

CWP Policy and Procedure Manual

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Subject: Incumbent Worker Training (IWT)	Effective Date: 5/17/21 Rev: 1/10/23	

A. General

The following Incumbent Worker Training (IWT) policy and procedures apply to IWT activities funded by the USDOL, Employment and Training, One Workforce H-1B grant.

Incumbent Worker Training is a type of work-based, employer-driven training for employees who need training to upgrade their skills to secure full-time employment, advance in their careers, or retain their current employment in H-1B occupations and industries. IWT is developed in collaboration with the employer with which an individual is employed when they are determined eligible to participate in the grant. Employers are encouraged to backfill open positions that result from incumbent worker training with unemployed and underemployed individuals.

For purposes of this policy and procedures, the term “employer” represents any entity applying for and receiving IWT funds on behalf of an employer or group of employers and the term “employee” represents one or several employees.

B. Policy

1. Eligibility

For employers to be eligible for H-1B IWT funds, the employee/trainee must meet the following criteria:

The employee must:

- a. Be employed by the entity requesting IWT funds,
- b. Be at least 17 years of age,
- c. Not currently enrolled in secondary school, and
- d. Meet the Fair Labor Standards Act requirements for an employee-employer relationship.

2. Allowable Costs

IWT funds pay for the cost of training including the cost of an external trainer/instructor, tuition/instruction, books, exams, and other materials needed for the training. The Workforce Development Board (WDB) reimburses the employer for these expenses upon the employer’s submission of a complete and accurate invoice along with an IWT report documenting the results of the training and any other required documentation.

3. Unallowable Costs

Unallowable costs include the wages and benefits of employees (including employees facilitating the training), travel expenses of the trainer or trainee, training facilities or equipment. When these IWT-related expenses occur, they are considered the employer’s share of the costs of IWT and are documented and reported to the WDB as leveraged/matched contributions. See section C.4 of this policy for reporting procedures.

4. Union Consideration

Funds provided for IWT must not be used to directly or indirectly assist, promote or deter union organizing. Funds provided for IWT may not be used to directly or indirectly aid in the filling of a job opening which is vacant because the former occupant is on strike, being locked out or involved in a work stoppage in the course of a labor dispute.

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5. Prohibited Employers

The WDB will not enter into an IWT contract with employers who are in violation of local, state or federal labor laws or who failed to meet their obligations under a previous contract.

C. Procedures

1. Application

Employers who are interested in obtaining assistance funding IWT must submit a prescribed IWT application to the WDB providing detailed information regarding the proposed training, employees to be trained, cost sharing, and intended outcomes for the employee and the employer.

2. Determining Eligibility of Training

WDB staff use the information from the application to determine if the employer's proposed training is eligible for H-1B funded IWT. In evaluating whether the proposed training meets the IWT eligibility criteria of the H-1B grant, WDB staff consider the following questions:

- a. Does the training meet the special requirements needed for the employer (or group of employers) to retain a skilled workforce or avert the need to lay off in an H-1B industry?
- b. Does the training provide the skills and/or knowledge in an H-1B occupation to improve the competitiveness of the employee or both the employee and employer?
- c. Will the training provide for employee advancement opportunities along with wage and benefits increase (pre and post-training earnings)?
- d. Does the employer provide other similar training and advancement opportunities?
- e. Will the employee gain a credential and/or skills as a result of the training?

3. Employer Contract

Once the application for Incumbent Worker training funds is approved by the WDB, a contract between the WDB and the employer must be executed prior to the start of the IWT. WDB staff discuss the contract provisions with the employer prior to contract execution to ensure agreement and compliance with contract provisions.

- a. Contract provisions for discussion with the employer:
 - i. Amount of funds that the WDB will provide for the training and related costs
 - ii. Employer's share of the IWT costs
 - iii. Number of employees to be trained
 - iv. Agreement that WDB staff may collect registration information directly from trainees
 - v. Anticipated outcome of the training
 - vi. Incumbent worker training contract provisions
 - vii. Financial and administrative contract provisions
 - viii. Contract specific terms
 - ix. Position or job title of the trainees
 - x. Number of hours of training per participant
 - xi. Beginning and end dates of the contract
 - xii. Beginning and end dates of the training
 - xiii. Reporting requirements
 - xiv. Invoicing procedures

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- b. Components IWT contract:
 - i. A completed Incumbent Worker Training (IWT) contract template signed by the employer and the WDB signatory
 - ii. An approved Application for Incumbent Worker Training Funds
 - iii. Report Form
 - iv. Protecting Personally Identifiable Information Policy (PII)
 - v. Additional exhibits deemed necessary by the WDB

4. Reporting

Employers are required to document and report to the WDB the data elements as required by the contract terms. The elements include but are not limited to:

- a. Employer's name
- b. Title and type of training
- c. Training provider
- d. Employer's share of the IWT costs
- e. The following data elements applicable to each trainee: name, employment start date¹, training start date, job title, post training job title (if promoted), credential earned, and amount of post-training wage increase, and any other information required by USDOL

¹ Employee start date may include time as a temporary or contract worker.