



NORTHERN REGION

Virginia Career Works – Northern Region Incumbent Worker Training Policy

Policy Number: 2019-01

Effective Date: September 10, 2015

Revised: March 7, 2019

Purpose: The purpose of this policy is to describe the use of the Workforce Innovation and Opportunity Act local funds to create incumbent worker training programs.

Policy:

Incumbent worker training will be utilized by Virginia Career Works Northern to benefit regional businesses and industry by assisting in skill development of existing employees and increasing productivity as part of a broader economic competitiveness strategy. Virginia Career Works Northern shall follow State incumbent worker training policy by using a sector strategy approach to meet the skills training needs of their incumbent workforce.

Incumbent Worker Employee Eligibility

All employees participating in incumbent worker training must meet the eligibility below. An incumbent worker is:

- At least 18 years of age;
- A citizen of the United States or a non-citizen whose status permits employment in the United States;
- Males born on or after January 1, 1960 must register with the selective service system within 30 days after their 18th birthday or at least before they reach the age of 26;
- Must be a full-time employee of the participating employer for at least 6 months;
- Needs skills upgrading or retraining, completion of GED or High School Degree, basic skills upgrade, to retain or be successful in current employment;
- An employee to be trained that works at a facility located in Virginia.

Potential incumbent workers to be trained are not required to meet eligibility requirements for WIOA adults or dislocated workers.

Employer Eligibility

- Private for profit or non-profit businesses operating in Virginia for entire twelve-month period prior to application date;
- Current on all Virginia tax obligations;
- Proposing training for employees in a Virginia facility;
- Demonstration of linkages of the training activity to demand occupations and/or regionally targeted industries;
- The positive relationship of the training to the competitiveness of a participant and the employer;
- The relative wage and benefit levels of those employees (pre-training and anticipated upon completion of the training);
- The potential state, regional, and local economic impact, if any, of the training project.

A non-eligible employer is a business with a history of failing to provide WIOA participants with continued employment or/and a recently relocated business that has resulted in employee separations.

Funding Available

Local WIOA funds are available to provide incumbent worker training. Virginia Career Works Northern may reserve and use up to 20 percent of the WIOA Title I Adult and Dislocated Worker funds allocated to the local area to pay for the Federal share of the cost of providing a training program for incumbent workers.

Non-Federal Share

Employers participating in the program are required to pay for the non-Federal share of the cost of providing the training to incumbent workers of the employers. The non-Federal share shall not be less than:

- 10 percent of the cost, for employers with not more than 50 employees;
- 25 percent of the cost, for employers with more than 50 employees but not more than 100 employees; and
- 50 percent of the cost, for employers with more than 100 employees.

The non-Federal share provided by an employer participating in in an incumbent worker training project may include the amount of the wages paid by the employer to a worker while the worker is participating in the training activity. The employer may provide the share in cash or in-kind, fairly evaluated.

Use of Funding

Incumbent Worker Training funds can be used to reimburse employers for a portion of the cost of training their workers, and can be used to cover training costs such as instructional costs for training courses, certification exams, online training, as well as textbooks and manuals that are training-related.

The following are items that are prohibited with IWT funds:

- costs incurred before application approval;
- construction or purchase of facilities or building;
- business relocation expenses;
- training in sectarian activities;
- lobbying activities;
- direct employee wages (can be contributed toward in-kind non-Federal share)

References:

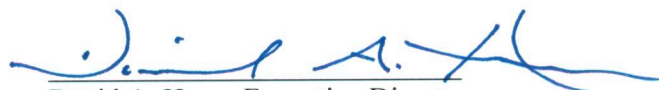
- Virginia Workforce Letter 16-05, Change 1
- Virginia Board of Workforce Development Policy 15-00
- Workforce Innovation and Opportunity Act of 2014 Section 122 and Section 134

Approved:

Signed by:

3-7-2019

Date of VCW – Northern Region Board Approval



David A. Hunn, Executive Director