**On-the-Job Training Policy and Procedures**

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**On-the-Job Training Process**

**On-the-Job Trainings**

* OJTs provide a client with the opportunity to be trained with the knowledge and skills necessary for the full and adequate performance of a specific job.
* **Employers must be from the:**
  + public
  + private sector
  + private non-profit sector
* Required for an OJT:
  + **Pre-Award Review**—to see if an OJT is a good fit for the client and employer
  + **OJT Contract**—to outline the parameters of the OJT for the client and the employer
  + **OJT Plan**—to track the training received by the client from the employer
  + **OJT Oversight Plan**—to track the monitoring procedures (conducted by OJT staff) that will take place to ensure the OJT is in compliance with OJT policy
* OJT contracts **must be for full-time employment**.
* The employer must intend to retain the employee in the occupation and at the wage rate (or higher amount) provided by the contract, after the end of the training period (subject to the employer's right to terminate the trainee for normal business or personal reasons as appropriate).
* Employers may refer individuals to the service provider for a determination of program eligibility and assessment of suitability for on-the-job training. **Reverse referrals are allowed**.
* **Eligible OJT participants** must be enrolled in the WIOA Adult, Dislocated Worker, or Youth program and meet the requirements for this training activity.

**OJT FUNDING LIMITS**

* Employer reimbursement rate basis is up to 75% of the established wage dependent on the size of the business (1-200 employees – up to 75% reimbursement of the trainee’s wage; ~~51-250 employees – up to 75% reimbursement of the trainee’s wage;~~ and 201 and more employees – ~~standard statutory requirement of~~ up to 50% reimbursement of the trainee’s wage).

* Wage reimbursements cannot exceed the State’s average wage of $17.94 per hour.
* OJT limits follow WIOA local area OJT limits:
* Greater Omaha Workforce Development Area = $6,000 maximum
* Using O\*NET and working with the employer, the WIOA Service Provider willdetermine the appropriate length for the OJT.
* OJTs are limited to a length of time that is appropriate to the training for the client’s job.

**OJT TIME LIMIT**

* **OJTs are limited to a length of time that is appropriate to the training for the client’s job**.
* The time limit should not exceed 6 months without approval of the ~~Administrative Entity~~ HWS Director of Operations.
* The length of the OJT must take into account:
  1. Employer’s training content
  2. Client’s prior educational training
  3. Client’s prior work history

**OJT RESTRICTIONS**

* **Employers are not eligible for OJTs if they:**
* Have exhibited a pattern of failing to provide OJT clients with continued long term employment, wages, benefits, and working conditions equal to regular employees who have worked a similar length of time at the same type of work.
* Have been debarred or suspended from receiving federal contracts.
* **OJTs will NOT be developed for positions that:**
* Do not provide a self-sufficient wage. (A self-sufficient wage is defined as a wage that provides sufficient income to support a minimally decent standard of living, without public cash assistance.)
* Receive a majority of pay from commission or piece rate wages
* Are intermittent or seasonal
* Are temporary positions (except when the employer has the common practice of hiring all employees on a temporary basis, and letting them work into full-time permanent status after achieving pre-determined productivity levels, meeting qualitative standards, maintaining satisfactory attendance record, and/or other criteria as specified in the company's personnel policy)
* Use temporary employees who are supplied to an employer by a temporary agency/contractor
* Are in companies which have experienced a greater than average turnover rate during the preceding twelve-month period for similar types of industries
* Are in industries with a substantial number of experienced and able workers who are presently unemployed within the same labor market area (50 - mile radius)
* The employer has relocated within the United States, Washington DC, and its territories (until 120 days after the date on which such establishment commences operations at the new location, if the relocation results in a loss of employment for any employee at the original location.

**Determining Length of OJTs**

* Each OJT occupation must have an O\*NET SOC code (keep a copy with the contract)
* Use this information to determine the Specific Vocational Preparation (SVP) range for the occupation
* SVP ranges are 1—9
  + OJTs for SVP ranges 1 and 2 are not allowed under the OJT
  + OJTs for SVP ranges 7, 8 and 9 require HWS Director of Operations Approval
* Determine the OJT participant’s current related Educational Training and related Work History.
* Consider transferable skills the participant gained/learned from their educational training and work history and that can be utilized in the OJT.

Related educational training and work history may affect the number of hours for the OJT, because the participant has an increased skill level. Reductions will be affected by several factors, including but not limited to:

* how current the educational training is
* how much related educational training the participant has
* how current related work history is
* how much related work history the participant has

**OJT Pre-Award Review**

* Conduct a pre-award review to determine if the employer is qualified and capable of entering into a contractual agreement to provide on-the-job training.
* A pre-award review must be completed prior to the negotiation and approval of the OJT contract.
* The pre-award review must be completed WITH the employer. It is not sufficient to have the employer complete the form on their own.
* The pre-award review can be completed in person, electronically, or via telephone. If the form is completed over the phone, the employer must still sign the pre-award review form before an OJT contract can be developed.
* The pre-award review will be used to determine the maximum percentage of wage reimbursement, based on employer size.

**Enter the following information on the OJT Pre-Award Review:**

* ***Employer Information***—Outlines the circumstances/situation of the employer hosting the OJT.
* ***Position Information***—Outlines information about the position for the OJT.
* ***Applicant Information***—Outlines information for the participant applying for the OJT.

***Printed Name; Signature; Title; Date***—Must be signed by an employer representative and OJT program staff.

**IMPORTANT:** The Pre-Award Review must be completely and accurately filled out and signed before a determination can be made to enter into an OJT contract with the employer.

**OJT Contract**

* The OJT Contract outlines the rights and responsibilities of the employer, participant and the OJT Service Provider.
* A training contract must be developed between the Service Provider and the employer providing the training.
* The total cost of an OJT wage reimbursement must be outlined in the contract.
* The OJT contract must be limited to the period of time required for the client to become proficient in the occupation for which the training is being provided. **(The amount of time a client needs to be trained in a job before they can adequately perform those duties.)**
* OJT contracts must be for full-time employment (40 hours per week).
* The OJT contract must be filled out in its entirety.
* The OJT contract **will be INVALID if there are any blank or incomplete sections** (missing information), including signatures.

**OJT Plan**

* The OJT Plan is a log of the activities and training tasks performed by the employee.
* The OJT supervisor is responsible for completing, maintaining and submitting the OJT Plan.
* The OJT Plan should be updated regularly to reflect the training the employee is participating in and receiving.
* Employer Records or employer variations of the form can be used in place of the OJT Plan form, as long as the documentation shows the training the employee is receiving.
* There MUST be documentation to record the training received by the employee.
* **Enter the following information on the OJT Plan:**
* Trainee Name
* Social Security Number
* Employer
* Occupation
* O\*NET SOC Code
* SVP Code
* Average Hours Worked Per Week
* Employee contact number
* Name of Trainer(s)

***Authorized Employer Contact Signature***—employer representative signs the OJT Plan

**Procedure**

* **Training Tasks**—the duties/activities the employee was trained in
* **Training Method**—manner in which the Training Tasks were implemented:
  + Demonstration: Trainer demonstrates how to perform work
  + Supported Practice: Trainer works with the trainee and/or watches the trainee practice task
  + Independent Work: Trainee works alone and trainer checks the final product
  + Resources: Trainee uses charts, manuals, seminars, etc.
  + Other: please specify the training method that does not fall into one of the above categories
* **Time**—amount of time dedicated to the training activity
* **Attainment Date**—date when the employee successfully completed/gained the skills of the specified training tasks
* **Trainer’s Initials**—to confirm the training information is correct.

**OJT Oversight Plan**

* OJT business outreach/career specialists must implement an “Oversight Plan” for all OJTs conducted.
* This plan will track the monitoring procedures that will take place to ensure the OJT is in compliance with OJT policy.
* The plan indicates when Site Visits are conducted and what information has been gathered.
* The plan also outlines the reimbursement documentation that will be used to reimburse employers for wages expended on trainees; and the OJT payment processing schedule.

**Enter the following information on the OJT Oversight Plan for:**

**Participant’s Information:**

* Trainee (Participant’s name)
* OJT Dates (start and projected end dates of the OJT)
* Company (employer conducting the OJT)
* Job Title (trainee’s position at the company)

**Reimbursement System**

* Indicate which type of documentation will be collected from the employer for reimbursement:
  + Employer Payroll Registers which show actual employer expenditures and dates

**OR**

* + Other documentation. Specify the type of documentation; it must show the actual employer expenditures and dates.
* Indicate how often reimbursements will be processed:
  + Monthly
  + Quarterly
  + Other (specify how often)

**Site Visit(s)**—*a* ***minimum of one site visit*** *must be conducted per OJT*

* Date (of site visit)
* Time (beginning and end time of site visit)
* Met with Trainee (indicate if you met and talked with the trainee)
* Met with Trainer (indicate if you met and talked with the supervisor/trainer)
* Comments (document observations and client progress/challenges discussed/noted during the site visit)

**OJT Tool Contract (Optional)**

* The OJT Tool and Equipment Contract form should be used when WIOA purchases tools and/or equipment necessary for a participant to participate in an OJT.

* The WIOA Service Provider is the purchaser and owner of all OJT tools and/or equipment for the participant’s use during the OJT.
* Upon successful completion of the OJT, the tools and equipment purchased will become the participant’s property.
* If the participant does not complete the contracted OJT for any reason, all tools and equipment must be returned to the WIOA Service Provider.

**OJT Related Education Outline (optional)**

* The OJT Related Education Outline form should be used when OJT funds are used to reimburse an employer for paid classroom training through a Training Provider (not the employer).
* If the employer pays for client classroom training during the training period, the Service Provider will reimburse the employer based on the amount specified in the OJT contract.
* The Service Provider will reimburse the employer for classroom training time if the classroom training is not normally provided to regular employees.

**Wage Reimbursement**

* Wage reimbursement to the employer is for the costs of providing training and supervision related to training.

* Employer reimbursement rate basis is up to 75% of the established wage dependent on the size of the business (1-200 employees – up to 75% reimbursement of the trainee’s wage; 201 or more employees – up to 50% reimbursement of the trainee’s wage~~; and 251 and more employees – standard statutory requirement of 50% reimbursement of the trainee’s wage).~~
* Wage reimbursements to the employer cannot exceed $17.94 per hour.
* There is no limit to the hourly wage an OJT participant can earn, but the employer may only be reimbursed for the determined percentage up to $17.94.

***Example:***

* + OJT participant wages = $36/hour
  + Employer reimbursed 50% of $36 would equal $18/hour
  + $18/hour is greater than the maximum allowable reimbursement of $17.94/hour
  + Therefore the employer will only be reimbursed $17.94/hour
  + $36/hour x 40 hours/week = $1,440 paid by employer
  + $17.94/hour x 40 hours/week = $717.60 reimbursement to employer for paid wages
* The reimbursement percentage and maximum amount of reimbursement must be outlined in the OJT contract.
* The Employer must submit accurate payroll documentation for reimbursement.
* Accurate payroll documentation must show:
  1. Employer/Company name
  2. Employee’s name
  3. Wages paid out by the employer
  4. Date range for wages paid
  5. Employee’s wage rate
  6. Employee’s hours worked for the date range

**Wage Reimbursement Process**

* WIOA Program Staff must submit the following documentation to process an OJT wage reimbursement:
* Accurate Payroll Documentation (listed above)
* PO Request
* Copy of the contract with the first payment request
* Copy of the signed and dated training outline showing that all goals have been met should be included for the final reimbursement to the employer.