

TITLE: WIOA Adult & Dislocated Worker Customized Training Policy # 5110

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Supersedes: N/A

Purpose

This policy provides guidance regarding Customized Training for eligible Adult and Dislocated Workers. Customized training services can be critical to the employment success of many Adults and Dislocated Workers while also serving the unique needs of an employer. The WIOA Adult and Dislocated Worker formula programs are one pivotal piece of the WorkSource delivery system, which is the foundation of the workforce system. WIOA provides for a workforce system that is universally accessible, customer centered, and training that is job-driven. Customized training opportunities provide structured training for participants to gain the knowledge and skills to be competent in the job for which they are hired and lead to stable employment.

Policy

Customized training is competitively procured group training, in lieu of individual training accounts, that is designed to meet the specific needs of an employer. Customized training should be considered when available training programs and/or curricula do not meet the specific training requirements of employer(s).

Eligible Adults and Dislocated Workers may receive customized training if the following requirements are met:

- Used to meet the special requirements of an employer or group of employers;
- Conducted with a commitment by the employer(s) to employ all individuals upon successful completion of the training; and
- Paid for, in part, by employers, who must pay a “significant cost” of the training.

Customized training will not supersede the individual’s rights for consumer choice.

Employed individuals may be considered for customized training under specific conditions, they must:

- Not be earning a self-sufficient wage as determined by PacMtn policy;
- Meet the Fair Labor Standards Act requirements for an employer-employee relationship; and
- Receive training that incorporates new technologies, processes, or procedures; offers skills upgrades; provides workplace literacy; or serves other appropriate purposes.

Policy Guidelines

Customized training is designed to provide the PacMtn 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 considered when customized training is used.

- Groups of individuals that receive training would otherwise lack the necessary requirements of the industry to obtain employment, retain employment or be eligible for advancement in the industry to earn self-sufficient wages.
- The training should provide an industry-recognized credential or certificate that demonstrates the quality of work or advanced ability necessary to obtain, retain or advance in employment in the industry. Other certificates or credentials may be agreed upon with PacMtn approval.
- The number of participants provided training through the employer should be a minimum of five (5) and substantiates the overall cost of the training program. The training should not result in payments per individual higher than \$5,000. Waivers may be obtained for fewer participants or a higher per individual costs with adequate justification.
- The wage and benefit levels of participants should not be reduced after training has occurred. Successful completion of the training should allow for increased wage obtainment or advancement opportunities.
- The occupation for which customized training is being provided must be in demand within the PacMtn region. Priority will be given to those industries identified in the industry cluster study and aligns with current sector strategies.

In order for the employers to be eligible to receive customized training funding:

The employer's industry sector must be:

- In demand as defined by WIOA Section 3(23) and determined by ESD labor market information; or
- In balance as determined by ESD labor market information; or
- Declining, but there are compelling reasons justifying investment in customized training.

The employer must:

- Be current in unemployment insurance and workers' compensation taxes, penalties, and/or interest or related payment plan;
- Be located in Washington State;
- Be currently liable for Washington State Business and Occupation tax;
- Be in need of assistance in training future and current employees;

- Be able to contract for customized, short-term, training services (typically less than 6-9 months); and
- Not have laid-off workers within 120 days to relocate.

Employers must contribute a significant portion of the cost of the training program. Contributions to the cost of the training are based upon the size of the current workforce of the employer. Employer share should be:

- At least 10% of the cost if 50 or fewer employees
- At least 25% of the cost if between 51 and 100 employees
- At least 50% of the cost if more than 100 employees

These rates also apply to employers located in multiple areas in Washington State.

Any discrepancies arising between PacMtn policy and or procedures with federal and state provisions due to current or future revisions will default to the current minimum federal and state regulations and guidance available. PacMtn policy and or procedures may set forth stricter requirements than provided by federal and state guidance, but in no case will PacMtn policy and or procedures not meet minimum federal and state policy.

References

Workforce Innovation and Opportunity Act of 2014

WIOA Final Rule; 20 CFR Parts 676,677, and 678; Federal Register, Vol. 81, No. 161, August 19, 2016

WIOA Final Rule; 20 CFR Parts 603, 651, 652, et al; Federal Register, Vol. 81, No. 161, August 19, 2016

WorkSource System Policy 5616 Rev 1- Governor's Procedures for Determining Training Provider Eligibility

PacMtn Procedures Document # 5110P – Customized Training

PacMtn Policy # 5100 - Individual Training Account (ITA)

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