



INCUMBENT WORKER TRAINING Program Guidelines

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2308 Killearn Center Blvd.,
Suite 101
Tallahassee, FL 32309
Phone: 850-601-0857 or
850-542-3571
careersourceflorida.com

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Program Overview

When workers lack needed training and businesses experience skill gaps, the company's ability to compete, expand and retain workers can be compromised. Florida's Incumbent Worker Training (IWT) Program, funded by the federal Workforce Innovation and Opportunity Act (WIOA), and administered by CareerSource Florida addresses such needs. The IWT Program was created for the purpose of providing grant funding for continuing education and training of incumbent employees at existing Florida businesses. The program will provide reimbursement grants to businesses that pay for preapproved, direct, training related costs. Currently, companies may receive a reimbursement rate up to 50 percent or 75 percent (see Funding Priorities below for details).

The program helps established Florida businesses upgrade the skills of their current employees which provides enormous benefits to include:

For employers: <ul style="list-style-type: none">▪ Increased Competitiveness▪ Skilled Workforce▪ Increased Productivity▪ Increased Profits▪ Company Growth▪ Reduced Turnover	For employees: <ul style="list-style-type: none">▪ Advancement Opportunities▪ Increased Job Opportunities▪ Industry Recognized Credentials▪ Job Retention▪ Transportable/Transferrable Skills
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Available Funding & Maximum Awards Amount

The total amount of funding available for all training projects in 2020-2021 is \$6 million. Applications are reviewed on a first come, first served basis until available funding has been awarded. A notification will be posted on www.careersourceflorida.com when funds are no longer available.

For the year beginning July 1, 2020, the maximum amount is \$200,000 per grant, per company. If a company has more than one location in Florida, they are treated as either one company or separate companies depending upon the Federal Employer Identification Number (FEIN). If the locations operate under different FEINs, they will be considered separate companies that will need to submit separate applications and receive separate awards. If the locations operate under one FEIN, then they will be considered one company and will therefore need to join their training efforts, submit one application and receive one award.

Funding Priorities

With a focus on helping Florida's small businesses, the grants reimburse companies up to 75 percent for pre-approved training costs. For companies that meet specific criteria, the reimbursement percentage is increased to 75 percent. These specific criteria include:

- Having 50 or fewer employees
- Being in a rural area, rural county, distressed area, Brownfield or Hub zone

While not required, priority is given to:

- First time business applicants;
- Businesses in a qualified targeted industry;
- Businesses whose grant proposals represent a significant upgrade in employee skills;
- Businesses who are seeking to utilize the program to train individuals with barriers to employment; and
- Businesses whose grant proposals represent a significant layoff avoidance strategy.

While this priority does not include an increased reimbursement percentage, applications that meet one of these conditions will receive priority during times of limited funding.

Incumbent Worker Definition

For the purposes of the IWT program, an Incumbent Worker is defined as follows:

- At least one employee of the applicant business, working at least 37.5 hours per week and receives a W2;
- At least 18 years of age
- A citizen of the United States or a non-citizen whose status permits employment in the United States;
- A Florida resident working at a physical location in Florida
- Employed six months before the signature date of the application.

Company Eligibility

Companies applying for an IWT grant must meet the following criteria:

- Be a “for-profit” company in the State of Florida
- In operation for a minimum of one (1) year prior to the application date (as verified on sunbiz.org)
- Provide a description of how the training is related to the competitiveness of both the business and the employee receiving training.
- Demonstrate a commitment to retain or avert the layoff of employees receiving training.
- Demonstrate financial viability by providing:
 - Their most recently filed IRS Form 941 (if the business is a Corporation) or a most recently filed copy of the 1040 Income Tax Return with Schedule SE (if the business is a Sole Proprietorship).
 - A letter of Tax Clearance from the Florida Department of Revenue dated within 45 days of application submittal. <https://taxapp.floridarevenue.com/TaxClearanceLetter/>
 - A letter from your bank on bank letterhead verifying your company has done business for at least the last six (6) months and is in good standing will be required or a credit check will be completed.
 - W-9 form (2018 or newer)
 - Compliant with the non-discrimination and equal opportunity provisions of Section 188 of the Workforce Investment Act of 1998; Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973; Age Discrimination Act of 1975; Title IX of the Education

Amendments of 1972 and with 29 C.F.R. Part 37.

- Have at least one full-time employee (must be Florida Resident AND W-2 employee). The employees W-2 must match the company name that is on the application. For a sole proprietor where the business owner is the only employee, the sole proprietor may be considered as the full-time employee.
- Have not received an award in the previous or current program year.

*The FEIN on all documents must be the same.

The following businesses are not eligible to apply for funds under this program:

- Not-for-profit agencies or organizations
- Retail establishments
- Entities whose administrations are comprised only of volunteers
- Workforce Development Boards and their administrative entities
- Labor unions
- Federal, state, county, or city governmental entities
- Businesses that received an IWT award in the current or previous program year

Other Training Resources

There are training programs on the local and state level designed to support Florida business by providing training grants. A business can apply for a local Employed Worker Training grant or an On-the-Job Training grant through its local workforce development board. Quick Response Training is available through CareerSource Florida. Businesses can use any or all these grants concurrently, however, the grants cannot subsidize the other's training and cannot cover the same training. Receipt of other federal training funds, i.e., through the local workforce development board or Quick Response Training must be disclosed in your IWT Application.

Companies that are recipients or sub recipients of Federal funding of \$500,000 or more in a fiscal year will be required to furnish an independent financial and compliance audit. The company is responsible for the cost of the audit and IWT funds cannot be used to cover these costs.

Training Services

One of the great features of the IWT Program is that it provides flexibility regarding the type(s) of training and the training provider(s). Based upon the needs of the company and their overall workforce development needs, the company chooses its own training and training provider. More specifically, the training can be:

- provided by a Florida's public or private educational institution, a private training company or private instructor*, a company employee, or a combination of training providers
- at the company's facility, at the training provider's facility, or a combination of locations
- occupational skills training designed to meet the special requirements of a business or Industry professional development (i.e., leadership training)
- training in strategies to improve efficiency of business operations
- technical/hard skills training such as computer software training
- delivered in person or online

The following are examples of trainings that cannot be funded:

- CPR and first aid
- New hire orientation
- Diversity and sexual harassment
- English as a second language
- Degree programs
- Workplace literacy or soft skills
- Training that takes places where food and/or beverages are included
- Training that includes the purchase of equipment (such as iPads or other equipment/supplies/devices that can be used outside of training) in the cost of the training

*Private training companies, institutions and instructors may be utilized upon a review that includes, but is not limited to, accreditation and licensure and prior approval by CareerSource Florida. The training provider's website address and instructor's resumes must be provided.

Allowed Costs

With proper documentation, the following direct training costs/expenses are reimbursable through the IWT grant:

- Tuition/training/course cost and/or instructors' wages capped at:
 - \$35/hour for company employees delivering the training,
 - \$200/instructor hour for vendor training
- Curriculum development: No more than 25 percent of the entire grant will be allowed for curriculum development. Most of the grant amount will be dedicated to the actual training (limited to two hours for every one hour of training)
- Textbooks/manuals: capped at \$100/textbook and/or manual (limited to course content only – no certification or exam preparation materials,)
- Other costs: (limited to copies or slides at \$.03 per copy, training DVD's or tapes)

Disallowed Costs

- Employee/trainee wages and fringe benefits
- Compensation or consultant fees
- Capital improvements
- Travel
- Food
- Membership fees/dues
- Conferences
- Test/exam Fees
- Company web site design and development, web site hosting, and maintenance, software upgrade, advice on computer selection for purchase and upgrade
- Purchase of employee assessment systems or systems usage licenses
- Equipment

Application Process

The IWT Program Application must be completed online (emailed, mailed or faxed application will not be accepted). The online application is the only document that may be used to apply for the IWT grant. A sample application can be found on the CareerSource Florida website.

****PLEASE SUBMIT YOUR APPLICATION AT LEAST 45 BUSINESS DAYS PRIOR TO THE DESIRED START DATE OF YOUR TRAINING. ****

Failure to submit the application at least 45 business days prior to the desired start date of your training may cause valuable training to be missed. Please note, however that submittal within this timeframe does not guarantee that the approval date will be on or before your training start date.

Due to a potential high volume of applications, applications not reviewed by May 1st will be considered during the following fiscal year.

If you have any questions or need assistance in completing the application, please contact CareerSource Florida Grants Manager Malissa Counts at 850-601-0857.

A. What to Expect – Phase I

Application Receipt – An automated email from the application system will notify you by email that the application has been submitted. If you do not receive this, the application has not been submitted. The status of your application will change to “under review” once it has been submitted. Holidays or a large influx of applications may cause a delay in the sending of this email.

Due Diligence Review – Your application will be reviewed for completeness to include the provision of the all items requested on the checklist. The Clearance Letter from the Department of Revenue will be reviewed to ensure the company is not delinquent on any state taxes, (any outstanding balances from the Department of Revenue will cause an application to be denied).

Credit Assessment – As part of the due diligence phase, a letter from your bank on bank letterhead verifying your company has done business for at least six (6) months and is in good standing will be required or a credit check may be completed.

An additional email will be sent to the applicant if the Phase I review reveals missing information.

Please note: Incomplete applications will delay the approval process.

B. What to Expect – Phase II

Training Summary Details – The training details are reviewed to ensure all requested information has been provided and course description represents allowable costs.

Training Budget/Financial Analysis – The budget is reviewed for accuracy and compared to the training summary details. Additionally, an analysis is conducted to ensure the cost per trainee does not exceed \$3,500. The training budget **must** include trainee wages and facility cost. (Trainee wages are the wages an employee will receive while in training.) An employee must be receiving wages during training.

Anticipated Outcomes – The anticipated outcomes are reviewed to ensure the training will directly assist the company to increase its competitiveness, viability and/or profitability; allow it to create or save jobs; reduce turnover; and/or increase the short or long term wages of the trainee(s). Additionally, it is important that a brief statement be provided for each anticipated outcome. Failure to include this information (and clearly outline the statements in terms of each outcome) will delay the review of your application.

An additional email will be sent to the applicant if the Phase II review reveals missing information.

Notification of Grant

Once the application has been reviewed, an email will be sent to the company contact listed in the IWT application advising of the pre-approval and the pre-approved grant amount.

Grant Contract

Within a few weeks of the grant approval, the contract between CareerSource Florida and the business or administrative entity (in the event of a consortium), will be prepared and sent electronically through DocuSign for signature. The contract will then be returned via email to CareerSource Florida for signature. Once received, CareerSource Florida will execute the contract through DocuSign. The executed contract will then be emailed to the company. Training and reimbursements may begin after a fully executed contract has been received.

The first reimbursement can be requested once the contract has been executed by Career Source Florida's Chief Financial Officer. Training which began prior to the execution of the contract may not be reimbursed.

All grant projects shall be performance based with specific measurable performance outcomes, including the completion of the training project and number of employees trained.

- **Contract Terms**

The contract will set forth all processes and expectations for administering, implementing, and completing the training. If the contract is not executed within the 45-day time frame, the grant award becomes null and void unless permission is granted by the Grants Manager.

- **Length of Contract**

Training must be completed within 12 months from the date of approval. From there, the company will have 60 days to submit final reimbursement requests for training completed during the contract period.

- **Extensions**

There is no provision in the contract for extensions. A business is expected to have carefully assessed its training needs so that it will apply only for the funds needed for training that can be completed in a 12-month time frame.

Reimbursement Rate and Process

Adequate documentation of the training is required for all expenses incurred and paid.

Businesses will be required to provide a minimum of up to 50 percent of the requested direct training costs, i.e. instructor's wages/tuition, curriculum development, and textbooks and manuals. Some exceptions may apply. *Please note that if the instructor is a business employee, the business will be required to provide a minimum of 50% of the \$35/hour cap.

Businesses may request reimbursement as frequently as needed during the 12-month period.

Reimbursements will be made in direct correlation with the business's training progress. The percent of funds reimbursed must stay equal to or less than the percent of trainees that have been trained to date. All reimbursement must be submitted within 60 days of the contract end date. Reimbursement requests received after the 60-day cutoff will not be processed. Further instructions will be made available to the business upon contract execution.

Reporting Requirements

- Training Progress Reporting: The IWT program staff expects to have ongoing communication with businesses regarding the progress of training. If training is occurring and reimbursement requests are occurring on a monthly basis, this is sufficient. However, if no training has occurred, then on a quarterly basis, businesses are expected to have some form of communication with IWT program staff, which may include course substitution requests, emails or phone calls. If no communication has occurred, the Grants Specialist will reach out to the company contact to inquire regarding the status of the training project.
- 6 Month Status Report: Businesses are required to submit a 6-month status report regarding their usage of funds and training plans for the remainder of the grant period. This report can be accessed with a link that is within the reimbursement template that will be provided to the company. Failure to submit this report to the Grants Specialist on or before the 6-month mark may render the contract null and void. The IWT Program Office will advise of the specific requirements of this report, to include content, time frame, and other matters with information to be included with a copy of the executed contract.
- Final Training Evaluation: At or near the end of the contract, or at the time of your final reimbursement request, an Incumbent Worker Training Evaluation on the training project is required no later than 60 days from the end of training. This report can be accessed with a link that is within the reimbursement template that will be provided to the company. Once the evaluation is received, the final reimbursement will be released. (Businesses will also need to keep accurate records of the project's implementation process to certify that all information provided for the purpose of requesting reimbursements and reporting training activity is accurate and true for a period of at least 5 years).
- Trainee Information: In addition to the reporting requirements listed above, there are specific reporting requirements regarding the individual employees who have received training.

The information, at a minimum, will include:

- Legal Name of Trainee
- Social Security Number*
- Verification of Citizenship Status
- Date of Hire

To ensure the security of your data, trainees' personal information should be submitted electronically by using the link within the reimbursement template provided to the company.

Trainees' personal information should be submitted electronically by using the link within the reimbursement templates provided to the college and company, ensuring this information is transferred using the latest encryption technologies. This sensitive information resides behind an enterprise class firewall, with access to Social Security data protected by a complex password of more than 20 characters, with access limited to the grant staff. The data are kept in a storage volume using an AES encryption algorithm with a 256-bit key. Servers and backup media are stored in a room with limited, keyed access. Data written to offsite backup media are stored using an AES encryption algorithm with a 256-bit key. "

On an annual basis, CareerSource Florida sends one file containing all social security numbers from all companies receiving IWT funds to Florida Education and Training Placement information Program (FETPIP). This agency conducts our long-term follow up and accountability studies. When the data is sent, only the Social Security numbers are sent; no name of employee, no date of hire, no company name. IWT Program staff will discuss the methods for secure transmittal with each business.

Please note: the social security numbers reported are verified in the Florida Education and Training Placement Information Program (FETPIP) database. The provision of incorrect or falsified information may be construed as fraud therefore making any expended funds immediately due and payable back to CareerSource Florida.

Program Forms

There are specific forms required and provided for use with your grant. These forms include:

- Trainee Information Form
- Reimbursement Request Form
- Sign-in Sheet for Vendors
- Sign-in Sheet for Employee Led
- Training Expense Summary Report
- Substitution Request Form
- Curriculum Development (if applicable)

Some of these forms along with reimbursement instructions are provided by the Grants Specialist via email as an Excel workbook after we have received an executed contract. If this information is not received, please contact us.

Substitution Requests

The business is expected to assess its immediate training needs and apply only for funds needed to meet those needs within a 12-month time frame. The application is approved based on the training outlined in the proposal. If the approved training needs change, a substitution can be requested on the provided form to change the course or the training provider. There is a maximum of two substitution requests per lifetime of the grant. The Grants Manager will evaluate the request and the Grants Specialist will notify the business via email of the approval or denial of the substitution.

Technical Assistance

The CareerSource Florida staff is available to provide technical assistance throughout the process, from the application stage throughout contract execution, monitoring and fiscal closeout.

An individual or organization may assist a business or group of businesses in the application process; however, that individual/organization may not be compensated with grant funds.