

Customized Training Eligibility and Guidance

Customized training is recognized under the U.S. Department of Labor’s definition of Work-Based Learning (WBL). In North Carolina, customized training may incorporate multiple WBL models—such as On-the-Job Training (OJT), pre-apprenticeship, apprenticeship, work experience (WEX), internships, transitional jobs, or Incumbent Worker Training (IWT)—depending on the needs of employers and job seekers.

According to 20 CFR 680.760, customized training is:

Customized training is training:

- That is designed to meet the special requirements of an employer (including a group of employers);
- That is conducted with a commitment by the employer to employ an individual upon successful completion of the training; and
- 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).

Trainee Eligibility

Local Workforce Development Boards (WDBs) have flexibility to ensure customized training meets the unique needs of both job seekers and employers.

- Customized training is only available for adult and dislocated workers.
- It may combine one or more WBL strategies (OJT, pre-apprenticeship, apprenticeship, WEX, internships, transitional jobs, IWT).
- Generally, customized training is:
 1. Focused on training newly hired or recently hired employees (not retraining existing employees—Incumbent Worker Training is a better option for that).
 2. Delivered in a classroom setting.
 3. Provided by a third-party training provider on behalf of the employer.

Incumbent (Employed) Worker Eligibility

Customized training may also be provided to employed individuals when:

1. The employee is not earning a self-sufficient wage or is earning less than previous employment (as defined by the Local WDB).
2. The training is necessary for:

- Introducing new technologies, equipment, or service procedures.
- Preparing employees for upgraded or advanced roles that require additional skills.
- Building workplace literacy.
- Other purposes deemed appropriate by the Local WDB.

Employers must commit to retaining these employees upon completion of training.

Employer Eligibility

Customized training is most beneficial for employers that:

- Cannot find workers with the specialized skills required.
- Are adopting new technologies, equipment, or processes.
- Want to upskill current employees for career advancement or retention.
- Have unique or highly specialized skill requirements that are not met by standard training programs.

Employer Cost-Sharing

Employers must cover a significant portion of training costs. At minimum, the employer share is **50% of training expenses**.

Local WDBs must define “significant portion” in their operating procedures, considering factors such as:

1. The number of employees participating in training.
2. Current and anticipated wages/benefits of those employees.
3. How training will improve employee competitiveness in the labor market.
4. Other training and advancement opportunities already provided by the employer.

All customized training activities should remain open for the entire training period.

Community College “Customized Training” Programs - NCEdge

North Carolina’s community colleges also offer Customized Training Programs (NCEdge), but these are state-funded programs designed to help companies—especially those creating new jobs, investing in new machinery, or upskilling incumbent workers.

- No employer cost-share is required in the same way as WIOA.
- The program is more economic development-driven, focusing on keeping NC competitive for business recruitment and expansion.

- Employers work with the college to design curriculum specific to their workforce needs.
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- DOL/WIOA customized training is a federally defined service with rules (cost-share, participant eligibility, reporting, and outcome tracking).
 - Community college customized training (NCEdge) is a state-supported economic development tool, not tied to WIOA participant eligibility or cost-sharing.
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When to Use Each

- Use DOL/WIOA Customized Training when:
 - You are enrolling eligible WIOA participants who need training for a specific employer;
 - You need to offset employer costs with WIOA funding;
 - There is a clear agreement for employment outcomes;
 - Employer can and will contribute the required cost-share.
- Use Community College Customized Training (NCEdge) when:
 - The company qualifies under NC Community College System criteria (e.g., job creation, investment, or workforce competitiveness);
 - Broader incumbent worker training is needed (not just WIOA-eligible individuals);
 - You want a no-cost or reduced-cost solution for the employer that doesn't require WIOA tracking.