

INCUMBENT WORKER TRAINING GUIDELINES PROGRAM YEAR 2016

KEY POINTS

Incumbent Worker Training (IWT) should improve the skills and competitiveness of the participant and increase the competitiveness of the employer.

The purpose of the Incumbent Worker Training (IWT) Program is to support training that result in either:

1. Skill attainment for employees (training component # 1), or
 2. Process improvement (training component #2) that contributes to the competitiveness and productivity of a business.
- Tennessee for-profit and (not-for-profit health care related only) businesses that have been in operation for a minimum of one year prior to the application date, employ at least five full-time employees, are current on all federal and state tax obligations, and are financially viable are eligible to apply.
 - IWT funds are limited and are therefore awarded in a competitive-bid process. The maximum award is \$25,000 per grant, with a funding limit of \$50,000. Once a company has reached its funding limit with two or more grants in consecutive program years (beginning program year 2012-2013), it must refrain from applying for another grant for one year. As an example: if company A is awarded a \$20,000 grant in 2012-2013, and a \$15,000 grant in 2014, and a \$15,000 grant in 2015, it would have to skip the following year before being eligible to reapply.
 - The IWT is cooperatively administered through the state's Local Workforce Development Areas (LWDAs) and the Tennessee Department of Labor & Workforce Development, Workforce Services Division. Applications are submitted from the companies directly to an LWDA that serves the county where the applicant resides. The LWDA may request additional information or establish supplemental provisions and requirements for the training projects.
 - LWDAs will evaluate and score submitted applications. The LWDA will submit approved applications with a letter of support to the TDLWD, Workforce Services Division to be reviewed.
 - The Workforce Services Department will make recommendations for final approval.
 - Upon approval (signature) from the Commissioner, LWDA's will be advised and letters of approval will be sent to the LWDAs and the applicants.
 - LWDAs will contract for training with an actual start date no earlier than January 1, 2016, and an end date of no later than December 31, 2016.

TRAINING SERVICES

All training must be completed by the last day of the specific program period. All programs need to have end dates that complete training no later than December 31, 2016. All training should have specific start and end dates.

TRAINING

- Can be provided through Tennessee's public or private educational institutions, private training organizations, trainers employed by the business, or a combination of training providers.
- Can be conducted at the business's own facility, at the training provider's facility, or at a combination of sites.

REIMBURSEABLE TRAINING EXPENSES

- Instructors'/trainers' salaries - capped at actual amount or \$50/hour if company trainers are used, whichever is less
- Curriculum Development, not to exceed 5% of total State obligation (defined as the time necessary for company officials to determine training needs or the actual development of curriculum)
- Textbooks/manuals
- Materials/supplies
- Tuition Expense (tuition defined as being provided by an institution regulated by the Tennessee Higher Education Commission)

NON-REIMBURSEABLE COSTS

- Trainees' wages
- Purchases of capital equipment
- Purchase of any item or service that may possibly be used outside of the training project
- Travel expenses of trainers or trainees
- Assessment, testing, or certification fees
- Language training unless specific to terms of employment
- Advertisement or recruitment

GRANT AWARDS

- Businesses approved for funds enter into a contract with their local workforce Development Area ([LWDA contact](#)) which commits the business to complete the training project as proposed in its application.
- Approved budget items are reimbursed upon presentation of adequate documentation of the training and evidence that the training expense incurred has been paid.

- Businesses will provide a 50% matching contribution to the training project equal to at least 50% of the requested grant amount. An example would be if the grant is for \$25,000, the company would have to have a \$12,500 match.
- Businesses will keep accurate records of the project's implementation process and certify that all information provided, for the purpose of requesting reimbursements and reporting training activity, is accurate and true.
- Businesses submit monthly or quarterly reimbursement requests, with required support documentation, to their local Workforce Development Area representative ([LWDA contact](#)).
- Any other contract provisions established by the LWDA.

PROJECT COMPLETION

- All grant projects shall be performance based with specific measurable performance outcomes - including: the completion of the training project, number of employees trained, beginning and ending wages of trainees, date of birth, and customer satisfaction.
- Final payment for businesses receiving IWT grants will be withheld until the final report is submitted and all performance criteria specified in the grant have been achieved.
- Businesses shall provide sufficient documentation to the LWDA for identification of all employee participants for calculation of performance measures required by WIOA, and for any other outcomes deemed pertinent to the grant administrator.
- When an IWT grant award is made, it is for the completion of specific training components. If the company does not complete those training components by the end of the contract period, their final reimbursement will be pro-rated to bring their total reimbursement for the project in line with the actual training components completed.

APPLICATION INSTRUCTIONS

- Contact your Local Workforce Development Area (LWDA) for assistance with completion of and submitting of the application. DETACH and complete the attached IWT Program Application. Any information or documentation that cannot be supplied in the provided space should be identified by the relevant question number and attached to the back of the application form.
- **NOTIFICATION OF APPROVAL MUST BE RECEIVED PRIOR TO THE START OF ANY TRAINING AND A CONTRACT MUST HAVE BEEN INITIATED BETWEEN THE LWDA AND THE APPLICANT.**