

**Incumbent Worker Training (IWT) Policy  
Jefferson/Franklin Consortium**

Purpose: Incumbent Worker Training (IWT) provides work-based training activities to build a quality workforce, retain a skilled workforce or facilitate layoff aversion. IWT allows incumbent workers the opportunity to obtain the skills necessary to retain employment by increasing the skill levels of employees and enhancing promotional opportunities within the company. As employees are promoted into new positions it opens those job positions for less-skilled employees. Under section 134(d)(4) of WIOA and 20 CFR 680.800, twenty (20) percent of Adult and Dislocated Worker Funds may be used to provide IWT training activities. (Reference: OWD Issuance 25-2015 and TEGL No. 19-16)

Employer Requirements: IWT activities are prioritized for private sector employers that are not eligible for the state-funded IWT program. The Office of Workforce Development (OWD) will verify that the employer is not participating in Missouri Works training to ensure that training funds are not duplicated. An employer's eligibility will be evaluated to determine if the training would increase the labor market competitiveness of the employees and/or the employer. The evaluation process will review the employer size, characteristics of the individuals in the program, number of employees participating in training, wage and benefits of employees, existence of other training and advancement opportunities provided by the employer and the skills/credentials gained. Employer contributions are required through in-kind, cash payments, or both. The employer share is based on the size of the employer, as outlined in the Program Requirements below. Union concurrence with the training services is required when a collective bargaining agreement covers the employer.

Employee Requirements: An eligible incumbent worker must be a U.S. citizen, must be employed, meet the Fair Labor Standards Act requirements for an employer-employee relationship and have an established work history with the employer for six (6) months or more at a minimum of thirty-two (32) hours per week.

Program Requirements:

The following is required for Incumbent Worker Training:

- Employers and their employees must be enrolled into the statewide electronic case management system;
- Documentation must include:
  - A six-month work history requirement; and

- Increased skills to be obtained by the participant, such as an industry-recognized certificate or credential, or a promotion, that correlates to the competitiveness of the job and the employer; or
- Proof of averting the need to lay off employees through assisting workers to obtain the skills necessary to retain employment. This must increase both a participants and a company's competitiveness.
- Training must lead to opportunities for advancement and wage increases within 60 days of the successful completion of training

The employer's required contribution (in-kind and/or cash payments) is based on its size:

- 10 percent of the cost, for employers with 50 or fewer employees,
- 25 percent of the cost, for employers with between 51-100 employees, and
- 50 percent of the cost, for employees with more than 100 employees.

Required Paperwork and Documentation: The Incumbent Worker Training Agreement for Services (OWD-WIOA-1) (Attachment #16a) shall be completed and signed by the Workforce Development Board (WDB) and the participating employer. Documentation of six-month work history, including number of hours worked per week, pre- and post-training earnings, including access to company provided healthcare and/or other benefits within sixty (60) days of training completion shall be documented through the employer's personnel and/or payroll records. In-kind matching resources by the employer, the existence of other training and advancement opportunities, aversion of layoffs within the company and credentials and skills gained as a result of training shall be documented by an employer certification statement and copies of the industry-recognized certificate or credential or other documentation showing program completion with skills gained for the employees participating in training. Employers will not be reimbursed until after wage increase has been verified.