

# FLORIDA INCUMBENT WORKER TRAINING PROGRAM GUIDELINES

July 1, 2016 – June 30, 2017



**CareerSource Florida**  
PO Box 13179  
Tallahassee, Florida 32317  
Phone: (850) 692-6887  
[careersourceflorida.com](http://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 (CSF) 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% or 75% (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:

<b>For employers:</b> <ul style="list-style-type: none"><li>▪ Increased Competitiveness</li><li>▪ Skilled Workforce</li><li>▪ Increased Productivity</li><li>▪ Increased Profits</li><li>▪ Company Growth</li><li>▪ Reduced Turnover</li></ul>	<b>For employees:</b> <ul style="list-style-type: none"><li>▪ Advancement Opportunities</li><li>▪ Increased Job Opportunities</li><li>▪ Industry Recognized Credentials</li><li>▪ Job Retention</li><li>▪ Transportable/Transferrable Skills</li></ul>
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## AVAILABLE FUNDING & MAXIMUM AWARD AMOUNT

The total amount of funding available for all training projects in 2016/2017 is \$3 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](http://www.careersourceflorida.com) when funds are no longer available.

For the year beginning July 1, 2016, the maximum amount is \$30,000 per grant/per company. If a company has more than one location in the state of Florida, they are treated as either one company or separate companies depending upon the FEIN number(s). If the locations operate under different FEIN numbers, they will be considered separate companies that will need to submit separate applications and receive separate awards. If the locations operate under one FEIN number, 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

Most companies who apply for funding will be eligible to have up to 50% of their direct training costs eligible for reimbursement through their approved IWT grant. For companies that meet specific criteria, the reimbursement percentage is increased to 75%. This specific criteria includes:

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

While not required, priority is given to:

- Businesses with less than 50 employees;
- Businesses in a qualified targeted industry (see list on website);
- 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:

- A paid employee of the applicant business, or a person working for the business as a staffing agency employee, working at least 37.5 hrs per week and receives a W-2;
- Have an established employment history with the employer for six months or more;
- 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; and
- Employed 6 months before the signature date of the application.
- Employees trained under the grant must individually be registered in the [Employ Florida](#)

### **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. (Instructions for obtaining this clearance letter are provided on the IWT Application Checklist)
  - Letter of credit from a bank the company has done business with for at least six (6) months. The letter must be on bank letterhead.
- 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). 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 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

## **CONSORTIUM TRAINING GRANTS**

A training provider, educational institution, or an industry association may apply for a consortium training grant that will allow them to serve multiple businesses *in the same industry sector* with the *same training needs*. The company pursuing a consortium training grant should consult with the Grants Manager, who will help coordinate this type of application. The proposal for the common training must:

- I. Serve employees of at least two (2) different businesses in the same industry sector

2. A non-business entity can apply on behalf of the businesses, as the Administrative Entity (can also be the training provider)
3. Include a maximum of 4 courses for a collective group of businesses seeking the same training
4. Include a consortium application for each participating business (this application must be requested from the Grants Manager) in addition to the application submitted by the administrator of the consortium grant
5. Include training descriptions and outcomes that address the employees from each business impacted by the proposed common training

A consortium training grant is capped at \$80,000. Please note that a business participating in a consortium training grant cannot receive an individual training grant during the same program year.

For the year beginning July 1, 2016, administrative entities will be limited to two consortium grants per program year.

***Please contact the Grants Manager if interested in pursuing a consortium training grant.***

## **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. FloridaFlex, formerly known as QRT is available through CareerSource Florida. Businesses can use any or all of 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 FloridaFlex 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 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 as part of a conference or other event where food and/or beverages are included
- Training that includes 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 CSF. The training provider's website address and instructor's resumes must be provided in order to assist CSF in reviewing and approving the training provider.

### **ALLOWED/DISALLOWED COSTS**

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

- Tuition/Training/Course Cost
- Instructors' Wages (capped at \$35/hour for company employees delivering the training, capped at \$200/instructor hour for vendor training)
- Other Costs (limited to copies or slides at \$.03 per copy, training DVD's or tapes)
- Textbooks/manuals (limited to course content only – no certification or exam preparation materials, capped at \$100/textbook and/or manual)
- Curriculum Development (limited to 2 hours for every 1 hour of training) *majority of the grant amount should be dedicated to the actual training. No more than 25% of the grant should be for curriculum development.*

**Disallowed Training Costs**

- Employee/trainee wages and fringe benefits
- Compensation or consultant fees not directly related to the provision of training
- Costs incurred prior to the approval date of the application
- Capital improvements
- Travel or 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

## REIMBURSEMENT RATE AND PROCESS

Approved budget items are reimbursed upon presentation of adequate documentation of the training and evidence that the training expenses incurred have been paid. ***Businesses will be required to provide a minimum of 50% 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 reimbursements as frequently as needed during the 12-month period. For most efficient processing, companies are required to request reimbursements on a monthly basis. 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 reimbursements must be submitted no later than 60 days upon completion of training or within 60 days of the expiration of the contract, whichever occurs first. Reimbursement requests received after the 60-day deadline will not be processed. Further instructions will be made available to the business upon contract execution.

## APPLICATION PROCESS

Complete the IWT Program Application on-line. The on-line application is the only document that may be used to apply for the IWT grant. The most recent version of the application is provided on the CSF 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.

If you have any questions or need assistance in completing the application, please contact: Grants Manager, CareerSource Florida at 850-414-8295.

***EMAILED, MAILED OR FAXED APPLICATIONS WILL NOT BE ACCEPTED AS THE OFFICIAL SUBMITTAL***

### A. What to Expect – Phase I



**Application Receipt** – Within fifteen (15) business days of receipt, an email will be sent to the company advising the receipt of the IWT application. 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. Information from the State Division of Corporations website will be verified to determine 1) how long the company has been registered to conduct business in Florida and 2) to determine whether the company has any outstanding judgment liens on file. The Clearance Letter from the Department of Revenue will also be reviewed to ensure the company is not delinquent on any state taxes. A credit check will also be performed.

**Credit Check** – As part of the due diligence phase, a letter of credit will be requested for the company from a bank the company has done business with for at least six (6) months. The letter must be on bank letterhead.

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

**Please note:** The submission of incomplete applications is not advised. Incomplete applications are ones that have required information missing from the application itself, or missing any of the items requested from the checklist. Submitting an incomplete application for the purpose of submitting missing information later does not ensure the application is placed in the “queue” as only complete applications are reviewed by the Grants Manager.

## **B. What to Expect – Phase II**

**Training Project** – The training project is reviewed to ensure all requested information regarding the training project has been provided and all trainings outlined represent allowable training costs.

**Training Budget/Financial Analysis** – The budget is reviewed for accuracy and compared to the training project. The Grants Manager should be able to easily correlate the items from the training project to the training budget. Additionally, an analysis is conducted to ensure the cost per trainee is reasonable as compared to the type of training being delivered.

**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.

The company will be notified if the Phase II review reveals missing or confusing information from the training project, budget or anticipated outcomes. This email may include a deadline for the submission of missing or clarifying information.

## **FUNDING CRITERIA**

The application with check list items must be reviewed by the Grants Manager to ensure that:

1. The application is complete and required supporting documentations has been submitted (as outlined in the checklist). Please note that incomplete applications (those missing required information and documentation) will not be processed until all required information is received.
2. The proposed training is reimbursable training.
3. The program objectives and outcomes (avert layoffs, retain trained employees, increase competitiveness of business and trained employees achieve certifications, create new jobs, develop transferable skills, increase profitability, etc.) are clearly stated.
4. The application clearly describes the training to be delivered and clearly states the training objectives noted above.
5. A letter of credit from a bank in which they have been doing business with for at least the last six (6) months, which lists the pay history and the type of credit facility they have with the bank.

Each application is scored using criteria listed in the guidelines of which a minimum of 12 points is needed for funding recommendation. Once the application has been reviewed and scored and approved by the Grants Manager it is then submitted for approval by the Program Director.

## **NOTIFICATION OF APPROVAL**

Once the application has been approved, a congratulatory email will be sent to the company contact listed in the IWT application advising of the approval, the approved grant amount and the date that training can commence. Training may commence as of the approval date provided in the congratulatory email.

## **TECHNICAL ASSISTANCE**

The IWT 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.

## **GRANT CONTRACT**

Within a few weeks of the grant approval, the contract between CSF 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. No reimbursements

will be made until the contract is fully executed.

The first reimbursement can be requested once the contract has been executed by CSF's President. Training which began prior to the start date of the contract cannot 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.

#### **A. 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 aforementioned 45-day time frame, the grant award becomes null and void unless permission is granted by the Grants Manager.

#### **B. 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.

#### **C. 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 twelve (12) month time frame.

### **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, e-mails or phone calls. If no communication has occurred, the Grants Manager 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. Failure to submit this report to the Grants Manager 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 Report: At the completion of the grant, a final report on the training is due no later than 60 days from the end of training. The IWT Program Office will provide this report to you at the time of your final reimbursement request. Once this 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 five (5) years.)

#### **D. 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
- ◆ Hourly Wage

All information is to be submitted electronically. CareerSource Florida has a number of safeguards in place to ensure the security of your data.

- Access to our server is limited by a firewall that has achieved certification by ICSA Labs (an independent lab that conducts a rigorous certification process of security applications)
- Access to social security data is password protected, with access limited to the Incumbent Worker Training grant specialist. TrueCrypt is used for saving and transmitting sensitive data.
- Servers and backup media are stored in a room with limited, keyed access. Data on off-site backup media are stored in an encrypted state

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.

#### **SUBSTITUTION REQUESTS**

The business is expected to assess its immediate training needs and apply only for the amount of 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 three substitution requests per lifetime of the grant. The Grants Manager will evaluate the request and the business will be notified via email of the approval or denial of the substitution.

## **PROGRAM FORMS**

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

- Six-month Status Report
- Trainee Information Form
- Reimbursement Request Form (or Request for Funds)
- Sign-in Sheet for Vendors
- Sign-in Sheet for Employee Led
- Substitution Request Form
- Curriculum Development, if applicable

These forms 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.

## **REIMBURSEMENT PROCESS**

Businesses may request reimbursement as frequently as needed during the 12-month period. For most efficient processing, companies are required to request reimbursement on a monthly basis. 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.