



**MAN-TRA-CON**  
C O R P O R A T I O N

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**Southern Illinois Workforce Investment  
Board**

**Policies & Procedures**

**Incumbent Worker Training (IWT)**

**PURPOSE**

In order to provide for a full continuum of training services to our business customers, Man-Tra-Con will offer the Incumbent Worker Training program for Illinois businesses in the five counties of Franklin, Jackson, Jefferson, Perry and Williamson that make up Local Workforce Area (LWA) #25. Policies and procedures are established in accordance with WIA Policy Letter No. 07-PL-33, Change 1.

Incumbent worker training helps employers upgrade the skills of their workforce in order to become and remain competitive in both regional and global markets. IWT is therefore “employer driven” and responds to changes in market conditions as well as the introduction of new technology into the workplace. The employer is the primary customer and beneficiary of the training. The purpose of this program is to assist businesses who have the need to train and re-train existing members of their workforce, and to enable the companies, as well as the employees, to remain competitive in the local regional economy and address the needs of the existing workforce, the unemployed, underemployed and new entrants to the labor force.

Funds have been set aside by the Southern Illinois Workforce Investment Board (SIWIB) for this initiative to be administered through MAN-TRA-CON, Corp. Incumbent worker training projects can be utilized by a specific employer or a group of related employers in the following industries:

- Mining, Quarrying, and Oil and Gas Extraction
- Construction
- Manufacturing
- Retail Trade
- Transportation and Warehousing
- Information
- Professional, Scientific, and Technical Services
- Administrative and Support and Waste Management and Remediation Services
- Health Care and Social Assistance
- Accommodation and Food Services
- Arts, Entertainment, and Recreation

## **PROGRAM DESCRIPTION**

Incumbent worker training is defined as training designed to keep businesses and workers competitive by keeping workers employed, averting layoffs, upgrading workers' skills, increasing wages earned by employees, and improving employees' marketability.

## **FUNDING CATEGORIES**

Program dollars have been diverted from regular WIA formula funds in order to operate this project. To apply for these funds, the incumbent worker training program should result in one or more of the following:

- Ø Enhanced Employability
- Ø Job Upgrades
- Ø Increased Wages
- Ø Increased Job Security

All participants must, upon training completion, be making a minimum of \$9.00 per hour and be classified as fulltime, permanent employees of the company.

## **INCUMBENT WORKER ELIGIBILITY**

Only the employees of the specific businesses listed in the project plan who are to receive training related to a targeted occupation are part of the "eligible group". Therefore, all workers who receive incumbent worker training must be an incumbent worker based on this definition:

- a) An individual (or group of individuals) with an employment relationship with a participating employer or group of participating employers in a targeted industry; and
- b) An individual who is receiving upgraded skills training:
  - To increase his or her skills in an occupation in which the individual is already an incumbent; or
  - To prepare the worker for entry into a new occupation with the targeted workforce (i.e., the workforce of the participating employer or group of employers).

## **ALLOWABLE ACTIVITIES**

Allowable activities for the IWT program include, but are not limited to skill training to upgrade existing skills or provide new skills to incumbent workers. Training topics and delivery arrangements may be proposed. Training that is closely linked to specific jobs, as well as, job advancement is encouraged. Proposed training that is only loosely related, or is unrelated, to specific jobs, while not linked include: stand-alone adult basic education (ABE), stand-alone English as a second language (ESL), team building training, motivational training, and basic computer literacy skills. Please note that ABE and ESL training that is fully integrated with specific job-linked skill training is allowable. Costs that are reasonable and necessary for the conduct of training are allowable. The list below provides examples of costs that may be reimbursed through the grant or used as the matching contribution. Example of allowable costs:

- |  |  |
|--|--|
| - Training Development                                   | - Training facility costs (off-site)                                   |
| - Instructor wages                                       | - Wages of Trainees while in Training*                                 |
| - Tuition  | - Fringe benefits of Trainees while in Training*                       |
| - Training materials and supplies                        | - Fees for technical or professional certifications                    |
| - Fees required to complete training                     | - Expenses paid for rental costs of equipment associated with training |
| - Travel for trainers and trainees beyond normal commute |  |

*\* Matching Costs Only - Trainee wages and fringe benefits while in training may be used to meet the employer's match requirement, but are not reimbursable costs to the WIA grant.*

Training services can be provided through local community colleges, area vocational-technical centers, state universities, licensed and certified post secondary private institutions and from subject matter experts, consultants, or authorized trainers from the business.

Training can be conducted at the business's own facility, at the training provider's facility or at a combination of sites.

Projects which include costs for attendance at conferences, conventions or trade show events will not be considered.

The program will not reimburse a company for training in the following areas:

- Self-paced learning
- "Outward bound" or experiential training programs
- Personal development courses
- Administrative costs
- Safety, regulatory compliance training mandated for the workplace (i.e. OSHA)
- "Off the shelf" computer software training

## **PROGRAM FUNDING**

Incumbent worker training is a collaborative effort between private and public resources. Therefore, it is expected that employers make some contribution to the overall program cost. Applications will be required to identify value of cash or in-kind contributions to the incumbent worker program and the costs must be reasonable.

The application should be submitted prior to the actual training; however, reimbursement will only be released upon receipt of the following items:

- Invoices, Receipts and Proof of Payment
- Attendee List/Timesheets
- Proof of Training Completion for Incumbent Workers
- Matching documentation provided

Reimbursement will occur only for employees who successfully complete training.

## MATCHING

Applications will require the identification of cash or in-kind contributions to the incumbent worker program and the costs must be reasonable. The match paid by an employer or group of employers may include the amount of wages paid by the employer(s) to a worker while the worker is attending a training program and may include other in-kind contributions. All matching contributions must clearly relate to incumbent worker training. Costs must meet the requirements described in the Department of Labor's 29 CFR 97.24, Matching and Cost Sharing requirements

[http://www.dol.gov/dol/allcfr/Title 29/Part 97/29CFR97.24.htm](http://www.dol.gov/dol/allcfr/Title%2029/Part%2097/29CFR97.24.htm).

The grid below provides a guideline of the maximum reimbursement for a company within a given program year as well as a maximum amount considered reasonable for each individual being trained. This is based on company size as follows:

# of Employees	Company Match	MAN-TRA-CON Match	Company Max	Per Employee Max
1-50	10%	90%	\$10,000	\$4,000
51-99	25%	75%	\$20,000	\$4,000
100+	50%	50%	\$30,000	\$5,000

## APPROVAL PROCESS

Project plans will be reviewed by the members of the Southern Illinois Workforce Investment Board (SIWIB) through the Business & Economic Development Committee. The following criteria will be used in the evaluation process:

- Benefits to Targeted Industries
- Quality of the Training
- Benefits to Workers
- Appropriateness of Costs
- Matching Costs
- Non-duplication of past training programs

Applications will be processed on a first-come, first-served basis until all program funds are expended or the period ends. All training programs must have a reasonable completion date and may not supplant existing training programs. Applications must be submitted and approved prior to the start of training. Therefore no costs can be paid prior to contract approval.

An amount up to ten percent will be re-designated for IWT projects that are consistent with the activities described in the plan modification using the latest WIA funding forms. All WIA-required services will continue to be provided using LWA 25's adult and dislocated worker formula allocations, and other funding made available. The required performance and expenditure benchmarks will continue to be met.

Employers must complete a "Pre-Award Review" survey. Employers seeking funds for training assistance under the Workforce Investment Act must verify compliance with WIA Section 181 <http://www.commerce.state.il.us/NR/rdonlyres/E6F8DBC4-C60D-4D43-869F-FE933D0EE3BF/0/0014PreawardSurveyforRelocatingEstablishments.pdf>

## **SPECIAL GRANT PROGRAMS**

Local Workforce Investment Area #25 routinely receives and supports special grant programs. These projects, which target the most severe worker shortages in the region, often require matching funds and/or the targeted use of WIA allocated funds to support the goals of the project. In some cases funds received for special grant programs are separate from the regular WIA formula funds. In either case the SIWIB reserves the right to allocate incumbent worker funds for these special projects using up to the maximum allowable cost per participant/employer and minimum matching requirements for employers as allowed under state of Illinois WIA Policy Letter No. 07-PL-33, Change 1.

## **MONITORING**

If the applicant is awarded funds, Man-Tra-Con and or officials from the Department of Commerce and Economic Opportunity may conduct at least one desk monitoring to verify that the applicant's financial management system is structured for accurate, current and complete disclosure of the financial results of the program. The monitoring will also verify employee wage records, training rosters, and invoices and receipts associated with the approved training.

## **ADMINISTRATION REQUIREMENTS**

As a part of this program, the Illinois Department of Commerce and Economic Opportunity requires that participating employers provide a list of employees who were trained with these funds along with their Social Security numbers. This information must be provided in order to be reimbursed for training. All safeguards and security measures are taken to ensure the privacy and confidentiality of Workforce Investment Act participants according to the Illinois Personal Information Protection Act (815 ILCS 530 et.seq.) and other federal and state laws regarding the protection of personal information.

For more information, contact:

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Or visit our website: <http://www.siwib.org>

<http://www.census.gov/naics/2007/NAICOD07.HTM#N31>

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