

Training Can Impact Your Bottom Line!

*Increasing Productivity • Reducing Turnover • Better Customer Retention
Gaining a Competitive Edge • Increasing Efficiency • Acquiring New Customers
Expanding Managerial Capacity*

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NOTE: Administrators of the NYC Business Solutions Customized Training Program reserve the right to amend these Program Guidelines at any time, without advance notice.

I. Before You Apply

What is Customized Training: NYC Business Solutions Customized Training is a competitive program that provides funding to enable New York City business owners to invest in their workforce.

What's in it for you: With financial support, business applicants can afford training programs that can impact a business's bottom line; for example, by reducing turnover, becoming more efficient or productive, or by increasing and retaining customers.

What's in it for us: As your employees gain new skills and become more valuable, they are compensated with wage increases. This creates a more highly skilled workforce with a better quality of life.

The Basics:

A. The award schedule can be found on our website: www.nyc.gov/training.

1. The maximum award is **\$400,000**
2. The minimum award is **\$10,000**

B. Customized Training awards are paid out on a *reimbursement-basis* and cover a portion of the costs of a training program.

1. **80%** of the award is provided in quarterly reimbursements throughout the duration of the training project
2. **20%** of the award is held until project close-out (see page 9 for more information)

C. Customized Training awards **can only** be used to support one of the following categories of business needs:



D. Customized Training **cannot** be used for the following:

1. Training that is mandated by the government and considered the responsibility of the business owner (such as sexual harassment training, diversity training, and mandated safety training).
2. Ongoing training that is already being provided by the business owner.
3. Training that does not provide transferable or advancement of skills (such as new employee orientation).

Types of Training: Training may include either:

Customized: Training that is comprised of activities that occur outside of an employee's regular job description.

Examples: Classroom or online training with an external consultant, instructor or internal staff person.



On-the-Job: Training provided to an employee who is engaged in productive work (not in a classroom). On-the-Job training applications **MUST** also include **Customized Training**.

Example: Shadowing a manager to further develop a new skill.

* Applicants may combine several types of training into a single application. Training programs do not need to begin and end on the same dates.

Training can provide employees with either:



<u>Occupational Skills</u> (skills related to a specific occupation)	<u>Work-Readiness Skills</u> (examples)
Operating a new piece of equipment or software system	English as a Second Language
Developing a new product or service	Microsoft Office
Managing projects or staff in a higher level position	Customer Service

Who is Eligible?

Business Applicants Must:

Be a for-profit business or two jointly applying for-profit businesses that have a similar training need

Be located in one of New York City's five boroughs (i.e., Bronx, Brooklyn, Manhattan, Queens and/or Staten Island)

Demonstrate the ability to pay for training upfront

Project wage increases for all currently employed trainees

Propose to train at least 10 employees (with no more than 50% as new hires)

Employees Must:

Be either a new employee or an existing employee; not the business owner

Be performing work in one of New York City's five boroughs

Be over 18 years old

Be paid during training (pay must meet Federal and State minimum wage standards)

Not earn more than a pre-deduction wage of \$71,919/year (\$34.57/hour)

Meet all applicable Federal Selective Service requirements

Eligible Customized Training Costs:

External Instruction



The cost of tuition or the salary of an external training provider.

Internal Instruction



Wages paid to internal staff that provides training to trainees as part of the Customized Training project.

Curriculum Development



Time spent customizing curriculum to address the specific training need.

External Space



Space that is rented specifically for training.

Trainee Wages



Wages for hours spent in training (tips, bonuses, and commission are not eligible for reimbursement).

Books, Materials, And Supplies



Materials that are specifically training related and cannot be used for items that will produce goods or services for sale or items used during normal business operations.

Eligible On-the-Job Training costs:

The only eligible costs are **trainee wages** for hours spent in training (tips, bonuses, and commission are not eligible for reimbursement).

Ineligible Training Costs:

The following is a non-exhaustive list of costs that are ineligible for reimbursement and will not be calculated as part of the employer’s contribution:

- A. Business owners may not request compensation for conducting training.
- B. Fringe benefits: Only an employee’s base salary can be factored into the cost of training.
- C. Equipment, including leased equipment such as copiers or laptop computers.
- D. Travel expenses.
- E. Renovation of facilities.
- F. Uniforms.
- G. Certification fees are not eligible unless such fees are included in the instruction fee.
- H. Costs related to hiring a temporary worker to perform the duties of an employee being trained. The wages of the temporary worker will not be covered. Only the wages of the employee being trained can be factored into the cost of the project.
- I. Any On-the-Job training cost outside of trainee wages.
- J. Purchase of tools that will facilitate the tracking of outcomes. It is the employer’s responsibility to track outcomes and produce documentation to verify that the outcomes have been met.
- K. Training funds cannot be used for items that produce goods or services for sale.

Calculating the Award:

The following table outlines the maximum award amount business can receive:

Business Size:	Award is:			
		Base Customized Training Award		Administrative Payment ²
Business with ≥ 125 employees	=	Up to 50% of total cost	+	Additional 10% of total training cost
Business with <125 employees	=	Up to 60% of total cost	+	Additional 10% of total training cost

Employer Contribution¹: Business applicants must contribute **at least** 30%- 40% of program costs, based upon the chart above.

Administrative Payment²: An additional payment provided in acknowledgement of the time and resources it takes to manage the training program.

For Joint Applicants: Award will be determined based on the average size of the businesses. If the two businesses have a total of 125 employees or more, Customized Training will cover up to 50% of the total cost. If the majority of businesses have fewer than 125 employees, Customized Training will cover up to 60% of the total cost.

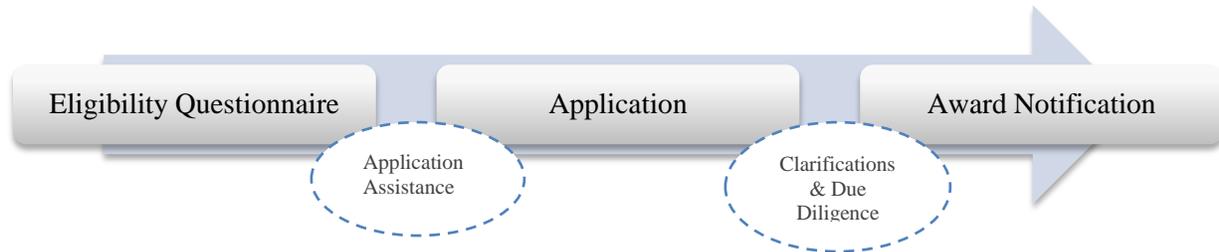
Each joint applicant must contribute to the training program.

The employer contribution cannot come from an organization applying on behalf of joint applicants. At the employer’s discretion, third-party organizers may receive some or all of the administrative payment given to Customized Training recipients.

¹ According to the New York State Workforce Development System Technical Advisories # 10-19, # 10-19.1, and #14-5; USDOL permits a waiver of the requirement of the 50% employer match for Customized Training and permits a graduated scale match. If this waiver is applicable, having been extended if necessary and not revoked, at the time of the award or in the contracted period, the Customized Training team reserves the right to decrease the employer match in accordance with the waiver terms.

² The Administrative Payment is subject to funding availability.

II. Applying



Part 1- Eligibility Questionnaire:

The questionnaire must be filled out online at www.nyc.gov/training.

- Business applicants are notified of their eligibility status immediately upon submission of Part 1 of the application.
- Customized Training program staff will reach out to discuss eligibility, answer questions and provide information.

Part 2 – Customized Training Application:

The application will be emailed to eligible applicants.

- Business applicants are encouraged to participate in an **application assistance session** with a program staff member
- Applications may be submitted via email, mail or in person. Only complete applications will be considered.
- Upon submission of the application, Customized Training program staff will conduct due diligence and clarifications before evaluation.

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* indicates a mandatory field. If not applicable, please write "N/A"

Thank you for your interest in NYC Business Solutions Customized Training, a service provided by the New York City Department of Small Business Services. Since 2007, Customized Training awards have helped more than 100 small businesses across the five boroughs grow and expand.

To begin the application process, please take just a few minutes to answer the questions below. As soon as you complete the form below, you will receive immediate notification on next steps in the Customized Training application process.

Please carefully review the form below before submitting your information.

Thank you again for your interest in Customized Training. Let's get started...

Business/Organization Name:*
First Name:* Last Name:* Title:*
Work Address:*
City:* State:* Zip Code:*
Email:* Preferred Phone Number:*

Please provide basic business information.

1. What were your revenues in the last calendar year?*

2. How many employees does

Among other things, applications are evaluated on:

- ✓ Need for funding and need for training
- ✓ Feasibility of program
- ✓ Training launch date
- ✓ Trainee wage gains
- ✓ The percentage of low-income trainees
- ✓ New or upgraded skills for trainees
- ✓ Budget and cost/benefit of proposal
- ✓ Potential impact on economic activity in New York City

Important Information on Applying:

- A. No preference is given for training special populations (i.e. minority groups, people with disabilities, etc.).
 - However, employers who propose wage gains for low-income workers (those who currently make \$15/hr or less) will receive favorable consideration.
- B. The Chief Executive Officer/Owner of the business and all training provider(s) must be willing, upon request, to meet with Customized Training staff and provide additional details regarding the training proposed or past experience administering similar training. Training providers may be required to provide references.



Award Notification:

Business applicants who submit an application to the Customized Training program will be notified individually of their award status by letter and/or email within two weeks of the scheduled evaluation.

Evaluators may award funding on the condition that one or more components of training be altered and/or eliminated from the proposal.

Common reasons for rejection include: Incomplete application, application does not meet eligibility requirements, clear outcomes are not indicated, project scope is not timely or feasible, etc.

Re-Application:

- A. There is no limit to the number of times a business can apply for a Customized Training award.
 - If a previous application was unsuccessful and the business applicant did not receive funding, a discussion with Customized Training staff **is required** before reapplication to determine the reasons for rejection and which pieces of the application can be resubmitted.
- B. If a previous application resulted in a Customized Training award, the funded project must be complete and closed-out before reapplication. The new proposal must either significantly expand on the original project or address a new training need.

Training Timeline:



Training Providers and Search Assistance:

Business applicants may use the [Training Provider Directory](#) for assistance with a training provider search. Specific Training Providers must be listed in the application. *The Customized Training Program will not accept applications with “TBD” or “{business name} staff” listed as the training provider.*

* Please note that the Training Provider Directory is just one source among many and that training providers do not have to be in the Training Provider Directory to deliver Customized Training.

* If a training provider offers certified instruction, it should be licensed through the NY State Department of Education, the Board of Proprietary Schools, or another industry oversight organization. This is the responsibility of the applicant to ensure.

III. Grant Awarded

Congratulations! Now What?



Account Manager:

Each awarded business will be assigned an Account Manager as its primary contact person to assist them for the duration of their time in the Customized Training program. This person will work with the business to review the scope and budget of their project, execute a final contract, conduct site visits, monitor training progress, and evaluate final outcomes after project completion.



Kick-Off Meeting:

Awarded businesses will meet a Customized Training Account Manager for a Kick-Off meeting within the first few weeks of award notification. The purpose of this meeting is to meet the Account Manager assigned to the project, review the process of working with SBS over the duration of training and go over documentation required for contracting, receiving reimbursements and closing-out a project.

Working Session:

The Working Session is a meeting at the business location designed for the Account Manager to review and collect pre-contract documentation, answer questions and provide additional technical assistance. The Account Manager may also review the draft contract and work with the awarded business to select an appropriate contract start date.

Contracting for the Customized Training Program:

Awarded businesses must sign and execute a contract with the Workforce Development Corporation to receive any funding. The Account Manager will collect the following documents before a contract is executed:

1. An original Certificate of Insurance before the contract is executed.
2. Customer Information Forms (CIFs) – these are the official trainee registration forms
3. Pre-training payroll for all trainees



Important Information on Contracting:

- A. Awarded businesses unable to launch training and execute a contract within 3 months of the award date risk withdrawal of their award.

If an award is equal to or greater than \$100,000, the business must file a Vendor Questionnaire with the City's Vendor Information Exchange System (VENDEX)¹. More information is available at www.nyc.gov/vendex.

- B. Awarded businesses will only be reimbursed for expenses incurred during the contracted period.

¹ Or, if the award plus the employer's other contracts with the City in the last 12 months equals or exceeds \$100,000

Contract Modification:

Awarded businesses have up to **90 days** after the final contract execution date to propose modifications to the original awarded application.

Modifications proposed after 90 days may result in unconditional rescission of award.

Modifications to the project scope **must** be approved by a Customized Training staff member.

- The Customized Training program administrators reserve the right to approve or deny these requests based on review of modified application materials submitted by the business.

Reminder!

Awarded businesses are expected to keep Customized Training staff apprised of *any possible divergences* from the original approved scope.

<i>Number of trainees</i>	<i>Cost</i>
<i>Training providers</i>	<i>Training hours</i>
	<i>Wage gains</i>

Getting the Money and Monitoring:

Each Customized Training project will be monitored in three ways throughout the duration of the contracted term: **site visits**, **training interviews** and collection of **reimbursement documentation**.

Site Visits –Account Managers will conduct one or more site visits to evaluate training throughout the duration of the Customized Training project.

Interviews – Account Managers may perform progress interviews, conducted by phone or email, throughout the duration of the project.

Reimbursement Documentation – Reimbursement documentation, demonstrating approved training related expenses incurred may be submitted by the awarded business on a quarterly basis.

The **chart below** outlines the types of costs and allowable forms of backup documentation:

Expenditure	Supporting Documentation <small>(business must provide all supporting documentation listed for each expenditure)</small>
External Instruction	1. Cancelled checks <i>or</i> general ledger report 2. Invoice from training provider detailing training
Internal Instruction or Internal Curriculum Development	1. Payroll <i>or</i> general ledger report 2. If applicable, an invoice (invoice should include: name, hours and dates of training or curriculum development, hourly wage and total cost)
Tuition/Fees	1. Cancelled checks or general ledger report 2. Invoice from training provider detailing training
Books or other training materials	1. Receipts, cancelled checks, <i>or</i> general ledger report 2. Invoice, if applicable
Trainee Wages	1. Payroll report 2. Copies of sign-in sheets* .
External Training Space	1. Invoice 2. Cancelled check or general ledger report

* Every awarded business must keep trainee activity logs, or sign-in sheets, for each instance of training. The business is required to keep these logs on file and available for audit for at least six years after training completion.



Important Information on Reimbursements:

- A. The total amount reimbursed is capped at the contracted award amount.
- B. Reimbursements are only made on eligible and documented costs incurred.
- C. Reimbursements take approximately 4-8 weeks to process. If any documentation is missing or unclear, your reimbursement may be delayed or withheld.

Calculating the Reimbursement:

(Quarterly Training Costs Incurred - Employer Contribution) x (80%) = Quarterly reimbursement total

If applicable, a 10% Administrative Payment will be factored into the reimbursement

Employer Contribution



Employers must contribute approximately 30%- 40% of program costs.

Administrative Payment



An additional payment provided in acknowledgement of the time and resources it takes to manage the training program.

Close-out Payment



The 20% that is withheld from each quarterly reimbursement for outcomes (see Close-out section below).

Finishing Up the Project:

Project Close-out happens **six months** after the final day of training. Post-training payroll will be collected to determine the number of trainees who received a wage increase. As a reminder, wage gains are projected for all incumbent trainees and must be directly tied to the training program.



Close-out Payment

The Close-out Payment will be paid to the business in full *if* the business provides 100% of incumbent trainees with a wage increase 6-months post training.

- If less than 100% of incumbent trainees receive a wage increase, the close-out payment will be pro-rated accordingly (i.e. If 90% of trainees receive a wage increase, the business will receive 90% of the Close-out Payment.)

Additionally, the Account Manager will send the business three evaluation forms:

- **Business Results Survey** – this survey gives businesses the opportunity to answer questions related to the successes and challenges of the training project.
- **Business Satisfaction Survey** – this survey allows businesses to share its experience with the overall training program and Customized Training staff and provide recommendations or feedback.
- **Trainee Feedback Form** – this form allows trainees to give anonymous feedback on the overall effectiveness of the training.

From these surveys, SBS hopes to learn more about key outcomes such as:

- New or upgraded skills for trainees
- Revenue Increases
- Certifications or licenses obtained
- Increase or retention of customers
- Productivity or efficiency increases
- Decrease in turnover rate

IV. Examples of Past awards

The following are examples of recent NYC Business Solutions Customized Training projects:



Training on recently purchased equipment or software:

A wholesale food distributor trained its employees on new inventory management software that would allow it to decrease order processing errors to vendors.

Training to offer new services/products to reach new markets:

A food manufacturing company trained its employees in food technology and national and international quality certifications. These upgrades allowed the business to reach larger retailers.

Training to promote current staff to new positions or give current staff new skills to advance into hard-to-fill positions or take on significant new responsibilities:

A home care agency used training to advance 10 home care workers into supervisory and administrative roles, leading to better care coordination and cost reduction.

Training to update obsolete skills that are necessary in order for the business to be competitive:

An auto body shop taught its employees to service the hybrid and electric vehicles that were arriving with increasing frequency at its shop.

Helpful Links:

[Federal Selective Service Registration and Information](#)

[New York State Department of Labor Minimum Wage Requirements](#)

[Federal Department of Labor Minimum Wage Requirements](#)