CUSTOMIZED TRAINING

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I. BACKGROUND

The Workforce Innovation and Opportunity Act (WIOA), Sec. 134(c)(3)(D)(xi) allows for the use of Customized Training for participants who are registered in the WIOA Adult and Dislocated Worker programs. Customized Training is defined as a Training Service under WIOA. Participants can earn a credential upon successful completion of the Customized Training.

II. GENERAL POLICY

Customized Training is training:

1. That is designed to meet the special requirements of an employer or a group of employers.
2. That is conducted with a commitment by the employer(s) to employ the participant upon successful completion of the training.
3. For which the employer pays for not less than 50% of the cost of the training.

III. REQUIREMENTS FOR CUSTOMIZED TRAINING FOR EMPLOYED WORKERS

Employed workers must meet the requirements under the WIOA Adult Priority of Service and Dislocated Worker Eligibility in Administrative Bulletin 203A and 203B.

Contractors must consider the following factors, at a minimum, when considering Customized Training:

1. The characteristics of individuals or groups of individuals to be trained, and how they would benefit;
2. The quality of training (e.g., industry-recognized credentials; other credentials or exams validated by industry, trade or professional associations; advancement opportunities);
3. The number of participants the employer plans to train or retrain;
4. The wage and benefit levels of participants (before and after training); and

5. Occupational or industry sector trends. While indications of growth or expansion would be optimal for use of customized training, neutral or declining trends can be considered on a case-by-case basis.

Contractors must use the state's Eligible Training Provider List (ETPL) to select training providers. If the training provider is not on the ETPL, contractors must submit an exception request to the South Central Workforce (SCW) that at a minimum will include:

1. Financial stability of the provider (e.g., how long in business, financial statement, etc.);
2. Performance in delivering services to hard-to-serve populations. Performance may be demonstrated by:
    a. Program completion rates
    b. Skill attainment levels
    c. Certificates, credentials, or degrees delivered
    d. Placement rates in unsubsidized employment
    e. Employment retention rates, or
    f. Connection of the training program to needs identified in the local plan.

3. Including criteria for approval of employers to participate in Customized Training, the employer must:
    a. Be current in unemployment insurance and workers' compensation taxes, penalties and interest or related payment plan;
    b. Need assistance in training future or current employees;
    c. Be able to contract for customized, short-term training services (typically less than 6-9 months);
    d. Not have laid off workers within 120 days to relocate; and
    e. Not having any real, implied, or apparent conflict of interest with the service (training) provider.

4. The occupation for which the training is intended must be:
    a. In-demand as defined by WIOA Sec. 3(23) and determined by ESD labor market information; or
    b. In-balance as determined by ESD labor market information; or
    c. Declining, but there are compelling reasons (e.g., evidence of long-term viability of the employer) justifying investment in Customized Training.

5. The Employers industry must:
    a. Have projected growth as determined by ESD labor market information; or
    b. Be stable as determined by ESD labor market information; or
    c. Be experiencing a declining trend, but there are compelling reasons (e.g., evidence of long-term viability of the employer) justifying investment in Customized Training.

Contractors must track and document the employer cost share contributions. Wages paid to the participant while in training and in-kind contributions can be included as part of the employer's contribution.

The Governor has determined that a “significant portion of the costs of the training” for Customized Training involving an employer located in multiple local areas is:

- At least 10 percent of the cost for employers with 50 or fewer employees
- At least 25 percent of the cost for employers with 51 to 100 employees
- At least 50 percent of the cost for employers with more than 100 employees

Contractors must notify SCW if training involving employers outside of Washington State are identified to provide the Customized Training. The SCW will be coordinating services with the out-of-state counterpart as well as determining which states ETPL that will be utilized.

Participation in a Customized Training **must have prior pre-approval** from the SCW.

Administrative Bulletin 211 Classroom Training Agreement Attachment 1 will be the agreement to use for Customized Training activities. A completed Occupational Skill Description must be included.

IV. LABOR CONCURRENCE AND CONSULTATION

WIOA requires written concurrence and comment where a labor organization represents a significant number of Employees who are engaged in similar work or training in the same area as proposed to be funded under this Act.

This bulletin states the SCW policy regarding labor concurrence and comments.

The SCW program operator will provide the appropriate labor organization with written notice and allow five days for comments of proposed OJT, Customized Training or group training.

Written comments from labor organizations will be forwarded to SCW for review and consideration.

A copy of all comments received will be placed in the participant file.

REFERENCES

All Contractors will be monitored for compliance with the MIS procedures for timeliness, accuracy and completeness of all forms and documents.

- 20 CFR § 680.760 - .770
- TEGL 19-16 – Guidance on Services Provided Through Adult and Dislocated Worker Programs
- WorkSource System Policy 5616, Revision 1 – Customized Training

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