

ATTACHMENT 31.
Incumbent Worker Policy



**KANSAS CITY & VICINITY
WORKFORCE DEVELOPMENT BOARD**



Serving the city of Kansas City, Mo. and Cass,
Clay, Platte, and Ray counties.

The Full Employment Council, Inc. (FEC) is the fiscal
agent and workforce support organization for the
Kansas City & Vicinity Workforce Development Board.

INCUMBENT WORKER TRAINING POLICY

POLICY NUMBER: 2017-002, Modification 3

EFFECTIVE DATE: 04-27-2018

MODIFICATION DATE: 06-10-2020

APPROVED BY

A handwritten signature in black ink, appearing to read 'Clyde McQueen', written over a horizontal line.

Clyde McQueen, President/CEO
Full Employment Council, Inc.,
Managing Entity/Fiscal Agent
Kansas City & Vicinity Workforce Development Board

INQUIRIES

Questions about this issuance should be addressed by email to Andrea Robins, Senior Director of Planning and Management Information Systems, at arobins@feckc.org, who shall disseminate the agency response after consulting with Full Employment Council Officers.

PURPOSE

The purpose of this Issuance is to update Incumbent Worker Training Policy No. 2017-002, Modification 2, reflecting changes made with Missouri Office of Workforce Development (OWD) Frequently Asked Questions regarding Issuance No. 23-2017, Incumbent Worker Training Policy and updated Attachments and guidance (see Attachment B, Incumbent Worker Training Practices and Procedures Manual).

BACKGROUND

Incumbent Worker Training meets the needs of an employer, or a group of employers, by averting potential layoffs, by increasing the skill levels of current employees to make the most of company career advancement opportunities and by creating advancement opportunities for less skilled employees. Incumbent worker training is outlined in the Local Plan.

INCUMBENT WORKER TRAINING POLICY

POLICY NUMBER: 2017-002, Modification 3

TABLE OF CONTENTS

Policy2

I. Incumbent Worker Training Eligibility and Procedures2

II. Required Documentation4

Attachment A: Incumbent Worker Application

**Attachment B: OWD Issuance No. 23-2017, Incumbent Worker Training Policy
and Frequently Asked Questions**

Attachment C: Incumbent Worker Manual

POLICY

I. INCUMBENT WORKER TRAINING ELIGIBILITY AND PROCEDURES

This Issuance will follow OWD Issuance No. 23-2017, [Incumbent Worker Training Policy and Frequently Asked Questions](#), the [Incumbent Worker Training Practices and Procedure Manual](#), or other current guidance on the topic located at jobs.mo.gov/dwdissuances.

1. Incumbent Worker Training funds may only be used for training to avert layoffs, advance career skills, or allow lower skilled workers to advance their position, wages and careers within a company. Incumbent worker training meets the needs of an employer or a group of employers, by averting potential layoffs ([by assisting workers to update regarding new practices and technology](#)), by increasing the skill levels of current employees to make the most of company career-advancement opportunities, and by creating backfill opportunities for less skilled employees (i.e. allowing employees working at one level to advance their career to another level with a pay increase and title promotion). Incumbent worker funds will not be used for training new hires within a company.
2. Incumbent Worker Training Program will focus on the following:
 - Creating the opportunity for career progression and identifying career pathways,
 - Providing the opportunity for a jobseeker from the public workforce system to obtain the position left vacant by the ascension of the incumbent worker training graduate; employer approval is needed,
 - Supporting classroom training tuition costs by securing a employer match,
 - Providing training in labor market growth sectors as identified by the Local Plan,
 - Providing defined career pathways as part of the classroom training program,
 - Approving training programs on a “position-by-position” basis, which will be tied to the skill training deficit of each affected employee seeking support, and tied to training, competencies developed in the training plan.
3. The following must be documented regarding the incumbent worker training:
 - How the training improves the labor market competitiveness of the employee or both the employee and the employer,
 - The wages and benefits associated with the training,
 - The number of employees trained with the company,
 - How Incumbent Worker Training interacts with other training and advancement opportunities within the company,
 - The results associated with Incumbent Worker Training, such a skills gain, credential attainment, layoff aversion, and utilization of sector strategies and career pathways,
 - Procedures as to how employers will pay the required non-federal share of the cost of providing Incumbent Worker Training.
4. The employee receiving the training must:
 - Be currently employed,
 - Meet the Fair Labor Standards Act requirements for an employer-employee relationship,

- Have an established employment history with the employer, working for the employer an average minimum of 32 hours per week for six consecutive months. This can include time spent as a temporary or contract worker for the employee.
5. Exception to the six month requirement: If incumbent worker training is being provided to a cohort of employees, not every employee in the cohort must have an established employment history with the employer for six (6) months or more if the majority of employees being trained meets the employment history requirement.
 6. It must be demonstrated, through labor market studies and data that the training results in increased labor market competitiveness of the employees or both the employees and the employer.
 7. Incumbent workers **do not** have to meet eligibility requirements for Adults/Dislocated Worker training and career services. Incumbent workers do have to meet the basic requirements by showing:
 - Social security number
 - Date of birth
 - U.S. citizenship
 - Selective service registration, as appropriate
 - Residence
 8. The following is required for Incumbent Worker Training eligibility:
 - Employers and their employee trainees must be enrolled into the statewide electronic case management system; **and**
 - Documentation must include: A six-month work history requirement. Local WDBs are required to utilize the OWD Incumbent Worker Training Agreement (or its equivalent); **and**
 - Increased skills to be obtained by the participant, such as an industry-recognized certificate or credential, or a promotion, that correlates to the competitiveness of the job and the employer; **or**
 - Proof of averting the need to lay off employees through assisting workers to obtain the skills necessary to retain employment. This must increase both a participant's and a company's competitiveness.
 - Training must lead to opportunities for advancement and wage increases within 60 days of the successful completion of training. This entails a wage increase with title change, or obtaining a position that is full-time equivalent (at least 32 regular hours per week) with a wage increase, with access to company-provided benefits including healthcare for the participant within 60 days of successful completion of training, whereas before the worker was a contractor of the employer.
 9. **Employers are required to pay the non-federal share of the cost of providing incumbent worker training.** Contributions may include the wages the employer pays to the incumbent worker trainee for the hours the worker is actually receiving instruction (That is, the duration of the training agreement is not used to determine in-kind wage contributions).

10. The minimum amount of employer share in the Incumbent Worker Training depends upon the size of the employer and may not be less than:

- 10 percent of the cost, for employers with 50 or fewer employees,
- 25 percent of the cost, for employers with between 51-100 employees, and
- 50 percent of the cost, for employers with more than 100 employees.

11. Employer share must be reported on the quarterly ETA-9130 financial report, and costs must be reported in the OWD Financial Reporting System (FRS).

12. Employers will only be reimbursed after pay increases are verified.

13. Up to twenty percent (20%) of combined total allotments for Adult and Dislocated Workers may be used for incumbent worker training. This twenty percent (20%) must be used **exclusively** for direct program activities. Administrative activities must be paid for out of the Workforce Development Board's administrative funds.

14. Missouri state law requires the Department of Higher Education and Workforce Development to ensure no duplication of training funds exists, therefore Boards should prioritize working with employers who are not eligible for/are not currently participating in the State's Incumbent Worker Training Program to target a wider range of employers and workers.

15. The Local Workforce Development Board shall notify OWD prior to entering into any agreement. The local board will also clearly flag a desired incumbent worker training project with a company that is already participation in Missouri Works Training. In such cases, training will be used only to supplement limited resources and there will be no duplication. Respective areas of training investments must be identified so that there is no duplication.

16. If a collective bargaining agreement covers the employer, then union concurrence with the training services is required. Incumbent worker training projects must comply with general WIOA requirements and restrictions.

17. Reporting on participant and employer performance outcomes is required.

II. REQUIRED DOCUMENTATION

The following documents are required in association with Incumbent Worker Training:

- Incumbent Worker Training Application
- Incumbent Worker Training Program Agreement, Legal Certifications, Business Entity Certification, and Incumbent Worker Training Program General assurances
- Incumbent Worker Training Supplemental Agreement
- Incumbent Worker Training Budget
- Incumbent Worker Training End Monitoring Report

- Incumbent Worker Training Registration Form
- There is also a requirement for reporting the cumulative total for employer contributions associated with incumbent worker training. The cumulative total is to be entered monthly on the Contract Progress Report (CRP), under the 'cumulative cash drawn' entry box on the CPR (see Frequently Asked Questions regarding OWD Issuance No. 23-2017, Incumbent Worker Training).

Quince

Alto