



AB #18-10 R2

**Effective: Immediately**

Supersedes AB 18-06; Effective: July 1, 2018

## **ACTION BULLETIN**

**TO: Workforce Innovation and Opportunity Act (WIOA) Adult/Dislocated Worker Career Service Providers**

**DATE:** January 13, 2021

**SUBJECT: UPDATE: Customized/Incumbent Worker Training Policy**

### **PURPOSE OF BULLETIN:**

To provide policy and guidance to all WIOA Adult/Dislocated Worker Career Service Providers (CSPs) who refer employers interested in customized training programs to the Business Services Unit (BSU). This policy and guidance will include the definition of Customized and Incumbent Worker Training (CT/IWT) as well as information on funding, eligibility, program requirements, allowable activities, performance outcomes, and entities not eligible to apply. Changes will be reflected in **bold** type.

### **CITATIONS:**

- Action Bulletin #50 - Customized Training Policy May 1, 2015
- Action Bulletin #53 - WIA Self-Sufficiency Threshold July 1, 2005
- Department of Labor Employment and Training Administration (DOLETA) Federal Register
- TEGL 19-16
- Workforce Innovation and Opportunity Act (WIOA) Section 3 [14] – Defines customized training
- WIOA Sections 134 (c)(3)(E), 134 (d)(4)

### **BACKGROUND:**

WIOA provides for the local Workforce Development Board to establish policies and procedures for customized training. The WIOA Section 3 [14] defines “customized training” as:

- 1) Designed to meet the special requirements of an employer (including a group of employers)
- 2) Conducted with a commitment by the employer to employ, or in the case of incumbent workers, continue to employ, individual on successful completion of the training;
- 3) Increases the competitiveness of the employer or employee;

- 4) Gives employees the opportunity to progress on their career pathway by providing opportunities to obtain certificates or credentials based on the employers need.
- 5) For which the employer must pay a significant portion of the cost of training. The employer contribution was determined to be 50% for Customized Training by the local board on September 10, 2015 and this is still in effect. **For Incumbent Worker Training, the minimum amount of employer share depends on the size of employer and are as follows:**
  - **At least 10% of the cost of employers with 50 or few employees**
  - **At least 25% of the cost for employers with 51-100 employees**
  - **At least 50% of the cost for employers with more than 100 employees**

Customized training opportunities should be made available for employers who offer:

- 1) jobs that pay a livable wage and benefits
- 2) support for ongoing skills training and employee advancement; and
- 3) good working conditions.

**ACTION:**

These policies are being transmitted to sub-contractors providing career services to Adults and Dislocated Workers and should be distributed to the appropriate staff for implementation.

**WIOA FORMULA FUNDS**  
**CUSTOMIZED/INCUMBENT WORKER TRAINING PROGRAM POLICY**

**Funding for CT/IWT:**

CT/IWT may be funded with both WIOA Adult and Dislocated Worker, Title I formula funds. CT funded with WIOA Adult funds should be prioritized for low-income, public-assistance recipients or basic skills deficient participants [WIOA Section 134 (c)(3)(E)], when possible. IWT must be for employed workers earning below the self-sufficiency threshold of \$24.10 per hour.

**Business/Company Eligibility for CT/IWT:**

A business must meet at least one of the following criteria to be considered:

1. A business that is engaged in one of the priority industry sectors as outlined in ACWDB's Industry Sector and Occupational Framework (ISOF) or any subsequent framework that identifies priority industry sectors for ACWDB's region
2. A business that proposes an upgrade in employee skills
3. A business that proposes an increase in employee wages
4. A business that proposes training in portable skills
5. A business that is the focus of business retention efforts

## Performance Outcomes:

1. Employee Related Outcome Measures
  - Increase in skill levels of trained workers
  - Increase in wage levels of trained workers
2. Business Related Outcome Measures
  - Averts a layoff or loss of jobs
  - Lowers employee turnover
  - Increases the profitability of the business
  - Enhances the competitiveness of the business
  - Avoids business relocation or consolidation that results in a loss of local jobs

## Allowable Activities:

1. Occupational skills training that is designed to meet the special requirements of a business or a group of businesses and that is conducted with an employer's commitment to hire or continue to employ all trained individuals upon successful completion of the training.
2. Educational training, including workplace literacy, basic skills, "soft" skills, and English as a second language. A business applicant must demonstrate the effect of the training on business operations and identify the transferable skills acquired by employees.
3. An assessment of the employers' operations, business needs, and growth potential. Individual assessments for potential training participants are not allowable.

## Training Program Requirements:

1. The entity/employer must be a business.
2. Not-for-profit businesses that are engaged in commerce are eligible. They must generate revenue and provide tangible services within a market and reinvest any profit back into the business.
3. Businesses must be in high growth/high value industries and ISOF sectors.
4. Training must result in the attainment of industry-recognized, postsecondary credentials (i.e. industry-recognized certificate or certification, certificate of completion of an apprenticeship, a license recognized by the state or federal government, associate or baccalaureate degree or graduate degrees for purposes of Vocational Rehabilitation) for participants.
5. Under normal conditions, the business' facility where employees will receive training must be within Alameda County excluding the City of Oakland. **However, due to the impacts of Covid-19, and for a limited duration, ACWDB will consider on a case-by-case basis businesses located outside of ACWDB's Local Area. Applications from businesses within**

**Contra Costa County, the City of Oakland, and the City and County of San Francisco will be assessed giving consideration to justifiable need, compliance with all CT/IWT eligibility, availability of funding and status of prioritized requests from employers within ACWDB's Local Area. Each employer approved from outside of ACWDB's Local Area must commit to serve sixty percent (60%) of their program participants from within ACWDB's Local Area. This waiver of the requirement for employer location is set to expire at the end of December, 2021.**

6. Businesses must be stable as illustrated by the fact that they have been operating in Alameda County during the entire 12-month period immediately preceding the date of application.
7. The business must be current on all state, county, city and local tax obligations.
8. The business must be willing to consider hiring unemployed Adult and/or Dislocated Workers participants who may lack some of the skills the employer seeks – and who may then benefit from the training provided by increasing their skill level to a minimum established by the employer or by industry needs.
9. Approval of applications is conducted on a case-by-case basis. ACWDB will notify applicants if their proposal has been approved or denied based on required program criteria.
10. Businesses are required to meet the following goals as part of their training program, and to be considered for subsequent training contracts:
  - 85% of those participating in training must complete the training;
  - 70% of those completing training have been hired or retained by the company;
  - Submit attendance records for all participants for every training session;
  - Comply with program monitoring requirements during the training (see Attachments A-C), and quarterly follow-up reporting requirements established by ACWDB after the completion of the training.

Requirements for the Employees:

1. Training must be provided to new hires or incumbent workforce. For Customized Training, 90% of training participants must be residents of Alameda County.
2. Training must be provided for full-time employees as defined by the employers:
3. Employees must be considered permanent as defined by the industry.
4. **For Incumbent Worker Training, employees must have an established employment history with the employer for six months or more unless the training is provided to a cohort of employees, where the majority of employees being trained meet the employment requirement.**
5. Customized Training projects sponsored through ACWDB are intended to provide long-term benefits to businesses and employees located within Alameda County.
6. Employees must meet all the WIOA eligibility requirements as defined by ACWDB.

Incumbent workers, employed at time of application, must be earning below the self-sufficiency threshold of \$24.10 per hour to participate in training. Eligibility enrollment for all program participants will be considered on a case by case basis.

**Entities not Eligible to Apply**

1. A business currently receiving training funds, either directly or indirectly, from the Department of Labor (DOL) or the State of California unless those training funds do not duplicate the training efforts outlined in the project application. Justification must be documented.
2. A business that has received funds either directly or indirectly from the State of California government under any previous training initiative, and the terms of the agreement for training have not been met or completed.
3. A training provider
4. A labor union
5. A governmental entity
6. Local Area administrative entity or grant recipient, or subsidiary of the Local Area entity
7. Community-based organizations
8. Educational institutions
9. Employers who have not met required outcomes from previous trainings.

**ATTACHMENTS:**

Attachment A: Customized Training/Incumbent Worker Training Monitoring Report – Employer

Attachment B: Customized Training/Incumbent Worker Training Monitoring Report – Training Provider

Attachment C: Customized Training/Incumbent Worker Training Monitoring Report - Participant

**INFORMATION & INQUIRIES**

For further information, contact Samantha Miller, Program Financial Specialist, 510-259-3832 or [samiller@acgov.org](mailto:samiller@acgov.org).



### Customized Training/Incumbent Worker Training Monitoring Report – Employer

<b>Company</b>	
<b>Contact</b>	
<b>Address</b>	
<b>Training Provider</b>	
<b># of Trainees</b>	
<b># of Hours</b>	
<b>Occupational Titles</b>	
<b>Monitoring Date</b>	

	<b>Yes</b>	<b>No</b>	<b>Findings/Corrective Action (ACWDB)</b>
Is the training being delivered as described?			
Are the training materials relevant to the classes?			
Are trainees meeting the skill level expected?			
Do you anticipate a wage increase for the training participants?			

Anything else you'd like to add?



## Customized Training/Incumbent Worker Training Monitoring Report – Training Provider

<b>Company receiving training</b>	
<b>Training Provider</b>	
<b># of Trainees</b>	
<b># of Hours</b>	
<b>Occupational Titles</b>	
<b>Monitoring Date</b>	

	Yes	No	Findings/Corrective Action (ACWDB)
Is the training being delivered as described?			
Are the trainees achieving the skill level expected?			
Is the training on track for completion?			
Any additional tutoring/services needed?			

1) Please share examples of and/or success stories of how the trainees have benefitted from the Customized Training so far?

2) Anything else you'd like to add?



**Customized Training/Incumbent Worker Training  
Monitoring Report**

*For participants in Alameda County Workforce Development Trainings*

**Date:** \_\_\_\_\_

**Title/Type and Location of Training:** \_\_\_\_\_

**Trainer:** \_\_\_\_\_

**Instructions:** Please indicate your level of agreement with the statements listed below in # 1 - 8

	<b>Yes</b>	<b>No</b>	<b>Findings (ACWDB)</b>	<b>Corrective Action (ACWDB)</b>
1. The objectives of the training were clearly explained.				
2. The topics and material covered are relevant.				
3. The content is organized and easy to follow.				
4. This training experience will be useful in my work.				
5. The trainer is knowledgeable about the training topics.				
6. The trainer is well prepared.				
7. The training is meeting my expectations.				
8. I am achieving the skills level expected.				



