



CENTRAL REGION

**Workforce Innovation and Opportunity Act (WIOA)
Program Policy # 106**

Subject: Customized and Incumbent Worker Training

Date of Issuance: January 10, 2018

INTRODUCTION

Customized Training (CT) is designed to meet the unique training needs of a business or a group of businesses. CT can be used for training prospective new or existing workers (referred to as Incumbent Worker Training or IWT). Upon entering in a CT agreement, the business commits to hire or—in the case of incumbent workers—retain individuals who successfully complete the training. CT targets workers who need training and prepares them for the Central Virginia Workforce Development Board (WDB) in-demand occupations. CT is business-driven where the employer, not the worker, selects the training provider. Workers benefit by learning new skills and obtaining or retaining employment after successful training completion.

This CT Policy and Procedures provides a framework for the Central Virginia Workforce Development Board to serve employers with CT in the Central Virginia Workforce Development area.

DEFINITION OF SERVICES

CT is defined as training:

- Designed to meet the special requirements of an employer (including a group of employers) for new hires or—in the case of incumbent workers—to retain a skilled workforce or avert the need to lay off employees by assisting the workers in obtaining the skills necessary to retain employment;
- Conducted with a commitment by the employer to employ or—in the case of incumbent workers—to retain or avert the layoffs of the individuals that successfully complete the CT;¹ and
- For which the employer pays a significant cost of the training.²

“Significant cost” is defined by the following sliding scale:³

- At least 10 percent of the cost, for employers with 50 or fewer employees;
- At least 25 percent of the cost, for employers with 51 to 100 employees; and
- At least 50 percent of the cost, for employers with more than 100 employees.

For incumbent workers, the significant cost provided by the employer may be the in-kind match for the cost of the training and/or the amount of wages paid by the employer to the worker while the worker is attending the IWT program.⁴ Central Virginia WDB may reserve and use no more than 20 percent of a combined total of adult and dislocated worker funds⁵ Any employer request for CT training funds over \$10,000.00 must also be approved by the Central Virginia WDB executive committee.

¹ Workforce Innovation and Opportunity Act (WIOA), sec. 134(d)(4)(B)

² WIOA, sec. 3(14) subparagraphs (A), (B) and (C)

³ The sliding scale is the local board definition for “significant cost” as approved by the CVWDB on

⁴ WIOA, sec. 134 (d)(4)(D)(iii)

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⁵ WIOA, Sec. 134 (d)(4)(A)(i) ⁶ § 682.210(b) and § 682.320(b)(3)

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The training may be conducted by the employer or the employer may select a third-party training provider. CT methods include, but are not limited to:

- Classroom training through a traditional classroom setting with a group of trainees and a qualified instructor;
- Laboratory training with hands-on instruction or skill acquisition under direct guidance of a qualified trainer;
- Electronic- or computer-based training delivered through a computer program at a pace set by the trainee or through video conferences that are live, interactive instruction with a trainer;
- Simulated or actual jobsite instruction (e.g., job shadowing);
- Standard “off-the-shelf” training that meets the training needs of the employer; or
- Other training that is customized to the employers’ specific training needs.

ELIGIBILITY REQUIREMENTS

CT for *prospective new workers* is available to WIOA eligible Adult and Dislocated Worker customers. With respect to training services funded by WIOA adult funds, priority of service must be provided to Customers of public assistance, other low-income individuals or other individuals who are basic skills deficient. Priority of service status is established at the time of eligibility determination and does not change during the period of participation.⁸ Priority does not apply to the dislocated worker population. Customers must meet the financial need requirement of being unable to obtain grant assistance from other sources to pay partial or full costs of such training. For more information on eligibility, refer to Central Virginia WDB’s Operations Manual.

IWT is available to *existing workers* if an employer’s employees or positions are at risk of being laid off if they do not receive training or upskilling. An incumbent worker does not have to meet the eligibility requirements for career and training services for Adult and Dislocated Worker customers.⁹ To qualify as an incumbent worker, the incumbent worker needs to be at-risk of being laid off, meet the Fair Labor Standards Act requirements of an employer-employee relationship, and have an established employment history with the employer for 6 months or more. The employer must provide written documentation or statement of need in the CT Application ([Exhibit 1](#)) that the positions to be trained for are at risk of being laid off if additional training is not received.¹⁰ The training must increase the competitiveness of the employee and employer.

Central Virginia WDB shall only contract with employers that plan to enroll at least 6 Customers into CT.

PROCEDURES

Central Virginia WDB shall provide the Business Services team with technical assistance in the CT process. The following guidelines outline how CT is implemented:

⁸ WIOA sec. 134(c)(3)(E)

⁹ WIOA sec. 134(d)(4) and § 680.790

¹⁰ § 680.780

1. Business Outreach

Central Virginia WDB's Communications Coordinator shall be responsible for coordinating CT opportunities and marketing CT to the business community in partnership with the business services team. The business services team shall use current business contacts and outreach to new businesses in support of this effort.

2. Request for CT (or Incumbent Worker Training) Application

All employers interested in CT for prospective new hires or incumbent workers must complete and submit the CT Application prior to the start of any training. The CT Application describes Central Virginia WDB's priorities and goals for training. Central Virginia WDB shall enter into a CT agreement with businesses that propose to upgrade employee skills, increase employee wages, provide training in portable skills, and/or increase retention efforts. Preference shall be given to employers who request training that offers potential upward career mobility, career stability, increased wages and other value-added benefits. Training must be provided for in-demand occupations. An in-demand occupation is defined as an occupation that is projected to grow at a greater rate than other occupations in the Central Virginia Workforce Development Area. The business service teams shall assist businesses in their regions that are interested in CT or IWT with completing and submitting the CT Application, and determining the WIOA eligibility of the CT participants.

3. Training Approval and Contract Development

Upon receipt of the CT Application, Central Virginia WDB's Business Services staff shall review the submitted CT Application to ensure that it is complete and complies with the terms and conditions of the CT Application and all applicable legal and regulatory requirements. The approval process is outlined below:

- A. Central Virginia WDB's staff and at least two business services team members shall review and evaluate the CT Application to ensure that the CT Application's criteria are met and if appropriate, recommend approval. Any request for funds over \$10,000.00 must also have the approval of the Central Region Executive Committee.
- B. Central Virginia WDB staff shall notify the employer if the CT Application shall be recommended for approval or if the employer needs to revise the CT Application no later than ten business days from receipt of the CT Application.
- C. If recommended, Central Virginia WDB's Executive Director shall have the final approval for contracts that do not require board approval.
- D. Upon approval, the CT Application shall become part of a CT agreement.
- E. Central Virginia WDB's Business Services staff shall assign an agreement number from the Central Virginia WDB's Finance Department to include on the CT agreement.
- F. Central Virginia WDB's Business Services Staff shall route and track the CT agreement through the signature process and execution. All CT agreements shall be monitored by Central Virginia WDB's Business Services staff.

4. VA Career Works Lynchburg Center Recruitment and Eligibility Responsibilities

The VA Career Works Lynchburg Center's business services teams shall assist employers in their regions that are interested in CT by coordinating Customer recruitments and eligibility determination. All Customers identified for CT must meet WIOA eligibility requirements.

- A. As necessary, to meet the needs of the employer, the VA Career Works Lynchburg Center shall conduct recruitments for the CT opportunity. If the VA Career Works Lynchburg Center cannot find an adequate pool of customers within the region, the VA Career Works Lynchburg Center shall notify other workforce areas of the CT opportunity. The announcement shall include qualifications, job description, training information, deadlines for the CT recruitment, and a summary of the recruitment procedure.
- B. The VA Career Works Lynchburg Center team shall screen prospective CT candidates or Customers to ensure WIOA eligibility and enrollment in VA Career Works Lynchburg Center services.
- C. The employer shall make the final selection of CT candidates and confirm that list of candidates with the VA Career Works Lynchburg Center team.

5. Case Management for CT Customers

Case management activities for Customers in CT shall not differ from the duties that VA Career Works Lynchburg Center Case Managers currently perform for WIOA Customers in training. VA Career Works Lynchburg Center Case Managers shall use the statewide VAWC system. The following duties shall apply:

- A. VA Career Works Lynchburg Center Case Managers shall ensure completion of required WIOA activities for enrollment into training including Individual Employment Plan (IEP) development.
- B. VA Career Works Lynchburg Center Case Manager shall confirm that the Customer started training and document confirmation with an activity code.
- C. VA Career Works Lynchburg Center Case Manager shall enter (VAWC code) under the appropriate customer group (Adult or Dislocated Worker).
- D. After (VAWC code) has been saved, VA Career Works Lynchburg Center Case Manager shall enter a case note including the training provider, employer and occupational title.
- E. VA Career Works Lynchburg Center Case Manager shall monitor the Customer's training activities.
- F. After the training ends, Customers who successfully complete the CT shall get a job offer from the employer or group of employers, and if the job offer was accepted, VA Career Works Lynchburg Center Case Manager shall complete employment verification paperwork and enter the placement information into the customer tracking system. If Customers who successfully complete the CT do not get a job offer from the employer or group of employers, Central Virginia WDB reserves the right to not enter into a CT agreement with the employer in the future.
- G. VA Career Works Lynchburg Center Case Manager shall continue to provide required WIOA Exit and Follow-Up activities/services.

INVOICING

Central Virginia WDB shall reimburse the business for training costs for clients who successfully complete the CT or Incumbent Worker Training program. Businesses must provide a significant match for the expenses of the training based on the sliding scale. Business must

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keep accurate records of the training implementation process, trainees' attendance, and trainees' performance in the training program. To issue payment, the business must submit an invoice to Central Virginia WDB. The final invoice must have the following attachments 1) a roster listing the trainees who successfully completed training that is signed by the training provider; and 2) a list of trainees who have been hired or retained by the business to include start date, wage and title of trainee, signed by the business's designated representative. Central Virginia WDB reserves the right to modify the CT agreement and not pay the final invoice if the CT completers are not employed by the end of the CT agreement date.

EXHIBITS

Exhibit 1– CT Application