

SAN JOAQUIN COUNTY WORKNET EMPLOYMENT AND ECONOMIC DEVELOPMENT DEPARTMENT POLICIES AND PROCEDURES DIRECTIVE

DIRECTIVE NO.	EFFECTIVE DATE	APPLICABILITY	PAGE
25-05	July 1, 2025	CMD, FMD, GMD	1 of 12
SUBJECT: INCUMBENT WORKER TRAINING			

I. PURPOSE

The purpose of this directive is to establish policies and procedures for the review and approval of Workforce Innovation and Opportunity Act (WIOA) Incumbent Worker Training Agreements (contracts).

II. GENERAL INFORMATION

Incumbent Worker Training (IWT) is a work-based training strategy authorized under the Workforce Innovation and Opportunity Act (WIOA) that benefits both employers and employees. It is designed to help companies upskill their existing workforce, either to prevent layoffs or to prepare workers for advancement within the organization, thereby opening backfill opportunities for other job seekers.

According to Training and Employment Guidance Letter No. 21-22 ([TEGL 21-22](#)), IWT involves an employer selecting a training provider to deliver skill-building opportunities to current employees. Employers contribute a required percentage of the training costs, and the initiative often serves as a layoff aversion tool or a strategy for facilitating internal promotions. Employees gain new, in-demand skills that improve their job security and career prospects, while employers retain experienced talent and reduce the costs associated with turnover and onboarding. Under WIOA, all training services, including IWT, must be directly linked to in-demand industry sectors or occupations in the local area, or in a region where the participant is willing to relocate. Local Workforce Development Boards (LWDBs) may also approve training for occupations with high potential for sustained growth, even if they are not yet classified as in-demand.

To ensure effective implementation, WIOA requires WDBs to:

- Analyze labor market data and service enrollment trends to assess local needs and equitable access;

- Expand or adjust training strategies based on evidence of promising practices;
- Provide accurate, quarterly updates on both training expenditures and program performance.

Definitions

Business and Employer – A private sector, local government, for profit or not-for profit place of business. Business and Employer are used interchangeably in this directive.

California Employer Account Number – An eight-digit payroll tax number issued to a registered employer by the Employment Development Department, also known as the Employer Payroll Tax Account Number, State Employer Identification Number, or state ID.

Eligible Employer – For an employer to be eligible for IWT services, staff must consider the following:

- Whether the employer can provide a valid California Employer Account Number.
- The characteristics of the individuals in the program (see the IWT definition below).
- The relationship of the training to the competitiveness of an individual and the employer.
- The number of employees trained, wages and benefits including post training increases, and the existence of other training opportunities provided by the employer.

Employer Share – Employers are required to pay a percentage of the training for those individuals in IWT. The minimum amount of employer share in IWT depends on the size of the employer.

Follow-up – Will be performed six months after reported completion of IWT to determine outcomes (retained employment, advancement, and increased wages).

Incumbent Worker – To qualify as an Incumbent Worker, the employee must meet the following:

- Be a current employee of an eligible employer and have an established employment history with the employer for six months or more. An individual is not held to the six-month employment requirement if the IWT is being provided to a cohort of employees. In this instance, not every employee must meet the employment history requirement if a majority of the employees being trained do meet the requirement.

- Meet the Fair Labor Standards Act requirements for an employer-employee relationship.
- Meet the Selective Service requirements.

IWT – The following characteristics define IWT:

- Designed to meet the special requirements of an employer (including a group of employers) to retain a skilled workforce, avert the need to lay-off employees by assisting the workers in obtaining the skills necessary to retain employment, and/or provide training that will result in progression on a career pathway and income mobility.
- Conducted with a commitment by the employer to retain employees, avert the layoff(s) of the incumbent worker(s) trained for a period of six months following completion of the training, or promote incumbent workers to higher paying positions.
- Increases the competitiveness of the employer or employee.
- Gives employees the opportunity to progress on their career pathway by providing opportunities to obtain certificates or credentials based on the employers' need.

IWT Allowable Costs – The WIOA share of the cost of training (teacher, books, materials) for the delivery of IWT. This amount excludes the cost of individual wages paid by the employer while the employee is attending/participating in the training.

Qualified Trainer – Qualified training can be provided in-house, by a training agency, or by a third party. Training providers should be California-based, unless the training is so unique that a training provider cannot be found in California. The choice and method of training are determined by the employer.

Training Method – The following are types of training methods allowable for IWT:

- Classroom training is instruction in a classroom setting that is provided to a group of trainees and conducted by a qualified instructor.
- Laboratory training is hands-on instruction or skill acquisition under the constant and direct guidance of a qualified trainer. Laboratory training may require the use of specialized equipment or facilities. Laboratory training may be conducted in a simulated work setting, or at a productive work setting, also known as Productive Laboratory.
- Computer-based training is delivered through a computer program at a pace set by the trainee. There is no requirement for delivery by a live trainer and training does not have to be interactive.
- Video Conference training is live, interactive instruction provided by a trainer through a video communications session.
- E-Learning instruction is delivered through a web-based system, conducted in a virtual environment utilizing a web meeting/webinar.

References

- [Workforce Innovation and Opportunity Act \(WIOA\) \(Public Law\) Sections, 122\(h\)\(i\), 134\(c\)\(3\)\(H\), 134\(d\)\(4\), 134\(G\)\(ii\), and 194\(4\)](#)
- [Title 20 Code of Federal Regulations \(CFR\) Sections 680.780 – 680.820, 682.330](#)
- [TEGL 21-22, Increasing Equitable Service Access and Employment Outcomes for All Jobseekers in Workforce Innovation and Opportunity Act Adult and Dislocated Worker Programs](#)
- [WSD24-05, CalJOBS Activity Codes, October 10, 2024](#)
- [WSD19-01, Incumbent Worker Training, July 2, 2019](#)
- [WSD18-10, WIOA Training Expenditure Requirement, January 31, 2019](#)

III. POLICY

Under [Section 134\(d\)\(4\) of the Workforce Innovation and Opportunity Act \(WIOA\)](#), up to 20% of funds allocated for Adult and Dislocated worker programs can be used to cover the federal share of the costs for Incumbent Worker Training (IWT). This policy aims to enhance the skills of low-wage workers to support regional economic growth and authorizes using the maximum percentage permitted under WIOA. IWT can address the needs of specific employers or groups of employers, promoting competitiveness, increasing employee retention and career advancement opportunities, and creating backfill positions for WIOA participants.

It is the policy of the Employment and Economic Development Department (EEDD) that all WIOA IWT contracts will be developed and reviewed in accordance with the procedures set forth in this directive. This policy must be applied to each employer to ensure consistent determination of the employer's eligibility to receive funding for IWT and the rationale/reasoning to support the IWT initiative.

The three unique features of IWT are:

1. Under IWT, an employer selects a training provider to increase skills for current employees and pays a portion of training costs, often as a layoff aversion strategy or to facilitate skill upgrading. Direct contracts can fund IWT.
2. Participants gain skills necessary to keep their jobs or advance within their company.
3. Designed to meet the special requirements of an employer (including a group of employers) to retain a skilled workforce, avert the need to lay-off employees by assisting the workers in obtaining the skills necessary to retain employment, and/or provide training that will result in progression on a career pathway and income mobility.

When properly administered, Incumbent Worker Training (IWT) provides a direct opportunity to meet the specific needs of an employer (or group of employers) by

helping them retain a skilled workforce or avert layoffs. IWT assists workers in gaining the skills necessary to maintain employment and must be conducted with a clear commitment by the employer to retain or avoid laying off the incumbent worker(s) trained as WIOA participants.

Despite the benefits accrued by IWT employers, the focus of the IWT program is trainee oriented. *IWT is intended to provide an opportunity for economically disadvantaged or otherwise WIOA eligible individuals to receive the training necessary to acquire skills, knowledge and abilities that will enable them to maintain unsubsidized employment and receive job advancement.*

IWT funding must be used for in-demand occupations which lead to employment opportunities enabling the participant to become economically self-sufficient and which will contribute to their occupational development and upward mobility.

Definition and Structure of IWT

Incumbent Worker Training is defined as training provided by an employer, or by a training provider in close partnership with the employer, to upskill existing employees. IWT must:

- Provide the skills and knowledge necessary for the employee to perform their job more effectively or advance within the company.
- Be of limited duration, appropriate to the complexity of the occupation and training needs.
- Include reimbursement to the employer for a portion of the training and related supervisory costs. This reimbursement applies to specialized training costs that exceed standard onboarding or general employee development expenses.

IWT Employer Eligibility

Under WIOA, employers must meet specific eligibility criteria to receive IWT funds. These criteria are designed to ensure that training investments increase the competitiveness of both the employee and the employer and align with regional workforce priorities.

The following factors must be considered when determining employer eligibility for IWT:

- Characteristics of the individuals to be trained, including whether they face barriers to employment.
- Relevance of the training to the competitiveness of the employees and the employer.
- Alignment with in-demand occupations or sectors that have high potential for sustained demand or growth within San Joaquin County or the San Joaquin Valley Region, as determined by local labor market analysis.

Wages for the trained positions must:

- Meet or exceed the self-sufficiency wage as defined by EEDD, or
- Result in a wage increase for the employee upon completion of training.
- The occupation must be for a permanent, full-time position (minimum 32 hours per week).
- Additional factors that may be considered include:
 - Number of employees being trained.
 - Opportunities for advancement, including potential wage and benefit increases.
 - Availability of other internal training and advancement programs.
 - Type of credentials or skills to be gained through the training.
 - Potential layoffs averted because of the training.
 - Integration with broader sector strategies or career pathway initiatives.
 - Size of the business (e.g. small to mid-sized employers may receive higher reimbursement percentages).

IWT Employee Eligibility Criteria

To participate in IWT, employees must meet the following criteria:

- Be currently employed by the organization receiving IWT funds.
- Be in a position where layoffs are imminent or likely without training, or where skill upgrading is needed to support job retention or advancement.
- Meet the requirements under the Fair Labor Standards Act for an employer–employee relationship.
- Have a minimum of six months of employment history with the employer. (This may include time served as a contract or temporary worker for the same employer.)
 - This requirement may be waived if training is being provided for a group or cohort of employees. In that case, most employees in the cohort must meet the six-month requirement, but not all.
- Be registered with Selective Service, if applicable.

Note: An individual does not need to meet WIOA Adult or Dislocated Worker eligibility criteria unless they are co-enrolled in one of those programs and receiving additional WIOA-funded services outside of IWT.

Funding

Incumbent Worker Training (IWT) is a key component of a broader business engagement strategy aimed at helping employers, either individually or in groups, upskill their existing workforce. To support this strategy, the San Joaquin County Workforce Development Board (WDB) may use up to 20% of the combined Adult and Dislocated Worker formula allocations to fund IWT activities. These funds

must be used exclusively for programmatic purposes and may not be used for administrative costs.

While IWT is typically directed toward private sector employers, it may also be provided to non-profit or public sector entities in specific cases. For example, IWT funds may be used to support nursing upskilling at a non-profit hospital, provided the training aligns with in-demand occupations in the healthcare industry. In accordance with [20 CFR Section 682.330](#), layoff aversion is now a required component of Rapid Response activities under WIOA. As such, EEDD may incorporate IWT as part of a comprehensive layoff aversion strategy, leveraging Rapid Response funds to help prevent dislocations and maintain workforce stability.

IWT is considered a business service under WIOA. Therefore, it does not require the use of Individual Training Accounts (ITA), and the training provider is not required to be listed on the Eligible Training Provider List (ETPL). EEDD has the discretion to determine when and how IWT should be used, based on the specific needs, policies, and priorities of the WDB.

Employer Share

Under WIOA, employers receiving IWT funds must contribute a share of the total training cost.

The employer's contribution may include:

- Cash payments toward training costs;
- In-kind contributions, such as the value of equipment, materials, or facilities used during training (fairly evaluated); and/or
- Wages paid to employees while in training, if employees are compensated for time spent in training.

EEDD will evaluate employer contributions based on several factors, including:

- The number of employees participating in training;
- The wages and benefits of employees at the start and anticipated at the end of training;
- The relationship of the training to the competitiveness of both the employees and the business; and
- The existence of other internal training and advancement opportunities offered by the employer.

Minimum Employer Share Requirements

The required minimum employer contribution is determined by the size of the business:

- 10% of training costs for employers with 50 or fewer employees;
- 25% of training costs for employers with 51 to 100 employees;
- 50% of training costs for employers with more than 100 employees.

This employer share policy will be applied consistently across all IWT agreements to ensure fairness and transparency in the use of WIOA funds. EEDD will document its rationale for approving IWT projects based on this policy and the strategic goals of the WDB.

Tracking and Documenting IWT Expenditures

EEDD will implement the following procedures for tracking IWT expenditures and maintaining required documentation:

To ensure that no more than 20% of combined Adult and Dislocated Worker formula allocations are used for Incumbent Worker Training (IWT), Fiscal Management Division (FMD) staff will include reviewing quarterly expenditure reports provided by the EDD Financial Management Unit (FMU) which includes a separate line item for IWT spending.

- Any planned IWT contracts will be evaluated in advance to ensure the board does not exceed allowable spending thresholds.
- EEDD may count IWT expenditures toward the training expenditure requirement as outlined in WSD18-10.
- Employer contributions toward IWT may be counted as leveraged resources and should be documented accordingly.

Documentation and Monitoring

For each IWT contract, GMD staff will retain a complete documentation file that includes:

- The IWT agreement or contract with the employer.
- The training curriculum or plan.
- The list of participating employees.
- Verification of eligibility for each trainee, if applicable.
- Employer cost-share documentation.
- Evidence of completion (e.g., training certificates or credentials).
- GMD staff, in coordination with the employer, will ensure all training is completed, and certificates of completion are collected and retained.
- IWT documentation will be subject to local, state, and federal monitoring and made available upon request.

Performance and Reporting Requirements

Although individuals who receive only Incumbent Worker Training (IWT) are not considered participants in the WIOA Adult or Dislocated Worker programs, EEDD

is still required to collect and report specific data to meet federal and state performance requirements.

Reporting Requirements for IWT-Only Participants

In accordance with U.S. Department of Labor (DOL) guidance, the EEDD will report the following data elements for all individuals who participate in IWT:

- Basic demographic information (e.g., age, gender, race/ethnicity)
- Employment status in the 2nd and 4th quarters after exit
- Median earnings in the 2nd quarter after exit
- Measurable Skill Gains (MSGs), if applicable
- Credential attainment outcomes, if applicable

For IWT-only participants, the exit date is defined as the last date of training, as stated in the employer's training agreement.

To minimize the burden on employers and ensure accurate reporting, EEDD will encourage employers to collect participants' SSNs as part of the IWT contract process. When SSNs are available, the EEDD will conduct base wage matching to obtain employment and earnings data for required performance indicators. If SSNs are not provided and a pseudo-SSN is used, EEDD will collect and report supplemental data to meet performance requirements.

All individuals and employers participating in IWT must be registered and tracked in CalJOBS, regardless of whether they are co-enrolled in other WIOA Title I programs. EEDD will collect, verify, and enter credential attainment data for IWT participants in CalJOBS. Employers must provide documentation of any credentials earned by participants as part of the training outcome reporting process. If an individual receiving IWT is also co-enrolled in the WIOA Adult or Dislocated Worker program and receives additional WIOA-funded services, that individual is considered a participant in the corresponding core program, and their outcomes will be included in core performance calculations for that program.

IV. PROCEDURE

Employer Outreach and Initial Assessment

The Employer Services Specialist (ESS) or designated staff will conduct outreach to employers to promote IWT opportunities as part of the board's business engagement strategy. The ESS will assess employer needs and determine whether IWT is an appropriate training solution based on:

- Risk of layoffs or skill gaps
- Opportunities for worker advancement and wage gain
- Relevance to in-demand occupations/sectors in the local area

The ESS will require employers to complete an IWT Interest Form (Attachment 1) to begin the eligibility screening process.

Employer Eligibility Determination

Staff must evaluate the employer's eligibility in accordance with policy criteria, including:

- Business size (used to determine the required employer match)
 - Industry alignment with in-demand sectors
 - Wages offered and potential for advancement
 - Employee retention and layoff aversion strategies
 - Compliance with wage and labor standards
- Documentation of eligibility factors must be retained in the IWT employer file.

Training Plan Development and Approval

Employers, in collaboration with LWDB staff, develop a training plan (Attachment 2) that includes:

- Training objectives and measurable skill gains
- Credentials to be earned (if applicable)
- Duration and format of training
- Number and job titles of employees to be trained
- Cost breakdown and employer share

The training plan will be reviewed by CMD management staff and approved by the Executive Director or designee. A formal Incumbent Worker Training Agreement (Attachment 3) must be executed prior to the start of training.

Participant Eligibility and Registration

All individuals receiving IWT must:

- Be employed by the participating business
- Meet the Fair Labor Standards Act definition of employee
- Have been employed for at least six months, unless training is delivered to a group and the majority meet this requirement.
- Be authorized to work in the U.S. and comply with Selective Service requirements

The ESS, or designated staff, must:

- Register each participant in CalJOBS™
- Complete a Title I Workforce Development Application

- Enter Activity Code 308 – Incumbent Worker Training
- Associate the appropriate IWT grant code (e.g., 2284)

Employer Registration in CalJOBS

Employers must be registered as a Preferred Employer in CalJOBS, and the ESS, or designated staff, must enter Activity Code E68 – IWT under the employer's CalJOBS™ profile.

Monitoring, Performance, Reporting, and Documentation

The ESS is responsible for day-to-day employer and participant monitoring, and GMD oversees overall data compliance and reporting.

The ESS will:

- Track attendance records and training completion, Measurable Skill Gains (MSG) and Credentials earned;
- Collect employer invoices and proof of matching contributions;
- Conduct quarterly check-ins with employers to ensure progress and compliance; and
- Collect all documentation (including contracts, rosters, credentials, and fiscal records) in accordance with State and local record keeping requirements.
- Collect Social Security Numbers (SSNs) when possible to enable wage record matching
- Report all required demographic and performance data in CalJOBS
- Ensure entry of MSG, Credential, and other outcome data
- Complete quarterly follow-up to support retention and collect employment data (e.g., employment retention, wage increases)

If a participant is co-enrolled in the Adult or Dislocated Worker program, additional performance requirements apply, as appropriate to the program.

GMD staff will monitor data for inclusion in the following measures:

- Employment in Q2 and Q4 after exit
- Median earnings in Q2 after exit
- Credential attainment (if applicable)
- Measurable skill gains

Fiscal Tracking and Limits

Up to 20% of Adult and Dislocated Worker formula funds may be used for IWT programmatic costs, but administrative costs are not allowable under IWT funding. Employer match documentation must be reviewed and retained.

FMD will track expenditures using designated IWT line items, submit quarterly IWT reports to the State as required, and monitor employer match contributions based on business size:

- 10% (≤ 50 employees)
- 25% (51–100 employees)
- 50% (> 100 employees)

V. QUESTIONS REGARDING THIS DIRECTIVE

May be referred to the Executive Director of EEDD via Managers or designee.

VI. UPDATE RESPONSIBILITY

The Executive Director of EEDD and/or designee shall be responsible for updating this directive, as appropriate.

VII. APPROVED



PATRICIA VIRGEN
EXECUTIVE DIRECTOR

PV:jl

Attachment 1: IWT Interest Form
Attachment 2: IWT Plan
Attachment 3: IWT Agreement

Incumbent Worker Training (IWT) Interest Form

1. Employer Information

Business Name: _____

Business Address: _____

Primary Contact Name: _____

Title: _____ Phone Number: _____

Email Address: _____

Employer Website: _____

Industry Sector (NAICS Code): _____

Number of Full-Time Employees: ☐ 50 or fewer ☐ 51–100 ☐ 101 or more

2. Training Need Overview

1. Briefly describe the reason your company is interested in Incumbent Worker Training (e.g., skill gaps, technology adoption, retention issues, industry certification):

2. What specific skills or credentials do you seek to develop in your workforce?

3. Does this training support layoff aversion or internal advancement opportunities?

☐ Yes

☐ No

If yes, please explain:

4. Approximate number of employees to be trained:

5. Proposed job titles/roles of employees to be trained:

3. Training Details

Proposed Training Provider:	
Proposed Training Duration:	
Preferred Training Start Date:	
Training Format:	☐ Classroom ☐ Online ☐ On-site ☐ Blended

Will the training lead to a recognized credential or measurable skill gain?	☐ Yes ☐ No ☐ Not sure
Will employees be paid while attending training?	☐ Yes ☐ No

4. Employer Commitment & Matching Contribution

Under WIOA, employers are required to contribute a share of the training cost based on business size.

Will your company be able to contribute the required match (cash or in-kind)?

☐ Yes

☐ No

☐ Unsure – would like to discuss further

Note: Employer contributions may include: wages paid to employees during training, equipment or materials provided for training, space or facilities used for training.

Section 5: Additional Considerations

Please check any that apply:

☐ This training aligns with an in-demand occupation in our industry

☐ This training is part of a larger retention or succession strategy

☐ This training is for a cohort/group of employees

☐ We are a nonprofit or public-sector employer

Authorization

I certify that the information provided above is accurate to the best of my knowledge and understand that submission of this form does not guarantee funding. A program specialist will contact me to further assess eligibility and next steps.

Signature: _____ Title: _____

Printed Name: _____ Date: _____

For EEDD Use Only

Reviewed By: _____ Date of Review: _____

☐ Eligible for full application

☐ Not eligible – informed employer

☐ Needs further follow-up

Incumbent Worker Training Plan

1. Employer Information

Employer Name: _____

Address: _____

Industry / NAICS Code: _____ Contact Person: _____

Phone: _____ Email: _____

2. Training Overview

Training Title: _____

Training Provider: _____

Training Start Date: _____ Training End Date: _____

Training Location: _____

Training Format: (e.g., classroom, online, on-the-job) _____

3. Training Objectives and Skill Gains

Please describe the goals and expected measurable skill gains of the training (e.g., improved technical skills, certification preparation):

Objective	Description of Training Objective	Measurable Skill Gain (MSG) Indicator
1		
2		
3		

4. Credentials to be Earned (if applicable)

List any certifications, licenses, or credentials participants are expected to earn upon successful completion of training:

Credential Name	Issuing Organization	Credential Level

5. Training Participants

Employee Name	Job Title	Date of Employment	Est. Training Hrs.

(Attach additional list if needed)

6. Cost Breakdown and Employer Share

Cost Category	Total Cost	Employer Share	EEDD Share	EEDD Funding Source (e.g., Adult, DW)
Tuition/Training Fees				
Materials/Supplies				
Trainer Fees				
Other (Specify)				
Total				

7. Employer Match Percentage

- Employer Size: _____ employees
- Employer Match Required: _____% (per policy)
- Employer Match Provided (amount and type): _____

8. Certification and Signatures

By signing below, the Employer and LWDB staff certify that the information provided is true and correct and that the training plan complies with applicable WIOA and local policies.

Role	Name	Title	Signature	Date
Employer Representative				

ESS				
CMD Management				
Executive Director or Designee				

Instructions:

- Attach a copy of the signed Incumbent Worker Training Agreement referencing this plan.
- Submit the completed plan for approval before training start date.
- Retain all related documentation per record-keeping requirements.

Incumbent Worker Training Agreement

IWT#: _____

This Agreement is entered into by and between the San Joaquin Count Employment and Economic Development Department (EEDD) and _____

Business/Employer Address: _____

Authorized Employer Representative: _____ **Title:** _____

Start Date: _____ **End Date:** _____

1. Purpose of the Agreement

This Agreement sets forth the terms and conditions under which the EEDD will provide funding assistance to the Employer to deliver Incumbent Worker Training (IWT) for eligible employees, as defined under the Workforce Innovation and Opportunity Act (WIOA) and relevant state policy (WSD18-02).

2. Employer Eligibility

The Employer certifies that:

- It operates in San Joaquin County and is current on all federal, state, and local taxes.
- The business is in good standing and not debarred or suspended from receiving federal funds.
- It will provide training for in-demand occupations/sectors or with high growth potential.
- It meets the employer share requirement based on business size:
 - ☐ 10% for 50 or fewer employees
 - ☐ 25% for 51–100 employees
 - ☐ 50% for more than 100 employees

3. Certification and Signatures

By signing below, the parties agree to the terms of this Agreement and certify that all information provided is true and accurate.

For EEDD:	For Employer:
Signature:	Signature:
Name:	Name:
Title:	Title:

4. Training Description

Training Title:	
Training Location:	☐ On-site ☐ Online ☐ Other (specify)
Training Type:	☐ Technical ☐ Soft Skills ☐ Industry Certification ☐ Other: _____
Number of Employees to be Trained:	
Credential Attainment Expected:	☐ Yes ☐ No ☐ Not applicable
Name of Credential:	☐ Not applicable

5. Training Costs and Contributions

Cost Category	Total Cost	LWDB Share	Employer Share
Instructor/Provider Costs	\$	\$	\$
Training Materials & Supplies	\$	\$	\$
Other (specify): _____	\$	\$	\$
TOTAL	\$	\$	\$

Employer match may include: wages paid to employees during training, facilities, equipment, or other allowable in-kind costs.

General Provisions

6. Employer Responsibilities

The Employer agrees to:

- Submit a list of employees to be trained, including Social Security Numbers (or pseudo-SSNs if necessary).
- Maintain employment for trainees during and upon completion of training.
- Assist with collecting outcome data (e.g., measurable skill gains, credentials, wage increases).
- Retain copies of attendance, completion records, and credentials earned.
- Comply with nondiscrimination and equal opportunity laws.

7. EEDD Responsibilities

EEDD agrees to:

- Register participants in CaJOBS and assign appropriate IWT activity codes.
- Monitor training progress and collect performance data per WIOA and state policy.
- Reimburse employer for allowable training costs upon receipt of complete documentation.
- Ensure compliance with federal and state program requirements, including reporting.

8. Termination and Modifications

This Agreement may be modified or terminated:

- By mutual written agreement of both parties, or
- By either party with 30 days' written notice.

In the event of noncompliance with the terms, EEDD may suspend or terminate the agreement immediately. If Employer fails to perform duties to the satisfaction of EEDD, or if Employer fails to fulfill in a timely and professional manner obligations under this IWT, or if EMPLOYER violates any of the terms or provisions of this IWT, or if EMPLOYER, or EMPLOYER's agents or employees fail to exercise good behavior either during or outside of working hours that is of such a nature as to bring discredit upon EEDD, then EEDD shall have the right to terminate this IWT effective immediately upon giving written notice thereof to EMPLOYER. Termination shall have no effect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. EMPLOYER shall be paid in full for all work satisfactorily completed prior to the effective date of such termination. The right of EEDD to terminate this IWT for cause is in addition to any other remedy in law or equity available.

9. Authorized Signature Form

Employer shall submit to EEDD an Authorized Signature Form identifying the individual(s) authorized to sign agreements and modifications, fiscal documents, communications, or other papers, which may be required under this IWT. Any change to this Authorized Signature Form will require the submission of a new Form within five (5) days of the occurrence of such change. The Authorized

Signature Form and all changes to such form will be incorporated into this IWT by reference.

10. Repayment of Funds

In no event shall any payment by EEDD, hereunder, constitute a waiver by EEDD of any material breach of this IWT or any default which may then exist on the part of Employer, nor shall such payment impair or prejudice any remedy available to EEDD with respect to the material breach or default. EEDD expressly reserves the right to demand, of Employer, repayment of any funds disbursed under this IWT which was not expended in accordance with the terms of this IWT. EEDD does not make payments in advance of a participant attending training, nor does it make payments if a participant does not attend training.

11. Reporting Requirements

EMPLOYER shall provide monthly progress reports and promptly report participant completion of training, credential attainment, job placement, termination from training, or other status change. Such reports will be on EEDD-approved forms and shall be submitted to EEDD within two (2) working days of the event becoming known to EMPLOYER.

12. Access to Records

EEDD, the State of California, United States Department of Labor (DOL), Comptroller General of the United States, or any other duly authorized representatives shall have timely and reasonable access to any books, documents, papers, and records (including computer records) of EMPLOYER or subcontractor of EMPLOYER which are directly pertinent to this IWT, in order to conduct audits and examinations and to make excerpts, transcripts, and photocopies. This right also includes timely and reasonable access to personnel of EMPLOYER and subcontractors of EMPLOYER for interviews and discussions related to such documents.

13. Record Retention

EMPLOYER shall retain all records pertaining to activities performed under this IWT for a five (5) year period from the date of final payment, or the records are audited, whichever is longer. If, prior to expiration of the five (5) year period, any litigation or audit is begun or a claim is instituted involving the IWT, EMPLOYER shall retain all records beyond the five (5) year period until the litigation, audit findings, or claim has been fully resolved.

14. Non-Discrimination

EMPLOYER is prohibited from discriminating on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions, transgender status, and gender identity), national origin (including Limited-English Proficiency), age, disability, political affiliation or belief, or, for beneficiaries, applicants, and participants only, on the basis of citizenship status and/or participation in a WIOA Title 1-financially assisted program or activity. EMPLOYER is prohibited from discriminating against a participant funded under this IWT, with respect to the terms and conditions affecting, or rights provided to, the participant, solely because of their status as a participant.

15. Americans with Disabilities Act (ADA)

EMPLOYER assures compliance with the Americans with Disabilities Act of 1990 (ADA) which prohibits discrimination on the basis of disability, as well as applicable regulations and guidelines issued pursuant to the ADA.

16. Provision Against Assignment

EMPLOYER may not assign, transfer, delegate, or sublet any interest herein without the prior written consent of EEDD and any such assignment, transfer, delegation, or sublease without EEDD's prior written consent shall be considered null and void.

17. Disputes

EMPLOYER agrees to make a reasonable effort to resolve disputes arising from this IWT by an administrative process (such as the utilization of a binding arbitrator or some form of mutually agreed upon mediations) and negotiations in lieu of litigation. Unless specifically stated in writing, EMPLOYER is required to continue with work while the resolution of the dispute is being processed. Any dispute concerning a question of fact arising under this IWT which is not settled by informal means shall be decided by EEDD's authorized representative, who shall reduce the decision to writing and mail or otherwise furnish a copy thereof to EMPLOYER. In connection with any appeal proceeding under this clause, EMPLOYER shall be afforded an opportunity to be heard and to offer evidence in support of an appeal. Pending the final decision of the appeal, EMPLOYER shall proceed diligently with the performance of this IWT and in accordance with the decision of EEDD's authorized representative. This "Disputes" clause does not preclude consideration of any law questions in connection with decisions provided above, provided that nothing in this IWT shall be construed as making final the decision of EEDD's administrative official, representative, or board on a question of law.

18. Confidentiality

The names of participants in the program herein provided for are public records. However, EEDD and EMPLOYER agree to maintain the confidentiality of any other information concerning applicants, participants or their families, which may be obtained through application forms, interviews, tests, reports from public agencies, counselors or any other source. Without permission of the applicant or participant, such information shall be divulged only as necessary for purposes related to the performance or evaluation of this IWT, and then only to persons having responsibilities under this IWT, including those furnishing services to the program under EMPLOYER, and to governmental authorities, to the extent necessary for the proper administration of law.

19. Conflict of Interest

Except for approved eligible administrative and personnel costs, no member, officer or employee of EMPLOYER or his or her designees or agents who exercise or has exercised any functions or responsibilities with respect to this IWT during his or her tenure, or who is in a position to participate in the decision making process or gain inside information in regard to this IWT, shall to the best of EMPLOYER's knowledge, have any interest, direct or indirect, in this IWT, or any subcontract, or the proceeds thereof, or any work to be performed in connection with this IWT, or in any activity or benefit

resulting from this IWT, at any time during or after such person's affiliation with EMPLOYER.

20. Relationship

EMPLOYER understands and agrees that it is an independent agency and not a part of EEDD. All persons providing services to EMPLOYER pursuant to this IWT shall be employees, agents or subcontractors of EMPLOYER. At no time will employees of EMPLOYER be considered employees of EEDD, the Federal Government, or the State of California. It is understood that this is an agreement by and between two independent contractors and is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, or joint venture.

21. Hold Harmless

EMPLOYER shall defend, hold and save EEDD, its officers and employees harmless from liability of any nature and kind, including costs and expenses, for or on account of any suits or damages of any character whatsoever resulting from injuries or damages sustained by any persons or property resulting in whole or in part from the negligent performance or omission of any employee, agent or representative of EMPLOYER.

EEDD shall hold and save EMPLOYER, its officers and employees harmless from liability of any nature and kind, including costs and expenses, for or on account of any suits or damages of any character whatsoever resulting from injuries or damages sustained by any persons or property resulting in whole or in part from the negligent performance or omissions of any employee, agent or representative of EEDD.

22. Notice

Any notices permitted or required under this IWT shall be given in writing and may be delivered and served personally, or alternatively, may be deposited in the United States mail, postage prepaid, certified or registered mail with return receipt request, addressed to the parties at the addresses set forth on the signature page of this IWT unless a party notifies the other party in writing of a change in address. Such notice, if mailed within the State of California, shall be deemed delivered upon the second business day following the date postmarked. If mailed outside the State of California, the notice shall be deemed delivered upon the fifth business day following date of postmark.

23. Entire Agreement and Modification

This IWT supersedes all previous agreements and constitutes the entire understanding of the parties hereto. EMPLOYER shall be entitled to no other benefits than those specified herein. No changes, amendments, or alterations shall be effective unless in writing and signed by both parties. EMPLOYER specifically acknowledges that in entering into and executing this IWT, EMPLOYER relies solely upon the provisions contained in this IWT and no others.