



# **Technical College System of Georgia Office of WorkForce Development Customized Training Resource Guide**

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# Technical College System of Georgia Office of WorkForce Development Customized Training Resource Guide

## | Table of Contents

<b>Summary</b>	<b>2</b>
<b>Frequently Asked Questions</b>	<b>3</b>

## | References:

<b>WIOA Regulations at 20 CFR</b>	<b>8</b>
<b>TEGL 19-16</b>	<b>8</b>
<b>TCSG Office of Workforce Development Policy Manual</b>	<b>8</b>



# 1 | Summary

Customized Training (CT) is designed to meet the special training needs of an employer (or a group of employers) by allowing them to specially design skills training with the support of a Local Workforce Development Area (LWDA). CT is ideal for custom training programs that may not include a WIOA-accepted industry-recognized credential or that are provided by training providers not on the state's Eligible Training Providers List (ETPL). CT allows the LWDA to reimburse the company for a portion of associated training costs while the employer is responsible for a significant portion of the cost of training. Employers may be reimbursed for up to 50 percent of costs incurred in providing the training. LWDAs must work collaboratively with employers to identify training costs and determine portions of the training that will be eligible for reimbursement. The costs may include: cost of instruction (staff/instructor time), costs of curriculum development, training materials and books. The purchase of equipment, administration and renovation of facilities are not allowable. In determining local policy relating to the employer's "significant portion of the cost of training", the LWDB must take into account:

- The size of the employer;
- The number of employees participating in training;
- The wage and benefit levels of those employees (at present and anticipated upon completion of the training);
- The training outcomes for participants; and
- Any other employer-provided training and advancement opportunities.

Customized Training is used for training new employees who meet WIOA eligibility. Employers must commit to hiring CT participants upon successful completion of the training. The CT contract executed by the LWDA and the employer should address:

- maximum allowable costs of training;
- employer commitment to fund;
- length of training;
- description of occupations;
- skills and competencies to be provided and learned;
- performance outcomes;
- definition of successful outcomes;
- provisions for recapture of overpayments;
- provision for termination for lack of funds;
- provision for failure of the employer to comply with employment requirement; and
- provision for maintaining records for LWDA, state, and federal monitoring.

Based on federal code and guidance, funding of training projects may be prioritized by Local Workforce Development Areas (LWDAs) based on demand-driven regional sector strategies. This allows LWDAs to make funding determinations for employers that will have the greatest potential for impacting job growth and retention and regional economic competitiveness.

## 2 | Frequently Asked Questions

### 1.) Is a participant required to earn a credential upon completion of CT?

No. “It is important to note that OJT and CT are excluded from the credential attainment performance indicator because although they often provide employment benefits to recipients of these services, they rarely result in a credential. However, ETA encourages LWDBs to consider OJT and CT programs that do result in a credential (TEGL 19-16).”

### 2.) Can a business utilize Customized Training to pay for a portion of wages?

No. CT funds may only be used to alleviate a portion of training expenses. Wages may be considered as a share of the employer’s significant contribution. However, the LWDA may not directly reimburse wages. It is important for the LWDA to discuss potential training costs and identify which costs they intend to support through the contract with the employer. If an employer wishes to be reimbursed for new employee wages, the LWDA should explore an OJT contract.

### 3.) Are providers of CT required to become an eligible training provider and be placed on the ETPL prior to establishing the CT contract?

No. CT contracts do not require the training to be provided by a training provider on the ETPL. Consequently, CT is an ideal business services option for companies looking to develop specific training programs that are tailored to their exact needs. Instead of having to use an existing training program, the company can work with a provider to develop a unique training option or develop and provide the tailored training in-house. See 20 CFR 680.530.

### 4.) How does CT differ from OJT?

CT provides reimbursement for training costs while OJT provides reimbursement for wages. OJT participants learn on the job, while CT participants may learn on the worksite or in a classroom setting. The employer or an intermediary may provide the training for a CT program.

### 5.) How does CT differ from IWT?

CT is utilized for training new employees who have been deemed WIOA eligible. CT is similar to IWT in that it provides a reimbursement to the employer for a portion of the associated training costs; however, IWT is utilized for existing employees who are not required to meet WIOA eligibility requirements. For IWT, the employer must meet the established criteria for utilizing an IWT contract.

### 6.) Can participants in CT also utilize an Individual Training Account (ITA)?

No. ITAs are used to cover the training costs for WIOA eligible participants who are

## 2 | Frequently Asked Questions

receiving appropriate training by a provider on the ETPL. Since CT typically involves training by a provider not on the ETPL, an ITA could not be utilized. Furthermore, if the training for a program is being offered by a provider on the ETPL, ITAs could be utilized to cover the costs of training for all of the WIOA eligible participants, and therefore a CT contract would not be needed. Due to WIOA eligibility requirements and the nature of the contracts, ITAs cannot be combined with CT or IWT; only OJT contracts may be combined with ITAs.

### **7.) Can CT funds be utilized to support a Registered Apprenticeship?**

Yes. Customized training may be an appropriate WIOA business service to assist with covering the costs associated with a Registered Apprenticeship program.

### **8.) Can an employer utilize CT to train workers employed through a temporary employment/staffing agency?**

No. Workers must have an employer/employee relationship as defined by the Fair Labor Standards Act<sup>1</sup> and have an established employment history with the employer for six months or more. (This may include time spent as a temporary or other contract worker for the employer.)

### **9.) What kind of training can be funded under CT?**

Training can include, but is not limited to, industry or employer-specific work skills, basic job skills, technical computer skills, new manufacturing technologies, equipment operation training, changes in production processes, and skills such as leadership, teamwork, communication, conflict resolution, and management skills if the employer can document the need and effect of the training. Employers will determine and select the types of training and training provider(s) that meet their training requirements before submitting an application for consideration.

### **10.) Where may training take place?**

Training may take place on-the-job or in a classroom setting.

### **11.) Who selects the training provider?**

The employer will select the training provider of their choice. In-house training and training provided by a third-party are acceptable methods of training for customized training.

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<sup>1</sup> Fact Sheet #13: Employment Relationship Under the Fair Labor Standards Act (FSLA), United States Department of Labor, Wage and Hour Division: <https://www.dol.gov/whd/regs/compliance/whdfs13.pdf>

## 2 | Frequently Asked Questions

### 12.) Which companies are eligible for CT?

CT should be provided for private sector employers; however, non-profit and local government entities may be recipients of CT funds if approved by the LWDB. Employers must be in operation at least twelve months, employ at least five full-time employees, and be financially viable and current on all state and federal tax obligations. Companies will be deemed ineligible if they have received payments under a previous WIOA contract and exhibited a pattern of failure to provide workers continued long-term employment as regular employees with wages and working conditions at the same level and to the same extent as similarly situated employees.

### 13.) Which entities are not eligible for CT funding?

- Employers currently receiving training funds, either directly or indirectly, from Georgia State government unless those training funds do not duplicate the training efforts outlined in the CT application
- Training providers, unless it is to address the skills gaps of the training provider's workers
- Workforce Development Boards or administrative entities

### 14.) What costs are included in the employer's share?

The non-Federal share provided by an employer may include costs incurred by the employer during training, such as (but not limited to):

- Wages paid by the employer while the worker is attending training
- Equipment purchased for training
- Curriculum development expenses
- Travel and lodging costs.

The LWDA should work collaboratively with the employer to identify training costs and determine which costs are eligible for reimbursement. The employer may provide the share in cash or in-kind, fairly evaluated. The employer non-Federal share must not be paid by the Federal government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs.

The employer will be required to calculate its estimated non-federal share as a part of the application for training funds and an actual share at the conclusion of the training. Should the non-federal share not meet the limits, the funds could potentially have to be repaid. Official payroll records, time and attendance records, invoices for equipment purchased, etc. must be utilized to determine the amount of the employer's share of cost.

## 2 | Frequently Asked Questions

Employer cost share contributions must be tracked and documented in the contract file and recorded on the Financial Status Report. In addition, the methodologies for determining the value of in-kind contributions must be documented in the contract file and conform to cost sharing requirements at 2 CFR 200. 306 and 2 CFR 2900.8.

### 15.) What costs may be reimbursed under CT?

Examples of allowable costs include:

- Training materials and supplies, including manuals
- Training tuition or registration fees
- Instructor/trainer wages (If not included in tuition)
- Materials and supplies
- Certification/Testing
- Off-site training space (e.g., classroom rental, etc.)
- Necessary computer software that is used 100% for training purposes only may also be considered for reimbursement

If the company training site/facility is located in an international location, companies will need to provide documentation prior to consideration of training site costs. All expenses must be reasonable, necessary and allowable and conform to the regulations found in the Uniform Administration Guidance.

### 16.) What training costs will not be reimbursed under CT?

CT funds cannot be used to pay for a trainee's wages and benefits during the training, travel expenses, capital improvements, training equipment, administrative costs, catering of training events, and costs outside the agreement period (effective beginning and ending dates of the agreement). However, these types of training expenses, incurred within the approved agreement period, may be included as part of the "non-Federal employer share".

### 17.) How does an employer submit an application and become approved for a CT Program?

Upon receipt of a completed Customized Training Employer Application, the application will be reviewed to determine the employer's eligibility for CT funding. More information may be requested from the employer to determine eligibility. Applications should be submitted at least 30 days prior to the start date of the desired Customized Training. The application must be reviewed for eligibility and approved. Then, a contract for delivery of Customized Training is drafted, approved and signed by all parties. This contract must be executed prior to the start date of the CT. Funding cannot be provided for any costs for an Customized Training program that starts before the contract for delivery of training has been executed.

## 2 | Frequently Asked Questions

### **18.) How are employers reimbursed for approved training expenses?**

The LWDA will provide the employer with the required forms to complete for expense reimbursements. Employers should submit the reimbursement requests after the completion of training. If training is conducted at a Technical College System of Georgia (TCSG) institution, the TCSG institution may direct bill the LWDA. WIOA Section 181 prohibits funding of foreign travel costs; therefore, travel for training should be included in employer match. Final expenses must be reported within thirty (30) days after training activities are complete or the agreement end date, whichever is the earliest end date of program activity.

### **19.) What information is required for reimbursement of expenditures covered in the agreement?**

Before an invoice can be paid, the following documentation must be received:

- Copy of paid employer or training provider invoice. The invoice should include the date(s) and type(s) of training provided.
- Copy of the check with which the invoice was paid or other documentation as evidence of payment.
- For each training program or session, a copy of the participant roster, which includes trainees' names, last four (4) digits of SSN, the date(s) and type(s) of training, completion and credentials/certificates awarded should be noted on each roster. In addition, this roster should include the signature of the trainer or employer certifying that the listed employees did participate in the training.
- Documentation of matching expenditures such as payroll registers, copies of paid travel costs, etc.

### **20.) What information will the employer need to maintain for the Training Program Assessment reviews?**

Once training begins, the employer should maintain adequate records of the costs associated with the training and benefits the training activities have provided to the employer and to the employees. This information will be used to document the impact the training has had on employee retention, wages, promotions, efficiency, etc.

# References

1. WIOA Regulations at 20 CFR parts 650 and 680
2. [TEGL No. 19-16](#), “Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act Employment Service (ES), as amended by title III of WIOA, and for Implementation of the WIOA Final Rules,” dated March 1, 2017
3. Technical College System of Georgia, Office of Workforce of Development. Policies and Procedures. 3.4.1.3 Customized Training.

## WIOA Regulations at 20 CFR

### **§ 680.530 - What eligibility requirements apply to providers of on-the-job-training, customized training, incumbent worker training, and other training exceptions?**

- a. Providers of on-the-job training, customized training, incumbent worker training, internships, paid or unpaid work experience, or transitional jobs are not subject to the requirements applicable to entities listed on the eligible training provider list, and are not included on the State list of eligible training providers and programs.
- b. For providers of training described in paragraph (a) of this section, the Governor may establish performance criteria those providers must meet to receive funds under the adult or dislocated worker programs pursuant to a contract as provided in § 680.320.
- c. One-stop operators in a local area must collect such performance information as the Governor may require and determine whether the providers meet any performance criteria the Governor may establish under paragraph (b) of this section.
- d. One-stop operators must disseminate information identifying providers and programs that have met the Governor’s performance criteria, along with the relevant performance information about them, through the one-stop delivery system.

### **§680.760 - What is customized training?**

Customized training is training:

- a. That is designed to meet the special requirements of an employer (including a group of employers);
- b. That is conducted with a commitment by the employer to employ an individual upon successful completion of the training; and
- c. For which the employer pays for a significant cost of the training, as determined by the Local WDB in accordance with the factors identified in WIOA sec. 3(14).

**TEGL 19-16** (PP. 15-16) [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=3851](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=3851)

**TCSG Office of Workforce Development, Policy Manual (Section 3.4.1.3)** <https://www.tcsg.edu/worksource/resources-for-practitioners/policies-guidance/>