



**Greater Ohio  
Workforce Board Inc.**

# Incumbent Worker Training (IWT) Guide

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*Purpose, Participants, Applicant Requirements,  
Allowable / Unallowable Costs, Expected Outcomes*



# IWT Program Information

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## Purpose

The purpose of the Incumbent Worker Training (IWT) is to support training projects that will benefit local business and industry by assisting the skill development of **existing employees**, thereby averting layoff, increasing employee productivity and growth of the company, as well as assisting in keeping Area 7's workforce competitive. The training is expected to lead to the creation of new jobs, retention of jobs, increased wages for better-trained workers, a higher-skilled workforce, and a more profitable business climate.

## Participants

- Trainees need to be employed by the business with which the IWT contract is being written
- Trainees must meet the Fair Labor Standards Act (FLSA) requirements for an employer-employee relationship.
- Trainees must have an established employment history with the employer as of the date of the IWT agreement signing.
- Trainees do not have to meet the eligibility requirements for career and training services for WIOA Adults or Dislocated Workers.
- Trainees must be reported via the Mini Incumbent Worker registration in OWCMS; however they are not subject to performance measures.

## Applicant Requirements

GOWBI businesses or non-profit and trade organizations applying for IWT must:

- Address strategy to avoid a layoff or business closure
- Meet any additional policy guidelines GOWBI sub-grantees may establish
- Be operating in GOWBI
- Have full-time employees
- Remain current on all state obligations, as verified at:
  - Federal Exclusion and Debarment Site: <http://www.sam.gov>
  - Ohio Department of Taxation: <http://www.tax.ohio.gov>
  - Business filing Search: <http://sos.state.oh.us>
- Employers are required to pay for a share of the total cost of the project, either cash or in-kind:
  - At least 10 percent of the cost, for employers with 50 or fewer employees
  - At least 25 percent of the cost, for employers with 51 to 100 employees
  - At least 50 percent of the cost, for employers with more than 100 employees
- Demonstrate a commitment to retaining operations and employees in GOWBI, and
- Be willing to participate in a full range of services provided by the local One-Stop

## **Allowable Costs**

Allowable costs may include only costs directly related to training. Allowable costs may include:

- Curriculum development
- Instructor/trainer salaries
- Textbooks, manuals, training software, materials and non-consumables
- Wages paid to participants, while in trainings, may be considered as a source of matching funds on the employer side of training budget.

## **Unallowable Costs**

Unallowable costs include but are not limited to:

- Training tools/equipment (must become personal property of trainee upon completion of training)
- Trainee wages (no overtime)
- Foreign travel
- Purchases or lease of capital equipment
- Encouragement or inducement of a business or part of a business to relocate from any location in the United States
- Use of IWT funds to pay for a worker's training wages
- Use of IWT funds to train management employees in management such as Six Sigma and LEAN.

## **Expected Outcomes**

As a result of the award of IWT funds, applicants will be expected to demonstrate one or more of the following outcomes:

- Layoff aversion
- Business growth/expansion
- Increased productivity
- Increased profits, quality, or efficiency
- Increased wages for employees who complete the training
- Increased retention of existing workforce
- Industry-recognized credential for trainees is highly encouraged