

CUSTOMIZED TRAINING POLICY

Workforce Innovation and Opportunity Act Policies and Procedures

EFFECTIVE DATE: November 15, 2018

POLICY #: P203

I. PURPOSE:

This policy communicates the Workforce Development Council of Seattle King County (WDC) local workforce development board policy and operational guidance regarding using Workforce Innovation and Opportunity Act (WIOA) Title I Adult and Dislocated Worker funding to provide customized training as a service for employers.

This is the local workforce development board's policy equivalent to ESD Program Policy 5616, Rev. 1, Customized Training, and serves as the vehicle for implementing the state policy and making supplemental local policy determinations. This policy is subject to and may be further revised upon guidance from the U.S. Department of Labor Employment and Training Administration (DOL/ETA) and/or the WA State Employment Security Department (ESD).

II. BACKGROUND:

Competitively procured contracts may be used to pay for group training, in lieu of individual training accounts, when the training is otherwise approvable under federal and state law and policy, and only if the individual's rights for consumer choice are not superseded. Customized training should be considered when available training programs or curricula do not meet the specific training requirements of employer(s).

III. DEFINITIONS:

- A. Customized Training** – Training that is designed to meet the specific requirements of an employer (including a group of employers), that is conducted with a commitment by the employer to employ an individual upon successful completion of the training, and for which the employer pays a significant portion of the cost of training.
- B. In-Demand Industry Sector or Occupation** – In general,
 - i. an industry sector that has a substantial current or potential impact (including through jobs that lead to economic self-sufficiency and opportunities for advancement) on the state, regional, or local economy, as appropriate, and that contributes to the growth or stability of other supporting businesses, or the growth of other industry sectors; or
 - ii. an occupation that currently has or is projected to have a number of positions (including positions that lead to economic self-sufficiency and opportunities for advancement) in industry sector so as to have a significant impact on the state, regional, or local economy, as appropriate.

The determination of whether an industry sector or occupation is in-demand shall be made by the state board or local board, as appropriate, using state and regional business and labor market projections, including the use of labor market information.

IV. CUSTOMIZED TRAINING POLICY:

- A.** Based on availability of funds, customized training of employed workers may be provided

- for an employer or a group of employers to meet specialized training requirements, and to offer workers the opportunity to progress toward self-sufficiency;
- B. Customized training requires the intent of the employer or group of employers to retain or promote an employed worker on successful completion of the training;
 - C. The employed workers who participate in customized training using WIOA Adult or Dislocated Worker funding must be enrolled in a WIOA Adult or Dislocated Worker program;
 - D. Customized training may take place in the workplace or another convenient location, during or after work hours;
 - E. Training arranged by the employer with a specific training provider must allow for customer choice on the part of the employee in whether or not to participate in the training;
 - F. Customized training activities under WIOA include, but not limited to, the following:
 - i. Skills upgrade as required to operate new technology, new production or new service procedures;
 - ii. Skills needed to perform job duties more efficiently or to handle additional responsibilities;
 - iii. Work-based literacy;
 - iv. Soft skills;
 - v. Disability-related job accommodation;
 - vi. Skills assessment;
 - vii. Assistance to employers in designing the training plan; and
 - viii. Monitoring participant progress and promoting successful completion of training objectives.
 - G. Customized training funds do not allow the following activities:
 - i. Directly or indirectly assisting, promoting or deterring union organizing;
 - ii. Providing services for jobs that depend largely on commissions or that are intermittent or seasonal in nature;
 - iii. Training during a strike, lockout or other labor disputes;
 - iv. Involving occupations related to political, electoral, or partisan activities; or
 - v. Involving construction, operation or maintenance of any part of any facility that is used, or to be used, for religious instruction or as a place for religious worship.

V. PROCEDURE TO IMPLEMENT CUSTOMIZED TRAINING:

Employers who request WIOA Adult or Dislocated Worker funding for customized training projects must meet the following requirements and conditions:

- A. Pay at least fifty percent (50%) of the cost of training in a dollar-to-dollar match of the WIOA finding amount, either cash or in-kind; examples of the program costs that the employer can make in-kind contributions to include employee's wages during training, facility and material costs, and administration of training;
- B. Demonstrate that workers are currently not earning a self-sufficiency wage as determined by the Self-Sufficiency Standards for Washington;
- C. Be in need of assistance in training future or current employees, and intend to retain or promote the employees who undergo training;
- D. Be able to contract for customized, short-term, training services (typically 6 – 9 months);
- E. Not have laid off workers within 120 days to relocate to the Seattle-King County region;
- F. Not have any real, implied, or apparent conflict of interest with the service (training) provider;
- G. Not have exhibited a pattern (two or more times) of failing to provide customized training

- participants with higher wages once training is complete;
- H. Be registered with the Internal Revenue Service (IRS) and have an account with the Washington State Employment Security Department for Unemployment Insurance and carry Workman's Compensation Insurance [20 CFR 683.280];
 - I. Be licensed to operate in the State of Washington and provide their Federal Employer Identification Number (FEIN);
 - J. Have safe and healthy working conditions with no previously reported health and safety violations that have been reported but have not been corrected; and
 - K. Not illegally discriminate in training or hiring practices because of race, color, sex, national origin, religion, physical or mental disability, political beliefs or affiliations, or age [WIOA Sec. 188(a)(2)].

VI. OCCUPATIONAL TRAINING REQUIREMENTS:

- A. The occupation for which the training is intended must be:
 - i. In demand as defined by WIOA Section 3(23) and determined by ESD labor market information; or
 - ii. In balance as determined by ESD labor market information; or
 - iii. Declining, but there are compelling reasons (e.g., evidence of long-term viability of the employer) justifying investment in customized training;

OR

- B. The employer's industry sector must:
 - i. Have projected growth as determined by ESD labor market information; or
 - ii. Be stable as determined by ESD labor market information; or
 - iii. 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.

VII. TRAINING PROVIDERS:

- A. The WDC requires that the employer choose a training provider from the State of Washington's Eligible Training Provider List (ETPL) to provide customized training.
- B. WDC management may make exceptions to the requirement that training providers be selected from the ETPL if a community-based organization or other private organization offers a particular expertise in working with a special participant population or delivering a specialized training. In order for such an exemption to be considered, a written exemption request that documents the credentials of the organization identified to provide the training must be submitted to WDC management for approval prior to execution of the Training Agreement.
- C. Considerations for determining the demonstrated effectiveness of a training provider who is now on the ETPL include:
 - i. Financial stability of the provider (e.g., how long in business, financial statement, etc.);
 - ii. Performance in delivering services to hard-to-serve populations, as 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;
- iii. Connection of the training program to regional needs identified in the Seattle-King County Local Plan.

VIII. TRAINING AGREEMENT:

- A. The WDC requires a written, signed Training Agreement between a WDC subcontractor representative, an authorized employer representative, and an authorized training provider representative prior to delivery of training to ensure that workers are provided a structured training opportunity in which to gain the knowledge and competencies necessary to be successful in the occupation or industry in which they receive training.
- B. The Training Agreement will include the following:
 - i. Characteristics of individuals or groups of individuals to be trained, and how they would benefit;
 - ii. The quality of training (e.g., industry-recognized credentials; other credentials or exams validated by industry, trade or professional associations; advancement opportunities);
 - iii. The number of participants the employer plans to train or retrain;
 - iv. An assurance that the employer intends to retain or promote the employees who undergo training;
 - v. The wage and benefit levels of participants (before and after training), demonstrating that before the training the majority of employees were not making a self-sufficient wage, and that after the training the employees will move significantly toward making a self-sufficient wage; and
 - vi. Occupational or industry sector trends that indicate growth or expansion, or explanation of relevant neutral or declining trends to be considered on a case-by-case exception basis.

IX. REFERENCES:

AUTHORITY	RULE OR REGULATION TITLE	REFERENCE AND LINK
University of Washington, Dr. Diana Pearce, Director	Self-Sufficiency Standard for Washington State 2017	Report Update, September 2017
Washington Employment Security Department	Customized Training	Program Policy 5616, Rev. 1, 3/20/2017
United States Congress	Workforce Innovation and Opportunity Act of 2014	Section 3(14) and (44) – Definitions
United States Congress	Workforce Innovation and Opportunity Act of 2014	Section 134(c)(3) – Training Services
Code of Federal Regulations	Who may receive training services?	20 CFR 680.210
Code of Federal Regulations	Under what circumstances may mechanisms other than Individual Training Accounts be used to provide training services?	20 CFR 680.320
Code of Federal Regulations	What is customized training?	20 CFR 680.760
Code of Federal Regulations	What are the requirements for customized training for employed workers?	20 CFR 680.770

X. HISTORY:

VERSION	DATE	ACTION & APPROVALS
V.1	2002	Original policy issue
V.2	7/1/2007	Revised policy issued as "R1"
V.3	5/15/2018	IEC approved V.3 re-released for public comment 5/16/2018 - 06/16/2018
V.3	10/30/2018	Align with ESD policy: Dislocated Workers added as customers, conditions for when incumbent are offered customized training
V.3	11/15/2018	Full Board