

**Capital Region Workforce Partnership
Workforce Development Board (WDB)
WIOA Service Policy #107**

Customized and Contract Training

References: Workforce Innovation and Opportunity Act of 2014; Section 122
WIOA Final Rule, 20 CFR Parts 680.400 - 500
Virginia Board of Workforce Development Policy #15-02

Date: Revisions March 24, 2022; Original adoption March 2, 2017

Purpose:

This policy sets forth the parameters by which customized and contract training may be structured and made available to WIOA participants and employers as exceptions to the Individual Training Account process.

Definitions:

Customized Training is training that is provided to an employer for a group of WIOA-enrolled participants by a qualified third party training provider identified and contracted by the employer. The training must result in needed workplace skills specific to the employer's business and/or industry and the employer agrees to hire or retain participants upon successful completion of the training.

Contract Training is arranged by WDB-contracted service providers for a group of enrolled participants who have been identified to have the interest and aptitude to benefit from the same training program and are enrolled as a group. The training must be for targeted in-demand industry sectors or occupations.

Basic Guidelines

I. Customized Training Contracts

1. A Customized Training contract will provide reimbursement of up to 50% of the training cost. The training duration should be short term, not to exceed six (6) months, unless otherwise agreed to by the WDB.
2. The employer must have been in business for at least twelve (12) consecutive months immediately prior to contract, have at least two (2) employees other than the owner, and have all required licenses, certifications, and insurances.
3. The training provided must be in the region's target industries and/or occupations.
4. Customized Training is primarily intended for new employer hires; however, employed workers may be authorized at the discretion of WDB. Should Customized Training be provided to an employed worker(s), such will adhere to the requirements set forth under Section 680.770 of the WIOA Final Rules and Regulations.
5. The employer must offer paid employee benefits.
6. The employer will not use Customized Training funded participants to displace any regular employee, or to replace any employee on layoff.
7. The employer must not have relocated from any location within the United States within one hundred and twenty (120) days, where the relocation resulted in any employee losing their job at the original location.
8. The employer must identify a third party training provider for the delivery of Customized Training services. The training provider must have expertise in the training area to be delivered.
9. Preference will be given to training that results in the awarding of an industry recognized credential.

10. The employer agrees to hire all participants who successfully complete Customized Training as new employees. In the case of current employees who may be authorized and successfully complete Customized Training, the employer agrees to retain them within the business with the possibility for upward mobility.
11. Positions authorized for Customized Training must be full-time and pay at least an hourly rate equivalent to the Massachusetts Institute of Technology Living Wage calculator as determined at time of application, unless otherwise agreed to by the WDB.

II. Contract Training

A. Contracts for training services may be used instead of Individual Training Accounts (ITAs) only when one or more of the following five exceptions apply, and the local area has fulfilled the consumer choice requirements of § 680.340 of the WIOA regulations:

(1) When the services provided are on-the-job-training (OJT), customized training, incumbent worker training, or transitional jobs.

(2) When it is determined that there are an insufficient number of eligible training providers in the local area to accomplish the purpose of a system of ITAs. The determination process must include a public comment period for interested providers of at least 30 days, and be described in the Local Plan.

(3) When it is determined that there is a training services program of demonstrated effectiveness offered in the area by a community-based organization or another private organization to serve individuals with barriers to employment, as described in paragraph (b) of this section and factoring the following criteria:

(i) Financial stability of the organization;

(ii) Demonstrated performance in the delivery of services to individuals with barriers to employment through such means as program completion rate; attainment of the skills, certificates or degrees the program is designed to provide; placement after training in unsubsidized employment; and retention in employment; and

(iii) How the specific program relates to the workforce investment needs identified in the local plan.

(4) When it is determined that it would be most appropriate to contract with an institution of higher education (see WIOA sec. 3(28)) or other provider of training services in order to facilitate the training of multiple individuals in in-demand industry sectors or occupations, provided that the contract does not limit consumer choice.

(5) When a Pay-for-Performance contract, a consistent with § 683.510 of the WIOA Regulations is considered.

(b) Under paragraph (a)(3) of this section, individuals with barriers to employment include those individuals in one or more of the following categories, as prescribed by WIOA sec. 3(24):

(1) Displaced homemakers;

(2) Low-income individuals;

(3) Indians, Alaska Natives, and Native Hawaiians;

(4) Individuals with disabilities;

(5) Older individuals, i.e., those aged 55 or over;

- (6) Ex-offenders;
- (7) Homeless individuals;
- (8) Youth who are in or have aged out of the foster care system;
- (9) Individuals who are English language learners, individuals who have low levels of literacy, and individuals facing substantial cultural barriers;
- (10) Eligible migrant and seasonal farmworkers, defined in WIOA sec. 167(i);
- (11) Individuals within 2 years of exhausting lifetime eligibility under TANF (part A of title IV of the Social Security Act);
- (12) Single-parents (including single pregnant women);
- (13) Long-term unemployed individuals; or
- (14) Other groups determined by the Governor to have barriers to employment.

B. Additional Local Considerations:

1. Training will be arranged by the WDB-contracted service provider for enrolled individuals in a group, when it has been determined that the assessments, interests, and aptitudes of each individual support enrollment in the same training program, the timing meets each individuals' service plan, and that each individual has the ability to benefit.
2. Training programs must be within the region's targeted industry sectors or demand occupations.
3. Training providers may be public, private for-profit or private non-profit entities. The program must be accredited by the applicable state or national organization authorized to approve the teaching of such program.
4. A contract with the training provider will be executed prior to the starts date and identify the course or courses to be included, duration, total dollar amount and location for training. A cap of \$3,000 per participant in the group is established by policy, unless waived by the WDB.
5. Preference will be given to training that leads to industry recognized credentials.

Date of Board Approval **3/2/17, Revision adopted March 24, 2022**

By:

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