



# Workforce Development Board (LWIA 17)

## Incumbent Worker Training Policy

### A. In General

1. **STANDARD RESERVATION OF FUNDS.** The Board may dedicate up to 20% of its annual Adult and Dislocated Workers allocation to support Incumbent Worker Training (IWT) programs.
2. **DETERMINATION OF ELIBILITY.** For the purpose of determining the eligibility of an employer to receive IWT funding, the following must be met:
  - i. The employer must have a worksite in LWIA 17
  - ii. All employees being trained must have their work based in LWIA 17
  - iii. The training must be determined by the Board to be beneficial to the employees being trained and / or the employer
  - iv. Employers must belong to one of LWIA 17's Targeted Sectors and / or IWT must be related to "green jobs." Targeted Sectors are listed below and are updated bi-annually (which will result in an updated policy).
  - v. Workers being trained must be employed full-time and have worked for the employer for six months or more.
3. **ILLINOIS WORKNET E-POLICY.** The local policy is subject to Illinois and Federal WIOA policies, which can be found on the Illinois workNet's e-policy portal (<https://apps.illinoisworknet.com/WIOAPolicy/Policy/Home>).

**B. Targeted Sectors.** Targeted Sectors are chosen by the Board using economic, labor market, sector-specific, and employer data for LWIA 17, which may include an analysis of current job openings, job forecasts, number of employers, size of employers, wages / earning potential, demand for training, types of preferred training models and methods, and career advancement opportunities. Targeted Sectors in LWIA 17 as of the date of this policy include:

- Healthcare
- Manufacturing
- Transportation, Distribution, and Logistics
- Construction (incl. Trades and Heavy Equipment)
- Ag Tech (incl. Agriculture and Agribusiness)
- Business Services (incl. IT and administrative / professional occupations)

**C. IWT Projects.** IWT projects are an opportunity to enhance employees and employers through training. Projects should be of a high quality, provide a benefit to the employee and employer, have appropriate costs, and enhance company viability. Projects may include one employer or a group of employers. Projects may support registered apprenticeships. Training

supported by IWT funds will be for the purpose of assisting such workers in gaining skills, upgrading their job, increasing their wages, and / or averting a layoff. Layoff aversion projects secure job retention by addressing the following: declining sales, supply-chain issues, adverse industry or market trends, changes in management philosophy or ownership, industry advancements that require upskilling, and / or moving incumbent workers into a new position. Projects must be able to demonstrate a skills-gains among employees, job creation or backfilling by the employer, increase in wages for the employee, and / or layoff aversion. Projects that seek to purchase licenses for generic training platforms that allow for self-directed learning, especially projects that will have open-ended schedules without deadlines, monitoring, or verifiable skills-gains, should be avoided. Projects that could be categorized as orientation or onboarding, addressing a skills-gap for new employees in their current position, or addressing basic skills deficiencies may be referred to other services.

**D. Proposal Submission and Approval.** All IWT projects require an application to be completed and submitted to the Board's grant administrator, through that administrator's processes. Proposals under \$20,000 will be reviewed by the administrator and approved or denied based on the Board's IWT policy. Proposals require a \$2,500 minimum training cost. Proposals over \$20,000, once completed with the Board's administrator, will be submitted to the Board's IWT Task Force for review and determination. An employer may submit no more than three (3) projects for approval in the first six (6) months of a program year (July 1<sup>st</sup> – December 31<sup>st</sup>). The maximum amount of IWT funds one employer may receive in the first six (6) months of a program year is \$25,000. There is no maximum amount during the second six (6) months of a program year. If funds are available after the first six (6) months of the program year, projects shall be reviewed on a first come, first serve basis. Projects must be approved prior to the start of training. The proposed IWT project, other employer-provided training and advancement opportunities within an industry, and the cost of training in relation to the number of employees being trained, may be considered when evaluating proposals.

**E. Matching and Costs.** Employers participating in the program are required to pay a non-federal share of IWT costs. The non-federal share paid by an employer or group of employers may include the amount of the wages (but not benefits) paid by the employer(s) to a worker while the worker is attending a training program and may include in-kind or cash contributions, fairly evaluated. The match requirement is as follows:

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

All reasonable and necessary costs related to the conduct of the training are allowable. These costs must be outlined in the initial IWT proposal. Cost deviations from the proposal require permission from the Board's administrator. There is no reimbursement until the training program is successfully completed.

**The Illinois workNet Incumbent Worker Tracking System (IWTS) will be used for all IWT projects.**