



Policy Name: On-The-Job Training	Policy Number: 02-2019	Date: August 15, 2019
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Purpose

On-The-job Training (OJT) is a component of the Workforce Innovation and Opportunity Act (WIOA) that allows qualified employers to receive a wage subsidy reimbursement for providing on-the-job skills training to eligible WIOA members. The expressed purpose of this training is to provide marketable skills that will enable participating members to obtain long-term employment in order to establish or maintain self-sufficiency.

OJT Application

The decision to enter into an OJT Agreement with an employer is at the discretion of the Board Director. Employers who have a history of not retaining employment of WIOA participants after the OJT Agreement is completed will not be considered for additional OJT Agreements.

Jobs included under the OJT Agreement should begin training within 30 days of the first allowable hiring and training date. In the event the employer is unable to fill any or all of the training slots, the employer will only be paid for the training and services provided. As a result, Local Workforce Development Area (LWDA) 21 reserves the right to de-obligate funding.

Employer Eligibility

OJT is provided under an Agreement with an employer in public, private non-profit, or private sector. Throughout the OJT Agreement, occupational training is provided for the WIOA participant in exchange for the reimbursement of up to 50 percent of the wage rate to compensate for the employer’s extraordinary costs. Based on the provision of the appropriate grant, additional reimbursement may be given at a rate not exceeding the amount allowable.

The local program must not contract with an employer who had previously exhibited a pattern of failing to provide OJT participants with continued long-term employment with wages, benefits, and working conditions that are equal to those provided to regular employees who have worked a similar length of time and are doing similar types of work.

An OJT Agreement must be limited to the period of time required for a participant to become proficient in the occupation for which the training is being provided. In determining the appropriate length of the Agreement, consideration should be given to the skills requirement of the occupation, the

academic and occupational skill level of the participant, the participant's individual employment plan, and/or prior work experience (less than 6 months in the prior 2 years) in the occupation for which the participant is being trained.

As a general rule, OJT participants may not represent more than 50% of an employer's workforce. This percentage may be increased in negotiations with the employer if doing so would benefit eligible participants, and the LWDA review indicates that the employer's ability to provide training will not be compromised by the increased participants.

Any employer deemed eligible based on the Pre-Site Interview and Checklist must meet the following standards to proceed in the Agreement process:

- A. In good standing with the Secretary of State's Office
- B. Have a valid Unemployment Insurance and Federal Tax Identification Number
- C. Been in operation for a minimum of one (1) year
- D. Document compliance with all insurance requirements
- E. Current on Unemployment Taxes
- F. Register with laworks.net and complete a posting for each position considered on the Agreement
- G. Provide a written job description
- H. Develop a training plan for each considered position

An employer will not be eligible to receive WIOA OJT training reimbursement if:

- A. The employer has any other individual on layoff, involved in a work stoppage or on strike from the same or substantially equivalent position.
- B. The OJT would infringe upon the promotion of or displacement of any currently employed worker or a reduction in their hours.
- C. The same or a substantially equivalent position is open due to a hiring freeze.
- D. These funds would be used to assist in relocating establishments or parts thereof from one area to another, unless it has been determined by the Secretary (DOL) that such relocation will not result in an increase in unemployment in the area of the original location or any other area.
- E. The positions are for seasonal employment.
- F. The employer is a private for-profit employment agency (i.e. temporary employment agency, employee leasing firm or staffing agency).
- G. The position is not full time (i.e. minimum of 32 hours per week). For jobs less than 32 hours per week, the Program Administrator must approve the agreement in writing, and such written approval shall be maintained in the participant's file. In no event shall an OJT Agreement be written for jobs which provide less than 25 hours per week.



Participants Eligibility

Participants must be eligible for WIOA prior to consideration of an OJT Agreement. All participants will have completed an objective assessment and have an Individual Employment Plan (IEP), in which OJT has been identified as the appropriate service activity. Participants must be enrolled in WIOA before training or program activity begins.

Eligibility for Employed Participants

OJT Agreements may be written for eligible employed workers when:

- A. The participant is not earning a self-sufficient wage as determined by the Local Board policy.
- B. The OJT relates to the introduction of new technologies, introduction to new production or service procedures, upgrading to new jobs that require additional skills, workplace literacy, or other appropriate purposes identified by the Local Board.

Assessment Requirements

LWDA 21 has the ability to administer assessments to establish the participant's suitability for enrollment on OJT contract, as deemed necessary.

Length of Training

An OJT must be limited to the period of time required for a participant to become proficient in the occupation for which the training is being provided. An OJT program is not intended for long-term continuing training within the occupation but rather as an entry step for the worker and employer.

In determining the length of training consideration should be given to the skills requirement of the occupation, the academic and occupational skill level of the participant, the Individual Employment Plan (IEP), and/or prior work experience (less than 6 months in the prior 2 years) in the occupation for which the participant is being trained.

The unit of measure of OJT is based on the number of hours in training over a fixed calendar period not to exceed 1,040 hours or six months, whichever comes first. An OJT for less than 160 hours (4 weeks) is not to be considered. The length of any specific OJT is based on the need of the participant and the training time the employer is able to provide. All determinations must be documented.

Specific Vocational Preparation (SVP) codes are used to calculate the maximum length of time allowable.

SVP	Maximum Training Hours	Weeks of Training
2	160	4 Weeks
3	320	8 Weeks
4	480	12 Weeks
5	640	16 Weeks
6	800	20 Weeks
7	960	24 Weeks
8	1040	26 Weeks

The SVP codes serve as a guide in determining the appropriate length of training. Actual training hours will be negotiated with the employer and approved by the EmployBR Program Administrator. Consideration must be given to the need of the participant as documented in the assessment and planning process.

Wage and General Working Conditions

Employees hired under the OJT Program will be paid no less than the employer’s normal entrance wage rate for the occupation for which training is offered, provided that the wage rate is no lower than the federal minimum wage rate or the self-subsidized wage determined by the LWDA 21 Policy.

All participants shall be provided benefits and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work. This will include Unemployment Compensation coverage where the employer is required to provide such a coverage to its employees. A participant may receive holiday pay or overtime by the employer, but WIOA will not reimburse for those hours.

Reporting and Invoicing

Employers must submit a Process Report and Invoice Form monthly to receive reimbursement payments. The invoice must be submitted in email, (WIOATP@brla.gov) to a Case Manager by the fifth (5th) working day of the following month. Employers must complete each section of the Progress Report and Invoice Form for each OJT participant hired by their company.

Employers must submit the following documentation with the Progress Report and Invoice Form:

- A. Time and attendance records (i.e. time clock report and sign-in sheet)
- B. Proof of payment to participant (i.e. payroll report and check stub)
- C. Upon receipt of the invoice Employ BR will review for accuracy and appropriate documentation.

Reimbursements

OJT payments to the employers are deemed to be compensation for extraordinary costs associated with training participants and the costs associated with the lower productivity of the participants.

Employers may be reimbursed at a rate not to exceed 50 percent of the wage rate for the extraordinary costs of providing training and additional supervision related to the OJT.

Employers are not required to document such extraordinary costs.

Documentation Retention

WIOA and the employer are required to retain all documents pertaining to an OJT Agreement for three (3) years after completion of OJT.

Monitoring

Our monitoring review process may include:

- A. Desk review conducted by LWDA 21 Staff.
- B. On-site review conducted by LWDA 21 Staff.
- C. On-site review conducted by Federal, State, Local, and other independent Auditors.

Monitoring by LWDA 21 will be conducted at least once during the life of the Agreement. In addition, regular contact with the participant must be made and documented in HiRE case notes.

Corrective Action

A corrective action letter will be forwarded to an Employer if there are any observations, recommendations, or findings that need correcting. It is an Employer's responsibility to provide proof of any reported corrections within a thirty (30) day period of notification to the Program Administrator.

Modification


Any modifications to the original Agreement must be submitted to the Program Administrator in the event of the following changes during the training period:

- A. Wage increase
- B. Change in the job title (promotion/demotion)
- C. Change in training hours

- D. Change in the total Agreement obligation
- E. Change in Agreement dates

Policy Changes

Any changes made to this policy after adoption by the Workforce Development Board 21 (WDB) will be reviewed in its entirety. If any portion of the policy is found to be in conflict with local, state, or federal regulations, laws, or policies, either currently or any time in the future, the OJT policy will be changed to ensure compliance.



WIOA Chief Administrator/LWDB 21 Director

Historical Notes: Authorized by Public Law No: 113-128. Work Force Investment Opportunity Act 2014. Created January 14, 2016. Revised August 20, 2019.