

**Purpose.**

The Workforce Innovation and Opportunity Act (WIOA) authorizes local workforce development boards to provide training that addresses local needs. Authorized training may include customized training conducted with a commitment by the employer to continue the employment of an individual upon successful completion of the training. WIOA requires local workforce boards to develop policies to administer customized training programs. This document establishes the policy of the Southwest Wisconsin Workforce Development Board for customized training.

Policy.

The Southwest Wisconsin Workforce Development Board (SWWDB) may provide customized training as one option within the scope of its overall training service plan. Customized training provides educational and skill-development activities for WIOA-eligible clients, and is designed and conducted to meet the job specific skill requirements of the employer(s). The training is conducted with the commitment by the employer(s) to employ, or in the case of currently employed incumbent workers, to continue to employ the individual(s) upon successful completion of the training. The employer(s) shall be responsible for a significant portion of the training costs. Customized training will comply with federal and state regulations governing such training.

WIOA defines customized training as training (all three criteria are to be met):

- a. that is designed to meet the specific requirements of an employer (including a group of employers);
- b. that is conducted with a commitment by the employer to employ an individual upon successful completion of the training; and
- c. for which the employer pays—
 - (i) a significant portion of the cost of training, as determined by SWWDB, taking into account the size of the employer and such other factors as like the number of employees participating in training, wage and benefit levels of those employees (at present and anticipated upon completion of the training), relation of the training to the competitiveness of a participant, and other employer-provided training and advancement opportunities; and
 - (ii) in the case of customized training involving an employer located in multiple local areas in the State, a significant portion of the cost of the training, as determined by the Governor of the State, taking into account the size of the employer and such other factors as the Governor determines to be appropriate.

SWWDB will require the employers to fund a significant portion of the total training costs via cash and/or in-kind contributions. When customized training activities involve two or more employers, each employer's portion of the match will be negotiated by SWWDB, and will be based on the number of their employees taking part in training activities compared to the overall number of employees participating in the training.

Customized training is open to any WIOA eligible client who has shown need for training and who has met required WIOA eligibility and program criteria. An individual referred by an employer, including those who may



already be employed by the employer, may be considered for customized training under the following conditions:

- a. The employee is not earning a self-sufficient wage as determined by SWWDB;
- b. Training is designed to meet the special requirements of an employer (including a group of employers);
- c. Training is conducted with a commitment by the employer to employ an individual upon successful completion of the training;
- d. The employer pays for a significant cost of the training, as determined by SWWDB in accordance with the factors identified in WIOA sec. 3(14); and
- e. The customized training relates to the introduction of new technologies, new products or service procedures, upgrading to new jobs that require new skills, workplace literacy, or other purposes identified by SWWDB (680.710(c)).

Customized training shall be limited to the period of time required for the participants to become proficient in the occupation for which the training is being provided (typically 2 to 6 months). An assessment of job difficulty, worker skills, etc., as outlined in applicable federal and state regulation, shall be conducted to determine the length of the training. This information shall be used to develop a training plan that will become the work statement of the customized training contract. The training plan will relate to the workforce skills needs of the employer(s) and clearly identify the outcomes of the training activities. Customized training programs may incorporate work-based, classroom, and other training activities approved under WIOA to meet employer(s) skill requirements. Customized training cannot include any type of orientation or training normally provided by the employer for new employees.

Customized training shall be delivered based on a formal, written training contract that is negotiated and signed prior to the initiation of training. The training contract shall be in a format consistent with federal and state regulations and shall contain appropriate assurances and certifications as specified by current state policy guidance.

Customized training is designed to provide the SWWDB region with flexibility to ensure that training meets the unique needs of the job seekers and employers or groups of employers. There are several factors that must be addressed when customized training is being considered:

- Training is in one of the demand occupations in accordance with the SWWDB Local WIOA Plan.
- Employer is a private-sector, public-sector or non-profit employer located in the SWWDB region.
- Employee's hourly starting wage will be at or above the local minimum wage with preference given to those positions that pay \$10.00/hour or more and provide fringe benefits such as health care, dental care and retirement-planning accounts such as a 401(k) or pension.
- Priority will be given to employers whose post training wages, when combined with the value of employee benefits, meet SWWDB's definition of self-sufficiency.
- Training is in an occupation where there is a reasonable expectation of continued and permanent employment upon completion of the training, provided client performance is satisfactory.
- Employee has the opportunity for upward mobility into a higher-paying job classification.



- Employer does not have workers adversely affected and/or displaced due to lay-off within the past 12 months or per employer policy, whichever is greater.
- Employer does not have a history of not retaining customized training participants and has not experienced other training-related problems.
- Union concurs with the training activities, when appropriate.

Customized training contracts are granted based upon the availability of funding. Customized training services may be limited or unavailable due to funding constraints. SWWDB reserves the right, in its sole discretion, to set a maximum training allowance for all customized training activities.

WIOA programs are primarily intended to serve unemployed. However, some individuals may need assistance to maintain or retain a good job by enhancing their skills or learn new technologies and procedures in a changing and challenging economic environment. SWWDB may enter into a customized training contract with an employer who faces a documented potential loss in revenue that would cause a layoff of incumbent employees.

Before entering into incumbent worker training, focused on layoff aversion, SWWDB will determine whether the training is appropriate and the job will be retained or improved a job. SWWDB, in making this determination, will use federal rules that consider a layoff averted when: 1) a worker's job is saved with an existing employer that is at risk of downsizing or closing; or 2) a worker at risk of dislocation transitions to a different job with the same employer or a new job with a different employer and experiences no or a minimal spell of unemployment.

Incumbent worker customized training shall follow an employer-developed training plan for the affected workers. The employer's training plan shall document the required training outcomes and resulting job retention. All requirements and provisions of federal and state regulations associated with customized training shall apply to training for incumbent workers.

No funds provided under this title for an employment or training activity shall be used for customized or skill training, on-the-job training, incumbent worker training, transitional employment, or company-specific assessments of job applicants or employees, for any business or part of a business that has relocated, until the date that is 120 days after the date on which such business commences operations at the new location, if the relocation of such business or part of a business results in a loss of employment for any employee of such business at the original location and such original location is within the United States.

The Board directs the Chief Executive Officer (CEO) to implement this policy, and to develop and maintain procedures that will allow for the implementation of customized training services in a manner that is practical, uniform and complies with applicable federal and state laws and regulations. The Workforce Operations Manager and the Business Services Coordinator are operationally responsible for management of customized training and oversight of program-operator implementation of customized training services for SWWDB under the direction of the CEO.

Each program operator will become familiar with and follow SWWDB policies and procedures for customized training services. Failure to comply with SWWDB policies and procedures may result in costs being disallowed



and/or termination of the contract.

References: WIOA 2014 Public Law 113-128, sections 3(14), 134)b)(3)(D)(xi)
WIOA (Proposed) Federal Rules and Regulations, sections 680.710, 680.760 and 680.770
Department of Workforce Development, Division of Employment Training Administrator's
Memo 10-06 dated May 7, 2010, RE: Workforce Investment Act (WVIA) Customized Training
Policies and Procedures

Policy Adopted: **September 8, 2010**

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