



**WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)
POLICY NOTICE NO. 18 Rev. 2**

EFFECTIVE DATE: March 31, 2026
SUBJECT: CUSTOMIZED TRAINING

I. PURPOSE

This policy establishes standards, requirements, and procedures for the provision of Customized Training under WIOA Title I Adult, Dislocated Worker, and Youth programs within the Northern Area Local Workforce Development Board (NALWDB) region. The purpose of this policy is to ensure Customized Training is delivered in a consistent, compliant, and effective manner that responds to employer workforce needs while supporting participant skill development and employment outcomes.

II. AUTHORITY

This policy is issued pursuant to:

- Workforce Innovation and Opportunity Act (WIOA) §§ 134 and 181
- 20 CFR §680.760 (Customized Training)
- 20 CFR §§680.830–680.840 (Work-Based Training Requirements)
- 29 CFR Part 38 (Equal Opportunity and Nondiscrimination)
- 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements)
- Applicable guidance issued by the U.S. Department of Labor and the New Mexico Department of Workforce Solutions
- NALWDB In-Demand Occupations Policy
- NALWDB Electronic File Policy
- NALWDB Monitoring Policy

III. POLICY STATEMENT

Customized Training may be provided to eligible participants when it is determined to be an appropriate strategy to address the specific workforce needs of an employer or group of employers.

Customized Training is designed to equip participants with skills required by the employer and is based on an employer's demonstrated commitment to employing participants upon successful completion of training, when feasible. Employment outcomes are expected but are not guaranteed, as WIOA does not require a guarantee of unsubsidized employment. Customized Training must be aligned with in-demand occupations, employer demand, and local workforce priorities.

IV. DEFINITIONS



Customized Training (CT):

Training that is designed to meet the specific requirements of an employer or group of employers and conducted with a commitment by the employer to employ an individual upon successful completion of training, consistent with 20 CFR §680.760.

Employer Cost Share:

The portion of training costs paid by the employer, which may be provided through cash or allowable in-kind contributions, consistent with 2 CFR §200.306.

In-Demand Occupation:

An occupation identified as in demand in accordance with WIOA §3(23) and the NALWDB In-Demand Occupations Policy.

V. PARTICIPANT ELIGIBILITY AND ASSESSMENT

Participants considered for Customized Training must:

- Meet WIOA Title I Adult, Dislocated Worker, or Youth eligibility requirements, as applicable; and
- Be determined, through an individualized assessment, to benefit from Customized Training.

Assessment must document:

- Skill gaps to be addressed through training.
- Appropriateness of Customized Training as a service strategy; and
- Alignment with the participant's Individual Employment Plan (IEP) or Individual Service Strategy (ISS).

Assessment and justification must be documented in case notes and maintained in the electronic file.

VI. EMPLOYER ELIGIBILITY

Employers seeking to participate in Customized Training must:

- Be in, or operate within, the NALWDB service area.
- Demonstrate a legitimate workforce need for the training.
- Comply with all applicable labor, wage, and employment laws.
- Maintain appropriate workers' compensation coverage; and
- Demonstrate the ability to retain employees following training when applicable.

Employers must not have engaged in layoffs of the same or substantially similar positions within the previous six (6) months, unless an exception is approved and documented.

VII. EMPLOYER COST SHARE REQUIREMENTS

Employers are required to contribute a significant portion of the cost of Customized Training.



Employer cost share shall be based on employer size and shall meet or exceed the minimum percentages required under WIOA and applicable federal guidance. Employer contributions may include:

- Cash payments; meaning the employer pays part of the training costs with actual funds, not wages paid to participants, and those payments count toward the required employer cost share.
- Allowable in-kind contributions, such as instructor wages or training materials, when properly valued and documented.

Employer cost share must be tracked, documented, and retained in accordance with 2 CFR Part 200 and the NALWDB Electronic File Policy.

VIII. ALLOWABLE AND PROHIBITED USES OF FUNDS

Customized Training funds may be used only for allowable training-related costs.

WIOA funds may **not** be used to:

- Pay participant wages during training.
- Displace existing workers.
- Support training in connection with a labor dispute.
- Support relocation of a business that results in job loss; or
- Provide supportive services outside those permitted under WIOA.

IX. TRAINING AGREEMENTS AND DOCUMENTATION

All Customized Training activities must be supported by a written training agreement or contract executed prior to the start of training.

Required documentation includes, at a minimum:

- Executed Customized Training agreement.
- Employer commitment statement.
- Training plan outlining curriculum, duration, and skill objectives.
- Employer cost share documentation.
- Participant eligibility and assessment documentation.
- Performance outcome expectations; and
- Case notes supporting service delivery and monitoring.

All documentation must be uploaded and maintained in accordance with the NALWDB Electronic File Policy. The electronic file shall serve as the official file of record.

X. PERFORMANCE OUTCOMES AND MONITORING



Customized Training is expected to support positive employment and skill attainment outcomes.

Performance expectations may include:

- Skill acquisition.
- Credential attainment, when applicable; and
- Employment or retention with the employer, when feasible.
- Customized Training must include an employer contribution toward the cost of training consistent with WIOA §134(c)(3)(G) and 20 CFR §680.760. The employer share shall be determined based on employer size and the characteristics of the participant population served. As a general guideline, employers with fifty (50) or fewer employees may receive reimbursement of up to seventy-five percent (75%) of allowable training costs, while employers with more than fifty (50) employees shall contribute at least fifty percent (50%) of the training costs. Employer contributions may include wages paid to participants during training or other allowable costs consistent with federal guidance.

Customized Training contracts and participant files are subject to review through NALWDB monitoring activities. Missing, incomplete, or unsupported documentation may result in disallowed costs or corrective action.

XI. EXCEPTIONS AND APPROVALS

Any exceptions to policy requirements must be:

- Justified in writing.
- Approved by the appropriate NALWDB authority; and
- Documented in the electronic file.

Exceptions shall be granted sparingly and must comply with WIOA and federal regulations.

XII. EQUAL OPPORTUNITY AND NONDISCRIMINATION

All Customized Training activities shall comply with WIOA Section 188 and 29 CFR Part 38.

Discrimination is prohibited based on race, color, religion, sex, national origin, age, disability, political affiliation or belief, or participation in a WIOA-funded program. Reasonable accommodations shall be provided for qualified individuals with disabilities.

XIII. EFFECTIVE DATE AND REVIEW

This policy supersedes all prior NALWDB Customized Training policies and is effective upon approval.

This policy shall be reviewed periodically and updated as necessary to ensure compliance with federal and state law and guidance.

INQUIRIES; Contact WIOA Program Manager at (505) 986-0363.





NALWDF CHAIR

3.31.20
DATE