

**Incumbent Worker Training Requirements**  
**Discretionary (Rapid Response and Statewide Activities) Fund Grants**

The following requirements apply to all grantees of an Incumbent Worker Training (IWT) grant funded with either the Rapid Response or Statewide Activities fifteen percent (15%) funds. These requirements are in addition to the requirements found in the policy.

**A. General Requirements**

1. IWT projects must follow the guidance provided in the Notice of Funding Opportunity (NOFO).
2. IWT projects must include the collection of employee social security numbers and date of birth. This information is encrypted and used by secure systems to measure job retention and wage changes as required by federal reporting requirements.
3. IWT projects will be monitored to verify that local and state policies are followed, and documentation supports reported outcomes.

**B. Layoff Aversion**

1. Statewide Activity funded IWT project plans have the same flexibility as those funded with WIOA formula funds and do not have to meet the layoff aversion requirements.
2. Rapid Response funded IWT project plans must include layoff aversion "at-risk" indicators (as outlined in the Incumbent Worker Training Requirements Layoff Aversion "At-Risk" Indicators attachment);
  - a. The IWT project plan descriptions must include information on each of the "at-risk" indicators that apply to the layoff aversion strategy. The information should include (but is not limited to):
    - 1) Company specific information outlining facts and figures that support the checked "at-risk" indicators, a detailed description of the warning signs that have led to the decision or conclusion that plant layoffs or closures are imminent without assistance, the anticipated timeframe of the plant layoffs or closure, and additional information to support the need for assistance.
    - 2) Include one sector specific information outlining the business case that supports the need for assistance to improve the company's competitive position.
    - 3) Physical documentation of the information submitted in the IWT project plans do not need to be provided to Illinois Department of Commerce and Economic Opportunity (DCEO) Office of Employment and Training (OET) in order to be considered, but the information should be reviewed for accuracy, maintained, and made available by the grantee staff/employers.

### C. IWT Project Plans

#### 1. Discretionary funded IWT project plans must:

- a. Identify the skills employees will obtain as a result of the training and how those skills will make both the employees and the employer more competitive; and
- b. Be developed as a planning tool to implement incumbent worker training activities, as well as serve as the communication tool to inform DCEO about the strategies being implemented for incumbent worker training programs.

#### 2. IWT Project Plan Process

- a. Discretionary funded IWT projects must be approved by DCEO prior to implementation.
  - 1) Preliminary plans must be submitted according to requirements of the NOFO.
  - 2) If the preliminary plan is selected through a merit-based review process, a Notice of State Award (NOSA) will be issued.
  - 3) Grantees can then follow the procedures outlined below for submission of final project plans.
    - a) All project plans must be submitted in the Incumbent Worker Training System (IWTS) of the Illinois workNet portal to be reviewed by OET staff to ensure that they reflect the final negotiated project plan that meets the requirements outlined in the Incumbent Worker Training policy and the NOFO.
    - b) All project plans must be submitted prior to formal arrangements being made to carry out training (i.e., contracts with trainers, etc.).

#### 3. Project Plan Considerations

Grantees must consider the following information when developing an incumbent worker project plan:

- a. Benefits to Target Industries: The participating employer (or the group of employers) to benefit from the training should be from one of the local area's targeted sectors for the incumbent worker training program or the employer may be from any sector if the proposal is part of an incentive package designed to encourage the employer to create or retain jobs in the area.
- b. Quality of the Training: The training proposal must be adequately specified and job specific.
- c. Benefits to Workers: The training should also result in benefits to the workers such as: enhanced employability, job upgrades, increased wages, and/or increased job security.

- d. Appropriateness of Costs: The proposed costs must be judged reasonable in relation to the type of training and the number of workers to be trained.
  - 1) All proposed costs must meet State and Federal WIOA cost related requirements and limitations.
  - 2) All training must be competitively procured in accordance with grantee procurement policies and 2 CFR 200.317 – 200.326, as applicable.
- e. Matching Costs: Requirements for employer cost participation must be met as outlined in the IWT Matching and Allowable Costs section of the policy and the NOFO.

#### D. Financial Reporting

- 1. Obligation and expenditure reporting for discretionary funded projects will be completed in the Department's Accounting System using the guidelines and instructions described in the Reporting of Accrued Expenditures, Obligations and Reallocation section of the policy manual.
  - a. Per the Reporting of Accrued Expenditures, Obligations and Reallocation section of the policy manual, all information must be reported by the 20th day of the following month.
- 2. Additionally, grantees must report on a timely basis their accrued expenditures throughout the year and have until the last state work day of the following month to report the prior month's accrued expenditures. Screens 351 and 352 in the Department's Accounting System may be updated on a monthly basis. However, this requires reconciling the obligations reported on a monthly basis, or once during the month of July for the prior program year.