

Title: On-the-Job Training (OJT)	Related Forms: Yes
Effective Date: 1/27/2017	Revised Date: 12/10/2021

Purpose:

The purpose of this policy and procedure is to establish guidelines for the arrangement of on-the-job training (OJT) where an individual will be able to learn an employment related skill or qualify for a particular occupation through demonstration and practice.

References:

Workforce Innovation and Opportunity Act (WIOA)
 VBWD Policy 403-03, On-the-Job Training
 VBWD Policy 401-04 Change 1 Provision of Training Services
 20 CFR 680.700-750
 TEGL 19-16
 WVVWDB Complaints & Grievances Policy

Policy:

It is the policy of the Western Virginia Workforce Development Board (WVVWDB) to allow as part of WIOA program participation, where applicable, eligible individuals to engage in OJT to successfully re-enter and/or remain a part of the workforce. During OJT work-based learning, a participant is engaged in productive work in a full-time job for which he or she is paid. An employee will be considered full time if they are employed at least 30 hours per week and receiving benefits, including health insurance, similar to other full-time employees of the same employer.

Procedure:
A. Participant Eligibility:

1. Participants who, after assessment if applicable and in accordance with the Individual Employment Plan (IEP), have a substantial need for OJT;
2. Employed worker(s) when:
 - a. The employee is not earning a self-sufficient wage as determined by WVVWDB 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 WVVWDB; and
 - c. The OJT is provided through a contract with an employer or registered apprenticeship program sponsor.
3. Participants of a registered apprenticeship can receive funding for the OJT portion of their apprenticeship. OJT funds can be used for the OJT portion only. An ITA may be considered for use for the instructional piece of the apprenticeship.

B. Employer Eligibility:

1. May be in the public, private non-profit, or private sector;
2. Must have adequate personnel to provide sufficient supervision and training;
3. Must provide a minimum of 50% of the employee's wage throughout the training;
4. Must provide benefits and working conditions at the same level and to the same extent as other trainees or employees working a similar length of time and doing the same type of work;
5. Must not have exhibited a pattern of failing to provide OJT participants with continued long-term employment with wages and employment benefits, including health benefits, and working conditions at the same level as other employees working a similar length of time and doing the same type of work; 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;
6. Must not use OJT assignments to displace regular employees, or to replace any employee on layoff;
7. Must agree that the OJT contract is limited to the time needed for the participant to become proficient in the occupation for which training is provided;
8. Must provide a Federal Employer Identification number to demonstrate the business is a legitimate employer with full-time employees, and conducting trade or business at an appropriate worksite;
9. Must maintain workers compensation insurance and provide a Certificate of Insurance issued by the company's insurance carrier;
10. The Employer must be the actual employer of record for all participant wages. A temp or payroll agency may not serve as the employer of record; and
11. All training will be for occupations identified as in demand in the labor market and determined to be of priority by the Western Virginia Workforce Development Board (WVWDB) in the Local Plan.

Staff may request a waiver for participants that are interested in training outside of these target sectors and occupations. Waivers must be requested, with all required documentation, and approved by the WVWDB Director prior to approving funding for the participant. Waiver documentation must include, at a minimum:

- justification within the participant's IEP identifying occupation interest and/or aptitude;
- barriers to employment and/or training in the target sectors and occupations;
- and local labor market information including LMI data as well as at least 3 different current job openings paying a self-sufficient wage (as defined in our Eligibility policy) for the occupation connected to the training.

These items must be attached to the waiver request form to the WVWDB Director.

Waivers may be available for no more than 5% of funds budgeted annually by line item and by program (i.e.: 5% of the Adult ITA budget, etc.).

Any determination that an employer is ineligible to participate in an OJT contract will be made jointly by the Business Services Staff and the Executive Director of the WVWDB, by reviewing the eligibility requirements above and any and all applicable documentation that verifies the employer does not meet those requirements. An employer will be considered to have exhibited a pattern if more than one instance of that activity has been

documented. Any employer that is deemed ineligible to participate in an OJT contract may file a complaint/grievance, as outlined in the local Complaints & Grievances policy.

C. Payments to Employers:

1. Are deemed to be compensation for the extraordinary costs associated with training participants including additional supervision, training and the costs associated with the lower productivity of the participants, and those extraordinary costs need not be documented by the employer; and
2. Must not be in excess of 50 percent of the wage rate of the OJT participant.

D. Reimbursement Amount

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.

Reimbursement to the employer shall be provided for 50% of the employee's wages up to a maximum of \$8,000, minus any funds spent on other training methods (i.e.: occupational skills training through an ITA, etc.). The length of time on the OJT will depend on the amount of training that the participant will require in the new position and the amount of funding allocated toward the reimbursement.

A comparison between the resume and/or the current skills of the participant and the skills/requirements of the job description will be done to calculate the amount of reimbursement provided to the employer. For example, if the job description has ten (10) main functions that are required for an employee to be proficient in the job, and the employee possesses the skills to perform 8 out of 10 of those functions, then the participant will require training on 20% of the job. This percentage (20%) is the percentage of the maximum \$8,000 that can be paid out. Here, the person would have a maximum OJT expenditure of \$1600 (20% of the \$8,000 maximum).

Participants are marketed to employers as eligible for OJT by WVVWDB staff. A review of the employer will ensure that the employer has, or forecasts, sufficient work to provide long-term regular employment for the participant.

The employer will provide a job description of the occupation as performed in the company 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, WVVWDB staff will determine the length of the training period and the total reimbursement that will be provided by the OJT contract.

If the employer is agreeable to the length of training and the reimbursement amount, then an OJT contract will be prepared. This contract must be in place prior to the start of training. When the contract is completed, it will be provided to the employer for his or her signature. After the employer has signed the contract, the appropriate official will sign for the WIOA



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program. A completed copy will be given to both the employer and WVVDB staff, with a copy in the WIOA Title I participant case file.

The employer will submit a timesheet and invoice for review and approval. Once the invoice is approved and signed, it will be submitted for payment. The WVVDB will then reimburse the employer for training cost. Copies of invoices, timesheets and payment processing documentation will be included in WIOA Title I participant case file.