

ON-THE-JOB TRAINING (OJT) POLICY *Adults and Dislocated Workers*

Policy # 15-07
Revision #4
Effective Date: 1/9/18

Purpose

The purpose of the OJT Program is to provide job specific training to authorized and eligible Workforce Innovation and Opportunity Act (WIOA) Adult and Dislocated Worker participants, eighteen (18) years of age and older, while employed in active and productive work with an employer. Under the OJT Program, the employer delivers daily training services for an authorized job position in accordance with a detailed training outline for that position. A distinguishing feature of the OJT Program is the reimbursement to the employer for the extraordinary costs of providing the training and supervision related to the OJT participant/employee, otherwise known as the "OJT Training Costs", as stipulated under Section 680.700 (a) of the WIOA Final Rules and Regulations.

Definition

OJT is training provided by an employer to a paid participant/employee while engaged in the conduct of productive work, that:

1. Provides transferable knowledge and/or skills essential to the full and adequate performance of the job and knowledge and/or skills that are measurable.
2. Provides reimbursement to the employer at a rate based on no more than 50% of the participant/employee wages during the contract performance period not to exceed a total reimbursement of \$5,000 per participant/employee, for up to a maximum of five (5) OJT participants per employer, unless otherwise authorized by Opportunity Inc. Reimbursement is for actual time worked and does not include hours associated with any form of compensation paid where the participant/employee was not on the job for those hours. The employer must pay the participant/employee an hourly wage of at least \$12.00 per hour, unless otherwise authorized by Opportunity Inc. This reimbursement is considered to be for the extraordinary costs incurred for the training and supervision of the participant/employee.

In no case may the reimbursement rate for WIOA OJT Agreements exceed 50% of the most recent average hourly wage rate for Virginia, which is currently \$24.40. This rate will be periodically updated by DOL. Based on the current rate the maximum reimbursement amount for any WIOA OJT Agreement is \$12.20 per hour. OJT Agreements may be entered into for full hourly wage rates that exceed the State average. In those cases, the maximum hourly reimbursement amount cannot exceed \$12.20 and the reimbursement percentage will be less than 50%, which is to be shown on the OJT Agreement. It is understood that employers must compensate the OJT participant/employee at the same wage rates as trainees or employees who are employed in similar occupations with the same employer. This action is based on the guidance provided under DOL TEGL #13-15.

3. Is limited in duration that is appropriate to the occupation in which the participant/employee is being trained and is based on an assessment of the participant's skill level, abilities, prior work experience and training needs, but not to exceed six (6) months in duration.

4. Provides for full-time, non-temporary employment and job retention with the employer subsequent to successful completion of OJT.

Basic Guidelines

OJT Agreements may be entered into when:

1. The employer has been in business for at least twelve (12) consecutive months immediately prior to the Agreement effective date, has at least two (2) employees, has all required licenses, certifications, insurances, etc ... The employer is not presently debarred or proposed for debarment from doing business with federal, State or local government.

2. The employer successfully completes a documented Pre-Award Review which will be incorporated into the OJT Agreement. The results of a staff conducted general internet/social media search of the employer do not provide any issues or other reasons to support not entering into an OJT Agreement.

3. The training provided is in the region's target industries and/or occupations and the skills are transferable to similar jobs with other employers, unless otherwise authorized by Opportunity Inc.

4. The possibility for promotional opportunities exists within the employer's business and there are identified, structured career paths with income and skill advancement and/or professional development.

5. The employer offers paid benefits, including healthcare benefits, unless otherwise authorized by Opportunity Inc.

6. The employer has the physical plant, supply/material, technological and staff resources required to provide OJT and, agree to retain the participant/employee as a full-time, non-temporary employee upon the successful completion of training.

7. The employer demonstrates a pattern of providing employees with continued long-term employment with wages, benefits and working conditions equal to those provided to a similarly situated employee(s).

8. The employer will not use an OJT participant/employee to displace any regular employee, or to replace any employee on layoff.

9. The employer has not relocated from any location within the United States within one hundred and twenty (120) days, where the relocation resulted in any employee losing their job at the original location.

10. While the OJT Program is primarily intended for new employer hires, employed workers may be authorized at the discretion of Opportunity Inc. Should OJT be provided for an employed worker(s), such will adhere to the requirements set forth under Section 680.710 of the WIOA Final Rules and Regulations, in addition to the other requirements set forth herein.