



Title:	Incumbent Worker Training Policy	Effective Date:	1/27/2017
Policy #:		Revised Date:	7/11/2025

Purpose

To establish the policy regarding Incumbent Worker Training funding activities through the Workforce Innovation and Opportunity Act (WIOA) Title I Adult and Dislocated Worker programs.

References

- VWL 16-05 Change 2 Incumbent Worker Training
- Workforce Innovation and Opportunity Act (WIOA) Public Law 113-128
- Training and Employment Guidance Letter (TEGL) WIOA No. 03-15
- Virginia Board of Workforce Development (VBWD) Policy 403-04 Incumbent Worker Training

Policy

Incumbent Worker Training (IWT) is a form of training that is designed to ensure that employees of a company can acquire the skills necessary to retain employment and advance, thus creating backfill opportunities for the employer. IWT can also be used to provide skills necessary to avert a layoff or reduction in force. IWT must increase both the employee and company's competitiveness. IWT may be provided to a single firm or a group of firms that share similar needs using WIOA Title I Adult and Dislocated Worker funding. Funds are paid directly to the employer or designated entity for a group of employers for the reimbursement of training costs. Up to 20% of local WIOA Title I Adult and Dislocated Worker program formula funds may be reserved and used to pay for the federal share of the cost of providing IWT. Statewide rapid response funds may also be requested from the Virginia Department of Workforce Development and Advancement (Virginia Works) for additional IWT activities beyond local formula funds.

Procedure

Employer Eligibility

All employers that request funding for IWT will be evaluated based on the following criteria:

- The positive relationship of the training to the competitiveness of the employee(s) and the employer(s).
- The relative wage and benefit levels of those employees (pre-training and anticipated upon completion of the training). Employees participating in Incumbent Worker Training activities must earn, or be eligible for a wage gain to earn, at least the hourly living-wage identified for the locality in which the business resides.
 - The living-wage for each locality can be found using the Massachusetts Institute of Training's Living Wage Calculator found here: <https://livingwage.mit.edu/>.
- The potential state, regional, and local economic impact, if any, of the training project.
- Demonstration of linkages of the training activity to high-demand occupations and/or regionally targeted industries as identified in the Local Plan.



- Staff may request a waiver for IWT opportunities that are outside of the identified high-demand occupations and/or target industries. Waivers must be requested, with all required documentation, and approved by the Executive Director or their designee prior to approving funding for the IWT. Waiver documentation must include, at a minimum:
 - Justification by the employer of the industry being in-demand
 - Statement by the employer noting anticipated growth of the occupation(s)
 - Local labor market information, including data and at least 3 job different job openings paying a self-sufficient wage for the occupation(s) connected to the training

Employee Eligibility

Because of the unique nature of IWT, where the Greater Roanoke Workforce Development Board (GRWDB) evaluates the employers for eligibility consistent with §680.810, employees receiving IWT are not subject to the same eligibility criteria that apply to participants in the WIOA Title I Adult and/or Dislocated Worker programs, unless they are also receiving other services under those programs. Therefore, employees who only receive IWT services and no other WIOA Title I Adult and/or Dislocated Worker formula services, do not fall within the definitions of “participant” in 20 CFR §677.150(a). As such, those that are receiving only IWT shall be reported as an “individual” and not a WIOA Title I program “participant”.

To report employees as individuals as stated above, the following eligibility must be documented on all employees participating in IWT:

- The employee is at least 18 years of age
- The employee is a citizen of the United States or a non-citizen whose status permits employment in the United States
- If the employee is a male born on or after January 1, 1960, verification of registration with the United States Selective Service system within 30 days after their 18th birthday or before they reach the age of 26
- The employee’s employment meets the Fair Labor Standards Act requirements for employer-employee relations
- The employee has an established employment history with the employer for 6 months or more
 - If the IWT is being provided to a cohort of employees, not every employee in the cohort must have an established employment history with the employer for 6 months or more as long as the majority (51%) of those employees being trained meet the employment history requirement.
- The employee is a paid, full-time employee that works at a facility located in Local Workforce Development Area (LWDA) 3 or works for a staffing agency and is placed at a facility in LWDA 3.



Funding Parameters

Employers participating in the program are required to pay for the non-Federal share of the cost of providing the IWT to the employees. The non-Federal share shall not be less than:

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

IWT per program year (July 1 – June 30) may not exceed \$2,000 per employee and \$5,000 in total. Exceptions to these maximum amounts may be approved by review & approval of the full GRWDB, only if done prior to the obligation/authorization or the start of training.

Examples of costs that are covered by Incumbent Worker Training funds include:

- Training programs for participants for productive, high demand employment
- Work-site-based learning strategies using cutting-edge technology & equipment
- Training programs incorporating technological changes in the workplace
- Training programs designed to impart learning to meet employer-specified or industry-specific skills
- Train-the-trainer instruction to build the capacity of businesses to effectively respond to the challenges of an increasingly diverse workforce
- Consumable training materials & supplies
- Textbooks
- Off-site facility rental expense directly related to and necessary for the training
- Rental of tools and equipment critical to the training
- Travel expense and per diem of instructor
- Instructor/trainer fees

Examples of costs that will not be covered by Incumbent Worker Training funds includes:

- Costs incurred prior to the approval date of the application
- Construction or purchase of facilities or buildings
- Business relocation expenses
- Employment or training in sectarian activities
- Lobbying activities
- Employee participant wages
- Travel expenses and/or per diem of employees

The GRWDB and any employer that receives funding for IWT will follow all current and future guidance provided by state and federal agencies. Employers wishing to receive funding for IWT must complete the GRWDB's IWT Application and submit required documentation to the GRWDB. The employer may



select the training provider for IWT, but if the employer requires assistance with identifying applicable training providers, the GRWDB is able to assist in this manner.

GRWDB staff will review submitted and complete applications for adherence to federal, state and local policies. GRWDB staff will also evaluate applications based on the availability of funding, prioritizing applications for training that lead to credential attainment and/or immediate wage gain at the completion of training. If determined eligible for funding, GRWDB staff will work with the employer to obtain additional required information for documenting employees' eligibility. Applicable information and documentation will be entered and uploaded into the Virginia Workforce Connection (VaWC), as required by federal and state policy. Upon completion of training and/or reimbursement for training, the employer must submit documentation of expense and training reimbursement request to GRWDB staff for processing. Upon receipt of acceptable documentation, reimbursement payment will be processed for employer within 45 days of receipt of complete and accurate reimbursement request.