



ONEWORKSOURCE
BUSINESS & EMPLOYMENT CENTER

Clinton, Essex, Franklin and Hamilton Counties On the Job Training Policy

I. PURPOSE OF THE ON-THE-JOB TRAINING (OJT) PROGRAM

OJT is an allowable activity authorized by the Workforce Innovation and Opportunity Act (WIOA) and is conducted by a private or public-sector employer. It is allowable when an individual is required to obtain additional skills to perform at his/her employment.

There are two features of an OJT program:

- The individual trains as a new employee;
- The individual is trained at the workplace under supervision to acquire occupational skills and knowledge in an “on-the-job” training environment;

An OJT program can be utilized by employers who have difficulty filling their skilled labor force needs with qualified workers or employers who want to upgrade their current workforce. Employers may use an OJT in these instances by training eligible WIOA customers. Employers are reimbursed the additional training costs which would exceed expenses normally incurred in training for the position.

The focus of the OJT program is on the individual as it is designed to provide an opportunity for WIOA-eligible individuals to receive training necessary to acquire skills and knowledge that will enable them to maintain unsubsidized employment and job advancement.

When administered correctly and operated properly, OJT provides the most direct opportunity for unsubsidized employment for WIOA customers.

II. EMPLOYER ELIGIBILITY FOR ON-THE-JOB TRAINING PROGRAMS

Employers are eligible to participate in the OJT program if they have been unable to meet their skilled labor force needs through normal recruiting procedures. In order to participate in the OJT program, employers must meet the following guidelines:

1. Provide information including their Federal Employer Identification number to demonstrate they are a legitimate employer with full-time employees and conducting their trade or business at an appropriate work site.
2. Must not be involved in a current labor dispute and must not have a history of frequent layoffs.

3. Must not utilize an OJT contract to displace currently employed workers or reduce the hours of those employed below their normal schedule.
4. An OJT contract cannot be written for a position in which a worker is currently on lay-off or for a position that will deny a current worker promotional opportunities.
5. OJT must be conducted at the employer's place of business or off site with the trainee's knowledge if the off site is a significantly further distance under the supervision of the employer's personnel and may not be subcontracted.
6. Must express the individuals hired and trained under the OJT contract would not have been hired in the occupation specified in the absence of such a contract.
7. May not include employers who have relocated, either in whole or in part, if such relocation resulted in the loss of employment for any employee of the company at the original location, including:
 - a. Relocation of any of its operations from facilities located in one labor market area within the United States and its territories to a new or expanding facility in another labor market. This restriction extends for a period equal to 120 days following the commencement or the expansion of the relocating company.
 - b. The North Country Workforce Development Board (NCWDB) has established a preliminary review process to verify that a new establishment is not relocating employment from another area. (See Attachment B)
8. Whenever there is an inquiry from a new employer that has relocated from another labor market area regarding the development of an OJT contract, the OneWorkSource staff will complete the Preliminary Review form found in Attachment B.
 - a. The Preliminary Review form is to ascertain whether the relocating employer has caused a loss of employment at its original location. The WIOA regulations require that a period of 120 days elapse before an OJT contract can be written. If the relocation has not caused unemployment, the NCWDB can develop a contract.
 - b. Questions 1 through 11 of the Preliminary Review form are to be completed by the relocating employer. OneWorkSource staff may assist and with the completion of this form for the employer during an on-site visit.
9. Not more than 33% of a company's workforce may be enrolled in OJT at any one time. Waivers to this policy may be extended where economic development circumstances such as major plant expansions or start-ups exist.
10. The training of an individual in circumstances where there is a sole proprietor may be allowed if the employer can demonstrate that sufficient training and supervision will be afforded the trainee. Any employer with four or less employees may be considered for one trainee.
11. OJT contracts will be permitted with a company where current and/or past NCWDB members are employed or otherwise have a financial or personal interest. The NCWDB Executive Director shall be informed about the type and number of these contracts.

12. OJT contracts may be written in the public sector, (excluding federal agencies and the US Postal Service) provided there is a budget item for the position at the completion of the OJT contract.
13. All persons providing training to the trainee will be listed in the Contract in the Training Staff portion of the Training Outline. To assure trainees receive instruction and feedback on work performed; at least one of the specified trainers must be accessible in person to the trainee at the worksite for a minimum of 50% of a standard workday throughout the training period.
14. Per Title I of WIOA, an employer must pay trainees the same rates as employees who perform a similar occupation and who have similar training experience and skills. Trainees must also receive the same working conditions and benefits as those in similar employment. The anticipated reimbursement of wages must not be used to provide higher wages to trainees than employees in similar positions not covered by the OJT program.

(The following is a guide to determining eligibility for businesses, which have previously participated in OJT contracts, or similar sponsored training activities.)

15. If the employer was previously involved in an OJT training program or similar training activity, prior performance will be utilized to assist in determining contract approval. The specific criteria to be used are as follows:
 - a. Provide information on the status of participants trained under these contracts, including:
 - i. The number of individuals who participated in programs.
 - ii. The number of participants who completed training and continued employment with the employer.
 - b. In determining employer eligibility for multiple contracts, the following circumstances need to be considered:
 - i. The employer demonstrated “satisfactory performance” in previous OJT or other training programs.
 - ii. Due to decreased annual WIOA funding, employers will be limited to a maximum of five contracts within a program year. Satisfactory performance will be measured by an employer retaining at least 80% of its trainees beyond the length of the OJT contract and by retaining at least 80% of the contract completers for one year following the end of the OJT contract.

If the employer has not provided trainees with long-term employment or comparable wage, the employer will be disqualified from OJT program for **one year**, after which, the employer may be reevaluated for program participation if a good faith effort has been made to correct previous problem.

III. DUE DILIGENCE

Businesses considered for OJT will be evaluated by the completion of the Responsibility Questionnaire, The second is the due diligence process, including a Pre-Award Review (see Attachment B) to be completed by the NCWDB and the New York State Department of Labor (NYS DOL).

1. Responsibility Questionnaire for businesses:

- a. As required by NYS DOL Technical Advisory (TA) 10-15.2 (updated), Local Workforce Investment Area (LWIA) On-the-Job tTraining Policy, the Responsibility Questionnaire must be used for all grants, contracts and subcontracts under WIOA and can be found in the TA.
- b. If an organization has submitted a Responsibility Questionnaire within the last 12 calendar months, an attestation that the information presented in the form remains true, accurate and complete is needed (see Attachment D).

2. Due diligence for businesses:

- a. Due diligence must occur for businesses using the guidelines outlined in TA 10-15.2, including completing checks at the local and state levels (refer to TA 10-15.2 for the required checks). Due diligence must include a check of the business registration with New York State Department of State Division of Corporations and Federal OSHA records.
- b. Requests for state level checks should be submitted to OJTDueDiligence@labor.ny.gov with the NYS DOL Regional Business Services Associate listed in the CC line of the request. The subject line should read "OJT/NEG Due Diligence Request – [Business Name]." Upon receipt of the request, NYS DOL will send a confirmation e-mail to the requesting local area.
- c. Due to the confidential nature of the state level check, NYS DOL will provide an e-mail response of "Found to be Responsible," "Issues Pending," or "Not Found to be Responsible" for each entity rather than provide specific information. These responses will be provided within three business days from the date of the confirmation of receipt.
- d. This review provides an overview of the organization when the review takes place. The information checked during the review is updated quarterly. The review is therefore considered valid for a three-month period beginning on the date of completion. After this period, the organization must undergo a new due diligence review to enter into a new contract.
- e. To ensure due diligence is completed quickly, requests for OJT/NEG must be submitted using the OJT Due Diligence Request Form (see Attachment E) and include the following:
 - i. and address;
 - ii. FEIN;
 - iii. Business Contact information including phone number and e-mail address;

- iv. Industry/Type of Business;
- f. Local areas can continue to work with businesses while awaiting the results of the due diligence process. Recruiting/candidate selection/interviewing activities should be taking place concurrently.

IV. OCCUPATIONAL QUALIFICATIONS

Occupations requiring significant training and instruction to acquire skills and knowledge are eligible for OJT. The following guidelines determine occupations eligible for OJT:

1. Must be anticipated in demand.
2. Must not be intermittent, temporary or seasonal. Temporary employment is defined as employment with a pre-determined end-date, or employment which does not provide similar benefits as compared to regular employees.
3. Must not involve compensation in the form of commission as the source of reimbursement to the trainee.
4. Must not include political or religious activity.
5. Must have career advancement potential.
6. Must have training as a pre-requisite for employment and must require a minimum of four weeks of training to reach performance to indicate the trainee is progressing to acceptable productivity. Priority should be given to high skill occupations appropriate for participants who require long-term training.
7. Must provide a minimum weekly hours totaling 30 (or other specified hours approved by the OneWorkSource manager). Waivers to this policy are allowable for individuals with disabilities and older workers (55 years and older). *See Attachment A for specific OJT program requirements.
8. Must provide an hourly wage of at least 12.00 per hour - with waivers for lower if approved and with justification. Waivers are allowed for individuals with disabilities and older workers (55 years and older) and youth. The NCWDB Executive Director may waive this requirement on a case-by-case basis. Each exception must be approved in writing (see Attachment A for specific OJT program requirements).
9. Continued employment in the position may not be dependent on a test (i.e. Civil Service Test or physical exam).

V. CLIENT ELIGIBILITY

The participant must meet current eligibility criteria as defined by WIOA under the Adult, Dislocated Worker or Youth definitions. The individual must receive an Individual Employment Plan (IEP) to document an OJT is an appropriate activity. The participant must express an interest in the area of training and possess the ability and aptitude to learn the skills offered by the training program. *See Attachment A for specific OJT program eligibility.

1. Client Recruitment and Assessment:

Each OneWorkSource Center is responsible for customer intake and referral and to evaluate the customer's job readiness for OJT.

- a. A client is considered to be OJT-ready if he or she:
 - i. Has identified an occupational area for which immediate employment is a realistic goal;
 - ii. Has the interest and aptitudes necessary to begin an OJT position;
 - iii. Has resolved or has plans to resolve such employment barriers as transportation, day care, housing, health, or other barriers that can prevent successful OJT participation;
 - iv. Has a positive attitude toward working and is eager to participate in OJT;
 - v. Will obtain or approach program wage goals at the completion of the OJT contract;
 - vi. Possess the basic skills needed to perform the job including but not limited to math, reading, understanding the English language and others that are necessary to OJT training;
 - vii. Does not have prior experience and/or education in the occupational area for which OJT is considered;
 - viii. Lacks the occupational skills required for employment;
- b. OJT will be considered inappropriate for individuals presently on temporary lay-off and expected to be recalled by their former employer.
- c. OJT is inappropriate for individuals awaiting other program activity participation (e.g. classroom training). OJT is not to be treated as a temporary program activity.
- d. OneWorkSource staff is responsible to complete the IEP for clients considered for OJT participation. The elements listed above must be contained on the IEP and documented in OSOS as to the appropriateness of the OJT referral, placement and the training length determined for the OJT trainee. The IEP assists in documenting activity but also provides the client with an understanding of WIOA activities that he or she will progress through to eliminate barriers to long-term employment.

2. OJT Job Development

- a. OneWorkSource staff determines that an OJT position is an appropriate course of action for the jobseeker (documented in the IEP). The OJT program starts with the jobseeker and progresses through job development with qualified employers and when an OJT contract is written. Regional Business Services team can refer job openings to the OneWorkSource Centers.
- b. In some instances "reverse referrals" may be allowed. This may occur when a potential client is referred to WIOA for eligibility and certification for OJT participation from an employer or other agency. This type of contracting will be permitted only when:

- i. The client progresses through the intake process ;
 - ii. The completed IEP states OJT is necessary for the client to perform the work associated with the occupation;
 - iii. The prospective employer meets the requirements of this policy.
- c. The referrals to OJT positions must be substantiated by an assessment of the client's needs, interests, education and previous work history. In instances when the client has similar work experience, OneWorkSource staff will take the information into consideration when reviewing the training outline from the employer and in determining the training period.
 - d. The OJT contract will consider the education and previous training of the client in designing the training.
 - e. OJT will not be allowed for clients previously employed by the prospective employer in the same or similar job.
 - f. OJT will not be allowed when an individual was hired by the employer prior to the execution of an OJT contract, except for cases when the individual is eligible and appropriate for OJT as an incumbent worker.

VI. INCUMBENT WORKERS

1. OJT contracts may be written for upgrading skills for incumbent workers; OneWorkSource staff should determine the need for training based on the identified or stated skills' gap.
2. OJT contracts for incumbent workers must reflect an assurance by the employer that on successful completion of the training period the trainee will receive an increase of pay of 10% based on performance. OJT contracts for lay-off aversion, trainees must be retained in the position.
3. Incumbent worker trainings should only be allowed when the employer makes available a new position and hires the employee through OneWorkSource Center.

VII. DETERMINING TRAINING LENGTH

The allowable length of OJT for an employer is based on several guiding principles, including the following:

1. OJT is provided to enable an individual to gain skills and knowledge while on-the-job and compete with co-workers. It is not intended to last until the individual is 100% productive or proficient in the occupation.
2. OJT outline provided by the employer is one of the determinants for training length. It should be as detailed as possible. OneWorkSource staff may assist the employer in the development of the training outline.

3. Because OJT is client-focused, the individual's IEP should document OJT as the preferred program activity for the client and should contain a description of the skills, knowledge, education and work experience already possessed by the client. The training outline must be developed in consideration of these factors.
4. OneWorkSource staff should use the following procedure to determine contract length:
 - a. Identify information by recording the name of the OJT trainee, the employer and the job title in which employment and training is offered.
 - b. Determine the O*NET job title and code for the occupation.
 - c. Determine the Specific Vocational Preparation (SVP) level associated with the O*NET Code.
 - d. Evaluate the OJT trainee's previous work experience, education and training background to reduce the unadjusted training hours.
 - e. In instances where the OJT trainee has a disability that requires training time in excess of that required of an individual without such a disability, OneWorkSource staff may determine that additional hours are justified and will contribute to the success of the OJT program.
5. Under no circumstances shall the amount of OJT reimbursement exceed six months of total training hours (not including unavoidable and/or authorized absences including holidays, vacations, illness, temporary plant shutdowns) or 499 hours for part-time training, including any additional time spent in related classroom training during which wages are paid to the trainee by the employer. Part-time training applies only to disabled individuals unable to work full-time.
6. The NCWDB will not reimburse wages beyond 40 hours per week. A waiver may be considered for employers whose standard work week exceeds 40 hours (e.g., 12-hour shift, split week, etc.). However, total program training hours will be computed as though the trainee worked a standard 40-hour week. Reimbursement for more than 40 hours, when approved, will be at the regular contract rate without any adjustment for the overtime rate. *see Attachment A for specific OJT program requirements.

VIII. TRAINING OUTLINE

1. The employer will complete the training outline utilizing the maximum hours allowable. OneWorkSource staff will work with employers to shape the training outline to the needs of the trainee. The training outline will address relevant skills, knowledge, experience and education of the client as documented on the IEP.
2. The training outline must state the units of knowledge and skills required during the training period. It must list these skills and units of knowledge in sequence and identify the approximate number of hours of training time for each.
3. The training outline must identify performance standards to be achieved for each skill and knowledge area and the performance criteria to be used to evaluate the trainee's progress and achievement.

IX. OJT CONTRACT

1. The OJT contract must be executed the day of, or prior to, the trainee commencing employment.
2. OJT contracts must be reviewed and approved by the OneWorkSource manager prior to the trainee commencing employment.
3. Two original copies are to be signed by the employer and the OneWorkSource manager.
4. The contract package is attached to this policy.

X. TERMINATION CLAUSE

The NCWDB will not reimburse wages of a trainee or pay related expenses of a trainee who is not retained beyond the first 10 days of employment with the contracted employer. The contract will be voided if the trainee resigns or is terminated prior to the 10th day of employment.

XI. OJT CONTRACT DISTRIBUTION

Once the OJT contract has been executed, it is to be distributed as follows:

- Original to the employer;
- Original copy to the fiscal department Contract File;

A copy of the contract’s general information sheet and the training outline is to be maintained in the fiscal department Contract File.

XII. OJT CONTRACT VOUCHERS AND PAYMENTS

1. Employers will be provided vouchers to submit for the trainee’s wage reimbursement. The employer may submit vouchers monthly or bi-monthly or may wait until contract completion to submit vouchers for payment.
2. Final claims for re-imbursement must be received within 60 days of the end of the contract.
3. The maximum allowable cost for OJT programs is \$3,000 per trainee. Exceptions can be made with the approval of the NCWDB Director and as funding allows.
4. When a sliding scale is used, the type utilized will be identified in the OSOS and/or the hard file. (Business Size vs. Skill Gap)

5.

Trainee Wage	Maximum Reimbursement Percentage	Minimum Required Employer Match
\$ 12.00/hr	30%	70%
\$ 13.00/hr	40%	60%

\$ 14.00/hr or higher	50%	50%
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XIII.MONITORING

1. In addition to OneWorkSource oversight measures which include periodic on-site visits, the NCWDB will conduct periodic on-site compliance reviews of the OJT contracts. Each new contractor will have an on-site compliance review prior to contract completion. Each contractor will be reviewed every two years.
2. On-site or phone service visits are to be conducted by OneWorkSource staff originating the contract or other designee identified by the OneWorkSource manager. The representative shall utilize the "OJT On-Site" (see Attachment C).
3. The first service visit is to be conducted within two to four weeks of the start of the contract. Additional phone or on-site visits shall be determined by the OneWorkSource staff. Duration of the training program, employer and trainee involved should be considered when determining the number of visits.

XIV. CONTRACT MODIFICATIONS

Occasionally, contracts may be amended formally . When modifications are required, circumstances under which modifications may not be made the format and instructions utilized to prepare and execute these changes are highlighted below:

1. Types of Modifications:
 - a. Adding or deleting OJT contract slots;
 - b. Extending the end date of the contract;
 - c. De-obligations;
 - d. Changes in signatory authority;
2. Unallowable Modifications:

Modifications to change the scope of work in the OJT contract under the following circumstances are not allowed:

- a. Changes in the contract following the completion of the total training hours detailed in the contract.
- b. Change the level of employer reimbursement resulting in an wage increase to the trainee unless it is demonstrated the trainee was assigned additional responsibilities that expended the original training. The reimbursement schedule will not be changed due to increased work week hours. The employer will be reimbursed based on the original starting wage and for the original number of hours per week the trainee was expected to work.

- c. Increase the number of contracted hours for the trainee who originally started this program or his/her replacement.

3. Format and Instructions:

- a. Include the contract number, funding source and start date as listed on the OJT contract.
- b. Identify the type of modification(s).
- c. Identify the effective date of the modification. Under no circumstances will this date be later than the end date of the original contract or subsequent modifications.
- d. Describe the general intent of the modification e.g., "This modification adds an additional OJT position to the contract in the occupation 'Carpenter;" "This modification adds additional training days for a replacement trainee;" or "This modification de-obligates the balance of funds unexpended through the modification date."
- e. In some cases, it may be more practical to re-write the entire contract rather than change individual pages.
- f. For modifications that de-obligate the balance of the contract, explain the reason(s) for the de-obligation.
- g. All pages that change as a result of this modification are to be added to the contract.
- h. Obtain the necessary signatures.