

POLICY

INCUMBENT WORKER PROGRAM

1) **Background**

Under the Workforce Innovation and Opportunity Act local workforce development areas have the authority to allocate up to 20 percent of their adult and dislocated worker funding for incumbent worker programs. An incumbent worker is an individual who is employed, but does not necessarily meet the eligibility requirements for WIOA services. In addition, while these workers are registered in the WIOA tracking system they do not count in the federal performance standards.

The Workforce Investment Board can fund training at local companies that need their workers' skills upgraded to build or maintain profitability through this program. This program allows the Workforce Investment Board to help local companies train their existing employees, and in turn allows the companies to remain competitive, become more productive and increase job opportunities for local residents.

2) **Objectives**

This policy will allow the Workforce Investment Board to:

- ❑ Assist Will County employers in improving the productivity of their employees, increasing competitiveness, and expanding job opportunities for Will County residents.
- ❑ The development of a full continuum of training services that address the needs of the existing workforce, the unemployed, the underemployed, and new entrants to the labor force;
- ❑ Attract greater participation in the workforce system by local businesses, encouraging the creation of strong public-private partnerships;
- ❑ Increase the general market penetration of the local employer base; and reach new employer customers for the Will County One-Stop System.

Key Considerations

- Businesses are the primary customers of the program.
- The business must be in a targeted industry.
- Workers to be trained are only those working for the specific participating company in the targeted occupations identified by the company.
- Training must be job-specific but also result in benefits to the workers such as: enhanced employability, job upgrades, increased wages, and/or increased job security.

- Workers have to be employed by participating employer for six (6) months or more to be eligible for training.
- Participating businesses must provide a match depending on the size of the company. Company matches can include the wages paid to their workers during the time the workers are in training, as well as other in-kind contributions.

3) **Recommendations**

Allocate the maximum amount in each funding stream to be used for incumbent worker training as allowed under the Workforce Innovation and Opportunity Act.

Each Incumbent worker grant proposal will be reviewed by an ad-hoc team of Workforce Investment Board members. The team will make a recommendation on funding for each proposal. If the funding recommendation is less than \$20,000, a contract will be executed with the employer. If the funding recommendation is \$20,000 or greater, an overview of the proposal will go to the Workforce Investment Board and Will County Board for a 5-day review.

- **Industry Targets:** Healthcare, Manufacturing, Logistics, IT, Finance/Insurance. Exceptions can be made on a case by case basis. No government, training vendors/consultants, or educational/religious institutions.
- **Sliding scale for employer match:** 50 or fewer employees = 10% match, 51-100 employees = 25% match, 101 or more employees = 50% match.
- **Unallowable training:** Self-paced learning; "Outward bound" or experiential training programs; Personal development courses; Non-skill related assessments; Administrative costs; Ordinary Microsoft or off-the-shelf software computer training; Mandated safety training (OSHA and other); English as a second language training; In-house trainers; Basic skills or remedial education; non-job related training.

4) **Assessment**

Report and evaluate the following quarterly:

- ❑ Number of employers participating in incumbent worker training
- ❑ Number of incumbent workers trained
- ❑ Industry break-down of employers participating in incumbent worker training
- ❑ Number of "new" employers utilizing incumbent worker training ("new" being defined as not a previous user of the Will County One-Stop System)
- ❑ Types of training offered through incumbent worker training program

Previous Revision: August 10, 2015
Motion: Pete McLenighan
Second: Cheryl McCarthy

Last Revision: October 17, 2016
Motion: Joe Strong
Second: Pete McLenighan