

Mountain Area Workforce Development Board

Policy Statement: 2018 Number 2

Subject: Mountain Area Incumbent Worker Training Policy_
Business Accelerator Grant

Effective Date: March 1, 2018

Expiration: Indefinite

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Purpose: To provide guidance and criteria for the Mountain Area Workforce Development Board's (MAWDB) implementation of the Incumbent Worker Training Grant (IWTG), locally known as the NCWorks Business Accelerator Grant, with local program funds operated under the Workforce Innovation and Opportunity Act (WIOA).

Background: To provide updated guidance and criteria for the implementation of Mountain Area Workforce Development Board's (MAWDB) NCWorks Business Accelerator Grant for incumbent worker training operated under the Workforce Innovation and Opportunity Act (WIOA) using local formula Adult and Dislocated Worker funds.

To strengthen the workforce system and to implement the Workforce Innovation and Opportunity Act of 2018, Local Workforce Development Boards (WDBs) including the Mountain Area Workforce Development Board, are permitted to use up to 20 percent of the combined total of Adult and Dislocated Worker allocated formula program funds for local Incumbent Worker Training Grants. An incumbent worker is not subject to eligibility requirements for Adult and Dislocated Workers under WIOA, but performance information is required.

MAWDB is required to collect and report outcomes based upon criteria outlined in their local policy similar to reporting requirements found in the NCWorks Online system, and approved by the Division of Workforce Solutions (DWS) upon submission of the policy. The outcome measures should promote a skilled workforce by assisting workers in obtaining the skills necessary to retain employment or avert layoffs and must increase both the worker's and the company's stability and competitiveness. The workers served under the NCWorks Business Accelerator Grant will be reported using the DWS NCWorks Online system.

Definition of Incumbent Worker

An incumbent worker is a paid employee of the applicant's business where an Employer-Employee Relationship exists between the worker and the employer. The Labor Standards Act (FLSA) states that employees that receive a W-2 form for tax purposes have an employer-employee relationship. The employee to be trained must work at a facility located in North Carolina.

An individual who does not meet the employer-employee relationship are:

- Those who will receive a 1099 form for tax filing purposes; or
- Those who are placed through a temporary agency.

Eligible Businesses

Any private for-profit or private non-profit business that has five or more employees, has been in operation in the State of North Carolina during the entire twelve-month period immediately preceding the date of application, is current on all federal, state, and local tax obligations and that proposes training at a facility it operates that is located in the State may apply. State agencies, local community colleges, labor unions and training providers are not eligible to apply for funding under this program.

Non-Federal Share Requirements

An employer or group of employers must pay or a portion of the cost of providing the training to incumbent workers. This portion is defined as the non-federal share and rules for matching are provided at Uniform Guidance 2 CFR 200.036 and 2 CFR 2900.8, respectively, WIOA Section 134(d)(4)(D), and the US Department of Labor Training Employment Guidance Letter (TEGL) 03-15.

The non-federal share shall be:

- Not less than 10% of the cost, for employers with not more than 50 employees,
- Not less than 25% of the cost, for employers with more than 50 employees; and
- Not less than 50% of the cost, for employers with more than 100 employees.

The non-Federal share may include the amount of wages paid by the employer to a worker while the worker is attending training. The employer may provide the share in cash or in kind, fairly evaluated. Other examples of an employer's non-federal share are training equipment purchased, on-site facility usage fee, and employees' food, travel, and lodging.

A collaborative IWTG is designed to meet the common training requirements of a group of two or more employers. All employers and employees must meet WIOA criteria. The contract will be written with the lead employer, who must have employees included in the training.

Action: Mountain Area Employers and Partners adhere to the policy and utilize the guidelines and other related forms available through the board's Regional Business Services Coordinator.

Distribution: All MAWDB's Service Providers, Workforce Development Division Staff

Attachments:
1-IWTG PY 2019 Call for Submission
2-IWTG PY 2019 Guidelines for Businesses
3-IWTG PY 2019 Applications for One Business
4-IWTG PY 2019 Application for Multiple Businesses