

## **EMPLOYER FAQ: INCUMBENT WORKER TRAINING**

**Incumbent Worker Training (IWT)** is an important tool for improving the education and skill levels of our current workforce and increasing the ability of businesses to effectively compete in the global market.

**The West Piedmont Workforce Investment Board (WPWIB)**, your local workforce development board, sets aside funding each year to assist businesses with training dollars to leverage employers' investments in human capital.

To assist you with deciding if Incumbent Worker Training (IWT) is a viable option for you, we've created this fact sheet with specific program information on the purpose of IWT and what costs are allowable for IWT. Should you have any additional questions or need more information, please contact us at 276-656-6190.

**1. What is the purpose of IWT?** Under the Workforce Innovation and Opportunity Act (WIOA), funds may be used to provide work-based training that is designed to ensure that employees of a company are able to acquire the skills necessary to retain employment and advance within the company, thus creating backfill opportunities for the employer, or to provide the skills necessary to avert layoff. The training must increase both an individual's and a company's competitiveness. When possible, the training should allow the individual to gain an industry recognized credential and ultimately, should provide the individual with opportunities for advancement and wage gains within their company.

Considerations that the WPWIB may use to support IWT on a local level may include:

- ✓ The changing skill requirements are outside of normal skill growth and upkeep that would be provided by the employer.
- ✓ The training will reasonably prepare workers to address these skill gaps.
- ✓ Unless provided with training, the potentially laid-off worker does not have marketable, in demand skills.
- ✓ The new skills can be attained in a reasonable period of time.
- ✓ There exists a strong possibility of a job, either with the existing employer or a new employer, if the potentially laid-off worker attains new skills.

**2. What makes an employer eligible to receive IWT assistance from the WPWIB?**

- a. Operation in Virginia during the entire 12 months period prior to your application for IWT with at least one employee other than the owner;
- b. Current on all federal, state and local taxes;

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- c. You are training employees who work within the WPWIB area (Danville, Martinsville, or counties of Henry, Patrick or Pittsylvania);
- d. You have **NOT** relocated from within the US in the last 120 days, resulting in employees losing their job or laid off employees in the last 120 days;
- e. Demonstration of linkages of the of the training activity to demand occupations and/or regionally targeted industries;
- f. The positive relationship of the training to the competitiveness of a participant and the employer;
- g. The relative wage and benefit levels of those employers (pre-training and anticipated upon completion of the training); and
- h. The potential state and regional economic impact, if any, of the training project.

**3. What makes an individual eligible to participate in the program?**

- a. The individual receiving training is at least 18 years of age;
- b. The individual receiving training is a paid, full-time employee of the applicant's business working at a facility located in our region as noted above;
- c. A citizen of the United States or a non-citizen whose status permits employment in the United States, who has registered for selective service as appropriate;
- d. Meets the Fair Labor Standards Act requirements for an employer-employee relationship;
- e. Who has an established employment history with the employer for 6 months or more; and
- f. Recommended by their current employer for Incumbent Worker Training in order to address changes in the necessary skills to remain in their position, to remain in their company, or avoid a layoff.

**4. What are allowable training activities?** Examples of allowable activities and expenses\* include training participants for:

- a. Productive, high demand employment;
- b. Work-site based learning strategies using cutting edge technology and equipment;
- c. Training programs incorporating technological changes in the workplace;
- d. Training programs designed to impart learning to meet employer-specified or industry-specific skills;
- e. Train-the-trainer instruction to build the capacity of the business;
- f. Consumable training materials and supplies (supplies may not be scrap material which would otherwise be discarded or have no value);
- g. Textbooks;
- h. Off-site facility rental expense directly related to and necessary for the training;

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- i. Rental of tools and equipment critical to the project; travel expense and per diem of instructor (detailed receipts are required for reimbursement); and
- j. Instructor/trainer fees.

\*All expenses are subject to allowability under WIOA guidelines.

Activities **NOT** eligible for funding include costs incurred **prior to the approval date of the application**; construction or purchase of facilities or buildings; business relocation expenses; employment or training in sectarian activities; lobbying activities; and direct employee wages.

5. **Who chooses the trainers to provide IWT?** You do! Numerous trainer provider options are available to you, including industry subject matter experts, private training providers, community colleges, school districts, vocational/technical centers, state universities, and licensed and certified postsecondary private institutions. Training can be provided at the employer's facility, at the training provider's facility, or at a combination of sites.
6. **Is there any funding match required of my business?** Yes, depending on the number of individuals your business employs, there will be a required funding match for allowable training costs. The WPWIB will reimburse you for allowable expenses according to the following schedule upon presenting a paid invoice and Form W-9:
  - a. Businesses with 1 – 50 employees will receive **90%** reimbursement;
  - b. Businesses with 51-100 employees will receive **75%** reimbursement;
  - c. Businesses with over 100 employees, will receive **50%** reimbursement.
7. **Is there a cap on the amount of training assistance I can request?** Normally \$10,000.00 is the maximum training reimbursement award available; however, requests for training assistance in excess of the cap may be provided **if funding is available**. Applications will be reviewed by the WPWIB Executive Director on a first come, first serve basis.
8. **How do I get started? How much paperwork is involved?** The WPWIB is a business-friendly organization and has streamlined the IWT request process. Our team is here to serve you. Contact your local Business Services Manager (listed below), who will meet with you and complete your application for you. He or she will collect information from you including general information about your industry, the type of business you have, and the type, duration, cost and a list of potential employees you select for the Incumbent Worker Training. Once the application is complete, WPWIB staff must collect some needed information about the employees. Both you and the WPWIB will sign an Incumbent Worker Training agreement that specifies the scope of



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training and the training cost reimbursement amount you will receive from this program.

***Contact Information for Business Services Managers for our Workforce Region:***

**Robbie Knight - Business Services Manager**

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**9. More Questions?** *Don't hesitate to ask us! Please contact the West Piedmont Workforce Development office at 276-656-6190.*

The West Piedmont Workforce Investment Board and sub-recipients are equal opportunity employers/programs. Auxiliary aids and services are available upon request to individuals with disabilities. Primary source of funding is from the U.S. Department of Labor Employment and Training Administration.