

## **On-the-Job Training (OJT) Policy and Procedures**

### **Introduction**

On-the-Job Training (OJT) under the Workforce Innovation and Opportunity Act (WIOA) is provided under a contract with an employer in the public, private non-profit, or private sector. This training arrangement is an exception to the Individual Training Account (ITA) requirement specified in Section 134. 20 CFR § 680.720(b) and allows employers to be reimbursed up to 50% of the wage rate of an OJT participant for the extraordinary costs of providing the training and additional supervision related to the OJT.

- Note: National Emergency Grant OJT (NEG OJT) positions may not be created with public sector employers.

### **Definition**

The term “on-the-job training” means training by an employer that is provided to a paid participant while engaged in productive work in a job that:

1. Provides knowledge or skills essential to the full and adequate performance of the job.
2. Is made available through a program that provides reimbursement to the employer of up to 50% of the wage rate of the participant for the extraordinary costs of providing the training and additional supervision related to the training. Reimbursement is dependent on funding availability, the specific OJT program, and WDB policy.
3. Is limited in duration as appropriate to the occupation for which the participant is being trained, taking into account the content of the training, the prior work experience of the participant, and the service strategy of the participant as appropriate.

### **Role of Jefferson-Lewis WorkPlace Staff**

The role of staff is to determine eligibility, screen and assess candidates, develop and maintain pools of OJT eligible candidates, referral, placement into OJT positions, counseling of participants, and appropriate follow up. Additionally, is responsible for contract development, monitoring, and authorization of reimbursement to the employer. See attachments for specific documents being utilized during OJTs.

### **Adult Programs**

Training services for adults and dislocated workers may include OJT opportunities. OJT may be provided pursuant to a contract for services in lieu of an individual training account.

Per the Jefferson-Lewis LWDB:

1. Local OJT contracts cannot exceed a period of 6 months or monetary amount as set by the WDB as an ITA cap. A skills gap analysis will be conducted to determine the length of the contract and amount of reimbursement to the business.
2. Due to funding restrictions, the LWDA will not cover the cost of items such as uniforms, work-related tools, equipment, or training-related books. A participant may be covered for additional coursework related to the training occupation and any licensing fees if funding is available and the OJT has not exceeded the ITA cap.

## **Youth Program**

Local youth programs must expend not less than 20% of the funds allocated to them to provide in-school youth and out-of-school youth with paid and unpaid work experiences. These work experiences may include OJT opportunities.

Per the Jefferson-Lewis LWDB:

1. Local OJT contracts cannot exceed a period of 6 months or monetary amount as set by the WDB as an ITA cap. A skills gap analysis will be conducted to determine the length of the contract and amount of reimbursement to the business.
2. Due to funding restrictions, the LWDA will not cover the cost of items such as uniforms, work-related tools, equipment, or training-related books. A participant may be covered for additional coursework related to the training occupation and any licensing fees if funding is available and the OJT has not exceeded the ITA cap.

## **Funds for Registered Apprenticeship Programs**

OJT contracts may be written with registered apprenticeship programs or participating employers in registered apprenticeship programs for the OJT portion of the registered apprenticeship program consistent with 20 CFR § 680.700. Depending on the length of the registered apprenticeship and WDB OJT policies, these funds may cover some or all of the registered apprenticeship training.

## **General Guidelines and Restrictions**

1. WIOA OJT's can be utilized for new or employed workers; employment must be a regular full-time (at least 30 hours per week) position. OJT's cannot be for seasonal or temporary employment, nor for employment that is commission-based.
2. Wages paid must be at least \$.75 per hour above NYS general minimum wage for Adults and Dislocated Workers, and at least NYS general minimum wage for Youth. Reimbursement cannot be made for overtime, commission, or fringe benefits (ex: life and health insurance, pension, vacation, holiday, and sick leave).
3. Should a customer present to become a candidate for an OJT and the person previously worked at the prospective employer, that individual will be assessed based on the number of months they were employed, the position being considered and the skills gap analysis review; and then a determination will be made.
4. The policy for skills upgrades of a current employee will be considered based on the next level's skills gap. The employee's wages must be upgraded by at least \$1.00 per hour. The employer must show the training outline and the new skills that will be learned within the upgrade training period.
5. A Business Services Representative will make at least one visit per month to the work site to review the progress of the trainee.

## **Recruitment and Outreach Approaches**

OJT is targeted to employers and job seekers utilizing the following approaches:

1. Broad-based outreach to employers through email blasts, workshops and special events held by the WDB or The WorkPlace.
2. Job seeker focused through email blasts, workshops, and individual appointments, where job seekers are taught about OJT and how to utilize this possibility in the course of their job searches.
3. Employer focused when an interested employer contacts a Business Service Representative to discuss the possibility of an OJT contract with a qualified candidate.

### **Business Eligibility and Guidelines**

1. To determine if an employer is eligible for OJT programs, that business will be vetted according to the following process (see attachments for samples):
  - a. Employer completes the Pre-Award Review Business Application.
  - b. Employer completes Responsibility Questionnaire, as well as letter of explanation for any questions answered 'yes'. If the Responsibility Form has been completed within the last 12 months, the employer may complete the Attestation Form instead.
  - c. Business Services staff will check for business registration on the NYS Division of Corporations website.
  - d. Business Services staff will check Federal OSHA records.
  - e. Business Services staff will submit OJT Due Diligence Request Form to [OJTDueDiligence@labor.ny.gov](mailto:OJTDueDiligence@labor.ny.gov) for check of NYS DOL records.
  - f. An On-Site review will be conducted with business to determine appropriateness for OJT.
2. Employers must be in compliance with NYS Labor Laws, and no abnormal labor conditions such as strike, a lockout, or other similar conditions exist at the establishment.
3. Employers entering into OJT Contracts agree to retain trainees upon successful completion of the OJT program. OJT contracts will not be entered into with employers who have 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 the same type of work.
  - a. Should a 12-month review show that 50% or more of OJT participants do not complete, or leave employment with OJT employer within one year, an explanation from the company will be required as to the circumstances surrounding the turnover.
    - i. After investigation by the LWDA, if it is determined to be at no fault of the employer, OJT can continue. Otherwise, the LWDA cannot provide OJT for a period of at least one year. The company will be re-vetted at the end of the one-year period for current layoffs and/or turnover rates.

### **Customer Eligibility and Guidelines**

1. Each program under WOIA shall provide employment and training opportunities to those who can benefit from, and who are most in need of, such opportunities. Priority for OJT's will follow LWDB Priority of Service guidelines.
2. Business Services staff will screen OJT candidates for program eligibility (i.e., WIOA Adult and Dislocated Worker, Trade Adjustment Assistance (TAA), OJT-NEG) by completing an initial assessment and skills gap analysis.
3. OJT candidates must not already possess the skills needed to perform the job, and training is required in order for the trainee to secure new employment and/or upgrade employment. A prospective employed OJT candidate must also be earning less than the new position will be paying and less than the Jefferson-Lewis WDB self-sufficiency rate.
4. For qualified candidates, Business Services staff will ensure that required documentation (e.g., DOB, Selective Service, Employment Status, Veteran Status, and below self-sufficiency) is complete/accurate, that customer has received AA/EEO policy information, and that all required activities and services have been entered into OSOS.

### **Contract Formation**

Once the business and customer have been vetted for OJT, the contract will be developed as follows:

1. The employer provides a job description to Business Services staff for development of the OJT Training and Evaluation Outline, which is then discussed with the employer to ensure it meets their training needs.
2. The OJT Proposal Evaluation Checklist is completed, assigning rating levels based on the OJT Contract Evaluation Table utilizing the following process:
  - a. Find the O-net code for the job description and based on that code determine the Job Zone training level.
  - b. Using the wage rate supplied by the employer find the corresponding wage level.
  - c. Add the Job Zone and wage rate levels together for total Contract Rating Level. This will give the maximum training time and wage cap.
  - d. Make recommendations based on the Contract Rating Level and additional information regarding individual participant circumstances and skills gap analysis.
  - e. The completed proposal is given to the Fiscal Manager for review/signature and forwarded to the Director for review/signature.
  - f. Using information from the approved proposal, develop the final OJT contract.
  - g. The final OJT contract is given to the Director for review and signature.
3. The OJT contract is delivered to the employer to sign. If the employer is a union shop, the on-site principal for the Union will also sign off on the contract. The employer and trainee will also receive a copy of the OJT Training and Evaluation Outline. Timesheets and vouchers are given to the employer and payment procedures are explained.
4. OSOS data entry is completed, entering trainee into OJT service as of the contract start date.

### **Visits and Evaluations**

1. Following the initial contract delivery, at least one site visit per month will be conducted, as well as a follow up visit after completion of the OJT and will include the following:
  - a. Trainee Evaluation
  - b. Supervisor Evaluation
  - c. Update of OJT Training and Evaluation Outline
  - d. Visits are entered into OSOS as employer and customer activities respectively.

### **Fiscal Procedures/Modifications**

1. Employers are required to submit vouchers every 30 days for reimbursement.
2. OJT contracts are reimbursed at the contracted amount and only for those hours actually worked, up to 40 hours per week. Overtime, holiday, and vacation pay are not reimbursable.
3. Should there be a change in the trainee's wage, reimbursement will continue at the originally contracted rate. If the wage drops below the WDB's set minimum, the contract will be terminated effective the date of pay rate change.

### **Exits**

Once the contract has been completed (or terminated) and the final voucher received, the OJT Contract Summary will be completed, and the business and customer will be exited respectively from the OJT program effective the last date of the OJT contract. This date is determined by either the final date vouchered to meet contract obligations, or by the last date worked in the case of an employee quitting or being terminated from employment.

If there is a deobligation of funds in the case of a terminated employee, prepare a deobligation letter to the employer. The original is mailed to the employer and copies are placed into the contract and fiscal files.

Using the end date from the OJT Contract Summary, verify that all services have been completed and that all fields in OSOS have been updated appropriately.

### **Follow Up**

Follow-up is required for 5 quarters past completion of the OJT service. Contact is made with the participant and/or employer for 5 quarters following the exit quarter to determine retention and wage information.

### **Customized Training**

Employers may be eligible for up to 50% reimbursement for employee skill upgrades. Employees must meet eligibility guidelines for WIOA and show increased earnings of no less than \$1.00 per hour as a result of the Customized Training.

### **Attachments**

1. Pre-Award Review Business Application (Preliminary Review)
2. Responsibility Questionnaire
3. Responsibility Questionnaire Attestation Form
4. Due Diligence Request Form
5. Contract Template (includes Assurances and Certifications, Supervisor and Trainee Evaluation forms, On-Site Payroll Review form, OJT Contract Summary and OJT Proposal Evaluation Checklist)
6. Training Outline Template
7. OJT Contract Evaluation Table
8. Contract Modification Form