

On-The-Job Training (OJT)

Policies and Procedures

services for occupations determined by the local board to be in sectors of the economy that have a high potential for sustained demand or growth in the local area.”

PARTICIPANT ELIGIBILITY

OJT may be provided to eligible WIOA participants who are assessed and found to be in need of training services in order to obtain or retain employment that leads to self-sufficiency.

The participants must demonstrate a need for training through the Career Services as recorded on Individual Employment Plan (IEP).

For each OJT contract developed, the source of job applicant referrals can be the agency responsible for the development of the OJT subcontract, other partner agencies, or the employer.

Employers will have the final selection authority for individuals to be hired. All trainees must meet certain eligibility criteria before training can begin.

Reverse referral of potential OJT trainees by employers will be considered, but not automatically accepted into the OJT program. All OJT trainees must meet WIOA participation requirements.

OJT employers must agree to accept referrals and agree to interview other WIOA applicants for the OJT in addition to the employer-referred participant.

No participant shall be placed on more than two on-the-job training situations within a given WIOA program year. The second one is permissible only with prior approval from the WDB Director. The reason for requesting the second OJT must be specifically documented (laid off, fired, inappropriate job training match, company closure, etc.) and the situation determined on an individual basis.

In cases where two OJT's have been offered and were unsuccessful, it is presumed that OJT is not the appropriate training activity for the individual. Once OJT trainings are completed and the individual is not retained and is seeking work, evaluation is made to determine if participant will benefit from the services as measured against the client pool of eligible applicants for WIOA services.

EMPLOYER ELIGIBILITY

Careful consideration should be given when selecting a suitable employer. General business practice in terms of working conditions (safety, health), presence of health benefits, wage structure, turnover rates, adequate staff, and equipment to carry out the training, and whether the employer complies with federal, state, and local laws, etc. are potential indicators to research.

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OJT is a “*hire first*” program; the trainee becomes an employee of the company at the start of the training program. However, may not be someone already on the employer’s payroll, nor be hired prior to the effective date of the OJT contract. Training may begin after all parties have signed the OJT contract.

The employer is required to certify his/her intention to retain the trainee after the subsidized training period if the trainee accomplished the stated training goals outlined in the OJT contract.

OJT contracts require that the wages paid to trainees be at least the prevailing entry wage for any specific entry occupation in this community. If the employer operates under a collective bargaining agreement, the wage and benefits must be those specified in that union agreement and the job opening must be cleared with the appropriate union.

The employer must comply with requirements of the Civil Rights Act with respect to equal opportunity in employment for the OJT position as well as comply with all federal, state, and local laws.

Trainees hired under this program will be subject to the same personnel policies, rules, and regulations, and accorded the same benefits as the other employees of the company.

A potential OJT employer must furnish information on the company's Employee Identification Number, State Unemployment Insurance Account Number, evidence of a sufficient time and attendance and payroll system, and information proving coverage for the OJT trainee under Workers Compensation Insurance for the duration of the OJT training. In addition, the individual trainee payroll tax records must be maintained and available for review for a minimum period of three years after the end of the training period.

Conditions of employment and training will be in full accordance with all applicable federal, state, a local law (including but not limited to health and safety laws), and be appropriate and reasonable regard to type of work undertaken and the proficiency of the participant.

Employer certifies that the participant will not displace any regular employee of the employer and certifies that no person was displaced because of relocation of the current business the previous 120 days of signing the OJT Referral Form.

All employers are required to have a grievance process in place, and shall follow the grievance process in all matters related to the OJT trainee.

The OJT occupation must not involve religious or political activity.

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The OJT employer must comply with all applicable health and safety policies and standards, as required by federal and state law.

No employer may hire an OJT trainee if a member of the trainee's immediate family is engaged in an administrative capacity for that employer.

The OJT employer must certify that neither the employing company nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or excluded from participation by any federal department or agency.

OJT contracts can be written with employers from the public, private non-profit, or private for-profit business sectors.

The OJT Training Skills Outline must be written for skills that the trainee does not already possess.

Staff must check the trainee's work history, and to document that the new skills to be learned are different, and/or unique to the new job, and are therefore necessary to perform the new job tasks.

The OJT agreement provides that the employer maintains and makes available time and attendance, payroll, and other records to support amounts invoiced and reimbursed under OJT contracts.

The employer must not have relocated from any location in the United States within 120 days, if the relocation resulted in any employee losing his or her job at the original location;

No individual (new hire nor incumbent) may access OJT position if a member of his/her family is engaged in an administrative capacity with the OJT employer, including person with selection, hiring, placement or supervision responsibilities for the OJT trainee.

Modifications to the OJT contract can be made as needed through mutual agreement of the employer and WDB Director.

Training positions for commission salespersons, bartenders, seasonal workers, occupations requiring licensing as a prerequisite for hiring, and for those employed on a piecework basis are usually not appropriate for OJT.

Employers who have had prior OJT contracts with the American Job Center within one (1) year of the date of application for a subsequent contract, must meet trainee retention standards of 62% or greater, and not exceed a 40% turnover rate. Retention and turnover rates will be

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documented on the OJT Employer Contract Summary Sheet. An exception to these standards may be granted to prospective OJT employers who do not meet the required turnover and retention standards after providing sufficient documentation to prove that the previous OJT trainees separated from employment training through no fault of the training employer (i.e. trainee quit, trainee was fired for cause, unforeseen changes in business conditions necessitated a reduction in staff, etc.). **Potential OJT employers who do not meet the 62% retention policy standard will be disqualified from participating in the OJT program for a period of one year from the date of disqualification determination. Two disqualification determinations will render an employer ineligible for the OJT program indefinitely.**

PAYMENTS TO EMPLOYERS

1. Are deemed to be compensable for the costs associated with training participants including additional supervision, training and the costs associated with the lower productivity of the participants, and those costs are documented by the employer; and
2. **Will be reimbursed based upon the participant's completion of the negotiated, contracted training hours OR reaches the negotiated contracted reimbursement dollar amount, whichever comes first. The number of training hours and the wage reimbursement is based upon recommendations from O'Net or the DOT and the participant's ability to internalize the training skills needed.**

DURATION

An OJT contract must be limited to the period required for a participant to become proficient in the job for which the training is designed. In determining the appropriate length of the contract, consideration should be given to the skill requirements of the job, the academic and occupational skill level of the participant, prior work experience, and the participant's individual employment plan. The OJT Time Conversion Chart will be used to determine the number of weeks an OJT contract may be written for a specific occupation. This chart is based on O'NET and must be used for all OJT contract negotiations. In no case shall the training length exceed the Skill Level Code for any position.

PROCEDURES

Participants will market themselves to employers as eligible for OJT, either verbally or with a referral form provided to them. If interested in a potential contract, the employer is to contact the Business Service Specialist at the American Job Center.

A review of the employer will ensure that the employer has, or forecasts, sufficient work to provide long-term regular employment for the participant. An on-site visit will ensure that the employer has the necessary equipment, materials, and supervision to conduct the training. Consideration will be given to the percentage of subsidized training positions assigned to a particular business/ company.

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Job Orders will be submitted to the Local Area Coordinator and WDB Director for review and prior approval using the OJT Job Order Worksheet, outlining all pertinent information about the employer and job vacancy.

The employer will provide a job description and a concise outline of the OJT to be given, tasks to be learned, and the approximate hours of training required for each task. Once this information is provided, Staff in conjunction with will determine the length of the training period and the hourly wage that will be covered by the OJT contract. If the employer is agreeable to the length of training and the covered wage, then an OJT contract will be prepared. This contract must be in place prior to the start of training. When the contract is completed. A copy of the contract will be sent to the employer. The original copy will be maintained by the issuing agency.

The employer will submit an OJT monthly progress report and invoice to the Business Service Specialist for review and approval. Once the invoice is approved and signed, it will be submitted for payment. The Calcasieu Parish Police Jury will then reimburse the employer for training cost.

GENERAL PROVISIONS

The trainee's progress under an OJT contract will be monitored by Staff responsible for the development of the contract. The Staff and Local Monitor/EEO Officer will monitor for contract compliance and to ensure that the proper forms and records are being maintained

Changes in the status of an OJT participant must be appropriately reported to Staff maintaining the OJT contract and the MIS and Fiscal departments. In special cases, with management approval from the Local Area Coordinator/WDB Director, a participant may be eligible for limited classroom training in conjunction with OJT. Such cases will be allowed with approval and justification that training to be acquired in classroom training cannot be acquired on the job. Classroom training is considered as hours worked and cannot be reimbursed.

The Staff shall make contact with the participant and employer monthly and shall record the observations in case notes in the participant's file concerning the progress of training and achievement of the training objectives defined in the contract. Concerns and corrective action necessary to accomplish the objective shall be recorded and appropriate action and follow-up will be documented.

When considering an agreement, staff should carefully review and determine the nature of the employment to ensure the employment is ongoing and not temporary, probationary, or intermittent employment.

The employer that delivers the training is the party with whom the OJT agreement must be executed and that such employer is also the designed recipient of the OJT reimbursement.

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An employer deemed to be abusing the OJT program shall be examined by the following process:

1. High turnover of personnel, not retaining trainee at end of training time, any reported failure to pay the employee properly, etc.
2. The Staff shall notify the Local Area Coordinator in writing of the problems encountered and recommendations suggested.
3. A management decision will be made whether to monitor the observation further and/or if investigation is needed.
4. Management recommendations may include ceasing to use the employer, advising the participant on rights under the Fair Labor Standards Act, continued use of the employer but with limitations, counseling with employer and developing a corrective action plan, or follow-up within a specified time frame to ensure corrective action has been taken.

Tools may be purchased for trainee in order to enter into an OJT program when:

1. The tools are a specific requirement of the occupation to be trained in and will enhance the training potential of the trainee.
2. The employer does not normally provide workers tools for new hires/incumbent.
3. Trainee does not possess the tools to be purchased.
4. Trainee cannot participate in the OJT without the purchase of these tools.
5. Tools are the property of the American Job Center during OJT training; and upon successful completion of the OJT, the tools purchased will become the property of the trainee.
6. Tool request will be submitted in accordance with WIOA Support Services Policy and Procedures. In addition, an itemized list of tools with unit price and total cost will be attached to appropriate authorization form as explained in the policy.
 1. Tool request form completed by employer.
 2. Itemized list of tools with unit price and total cost.

Payments for tools needed for employment may be provided in an amount up to 80% of the cost of tools. If the need is greater, the Waiver Review Committee can consider and act on and request in excess of the 80%. These payments may not be paid when either the school or the employer pays for the service. The maximum allowance for tools is \$400.00.

A clothing allowance may be considered based on need and a justification that without the appropriate clothing the participant would face further barriers to employment. The clothing allowance will be submitted in accordance with WIOA Support Services Policy and Procedures.

CONTRACT PROVISIONS

All OJT contracts must meet established standards and minimum placement wage requirements. The minimum wage for an OJT contract is \$10.00 or more per hour.

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Modifications to the OJT contract may include an increase in funds, adding employees or new positions to existing contract, deobligation of funds, decreasing the number of employees or eliminating positions, etc. The American Job Center must be notified by the employer of any such changes that require a modification to the contract within ten days of such action being taken.

All modifications to deobligate encumbered OJT contract funds may be unilateral on the part of the WIOA and shall not require the signature of the OJT Employer.

A modification will be prepared to deobligate encumbered OJT contract funds when an OJT employee leaves the program prior to completion of training.

A modification may be prepared to extend an OJT contract in situations where an extension is required and meets all OJT contracting requirements.

A modification may be made to de-obligate encumbered OJT contract funds based on any circumstances pursuant to the General Terms and Conditions of the contract.

Each contract with an OJT employer shall be periodically monitored either on-site and/or desk review in sufficient detail to assure the validity and propriety of amounts claimed for reimbursement, that they are substantiated by payroll and time and attendance records, and that training is being provided as specified in the contract.

All rules, regulations, terms, conditions, assurances, and certifications contained in the OJT Contract shall also apply to these OJT Policies and Procedures.

OJT CONTRACT The OJT contract includes:

- *Cover Sheet
- *Signature Agreement
- *Training Outline
- *Trainee Evaluation
- *Participant Agreement
- *Employer Hand Out
- *Participant Agreement Form

INVOICING

Employers should prepare OJT Contract Invoice Trainee Time sheets at the end of each designated work period to reflect activity as the basis for reimbursement.

One copy of the time sheet should be submitted to the American Job Center showing the total number of hours the trainee worked.

Billing for reimbursement shall be handled by the American Job Center Payroll Department. Any discovery of inconsistencies in attendance, pay, or failure to pay employee properly shall be handled immediately by the staff and/or monitor, and such findings and recommended solutions shall be reported to the Local Area Coordinator and WDB Director. The Calcasieu Parish Police Jury will reimburse the employer only for actual hours worked.

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DISTRIBUTION

Two signed copies of the OJT contract should be completed with the staff.

The staff maintaining the OJT Contract will be responsible for submitting the OJT contract to the employer and American Job Center Accounts Payable.

These OJT policies and procedures may be modified and amended by the issuance of WIOA memorandum. All personnel working with the WIOA participants and employers shall abide by the issuance of changes immediately upon receipt and such issuance shall carry the force of unilateral job duties and requirements.

References

20 CFR 663:700 (This is all WIOA) **Subpart F—Work-Based Training**