

ON-THE-JOB TRAINING POLICY AND PROCEDURES

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I. INTRODUCTION

WIOA was signed into law in July 2014 and strengthens existing workforce development and adult education programs by serving low-income adults, dislocated workers, and youth who are most in need and face barriers to employment. Additionally, WIOA expands on the education and training options that are available to job seekers and businesses, with the goal of increasing access to better careers and professional advancement. These programs also help disadvantaged & unemployed adults, as well as eligible youth earn wages while learning through support services and effective employment-based activities.

Work-based learning activities involve building worker skills and establishing pathways to higher wages and career opportunities. Work-based learning strategies emphasize business engagement, incorporate training objectives while job-seeking participants are working, and lead to unsubsidized employment. A key advantage of work-based learning is that job seekers and participants can “earn while they learn” and achieve improved employment and earnings outcomes.

In addition to the advantages for job seekers, work-based learning opportunities provide businesses with occasions to help develop and retain a skilled workforce utilizing WIOA resources.

For additional information regarding Work-Based Learning under WIOA, please visit:

- TEGL 19-16, “Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act Employment Service (ES), as amended by title III of WIOA, and for Implementation of the WIOA Final Rules. “

II. ON-THE-JOB (OJT) POLICIES AND PROCEDURES

OJT is a type of training that is provided by an employer to a participant (job seeker). During the training, the customer is engaged in productive work in a job for which the customer is paid and the training provides the knowledge or skills essential to the full and adequate performance of the job. OJT may be provided by an employer in the public, private non-profit or private sectors. This OJT Policy and Procedures outlines the process to issue, document and track an OJT under the Workforce Innovation and Opportunity Act (WIOA).

The following sections list the requirements for the Service Provider to provide OJTs.

A. ELIGIBILITY FOR OJT PARTICIPANT

Under the WIOA there are two levels of services: Basic and Individualized services. A determination that a participant needs individualized and/or training services can be made without regard to how long the individual has been receiving services at each level. Participants in Adult programs must meet eligibility requirements, before being provided training services. Eligibility for services is found in ***SDWP Operations Manual, Chapter 7, Part 1: WIOA Adult and Dislocated Worker Program Eligibility.***

1. New Hire

Training services are available to those participants who are unable to find employment. Need and ability to benefit from WIOA funds must be established and the participant must have the skills and qualifications to successfully complete the training program. An individual’s need for training shall be determined through an assessment. Participants with marketable skills within an in-demand occupation shall not be deemed eligible for WIOA funded training.

2. Currently Employed Workers

Upgrades a currently employed worker may be placed into an OJT with the same Employer only when the following criteria are met:

- The employed worker meets WIOA eligibility, and
- The OJT relates to the introduction of new technologies, introduction to new production or service procedures; or
- The OJT supports the acquisition of new skills necessary for upgrading to a new job that require the additional skills, or
- The OJT provides training in the required workplace literacy, and
- The Employer continues to meet OJT Employer requirements.

Providing OJT's to employed workers is different than "Incumbent Worker" training through WIOA. An incumbent worker is an individual who is employed, but an incumbent worker does not necessarily have to meet the eligibility requirements for intensive and training services for unemployed adults and dislocated workers. An OJT candidate must meet these eligibility requirements. In the circumstance where the Employer proposes to upgrade the employee by training for a job that requires substantially different or higher-level skills, the current employee must also, as a result of successfully completing the OJT:

- Expect a wage gain by the end of the training period commensurate with incumbent positions; or
- Expect an upgrade to a new position.

The Employer will be encouraged to "backfill" with a new hire for the employee's previous position through the AJCC or when training is complete.

3. Employer Referrals/Recruitment

An Employer may sometimes refer an applicant for a vacant position in order to determine whether the applicant is eligible for WIOA and appropriate for training through an OJT Training Plan. This practice is allowed under WIOA. AJCC BSRs shall assess the circumstances to determine whether an OJT is appropriate in the same way they would assess an individual participant.

An applicant who is referred to the AJCC by an employer can be registered into an OJT only after eligibility for WIOA has been verified and after the assessment process has documented a need for and ability to benefit from the training offered by the employer.

Unfilled demand for skilled workers by an Employer or among a group of Employers may result in a targeted effort by the BSRs to recruit appropriate OJT Trainees. Candidates may be identified through a multitude of systems to include Employer relationships, from a pool of applicants who have not yet enrolled into the program, or among participants who are receiving services beyond self-service.

B. EMPLOYER PRE-SCREENING

OJT is provided under an agreement with an employer in the public, private non-profit, or private sector. Prior to entering into an OJT agreement, a pre-screening should be conducted to ensure that the employer meets the minimum standards and can provide both training and employment to an OJT participant. If additional training is needed, the Service Provider should ensure that a third-party training provider is included in the agreement.

1. Employer checklist must include at a minimum:

- The business has not exhibited a pattern of failing to provide OJT participants with continued employment;

- The business verifies WIOA funds will **not** be used to relocate operations in whole or in part;
 - The business has operated at its current location for at least 120 days. If less than 120 days and the business relocated from another area in the U.S and individual(s)/employees were not laid off at the previous location as a result of the relocation;
 - The business is not utilizing OJT participants to fill job openings as a result of a labor dispute;
 - OJT funds will not be used to directly or indirectly assist, promote, or deter union organizing;
 - The OJT will not result in the full or partial displacement of employed workers;
 - Participant wages shall be at the same rate, including periodic increases, as other participants or employees who are similarly situated in comparable occupations with the same employer, and who have equivalent training, experience, and skills;
 - Participants must be provided benefits (e.g., workers' compensation, health insurance, unemployment insurance, retirement benefits) or working conditions at the same level and to the same extent as other participants or employees working a similar length of time and doing the same type of work; and
- The employer will comply with the non-discrimination and equal opportunity provisions of WIOA law and regulations.

2. Conflict of Interest

No grantee, contractor, sub-grantee, or sub-contractor will engage in any conflict of interest, real, implied or apparent, in the selection, award or administration of a WIOA funded contract or grant. OJT Contracting must be conducted by training professionals and Employers in a manner that is objective and independent of personal interests.

C. OJT REQUIREMENTS

1. An employer orientation must be completed with each employer and/or employer representative to discuss the contract provisions and training plans. The contract process sets the ground-rules for OJT with an employer and ensures there is a legally binding agreement between the employer and the OJT training provider, if the latter is an outside provider.
2. Employer must complete *one* **ATTACHMENT - EO WIOA SECTION 188 COMPLIANCE CHECKLIST** found in the **SDWP Operations Manual, Chapter 8: Monitoring and must be submitted along with EXHIBIT – ON-THE-JOB TRAINING AGREEMENT PACKET** per program year.
3. OJT duration must be limited to the time necessary for a customer to become proficient in the occupation for which the customer is receiving OJT.
 - Duration of training shall be no more than 26 weeks (1,040 hours maximum).
 - Length of training should be based on individual assessments of the participant's background, skills, and barriers to employment.
 - Reimbursement Example: 1,040 hours x hourly wage x reimbursement rate = amount of reimbursement
 - Service Provider should consult with the employer(s) and use the Occupational Information Network's (ONET) Specific Vocational Preparation Range (SVP) to

determine the appropriate occupational training needed. Using the SVP provided by ONET, the following duration times are recommended in addition to the participant's past skill and experience.

Level	Timeframe
Level 1	< 1 month
Level 2	1 month
Level 3	< 1month – 3 months
Level 4	>3 months – 6 months
Level 5 - 9	>6 Months

4. OJT must be full-time, regular employment (minimum of 30 hours per week) unless otherwise approved by SDWP.
5. Service provider is responsible for verifying that employer is a valid company in the State of California. Service provider must check the business entity's status on the Secretary of State's webpage. The website can be found here:
<https://businesssearch.sos.ca.gov/>
6. Service Provider shall verify that an OJT employer has not been debarred prior to entering into an OJT agreement.
7. Funding Limits:
 - Up to 50% of the participants wages, for the extraordinary costs of providing the training and additional supervision related to the OJT.
 - In limited circumstances, the reimbursement may be up to 75% of the participants wages upon approval of the Workforce Partnership.
8. OJT must meet the approved target self-sufficiency wage as determined by SDWP's Workforce Development Board (WDB). Or, if an OJT does not meet the self-sufficiency wage but pays the current minimum wage as dictated by the state of California and has clear documentation of one (or more) of the following benefits may also be approved:
 - a) Documented, historical or written evidence of **step raises** that lead to a higher wage and self-sufficiency for the candidate within a year of training completion; or
 - b) Documented, historical or written evidence of **career ladders** or advancement opportunities that can be directly linked to the successful completion of the OJT.

Further definitions of these benefits are listed below:

- **Step Raises:** A regular schedule or calendar of raises that a person becomes eligible for based on the amount of time they spend on the job.

For example: An OJT candidate may start out at \$15.00 per hour but know that every six months their pay will increase by .50 cents per hour. These types of raises are often found in labor or union positions and retail work.

- **Career Ladders:** Many occupations and industries offer clear career ladders. Through established career ladders, customers shall have the opportunity to acquire the necessary skills to enter and move up in the workforce. Each step in a career ladder must lead to greater challenges, responsibilities and/or the opportunity for increased wages.

For example: A customer may start out as a receptionist making minimum wage, with the knowledge that after the customer grows proficient in that position, it could lead to career advancement and higher wages as an office assistant, executive assistant or office manager.

Note: For New Hires, hours trained on the job prior to the start date of training as listed on the OJT Agreement Packet will not be reimbursed and disqualify both the participant and employer from entering an OJT. Only hours worked and trained on the job shall be reimbursed. Vacations, holidays, sick leave, personal leave, union dues, jury duty, commissions, bonuses and overtime compensation for work in excess of the maximum hours per week authorized by law will not be reimbursed.

D. OJT AGREEMENT PACKET

The AJCC staff shall generate the **EXHIBIT – ON-THE-JOB TRAINING AGREEMENT PACKET** (training agreement packet) and obtain all the necessary signatures no less than 2 days prior to the start date of training. SDWP staff must receive the training agreement packet within three working days of the Employers signature date.

1. Training Agreement Number

Once an OJT opportunity has been identified for the participant, an employer ID shall be requested from the AJCC staff via email: newvendorsetup@workforce.org. If the agreement is with a new employer, you are required to include **ATTACHMENT – NEW VENDOR REQUEST FORM, found in SDWP Operations Manual, Chapter 6. Financial Management**. Please allow up to two (2) working days to receive the employer ID.

The following shall be used to assign OJT Agreement numbers:

- Region Code (1 digit) + Funding Code (1 digit) + Employer ID (4 digits) + sequence (3 digits)

Example: MA-0234-001

Region Codes	Funding Codes
E - East	A - Adult
M - Metro	D - Dislocated Worker
N - North	
S - South	

2. OJT Agreement Approval

- Submit completed **EXHIBIT – ON-THE-JOB TRAINING AGREEMENT PACKET** to voucher@workforce.org.
- In the event the training agreement packet has missing information or incorrect information, SDWP staff will notify the AJCC training funds coordinator via the voucher corrections spreadsheet in SharePoint that the agreement is being returned listing the specific reason(s) for the return. The date of the AJCC’s signature remains the driving date to determine the agreement due date.
- Within two working days of receipt of the complete and accurate agreement, SDWP programs Department shall approve and forward the training agreement packet to SDWP’s finance department for approval.

E. TRAINING DOCUMENTATION

1. Activity Enrollment Summary

The AJCC staff shall confirm that the participant started training and shall document confirmation with the CalJOBS activity code.

- OJT – 301

2. Case Notes

The following sample case note shall be used:

On Date I called Name of Employer to verify that Name of Participant started training on Date. I spoke with Name of Contact and Contact's Title. Name of Contact verified that Name of Participant began training program on intended start date.

If the participant's start date was different that the "projected start date" noted on the training agreement packet, a case note should be used to document the change and the reason for the change.

F. OJT AGREEMENT INVOICE

SDWP Programs Department must receive the invoice section as part of the original **EXHIBIT – ON-THE-JOB TRAINING INVOICE** within fifteen (15) working days after the training month, or midpoint and/or completion date. Once the invoice is received, there can be no changes to the invoice.

1. Invoice Processing

The AJCC or Service Provider shall complete **EXHIBIT – ON-THE- JOB TRAINING INVOICE** and attach required payroll documentation and **EXHIBIT – CLARIFICATION OF HOURS FORM** to support the wage reimbursement. **ATTACHMENT – HOURS OF VERIFICATION FORM** is only to be used at end of fiscal year and will only be accepted for the days worked in which the employer could not produce payroll record due to their payroll dates.

If the invoice has missing or incorrect information, SDWP Program Department shall notify via the voucher corrections spreadsheet in SharePoint to the AJCC or Service Provider documenting that the Invoice has been returned and shall list the specific reason(s) for the return.

SDWP Programs Department shall forward the approved invoice to the SDWP Finance Department for payment directly to the Employer, in full, within 30 days of receiving a correct invoice.

G. OJT VOIDS AND DISCONTINUATIONS

Participants, at their right, may discontinue training at any point during the program. It is the responsibility of the AJCC Case Manager and Employer to work with each participant and ensure their training needs are met. However, a participant may not switch to a different training and/or Employer under the same OJT Agreement and may not be eligible for another OJT if they discontinue. Discontinuations will be evaluated on a case-by case basis by SDWP.

1. OJT Void

An OJT Void occurs when a participant decides to forego training. An OJT Void occurs when a participant does not start training and no costs are incurred.

Process

- An OJT Void requires the **EXHIBIT – ON-THE-JOB TRAINING AGREEMENT PACKET** (Page 1) to be voided within five (5) days of the training start date, if applicable.
- If the participant has begun training and no costs were incurred, the AJCC staff shall submit a data change request (DCR) to have the activity code removed.
- A case note noting the void and the reason for discontinuation must be added to the participant's profile in CalJOBS.

2. OJT Discontinuation

An OJT Discontinuation occurs when a participant starts training and discontinues training. If the participant's discontinuance is due to an unforeseeable emergency (e.g., illness, death) then the participant is eligible for reinstatement, based on approval.

Process

- An OJT Discontinuation requires the Discontinuation section of the **EXHIBIT - ON-THE-JOB TRAINING INVOICE** be completed within thirty (30) days.
- The AJCC staff shall document the change and update the OJT status CalJOBS activity code.
 - If an Actual Start Date was entered in CalJOBS and no invoice was submitted to SDWP, you must update the status in CalJOBS to **drop out of activity**, or
 - If an Actual Start Date was entered in CalJOBS and an invoice was submitted to SDWP for payment, update the status in CalJOBS **unsuccessful completion, and**
 - A case note noting the discontinuation and the reason for discontinuation must be added to the activity code.

Note: Once the OJT Invoice has been received by SDWP, the training activity code cannot be removed from CalJOBS, regardless of payment/refund status.

H. PROGRESS REPORT & ATTENDANCE

The Employer must provide an **ATTACHMENT - PARTICIPANT PROGRESS REPORT** on the participant's progress and attendance to the AJCC Staff by the tenth working day of each calendar month, as part of the Service Agreement. If the participant fails to attend training the Employer/training provider must inform the AJCC within three days of non- attendance. If the Employer/training provider fails to provide progress and attendance reports, the AJCC staff shall contact the Employer/training provider or Participant to obtain this information. All attempts to obtain the reports must be entered into CalJOBS.

I. REFERENCES

WIOA Regulations at 20 CFR, parts 680.200, 700, 710, 720, 730

[TEGL 2-15](#), “Operational Guidance for National Dislocated Worker Grants, pursuant to the Workforce Innovation and Opportunity Act (WIOA or Opportunity Act).”

[TEGL 19-16](#), “Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act Employment Service (ES), as amended by title III of WIOA, and for Implementation of the WIOA Final Rules.”

III. REFERENCED EXHIBITS

On-the-Job Training Agreement Packet

On-the-Job Training Invoice

Clarification of Hours Form

Hours of Verification Form