

Mountain Area Workforce Development Board

Policy Statement: 2017 Number 1

Amendment to Policy Statement 2014 Number 2, February 25, 2014

Policy Statement Regarding the Implementation of “Incumbent Workers On-the-Job Training” Program for the Workforce Innovation and Opportunity Act Eligible Adults

The Incumbent Worker On-the-Job Training (OJT) Program is designed to help a working, but “under-employed” WIOA eligible adult make progress toward a “self-sufficient” wage as defined by the Local Workforce Development Board. Below you will find the most up-to-date chart that sets the “self sufficient” wage rate for the Mountain Local Area. Under this policy to be eligible to participate in the Adult Incumbent Worker OJT Program the WIOA Program eligible client’s family income would have to be below the amount shown in the column titled “Adult Self Sufficiency Earnings Level (Six Month Earnings)”. While the Incumbent Worker OJT may not always achieve the level of wages necessary to move the worker’s income above the “self sufficiency” threshold, the Incumbent Worker OJT contract with the employer must achieve at least a 10% increase in income for the trainee at the beginning of the training.

Mountain Area Workforce Development Board Incumbent Workforce OJT Policy On-the-Job Training for Incumbent Workers is allowed by WIOA when:

1. the employee is **not** earning a self-sufficient wage as determined by local Workforce Development Board policy;
2. all OJT Pre-Award Analysis conditions are met; and
3. the OJT relates to the introduction of new technologies, introduction to new production or service procedures, upgrading to new jobs that require additional skills, workplace literacy, or other appropriate purposes identified by the WDB. (NC DWS Policy Statement Number PS13-2013, August 15, 2013)
4. Prior to enrollment in the Incumbent Worker OJT program the WIOA eligible employee:
 - must have been in continuous employment with the company for at least six months,
 - demonstrated excellent attendance and performance, and
 - acknowledge a desire to learn and accept the responsibilities associated with the new position.
5. The incumbent worker cannot be a member of the immediate company’s management or supervisory personnel.
6. The length of the training is determined by the skills gap between the position that the employee occupies and the position for which he/she will be trained.
7. OJT Contracts can only be written for fulltime jobs that pay at least \$9/hour.
8. The wage increase for the training position must be at least 10% of the current wage. The wage increase must start at the beginning of the OJT contract. Additional wage increases are allowed during or at the end of the contract period but the maximum reimbursement amount will not change.
9. Post contract follow-up (required for 4 quarters) with the participant would enable MAWDB staff to confirm the continuation of the wage increase. In the Incumbent Workforce OJT contract the employer must agree that:
10. the movement into this higher wage position will not displace an employee currently holding that position and that the previous occupant of that position (if applicable), is employed

elsewhere within the company or resigned, and was not dismissed from employment other than for cause;

11. the employer will list any job vacancy created by the Incumbent Workforce OJT with NC Works and give due consideration to applicants referred by the local NCWorks Offices.

Mountain Area WIA Adult Self-Sufficiency Wage Policy:

The Mountain Area Workforce Development Board has established the definition of self-sufficient for determining whether an employed individual is receiving a wage that leads to self-sufficiency as follows:

The Mountain Area Workforce Development Board has established the definition of self-sufficient for determining whether an employed individual is receiving a wage that leads to self-sufficiency as follows:

1. to utilize the LLSIL guidelines with an upward adjustment for the family of one and two to 150% of the LLSIL; and
2. to utilize the LLSIL with an upward adjustment for a family of two to 150% of the LLSIL; and
3. to utilize the LLSIL at 125% of the published rate for families of three or four; and
4. to utilize the LLSIL at 110% of the published rate for families of five or six.

With the adjusted percentages, the guidelines for an annual and a six-month period are as follows:

Source: PS 05- 2016– Effective March 25, 2016

Family Size	70% LLSIL (Six Month Earnings)	100% LLSIL by Family Size – (Six Months Earnings)	Adult Self Sufficiency Earnings Level Percent of LLSIL	Adult Self Sufficiency Earnings Level (Six Months Earnings)	Full-time (40 Hrs) for 1 Wage Earner	Full-time (40 Hrs) Average Wage for 2 Wage Earners
1	\$5,940	\$8,485.71	150%	\$12,728.57	\$12.20	NA
2	\$8,010	\$11,442.86	150%	\$17,164.29	\$16.45	\$8.22
3	\$10,150	\$14,500.00	125%	\$18,125.00	\$17.37	\$8.68
4	\$12,531	\$17,901.43	125%	\$22,376.79	\$21.44	\$10.72
5	\$14,789	\$21,127.14	110%	\$23,239.86	\$22.27	\$11.13
6	\$17,297	\$24,710.00	110%	\$27,181.00	\$26.05	\$13.02
For Each Additional Family Member Added	\$2508	\$3,582.86	110%	\$3,941.14	\$3.78	\$1.89

The wages for an adult must be at the adjusted LLSIL level listed above or more to be defined as earning a self-sufficient wage.