

**WDA 16**

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**Workforce Investment Area 16**

**Belmont, Carroll, Harrison and Jefferson Counties**

**Policy Letter 02-2009**

**Policy: Customized Training**

**I. PURPOSE**

 To establish a policy for customized training as authorized under the Workforce

Investment Act, WIA Section 101(8); WIA Regulations in 20 CFR Subpart G. 663.715, 663.720 and 663.730; and in accordance with Workforce Investment Act(WIA) Transmittal Letter No. 40.

**II. WORKFORCE INVESTMENT BOARD APPROVAL**

Motion 10-2009 approved on March 13, 2009

**III. CUSTOMIZED TRAINING PROGRAM BACKGROUND**

 Local Workforce Investment Boards (WIBs) and the State may offer customized

 training through an agreement with either a vendor or employer with a

 mandatory employer match requirement of 50% of the cost of training.

In May 2007, Ohio submitted a waiver request to the United States Department of Labor (USDOL) to allow the State to replace the statutory employer match requirement of 50% for customized training to a minimum of 10% with the variance based upon State and local policy. On November 5, 2007, USDOL approved this waiver request retroactive to July 1, 2007 and in effect until June 30, 2009.

If local WIBs choose to implement the waiver, the employer training cost match must be based upon the following sliding scale.

• 1 – 50 employees Employer match of no less than 10%

• 51 – 100 employees Employer match of no less than 25%

• 100+ employees Employer match of 50% per statutory requirements

The employee count is to include full-time and part-time workers, and workers placed through a private placement agency. This count is based on the total number of employees, not just on the number to be trained. The count includes all company locations throughout Ohio and the involved adjoining state when customized training is being offered to Ohio residents working for employers in an adjoining state.

WIB’s must establish policies to implement this waiver and should include selection criteria for awarding customized training contracts. WIBs without a policy that includes the above criteria will be assumed to require a 50% employer match for all customized training activities.

Workforce Investment Area 16 does not implement the sliding scale match into this policy. A 50% employer match is required for all customizing training.

**IV. IMPLEMENTATION**

 A. Customized Training Definition

 Customized training means training:

 • designed to meet the special requirements of an employer(s);

 • that is a participant/trainee service and a business service;

 • that is conducted with a commitment by the employer(s) to employ or

continue to employ an individual upon successful completion of the training;

 • that enables trainees to obtain industry or employer-recognized skills

 identified by the employer(s);

 • for which the employer pays not less than 50% of the training cost ;

 • or which an agreement has been negotiated and signed.

 B. Training Goals

 Customized training is designed to meet the needs of an employer or group of

employers to provide the introduction of new technologies, new production or service procedures, upgrading of existing skills, workplace literacy or other purposes identified by the local WIB.

 C. Trainee Parameters

1. Unless the trainee is unemployed, an employer-employee relationship must

exist between the trainee and the business requesting the training.

1. The training may include unemployed and full time employed workers, as well as workers placed through private employment agencies.
2. Customized training may be offered to individuals under local area formula

funded programs or as a type of incumbent worker training conducted under

waiver authority. If funded under a local formula funded program, individuals must meet all eligibility requirements including core and intensive services. Regulatory eligibility requirements are not required to be followed when serving incumbent workers in customized training under the waiver authority.

Regardless of the target group, all requirements of customized training must be adhered to per WIA TL No. 40.

 D. Training Providers

Training providers should have satisfactory past performance, accreditation, curricula that lead to credentials, relevant training experience and programs, accredited instructors, high job placement rates, and/or high training completion rates.

The training facility should provide an environment that supports learning and be within reasonable proximity to the participant. The training may take place in the business owned facility, a training provider’s facility, or a combination of sites.

Training providers for customized training need to be included in the ETP Online System or must be competitively procured. For training providers not in the ETP Online System, WIBs must follow proper procurement procedures per Fiscal Administrative Procedure Transmittal Letter(FAPMTL) No. 14, Acquisition Standards Definitions and Procurement Requirements, or local procurement policy if more restrictive.

ODJFS reserves the right to review and approve proposed exceptions to these requirements on a case-by-case basis. Requests for exceptions may be submitted via email to: WIAQNA@JFS.OHIO.GOV.

1. Training Agreement Provisions

The customized training agreement must include:

1. the trainees’ occupations
2. the skills and competencies to be learned
3. training time duration
4. number of employees to be trained
5. employer’s assurance the training is needed based upon the individual skill sets of trainees
6. method and maximum amount of reimbursement(50% cash match)
7. trainees’ job descriptions
8. training outline
9. cost and documented description of any ancillary items or supportive services needed
10. training goals
11. training outcomes related to the training(i.e. earnings increase)
12. appropriate assurances and certifications
13. written endorsement from a union official when the workplace is covered by a collective bargaining agreement
14. employer commitment to employ or continue to employ the workers upon successful completion of the training and that the successful completion of training will result in trainees obtaining portable skills, good pay, good benefits and opportunities for career advancement
15. continued training will be provided for trainees who need help with remedial skills or other skills in order to retain their jobs upon completion of the customized training
16. training will be aligned with industry or employer recognized skill standards as defined by the WIB and/or employer
17. if applicable, inclusion of the private employment agency in the contract when employers want to include workers placed through private employment agencies in the contract and acknowledgement from all parties that private employment agency workers who successfully complete the training will be immediately placed into permanent employment with the employer
18. Employer Eligibility

• Facility must be located in Workforce Investment Area 16.

• Must employ a minimum of 5 full-time, permanent employees.

• Must not be presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from participation in transactions by the USDOL or the State of Ohio.

• Must not have any outstanding tax liability to the State of Ohio. WIBs will require the employer to disclose any known outstanding tax liabilities with other states prior to entering into a contract. The WIB may consider existing out-of-state violations when determining eligibility to receive incumbent worker training funds.

• Must not have any local, county, federal or city outstanding tax obligations.

• Must be current and in compliance with environmental regulations.

• Must pay into unemployment compensation and workers’ compensation funds.

• Must have other sources of funding to support the training.

• Must have all required approvals, licenses or other qualifications to conduct business in Ohio and all must be current. Should this status change during the course of the training activities and the employer is disqualified from conducting business in Ohio, all training activities must cease.

• Governmental entities, including city, county and state, may not participate in the training. Health care providers that are operating as not-for-profit entities are the only allowable exceptions to this prohibition.

• Businesses that have relocated to Ohio and have laid-off workers at their former location in the United States may not be considered for training until they have been in operation at the current location for 120 days.

 A pre-award review must be conducted and documented to verify that an employer is not relocating employment from another area. This review must include the names under which the establishment conducts business, including predecessors and successors in interest; the name, title and address of the company official certifying the information; and whether training assistance is being sought in connection with past or impending job losses at other facilities of their company. This review should also include a review of whether appropriate notices have been filed as required by the Worker Adjustment Retraining Notification (WARN) Act. The review may also include consultations with labor organizations in the local area.

• Must not have outstanding civil, criminal or administrative fines or penalties owed to or pending in Ohio.

• Employers must agree to post job openings resulting from the training with Area 16’s One-Stop Employment System.

• A WIB must not enter into a training agreement with an employer who has exhibited a pattern of failing to retain individuals after successful completion of the training.

• Businesses that have employees on lay-off should not be considered for training unless the training would avert additional layoffs.

*Any violation or falsification of information by the employer that results in*

*WIA disallowed costs or other WIA related penalties being incurred is the sole*

*liability and responsibility of the employer. Area 16 local elected officials, WIB*

*and program operators are not liable for disallowed costs and other penalties due*

*to the fault of the employer.*

By signing the contract with Area 16 the employer is acknowledging that they are

 compliance with all the above eligibility requirements.

G. Training Parameters

• An employers(s) in conjunction with the WIB/designated entity will design and implement customized training.

• If applicable, the training must have approval from the collective bargaining organization at the workplace.

• The maximum amount of WIA funds allocated to a single customized training project is $25,000.00.

• Employers must contribute 50% of the cost of the training which must be cash. The employer match may not be satisfied with federal, state or other grant funds.

• Customized training funds must not be used to supplement or supplant current training efforts. The funds must be for new training projects.

• Training cannot begin prior to the contract beginning date and cannot exceed the contract ending date except by contract amendment. Only training costs incurred during the contract period are eligible for reimbursement.

• The customized training must meet one of the goals stated in Section IV. B.

H. Customized Training Application, Selection and Approval Process

 Businesses not eligible to receive customized training funds include:

- Any business currently receiving training funds from the State of Ohio which would be a duplication of training efforts.

- Any business that previously received customized training funds or other training funds from the State of Ohio and failed to uphold the terms of the agreement.

- Any business that previously received customized training funds from a previous agreement and at least 12 months have not expired from the ending date of the agreement.

- Any business that does not meet other provisions and requirements stated within this policy.

 • Applications will be reviewed and approved on a first come – first serve

 Basis based on availability of funds

 • Businesses must complete and submit three copies with original signatures

 of the application to the respective county program operator.

• The application will be reviewed by three Area 16 county program operator staff (representation from three counties is required), recommended for approval/disapproval, and submitted to the WIB for approval/disapproval.

 • The application will be rated and approved/disapproved based on the following criteria:

- Each application must pass Section I Screening to move to Section II

 Screening and pass Section II Screening to move to Section III.

“Section I”

 “Yes” Response is Required Except for Not Applicable (N/A) Questions

 1) Is your business located in Belmont, Carroll, Harrison or Jefferson County?

2) Does your business employ a minimum of five full-time, permanent employees?

4) Is your business void of all current or potential debarments or suspensions from participating in transactions with the State of Ohio and USDOL and void from being declared ineligible or excluded from participating in transactions with the State of Ohio?

5) Does your business ensure it is not on the most recent list established by the Ohio Secretary of State that would identify it as having more than one unfair labor practice contempt of court finding?

6) Does your business ensure it does not have outstanding civil, criminal or administrative fines or penalties owed in the State of Ohio?

7) Is your business current on all Ohio tax liabilities?

8) If applicable, is your business current on other states’ tax liabilities?

9) Is your business current on all federal, city, local and county tax liabilities?

10) Is your business in compliance with environmental issues?

11) Does your business pay into Ohio unemployment compensation and workers’ compensation funds?

12) Does your business have other funding sources to support this proposed training?

13) Does your business have all required approvals, licenses or other qualifications to conduct business in Ohio?

14) Does your business agree to provide performance and follow-up information to the WIB?

15) Does your business agree to provide the workers’ names, date of birth and other required information to the WIB?

16) Does your business agree to cooperate with the WIB in monitoring the training?

17) Is your business an Equal Opportunity Employer?

18) Does your business abide by all Federal and State laws regarding wages, labor, health and safety, Drug Free workplace and Americans with Disabilities Act?

19) If applicable, is this training approved by a collective bargaining organization?

20) Does your business maintain on file an I-9 for each worker verifying they are eligible to work in the United States?

“No” Response is Required

 1) Has your business relocated all or part of its operations to Ohio from a former location in the United States which resulted in the layoff of workers at the former location? If answered “yes”, the business must be in its current location for 120 days or more to be considered for training.

2) Will this training cause a loss of employment or reduction in hours for any employees?

“Section II”

The application will be scored and assigned points based on the following factors. A minimum of 3 points is required to be considered for approval.

* + Assists the employer in avoiding layoffs (2)
	+ Raises the skill level of workers to increase their knowledge, efficiency and productivity and maximizes their potential (1)
	+ Raises the skill level of the workers so it leaders to the promotion of the workforce, thus providing a career progression that opens entry level positions to others (2)
	+ Workers receive portable, transferable, recognized industry or sector credentials (1)
	+ Assists the business in remaining competitive in the market (1)
	+ Increases retention in employment (1)
	+ Increases workers’ wages (1)
	+ Provides another goal approved by the WIB (1)
	+ Critical to company viability, stability and profitability (1)
	+ Company’s presence is important to the local economy (1)
	+ Training involves at least one worker who is a Veteran (1)
	+ Training involves at least one worker who is a minority (1)
	+ Training involves at least one worker who is disabled (1)
	+ Has previously used One-Stop services (1)
	+ Training involves members of a collective bargaining organization (1)

“Section III”

 The training and budget must adhere to fiscal requirements and this

 customized training policy.

• Each business that submits a customized training application will receive written notification on its approval/disapproval.

I. Customized Training Program Reporting

Customized training provided to formula-funded participants will follow the normal SCOTI reporting requirements for program participants.

Customized training provided as Incumbent Worker Training will follow the reporting requirements per WIA Transmittal Letter 22C.

**V. CUSTOMIZED TRAINING AS INCUMBENT WORKER TRAINING**

 Customized training implemented as Incumbent Worker Training will follow the guidelines within this policy and the guidelines stated in WIA 16 Incumbent Worker Training Program Policy 01-2009.

1. **FISCAL**
	1. Fiscal procedures and reporting will be implemented based on the target group served in the customized training: formula funded participants or incumbent workers (reference WIATL 22C).
	2. Customized Training allowable costs include but not limited to:
	* instructor’s/trainer’s salaries
	* Curriculum development, textbooks, manuals, training software, materials, supplies and instructional equipment
	* other necessary and reasonable costs directly related to training
	1. Customized Training unallowable costs include but not limited to:
	* trainees’ benefits/fringes/wages
	* costs not directly related to customized training for eligible participants under Title I
	* foreign travel
	* purchase of capital equipment

**VII. MONITORING**

 Training will be monitored by the Administrative Entity and Fiscal Agent

 or other designees or subcontractors.

**VIII. EMPLOYER APPEAL PROCESS**

 Reference WIA 16 Policy 10-2004.

**END**