

Purpose.

The Workforce Investment Act (WIA) authorizes local workforce development boards (WDBs) 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. WIA regulations require WDBs 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 WIA-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 between 10 and 50 percent of the total training costs. Customized training will comply with federal and state regulations governing such training.

The rate of reimbursement is pursuant to the size of the employer's workforce as defined in federal and state regulations. Employer contributions can be in the form of cash and/or in-kind services. When customized training activities involve two or more employers, SWWDB will require the employers to fund at least 50 percent of the total training costs via cash and/or in-kind contributions. 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 WIA eligible client who has received at least one intensive service. 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:

- The individual is not earning a self-sufficient wage as determined by SWWDB; and
- The 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.

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. 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 WIA 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

Customized training shall be delivery 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.

SWWDB may enter into a customized training contract when the training meets the following performance criteria at the time of completion:

- Training is in one of the demand occupations in accordance with the SWWDB Local WIA 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.
- 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.

SWWDB, as the One-Stop operator in a local area, will establish and keep current performance criteria for customized training, including placement and/or retention rates and wage and benefits rates. SWWDB shall collect performance information to determine if training outcomes are met. The list of providers that meet the specified criteria, along with the relevant performance information, shall be disseminated through the One-Stop delivery system. Providers determined to meet the criteria are considered to be identified as eligible providers of customized training services.

WIA 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. When used for layoff aversion, this form of training is an exception to the requirement under WIA to establish an Individual Training Account for eligible individuals to finance training services.

The Board directs the executive director 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 and employer services manager 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 executive director.

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: WIA 1998 Public Law 105-220, section 101(8)
 WIA 1998 Federal Rules and Regulations, sections 663.715, 663.720 and 663.730
 Department of Labor Letter on Wisconsin's Waiver Requests dated November 13, 2009
 Department of Workforce Development WIA Policy Update 09-05 dated October 14, 2009, RE:
 Pre-Award Criteria – Business Relocation/Expansion (120 Day Rule)
 Department of Labor Training and Employment Guidance Letter #30-09 dated June 8, 2010,
 RE: Layoff Aversion Definition and the Appropriate Use of Workforce Investment
 Act Funds for Incumbent Worker Training for Layoff Aversion Using a
 Waiver
 Department of Workforce Development, Division of Employment Training Administrator's
 Memo 10-06 dated May 7, 2010, RE: Workforce Investment Act (WIA) Customized Training
 Policies and Procedures

Policy Adopted:

Policy Revised: