Incumbent Worker Training

ISSUED: May 19, 2022

PURPOSE:

To establish criteria by which the Clackamas Workforce Partnership (CWP) determines eligibility for incumbent worker training services and the cost sharing required for incumbent worker training projects, in accordance with the Workforce Innovation and Opportunity Act (WIOA).

REFERENCES:

- Higher Education Coordinating Commission Office of Workforce Investments Incumbent Worker Training Policy
- 20 CFR 680.780-830
- TEGL 19-16
- WIOA Sec. 3 (24)
- WIOA Sec. 134 (d)(4)

DEFINITIONS:

Incumbent Worker Training (IWT): IWT is an important business service initiative that is designed to benefit business and industry by assisting with existing employees' skill development and by increasing employee productivity and company growth. IWT is 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. An ideal IWT would be where an employee acquires new skills allowing them to move into more advanced positions and then allowing the company to hire a WIOA participant to backfill the vacated position. The IWT must increase both a participant and a company's competitiveness.

Incumbent Worker: An individual who is currently employed, who meets the Fair Labor Standards Act requirements for an employer-employee relationship, and has an established employment history with the employer extending back at least six months. There is an exception to the six-month requirement. If IWT is provided to a cohort of employees, not every individual employee in that grouping must have an established employment history with the employer of six months or more. If the majority of the employees in the IWT cohort meet the employment-history requirement, employees with shorter histories may be included. An incumbent worker does not have to meet the eligibility requirements for career and training services for WIOA, and individuals who receive only IWT are not included in performance accountability calculations. Individuals who receive only IWT are reportable individuals, and outcomes must be reported.

POLICY:

CWP may reserve and use up to 20 percent of its combined adult and dislocated worker formula allotments for IWT.

Employer Eligibility Criteria

CWP must document the following factors when determining the eligibility of employers to receive the WIOA share of funds to provide training to incumbent workers using local Adult and/or Dislocated Worker formula funds:

1. The characteristics of the incumbent workers to be trained, specifically, the extent to which they historically represent individuals with barriers to employment as defined in WIOA Section 3(24), and how they would benefit from retention or advancement;
2. The outcomes of the training (e.g., industry-recognized credentials, advancement opportunities) and how it would benefit the employer's competitiveness;
3. The number of participants the employer plans to train or retrain;
4. The wage and benefit levels of participants (before and after training);
5. The occupation(s) and industry for which IWT is being provided must be in demand as determined by CWP;
6. The employer must not have laid off workers within 12 months to relocate to Oregon from another state;
7. The employer must attest, in writing, that it is not delinquent in unemployment insurance or workers' compensation taxes, penalties, and/or interest.
8. Sub-recipients must document these factors in an IWT project with an employer.

Employer Share of Training Cost

Employers participating in IWT are required to pay the non-WIOA (non- federal) share of the cost of providing training to their incumbent workers. The employer non-federal share of cost will not be less than 50%. This may be done through cash payments and/or fairly evaluated in-kind contributions. Employer contributions may include the wages the employer pays to the incumbent worker trainee for the hours the worker is actually receiving instruction. (That is, the duration of the training agreement is not used to determine in-kind wage contributions.) Employer contributions must be documented and traceable to original payroll documentation and/or invoices for purchases. Employers request reimbursement for training expenses after trainees successfully complete the training.

Approved:

Peter Lund, Clackamas Workforce Partnership Chair



Peter Lund (May 19, 2022 12:21 PDT)

Clackamas Workforce Partnership Board Chair Signature

Date