

WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)
ALABAMA INCUMBENT WORKER TRAINING PROGRAM
PROGRAM GUIDELINES – GOVERNOR’S WIOA SET-ASIDE FUNDS



Alabama Department of Commerce

Kay Ivey, Governor

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WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)
ALABAMA INCUMBENT WORKER TRAINING PROGRAM
GOVERNOR'S WIOA SET ASIDE FUNDS
PROGRAM GUIDELINES AND FREQUENTLY ASKED QUESTIONS & ANSWERS

The Workforce Innovation and Opportunity Act (WIOA), Incumbent Worker Training Program (IWTP) is funded through funds provided by the United States Department of Labor (USDOL)/Employment and Training Administration and administered by the Workforce Development Division of the Alabama Department of Commerce. The purpose of the program is to provide assistance to Alabama employers to help with certain expenses associated with new or upgraded skills training of full-time, permanent company employees.

- Training project applications are reviewed on a first-in/first-funded basis, with priority given to companies that have not previously received IWTP funding assistance, until the budgeted funds are awarded.
- The WIOA funds budgeted for each program year (July 1 – June 30) has declined in recent years due to the decisions of Congress.
- The maximum funding award for training projects is \$30,000.00 and the initial agreement duration may not exceed twelve months. (If multiple business locations apply for funding, each location's workforce must generate a product or service that is unique to that site and/or that site must be located beyond a normal commuting distance of a seventy-five (75) mile radius from the other applying locations.)
- Each business location must provide evidence of matching contributions, at least dollar-for-dollar, for the requested Federal funds.
- With high demand and limited funding available, all applications will be evaluated to leverage other state, federal, and private funds with IWTP funds.
- The Workforce Development Division reserves the right to request follow-up information pertaining to the realized results of the funded training projects.

PROGRAM GUIDELINES

All Alabama companies (that meet the requirements outlined on the following pages) are eligible to apply for the WIOA IWTP.

■ **BUSINESS APPLYING FOR FUNDS MUST:**

- Be "for-profit" and have been in operation in Alabama for a minimum of two (2) years before the application date.
- Have at least one full-time, permanent employee, other than the owner of the business.
- Demonstrate financial viability and be current on all state and federal tax obligations.

- Have an incumbent worker training program that is designed to meet the special requirements of the employer (including a group of employers) to retain a skilled workforce or avert the need to lay off employees by assisting the workers in obtaining the skills necessary to retain employment.
- Must make a commitment to retain or avert the layoffs of incumbent workers trained in this program.
- Present a training program that provides for new and/or upgraded job skills that are necessary for the company to maintain or increase competitiveness in a global economy and marketable (competitive) work skills for the participating employees.
- Demonstrate the effects of the training on business operations and identify the skills that will be acquired by the employees.
- Include clear and measurable performance outcomes in the IWTP application.

■ **BUSINESSES NOT ELIGIBLE TO APPLY FOR FUNDS INCLUDE:**

- Any business currently receiving training funds from the Alabama Department of Commerce, which are a duplication of training efforts outlined in the proposed IWTP project.
- Any business that has received funds, either directly or indirectly, from the State of Alabama under any previous training initiative and the terms of the agreement for training were not met or completed by the employer.
- Training Providers, Labor Unions, or Government entities.
- Any business, or business division, that has relocated to Alabama within the past 120 days prior to application and the move resulted in any employee losing his/her job at the original location (Section 181 (d)(2)).
- Those that have received funding from a previous IWTP agreement and at least 24 months have not expired from the final ending date of that agreement.
- Any business, which has reached the lifetime maximum award of \$60,000 from the Incumbent Worker Training Program.

■ **TRAINING SERVICES:**

- Can be provided through Alabama's public or private educational institutions, in- or out-of-state private training organizations, professional trainers hired by the company, or a combination of training providers.
- Can be conducted at the business's facility, the training provider's facility, or a combination of sites.
- Can be occupational skills training designed to meet special requirements of a business or industry.
- Can be educational training, other than degreed programs, such as workplace literacy, basic skills, "soft" skills, and English as a Second Language (ESL).
- Must increase the competitiveness of the employer or the employee.

■ **REIMBURSABLE TRAINING EXPENSES (WITH PROPER DOCUMENTATION):**

- Primarily non-company, professional instructors'/trainers' fees.
- Tuition costs for training courses or programs.
- Textbooks/manuals directly related to training.
- Expendable materials and supplies directly related to training.
- Computer software that is used 100% for training activities only.
- Curriculum development expenses.

■ **NON-REIMBURSABLE EXPENSES:**

- Trainee (employee) wages.
- Travel, food, or lodging expenses related to program participants and/or trainers.
- Purchases of capital equipment or other durable (long lasting/reusable) training materials/equipment.
- Capital improvements and purchase of real estate, to include the construction or renovation of facilities.
- Purchase of any item or service that may be used outside of the training project.
- Any training-related expenses incurred before project approval or beyond the ending date of the agreement.
- Any training currently being offered by the employer.
- Business-related expenses.
- Training in sectarian activities.
- Training costs associated with professional fields in which continuous education is necessary to retain professional certification, such as Certified Public Accountants, degreed medical professionals, insurance providers, attorneys, etc.
- Training which would result in advanced degrees such as associate, bachelor, master, or doctorate.
- Any costs not approved in the final subrecipient agreement.

■ **BUSINESS COMMITMENTS (IF FUNDS ARE AWARDED) INCLUDE:**

- Completion of all WIOA enrollment forms (with the assistance of the local One-Stop Career Center's Business Services Representative (BSR)) prior to training start dates. Social security numbers for all employees (who are to receive training) are a required part of the enrollment process. Companies whose employees do not wish to complete the enrollment requirements or provide the identification documents needed for verification should not apply for IWTP funds.
 - ✓ Employees, including union-represented employees, need to be made aware of the data collection requirements prior to a company's submission of an application request.
- Participation in up to two (2) program assessments by the Workforce Development Division to evaluate the anticipated measurable results (projected return on investment, reductions in production costs, number of jobs saved (layoff aversion), number of expected

new employees, employee pay raises and/or promotions, sales increases, etc.) as outlined in the subrecipient agreement.

- Entering into a written agreement with the Alabama Department of Commerce/Workforce Development Division, which commits the business to complete the training project as approved in the subrecipient agreement.
- Requesting in writing, and receiving approval from the Alabama Department of Commerce/Workforce Development Division, modifications to the approved training activities prior to implementing changes. No increase in funds can be approved after the subrecipient agreement is fully executed by all parties.
- Providing sufficient enrollment documentation to the Alabama Career Center System's local Business Services Representative for identification of all IWTP participants, as required, and any additional information deemed pertinent to the agreement administrator.
- Maintaining accurate records of the project's implementation process and certifying that all information provided for reimbursement requests and training activities is accurately reported to the Alabama Department of Commerce/Workforce Development Division.
- Submitting reimbursement requests with required support documentation, including evidence that the employer has paid the training expenses in accordance with the terms of the agreement prior to requesting reimbursement of allowable training costs.
- Submitting the final reimbursement request forms within 30 days of the end of the agreement or the end of the formal training, whichever is the earliest ending date of program activity.
- Submitting a certified copy of all final employer (non-Federal) expenditures by expenditure category as noted in the Non-Federal Employer Contribution in the approved budget related to the training project with the final reimbursement request referenced above.
- Notifying the Business Services Representative when all training activities have been completed by the trainer.

■ **PARTICIPANT (INCUMBENT WORKER TRAINEE) REQUIREMENTS INCLUDE:**

- Employment in a full-time position with the Alabama location of the company for which the training is being provided. (Co-op or intern employees may be considered for program participation on a case-by-case basis.)
- Employees must agree to cooperate with data collection requirements to participate in the IWTP.
- Labor unions must endorse the training and data collection requirements for employees represented by labor unions prior to receiving funding approval and documentation of such endorsement must accompany the IWTP application.

■ **TRAINING PROGRAM ASSESSMENT:**

- Reviews will help to gauge the progress of the training and will also serve to address any concerns, which may have occurred since the origination of the training program.

(Confidentiality Notice: No proprietary or individually identifiable information will be shared publicly without prior written permission from the business.) The program reviews will also help to demonstrate training results in relation to expected outcomes identified by the company on the initial application. The reviews will include the following:

- ✓ Business growth or expansion as a result of the training,
 - ✓ Productivity and efficiency improvements as a result of the training,
 - ✓ Improved turnover to include layoff aversion and wage status of employees as a result of the training,
 - ✓ Description of how the training has allowed the use of new technology to improve current production practices, if applicable, and
 - ✓ Return on investment of federal funds and employer matching contributions relevant to the outcomes achieved from the newly acquired skills obtained from the training activities.
- Training outcomes (program performance) for each participant will be recorded for federal training statistics. This information will be submitted to the State Office for data entry. *Confidentiality Notice: No personally identifiable information (social security numbers, home addresses, etc.) will be shared publicly.* Relevant information collected will be used to determine if the participants have completed their training activities. This information will be used for statistical purposes only.

■ AVAILABILITY OF PROJECT APPLICATIONS AND GUIDELINES:

The Workforce Development Division will use the resources available through the Alabama Department of Commerce to publicize the availability of the funds. The standard project application and guidelines are available at www.madeinalabama.com. Additionally, these documents are available from the local Alabama Career Centers.

FREQUENTLY ASKED QUESTIONS & ANSWERS

➤ **What is the Incumbent Worker Training Program?**

Funded by the U.S. Department of Labor (USDOL) and administered by the Workforce Development Division of the Alabama Department of Commerce, the Workforce Innovation and Opportunity Act (WIOA) Incumbent Worker Training Program (IWTP) is designed to provide funding assistance to qualifying Alabama for-profit businesses to provide skills training to full-time, permanent company workers. The training must be a business necessity that will enhance companies' abilities to compete in global economies, expand present markets, and help ensure the permanency (layoff aversion) of businesses in Alabama. For the workers, the training will upgrade present work skills, heighten job security, provide marketable skills, and increase the possibilities for higher wages and promotional opportunities. The Workforce Development Division staff members administer, monitor, and evaluate the training program. They also provide fiscal and subrecipient agreement compliance assistance during the training process.

➤ **What is Incumbent Worker Training?**

Incumbent Worker Training (for purpose of the Workforce Innovation and Opportunity Act from which the funds are provided to states) is training designed to meet the special requirements of an employer (including a group of employers) to retain a skilled workforce or avert the need to lay off employees by assisting the workers in obtaining the skills necessary to retain employment.

➤ **What Commitment is required of the employer?**

The training may be approved and conducted after a commitment by the employer to retain or avert the layoffs of the incumbent workers trained in the approved project.

➤ **What is an Incumbent Worker?**

An incumbent worker is an employee of the business, employed under the Fair Labor Standards Act requirements for an employer-employee relationship and must have an established employment history with the employer for six months or more.

➤ **What kind of training can be funded by the WIOA Incumbent Worker Training Program?**

Training can include, but is not limited to, industry or company-specific work skills, basic job skills, technical computer skills, new manufacturing technologies, equipment operation training, changes in production processes, and "soft skills", such as leadership, teamwork, communication, and management skills. The Workforce Development Division does not maintain a list of approved training providers for the WIOA IWTP. Companies will select the type(s) of training and training provider(s) that meet their business and training requirements before submitting an application for consideration.

- ✓ Please note. Because of high demand and limited funds for the program, funding of training projects that provide the greatest potential for impacting the company's competitiveness and employee retention (layoff aversion) will receive the highest consideration.

➤ **Which companies are eligible to apply?**

For-profit companies that have been in business in Alabama for a minimum of two (2) consecutive years immediately prior to submitting an application are eligible to apply. Applying companies must also have at least one full-time, permanent worker (other than the owner), be financially viable, and be current on all state and federal tax obligations.

➤ **What information is required for the "Employer Contribution" portion of the program budget?**

The company must identify, in their WIOA IWTP application, its contribution (company match) to the training program. The company contributions must equal at least a dollar-for-dollar match of the total requested funds, up to the maximum funding request of \$30,000. Company contributions may be comprised of trainee wages and benefits paid during the training period, equipment purchased for training, training materials and supplies, training curriculum development expenses, and travel and lodging costs. Documentation of matching expenditures must be provided by employers with certain funding sources, which will be clarified as appropriate in the individual IWTP sub-recipient agreements. Also, some fund sources do not allow employee benefits to be used as part of the matching requirement.

➤ **What information will the company need to maintain for the Training Program Assessment reviews?**

Once training begins, the company should maintain adequate records of the costs associated with the training, information about the training provider, a detailed description of training, and benefits the training activities have provided to the company and to the employees. This information will be used to document the impact the training has had on morale, retention, wages, promotions, efficiency, and profit improvements. A Workforce Development Division employee may meet (or work via telephone and e-mail) with the company's contact person to review and evaluate the training program outcomes.

➤ **What does "performance-based" mean?**

A company is awarded training funds to provide skills training to an agreed-upon number of workers. If the company does not train the agreed-upon number of workers by the end of the agreement period, the final reimbursement may be pro-rated to bring the total project costs in line with the actual number of trained employees. If the company provides training to less than the planned number of employees or the projected training

is not completed, then the cost of the training may be pro-rated. Therefore, employers should be “realistic” in the completion of the IWTP application to include the number of planned employees to be trained in the project.

➤ **What training costs will not be reimbursed under the WIOA Incumbent Worker Training Program?**

Program funding cannot be used to pay for trainees’ wages and benefits during the training, travel expenses, training equipment, administrative costs, catering of training events, and costs outside the subrecipient agreement period (effective beginning and ending dates of the subrecipient agreement). However, these types of training expenses, incurred within the approved agreement period, may be included as part of the “Employer Contribution” to the project. However, employee benefits are not an allowable match for some funding sources, as noted above.

➤ **What if an employee that has been determined ineligible by WIOA regulations is trained?**

Any costs associated with participants deemed ineligible by WIOA regulations will not be reimbursed. Whether the trainer charges a flat fee or a per participant fee, the invoice will be pro-rated to exclude ineligible participants.

➤ **What training costs can be reimbursed under the WIOA Incumbent Worker Training Program?**

Training expenses may include non-company professional instructors’ fees, trainee(s’) tuition, required textbooks, manuals, curriculum development, and required expendable training supplies and materials. Necessary computer software that is used 100% for training purposes only, may also be considered for reimbursement.

➤ **How should the budget reflect the proposed training costs and the employer contributions?**

An example of training costs and employer contributions can be found in the “Sample Budget” on page 11 of these guidelines. The sample budget illustrates the various options for employer matching funds against the WIOA IWTP reimbursable training costs.

➤ **How are companies reimbursed for approved training expenses?**

The Workforce Development Division will provide approved companies with the required forms to complete for expense reimbursements. Companies should submit the reimbursement requests after the completion of each training module. Final expenses must be reported within thirty (30) days after training activities are complete or the agreement end date, whichever is the earliest end date of program activity.

➤ **What information is required for reimbursement of expenditures covered in the agreement?**

Before an invoice can be paid, all training participants’ names, social security numbers, and other required data must be entered into the state’s participant information system. It is the

responsibility of the Alabama Career Center System Business Services Representative to secure all eligibility, enrollment forms, etc. It is the responsibility of the employer to ensure that the employees (to receive training) are available to meet with the Alabama Career Center System Business Services Representative in order to complete the necessary WIOA participant enrollment paperwork as required. The employer must also ensure the cooperation of the trainees to provide the necessary information (social security numbers, etc.) to the Business Services Representative. (This is a federally-funded program and certain data is required for receipt of training services.) A submitted reimbursement form must include:

- ✓ Copy of paid trainer (college, private vendor, etc.) invoice. The invoice should include the date(s) and type(s) of training that was provided to the company.
- ✓ Copy of the check with which the invoice was paid or other financial documentation as evidence of payment.
- ✓ For each training session, a copy of the roster, which includes trainees' names and last four (4) digits of social security numbers, is required. The date(s) and type(s) of training should be noted on each roster. In addition, this roster should include the signature of the trainer or employer certifying that the listed employees did participate in the training.
- ✓ Documentation of matching expenditures (non-Federal share of training costs) such as payroll registers, copies of paid travel costs, etc. as required in Section 134 (d)(4)(D). The State's policy is a 100 percent matching requirement.

➤ **Where may the training take place?**

Training may be conducted at the business's own facility, at a public or private training provider's facility, or at a combination of sites that best meet the needs of the business.

➤ **Who selects the training providers?**

The company selects the (outside) training provider that best suits their training needs. Trainers may be public or private professional trainers, equipment vendors, or subject matter experts.

➤ **Who provides technical assistance?**

The Workforce Development Division staff and the local career center Business Services Representatives are available to provide technical assistance throughout the training project – from the application stage through project completion.

➤ **What happens after a training project is approved for funding?**

Written notification of funding assistance approval will be provided to the company. The Workforce Development Division staff will send a letter of notification (Governor's award letter) and a written agreement to the company. The company representative(s) must review the written agreement and return the signed copies, as instructed, to the Workforce Development Division before the training can begin. Also, the Business Services Representative at the local One-Stop Career Center is provided notification of the approved project.

➤ **What is the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (Protection Act)?**

The Protection Act is an anti-illegal immigration bill, signed into law in the State of Alabama in June 2011. The portion of the law pertaining to the IWTP imposes conditions of the award of state contracts, which must be satisfied before payment can be made on those transactions. As a condition for the award of any contract, the business entity shall not knowingly employ, hire for employment, or continue to employ an unauthorized alien and shall attest to such, by completing and signing the Certificate of Compliance Form, which is included as part of the IWT Program Application. Additionally, conditions of the contract for a business entity also require the entity to be enrolled in the E-Verify program maintained by the United States Department of Homeland Security. The Certificate of Compliance Form may be located within the IWTP page at <http://wioa-alabama.org/incumbent-training/> the E-Verify program website is located at <http://www.dhs.gov/e-verify>.