

CUSTOMIZED TRAINING PROGRAM FREQUENTLY ASKED QUESTIONS

What is the Customized Training Program?

Customized Training is a competitive, reimbursable, training grant program that helps NYC-based businesses train and retain their employees. Businesses must be for-profit, operating for at least one year, and able to pay for training upfront.

Can the grant be used for any training needs?

The grant supports businesses in need of training in one or more of the following areas:

1. Training on recently purchased equipment or software
2. Training to offer new services/products to reach new markets
3. Training to give current staff new skills to advance into hard to fill positions
4. Training to update obsolete skills that are necessary for the business to be competitive

Does the business pay for training costs up front?

Yes. Businesses pay all training costs up front and are reimbursed a portion of the training costs on a quarterly basis.

How is the percentage that the business contributes determined?

The percentage is based upon the number of employees at the business.

- Small Business (124 or less employees) = 40% contribution
- Large Business (125+ employees) = 50% contribution

What training costs are reimbursable?

- **External Instruction:** the cost of an external training provider (tuition, salary, consulting fee)
- **Internal Instruction:** wages paid to internal staff providing classroom training to trainees
- **On-the-Job Wages:** wages paid to trainees while engaging in On-the-Job training
- **External Space:** space that is rented specifically for training
- **Books, Materials, Curriculum Development, and Supplies*:** materials that are specifically related to training and approved by the Customized Training Team

Note: Instruction, Books/Materials/Curriculum Development/Supplies, and External Space are only eligible for **Classroom** and **Online** Trainings. Trainee wages are the only eligible costs for **On-the-Job** training.

All expenses must be reasonable, necessary, allowable and conform to the regulations found in the Uniform Administration Guidance¹.

¹ [Uniform Administration Guidance](#)

How likely is a business to receive a grant?

If a business is able to pay for training costs upfront, is current on state and federal tax obligations, meets all eligibility requirements, and submits a comprehensive application, they are likely to be selected as long as funding is available. Each application is evaluated on its own merit and there is no limit to the number of businesses that can be awarded.

When do you review applications?

Applications can be submitted year-round and are reviewed and selected six (6) times per year: <https://www1.nyc.gov/nycbusiness/article/train-your-team-customized-training>

Grants greater than \$250K may take longer to approve.

Do all employees have to take the same courses/trainings?

They can but do not have to. It is up to the business to choose trainings for their employees that meet the business' needs.

Will the grant cover equipment and/or software purchases?

No, it does not. However, grants can be used to train employees on how to use new equipment and/or software.

What information is collected about the trainee(s)?

Each employee/trainee must fill out an online Customer Information Form (CIF) that includes their name, contact information, Social Security Number, date of birth, and work history.

Do businesses pay employees' during training?

Yes, businesses are required to pay employees during training.

Are there any salary restrictions on who is eligible?

All eligible employees must meet Federal and State minimum wage standards and earn no more than \$44.02 hourly (\$91,566 annually). In addition to the salary cap, a majority of the trainees must make \$32.15 per hour or less.

Do I need to increase all trainees' wages after the program?

Ideally. The goal is for businesses to identify trainings that will have an impact on their bottom line and to pass along a portion of these benefits to employees in the form of wage increases. There is no percentage requirement as to how much of a wage increase must be provided.

Can business owners participate in training?

Yes, they can participate as a trainee as long as they meet the employee eligibility requirements listed in the Program Guidelines. However, if the owner is participating as an instructor the internal instruction wages for the owner are not reimbursable. If you're a business owner, please check out [free business courses](#) offered by Small Business Services

Is it necessary to complete all the paperwork?

Yes. Due to auditing and reporting requirements, it is necessary for businesses to adhere to the procedures and provide all required documentation during participation in the program. Our staff will help you navigate each stage of the program.

Where does the funding come from?

The grant funds come from a combination of city funding and federal funding through the Workforce Innovation & Opportunity Act (WIOA).

What documentation do I need to submit to get reimbursed (quarterly) for training costs?

| Types of Costs | Supporting Documentation Required for Reimbursement |
|---|---|
| External Instruction | <ol style="list-style-type: none"> 1. Invoice from training provider detailing training 2. Cancelled checks (front and back) or bank/credit card* statements 3. Copies of sign-in sheets |
| Online Instruction | <ol style="list-style-type: none"> 1. Invoice from training provider detailing training 2. Cancelled checks (front and back) or bank/credit* statements 3. Certificate of Completion and attestation** |
| Internal Instruction | <ol style="list-style-type: none"> 1. Payroll for each instructor 2. Copies of sign-in sheets |
| Books, Materials, Curriculum Development, and Supplies | <ol style="list-style-type: none"> 1. Receipts or invoices 2. Cancelled checks (front and back) or Bank/credit card* statements |
| External Training Space | <ol style="list-style-type: none"> 1. Receipts or invoices 2. Cancelled checks (front and back) or Bank/credit card* statements |
| On-The-Job-Training | <ol style="list-style-type: none"> 1. Payroll for each trainee 2. Copies of sign-in sheets |
| Confirmation of Hourly Rate | <ol style="list-style-type: none"> 1. Pre-training payroll*** for each trainee dated 1-2 weeks prior to contract start date 2. Post-training payroll*** for each trainee dated up to six months after last day of contract term |

*If a credit card statement is provided as proof of payment, then a payment towards the credit card equal to or more than the charge must be reflected on the statement.

**Attestation template will be provided to businesses.

***The payroll submitted must be the same period for all trainees.

What training costs are not reimbursable?

The following is a non-exhaustive list of costs that are ineligible for reimbursement:

- ✗ Legally mandated training
- ✗ Internal instruction wages for owner-led trainings
- ✗ Fringe benefits
- ✗ Purchasing equipment such as laptops, machines, or software
- ✗ Travel, food, or any other hospitality expenses for trainers or trainees
- ✗ Training for non-transferable skills such as a new hire orientation
- ✗ Training that has started before or after the contract term
- ✗ Renovation of facilities
- ✗ Uniforms
- ✗ Costs related to hiring a temporary worker to perform the duties of an employee being trained
- ✗ Alcoholic beverages as part of the materials and supplies cost
- ✗ Purchase of tools that will facilitate the tracking of outcomes
- ✗ Any items or materials that produce goods or services for sale
- ✗ Capital improvements
- ✗ Costs incurred prior to the contract start date

How often will I get reimbursed?

Our team will provide a timeline highlighting specific reimbursement and close-out payment dates.

Businesses are required to submit all training documentation to get reimbursed on a timely basis.

- Four (4) quarterly reimbursements, which are based on training costs
- One (1) close-out payment, which is comprised of three parts: 1) administrative payment; 2) outcomes payment; and 3) trainee completion credit

Why do businesses only receive 80% of each quarterly reimbursement?

SBS withholds 20% of each quarterly reimbursement (training costs) until the end of the program to determine if the business has fulfilled its projected wage increases for incumbent workers. This is part of the close-out payment and is referred to as the outcomes payment.

What is an incumbent worker?

An incumbent worker is someone who has worked for the business for at least 6 months at the time of the Customized Training contract start date.

Do all trainees need to be incumbent workers?

No, but a majority of the trainees must be incumbent workers.

What if a business has less than 10 employees to train?

Businesses can apply jointly as a consortium application to meet the trainee number requirement (at least ten (10) employees need to be trained). Please note that Customized Training does not have the capability to connect businesses.

How can a business apply as a consortium?

The businesses within the consortium decide which business will be the lead and that business completes the application. Trainings are still customized to meet each businesses' needs, but the application should have similar goals. The contract will be with the lead business. Please reach out to the Customized Training team for more information on applying as a consortium.

What is the close-out payment?

The close-out payment occurs after the business has submitted post-training payroll (submission due no later than six months after the Customized Training contract ends.). The three parts are:

1. Program Outcomes: SBS withholds 20% of each quarterly reimbursement and releases a prorated payment based on the actual number of incumbent workers who received wage increases as compared to the total number of incumbents registered in Worksource1 (online tracking database) and participated in at least one training session. While this payment is only applicable to incumbent workers, it is strongly encouraged that eligible new hires also receive wage gains.

Example:

A business registered 10 incumbent trainees with all 10 expected to receive wage gains.

Post-training: Only 5 of the 10 incumbent trainees received wage gains and were retained.

Result: The business will receive 50% of the 20% withheld from the combined quarterly reimbursements.

2. Trainee Completion Credit (TCC): The TCC is unique to each business. It is a formulated dollar amount based on trainee wages and training hours for all trainees. The business will receive a TCC for every trainee who completes at least 75% of training hours as projected in the application.

NOTE: All projections regarding **wage increases** and **training hours** are made when a business completes and submits a final application. The TCC amount per trainee will be re-calculated at the end of the second quarter once the trainee roster is finalized. The Employer will be notified if that amount has changed. **On-the-Job** training hours are not included within the TCC calculation.

3. Administrative Payment: The administrative payment is 10% of the total training costs. This amount is given back as an acknowledgement of the administrative work the business is responsible for throughout the duration of their Customized Training project.

Can I apply again if I've previously received a grant?

Yes, and we strongly encourage it. Businesses interested in applying for another Customized Training grant are required to wait three months between the close-out of the prior project and submission of a new application. To be eligible for a new grant, businesses must have:

- ✓ Completed at least 50% of training in their prior Customized Training project; and
- ✓ Provided wage gains to at least 75% of incumbent workers.

Businesses who have received Customized Training grants can be awarded up to three times in a six-year period.

Businesses who have been denied can reapply up to two times in one calendar year. However, they are required to meet with SBS prior to submission of another application.