

OJT POLICY

Through On-the-Job Training some risks involved in hiring and training needed employees may be diminished for the employer. The lessening of risk for the employer is accomplished through the contractual agreement between the employer and the Agency. For the businessperson, the OJT program may reimburse the employer for portions of the costs associated with the training of eligible employees. The OJT/CT program does not reimburse for fringe benefits, sick leave, holiday pay or other benefits to the customer. In addition to the reimbursement for direct OJT training costs, an employer might be reimbursed for tools and supplies used in training. The reimbursement to employers for contract cost will be based on monthly time sheets submitted to the Agency for payment.

It is the intent to provide training for customers who are **permanent employees**. The individual is proven to be an acceptable training candidate then the employer hires them. The employer will agree not to terminate employees for unsatisfactory performance without prior consultation with WIOA staff, and prior notification to the customer. The employer at the time of contractual agreement must know that the individual will be permanently retained and deserve the opportunity for training and wage progression.

Staff is encouraged to contact a wide variety of potential employers to sell OJT. Among the suggested methods are advertising, face-to-face contacts with business and community groups, and telephone. Mail campaigns and various advertising methods may be used; the most recommended method is going from business to business and talking to employers face-to-face. That method yields the most effective results. Staff may want to use an introductory letter and/or telephone call to set up an appointment for face-to-face contact.

The Local Workforce Development Board (LWDB) is very concerned with providing training that doesn't lead to permanent employment. They want to receive the maximum benefits for minimum expenditure. Training should be worthwhile, in an occupation that has long-term employment possibilities, short but adequate, and attractive to both the employer and the participant. Staff will avoid training for "dead end" jobs, and training in occupations that are not expanding, unless they are fitted to job and wage progression strategies.

The Customized Training program is intended for employed customers, but in rare cases may be used as an employment strategy with an employer. No, funds provided to employers for OJT or customized training must not be used to directly or indirectly assist, promote or deter union organizing.

ON-THE-JOB TRAINING:

On-the-job training (OJT) provides for subsidized, time-limited training activities, in which a participant obtains knowledge and skills essential to the workplace while in a job setting. On-the-job training activities **must not result in the displacement of currently employed workers** or impair existing contracts for services or collective bargaining agreements.

On-the-job training (OJT) is learning a skill and gaining knowledge about that skill at a private or

public employer job site through demonstration (show and tell) and actual work accomplishment with reasonable supervision. The OJT activity is to be designed to provide skilled training essential to retain permanent employment and move to self-sufficiency. Training texts and instructional manuals should be provided and utilized in establishing skill training and the skill level to be attained. A training plan will be in place for each customer.

The participant will be paid at the same rate of pay as other employees performing the same or similar job, or no less than the Federal Minimum Wage Rate that applies.

Most OJT contracts should not exceed 12 months. Contracts exceeding 12 months require prior approval from WIOA Management.

Goals:

The primary goal of the OJT or CT program is employment. A secondary goal of such training is a credential, which should be accepted by all employers who employ individuals who have transferable skills sets obtained through the training process.

Demand Occupations:

If the employer has a verified opening, then the training is considered to be in demand. Employers must have established a need to hire employees. Employers should establish the requirement for OJT, as well as develop and certify any credential process, which might be available through the type of training being offered. The training plan can be used to verify that transferable skills have been obtained.

Classroom Training:

If classroom training is required the training components may be fully or partially funded, based on the percent of Title I sponsored trainees being provided the training. If it is all Title I trainees then 100% of the cost will be paid, however if only 1 of 10 trainees are Title I trainees, the only 10% of the classroom training cost will be covered by the Title I program.

OJT METHODOLOGY

Eligibility and Capacity to Train:

All WIOA customers must meet the eligibility guidelines, and be certified program eligible prior to enrollment in the WIOA program. These guidelines are outlined in the eligibility section of the WIOA procedures manual. No funds will be paid for customers not properly certified and enrolled in OJT. The participant must have interest in and ability to be trained in the occupation they are engaging, which will be determined by assessment and the participant's Individual Employment Plan (IEP).

The employer must have the appropriate equipment, staff, and facility to train the OJT participant. Employers must meet the requirements of the following:

1. OJT contract and attachments, (**also refer to On-the-Job Training General Assurances, Section 4 - Hiring of Trainees**).
2. Fair Labor Standards Act (including providing minimum wage rates), and Child Labor laws, if appropriate.
3. Civil Rights Act of 1964 (including VI and VII of the Act that prohibits exclusion from the benefits of, or from participation in, any program receiving Federal financial assistance, if the exclusion is based on the ground of sex, race, color, age, or national origin). (See On-the-Job Training General Assurances, Section 13, Equal Opportunity).
4. Be a drug free workplace.
5. Must have worker's compensation or liability insurance for all employees.
6. Meet the applicable ADA standards.

TYPES OF CONTRACTS\CONTRACTING RULES

Cost reimbursement contracts may be written. Cost reimbursement contracts are written to reimburse employers for a fixed cost based on monthly invoices of time worked. Contracts may be written for one customer, however if an identical position opens then the contract may be modified to add additional customers.

ELIGIBILITY REFERRAL

If a customer has current and applicable skills in the OJT area, then NO OJT will be allowed.

If a customer has outdated skills in an OJT area then an OJT may be written, if a sufficient length of time is justified in the Individual Employment Plan (IEP).

A customer should not be referred to a previous employer or current employer for the same job they have performed before.

TRAINING START DATES

Trainees may not commence training or employment prior to the signature of an OJT contract and the Customer has been certified eligible for training services under WIOA.

EMPLOYER PERFORMANCE

An OJT/CT contract shall be based on a determination that the employer, having had two or more previous contracts, has not established a pattern of failing to provide customers with continued long-term employment or wages/benefits comparable to other employees similarly employed.

MONITORING

Contracts will be reviewed and approved by WIOA Management staff.

TRAINING TIME

In determining the appropriate length of the contract, consideration should be given to skill requirements of the occupation, the academic and occupation skill level of the participant, prior work experience, and the participant's Individual Employment Plan. (WIA sec. 101(31)(C)).

The following method of determining training time may be used when staff is having a hard time determining length of training. **Please remember this is only a sample method to use and it is not a requirement of the WIOA regulations that you use this procedure.**

TRAINING PLANS

There must be a training plan for the OJT or CT program which indicates what skills will be developed, what level of attainment must be achieved, how long the training is anticipated to achieve each level, and who will attest to reaching that skill level. The training plan must lead to permanent employment.

THE OCCUPATIONAL INFORMATION NETWORK

In negotiating the training time, staff needs to check the Occupational Information Network (O*NET) skill level of occupation, in order to establish a MAXIMUM contract length. When appropriate, and because of the limited amount of funds available for training, write contracts for the shortest time possible.

The length of the contract will be guided by the O*NET determined Specific Vocational Preparation (SVP) range established for each occupation. The process is as follows: Locate the appropriate job in which the training is to be given in the Occupational Information Network (O*NET) guide and the Specific Vocational Preparation (SVP) range for that occupation. Once you have determined the SVP range for the occupation refer to the SVP chart to get the range of training time.

Normally occupations with skill levels 2 or below and 6 or above should not be considered because of the training time involved. However, with exceptional circumstances, the Operations Manager could waive this requirement. When such consideration is given, the case will be documented and signed by the Operations Manager.

AN EXAMPLE OF THIS PROCEDURE FOLLOWS THIS PAGE

TRAINING WAGES AND BENEFITS

OJT wages are considered to be monies paid by an employer to an employee for work performed. Wages do not include tips, commissions, or normal fringe benefits.

Customers must be paid at least federal minimum wages, and the wage needs to be calculated on an hourly basis. **The wage should be comparable to others in that position in this area.**

Also refer to the On-The-Job Training General Assurances, section 6, Trainee Wages and Benefits, paragraph (a), (b), and (c).

PARTICIPANT STATUS PROCEDURES

Exit Status:

If the person leaves active status on the program the participant is still on the WIOA program until s/he finds employment. Follow-up services should be conducted if appropriate for up to 1 year following exit from the program. If an employee is fired or laid off by the employer, s/he will be immediately referred back to the Employment Training Advisor for additional assistance with finding other employment. The authorized agency will continue to help the customer while they are unemployed to obtain either subsidized or unsubsidized employment. If the trainee left the training site voluntarily, a new training contract should not be considered. If the trainee left involuntarily, a new training contract for the participant can be considered.

Also, refer to On-The-Job Training General Assurances, section 10, Termination of Trainees.

RIGHT OF REFUSAL AND CONTRACT CANCELLATION

The Operations Manager has the right of refusal regarding contract contents. If the Operations Manager finds the contract unacceptable, notification of refusal must be within 10 days from the receipt of the contract. The Operations Manager will explain to the staff member the rationale for refusal, who, in turn, will talk to the employer to explain the reason for refusal.

The contract writer will avoid similar contracts to any refused by the Operations Manager.

The Operations Manager in reviewing contracts, besides considering content, will also take into account:

1. Results of previous contracting (if any) with the employer.
2. If there is an ongoing contract, what the nature of it is.
3. Has paperwork been submitted on prior contracts in a timely and proper manner by the employer?

Also - Refer to On-The-Job Training General Assurances, Section 9, Termination of Contract.

NON-RELOCATION

Even though Non-Relocation is covered in the On-The-Job Training General Assurances, Section 18, it does not relieve the negotiator of a subcontract from the responsibility of being alert to the potential of relocating a business. Most of the time there will not be a problem. Normally, it is national and interstate businesses that are the biggest potential problem. Also, a new business often may be relocate to a new area. It will be the negotiator's responsibility to notify the Operations Manager when there is any doubt as to the status of a business. Contacting the Administrative Entity is strongly encouraged as quite often the Operations Manager will have some knowledge or can obtain a brief history on the company's activities.

ADDITIONAL PROVISIONS

The WIOA Program will reimburse the employer or training agent for allowable training costs. **No reimbursement will be paid for overtime hours.** Reimbursement can be made for tools and supplies used in training. .

WIOA-OJT customers are subject to the same working conditions and will receive the same fringe benefits as all other employees hired by the OJT training agent.

TIME AND ATTENDANCE RECORDS

Time and attendance records must be exact and signed in ink by the supervisors/instructors and customers. (Tracing over penciled signatures is not acceptable). **Refer to the On-The-Job Training General Assurances, Section 1, Payments, and to the Sections in this manual referring to time sheet and invoices.** If the employer has a time clock you can use copies of the time clock cards to send with the request for payment form for payment to the employer. Some small employers do not have time clocks so you will use the attendance roster for documentation.

SUBMISSION OF MIS PAPERWORK

Paperwork should be done on the day information is received on the status of the participant (i.e., enrollment, exit). Paperwork is to be submitted to the Harrison office, within 5 days of completion. Once a participant is enrolled on a program, their enrollment cannot be deleted.

FORMS REQUIRED FOR ENROLLMENT

Every participant beginning training must complete the following paperwork. The information containing the customer's rights and responsibilities should be reviewed with the participant before they begin training.

Do not let a person go to work or start a program activity until:

1. Certification of eligibility is complete.
2. Refer to page 47 of the eligibility section for a full list of required forms needed to enroll customers into training services along with the required AJL forms.
3. An EEO statement has been signed by the participant
4. An Enrollment Information Package has been given and form signed by participant.
5. An IEP has been completed.
6. A Training/Enrollment Agreement has been reviewed with and signed by the participant.
7. A contract is signed with the employer.
8. The contract has been approved by the Operations Manager.

OJT/CT
TRAINING ENROLLMENT AGREEMENT

The **Workforce Innovation and Opportunity Act (WIOA)** program is proud to provide this training opportunity to you. It is our desire that you will be placed in full-time employment as a result of the training you receive. Outlined below are some of the program guidelines and rules and responsibilities that we ask our customers to follow. Any questions about any of the information should be directed to your Employment/Training Advisor.

CUSTOMER RESPONSIBILITIES AND GENERAL INFORMATION

1. The support I am about to receive from the WIOA program is considered an investment in my future. I agree to use this opportunity wisely and I will devote my time and energy to successfully completing the training.
2. WIOA sponsored training is for a specific amount of time. Continued sponsorship is dependent upon 1) the availability of funds 2) satisfactory progress and attendance 3) compliance with WIOA policies and procedures 4) compliance with, or modification of, the Individual Employment Plan (IEP) as agreed upon by my advisor and myself.
3. I agree to contact my Employment/Training Advisor, if I am having problems that prevent me from going work/training. Otherwise, I understand that my Employment/Training Advisor will contact me at least on a monthly basis.
4. I understand that program violations could result in me being immediately removed from the program. You are an employee of the contract OJT Company and are expected to follow their personnel policy guidelines. Failure to do so may result in termination of employment.
5. WIOA may purchase tools, minimal supplies, and uniforms that are required by your employer. WIOA will not purchase optional items.
6. I will inform my advisor of any address, phone number, or contact changes as they change.
7. The Employer is required to carry workman's compensation or liability insurance on customers enrolled in the OJT/CT program.
8. I understand that once I exit the WIOA program my Employment/Training Advisor will be contacting me on a regular basis to follow-up on my progress. I agree to provide them the information they need.

I have read this document and agree to comply with the rules and procedures contained herein.

Operations Manager's Signature

Date

Original: Contract File in Harrison
Copy: ETA File

WORKFORCE INNOVATION AND OPPORTUNITY ACT (AGENCY)

ON-THE-JOB TRAINING GENERAL ASSURANCES

1. **Payments**
 - (a) EMPLOYER AGREES TO SUBMIT TO AGENCY monthly timesheets on the proper forms provided by AGENCY. Reimbursement will occur upon completion of hours for the current month.
 - (b) Payment shall be based on the total hours worked per month times the allowable cost per hour within that job title. In no event shall payment exceed 40 hours per week, nor shall total payment exceed the amount agreed upon in this contract.
 - (c) Payments made under this contract cover all payment obligations by AGENCY to EMPLOYER and payments for the employer's services in providing training is considered sufficient by all parties to cover costs of training. These costs include OJT instruction, non-productive time, extra wastage, added wear and tear of equipment, and the added supervisory effort. No other obligation for payment or other financial liability of any kind is incurred by AGENCY.
 - (d) No payments may be made to EMPLOYER for the training of participants in OJT during the periods of a work stoppage as a result of a labor dispute or natural disaster.
2. **Records Maintenance**
 - (a) EMPLOYER shall maintain books, records, documents, and other evidence and accounting procedures and practices, sufficient to reflect properly all training costs and services claimed to have been incurred and anticipated to be incurred for the performance of this contract.
 - (b) Employer's records to be maintained shall include documentation of trainee's daily time and attendance records in addition to items included in the payment invoice.
 - (c) The EMPLOYER shall preserve and make available records until the expiration of three (3) years from the final payment under this contract.
 - (d) The EMPLOYER agrees that authorized representatives of AGENCY and other representatives of funding sources shall be given access to, at all reasonable times, the facilities and records pursuant to this contract.
3. **Reporting Requirements**

Upon request of the AGENCY, the progress of the trainee shall be reported. The EMPLOYER shall assist in providing the AGENCY access to trainee to perform counseling services.
4. **Hiring of Trainees**
 - (a) No EMPLOYER shall hire a person in a training position if a member of that person's immediate family is engaged in an administrative capacity for the EMPLOYER.
 - (b) No EMPLOYER shall receive reimbursement for trainee in a training position when there is a hiring freeze, promotional freeze, or layoff from the same or substantially equivalent job within the same organizational unit.
 - (c) EMPLOYER agrees that all persons selected for training under this contract, including training for any and all purposes herein authorized, shall be certified and enrolled as eligible by the AGENCY. Such enrollment shall take place prior to the participant's entry into the training program.

5. Orientation
EMPLOYER shall provide the trainee with a formal orientation to the requirements of the job, work rules, expectations, hours of work, pay provisions, and any other special requirements of the EMPLOYER.
6. Trainee Wages and Benefits
 - (a) Hourly wages paid to trainees shall not be less than the highest of the following:
 - *the minimum wage rate prescribed by the Federal, State, or local law;
 - *the prevailing wage rate for persons similarly employed by the EMPLOYER or;
 - *the wage rate required by an applicable collective bargaining agreement.
 - (b) EMPLOYER agrees that trainee will receive all fringe benefits available to other employees in the same class during the training program, and the trainee will be assured of workers' compensation at the same level and to the same extent as others similarly employed who are covered by a workers' compensation statute or system. Each trainee who is employed where others similarly employed are not covered by an applicable workers' compensation statute shall be provided with medical and accident insurance comparable to the medical and accident insurance provided under the applicable State workers' compensation statute.
 - (c) No trainee will be required or permitted to work or train in buildings or surroundings under working conditions, which are unsanitary, hazardous, or dangerous to the trainee's health or safety. Participants employed or trained in inherently dangerous occupations shall be assigned to work in accordance with reasonable safety practices.
7. Insurance
The EMPLOYER shall be required to present documentation of workers' compensation or medical and accident insurance coverage at no cost to the program trainee. No program trainee will begin training, nor will any payments be made to the employer, until documentation is received and deemed to be in compliance with the AGENCY's requirements.
8. Collective Bargaining Agent
EMPLOYER shall consult with appropriate labor organizations concerning the training program and associated rates of pay and shall obtain written concurrence from the bargaining agent where a collective bargaining agreement exists with the EMPLOYER.
9. Termination of Contract
 - (a) The performance of work under this contract may be terminated by AGENCY when, for any reason, it is determined that such termination is in the best interest of the program, or when it has been determined that the EMPLOYER has failed to provide any of the training specified or to comply with any of the other provisions contained in the contract.
 - (b) The EMPLOYER, upon final payment of amount due under this contract, less any credits, refunds, or rebates due the AGENCY, hereby releases and discharges the AGENCY and the United States of America from all liabilities, obligations, and claims arising from this contract.
10. Termination of Trainees
 - (a) EMPLOYER agrees that trainee will not be terminated without prior notice to such trainee and without prior consultation with AGENCY. Reasonable opportunity will be provided for improvements of any unsatisfactory performance, including substandard or unsatisfactory progress or conduct, so that AGENCY may assist in correcting, adjusting, and improving such performance before termination becomes necessary. This, however, does not preclude the EMPLOYER's right to terminate trainee in the event of gross misconduct or other

causes for immediate termination, as defined in the EMPLOYER's personnel standards and policy.

- (b) EMPLOYER agrees not to terminate trainee for the exclusive reason of contract expiration. **IT IS FULLY EXPECTED THAT THE TRAINEE WILL BE RETAINED UPON COMPLETION OF THIS CONTRACT.**
 - (c) EMPLOYER shall be responsible to report to AGENCY within five (5) working days the voluntary or involuntary termination of trainees from the training program.
 - (d) Termination of trainees will be governed by disciplinary and grievance procedures approved by the Department of Labor, provided that if EMPLOYER is operating under a collective bargaining agreement, disciplinary and grievance procedures in such agreement applicable to trainees will govern. Upon written request to the EMPLOYER by the trainee, or upon initiation of grievance procedures, such appeal of grievance shall be immediately referred to the AGENCY for processing under appropriate Federal regulations.
11. Relationship of Parties
EMPLOYER does not become the agent of AGENCY for any purposes pursuant to this contract, and will make no representation of any such AGENCY. In agreeing to employ and provide training for trainee. EMPLOYER understands that this does not make trainee an employee or agent of AGENCY.
12. Disclosure of Confidential Information
The EMPLOYER agrees to maintain the confidentiality of any information regarding applicants and trainees, or their families, which may be obtained through application forms, interviews, tests, reports from public agencies or counselors, or any other source.
13. Equal Opportunity
- (a) During the performance of this contract, the EMPLOYER agrees that he/she will not discriminate against any employee or applicants for employment, including trainees, because of age, race, creed, color, religion, political belief or affiliation, sex, or national origin, ancestry, handicap, and further that it will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; and selection for training, including apprenticeship, without discrimination.
 - (b) This contract is subject to Title VI of the Civil Rights Act of 1964 (78 Stat. 252) and the regulations issued there under which are found at 29 CFR 31. In undertaking to carry out its obligations under said Act and Regulations, the EMPLOYER specifically agrees that all training for which it receives Federal financial support through this contract will be carried on in such a manner that no trainee will be discriminated against in any of the ways set forth in Section 31.3 of the Regulations because of race, color, creed, religion, ancestry, political affiliation or belief, handicap or national origin, and agrees to submit all required reports.
14. Additional Laws Applicable
The EMPLOYER will perform its duties in accordance with the Balanced Budget Act of 1997, and the regulations, procedures, and standards promulgated there under, as well as any subsequent legislation, regulations, procedures, and standards enacted in substitution or in addition thereto.
15. Indemnity
- (a) In no event shall the AGENCY be liable to the EMPLOYER for special, indirect, or consequential damages, except those caused by the AGENCY's negligence,

arising out of or in any way connected with a breach of this contract. The maximum liability of AGENCY shall be limited to the amount of money to be paid by the AGENCY under this contract.

- (b) EMPLOYER shall defend, indemnify, and hold the AGENCY harmless from and against all claims, losses, and liabilities arising from personal injuries, including death and damage to property which are caused by the AGENCY arising out of or in any way connected with this contract.

16. Availability of Funds

It is understood and agreed by all parties that any and all obligations under this contract are contingent upon actual receipt of adequate funds from the funding source for this contract. If adequate funds from the funding source are not available, the AGENCY will not be liable to the EMPLOYER for failure to make payments and/or for any cost incurred after proper notification.

17. "No funds may be used to assist in relocating establishments, or parts thereof, from one area to another unless the Secretary of Labor determines that such relocation will not result in an increase in unemployment in the area of original location or in any other area."

18. AGENCY may at any time, by written order, make changes within the general scope of this contract. If any such change causes an increase or decrease in the cost of, or time required for, performance of any part of work under this contract, whether changed or not by any such order, an equitable adjustment shall be made in the contract price or training completion date(s), or both, and the contract shall be modified in writing accordingly. Any claim by the EMPLOYER for adjustment under this clause must be asserted within 15 days from date of receipt by the EMPLOYER of the notification of change, provided, however, that the AGENCY if decided that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this contract.

19. Legal Authority

The person signing the contract on behalf of the EMPLOYER warrants that he/she has been fully authorized by the EMPLOYER to execute this contract on behalf of EMPLOYER and to validly and legally bind the EMPLOYER to all terms, performance, and provisions herein set forth.

20. Maintenance of Effort

- (a) Funds provided under this contract shall be used to supplement, rather than supplant, funds otherwise available to the Contractor.
- (b) Funds shall not be used to hire an individual in a job opening when any other individual is on layoff from the same or substantially equivalent job, or when the Contractor has terminated the employment of any regular employee or otherwise reduced its work force with the intention of filling the vacancy so created by hiring another individual whose training costs will be subsidized by the contract.