



COUNTY OF LOS ANGELES WORKFORCE DEVELOPMENT, AGING AND COMMUNITY SERVICES



Form- 001 Revised 07/26/2021

INCUMBENT WORKER TRAINING (IWT) CONTRACT

SECTION 1: Contact Information

Complete the contact information for the employer.

Employer Name:	Contact Name:	E-mail:
Employer Address:	Telephone:	Fax:
CalJOBS ID # for Employer:		

Complete the contact information for the coordinating AJCC.

AJCC Name:	Contact Name:	E-mail:
AJCC Address:	Telephone:	Fax:

SECTION 2: Participant Information

Complete the contact information and wage information for the IWT participant.

Participant Name:	CalJOBS ID #:	Telephone:
E-mail:	Job Title:	Total Training Hours:
Anticipated Start Date:	Anticipated End Date:	Hourly Wage:
Actual Start Date:	Actual End Date:	
Reimbursement Rate: %	Maximum Reimbursement: \$	WIOA Enrollment: Y or N

SECTION 3: IWT Agreement

This Incumbent Worker Training (IWT) Agreement is between [INSERT EMPLOYER NAME], herein after referred to as the Employer, and [INSERT AJCC NAME], herein after referred to as the AJCC. Both parties agree to the terms and conditions set forth within this contract. The contract term commences on [INSERT START DATE] and terminates on [INSERT END DATE].

SECTION 4: General Terms and Conditions

4.1 CONTRACT PURPOSE

The purpose of this contract is to establish the general terms and conditions under which the AJCC may refer individual Workforce Innovation and Opportunity Act (WIOA) participants (“the participant”) to the Employer to enable the WIOA participants to take part in an IWT as that term is defined under WIOA.

4.2 IWT DEFINITION

In accordance with Title 20 of the *Code of Federal Regulations* (CFR) §680.790, and the *Workforce Innovation and Opportunity Act* (WIOA) §134(d)(4), the term “incumbent worker training” means training by an employer that is provided to a paid participant while engaged in productive work. This training will:

- a. Increase the competitiveness of the employee or employer, by providing the skills necessary to retain employment, or to increase skill levels of employees so promotion within the company can occur. It is expected that there will be opportunity for a wage increase for the participating employee(s), post training.
- b. Be designed to meet the special requirements of the employer (including a group of employers) to retain a skilled workforce or avert the need to lay off employees by assisting the workers in obtaining the skills necessary to retain employment.
- c. Be conducted with a commitment by the employer to retain or avert the layoffs of the incumbent worker(s) trained.
- d. Be provided by employers who:
 - I. Are a business located within the Los Angeles County’s Workforce Development Area for more than 120 (one hundred twenty) days prior to the application date.
 - II. Did not lay off workers within 180 (one hundred eighty) days to relocate to California from another state.
 - III. Are current in unemployment insurance and workers’ compensation insurance, penalties, and/or interest or related payment plan.
 - IV. Agree to the data collection provisions of WIOA or any other local, state, and federal requirement in this regard for the period of training and beyond.
 - V. Agree to data collection in CalJOBS / Launchpad and other related business needs assessments.
 - VI. Agree to furnish information needed for retention services.
- e. Be provided to employees who:
 - I. Are employed by the participating firm for at least 20 (twenty) weekly hours on average.

- II. Meet the Fair Labor Standards Act requirements for an employer-employee relationship at the time of the employer's application (<http://www.dol.gov/whd>).
- III. Have an established employment history with the employer for six (6) months or more on the date of employer's application. This may include time spent as a temporary or contract worker performing work for the employer. In the event that the incumbent worker training is being provided to a cohort of employees, not every employee in the cohort must have an established employment history with the employer for six (6) months or more as long as the simple majority of those employees being trained do meet the employment history requirement.
- IV. May agree to enroll as a participant in the WIOA adult, dislocated worker or youth programs.

4.3 TRAINING

4.3.1 Employer agrees to develop a training plan for the IWT participant that includes competencies needed to improve the labor market competitiveness of the employer and employees.

4.3.2 All IWT must be in an in-demand occupation within priority and/or high-growth industry sectors as identified by the Los Angeles County Workforce Development Board within the Los Angeles County Workforce Development Area. IWTs may be used for non-in-demand sectors, with prior written approval from assigned Regional Manager(s) within WDACS Economic and Business Development (EBD) Division. These sectors include:

- a) Healthcare
- b) Construction
- c) Global Trade and Logistics
- d) Advanced Manufacturing
- e) Biotechnology
- f) Leisure and Hospitality
- g) Entertainment and Information Technology

4.4 FISCAL

4.4.1 The maximum IWT amount to be provided by AJCC under this program is \$4,000.00 (four thousand dollars) per trainee, per training. Any request for training costs above the \$4,000.00 amount (per trainee) must be reviewed and approved by assigned Regional Manager(s) within WDACS EBD Division.

4.4.2 Employer agrees to pay for of the cost of providing the IWT, as detailed in the IWT Directive (WDP20-01). AJCCs may pay for the allocated costs of the training, directly to the training provider, if all parties agree upon the terms prior the training beginning. Notation of the agreed upon arrangements should be placed into the individual case files for the participating employees.

4.4.3 The participating employer may provide its share through both monetary payment and fairly evaluated in-kind contributions (e.g. training materials, facility, and equipment). If the participating employer plans to use in-kind contribution(s) to satisfy all or part of this condition, the in-kind contribution(s) and the corresponding monetary value must be detailed in Section 5 In-Kind Contribution.

4.4.4 The wages paid to individuals while in training may be considered as a source of matching funds.

4.4.5 The costs of IWT shall be inclusive of all legitimate costs to the business that are necessary to allow for the provision of such IWT program services. The following are allowable training costs:

- a) Training/course registration
- b) Textbooks/course materials used 100% (one hundred percent) for the training activities
- c) Tuition costs for training courses or programs
- d) Expendable materials and supplies directly related to training
- e) Instructor/trainer salaries

4.4.6 The minimum amount of employer share in IWT depends on the size of the employer and are as follows:

- a) At least 10% (ten percent) of the cost of the training for employers with 50 (fifty) or fewer employees.
- b) At least 25% (twenty-five percent) of the cost of the training for employers with 51 (fifty-one) to 100 (one hundred) employees.
- c) At least 50% (fifty percent) of the cost of the training for employers with more than 100 (one hundred) employees.

4.4.7 AJCC shall reimburse Employer on a [INSERT REIMBURSEMENT FREQUENCY] basis in an amount not to exceed total reimbursement for extraordinary costs of training to be provided by the Employer to the participant.

4.4.8 Employer agrees that records which are directly related to the IWT contract are subject to review, monitoring, and audit by the AJCC, the County of Los Angeles, the State and/or the federal government, at any time and without prior notice to the employer.

4.5 EMPLOYER ASSURANCES

4.5.1 Employer agrees to submit quarterly progress reports and invoices as a condition of reimbursement.

4.5.2 Employer shall provide adequate insurance coverage to protect against legal liability arising out of IWT activity.

4.5.3 Employer shall preserve all IWT Employee payroll records, fringe benefits and personnel records in the participant's employee file for the time period required by law.

4.5.4 Employer agrees to maintain adequate time and attendance, payroll, and other records to support amounts reimbursed under the IWT contract.

4.5.5 Employer verifies that the IWT will relate to the introduction of new technologies, introduction to new production or service procedures, or is an upgrade to a new job that requires additional skills, and that the IWT experience will provide the IWT participant with additional wages, hours or benefits upon completion. It is expected that there will be an opportunity for a wage increase for the participating employee(s), post training.

4.5.6 Employer certifies that the company is financially solvent on the date of this contract, and the Employer's best projection is that they will remain financially able to meet contract obligations at the end of the training period, including IWT participant's retention.

4.5.7 Employer agrees that wage and labor standards will be adhered to and to pay the IWT participant at the same rates, including increases, and benefits as employees who are situated in similar jobs. Such rates shall be in accordance with applicable law, but in no event less than the higher rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 or the applicable state or local minimum wage law (WIOA §181(a)(1)(A)) currently \$15.00 effective July 1, 2020.

4.5.8 Conditions of employment and training will be in full accordance with all applicable federal, state, and local laws and ordinances (including but not limited to anti-discrimination, labor and employment laws, environmental laws or health and safety laws).

4.5.9 Employer certifies that the IWT will not impair existing agreements for services or collective bargaining agreements and that either it has the concurrence of the appropriate labor organization as to the design and conduct of an IWT, or it has no collective bargaining agreement with a labor organization that covers the IWT position (20 CFR §683.270).

4.5.10 Employer assures that they have not been debarred or suspended in regard to federal funding (29 CFR §97.35).

4.5.11 Employer further assures that IWT funds will not be used to assist, promote or deter union organizing (20 CFR §680.840, and WIOA §181(b)(7)).

4.5.12 Employer certifies that no member of the IWT participant's immediate family is engaged in an administrative capacity for the Employer, or will directly supervise the IWT participant. For the purpose of this contract, immediate family is defined as spouse, children, parents, grandparents, grandchildren, brothers, sisters or person bearing the same relationship to the IWT participant's spouse (20 CFR §683.200).

4.5.13 Employer assures that the IWT participant(s) will not be employed to carry out the construction, operation or maintenance of any part of a facility that is used or to be used for sectarian instruction or as a place for religious worship (29 CFR §683.255).

4.5.14 Employer assures that the IWT participant has not been hired into or will remain working in any position when any other person is on layoff from the same or a substantially equivalent job within the same organizational unit or has been bumped and has recall rights to that position, nor if the IWT is created in a promotional line that infringes on opportunities of current employees (20 CFR §683.270).

4.5.15 Employer shall refrain from treating trainees differently from regular employees. Employer shall cover pay, safe work conditions including COVID-19 protocols and fringe benefits with continued long-term employment as regular employees with wages and employment benefits (including health benefits) and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work (20 CFR §683.275).

4.6 ADDITIONAL TERMS

4.6.1 Employer must submit final report within two (2) weeks of IWT completion and meet all terms of this agreement to be eligible for future IWT contracts. The final report is to be submitted to the respective AJCC partner who is managing the terms of the IWT contract.

4.6.2 IWT contract is subject to modification or termination due to actions taken by the federal, state, or local governments that result in a frustration of contract purpose. Such actions include, but are not limited to, withdrawal of WIOA funding by the United States Congress, or the failure by the United States Congress to reauthorize WIOA program activities.

SECTION 5: Training Provider Information

Complete the contact information for the training provider.

Trainer Name(s):	Affiliation:	E-mail:
Address:	Telephone:	Fax:
Course Title:	Course Total Hours:	Training Costs:

SECTION 6: In-Kind Contribution

In-Kind Contribution Description	Monetary Value

SECTION 7: Signatures

I hereby agree to all the terms and conditions in this IWT Agreement.

Authorized Signatures

Employer Signature

AJCC Signature

Date

Date

Print Name

Print Name

Title

Title