

Incumbent Working Training Program Policy

Purpose: The board of the Greater Raritan Workforce Development Board (GRWDB) adopted an Incumbent Worker Training Program policy on April 16, 2020. This policy allows for use of up to 20 percent of Adult and Dislocated worker funding in a given program year for training of Incumbent workers as allowed by the Workforce Innovation and Opportunity Act of 2014. The board reviewed and approved an amended policy on Jan. 20, 2022, that clarifies employer and participant eligibility requirements and funding levels, and program procedures.

Background

Section 134 (d) (4) of the Workforce Innovation and Opportunity Act of 2014 permits local areas, with board approval, to reserve and not use more than 20 percent of allocated adult and dislocated worker funds to pay for the cost of providing training through a program for a cohort of incumbent workers. Workforce Boards in other parts of New Jersey have implemented this policy as a way to successfully support businesses in their areas. As the Office of the Greater Raritan Workforce Development Board looks at ways to help businesses in the COVID era, it is appropriate to add and detail this training option for the GRWDB's service menu. This policy allows the local area to consider utilizing this funding on an as needed basis; the goal is to assist local employers with enhancing the skills of their current workforce while supporting organizational growth leading to positive economic development outcomes for Hunterdon and Somerset counties. The funds will only be utilized if a need and a training cohort are identified, subject to review and approval of the Director of the Greater Raritan Workforce Development Board and the Greater Raritan One-Stop Career Training Center.

Employer eligibility

The following criteria apply in establishing employer eligibility.

- Employer establishments located in the Hunterdon-Somerset Counties Local Area will receive priority
- The employer is a private sector employer or public/private partnership
- The characteristics of the individuals in the program and how they will benefit
- The quality of the training and link to competitiveness of the individual and employer, including the following factors:
 - Must be a demand occupation in the local area
 - Industry-recognized credentials and skills gained from training (portability)
 - Wage increase, career pathway strategy
- The employer is in a high growth/high-demand sector or if not, there are compelling reasons (e.g., evidence of long-term viability within industry) justifying the investment in the training
- The employer must not have laid off any workers within 120 days to relocate from another state

- The employer must be current in unemployment insurance and workers' compensation taxes, penalties, and/or interest or related payment plan.

To be eligible to participate in the program, the employer must send a letter to the Greater Raritan Workforce Development Board attesting that it has met the above criteria. (**See example on page 4 of this document.**)

Other factors may include but are not limited to:

- The number of employees participating in the training
- The employees' advancement opportunities along with wages and benefits (both pre- and post-training earnings)
- Employer size and employer's industry and their market position
- Layoffs averted as a result of the training
- The existence of additional opportunities provided by the employer.

Individual participant eligibility

Incumbent Worker Training is intended for workers with an established work history with the current employer, and who, because of changes in the necessary skills and in order to remain in their position, to advance in the company, or to avoid a layoff, these workers now need additional training. To qualify as an Incumbent Worker, the individual employee must be:

- 1) US Citizen or Resident, or otherwise authorized to work in the U.S.
- 2) Age 18 or older
- 3) Registered with Selective Service unless failure to register is determined unknowing
- 4) Employed by a private entity; Exception: Non-profit health care facilities
- 5) Employed in accordance with the Fair Labor Standards Act requirements for an employer-employee relationship
- 6) Have an established employment history with the employer for a minimum of six months. Exception: In the event that the incumbent worker training is being provided to a cohort of employees, a majority and not all employees, in the cohort must have an established employment history with the employer of minimum six months.

Funding guidelines

Under this policy, the maximum amount of funding for training an individual Incumbent Worker is \$4,000.00.

Employers who receive funds for incumbent worker training are required to contribute to the cost of providing such training. This contribution can include the wages paid by the employer to a worker while the worker is attending a training program; the employer may provide the share in cash or in-kind. The employer share of the cost of training is based on the size of the employer's workforce (using the employer's FEIN) as follows:

- At least 10 percent of the cost for employers with 50 or fewer employees
- At least 25 percent of the cost for employers with 51 to 100 employees
- At least 50 percent of the cost for employers with more than 100 employees.

Program procedures

Once employer program participation is approved by the director of the Greater Raritan Workforce Development Board, the employer will complete and sign a contract detailing the training program's information and the program's participant roster. This contract also details the contract's provisions, requirements, assurances and reimbursement procedures. (**See *Contract document*.**)

Per NJ Workforce Innovation Notice 9-16, individual participants are not required to complete the full Title I WIOA eligibility documents for adult and dislocated workers, but they are reportable participants for the local area and entered into the AOSOS system. As such, each Incumbent Worker Training Program participant must:

- Fill out the NJ initial intake assessment form
- Provide a copy of their birth certificate and Social Security card OR a valid passport
- Provide a copy of their driver's license or state ID
- Provide proof of selective service.

The incumbent worker participants can be scheduled with a Greater Raritan One-Stop Training Center counselor to collect their documentation and complete the NJ initial intake assessment form via Zoom or the phone. This can be done at one time in a group if needed or on any schedule that is convenient to the employer. Alternatively, the employer can provide the Greater Raritan One-Stop Training Center with all of the documentation, have the participants complete the form (signing the second page) and then return to One-Stop to verify eligibility and update in AOSOS. At some point during or after training, the program participant could be co-enrolled in additional system services.

An individual who only receives incumbent worker training and does not become a core program participant is not included in the calculation of the State primary indicators of performance for negotiations and accountability purposes. However, the Greater Raritan Workforce Development Board is required to report the outcomes of individuals in receipt of Incumbent Worker Training on the primary indicators of performance (i.e. employed 2nd quarter after exit, employed 4th quarter after exit, median earnings, measurable skills gain, and credential attainment), among other required elements.

Paul Grzella, Director
Greater Raritan Workforce Development Board

XX XXXX 2021

Dear Mr. Grzella,

_____ located in _____, New Jersey is a private company which meets the Fair Labor Standards Act requirements. All _____ employees are U.S. Citizens or otherwise authorized to work in the United States.

The proposed training program for Incumbent Worker Training (IWT) is the XXXXX. This certification will broaden our services to allow us to XXXX which will help to increase our business and provide those certified employees with the opportunity to earn higher wages.

As required, the following trainees, XXXXXXXX, are:

- Aged 18 or older;
- Have been employed with the company for more than six (6) months.

The company's share of the training cost will be in-kind and in the form of employee wages during the training period.

WHO THE TRAINER IS AND WHERE THE TRAINING WILL TAKE PLACE

Upon successful completion of the training and testing, the trainees will continue employment and will receive wage increases based on XXXXX.

The company attests that business and employee wage taxes are current and there are no outstanding liabilities. Additionally, the company acknowledges that it must provide a copy of the tax clearance certificate prior to receiving training reimbursement, available at https://www16.state.nj.us/NJ_PREMIER_EBIZ/jsp/home.jsp. The company understands that it could take approximately 30 days and will apply immediately.

The company agrees to participate in all follow-up efforts to evaluate IWT effectiveness and outcomes, and attests that the funds will not be used for relocation of the business.

Thank you very much for your assistance with retraining our workforce.

Sincerely,

Name:

Date:

Owner/Operator _____ (business name)



Incumbent Worker Training Program Contract # _____

This contract for Incumbent Worker Training is entered into between the Greater Raritan Workforce Development Board (GRWDB) and the Company/Employer named below. Employer will be reimbursed for the training costs specified below. Payment of trainee salaries and benefits during the training period may be used to meet the employer contribution (in-kind) requirement.

In compliance with the GRWDB policy on [Incumbent Worker Training adopted Jan. 20, 2022](#), the specified program(s) are designed to improve the skills of employees and the competitiveness of the employer.

Employer Information (attach signed Employer Assurance Letter)

Employer Name	
Street Address	
City/State/Zip Code	
Mailing Address:	
City/State/Zip Code	
FEIN (also attach W-9)	
Total number of employees	
Industry Name and NAICS Code	
Contact Name & Title	
Telephone Number & Email Address	
Training Program Name	
Training Provider Name (if different than employer)	
Module Hours and Duration	
Training Site Location (if different from above)	

No. of Trainees/Apprentices (Incumbent Workers)	
Total WIOA Funded Amount (<i>per Budget Worksheet</i>)	\$
WIOA Account Number	

Employer will provide training as indicated in the attached Program Schedule, Participants Roster, and Budget Worksheet. Employer acknowledges that the information provided is accurate and that it agrees to comply with the IWT Program Information, Provisions, Requirements, and Standard Assurances referenced in this contract. Employer also certifies that it is current on all local, state, and federal tax obligations (including unemployment insurance and workers compensation).

This agreement is for the duration of the listed programs: _____

Authorized Employer Signature and Date

Authorized Signature and Date

[Print Name and Title]

Paul Grzella, Director

[Organization]

Greater Raritan Workforce Development Board

GRWDB Incumbent Worker Training Contract Provisions, Requirements and Assurances

1. **W-9 and NJ Business Registration are required** <http://www.state.nj.us/treasury/revenue/busregcert.shtml>
2. **Compliance with the Incumbent Worker Training Program Requirements**
Attach letter from Employer to GRWDB Director. Indicate date of letter here _____ .
3. **Required Documentation for Employee Participants in Training Program**
Each employee participant must have worked with the employer for a minimum of six months and will:
 - a) Fill out the NJ Initial Intake Assessment Form (or work with a Greater Raritan One-Stop counselor to fill out the form)
 - b) Provide a copy of a birth certificate and Social Security card OR a valid passport
 - c) Provide a copy of drivers license or state ID
 - d) Provide proof of Selective Service Registration (compliance available by using <https://www.sss.gov/Registration/Check-a-Registration/Verification-Form>)
4. **Payments/Required Documentation for Reimbursement**
 - a) Final roster (see attached form) showing number completing the training program; Payments are based on the number of IWT participants who complete training program.
 - b) Proof of Employer Contribution e.g., wages and benefits during the training period - official payroll register for the participants during the training period.
 - c) Proof of Attendance – Attendance Sheets signed by training provider and participant.
 - d) Completion of New Jersey Intake and Initial Assessment Form by each program participant.
 - e) Certificates of Completion issued by Training Provider and, as applicable, recognized credentials.
 - f) Payment requests, at the end of training program, must be submitted to the GRWDB on Employer letterhead and include the above-mentioned documents and proof of expense (e.g., training invoice).
 - g) Employee wage tax compliance -- NJDOL will verify compliance using employer FEIN
 - h) Business tax clearance -- Employer will attest to being free of any and all business tax liabilities and will provide a tax clearance certification. To request certificate: https://www16.state.nj.us/NJ_PREMIER_EBIZ/jsp/home.jsp (May take up to 30 days)
5. **Follow-up** Employer will participate in any follow-up efforts conducted by the GRWDB or its authorized representative to evaluate the IWT program's effectiveness, including providing information on participants and their post-training employment (e.g., six months after training completion) for required reporting.
6. **Audits and Records** Employer shall maintain the records described above for a period of three (3) years from date of final payment under this contract. Employer agrees that authorized representatives of GRDB shall be given access to, at all reasonable times, facilities and records pursuant to this contract. To assure that records required for audit purposes can be obtained, should, for any reason, the Employer be forced to close or relocate his/her business/training facility, the GRWDB will be informed at least 30 days prior to such action.
7. **Disputes** The Training Provider/Employer agrees that the law of the State of New Jersey shall be the operative law and submits to the jurisdiction of the courts of the State of New Jersey as to any claims or disputes arising out of this agreement.
7. **Termination of Contract** The performance of work under this contract may be terminated by the GRWDB when it has been determined that the Training Provider/Employer has failed to provide any of the services specified or is not in compliance with the contract provisions.

8. **Termination of Trainees**

- a) The Employer has the right to terminate any Participant/Trainee based on the termination procedures followed by the company. GRWDB must be notified within five (5) days of such action.
- b) Should the Employer terminate any Participant prior to the conclusion of a contract, the GRWDB will be relieved of any financial/contractual obligations related to the Trainee.

9. **Trainee Wages and Benefits**

Hourly wages paid to Trainees/Employees/IWT participants shall be not less than the wages, benefits, hours and conditions as prior to the training start date. Upon completion of the specified IWT program, participants will receive a certificate attesting to their new skills (e.g., micro-credential, recognized credential) and may be given the opportunity to be considered for advancement.

10. **Applicable Laws**

- a) The Training Provider/Employer will abide by the provisions within the Workforce Innovation and Opportunity Act (WIOA)
- b) The Training Provider/Employer will assure compliance by adhering to the provisions of the Fair Labor Standards Act, as amended.

11. **Assurances and Certifications**

- I. Assurances Non-Construction Programs (SF 424 B)
- II. Debarment and Suspension Certification (Executive Order 12549, 29 CFR Part 98)
- III. Certification Regarding Lobbying (29 CFR Part 93)
- IV. Drug Free Workplace Certification (29 CFR Part 98)
- V. Nondiscrimination and Equal Opportunity Assurance (29 CFR Part 38)
- VI. Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards (2 CFR Part 200)
- VII. Affirmative Action [P.L. 1975 C. 127 (N.J.A.C. 17:27)] Follow instructions from:
http://www.state.nj.us/treasury/contract_compliance/pdf/aa302ins.pdf and download form from:
http://www.state.nj.us/treasury/contract_compliance/pdf/aa302.pdf

12. **Employer Contribution to Total Training Cost**

To be eligible for participation and funding in an IWT program, the employer must contribute the non-federal share of the total training budget. Contributions may be in the form of wages and benefits paid for training that takes place during business hours. Employers will provide a letter attesting that IWT participants are not paid with federal funds.

The contribution percentage per program is based on employer size as follows:

*Employer Non-Federal Share of Training Costs:

Up to 50 employees: 10%; 51-100 employees: 25%; More than 100 employees: 50%

13. **Program budget/Total Cost of Training**

See attached Budget Worksheet

14. **Availability of Funds** Funding is contingent on the Availability of Federal/State funds.

**Employer Non-Federal Share of Training Costs:*

Up to 50 employees: 10%; 51-100 employees: 25%; More than 100 employees: 50%

GRWDB Incumbent Worker Training Program Information

1. Identify the specific need(s) for IWT and address the specific skills gap requiring intervention; include the current occupation(s) of trainees and, if applicable, occupation to be trained
2. Will the training increase the competitiveness of the company? If yes, specify how?
3. Will training mitigate the impact of a layoff if utilized as a part of a layoff aversion strategy? If yes, specify how it will mitigate the impact of a layoff? e.g., provide list of job opportunities and skill requirements
4. Specify any and all anticipated outcomes of training (e.g., wage increases, new skills/occupation/title).
5. Specify, as applicable, the name of credential(s) and certifying organization(s) and what measurable skill gains will be made
6. Identify the training programs or modules to be provided under this agreement, and the exams participants are required to pass for the credential(s)
7. APPRENTICESHIP QUESTION: What are specific training milestones you expect participants to attain as part of this training

Employer: _____

Incumbent Worker Training - Participant Roster

	Trainee Name	Socials Security and Date of Birth	Driver's License# / State ID #	Hire Date	Pre-Training Hourly Wage	Pre-Training Job Title	Expected Post-Training Salary and Job Title
1		SS#: DOB:					
2		SS#: DOB:					
3		SS#: DOB:					
4		SS#: DOB:					
5		SS#: DOB:					
6		SS#: DOB:					

Attach proof of Selective Service Registration <https://www.sss.gov/Registration/Check-a-Registration/Verification-Form>