

CUSTOMIZED TRAINING POLICY



Customized Training Policy

SFW #PY'07-02

I. Of Interest to

The Customized Training Policy should be of interest to members of the South Florida Workforce Investment Board (SFWIB) conducting business as the South Florida Workforce (SFW), Region 23 Career Center providers, Training Providers, Employers, Job Seekers, and workers in Miami-Dade and Monroe counties.

II. Subject

Customized Training

III. Purpose

The purpose of the Customized Training Policy is to provide all SFW stakeholders with parameters regarding the use of training funds through Customized Training Agreements.

IV. Background

Customized Training is a vehicle through which SFW can expend training dollars from various funding streams. This policy does not address the unique performance and compliance requirements of these funding streams.

V. Definition

Customized Training¹ means training that:

1. Is designed to meet the special requirements of an Employer, including a group of Employers;
2. Is conducted with a commitment by the Employer to employ an individual or retain employees upon successful completion of the training; and,
3. For which the Employer pays for not less than 50 percent of the cost of the training.

¹ FEDERAL: Public Law 105-220, WIA 1998, Sec. 101 (8); 20 CFR 663.715

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VI. Priority of Service

In order to allow both large and small employers to have access to the training funds, the recommended starting division of funds from the training pool will be 60% for training of 25 or more employees and 40% for 24 employees or less. Through monitoring of the utilization of funds in the pool changes in the funding priority may be taken back to the Board for re-prioritization, if needed. Within these funding parameters the SFW, during the application process, will give priority to those employers that:

1. Request funding in occupations and industries that have been prioritized through the Economic Development and Industry Sector Committee and approved by the full Board.
2. Request to upgrade skills of employees in the region's targeted occupations (refer to Targeted Occupation List), and/or in an occupation that is vital to the economic viability of the community.
3. In their grant proposal demonstrate a significant upgrade in employee skills that will therefore lead to their employees retaining self-sufficient employment or obtaining self-sufficiency as applicable.
4. Provide training at a cost that is reasonable.

VII. Eligibility

A. Employers

Employers that meet the following criteria may, depending on funding availability, deliver CUSTOMIZED TRAINING through an executed CUSTOMIZED TRAINING Agreement with an approved SFW provider.

1. Financial viability;
2. Temporary employment agencies, employment agencies, or employee leasing agencies may not serve as the Employer of record for purposes of providing CUSTOMIZED TRAINING.²
3. Must be located within Region 23 (Miami-Dade and Monroe Counties) and fully licensed to conduct business in Miami-Dade and/or Monroe County, and has operated continuously for at least one year in Miami-Dade and/or Monroe Counties.

² LOCAL: Although allowed by 20 CFR 627.240 (k)(2), the SFWB chooses to restrict this option.

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4. The employer is a commercial or industrial enterprise that employs personnel and has capital.
5. The employer located within Region 23 can receive Customized Training funds to train all its employees. (Including employees that live outside of Region 23).

B. Job Seekers

Job seekers that meet the following criteria may, depending on funding availability, receive Customized Training through an executed Customized Training Agreement between an eligible Employer and an SFW funded service provider.

1. Eligibility requirements for a SFW funded program, such as WIA Youth, WIA Adults, WIA Dislocated, TANF, Refugee, etc.;
2. After an interview, evaluation, and assessment have been determined not to be fully skilled in the chosen occupation³, in need of Training Services, and have the skills and qualifications to successfully complete the Customized Training;
3. Select a program of training that is directly linked to the employment opportunities in the local area; and,
4. Unable to obtain grant assistance from other sources to pay the cost of training, or require SFW assistance in addition to other sources of assistance, including but not limited to scholarships, Employer reimbursement programs, Federal Pell Grants, etc.

C. Employed Workers

Employed workers that meet the following criteria may, depending on funding availability, receive Customized Training through an executed Customized Training Agreement between an eligible Employer and an SFW funded service provider.

1. Not earning a self-sufficient wage;⁴
2. Eligibility requirements for a SFW funded program, such as WIA Youth, WIA Adults, WIA Dislocated, TANF, Refugee, etc.;
3. Customized Training relates to the introduction of new technologies, introduction to new production or service procedures, upgrading to new jobs that require additional skills or workplace literacy; and
4. Customized Training Agreement documents a plan for job retention or wage progression at the end of the contracted training period.

³ FEDERAL: 20 .240 (b)(4)(i)

⁴ LOCAL: The precise definition of self-sufficiency is defined by the SFW Self-Sufficiency Standard

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VIII. Expected Outcomes

The training must result in a documented upgrade of skills such as:

A. Job Seekers (Unemployed)

1. Should obtain full-time, unsubsidized employment, preferably with the contracted Employer, at a wage equal to or higher than the wage paid to equivalent personnel, and
2. Earn a credential. ([AWI Guidance – Dec. 27th](#))

B. Employed Workers

1. Employed workers should continue employment, preferably with the contracted Employer⁵, at a wage equal to or higher than the Customized Training wage; and
2. Earn a credential. ([AWI Guidance – Dec. 27th](#))

IX. Conditions

A. General

1. Customized Training for an employed worker is a training activity only.
2. Customized Training for Unemployed Job Seekers is a training activity, which results in placement into unsubsidized employment after completion of training.
3. Eligible Employers must use the standard Customized Training Agreement provided by SFW.
4. Attainment of competencies must be documented.
5. Customized Training may be sequenced with, or accompanied by, other types of training such as remedial education, basic skills training or occupational skills training.⁶

⁵ FEDERAL: 20 CFR 627.240 (a)(2)

⁶ FEDERAL: 20 CFR 627.240 (a)(3)

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6. In order to meet the needs of the Employers, some aspects of the customized training Agreements have to be negotiated and these may include but are not limited to:
 - a. Percent of Reimbursement
 - b. Frequency of Payment Timeframe for achievement of credentials
 - c. Quality Assurance Process
7. Significant changes to an approved Customized Training Agreement would require reevaluation of the agreement.

B. Duration

1. Customized Training is limited in duration.
2. Customized Training duration may not exceed 1,040 hours over six (6) consecutive calendar months without prior written approval from SFW.

C. Compensation

1. Eligible Service Providers, who have a funding allocation for training, may not execute Customized Training Agreements without prior written SFW approval.⁷
2. The SFW Executive Director has the final authority to approve Customized Training. However, funding of \$50,001 or more must have prior approval from the SFWIB.
3. Payments to an Employer under a Customized Training Agreement shall not exceed fifty (50) percent of the total eligible training costs, as defined in the Agreement budget.⁸

E. Limitations

1. An SFW funded Service Provider may enter into a Customized Training Agreement with another branch or department of the Service Provider, if the other branch or department is not funded by the SFW.
2. Individuals trained under customized training will not be eligible for additional customized training with the same employer until two years after the date of the customized training completion.

⁷ LOCAL: #PY-2005-01 Rev. D

⁸ FEDERAL: 20 CFR 627.240 (c)(2)(i)

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3. Employers utilizing customized training will only be eligible for additional customized training after one year from the date of their last employee completing customized training. Exceptions may be approved by SFW on a case by case basis.

F. Prohibitions

1. Customized Training activities may not commence prior to a fully approved Agreement and all the eligibilities required have been met.
2. Customized Training Agreement budgets may not be based on overtime, shift differential, premium pay, piece work, and other non-regular wages paid by the Employer to Trainees.⁹
3. Agreements shall not be entered into with Employers who have exhibited a pattern of failing to provide Customized Training Trainees with continued long-term employment.
4. Customized Training Agreements may not be used to train individuals in occupations where the work is performed at home.
5. Trainees in Customized Training shall not be employed in the construction, operation, or maintenance of any facility that is used for sectarian instruction or as a place of worship.¹⁰

G. Non-Reimbursable Costs

Non-reimbursable Costs include:

1. Trainee wages (may be used as in-kind)
2. Purchase of capital equipment
3. Purchase of any item or services that may possibly be used outside of the training project
4. Travel expenses of trainers or trainees
5. Assessment and testing
6. Certification fees are not reimbursable if the certification occurs after 30 days of the employee's completion of training or after the funding program year ends.

⁹ FEDERAL: 20 CFR 627.240 (c)(2)(iii)

¹⁰ FEDERAL: Public Law 105-220, WIA 1998, Sec. 188 (a) (3); 29 CFR 37.6 (f)

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X. Application Submission

The CUSTOMIZED TRAINING is open to all employers in Miami-Dade and Monroe counties that meet the eligibility criteria outlined in **Section VI** above. Applications must be submitted to SFW as outlined in SFW EWTP procedures, utilizing the application forms provided.

XI. Application Review

- A. Applications that fail the SFW team review process will not be recommended for approval.
- B. The SFW Executive Director will have the authority to approve applications requesting funding for less than \$50,000. Awards of less than \$50,000 will be included in the Executive Director report to the SFWIB.
- C. Applications requesting funding of \$50,001 or more will be included in the next SFWIB or appropriate committee meeting agenda for action.

XII. Project Completion

- A. All CUSTOMIZED TRAINING projects shall be performance based with specific measurable performance outcomes, including the completion of the training project and the number of employees trained.
- B. Final payment for employers receiving CUSTOMIZED TRAINING funds will be withheld until the final report is submitted and all performance criteria specified in the grant have been achieved. All final reports and invoices are due to SFW no later than fifteen (15) business days after the completion of the project. All invoices received after the closeout dates are subject to disallowance.
- C. Employers must provide sufficient documentation in order to calculate the performance measures required by SFW.

XIII. Project Outcomes

Training must result in the attainment of a credential by the employee, as established during the contract negotiations, retention for a minimum of six (6) months (or negotiated period) in the self-sufficient employment of individual employees who have obtained a new skill set in new technologies, or new production or service procedures, and/or must lead to a promotion and/or an increase in wages earned.

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XIV. Application Denial

If the application is not approved, the appropriate SFW staff will notify the employer in writing. All applicants denied funding can appeal the decision to the SFWIB in accordance with SFWIB appeal process.