

**Mountain Area Workforce Development Board**

**Policy Statement: 2021-02**

**Effective Date: March 23, 2021**

**Policy Statement Regarding Incumbent Worker Training**

**Purpose:** To provide operational guidance on Workforce Innovation and Opportunity Act (WIOA) guidelines in WIOA Section 134(d)(4) to Workforce Development Boards (WDBs) choosing to use up to 20% of the combined Adult and Dislocated Worker allocated formula program funds to pay for employees' training and to rescind Division of Workforce Solutions (DWS) PS 13-2020.

**Definition:** Incumbent Worker Training (IWT) is designed to meet the special requirement 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. The IWT should increase the competitiveness of the employee and employer for the purposes of identifying high-quality Incumbent Worker (IW) opportunities. An ideal IWT would be one where a participant acquires new skills allowing him or her to move into a higher paid job within the company, thus, allowing the company to hire a job seeker to backfill the IW's position.

**Background:** To strengthen the workforce system and to implement the WIOA of 2014, local WDBs are permitted the use of up to 20% of the combined total of Adult and Dislocated Worker allocated formula program funds for employee trainings. Individuals are not subject to eligibility requirements for Adults under the WIOA; however, demographic information is required. Federal requirements mandate that, at a minimum, the following data for each employee in training must be entered in NCWorks.gov:

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- Complete Name
- Contact Information
- Social Security Number
- NC Driver's License or State ID
- Gender
- Date of Birth
- Citizenship (Right-to-Work Status)
- Selective Service Compliance (male gender)
- Disability Status (if disclosed)
- Ethnicity and Race
- Highest School Grade Completed
- Highest Education Level Completed

The Local IWT operational guidance must be submitted to the assigned DWS

Planner for review prior to solicitation of Local IWT grants.

The NCWorks Online system will be used for tracking enrollments of IW participants; therefore, Local WDBs must contact DWS NCWorks Online staff prior to beginning local IWT, in order to establish a special system code.

**Action:** WDBs are required to collect and report outcomes based on criteria outlined in this operational guidance. The outcome measures should promote a skilled workforce by assisting employees in obtaining the skills necessary to retain employment or to avert layoffs and must increase both the employee's and the business's competitiveness.

The WDB's Local IWT operational guidance must:

- provide the amount designated as available with Local WDB funds or indicate the percentage of formula funds used;
- specify the grant award schedule, or indicate if the schedule is open or ongoing;

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- state the maximum funding allowed per grant;
- specify the maximum lifetime limit for businesses and how it will be determined or disclose if there is no lifetime limit;
- provide a narrative of the Local WDB's focus or priorities for IWT (examples: certain industry sectors, size of business, and the impact on local/regional economies);
- provide the Program Outcome Measures on participants in IWT to include, but not limited to:
  - measure participants' wage gain;
  - measure participants' employment retention;
  - measure participants' training completion;
  - other outcomes the WDB deems relevant;
- provide the application and selection process to include the length of training and how each grant will be evaluated. Include the application and the pre-assessment award tool;
- provide the applicant criteria (e.g. qualifications, eligibility, and any restrictions);
- define the IW criteria;
- define the Collaborative Grant process, if applicable; and
- provide the Outcomes/Evaluation Process. This should include how each grant will be evaluated and capture the outcomes measures and the actual non-federal share of the business. Include a copy of any tools to be used for the evaluation process.

In addition to the criteria above, the information in PS OG 02-2021 attached is included in the local IWT operational guidance.

**Addendum:** This addendum addresses the Action Items in DWS Operational Guidance Number: OG 02-2021.

The Mountain Area Workforce Development Board will collect and report outcomes based on criteria outlined in the DWS Operational Guidance Number: OG 02-2021. Many of the Action Items are addressed in the board's Grant Guidelines.

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- 1) The amount designated for IWT grant is based upon the yearly allocation for Adult and Dislocated Workers. The WDB determines a percentage up to 20% of the allocation for IWT.
- 2) The grant award schedule is determined at the beginning of each program year. Historically grant awards have been 1-2 times/year.
- 3) The maximum funding amount at this time is \$10,000 per application. There is not lifetime limit at this time. The maximum awards may be less than \$10,000/application if funding is limited or if the number of approved applications exceeds the amount designated for IWT.
- 4) The local board focuses on the region's five growth sectors. These sectors include: Advanced Manufacturing, Healthcare, Hospitality and Tourism, IT/Technology, and Skilled Trades. Businesses with five or more employees are invited to apply.
- 5) Program outcome measures are captured in the Invoice and Final Report. Training completion is captured in the training invoice and wage increase, increased responsibilities, increased efficiencies and other outcomes are captured in the Final Report.
- 6) The application and selection process is outlined in the Grant Guidelines. The Grant Committee, consisting of board members, uses an assessment tool to evaluate and rank all applications. The Pre-Assessment Questionnaire will be introduced as a requirement in the next application round.
- 7) The applicant/incumbent worker definition and criteria are outlined in the Grant Guidelines.
- 8) There is a separate application for a collaborative grant, Application B-2 and an addition assessment piece, Collaborative Assessment B-2. The collaborative process is outlined in the Grant Guidelines.
- 9) The Grant Committee uses an Assessment tool that evaluates each section of the grant application. Committee members work as a group to read and score all applications. There is a meeting, virtual or in-person, to discuss all applications and rank them after the assessments have been completed. Copies of all assessments are retained by the business services representative.

The non-federal share is captured in the budget. The Grant Guidelines define what is allowable for the non-federal share along with the percentage required for the business size.

Attachments are provided for the following:

- Attachment A – Pre-Application Questionnaire
- Attachment B – Grant Application
- Attachment C – Budget
- Attachment D – Assurances and Certifications
- Attachment E – Employee Application
- Attachment F – Company Attestation
- Attachment G – Invoice/Participant Summary
- Attachment H – Final Report