



**Policy Name:** OJT Policy  
**Date Approved by the Board:** June 2, 2021

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.

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 maybe 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, priorwork experience, and the participant's Individual Employment Plan. (WIOA Sec. 3 (44) (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 relocated 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.

  
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John Dyess, NW WDB Chair