



WORKFORCE DEVELOPMENT BOARD
OF SOLANO COUNTY

POLICY ISSUANCE

Date: September 21, 2018 Number: 2018-07

ON THE JOB TRAINING POLICY

INTRODUCTION

This policy provides guidance in providing On-The-Job Training (OJT) services to eligible Workforce Innovation and Opportunity Act (WIOA) Adults, Dislocated Workers, and Youth. WIOA provides for states and local areas to provide a standard of up to 50% of the wage rate of the participant to employers for the costs of training while the participant is in the program. The purpose of the OJT is to provide eligible participants with structured occupational skills training on an actual job worksite, to expose them to the same employment conditions as any other member of the employer's workforce, and to offer them continued, unsubsidized employment opportunities or other allowable positive outcomes upon completion of their training. The following provides information on the minimum requirements/elements for OJT.

QUESTIONS

Questions relating to this policy should be directed to Marion Aiken, Workforce Services Manager, at maiken@solanowdb.org or at (707) 863-3594.

ATTACHMENTS

None

POLICY

On-the-Job Training (OJT) is training by an employer that is provided to a paid participant while engaged in productive work in a job that:

1. Provides knowledge or skills essential to the full and adequate performance of the job;
2. Is made available through a program that provides reimbursement to the employer of up to 50% of the wage rate of the participant for the extraordinary costs of providing the training and additional supervision related to the training; and
3. Is limited in duration as appropriate to the occupation for which the participant is being trained, taking into account the content of the training, the prior work experience of the participant, and the service strategy of the participant, as appropriate.

An OJT is provided through an employer to a participant. An OJT may be provided by an employer in the public, private non-profit, or private sector. OJTs may also be provided by a registered apprenticeship program sponsor for the OJT portion of the registered apprenticeship.

An OJT is an effective training tool for eligible WIOA program participants because it combines working and earning wages, while gaining the additional skills needed to be successful on the job. It is a form of training that helps participants who have been unsuccessful in finding employment to become gainfully employed while training. As such, OJTs are not a wage subsidy to employers for hiring of an employee. Rather, OJT funds are deemed to be compensation for the extraordinary costs associated with training participants and the costs associated with the lower productivity of the participants while they are in training. Employers are not required to document such extraordinary costs.

OJT ELIGIBILITY

To be eligible for OJT services, the trainee can be an unemployed worker or an employee earning less than the self-sufficiency standard for the county of residence.

To be eligible for an OJT, an unemployed worker must:

1. Be enrolled in the WIOA program;
2. Have participated in assessment activities;
3. Have a completed an Individual Service Strategy (youth) or Individual Employment Plan (adults and dislocated workers); **and**
4. Have been referred to and hired by an employer, but need specific skills in order to become proficient on the job.

To be eligible for an OJT, an employed worker must:

1. Meet conditions 1-4 under unemployed worker eligibility above;
2. Be earning less than a self-sufficient wage (determined by Workforce Development Board of Solano County (WDB) policy) or receiving wages less than 80% of wages from previous employer; **and**
3. Need specific skills related 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.

To be eligible to sponsor an OJT, an employer must:

1. Have been established at their current location for 120 days;
2. Be in good financial standing at the federal and state level; **and**
3. Have provided previous OJT participants, if applicable, with continued long-term employment after the OJT period as regular employees with wages and employment benefits (including health benefits) and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.

CONTRACT PARAMETERS

OJT contracts must be limited to the period of time required for a participant to become proficient in the occupation for which the training is being provided. In determining the appropriate length of the contract, consideration should be given to the skill requirements of the

occupation, the academic and occupational skill level of the participant, prior work experience, and the participants' Individual Employment Plan (IEP) or Individual Service Strategy (ISS).

A skills gap analysis must identify the O*Net job zone for the occupation for which the OJT is being developed. The OJT maximum hours limits are set based on the Specific Vocational Preparation (SVP) codes for job zones identified for the occupation on O*Net.

| SVP Code | Job Zone | Maximum Hours of Training |
|----------|----------|---------------------------|
| 3 | 1 | 360 hours |
| 4 | 2 | 520 hours |
| 5 | 2 | 680 hours |
| 6 | 3 | 840 hours |
| 7 | 4 | 1,040 hours |

Higher additional SVP code OJTs may be provided with WDB Management approval. Based on the skills gap analysis, a training plan must be developed prior to OJT program start. The skills gap analysis must be documented in the participant file and included in the case notes.

Employers may be reimbursed under an OJT contract for up to 50% of the wages for the contract period. WDB staff may also negotiate reimbursement rates of less than the allowed maximums. There are also instances when the reimbursement percentage may be up to 75%, when taking into account the following factors:

- The characteristics of the participants (e.g. length of unemployment, current skill level, and barriers to employment);
- The size of the employer (e.g. small and medium-sized business often have more barriers to participation at lower reimbursement rates);
- The quality of employer-provided training and advancement opportunities; **and**
- Other factors the WDB may determine appropriate (e.g. the number of employees participating in the training, wage and benefit levels of the employees (both pre and post participation earnings), and relation of the training to the competitiveness of the participant).

All contracts proposed at 75% reimbursement must be approved by the Planning and Oversight Committee of the Workforce Development Board. Factors used when increasing the wage reimbursement level from 50% to 75% must be documented by staff and included in the contract file.

The WDB requires a written, signed agreement between WDB and an authorized employer representative prior to the start of work. At a minimum, an OJT contract between the WDB and an employer must comply with the requirements of Sections 194(1) and (4) of WIOA and include:

1. The occupation(s) for which training is to be provided;
2. The duration of the training;

3. The wage rate to be paid to the trainee/participant;
4. The rate of reimbursement;
5. The maximum amount of the reimbursement;
6. A training plan that outlines the occupational areas or skills the participant will be trained to perform, specific measurable objectives, and number of hours of training required to obtain those skills;
7. A description of any other separate classroom training that may be provided by the employer;
8. The employer's agreement to maintain and make available time and attendance, payroll, and other records to support amounts claimed by the employer for reimbursement under the OJT contract; **and**
9. Required written assurance clauses.

A progress and final evaluation must be completed by the OJT employer to evaluate the obtainment of the skills during the OJT program as outlined in the training plan. In the event that the initial training plan does not provide enough time to successfully obtain the skills needed for the job, a revised training plan may be developed to accommodate additional training time, provided that the total time does not exceed the maximum period identified by the occupation's job zone. All documentation related to the OJT contract and reimbursement must be included in the program participant's file.

In most cases, OJT is not considered to be an appropriate training activity for individuals under the age of 18. If staff wishes to utilize this vehicle on behalf of a participant under the age of 18, prior written authorization must be obtained from WDB Management.

It is the intent of the WDB to use OJT contracts for positions that pay at or above the self-sufficiency standard.

CONTRACT ASSURANCES

In the contractual language, the employer must comply with the following standards:

1. Participants/trainees shall be compensated at the same rates, including periodic increases, as trainees or employees who are similarly situated in similar occupations by the same employer and who have similar training, experience and skills. Such rates must be in accordance with applicable law, but may not be less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) or the applicable State or local minimum wage law.
2. Participants/trainees shall 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 work.
3. Health and safety standards established under Federal and State law otherwise applicable to working conditions of employees are equally applicable to working conditions of participants/trainees engaged in the OJT.

4. Workers' compensation insurance must be provided to participants/trainees engaged in the OJT on the same basis as the compensation is provided to other individuals in the State in similar employment.
5. The employer is in compliance with Federal and State laws including those laws pertaining to nondiscrimination based on race, color, sex, religions, national origin, age, disability, sexual orientation, and marital status.
6. The employer is not experiencing abnormal labor conditions such as strikes, lockouts, or layoffs.
7. The OJT participant/trainee will not displace (including partial displacement, such as reduction in the hours of non-overtime work, wages, or employment benefits) any currently employed employee at the date of participation.
8. The OJT participant/trainee will not be employed in or assigned to a job as a result of a layoff from the same or any substantially equivalent job; a result of termination of the employment of any regular, unsubsidized employee; or that in any way infringes on the promotional opportunities of currently employed workers at the date of participation.
9. The employer or immediate supervisor is not providing OJT training to a member of his/her immediate family (defined as: wife, husband, son, daughter, mother, father, brother, brother-in-law, sister, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, aunt, uncle, niece, nephew, grandparent or grandchild).
10. No funds provided to employers for OJT are used to employ the participant/trainee in a position involving political activities.
11. No funds provided to employers for OJT are used to directly or indirectly assist, promote or deter union organizing.
12. No funds provided to employers for OJT are used in the employment or training of participants/trainees involved in the construction, operation, or maintenance of that part of a facility which is used for religious instruction or worship (sectarian activities).
13. The OJT is not impairing existing contracts for services or collective bargaining agreements. If an OJT activity would be inconsistent with a collective bargaining agreement, the appropriate labor organization and employer must provide written concurrence before the OJT begins.

DISCLAIMER

This policy is based on WDB's interpretation of the statute, along with the Workforce Innovation and Opportunity Act; Final Rule released by the U.S. Department of Labor and federal and state policies relating to WIOA implementation. This policy will be reviewed and updated based on any additional federal or state guidance.

REFERENCES

Law

- Workforce Innovation and Opportunity Act (WIOA) of 2014

Federal Guidance

- Workforce Innovation and Opportunity Act (WIOA) Final Rule: 20 CFR Part 680 – 683

- Training and Employment Guidance Letter WIOA (TEGL) 19-16 – [Guidance on Services provided through the Adult and Dislocated Worker Programs under WIOA](#)
- Training and Employment Guidance Letter WIOA (TEGL) 3-15 – [Guidance on Services Provided Through the Adult and Dislocated Worker Programs Under WIOA](#)

Approved by

Workforce Development Board of Solano County



WORKFORCE DEVELOPMENT BOARD
OF SOLANO COUNTY

EMPLOYEE ACKNOWLEDGEMENT OF RECEIPT AND UNDERSTANDING FOR:
ON-THE-JOB-TRAINING POLICY
(Issued September 2018)

The Workforce Development Board (WDB) of Solano County's On-the-Job Training Policy contains important information pertaining to my employment and duties at the WDB.

A copy of this policy has been given to me to retain for future reference, and I have been provided with the location on the Shared Drive for the policy where I can obtain an electronic copy.

Since the information and policies described in the policy are necessarily subject to change, I acknowledge that revisions to the policy may occur. All such changes will be communicated through official notices. I understand that revised information may supersede, modify, or eliminate existing policies.

I have received the On-the-Job Training Policy and I understand that it is my responsibility to read and comply with the information contained in this policy and any revisions made to it.

I understand that I should consult with my supervisor if I have any questions about the information contained in the policy. I understand that failure to comply with the information contained in the policy could lead to disciplinary action or termination.

Employee's Name (printed): _____

Employee's Signature: _____ Date: _____



WORKFORCE DEVELOPMENT BOARD
OF SOLANO COUNTY

POLICY ISSUANCE

Date: January 18, 2019

Number: 2018-07 Change 1

ON-THE-JOB TRAINING (OJT) POLICY

CHANGE 1

INTRODUCTION

This policy change adds additional information on wage reimbursement rates under On-the-Job Training (OJT) contracts for enrolled Workforce Innovation and Opportunity Act (WIOA) clients under the Adult and Dislocated Worker grants.

QUESTIONS

Questions relating to this policy should be directed to Marion Aiken, Workforce Services Manager, at maiken@solanowdb.org or at (707) 863-3594.

POLICY CHANGES

The change modifies the following paragraph to the Contract Parameters section of the On-the-Job Training Policy allowing exceptions to the wage reimbursement rates for employers hiring individuals with disabilities. Changes are bolded and italicized.

CONTRACT PARAMETERS

Contract reimbursement rates may be increased to 75% if employers are hiring individuals with disabilities. All ***other*** contracts proposed at 75% reimbursement must be approved by the Planning and Oversight Committee of the Workforce Development Board. Factors used when increasing the wage reimbursement level from 50% to 75% must be documented by staff and included in the contract file.

DISCLAIMER

This policy is based on WDB's interpretation of the statute, along with the Workforce Innovation and Opportunity Act; Final Rule released by the U.S. Department of Labor, and federal and state policies relating to WIOA implementation. This policy will be reviewed and updated based on any additional federal or state guidance.

Approved by

Workforce Development Board of Solano County



WORKFORCE DEVELOPMENT BOARD
OF SOLANO COUNTY

POLICY ISSUANCE

Date: September 22, 2023

Number: 2018-07 Change 2

ON-THE-JOB TRAINING (OJT) POLICY, CHANGE 2

INTRODUCTION

This policy change adds additional information on wage reimbursement rates and the training cap under On-the-Job Training (OJT) contracts for enrolled Workforce Innovation and Opportunity Act (WIOA) clients under the Adult and Dislocated Worker grants.

QUESTIONS

Questions relating to this policy should be directed to Marion Aiken, Workforce Services Director, at maiken@solanowdb.org or at (707) 863-3594.

POLICY CHANGES

The changes modify the following parameters of the On-the-Job Training Policy as a result of allowing exceptions to the wage reimbursement rates for businesses with 50 or fewer employees. Changes are bolded and italicized.

CONTRACT PARAMETERS

- ***Contract reimbursement rates may be increased up to 90% for businesses with 50 or fewer employees.*** Factors used in increasing the wage reimbursement level up to 90% must be documented by staff and included in the contract file. This change will remain in effect until the recently approved California Employment Development Department On-the-Job Training Waiver period has ended.
- ***OJT Training Cap may be increased from \$7,500.00 to \$10,000.00*** for businesses with 50 or fewer employees and will also remain in effect until the On-the-Job Training Waiver period has ended.

DISCLAIMER

This policy is based on WDB's interpretation of the statute, along with the Workforce Innovation and Opportunity Act; Final Rule released by the U.S. Department of Labor, and federal and state policies relating to WIOA implementation. This policy will be reviewed and updated based on any additional federal or state guidance.

Approved by

Workforce Development Board of Solano County