

**NORTH CENTRAL COUNTIES CONSORTIUM****Incumbent Worker Training Policy****I. Purpose**

The Incumbent Worker Training (IWT) program provides both employers and their employees with the opportunity to build and maintain a quality workforce. The intent is to increase both employer and their employees' competitiveness by developing the skills necessary to avert layoff or increase the skill levels of employees.

IWT should be part of a comprehensive business engagement strategy designed to meet the special training requirements of an employer (including a group of employers) to upskill current employees.

**II. Background**

Under WIOA Local Areas may allocate up to 20% of their combined Adult and Dislocated Worker formula allocations for IWT activities. Employers are required to pay for a significant cost of the training.

Local Boards are required to establish policies regarding the non-federal share of the cost of IWT. Employer share can be through cash payments and fairly evaluated in-kind contributions. The employer(s) share depends on the number of employees (either at all locations or per the location where training is taking place). The employee size and percent of employer share is as follows:

- 50 or fewer employees at least 10 percent
- 51 – 100 employees at least 25 percent
- 100 or more employees at least 50 percent

**III. References**

- WIOA Section 134 (d)(4)(C-D)
- EDD Directive WSD10-01
- TEGL 19-16, Section 13
- 20 CFR 680.780-820

**IV. Policy Statement**

Incumbent worker training will only be available if all eligibility criteria are met and the employer can meet the cost share requirements of the training. NCCC will currently cap the annual amount of IWT to \$15,000 annually for the whole consortium.