



CHICAGO COOK WORKFORCE PARTNERSHIP

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Local Workforce Innovation and Opportunity Act Policy (WIOA) No. 2013-PL-02 **REVISED**

To: All Delegate Agencies, American Job Centers and Sector Centers

From:

Karin M. Norington-Reaves
CEO, Chicago Cook Workforce Partnership

Subject: Customized Training Policy

Date: March 13, 2019

Purpose:

To establish policy regarding the use of Workforce Innovation and Opportunity Act (WIOA) funding for Customized Training.

References:

Workforce Innovation and Opportunity Act Section 134 (d) (4).

Illinois Department of Commerce and Economic Opportunity e-policy 7.2.2.2.

U.S. Department of Labor (USDOL) WIOA Final Rule 20 CFR Parts 680 and 681.

Office of Management and Budget Uniform Guidance 2 CFR Part 200

Definition:

Customized training is training:

- (a) That is designed to meet the special 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 for a significant cost of the training, as determined by the Local WDB.

Background:

The Workforce Innovation and Opportunity Act (WIOA) permits local Workforce Development Boards (WDBs) to authorize funding for a wide array of initiatives designed to connect prospective employees to available employment opportunities. Customized training is a tool used to both train program participants and encourage local business utilization of the public workforce system.

Customized training initiatives contribute to the following policy objectives by:

1. Ensuring WIOA services are aligned to a broad range of employer needs;
2. Ensuring that WIOA services are coordinated with State and local economic development efforts;
and
3. Providing a mechanism for connecting employers and prospective employees.

Policy:

General Information and Requirements

The Chicago Cook Workforce Partnership will fund customized training efforts throughout the region for the benefit of both employers and current and/or prospective employees under certain circumstances.

- A. The employer(s) must pay at least fifty percent (50%) of the cost of the training.
 - a. Employer matching costs must be in cash, or in-kind, must be documented, and are subject to audit.
 - b. Customized training may be provided to eligible unemployed persons and, in some cases (as described below in C), to eligible employed workers.
- B. The employer (or group of employers) must commit to hire WIOA participants who successfully complete the customized training program and trainees must agree to accept employment offers from the employers.
 - a. Local areas shall include language for this requirement into a signed agreement between the WIOA provider, the employer and the participant prior to the start of the training program.
- C. A customized training contract may also be written to train a WIOA participant who is already working for the employer (or group of employers) for which the customized training is being provided, when the employee is not earning a self-sufficient wage. In this situation, customized training provided to a previously employed worker must elevate the employee wages to at least a self-sufficient wage through skills upgrade training that relates to either:
 - a. The introduction by the employer of new technologies;
 - b. The introduction to new production or service procedures;
 - c. Upgrading to new jobs that require additional skills/workplace literacy; or
 - d. Other appropriate purposes identified by the local workforce development board.
- D. Self-sufficient wage is at least \$14.00 per hour. The Partnership reserves the right to approve Customized Training at lower than the prescribed wage for employees as result of the Customized Training. These requests should be made by the Customized Training broker in writing to the Regional Manager and Director of Business Relations and Economic Development.
- E. The employer agrees to cooperate with reporting and monitoring efforts as required by WIOA legislation including providing information for a pre-award checklist and adhering to all other applicable local, state and federal rules and regulations. A copy of a pre-award checklist is attached.
- F. There is no prohibition to combining Customized Training with other of training, such as work experience, classroom remediation, Individual Training Accounts (ITA), On-The-Job Training (OJT), and Incumbent Worker Training, provided a rationale is provided that justifies the use of multiple training types.
- G. A formal Customized Training Pre-Award Checklist and Customized Training Agreement will be written between a Delegate Agency (as the Customized Training Broker) and employer. Also, a Customized Training proposal will be created by the employer that must include a justification for the need of Customized Training, the objectives of the training, scope of training, training schedule, budget, and training outline.
- H. A participant who successfully completes Customized Training must be hired as a regular, full-time employee by the employer within 10 working days after the completion of training. The Partnership considers a full-time position as a position offering 30 or more hours per week.
- I. Full-time employment should continue upon successful completion of the Customized Training. Successful completion includes:

- a. Met all goals in the training proposal.
- b. Complied with all company and employment obligations throughout the training.
- J. Customized Training trainees may not be hired as independent contractors, contract, or seasonal employees.
- K. The training does not have to occur at the employer's location.

Target Industries:

Customized Training is targeted at small (50 employees or less) and medium size (100 employees or less) employers offering full-time employment opportunities in the following industry sectors for development of customized training initiatives:

- Business and Professional Services
- Healthcare
- Hospitality
- Information Technology
- Manufacturing
- Retail
- Transportation, Distribution and Logistics
- Construction

Customized Training may be provided regardless of the employer's industry if the training is intended to address a specific programmatic priority established by the workforce development board or if the training is provided in concert with other State or local economic development agencies as part of an incentive package to encourage an employer to remain or expand jobs in the local area.

Prohibition:

Pursuant to federal statute, WIOA funds, including funds used for Customized Training, may not be used (or proposed to be used) for the encouragement or inducement of a business, or part of a business, to relocate from any location in the United States, if the relocation will result in any employee losing his or her job at the original location. This prohibition is no longer applicable after the company has operated at the new location for 120 days.

Potential Participants (Trainees):

The following individuals are eligible to participate in customized training:

1. WIOA eligible unemployed adult and dislocated workers;
2. Adult and dislocated workers who are already working for the employer (or group of employers) for which the customized training is being provided, when those employees are earning less than a self-sufficient wage and the employer commits to continue to employ such trainees who successfully complete the training; and,
3. Adult and dislocated workers employed by another firm, if the workers earn less than a self-sufficient wage.

Eligibility and WIOA Registration:

Potential trainees must be certified eligible for either WIOA adult or dislocated funding. All trainees must be registered in Career Connect and have an Individual Employment Plan (IEP) must be developed with the input of the participant before any training may be provided. Documentation to support eligibility must be collected and placed in the participant case file prior to registration in Career Connect.

Customized Training Project Request:

To request funding for Customized Training, a rigorous guideline process must be followed.

Agencies or businesses may propose a wide range of training topics and program models. In the case of unemployed workers, the training must be designed to lead to immediate job placement with the employer (or group of employers) for which the customized training is designed for all WIOA participants who successfully complete the training. The training is therefore expected to be targeted to a specific job.

For participants who are already working for the employer(s) for which customized training is being provided, training that is closely linked to specific jobs, job advancement and increased earnings are expected. Proposed training that is only loosely related, or is unrelated, to specific jobs, while not completed prohibited, is strongly discouraged. Examples of training that is not directly job-linked include: stand-alone adult basic education (ABE), stand-alone English as a second language (ESL), team building training, motivational training, and basic computer literacy skills. The Partnership will closely examine proposals for such training and the rationale supporting the need for the training to determine the likelihood that the training will lead to increased earnings for successful completers. In the absence of a compelling rationale, such proposals are unlikely to be approved for funding. Please note that ABE and ESL training that is fully integrated with specific job-linked skills training are allowable.

Training Guidelines:

- Employer must be in operations at the same location for at least 120 days.
- Training can be at the employer's location or a different location conducive for training purposes.

Training requirements:

The following items must be mentioned and/or included as part of the Customized Training proposal:

- Resume(s) - Trainer(s) must be identified and resume(s) must be attached
- Training objectives (narrative)
- Detail budget that must include matching cost
- Curriculum outline
- Evaluation method: pre-assessment, post-assessments and or tests
- Schedule - days, times, location
- Documentation gathered during training: Attendance, progress report (if applicable)
- Documentation provided to participant after training: Certificate of Completion or stackable credential

Approval:

When evaluating project proposals, The Partnership will consider the following criteria:

1. **Quality of the Training:** The training proposal must be detailed and tailored to a specific job. The curriculum must be well-developed and the instructor must be deemed qualified to conduct the training. The training must be clearly linked to anticipated increases in productivity.
2. **Benefits to Workers:** The training must result in benefits to the workers such as: placement into employment, enhanced employability, job upgrades, increased wages and/or increased job security. Workers completing training should receive written certification or acknowledgement of their successful completion. The issuance of industry-recognized credentials or certifications is highly preferred.

3. **Appropriateness of Costs:** the proposed costs must be reasonable in relation to the type of training, the number of workers to be trained and the cost per participant. All proposed costs must meet local, State and Federal cost related requirements and limitations.
4. **Matching Funds:** The minimum employer cost participation requirement of 50 percent must be met. Proposal reflecting higher level of employer cost participation will be given a more favorable review of this criterion.
5. **Secondary Benefits:** Projects that result in “secondary benefits” will be given added consideration. Secondary benefits may include: commitments by participating employers to list future job openings with The Partnerships’ WIOA system and/or otherwise commit to participate in other WIOA programs.

Matching Funds:

At a minimum, employers(s) must contribute at least 50 percent of the cost of the training. Employer costs may be in cash or in-kind, must be documented, and are subject to audit. All matching contributions must be necessary for the provision of the training, valued, and verifiable. Matching costs must meet the requirements for matching and cost sharing as described in the Common Rule – Office of Management and Budget Uniform Guidance 2 CFR Part 200. The Partnership reserves the right to adjust the matching requirements to comply with future federal or state policy and/or waivers.

Allowable Costs:

Subject to the approval of The Partnership, all reasonable and necessary costs related to the conduct of the training are allowable. However, the costs of workers’ wages and fringe benefits paid while in training are allowable only as an employer’s match contribution. **Following are typical costs allowable for reimbursement from the WIOA grant:**

- Contracted trainer
- Off the shelf curriculum
- Books and supplies
- Equipment
- Tuition and school fees
- Travel expenses of trainers
- Travel expenses of trainees
- Training facility cost (training off-site)
- Fees for technical or professional certifications
- Refresher courses for occupational certifications
- Other costs with approval of The Partnership

Approval:

The Partnership will review all documentation and will reply to Customized Training applications within 60 days.

WIOA Performance:

All participants receiving training services funded through a Customized Training Agreement must be registered in WIOA via Career Connect. Performance outcomes associated with those individuals count in the computation of federal performance standards.

Reimbursement:

The payment will be in the form of reimbursement and is contingent upon the Partnership receiving all supporting documentation and invoices. See attached *Customized Reimbursement Checklist*.

Action Required:

This information should be disseminated to all agency staff responsible for maintaining and developing customized training projects and to all staff responsible for budgeting, vouchering, and accounting.

Inquiries:

Questions regarding any aspect of this policy should be directed to the Chicago Cook Workforce Partnership via email at CustomizedTraining@workforceboard.org.

Effective Date:

Effective immediately upon approval of the Chicago Cook Workforce Innovation Board.