



# Montana Department of LABOR & INDUSTRY

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2 **Division: Workforce Services Division**  
3 **Category: Program Operations**  
4 **Effective Date: 01/01/2018**  
5 **Last Revised: 12/18/2018**  
6 **Policy No.: 13-17**

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## Incumbent Worker Training (IWT) Policy

8 **Background:** Incumbent Worker Training (IWT) is a grant program that allows the Montana Department of  
9 Labor and Industry (MDLI) to use state funds to help Montana employers, with 50 employees or less, purchase  
10 training for their current workforce. The purpose is to help meet the training needs of incumbent workers in  
11 Montana's small businesses and to preserve existing jobs for Montana residents. The intent is to help  
12 businesses remain competitive in their industry or the local economy by improving incumbent workers'  
13 productivity, efficiency, or wages.

14 **Scope:** This policy applies to workforce consultants, local office managers and supervisors, WSD fiscal  
15 agents, and IWT program manager.

### 16 **Policy:**

#### 17 **Grant Applications:**

- 18 • Information provided on the grant application will demonstrate that the incumbent worker training is an  
19 integral part of an employer plan for worker retention, skill improvement, or wage enhancement. The  
20 information must include:
  - 21 ○ Prospects for enhancing the incumbent worker's productivity, efficiency, or wages;
  - 22 ○ Prospects for reducing incumbent worker turnover;
  - 23 ○ Ability to provide matching funds;
  - 24 ○ A demonstrated need by the employer for upgrading skills of incumbent workers through  
25 training as a way to improve the employer's ability to remain competitive in the industry or  
26 economy;
  - 27 ○ A direct relationship between the training and an added benefit to the incumbent worker's craft;  
28 and
  - 29 ○ A demonstration that the training is not normally provided or required by the employer and, as  
30 far as may be determined, by the employer's competitors.
- 31 • Grant applications will be made available through the Montana Grants and Loans system at  
32 <https://fundingmt.org>.
- 33 • The funding opportunity will be opened, and applications accepted at 8:00 am on the first business day  
34 of July. [ARM 24.22.331\(2\)](#) Grant Application Process.
- 35 • Applications should be submitted by June 10<sup>th</sup> at close of business.
- 36 • An employer may request to amend an application by contacting MDLI. An amendment will change the  
37 submission date of the application.

38 **Training:**

- 39 • MDLI will assess a request for customized training using the qualifications of the trainer as required in  
40 [ARM 24.22.331\(8\)](#) Grant Application Process.

41 **Application Review:**

- 42 • MDLI will return an application to the employer that is incomplete, contains errors, or needs further  
43 clarification.
- 44 • The Department will track all trainings for each employer for the state fiscal year to assure employees  
45 are not exceeding their allowable caps.
- 46 • MDLI will review applications and issue determinations within 20 calendar days of the date complete  
47 applications are submitted per ARM [24.22.331\(9\)](#) Grant Application Process.
- 48 • Businesses approved for grant funding will have their grant awarded on a first-come, first-served basis  
49 per [ARM24.22.335\(1\)](#) Evaluation of Grant Applications and Limitations.
- 50 • MDLI will review the expenditures of the incumbent worker training program throughout the fiscal year.  
51 When funds are depleted before the end of the fiscal year, MDLI may suspend the grant program until  
52 the beginning of the next fiscal year.

53 **Grant Awards:**

- 54 • Subject to appropriation by the Montana State Legislature, MDLI will award Incumbent Worker Training  
55 grants to employers in accordance with the grant award criteria set forth by [53-2-1218, MCA](#).
- 56 • Upon approval of an application for grant funds, a financial agreement will be issued with all awards.  
57 Once signed and returned by the employer within 14 calendar days, MDLI will sign the financial  
58 agreement.
- 59 • An employer may request a modification to an approved grant by submitting a modification request  
60 form.
- 61 • The employer has **30 calendar days from the date of training completion** to submit a complete  
62 reimbursement claim.

63 **Administrative Requirements:**

64 **Definitions:**

- 65 • Accrual means a fiscal process to designate funding for IWT grants that have a signed financial  
66 agreement in place and training is started by June 20<sup>th</sup> of the current state fiscal year, but where the  
67 funds will not be expended until the next fiscal year.
- 68 ○ A Accrual means an accrual where training ends after June 30<sup>th</sup> of the current state fiscal year.
  - 69 ○ B Accrual means an accrual where training ends before June 30<sup>th</sup> of the current state fiscal  
70 year, but thereimbursement claim, or payment, could not be processed by June 30<sup>th</sup> of the  
71 current state fiscal year.

72 **Funding:**

- 73 • Funding released from awarded grants before June 20<sup>th</sup> of the current state fiscal year will be re-  
74 awarded to another applicant if possible. Funding released after June 20<sup>th</sup> of the current state fiscal  
75 year will be transferred to cover administrative costs, or to other programs.
- 76 • Awards that must be accrued will be set up following timelines and processes provided by Central  
77 Services Division starting the first week of June, or as soon as timelines are provided.
- 78 • Reimbursement payments will be processed within 21 calendar days from the date a completed claim  
79 is filed by the grantee.
- 80 • Incumbent Worker Training grant funds reimbursed to a business may be withheld by the Department of  
81 Administration to offset other state debt by the grantee's business.

82 References:

- 83 • [Montana Codes Annotated \(MCA\), 53-2-1215 through 53-2-1220.](#)
- 84 • [Administrative Rules of Montana \(ARM\) 24.22.322, 327, 328, 331, 335, 338, 341, 344](#)