

On-the-Job Training

An On-the-Job Training (OJT) is training by an employer that is provided to a paid participant engaged in productive work to develop specific occupational skills or obtain specialized skills required by an employer that the participant does not already possess.

An OJT helps employers recruit more efficiently, hire better, prepare employees who understand workplace expectations, and reduce their training costs. An OJT helps jobseekers reenter the workforce quicker and learn skills in the workplace while earning a wage.

An OJT can bridge the divide between unemployment and employment for long-term unemployed individuals. Studies show that employment and earnings outcomes for workers are higher when training is closely targeted to specific occupations and industries, particularly in real work-based settings.

Adult, dislocated worker (DLW), and youth program participants are all eligible to participate in an OJT.

Participant Eligibility

In addition to meeting general eligibility requirements for the WIOA program, an OJT candidate cannot have worked for the employer at any time in the past, regardless of position, title or length of time since separation.

Eligible Employers

Eligible employers can be from the public, private non-profit, or private sectors.

Reverse referrals are allowed. Employers may refer individuals to NDOL staff for a determination of program eligibility and assessment of suitability for an OJT.

The employer must intend to retain the employee in the occupation and at the wage rate provided on 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 are not eligible for OJTs if they:

- Have been debarred or suspended from receiving federal contracts.
- OJT contracts must not be entered into with an employer who has received payments and previously exhibited a pattern of failing to provide participants with

continued long-term employment as regular employees with wages, benefits (including health benefits), and working conditions at the same level and to the same extent as similarly situated employees.

- OJT contracts may not be written with an employer whose business or any part of its business has relocated and employees at the employer's other location(s) were laid off as a result of the relocation until the employer has been in operation at its current location at least 120 calendar days.
- OJT contracts may not be written with temporary staffing agencies or employee-leasing firms for positions that will be "hired out" to other employers for probationary seasonal, temporary, or intermittent employment. The only exception is when the OJT position is with the staffing agency itself and not a position that will be "hired out."

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.)
- Are in companies which have experienced a 60% or higher turnover rate during the preceding twelve-month period.
- 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).

Wage Limits

Adult, DLW, and youth OJT contracts must be for full-time, permanent employment. They cannot be seasonal or temporary positions.

Exception: Youth currently attending school can enter into an OJT contract for part-time, permanent employment.

Individuals in an OJT must be compensated at the same rates, including periodic increases, as trainees or employees who are situated in similar occupations by the same employer and who have similar training, experience, and skills. Trainees must be provided 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 job.

To qualify, the following wages must be paid by the employer:

Adult & Dislocated Worker Wages	
Wage Paid by Employer	Cap for Entire OJT (not quarterly)
\$9.00 to \$11.99	Not Eligible for OJT Reimbursement
\$12.00 to \$15.99	\$5,000 cap
\$16.00 and up	\$7,000 cap

Youth Wages	
Wage Paid by Employer	Cap for Entire OJT (not quarterly)
\$9.00 (minimum wage) and up	\$5,000 cap

Rate of Reimbursement to the Employer

OJT payments to employers are deemed to be compensation for the extraordinary costs associated with training participants and the costs associated with the lower productivity of the participants.

The appropriate employer reimbursement rates for wages earned for OJTs is a maximum of fifty percent (50%).

- Official payroll records containing the trainee's hours and wages must be utilized to determine the amount reimbursed to an employer. Employers will submit the reimbursement request with supporting documentation to be reimbursed for their training costs no more than monthly and no less than quarterly.
- OJT reimbursements are made based on actual hours worked at the regular base rate per hour. WIOA funds are not to be utilized for holidays, sick leave, vacation or overtime hours. However, if a participant works overtime, the hours worked can be reimbursed at the regular base rate. Employers will be expected to compensate the trainee for such hours equal to other similarly situated employees and in accordance to State and Federal labor law for any overtime hours worked.

Time Limit

OJTs are limited to the period of time required for a participant to become proficient in the occupation for which the training is being provided.

The length of the OJT must take into account:

- Skill requirements of the occupation
- Participant's prior academic and occupational skills level
- Participant's prior work history
- Participant's individual employment plan (IEP)

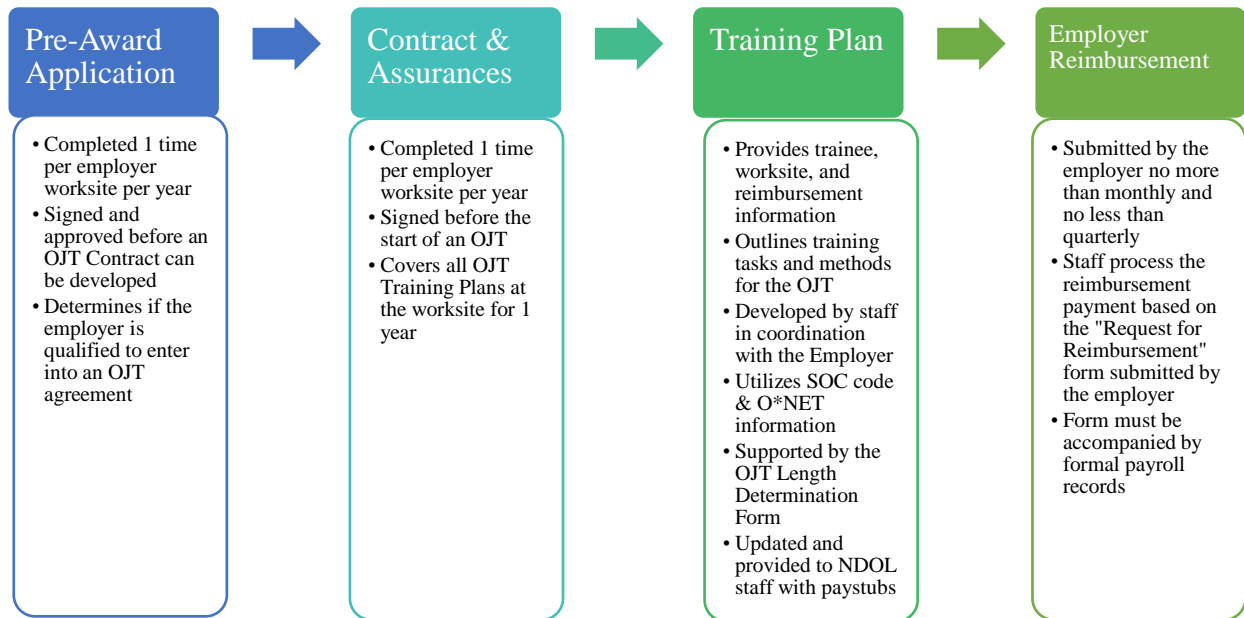
An OJT contract with an employer can be written for a maximum of 1040 hours. Under no circumstances can an OJT contract be written for a participant if the hours of training required for the position in which the participant to be trained is determined to be less than 160 hours.

Forms

The required OJT forms for each participant consists of the following:

- Attachment A [Pre-Award Review Application](#) (OJT- Pre-Award Review)
- Attachment B [Contract & Assurances](#) (OJT- Contract & Conditions)
- Attachment C [Training Plan](#) (OJT- Training Plan)
- Attachment D [Employer Reimbursement](#) (This is uploaded as part of the billing packet. There is no need to upload separately under a different index)
- Attachment E [OJT Length Determination](#) (OJT- Length Determination Form)

Each form must be completed in its entirety and uploaded to ECM under the above indexes highlighted in blue.



Pre-Award Application [Attachment A](#)

A pre-award application must be conducted prior to the negotiation and approval of the OJT contract. The pre-award is used to determine if the employer is qualified and capable of entering into a contractual agreement to provide an OJT.

The pre-award application can be completed in person or via telephone. If the form is completed over the phone, the employer must still sign the pre-award form before an OJT contract can be developed.

The pre-award application only needs to be completed by an employer one time per year for each worksite location. Save the completed pre-award applications here:

L:\Employment and Training\Employment & Training All\WIOA\Greater Nebraska\OJT Pre-Awards & Contracts

If you are unsure if an employer has a valid pre-award or contract you can reference this folder.

Enter the following information on the [Pre-Award Application](#) (Attachment A):

- **Company Name, Address, Phone Number**
- **FEIN (Federal Employer Identification Number)**- Unique for each employer.
- **Representative**—Employer contact responsible for coordinating approval of the OJT.
- **Email address**
- **Other names of company**- Any other name the company goes by. If none enter NA.
- **Questions 1-26**
 - **What business sector is your company?**- select one.
 - **How long has your company been in this area?**- Enter the years the business has been located in that area.
 - **Is the company being sold, closed, relocated or merging with another company?**- Select yes or no.
 - **Number of employees at the above location**- Select the number of employees at this worksite location only.
 - **Is Worker's Compensation Coverage provided?**- Select yes or no and enter the policy number and insurance company.
 - If worker's compensation is not provided the pre-award must be denied.
 - **Is your company presently disbarred or suspended from receiving Federal Contracts?**- Select yes or no.
 - If yes, the pre-award must be denied.
 - Managers ensure you verify this is accurate by searching this site:
<https://www.dol.gov/ofccp/regs/compliance/preaward/debarlst.htm>.
 - **Have there been any OSHA, wage and hour, or child labor law violations in the past year?**- Select yes or no.
 - **Have there been any NEOC or EEOC complaints or litigations filed against this company in the last 5 years?**- Select yes or no.
 - If yes, the pre-award must be denied. In limited situations the charges may be dismissed. If so, the contract may still be approved. Ensure employer includes the justification that the complaint was dismissed on the application.
 - **Have there been any lay-offs in the past 12 months?**- Select yes or no.
 - **What has been the employee turnover rate in the past 12 months?**- Enter the percent of turnover.
 - If the turnover rate is 60% or higher during the preceding twelve-month period the pre-award must be denied.
 - **Is your company up to date on paying Unemployment Insurance (UI) tax?**- Select yes or no.
 - If no, the pre-award must be denied.
 - **Have you used a staffing agency in the last 12 months?**- Select yes or no.
 - If yes, ensure the employer is aware OJT contracts can only be written for direct hire full time permanent positions.

- **How many new hires do you anticipate making in the next 2 years?**- List expected number of new hires.
- **Do you have sufficient equipment, materials, and supervisory time & expertise to provide necessary training?**- Select yes or no.
 - If no, the pre-award must be denied.
- **What job titles or job descriptions will be filled in the next 2 years?**- List the job titles or descriptions. If none, enter NA.
- **What licenses or entry certifications do your workers need?**- List any required licenses or certifications. If none, enter NA.
- **Are any of the jobs covered by a collective bargaining agreement?**- Select yes or no.
- **Is the pay of any job based upon commissions, tips, piecework, or incentives?**- Select yes or no.
- **Is there a base wage that commissions, tips, piecework, or incentives are added to?**- Select yes or no.
- **If yes, to either questions 18 or 19, what entry earnings may be expected?**- Enter expected entry earnings.
 - If the trainee will not be earning a sustainable wage an OJT contract cannot be completed for the position. If the trainee will earn the majority of their pay from commission or piece rate wages, the pre-award must be denied.
- **Do you have a payroll system that records all paychecks and amounts with federal and state tax withholdings?**- Select yes or no.
- **Does your company offer fringe benefits to your employees?**- Select yes or no.
- **If you offer fringe benefits, identify when they are available to new hires?**- Enter when benefits become available.
- **Has your company relocated from another labor market in the US within the last 120 days, leaving any workers behind?**- Select yes or no.
 - If yes, the pre-award must be denied.
- **If yes to question 24, please provide the date that production of good or services began at the new location-** Enter the date production began.
 - 120 days from this date the employer will be eligible to complete an OJT contract. A new pre-award will need to be completed.
- **Has your company filed a WARN notice in the past year?**- Select yes or no.
- **Certify accurate information-** Employer representative is certifying the accuracy of the information provided.
- **Signatures-** Must be signed by the employer representative and career planner.
- **NDOL Review-** Manager reviews the OJT Pre-Award Application and approves or denies the application. Reason must be provided for any denials.

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

Contract & Assurances

[Attachment B](#)

The OJT Contract & Assurances outlines the rights and responsibilities of the employer, participant and the OJT Service Provider. The OJT Contract & Assurances is a non-financial agreement established between the Nebraska Department of Labor (NDOL) and the employer, which establishes that the employer agrees to follow all the terms, conditions, and assurances.

The training contract must be developed between NDOL and the employer providing the training and is effective for one year or until all training plans initiated under this agreement are completed, whichever is later. The OJT contract must be filled out in its entirety and signed by all parties involved prior to the start of the OJT. Save the completed contract and assurances here:

L:\Employment and Training\Employment & Training All\WIOA\Greater Nebraska\OJT Pre-Awards & Contracts

If you are unsure if an employer has a valid pre-award or contract you can reference this folder.

Enter the following information on the [OJT Contract & Assurances](#) (Attachment B):

- ***Employer Name, Address***
- ***FEIN (Federal Employer Identification Number)***
- ***Employer Representative Contact Information***
- ***Worksite Location***
- ***Products or Services the employer provides***
- ***Type of Company***
- ***Signatures***—Must be signed by the employer representative, regional manager and the representative of the collective bargaining agreement, if applicable.

IMPORTANT: An OJT candidate cannot have worked for the employer at any time in the past, regardless of position, title or length of time since separation.

OJT contracts may be written with registered apprenticeship programs or participating employers in registered apprenticeship (RA) programs for the OJT portion of the RA.

Length Determination Form

[Attachment E](#)

To complete the length determination form you will use the SVP range and determine the participant's related educational training and related Work History.

"Related" does not have to be exactly the same as the OJT position. Take into account transferable skills the participant gained/ learned from their educational training and work history that can be utilized in the OJT.

Related educational training and work history will reduce the number of hours for the OJT because the participant has an increased skill level. Reductions are as follows:

Reduction for Related Educational Training

1. 2 or more years of related educational training = 25% reduction in training hours
2. 1 to 2 years of related educational training = 15% reduction in training hours
3. 6 months to 1 year of related educational training = 10% reduction in training hours
4. Less than 6 months of related educational training = 0% reduction in training hours

Reduction for Related Work History

1. 4 or more years of related work history = 50% reduction in training hours
2. 2 to 4 years of related work history = 25% reduction in training hours
3. 1 to 2 years of related work history = 10% reduction in training hours
4. Less than 1 year of related work history = 0% reduction in training hours

Enter the following information on the [OJT Length Determination form](#) (Attachment E):

- **Participant's Name**
- **Job Title**- Obtained from the Employer.
- **SOC Code**- Obtained from O*NET based on the job title and job description (Instructions to find the code are below).
- **O*NET SVP Range for OJT Training Occupation**- Obtained from O*NET based on the job title and job description (Instructions to find the code are below).
- **Maximum Training Hours**- This column will auto populate based on the SVP code entered.
- **Reduction for Related Educational Training**- Enter the reduction percentage, if applicable.
- **Total Hours Reduced for Education and Work History**— This column will auto populate.

- **Maximum OJT Hours**—This column will auto calculate the maximum allowable OJT hours after the reduction of hours for related education and work history.
- **Employee Hourly Wage**—Enter the hourly wage the employer will pay the participant.
- **Employer Wage Reimbursement Rate**— Enter the percent of reimbursement for the employer. Employer reimbursement rate is a maximum of fifty percent (50%).
- **Cost of OJT**—This column will auto calculate the entire cost of the OJT reimbursement.
- **Not to Exceed OJT Cap**- This column will auto calculate based off the hourly wage entered.
- **Portion not Covered**- This column will auto calculate the portion of the reimbursement not covered by WIOA, if applicable.
- **Signatures**- The form must be signed by the Career Planner and Manager.

IMPORTANT: If there is a wage/ pay increase during the OJT, a second OJT Length Determination Form will need to be completed: One with the initial wage and timeframe and the second indicating the increased wage and/or timeframe. On the OJT Training Plan, include the new reimbursement information.

Training Plan

[Attachment C](#)

The Training Plan identifies the financial and training obligation between NDOL and the participating employer. The plan is developed by the career planner in coordination with the employer. The plan outlines the activities and training tasks the employee will learn during the training period.

The Training Plan is specific to each WIOA participant; however, multiple training plans can be implemented under a single OJT Contract during the one year duration of the OJT Contract.

Throughout the OJT the employer indicates attainment of skills by initialing beside the training tasks and provides the plan to the career planner throughout the duration of the OJT. Career planners must upload the document to ECM indexed under *OJT Training Plan* each time an updated copy is received.

Career planner's utilize information found on [O*NET](#) to determine the appropriate training length and tasks for the occupation. The employer must provide a job title and/ or description to adequately determine the correct code. Steps to the necessary information:

- Search the occupation on [O*NET](#)

- The SOC code is found beside the occupation title (Example: 51-4121.06)
- Select the “Detail” tab in the View Report Section, look at the “Tasks” to be completed for the occupation, these “tasks” will make up the Training Tasks on the Training Plan if none are provided by the employer

Details Report for:
51-4121.06 - Welders, Cutters, and Welder Fitters

Updated 2012
Bright Outlook
green

Use hand-welding or flame-cutting equipment to weld or join metal components or to fill holes, indentations, or seams of fabricated metal products.

Sample of reported job titles: Aluminum Welder, Fabrication Welder, Fabricator, Fitter/Welder, Maintenance Welder, Mig Welder, Sub Arc Operator, Welder, Welder-Fitter, Welder/Fabricator

View report: **Summary** Details Custom

Tasks | Tools & Technology | Knowledge | Skills | Abilities | Work Activities | Work Context | Job Zone | Education | Credentials | Interests | Work Styles | Work Values | Related Occupations | Wages & Employment | Job Openings | Additional Information

Tasks Save Table (XLS/CSV)

Importance	Category	Task
90	Core	Weld components in flat, vertical, or overhead positions.
89	Core	Operate safety equipment and use safe work habits.
87	Core	Lay out, position, align, and secure parts and assemblies prior to assembly, using straightedges, combination squares, calipers, and rulers.

Each occupation has a Specific Vocational Preparation (SVP) range found on O*NET

- Select the “Summary” tab in the View Report Section
- Scroll down and look in the “Job Zone” section to find the SVP Range

Summary Report for:
51-4121.06 - Welders, Cutters, and Welder Fitters

Updated 2012
Bright Outlook
green

Use hand-welding or flame-cutting equipment to weld or join metal components or to fill holes, indentations, or seams of fabricated metal products.

Sample of reported job titles: Aluminum Welder, Fabrication Welder, Fabricator, Fitter/Welder, Maintenance Welder, Mig Welder, Sub Arc Operator, Welder, Welder-Fitter, Welder/Fabricator

View report: **Summary** Details Custom

Tasks | Tools & Technology | Knowledge | Skills | Abilities | Work Activities | Work Context | Job Zone | Education | Credentials | Interests | Work Styles | Work Values | Related Occupations | Wages & Employment | Job Openings | Additional Information

Tasks

- Weld components in flat, vertical, or overhead positions.
- Operate safety equipment and use safe work habits.
- Lay out, position, align, and secure parts and assemblies prior to assembly, using straightedges, combination squares, calipers, and rulers.
- Examine workpieces for defects and measure workpieces with straightedges or templates to ensure conformance with specifications.

Job Zone

Title Job Zone Three: Medium Preparation Needed

Education Most occupations in this zone require training in vocational schools, related on-the-job experience, or an associate's degree.

Related Experience Previous work-related skill, knowledge, or experience is required for these occupations. For example, an electrician must have completed three or four years of apprenticeship or several years of vocational training, and often must have passed a licensing exam, in order to perform the job.

Job Training Employees in these occupations usually need one or two years of training involving both on-the-job experience and informal training with experienced workers. A recognized apprenticeship program may be associated with these occupations.

Job Zone Examples These occupations usually involve using communication and organizational skills to coordinate, supervise, manage, or train others to accomplish goals. Examples include food service managers, electricians, agricultural technicians, legal secretaries, occupational therapy assistants, and medical assistants.

SVP Range (6.0 to < 7.0)

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The number of OJT training hours for a participant must be determined using the following SVP chart. The hours specified must be considered as a starting point for determining actual training hours. If the total number of training hours needed to successfully train a participant for the OJT position cannot be provided during the maximum contract length allowable, as many training hours as possible must be provided.

- SVP ranges are 1—9 (You will use the first number in the range as the starting point)
 - a. OJTs for SVP ranges 1 and 2 are not allowed
 - b. SVP range 3 maximum training time = 480 hours
 - c. SVP range 4 maximum training time = 640 hours
 - d. SVP range 5 maximum training time = 800 hours
 - e. SVP range 6 maximum training time = 960 hours
 - f. SVP range 7 maximum training time = 960 hours
 - g. SVP range 8 maximum training time = 960 hours
 - h. SVP range 9 maximum training time = 960 hours

Enter the following information on the [OJT Training Plan](#) (Attachment C):

1. Trainee Information

- **Participant's Name**
- **Job Title**—Obtained from the Employer along with a formal job description for the position
- **SOC Code**—From O*NET based on the job title and job description
- **Length of OJT (in hours)**—Based on OJT Length Determination Form
- **Start Date**—Obtained from the Employer

2. Worksite Information

- **Company Name**
- **Location**—for worksite

- **Supervisor's name and contact information**—to allow staff to maintain contact with OJT participant's supervisor
 - **Reimbursement Rate**—Based on OJT Length Determination Form
 - **Hourly Wage**—Obtained from the Employer
3. Training Reimbursement
- **Total OJT Training Hours**—Based on OJT Length Determination Form.
 - **Hourly Wage**—Obtained from the Employer
 - **Reimbursement Rate**—Based on OJT Length Determination Form
 - **Total OJT Amount to be Reimbursed**—should match OJT Length Determination Form
4. Immediate Family Conflict
- To determine if a conflict of interest exists due to supervision or decision making authority of immediate family members.
5. Previous Employment with Company
- An OJT candidate cannot have worked for the employer at any time in the past, regardless of position, title or length of term since separation.
6. Signatures
- Must be signed by the participant, employer representative, career planner, manager and the representative of the collective bargaining agreement, if applicable.

Employer Reimbursement

[Attachment D](#)

Employer reimbursement requests will be submitted by the employer no more than monthly and no less than quarterly. A "Request for Reimbursement" form must be submitted by the employer for the reimbursement request to be processed. The Request for Reimbursement Form must be accompanied by official payroll records containing the trainee's hours and wages and must be utilized to determine the amount reimbursed to the employer. Accurate payroll documentation must show:

- Employer/Company name
- Employee's name
- Wages paid out by the employer
- Date range for wages paid
- Employee's wage rate
- Employee's hours worked for the date range

An employer must have a W-9 (formal tax document) on file with NDOL.

- The form can be downloaded from the internet.
- Employers must complete the form and provide it to the career planner to submit with the first OJT payment.

For more information on completing the W-9 reference Section 19 Bill Pay Guide of this manual.

Enter the following information on the [Request for Reimbursement form](#) (Attachment D):

- **Date**—date the form is filled out.
- **Submitted by**—the name and title of the individual at the company that is compiling and submitting the reimbursement request .
- **Company Information**
- **Wage Information Table**
 - **Employee Name**
 - **Payroll Dates**- The dates must match the paystubs.
 - **Hourly Rate**—Reflects the hourly wage that reimbursement is based upon. Hourly reimbursements will not be made on overtime pay rate, shift differential pay rate, premium pay, and other non-regular wages paid by the employer. Must match the wage indicated on the paystubs.
 - **Hours Worked**—The reimbursement cannot be based upon non work time such as illness, holidays, plant downtime or other events in which no training occurs.
- **Total**—Displays the total amount paid by the employer to the trainee.
- **Employer Reimbursement Rate**—The percent of reimbursement outlined on the OJT Training Plan.
- **Total Requested Amount of Reimbursement**—The amount of reimbursement to the employer based on wages paid and percent reimbursement.

Bill Pay

When submitting the OJT bill pay packets reference section 19 Bill Pay Guide for the SA template and list of required documents.

Required Action

Complete the pre-award, contract and assurances, training plan, and length determination form prior to the start of the OJT. Complete the employer reimbursement form for each OJT reimbursement submitted.

Opening the NEworks Activity

Career planners must open the NEworks activity on the day the participant begins their OJT.

Follow the Opening an NEworks Activity procedures in Section 4 Documentation of this manual. Case note the services provided and open a corresponding IEP/ISS objective.

NEworks Code & Service, Course, Contract Name		
301	On-the-Job Training	OJT
428	WEX-On-the-Job Training	OJT

Monitoring

Monitoring will be completed at least once a month, in person or via phone or email, and must be documented in a case note and ISS/IEP. Monitoring must include participant progress, working conditions, compensation made and benefits provided to the participant, and invoicing by and reimbursement to the employer.

Example

OJT Monitoring (case note title): Conducted an OJT site visit today. Met with Joe Smith, Heather’s direct supervisor. Joe said Heather is catching on quickly and fits in great with the team. He said he will be submitting copies of her paystubs in a couple of days for the previous month.

OJT Monitoring (case note title): Called Barb McCall, Jennifer’s direct supervisor to check in on her progress. Barb said Jennifer is doing ok, but seems to be struggling with catching on to the computer programs they use. We discussed how WIOA could provide Jennifer Alison course information so she could spend extra time learning how to operate the programs. Barb thought that was an excellent idea. I will let her know what courses are available and will assist Jennifer in registering for the ones that provide the most accurate training.

Closing the NEworks Activity

Career planners will complete the closure on the last day of the training period and should not wait until the final payment/reimbursement has been made to the employer. Follow the Closing an NEworks Activity procedures in Section 4 Documentation of this manual.

If the participant completes their OJT successfully and is happy with their employment, close all open activities, close the IEP/ISS and create a successful case closure. Ensure you select “yes” for entered employment.

If the contract ended prematurely the career planner will close the OJT activity and discuss next steps with the participant.

- If it is appropriate for the participant to continue to be part of the WIOA Title 1 program, the career planner will continue to assist the participant with their employment plan.
- Enrollment in a second OJT is prohibited. However, career planners can assist the participant with other job searching needs.

If the participant does not continue with the WIOA Title 1 program, the career planner will close all activities and create case closure.

Examples of prematurely ended contracts may include, the participant:

- Quit
- Was fired
- Received another job with another business

The OJT Employer should retain the OJT contract and supporting payroll documentation for the participant.