OhioMeansJobs

On-the-Job Training Guidance Manual

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INTRODUCTION

This On-the-Job Training Guidance Manual contains information, tips for implementation and form templates to assist local workforce areas in providing On-the-Job Training (OJT) services to employers and job seekers.

OJT is a strategy that has a proven track record of helping unemployed workers gain new skills to find and retain employment. The purpose of this manual is to:

- Increase the utilization of OJT.
- Provide basic standards and suggestions for operating subsidized OJT under both the Workforce Investment Act (WIA) and Trade Adjustment Assistance (TAA) programs.
- Encourage OJT providers to develop consistent protocol and processes across workforce areas for conducting effective OJTs.

This manual serves as a general guide for Ohio's local areas. Information provided is not considered legal advice. It is the responsibility of each user of the On-the-Job Training Guidance Manual to ensure that the delivery of OJT activities meet all federal, state and local requirements.

The OJT Guidance Manual is intended to be used for both the WIA and Trade OJT programs. This coordination is intended to streamline requirements for the benefit of employers and mutual customers of the workforce investment system. Any differences between program requirements are noted within this manual.

Included in this manual are forms to be used at the local level. Some forms are considered samples. Others are to be incorporated into existing local forms as required by the ODJFS OJT Comprehensive Policy. Several forms are used by Trade program staff at the local level. Please note that all questions marked with an asterisk are mandatory according to regulations.

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OVERVIEW OF ON-THE-JOB TRAINING

What is On-the-Job Training?

OJT is one strategy for individuals to receive training funded through the WIA and TAA programs. The term ''on-the-job training'' means training by an employer that is provided to a paid participant while that participant is engaged in productive work in a job that:

- Provides knowledge or skills essential to the full and adequate performance of the job;
- Provides reimbursement to the employer for the costs associated with training the OJT trainee, which are usually calculated at half the pay rate for the agreed-upon training period; and
- Is limited in duration, taking into account the type of job, the participant's prior related work and education, and the participant's individual training plan or strategy.

The statutory and regulatory foundation for OJT is provided in the Workforce Investment Act of 1998, Public Law 105-220, the Trade Act of 1974, and their respective regulations:

WIA Sections 101 (31), 181 and 188,
20 CFR 663.700 through 663.730, and
20 CFR 667.268 through 667.275.
20 CFR 617.25
TEGL 22-08 D.6

OJT is an excellent vehicle for individuals to build their skills, reestablish themselves in new fields and increase employment retention and self-sufficiency. OJT also provides an incentive to employers to hire using the public workforce system and to invest in employee skill development. It is a very good option for job seekers who:

- Have run out of unemployment compensation or need to earn a wage while learning an occupational skill;
- Are uncomfortable in a classroom setting;
- Prefer to learn by doing and can learn the skills necessary for the occupation more thoroughly on the job;
- Need a small enhancement to a current skill set to become employable; or,
- Need supervision as they learn specific skills for an occupation.

Employers providing OJT can receive reimbursement for a portion of the hourly pay rate – typically up to 50 percent of the participant's pay. An agreement with the employer will specify the duration of training, as well as the skills and competencies to be acquired by the participant. The length of the training period depends on:

- The complexity of the job;
- The participant's skills; and
- Prior related work and education.

OJT provides an incentive to employers to hire, retain and upgrade employee skills, and trainees can earn as they learn.

**Note: The State of Ohio has requested and received a waiver from the U.S. Department of Labor/Employment and Training Administration to increase reimbursement rates for small and medium-sized businesses for WIA-funded OJTs.*

RULES AND REGULATIONS

Authorization

WIA Sections 101 (31), 134 (d)(4)(D)(ii), and 188 define, authorize, and provide context for the implementation of OJTs. Federal Regulations found in 20 CFR 663 and 667 provides further guidance as follows:

OJT "Mechanics":

1. 20 CFR 663.700 includes the rationale for OJT: employer provision of occupational training in exchange for up to 50 percent wage reimbursement as compensation for "extraordinary costs." This section forbids OJTs with employers who exhibit a pattern of failing to provide long-term employment or wages or benefits similar to those given regular employees. It also explains how the length of an OJT is to be determined and references the "individual training plan."
2. 20 CFR 663.705 discusses OJT eligibility for employed workers who are below self-sufficiency and allows OJT so they can learn new technologies, new production or service procedures, additional skills, acquire "workplace literacy," or for "other appropriate purposes identified by the Local Board."
3. 20 CFR 663.710 states that the 50 percent OJT reimbursement is for "training and lower productivity" and for "additional supervision." Employers need not document the extra costs.
4. 20 CFR 663.730 bars OJTs that "assist, promote or deter union organizing."

Prohibitions:

1. 20 CFR 667.270 (the federal WIA regulations) prohibits displacement of regular, unsubsidized employees by participants. This section includes the layoff rule, has extensive anti-displacement provisions and affirms the primacy of collective bargaining agreements.
2. 20 CFR 667.272 covers pay, work conditions and fringe benefits. Participants are to be treated the same as regular employees.
3. 20 CFR 667.274 addresses workplace health, safety and workers' compensation.
4. 20 CFR 667.275 includes nondiscrimination and equal opportunity provisions and forbids employment or training in sectarian activities. 20 CFR 667.266 offers additional guidance on sectarian activities.
5. 20 CFR 667.268 prohibits business relocation assistance.
6. 20 CFR 617.25 includes the corresponding Trade program prohibitions listed in 1-5 above.

GUIDANCE AND RELATED TERMINOLOGY

In this section you will find information on:

- Higher Reimbursement Rates for Small and Mid-sized Employers
- The "Head Count" to Determine the OJT Reimbursement Percentage
- Local Operation (used in determining employer size)
- Layoff
- Business Relocation
- Substantially Equivalent Work
- Displacement of Regular Employees
- Conflict of Interest
- OJT Plus Classroom or Other Training
- Upgrade OJTs
- Union Concurrence

Higher Reimbursement Rates for Small and Mid-sized Employers (specific to WIA only)

Ohio has received a waiver from the U.S. Department of Labor (DOL) that permits up to a 90 percent reimbursement rate for small employers (50 employees or less) and up to a 75 percent reimbursement rate for mid-sized employers (51 to 250 employees). Ohio will market OJT reimbursement at the 50 percent level but will permit local workforce areas to make case-by-case exceptions. Local workforce areas should take precautions, including coordination arrangements, to minimize the likelihood that an employer may receive contradictory information from another Ohio workforce area concerning the maximum OJT reimbursement rate. Factors to be considered when deciding whether to provide higher reimbursement rates may include, but are not limited to, the following:

1. The unemployment rate in the local workforce area is higher than the state unemployment rate;
2. An especially intensive training plan, possibly including classroom training, during which the trainee will not be engaged in productive work;
3. Employer-provided tools, equipment and/or supplies beyond the norm;
4. Fringe benefit provision, particularly employer-paid health care insurance, which may begin during the training period;
5. Significant workplace safety precautions and employer-provided safety training beyond the norm; and
6. The overall availability of OJT funding in the workforce area.

The "Head Count" to Determine the OJT Reimbursement Percentage (specific to WIA only)

In order to determine the employer size, the local workforce area must conduct a "head count" and note the result on the Employer Information Form (JFS 80646). This form does need not be updated during the timeframe established in the OJT agreement unless the employer requests it to be updated or until the OJT agreement reaches its end date. If a small employer becomes a large employer in the midst of an OJT agreement, the reimbursement rate may remain at its original percentage until the OJT agreement ends.

To determine how many people are employed at any given work site, apply the following guidelines:

- Include all full-time and part-time workers and temporary and permanent workers, including all managers and front-line workers;
- Include any individuals employed by a staffing agency who are subject to the day-to-day control of the host employer;
- Do not use "FTEs." Every worker counts as "1";
- Include individuals employed within the same local operation (see below);
- Do not include individuals employed by and subject to the day-to-day control of other employers or independent contractors;

The "head count" is a snapshot. Use the best, good faith estimate provided by the employer on the day when the OJT Employer Information Form is completed.

Local Operation (specific to WIA only)
Employer size is to be based on the employment at the company's local operation where the OJT placements will be made. For instance, a hotel chain that employs thousands nationwide, but only 40 at its facility in the targeted region, may be eligible for reimbursement up to 90 percent.

In determining what geographic boundaries define the employer's local operation, local workforce areas should use their best judgment based on their analysis of the employer's size and structure. The following considerations should be taken into account:

- How the employer deploys and organizes its staff geographically, with employer-defined regions possibly defining the various local operations;
- The distance between the various work sites, with a reasonable commuting distance around the OJT work site a possible indicator of a local operation;
- The boundaries of the labor market or economic development region, which could indicate potential boundaries for the employer's local operation; and
- The cohesion between the various work sites in creating a single finished product, with all the work sites that contribute to the product considered to be part of the local operation.

Layoff

Absent a clear and applicable layoff definition found in a collective bargaining agreement or personnel policy, the following terms shall govern:

1. A layoff is the termination of an employee with the intent to recall that employee when work and consequent employment opportunities increase. If a laid off employee refuses a recall request, that employee is no longer considered to be in layoff status;
2. Layoff recall rights shall last six months from the last day of work prior to the layoff. If more than one person is on layoff from a same or similar position as the OJT trainee, and all those people worked their last day more than six months before the OJT training plan began, the OJT may proceed and the employer may be reimbursed without regard to the previous layoffs;
3. The prohibition barring the use of WIA funds to subsidize employment applies only when one or more people are on layoff from a same or substantially similar job at the same local operation;
4. Short maintenance layoffs shall not affect the employment of workers on other shifts or lines at the same local operation;
5. Individuals who are employed by a staffing agency, and who are subject to the host employer's day-to-day control, shall be included within the layoff definition. If a staffing agency employee and a person employed by the host work site perform the same or substantially equivalent work, a layoff of either worker shall be considered a layoff by both employers.

Business Relocation

Employment within one local operation controlled by an employer may grow while employment at another location controlled by that employer is in decline. This does not necessarily mean that work is being relocated. The key consideration is whether employment loss in one labor market is directly related to employment growth in another U.S. labor market. Factors to be considered include:

1. The employer's stated intent. If an employer says it intends to relocate work from one U.S. labor market location to another that statement must be taken at face value. For example:
    a. A technology firm in Sunnyvale, California lays off three highly skilled software engineers and sixty days later hires six entry level programmers in Columbus, Ohio. The company says its Columbus branch has taken over the work formerly done in Sunnyvale and that is why the entry level programmers are needed. Relocation has occurred because the company stated that the employment growth in Columbus was directly caused by employment loss in Sunnyvale.
2. The existence of an applicable collective bargaining agreement or a personnel policy defining work relocation. The terms of the bargaining agreement or personnel policy are determinative;
3. The connection between employment growth at the Ohio location and employment loss in another U.S. labor market. The critical question is whether employment growth at the Ohio location contributed to employment loss in another U.S. labor market. For example:
    a. A retail clothing store in Cleveland, Ohio adds employees because business is booming. A Chicago, Illinois retail clothing store owned by the same parent company closes at about the same time. Relocation has not occurred since retail sales at the

Cleveland location are unrelated to retail sales in Chicago. Employment loss in Chicago was not caused by employment growth in Cleveland.

b. A pipe manufacturer in Youngstown, Ohio lays off 20 production workers. The South Bend, Indiana subsidiary owned by the same parent company adds 10 production workers in the same month to make the same type of pipe. Relocation has occurred since employment growth in South Bend appears to be directly related to employment loss in Youngstown.

4. The employer's signed certification in the OJT agreement that no relocation has occurred must be taken at face value and given great weight, absent a clear indication (from one or more of the above factors) that a work relocation has occurred;

5. The prohibition barring the use of WIA or TAA funds to assist employers in any way when relocation has occurred is lifted 120 days after work has commenced at the new location. The term "commencing work" means more than identifying a new location or beginning the hire process. It means beginning to actually perform the relocated work at the new location. For example, if pipe making has been moved from Illinois to Ohio, the 120-day period begins when pipes begin to be made at the new Ohio location;

6. In cases where a company relocates from one US labor market to Ohio and any worker is left behind and remains unemployed at the old location, the relocation prohibition applies. The unemployed worker left behind need not be in a same or substantially similar job. Services may be provided to the company in the new location after 120 days of operation.

7. The term "unemployed" means qualifying for unemployment insurance. If all "left behind workers" choose permanent retirement or do not qualify for unemployment insurance, the relocation bar does not apply.

When requested, ODJFS will issue an opinion as to whether a relocation has occurred. Questions can be emailed to WIAQNA@jfs.ohio.gov or Trade@jfs.ohio.gov.

Substantially Equivalent Work

The term "substantially equivalent" is used in the layoff and relocation guidance. "Substantially equivalent" is a much higher standard than "similar" or "partially overlapping." Work that is "substantially equivalent" must be almost the same as the work to which it is being compared.

Any collective bargaining agreement or personnel policy that determines whether given jobs or work are the same or substantially equivalent shall be determinative. If neither the bargaining agreement nor personnel policy covers the situation, the employer's statements and certification in the OJT agreement should be reviewed to decide whether the work is substantially equivalent. Absent clear and convincing evidence that the work is the same or substantially equivalent, the employer's statements or certification shall be determinative.

Finally, if neither of the two cases listed above resolve the situation, compare job titles and work duties. If the overlap is 80 percent or greater, the work is substantially equivalent.

Displacement of Regular Employees

Both WIA and Trade prohibit the displacement of an unsubsidized employee by a WIA or Trade-subsidized employee. The non-displacement rule covers hour reduction and infringement upon promotional opportunities, as well as layoffs and termination. Unlike the layoff prohibition, there is no requirement that the job performed by a displaced worker be the same or substantially equivalent to the job performed by the subsidized WIA or Trade participant. The key to the displacement prohibition is intent: if the employer reduces a regular, unsubsidized employee's earnings in any way, shape or form because of the belief that a WIA or Trade-subsidized participant will offset related lost productivity, displacement has occurred.

Conflict of Interest

Refer to "Serving Immediate Family Members, Close Acquaintances and Other Stakeholders in WIA," WIA Policy Letter No. 08-13.2 (5/26/2011) and UC Policy Guide "Excluded Services / Remuneration," Part 1, Section 5, paragraph 6. Also, read and become familiar with the local workforce area's and the agency's conflict of interest policies and procedures, which may be more restrictive than the state policy letters. An OJT-related conflict of interest can arise in several ways:

a. The business owner or the trainee's direct supervisor is a member of the trainee's immediate family. In this instance, it is not advisable to approve the training plan;

b. The business owner or the trainee's direct supervisor is a member of a WIA or Trade-funded staff person's immediate family. In this instance, the WIA or Trade-funded staff person should declare the conflict in writing and should have no involvement with the execution, oversight, reimbursement or monitoring of the OJT contract or related training plans;

c. A WIA participant receiving OJT may be a member of a WIA-funded staff person's immediate family. In this case, refer to the above-cited policy letter. It is impermissible for a publicly funded employee to favor or appear to favor a family member;

d. Similar issues arise when a close relationship exists between the trainee, an employer, the trainee's direct supervisor or a WIA-funded staff person. The close relationship could be a "significant other" or a business partner. These types of close relationships are hard to define precisely. The key is to preserve public trust and to avoid the appearance of favoritism. When in doubt, declare the conflict to your supervisor and handle the situation in a way that removes any hint of favoritism.

OJT Plus Classroom or Other Training

It is permissible to offer a participant both classroom training and an OJT. The two training activities could be concurrent or sequential. Either way, documentation for justifying the need for training is always required. The provision of both types of training may help participants who have completed or are close to completing classroom training gain practical experience in their field. Another approach is to purchase concurrent classroom training for OJT trainees to add skills that are critical to employment, job retention or gaining a wage increase.

For Trade purposes, this is also allowable. However, the OJT must be a part of the training plan that is developed with the customer. Once a training plan expires, it cannot be modified, so it is imperative to add the OJT prior to expiration.

If a TAA-funded training plan expires, a WIA-funded OJT can be provided to a TAA participant who is WIA-eligible. As with all OJT participants, however, an assessment of the need for additional training must be conducted, with consideration given to both the participant's existing skills and the skills the employer needs. This assessment is the basis for the OJT and must be documented.

Apprenticeship programs usually offer a concurrent mix of work-based and classroom-based training. This approach has proven to be particularly successful in increasing wages, productivity and job retention. The key is to make the decision on whether to offer OJT, classroom training or a combination of both based upon the participant's individual training and employment plan. If the OJT follows classroom training, the training length will usually be adjusted to account for prior related education and is likely to be shorter than the specific vocational preparation (SVP) codes would indicate.

Upgrade OJTs

20 CFR 663.705 allows "upgrade" OJTs for employed workers who are "below self-sufficiency." Each local workforce area is required to define "self-sufficiency" for employed adults, dislocated workers and youth who will receive OJT or customized training. Take care to ensure that employed WIA participants are determined eligible in accordance with the local area's self-sufficiency policy. Upgrade OJTs can be used to help participants learn newly introduced technologies at the workplace, new production or service procedures, additional workplace skills, workplace literacy, or "other appropriate purposes identified by the local Board." Upgrade OJTs should last only as long as it takes to learn the upgraded skills.

For Trade purposes, customers are not considered suitably employed until they are making 80 percent of their former wage. This means that Trade customers are eligible for OJTs if they provide the customer with an opportunity to increase their existing wages, so they can reach the 80 percent goal.

Union Concurrence

If the work site is covered by a collective bargaining agreement, the bargaining agent must be given an advance chance to review the OJT arrangements. If the labor union objects to the OJT agreement, no training plans can be approved until the union approves. The best way to handle this requirement is to meet with the labor representative and explain the OJT agreement. The union should be contacted as soon as possible after the employer expresses interest in an OJT opportunity. The labor representative should be given a standard letter to sign off on. At a minimum, this letter should express the union's concurrence with the employer's OJT agreement. The union concurrence letter is valid throughout the OJT agreement period. If a strike or other work stoppage occurs, all OJT agreements shall be suspended at that work site until the strike or stoppage ends. This requirement may be waived in writing by the union if the trainee's job is not directly affected by the strike or stoppage.

OJT and Private Placement/Staffing Agencies

Many job openings are filled by "host employers" using staffing, "temp" or personnel agencies. Staffing agencies are usually the employer of record. They provide pay and benefits and are responsible for payroll taxes and workers' compensation. The host employer is usually responsible for providing the work and work space. Training can be the responsibility of the host employer, the staffing agency or both.

Sometimes a "temp to hire" situation exists, with a plan to transition the new hire from the staffing agency to the host employer at a set time. Sometimes the staffing agency may employ the new hire for days, months or even years. There is no standard industry-wide arrangement.

When regular WIA funds are used for an employment situation involving a staffing agency, several factors must be considered prior to approving OJT funding:

Turnover Pattern

- Is there a good chance of long-term continued employment at the work site? Turnover patterns should be studied, and if there is a "ballpark" 70 percent chance or better of continued employment for a year or more, the use of a staffing agency should not be an obstacle. Turnover patterns can be estimated based upon past experience at the work site and based on a conversation with the host employer and the staffing agency. This conversation should occur when the Employer Information Form is completed and at least every year thereafter when the OJT agreement is renewed.

Pay and Benefits

- Does the pay rate meet state and local requirements? Are benefits the same for similarly employed individuals? Are new hires commonly let go just prior to the transition to employment by the host employer?

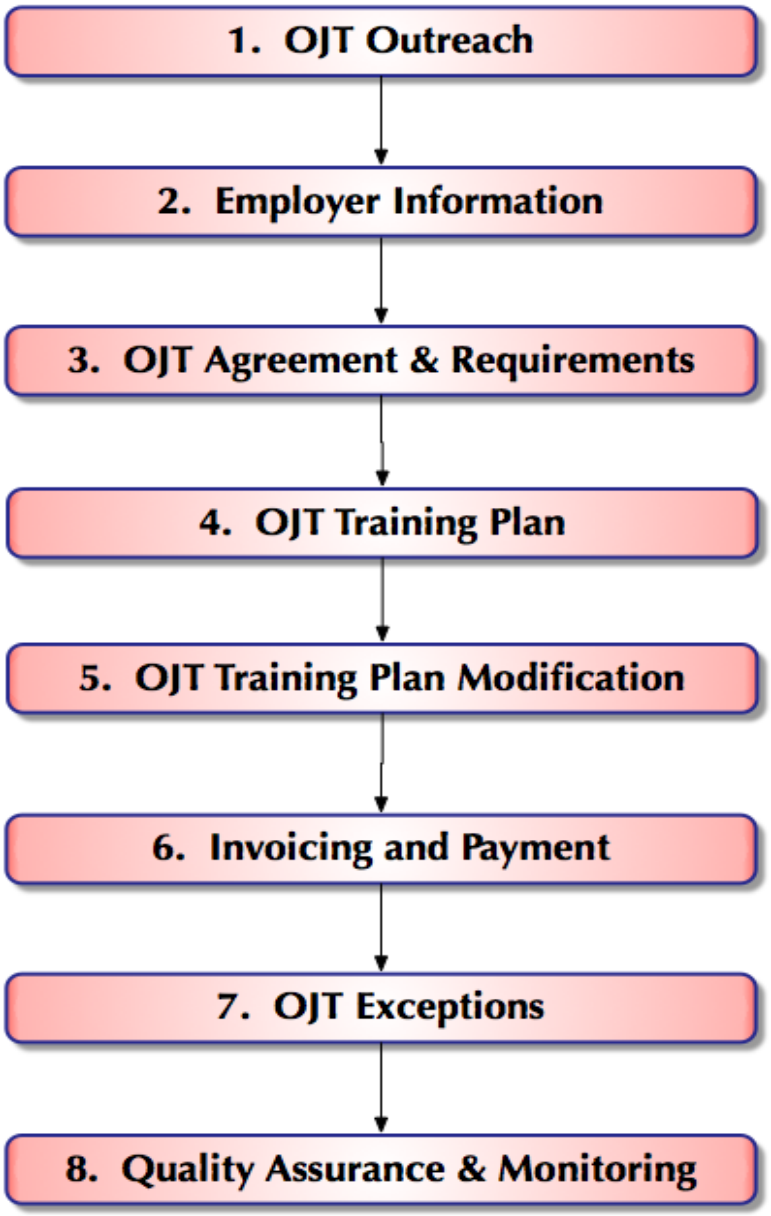
Paperwork

- Whenever a staffing agency is involved, make sure that both the host employer and the staffing agency sign off on all OJT paperwork. Meeting OJT obligations is a dual responsibility of the host employer and the staffing agency.

The Reimbursement Check

- It is critically important to determine up front, when the Employer Information Form is completed, which entity will receive OJT reimbursement checks. This is a call to be made jointly by the host employer and the staffing agency.
- Regardless of which company receives reimbursement, the amount must be based on the OJT worker's actual wages, exclusive of any fees paid to the staffing agency.

STEPS IN CONDUCTING AN OJT



Note: This section of the manual includes OJT forms and templates (as listed below) for local workforce areas to use in developing and entering into on-the-job training agreements with employers. Some of the forms are shared by both the WIA and Trade programs. Local workforce areas may add additional data elements to the required forms below. However, data elements noted with asterisks must be included in the locally revised forms.

The first four forms and templates listed are required for entering into a financial agreement with an employer. All are necessary in order for the employer to be reimbursed a portion of the costs of training a participant.

- JFS 80646, On-the-Job Employer Information Form (**required** and shared by both WIA and Trade)
- JFS 80649, On-the-Job Training Agreement (**required** - WIA only)
- JFS 55264, Training Application and Determination of Entitlement to Allowances (**required** – Trade only)
- JFS 80643, On-the-Job Training Requirements (**required** and shared by both WIA and Trade)
- JFS 80642, On-the-Job Training Plan (**required** and shared by both WIA and Trade)
- JFS 80652, On-the-Job Training Plan Modification (**required** - WIA only)
- JFS 80651, On-the-Job Training Period Invoice (sample only)
- JFS 80647, On-the-Job Training Retention Period Invoice (sample only)
- JFS 80650, On-the-Job Training Exception Request (sample only)
- JFS 80645, Funding Transition (**required** and shared by both WIA and Trade)
- JFS 80644, Employer OJT Monitoring Report (sample only)
- JFS 80648, Trainee Monitoring Report (sample only)

1. OJT Outreach

   OJT training can be marketed at both the state and local levels, and to both employers and job seekers. Information about OJT should be integrated into local workforce areas' business services functions and their job seeker services functions. Objectives for outreach should be defined regionally and suited to the local employment conditions. The overarching goal is to train local job seekers for employment in high-growth sectors or occupations.

   Outreach can be done directly or indirectly. Outreach to employers can include face-to-face contacts, mailings (such as introductory letters, notes of appreciation, newsletters), involvement with the Chamber of Commerce, press releases, networking with other agencies, and speaking to civic organizations. Keep in mind that employers will be more receptive if any paperwork required of them is minimal.

   Other possible outreach strategies include:

   - Researching companies thoroughly before contacting them and noting their previous labor needs.
   - Working with nearby agencies to target high-growth industries for regional outreach.
   - Educating employers about how OJT training can enhance their business, reduce turnover and increase profits.
   - Educating job seekers about how to sell OJT training to potential employers.
   - Projecting company savings by utilizing OJT.

- Encouraging job seekers to use an introductory letter from the local workforce agency when interacting with employers as part of their job search.

OJT is provided under an agreement with an employer in the public, private nonprofit or private sector. Prior to entering into an OJT agreement with an employer, the local workforce area should conduct a pre-screening to ensure that the employer meets the minimum standards and can provide both training and long-term employment to an OJT trainee. Use the JFS 80646, OJT Employer Information Form, to conduct a guided interview to gather the necessary information.

- The OJT field person should take the OJT Employer Information Form, the OJT Agreement, and OJT Requirements forms to the first visit with an employer. If the employer is interested in the program, all these documents can then be signed by the employer and the OJT field person on-site. The OJT field person then brings these forms back to the OJT paperwork reviewer for review and signature. These completed and signed forms will start an employer master file with the local workforce agency.
- The employer information discussion should consider each employer's circumstances. For example, relocation need not be discussed with a locally owned motel that has been at the same location for ten years and which is filling a vacancy caused by normal attrition. Relocation should be discussed in depth with a national manufacturing firm with many subsidiaries that is just breaking ground in the area.
- The Employer Information Form should be updated when the business is sold or transferred, when any other major changes affecting training, hiring or job retention occur, and at least once a year from the date of first issuance. Every employer must have a completed, current Employer Information Form on file.

* For Trade OJTs, the designated field person to complete these tasks is the assigned ODJFS Workforce Specialist.

<u>Completing the JFS 80646,On-the-Job Training Employer Information Form</u>

- Complete the form as a "guided interview" with an employer who may be interested in entering into an OJT agreement.
- Refer to the "Ohio OJT Terminology and Guidance" section of this manual regarding determination of head count, layoff, relocation, etc.
- Some of the items on the Employer Information Form are informational and designed to trigger discussion around the employer's business and workforce needs.
- Some of the items are regulatory and may prevent the OJT from happening if an irresolvable problem surfaces. All items marked with an asterisk are mandatory according to regulations.
- The Employer Information Form should be signed by the employer, the workforce agency representative and, if applicable, the staffing agency that may be the trainee's employer of record.
- When the employer representatives sign the form, they are attesting to the validity of the information on the form.
- The Employer Information Form is included in the OJT agreement by reference.

Required for WIA and TRADE Programs

Date: _____

On-the-Job Training Employer Information Form
Local Workforce Agency

Please note that all questions marked with an asterisk are mandatory according to regulations.

*1. Employer Name, Address and Contact Information (a business card may be attached):

Firm Name: _____
FEIN: _____
Address: _____
Contact Name: _____

* 2. Under what other names, if any, do you do business? Please list names and locations below:

_____
_____
_____

* 3. How long have you been in this area? _____ Years

* 4. Is the business being sold, closed, relocated or merging with another company? ☐ Yes ☐ No

* 5. What is your chief product or service?

_____

What is your NAICS code? _____
If not known, search for NAICS codes at **http://www.census.gov/eos/www/naics**.

*6. How many employees do you have? Part-time _____ Full-time _____

7. How many new hires do you anticipate making in the next two (2) years? _____

What job titles or job descriptions will need to be filled? (Attach job descriptions, if available.)

_____

*8. Do you use a staffing agency? ☐ Yes ☐ No

If so, which one? _____
Please describe the relationship. _____

JFS 80646

*9. Who will receive the OJT payments? (Include a name, address and contact information.)

_____

*10. Are jobs expected to last a year or more in the normal course of business? ☐ Yes ☐ No

*11. Do you have sufficient equipment, materials and supervisory time and expertise to provide necessary training? ☐ Yes ☐ No

12. What licenses or entry certifications do your workers need? (An attached job description may suffice.)

_____

*13. Is the pay of any job based upon commissions, tips, piecework or incentives? ☐ Yes ☐ No
Is there a base wage that commissions, tips, piecework or incentives are added to? ☐ Yes ☐ No
If yes to either of the above, what entry earnings may be expected? $_____

*14. What fringe benefits are provided to regular employees, and when are they made available?

_____

*15. Do you have a payroll system that records all paychecks and amounts? ☐ Yes ☐ No
Can you verify wage payments quickly on site? ☐ Yes ☐ No
If no to either, how will wages be verified for OJT payments?

_____

*16. What is your Workers' Compensation carrier (or equivalent system)?

Carrier number: _____ Will OJT trainees be covered? ☐ Yes ☐ No

*17. Are any of the jobs considered for an OJT to be filled by "independent contractors" or individuals not employed by your firm during the entire training period? ☐ Yes ☐ No

*18. Are any of these jobs covered by a collective bargaining agreement? ☐ Yes ☐ No
If yes, obtain and attach a "concurrence letter" from the union(s).

19. What are your turnover patterns and causes?

_____

Could we do anything to help lower your turnover? If yes, please describe:

_____

*20. How many employees, if any, are currently on layoff, and what are their job classifications?

_____

*21. Are there any outstanding wage and hour, health and safety, or discrimination complaints or adverse decisions on your firm? ☐ Yes ☐ No If yes, within how many years? _____

*22. Has your company relocated from another labor market in the U.S. within the last 120 days, leaving any workers behind? ☐ Yes ☐ No

If yes:

a. Please list facility locations where you are seeking or receiving WIA or Trade assistance for job losses.

_____

b. Please list facility locations where you have filed WARN notices in the past six (6) months.

_____

c. Please provide the date that production of goods or services began at the new location:

_____

*23. Over the last two (2) years, what percentage of previous OJT trainees have completed training and been retained by your firm?

a. Number of trained employees retained: _____
b. Number of OJTs: _____
c. Divide line (a) by line (b): _____%
d. If the retention rate is not acceptable, what improvements are planned?

_____

e. Please explain any exceptions.

Employer:	Local Workforce Agency
Authorized Signature and Date:	Authorized Signature and Date:
Print Name and Title	Print Name and Title
Staffing Agency (if applicable)	Reviewed by
Authorized Signature and Date	Authorized Signature and Date
Print Name and Title	Print Name and Title
ODJFS State Merit Staff/Date	

I certify that the above information is, to the best of my knowledge, true and correct.

JFS 80646

3. The OJT Agreement and OJT Requirements

The OJT Agreement (JFS 80649) sets the ground rules for OJT with an employer and functions as a nonfinancial agreement between the employer and the OJT provider. The OJT Requirements (JFS 80643) are the terms and conditions that the employer and the OJT provider agree will govern the OJT experience.

If the local workforce area chooses, a "blanket" OJT agreement may be executed with employers for WIA-funded OJTs. The blanket OJT agreement is nonfinancial, contains all common OJT rules and requirements, and sets the stage for the approval, one by one, of individual OJT training plans. WIA dollars are obligated as participant training plans are approved. This approach radically decreases employer paperwork and is identical to the approach used for WIA-funded classroom training. Care should be taken to ensure that:

- OJT training plans are adjusted based upon each trainee's prior related skills and experience and the specific job in which training is taking place;
- The trainee is eligible and registered into the funding stream that will pay for the training;
- Training using the OJT approach is justified by the individual employment strategy or plan in the trainee's file; and
- Funds are obligated as OJT training plans are approved and de-obligated if the OJT training plan fails prior to the accrual of planned training costs. Generally, blanket OJT agreements may be valid for up to one year and cover all training plans approved with the employer prior to the OJT agreement's end date.

Further considerations:

- The OJT Agreement and OJT Requirements forms should be reviewed and discussed with the employer (and any involved staffing agency) to ensure they understand the intent of the agreement, as well as the restrictions that apply.
- The OJT Agreement should be signed by the employer, the OJT field person and, if applicable, the staffing agency that may be the trainee's employer of record.
- The agreement should be modified before expiration only if there are major changes at the employer (such as layoffs) or rule or policy changes prior to the agreement's expiration.
- If a union is present, a letter of concurrence must be obtained. The letter will be valid throughout the agreement period.
- If the OJT Agreement begins with WIA funding at a reimbursement rate higher than 50 percent, and then the local workforce area opts to transition the OJT to Trade funding, the agreement must be revised to allow reimbursement up to 50 percent. (See "Coordination between WIA and TAA Funding Streams" later in this manual.)

For Trade purposes, OJT agreements must be completed on a per participant basis. Blanket agreements are not permissible. The agreement used for TAA-funded OJTs is included in this manual and must be signed by the ODJFS State Merit staff, the ODJFS Trade Central Office, the employer, the union representative (if appropriate) and the OJT participant.

Completing the On-the-Job Training Agreement and OJT Requirements Forms

- The On-the-Job Training Agreement should be completed after finalizing the Employer Information Form and resolving any issues that may have surfaced.
- The OJT Agreement and OJT Requirement forms should be reviewed and discussed with the employer (and any involved staffing agency) to ensure they understand the intent of the agreement, and the restrictions that apply.
- If the employer has entered into OJTs in the last two (2) years, the prior success rate must be adequate. If it is not adequate, an acceptable corrective action plan must be in place.
- OJT agreements may be effective for up to one year, at the discretion of the local workforce agency. For example, agreements entered into on February 1, 2014, will be in effect until the close of business on January 31, 2015. Agreements with employers must be renewed at that time. **(As previously indicated, agreements for Trade OJTs must be on a per participant basis using the required form.)**
- Insert your agency's payment terms in the OJT Requirements form. Be clear and precise as to whether you are you are paying monthly, paying only at the OJT's completion, or withholding part of the reimbursement for 90 days after the end of the OJT. (See the "OJT Reimbursement Methods" section of this manual for further information.)
- The agreement should be modified before expiration only if there are major changes at the employer (such as layoffs) or rule or policy changes prior to the OJT's expiration.
- The OJT Agreement and OJT Requirements forms must be signed by representative(s) of the local workforce agency, the employer and, if applicable, the staffing agency that may be the trainee's employer of record.

Disputes

Any dispute that involves a WIA-funded OJT shall be addressed by following the local workforce area's complaint procedures established for the WIA program. These procedures must be shared with the employer at the time the OJT requirements are reviewed. A copy of the complaint procedures must be provided with the employer, as well. A sample procedure is included in the OJT requirements template.

For Trade purposes, all disputes related to TAA-funded OJTs must be referred to the ODJFS Trade Central Office immediately.

Required, WIA Program Only

On-the-Job Training Agreement
Local Workforce Agency

This On-the-Job Training (OJT) Agreement is between

_____ , hereinafter referred to as the Employer, and
_____ , hereinafter referred to as the Local Workforce Agency.

Funding is made available to assist businesses in training and retaining a skilled, productive workforce.

This agreement is effective on _____ and shall remain in effect through_____, or until all Training Plans initiated under this Agreement are completed, whichever is later.

The Employer will be paid a percentage of each Trainee's regular wages as specified in the individual's training plan during the Training Period. The Local Workforce Agency must approve all Trainees and Training Plans prior to the beginning of the Training Period. Payments may be requested on the day Training is completed and when the Retention Period is completed. Payments must be requested within _____ calendar days after the end of the Training or Retention Period, using the OJT Invoice Form specified by the Local Workforce Area. Late invoice submission may void payment rights. OJT Requirements, the OJT Employer Information Form, and any Training Plans are included in this Agreement by reference. This Agreement may be modified, in writing, at any time and must be mutually agreed upon by both parties. Material deviations from this Agreement, Training Plans or OJT Requirements may void the right to reimbursement or require repayment by the Employer of funds previously received from the Local Workforce Agency.

The Employer and Local Workforce Agency agree to all the terms in this OJT Agreement by signing below:

Employer:	Local Workforce Agency:
Authorized Signature and Date	Authorized Signature and Date
Print Name and Title	Print Name and Title
Staffing Agency if any:	Reviewed By:
Authorized Signature and Date	Signature and Date
Print Name and Title	Print Name and Title

JFS 80649

On-the- Job Training Requirements
Local Workforce Agency

HIRING

- The employer understands that training provided under this agreement will be for positions providing the opportunity for continued employment.

- The employer ensures that trainees under this agreement will not displace any currently employed workers (including partial displacement, such as by reducing hours or denying promotional opportunities, wages or employment benefits).

- The employer agrees that no trainee can be employed or job opening filled when: (a) any other individual is on lay-off from the same or substantially equivalent job, or (b) the employer has terminated the employment of any regular employee or otherwise reduced its workforce with the intention of filling the vacancy created by hiring a trainee whose wages are subsidized under this agreement.

- As this agreement is subject to provisions providing for separation of church and state, trainees may not be employed for or engaged in the construction, operation or maintenance of any facility used for religious instruction or worship.

- The employer understands that no immediate family member of the business owner or the trainee's direct supervisor may be hired under this agreement. Family members include: wife, husband, son, daughter, mother, father, sister, brother, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, stepparent or stepchild, or significant other.

- The employer will comply with Title VII of the Civil Rights Act of 1964 (42 USC 200d), which prohibits employment discrimination when (1) the primary purpose of a grant is to provide employment, or (2) discriminatory employment practices will result in unequal treatment of trainees who are or should be benefiting from the grant-aided activity.

- The employer will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-354). In accordance with that, no person in the United States shall – on the grounds of race, color, sex or national origin – be excluded from participation in, be denied benefits, or be otherwise subjected to discrimination under any program or activity for which the trainee receives federal financial assistance.

TRAINING

- Based on the job's complexity and the trainee's prior related work and education, the maximum duration of covered training shall be as specified in each OJT training plan.

- The employer agrees to furnish all instructional materials, equipment, supplies and services necessary to conduct the training described in the agreement, except as otherwise agreed in writing.

- The employer agrees to provide on-the-job training in a practical sequence and will include instruction and experiences as outlined in the OJT agreement.

JFS 80643

- Payments made under this agreement are made to offset the extraordinary costs of training new employees (to cover such things as extra supervisory efforts, non-productive time, materials waste and other incidentals).

EMPLOYER RESPONSIBILITIES

- The employer agrees to maintain appropriate standards for health and safety in work and training situations.

- The employer agrees to provide workers' compensation insurance for all trainees.

- To the extent that unforeseen circumstances allow, continued employment of the trainee upon completion of the training period is expected.

- If employers do not have an established employee grievance procedure, they agree to abide by the procedure provided by the Local Workforce Agency and/or the Ohio Department of Job and Family Services (ODJFS) Trade Central office.

- The employer understands that individuals in on-the-job training shall be compensated at the same rates, including periodic increases, as all similarly employed workers or trainees with the same employer, and in accordance with applicable laws. (In no event shall the rate of pay be less than the applicable state or federal minimum wage, whichever is higher).

- Trainees must receive the same benefits and have the same working conditions as similarly situated employees.

- The employer ensures that no funds under this agreement will be used to assist, promote or deter union organizing.

- The employer will give the Local Workforce Agency, ODJFS or the authorized representative access to and the right to examine all records, books, papers or documents related to this agreement and will maintain said records, books, papers or documents for a period of three years from the date of termination of this agreement.

- The employer agrees to participate in any follow-up efforts conducted by the Local Workforce Agency, ODJFS or its representatives to evaluate program effectiveness.

INSERT PAYMENT TERMS HERE

- Payments to the employer by the Local Workforce Agency or ODJFS shall not, under any circumstances, exceed the agreed upon percentage of regular "straight time" wages paid to the trainee during the training period.

- Requests for reimbursement shall be submitted to the Local Workforce Agency or ODJFS by the employer according to the terms specified in the OJT agreement. Incomplete or unsigned requests cannot be processed and will be returned for correction and resubmission with additional information, as appropriate. Requests should be mailed or delivered to:

Insert Local Workforce Agency Address

If funded by the ODJFS Trade Program
ODJFS Trade Fiscal Unit
4020 E. 5th Ave., Columbus, OH 43219

- Reimbursement requests for hours worked under the OJT agreement will be honored by the Local Workforce Agency or ODJFS as long as such requests are received within the time frame specified in the OJT agreement. Requests received after the cut-off may not be honored for payment.

- Trainees are to be paid by the employer on the basis of a standard workweek. A standard work week is defined as the given number of hours worked each week by most employees of the employer in the occupational area in which training is being conducted. Overtime premium will not be reimbursable; however, the Local Workforce Agency or ODJFS may pay for straight hours worked, which will reduce the contract balance proportionately.

- The Local Workforce Area and ODJFS encourage periodic pay increases, based on the employer's policy regarding pay increases, during the duration of the agreement. Written notice by the employer of pay increases will allow the Local Workforce Area and ODJFS to reimburse at the higher hourly wage, which will reduce the contract monetary balance proportionately. The OJT will be considered completed when the end date arrives or the dollars have been utilized, whichever comes sooner.

- Training payment may not be based on and will not be made during periods of time in which no training has occurred, such as times of illness, holidays, plant downtime or other similar events.

- In the event that the Local Workforce Agency, ODJFS and/or its representatives determine that any funds were paid under this agreement that were not in compliance with local, state or federal law, the employer will be liable for repayment of such funds. Such repayment shall occur within 30 days of the employer's receipt of written notification of the need to make repayment.

ASSURANCES

- The employer understands that no on-the-job training activity may be undertaken without the written concurrence of the labor organization and employer concerned.

- Subject to written notice to the employer, the Local Workforce Agency or ODJFS may terminate the contract agreement at its discretion. In the event of termination, the Local Workforce Agency or ODJFS will pay any reimbursement due to the employer up to and including the effective date of termination.

- The employer agrees to hold the Local Workforce Agency and ODJFS harmless from any and all liabilities of claims caused by or resulting from the employer's obligation or activities in furtherance of the work herein described and further agrees to repay any funds improperly spent due to misfeasance, malfeasance or nonfeasance by the employer.

- The employer may not relocate within the United States in order to take advantage of on-the-job training. If relocation of the company or part thereof has resulted in the loss of employment for any employee from one United States labor market to another, no OJT may be awarded for a minimum of 120 days after the commencement of business operations at the new or expanded location.

SAMPLE – WIA Disputes Language

The following sample paragraphs may be included in local procedures explaining how disputes for WIA-funded OJTs are handled. This information should be included in the OJT Requirements form.

Any disputes concerning a question of fact arising under the OJT Agreement shall be decided by the Local Workforce Agency Complaint Officer. The Complaint Officer will issue a written decision, which shall be final and conclusive. The procedures are as follows:

The employer will be notified by mail not more than ten (10) days after the reimbursement request date against which a disallowance or other dispute occurs. Not less than ten (10) or more than thirty (30) days following a reimbursement request date, upon which a notification has been submitted, a meeting with the employer will be held. At that meeting, all grievances must be discussed if they are to be considered.

After the meeting with the employer, the Local Workforce Agency will send a notification in writing, specifying the determination of the dispute, to the employer.

I understand that the provisions of this OJT Requirements document shall apply to all hiring and employment of subsidized employees, for the purpose of conducting on-the-job training, from the date of my signature below until (date).

Employer:	Local Workforce Agency:
Authorized Signature Date	Authorized Signature Date
Print Name and Title	Print Name and Title
Staffing Agency, if any:	Reviewed By:
Authorized Signature Date	Authorized Signature Date
Print Name and Title	Print Name and Title
ODJFS State Merit Staff Date *(If applicable)*	ODJFS Trade Central Office Date *(If applicable)*

JFS 80643

4. <u>OJT Training Plan</u>

The On-the-Job Training Plan (JFS 80642) is the document that obligates training funds for a trainee and outlines the planned training activities to be accomplished during the training period. Instructions for making the skill assessments are included on the form. This constitutes a financial obligation between the agency or service provider and the employer, and is the document that authorizes reimbursement of the agreed upon amount upon successful completion of the training plan period and the retention period.

This plan is a formal and written program of a structured job training, which will provide participants with an orderly combination of instruction in work maturity skills, general employment competencies and occupationally specific skills that will enable the participant to work toward self-sufficiency. OJT providers can use the U.S. Department of Labor's Occupational Information Network (O*NET – see **http://online.onetcenter.org/**) and/or a company job description as a basis to begin listing skills or tasks. Keep each skill description concise and comprehensive and make sure the individual tasks are measurable and observable.

- 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, level of difficulty, and the participant's Individual Employment Plan. The level of difficulty is determined from an assessment of the job description. For example, if the job requires the repair of machinery, a determination needs to be made of tools needed, the precision needed to use the tools successfully, skills needed to diagnose problems, and the training needed to successfully disassemble and reassemble parts. O*NET is a useful resource to use in determining the length of training; however, O*NET should not be relied upon exclusively at the risk of overlooking the needs, skills and abilities of the participant and the specific needs of the employer.
- The training plan becomes the work statement of the contract and should be followed as a guide when delivering training. The training plan is also useful for determining whether the services contracted for are delivered. Once skills have been identified and a method for measuring them has been established, trainee progress can be determined.

- The Training Plan must include the following:
    - Trainee information - name and contact information of participant and Social Security number;
    - Employer information – name and contact information;
    - OJT information – start and end dates, wage rate, and reimbursement rates;
    - Occupational information – job title and description, O*NET code, and number of hours per week;
    - Job skills – skills necessary to perform the job and the trainee's proficiency level for each of these skills;
    - Training information - list of specific skills or tasks the employer agrees to provide to the participant, estimated training hours for each, and acknowledgment of skill obtained; and
    - Signatures with dates signed - of the trainee, the employer and the OJT provider.

- Modifications to the OJT training plan may be executed as needed. The most common modification is extending the training period. The second most common modification is changing the training plan because of a shift in work conditions, new work duties or a position change.
- At the end of the training period, the training plan should be used to document the participant's skill gains. For an OJT to be considered successful, the participant must have sufficiently learned the skills included in the plan in order to retain employment. Ideally, a participant should meet the employer's standards for each skill. In some situations, however, the participant may not have fully met every skill listed in the plan, but the employer has made a concerted effort to provide training and wishes to retain the participant and continue working on skill development. Local areas may opt to consider this a successful outcome and grant an exception to allow the employer to be fully reimbursed for the costs of training. See the Exception Form later in this manual for an example of how to document an exception and reimburse the employer's costs in this situation.

Completing the On-the-Job Training Plan (JFS 80642)

- Instructions for making the skill assessments are included on the form.
- "Skills to be Learned" must be documented in accordance with the information and instructions on the second page of the form.
- Put the "skills" in plain English, basing the score primarily upon the supervisor's judgment. Training is presumed to be needed when the "Starting Capability" scores are either a "1" (beginning) or a "2" (intermediate) and can be "met" by the end of the training period.
- Use the OJT Training Plan Instructions to determine the training need, training completion parameters and training length. These are individual decisions, and will be different for every trainee. The duration of the training period should be estimated as follows:
    - The OJT field person, working with the employer, determines the job title for the position to be trained for, referencing O*NET (**onetonline.org**).
    - From O*NET, obtain "Specific Vocational Preparation" (SVP) parameters. These parameters will help determine the length of training. Note: If desired, Local Workforce Areas may use a reasonable alternate methodology for determining the length of the training period.
    - The OJT field person should consider the training needs of each participant.
    - An OJT must be limited to the period of time required for a participant to become proficient in the occupation for which training is being provided. In determining the appropriate length of the contract, consideration must be given to the skill requirements of the occupation, the academic and occupational skill level of the participant, prior work experience, and any disability, limited English proficiency, lack of basic literacy and math skills, or other major barriers to employment retention.

- No WIA-funded OJT will be written with a training period of more than 1,040 hours unless extenuating circumstances exist (documentation required). OJT participants facing a significant barrier to employment, such as an Americans with Disabilities Act (ADA) disability, may be considered for a longer training duration, not exceeding a maximum of 1,560 hours.

- The Training Plan must be signed by the trainee and by an individual authorized to sign contracts for the employer (and the staffing agency, if applicable). After obtaining these signatures, the OJT field person should have the Training Plan signed by the OJT reviewer.

For Trade OJTs, the ODJFS State Merit Staff will work in conjunction with the Trade participant's ODJFS Customer Service Representative to complete the above tasks.

For Trade purposes, the maximum length of training is limited to 26 weeks. This may be extended in limited situations, depending on covering laws and circumstances.

On-the-Job Training Plan
Local Workforce Agency

Employer Name:	Supervisor's Name:	
Employee/Trainee Name:	Phone No.:	
Position Title:	E-Mail:	
O*NET Code:	Reimbursement Rate:	
Training Period: From to	Maximum Obligation: $	
Starting Hourly Wage: $	Amount for Training Payment: $	
Expected Hourly Wage at End of Training Period: $	Amount for Retention Payment (if any): $	
Hire Date:	Hours per week:	Total Hours:

Skills to be Learned	Starting Capability Date Scored:	Ending Capability Date Scored:
	1 2	☐ Met ☐ Not Met
	1 2	☐ Met ☐ Not Met
	1 2	☐ Met ☐ Not Met
	1 2	☐ Met ☐ Not Met
	1 2	☐ Met ☐ Not Met
	1 2	☐ Met ☐ Not Met
	1 2	☐ Met ☐ Not Met
	1 2	☐ Met ☐ Not Met
	1 2	☐ Met ☐ Not Met
	1 2	☐ Met ☐ Not Met
	1 2	☐ Met ☐ Not Met
	1 2	☐ Met ☐ Not Met

JFS 80642

On-the-Job Training Plan
Local Workforce Agency

Signature Page

Funding for training is authorized when OJT Training Plans are signed by the employer, the local workforce agency, the trainee, the union (if applicable) and the ODJFS Trade Program (if applicable). All on-the-job training agreement terms, conditions and requirements, plus the training plan instructions, apply to this training plan.

Employer:	Local Workforce Agency:
Authorized Signature and Date	Authorized Signature and Date
Print Name and Title	Print Name and Title
Staffing Agency, if any:	Trainee:
Authorized Signature and Date	Trainee Signature and Date
Print Name and Title	
Union (if any):	
Authorized Signature and Date	ODJFS State Merit Staff / Date *(if applicable)*
Print Name and Title	ODJFS Trade Central Office – Signature / Date *(if applicable)*

JFS 80642

5. OJT Training Plan Modification (JFS 80652)

Modifications to the training plan may be executed as needed. The most common modification is extending the training period. The second most common modification is changing a training plan. For example, work conditions may shift or the trainee may require new work duties or a position change.

If the plan modification will result in a change in the amount of the obligation, notification must be provided to the appropriate department/unit of the local workforce agency.

For Trade purposes, all modifications related to TAA-funded OJT's must be submitted on the Individual Certification For Training-Modification Agreement form (JFS 22775).

Sample - WIA Program Only

On-the-Job Training Plan Modification
Local Workforce Agency

Trainee Name:_____

Modification Effective Date: _____

This modification is effective on _____ and changes the terms of the OJT Training Plan as follows:

- ☐ The Training Period is extended to_____.
- ☐ The maximum obligation has changed to $_____.
- ☐ The original Training Plan "Skills to be Learned" is changed, and the revised plan is attached.
- ☐ A new, additional Training Plan has been adopted adding additional skills to be learned for an upgraded position. The new Training Plan is attached.

Other terms and conditions have been changed as follows:

Agreed to by signing below:

Employer:	Local Workforce Agency:
Authorized Signature Date	Authorized Signature Date
Print Name and Title	Print Name and Title
Staffing Agency, if any:	Reviewed By:
Authorized Signature Date	Authorized Signature Date
Print Name and Title	Print Name and Title

JFS 80652

6. Invoicing and Payment

Payments to employers are intended to compensate them for the "extraordinary costs" associated with training participants. Employers are not required to document these extraordinary costs. However, they are understood to include costs resulting from:

- More intense supervision;
- Above average material waste;
- Abnormal wear on tools;
- Down time; and
- Lower rates of production.

The participant must receive wages and fringe benefits equal to those received by others similarly employed by the employer. The reimbursement is not a wage subsidy. It is expected that the participant will continue working after the payments to the employer end. It is also expected that the participant will continue to receive compensation and benefits commensurate with the job performance.

Payment to employers should be managed by an invoice system that clearly documents the number of hours worked each day by the participant and rate of pay for the time period. Invoices must be signed by both the participant and the employer or only by the employer if accompanying documentation (timesheets/time cards) is signed by the participant. If documentation is submitted, it must be reconciled to the invoice. Payment is for straight time worked and should not include overtime pay, holiday or sick pay, or commissions. Also, payments to employers must be based on scheduled raises and regular pay increases, if they occur.

For Trade purposes, the employer may use the invoice sent to them by ODJFS. Or the employer may instead use its company letterhead with the following information: customer name, Social Security number, training time period, number of hours worked during training period, and hourly wage paid. Payments must be made in monthly installments.

Completing the On-the-Job Training Period Invoice

- Once all the "Skills to be Learned" listed in the training plan have been scored "Met," an invoice may be submitted for the training period. Local workforce areas may allow exceptions if some of the skills have been met, provided the employer agrees that the trainee has obtained the necessary skills for sustained employment.

- The standard for determining that a trainee is "skilled" is whether the trainee meets the employer's standard for employment retention. Consider the employer's normal expectation for other employees in the same position, at the same pay grade and with similar job tenure.

- After the training period, the trainee must be still employed at or above the wage rate specified in the training plan. The trainee also is expected to work a locally determined minimum number of hours each week in the normal course of business.

- No material compliance issues may be outstanding.
- The local workforce agency must complete all components of the training period invoice and use the calculation on the invoice to compute the appropriate billing amount.
- The original training period invoice – along with the accompanying documentation of wage rate, regular “straight time” pay and hours worked – should be forwarded to the appropriate department/unit as designated by the local workforce agency.

SAMPLE INVOICE - LOCAL WORKFORCE AGENCY TO DEVELOP

On-the-Job Training Period Invoice
Local Workforce Agency

Employer Name:		Employer Address:
Trainee Name:		
Training Period:	Begin Date: End Date:	

Training Invoice Date: Please submit the invoice and supporting documentation within the timeframe specified in the OJT Agreement.	
Regular "Straight Time" Wages: Regular "straight time" wages are the wages paid to the Trainee for work performed during the Training Period.	$
Training Payment Requested: Payment requested is equal to (the OJT reimbursement %, less any withholding for retention) of the regular wages amount.	$

Total OJT reimbursements for Training and Retention invoices may not exceed (the applicable OJT reimbursement % of the regular wages amount shown above), and may not exceed the amount obligated in the Training Plan.

I certify that the above-named Trainee has completed the Training, is still employed, is expected to work at least hours each week, and has been paid wages owed.

Approved by the Employer:

Authorized Signature Date

Print Name and Title

Approved by Staffing Agency, if any:

Authorized Signature Date

Print Name and Title

JFS 80651

For Office Use Only

Earnings, expected wage at the end of the Training Plan and training completion have been documented by the Local Workforce Agency.

Check and attach all that apply:

☐ Completed Training Plan (required)	☐ Other (Please list):
☐ Payroll records	
☐ Paycheck stubs	

_____ _____

Authorized Signature Date

_____

Print Name and Title

JFS 80651

Completing the On-the-Job Training Retention Period Invoice (for WIA only)

- Complete this section only if a portion of the OJT reimbursement will be withheld and conditioned upon retention. Be sure to deduct this amount from the maximum OJT training period payment and to modify the preceding section and all forms to show the deduction.

- Exceptions may be granted on occasion if they are documented in writing and approved by the local workforce agency (see the exception form at the end of this section).

    - For example, if a trainee voluntarily switches jobs to increase his or her pay rate or to gain other significant benefits, an exception may be granted.

    - If the trainee quits or is fired for just cause, disqualifying him or her from receiving unemployment compensation, an exception also may be granted, particularly if the employer has a good retention track record and continues to hire through the state's workforce system.

- Total OJT reimbursements for individual trainees cannot exceed the amount obligated as shown on the top of the training plan, or any subsequent modifications.

- The original retention period invoice should be forwarded to the appropriate department/unit as designated by the local workforce agency.

SAMPLE - LOCAL WORKFORCE AGENCY TO DEVELOP

On-the-Job Retention Period Invoice
Local Workforce Agency
(For WIA Only)

Employer Name:		Employer Address:
Trainee Name:		
Training Period:	Begin Date:	End Date:
Retention Period:	Begin Date:	End Date:

Retention Invoice Date: Please submit invoice and supporting documentation within the timeframe specified in the OJT Agreement.	
Regular "Straight Time" Wages: Regular "straight time" wages are the wages paid to the Trainee for work performed during the Training Period.	$
Training Invoice Date: Invoice Amount:	$
Retention Payment Requested: Payment requested is equal to the amount withheld for retention.	$

Total OJT reimbursements for Training and Retention invoices may not exceed (the applicable OJT reimbursement % of the regular wages amount shown above), and may not exceed the amount obligated in the Training Plan.

I certify that the above-named Trainee is still employed with the Employer, is still receiving the expected wage at Training Plan completion or more, worked at least hours a week during the retention period, and is expected to continue to work at least hours each week.

Approved by the Employer:

Authorized Signature Date

Print Name and Title

Approved by Staffing Agency, if any:

Authorized Signature Date

Print Name and Title

JFS 80647

For Office Use Only

Approved by Local Workforce Agency

_____ _____

Authorized Signature Date

_____

Print Name and Title

7. OJT Exceptions

As noted throughout this manual, from time to time a trainee or work conditions may not fit the OJT model. Exceptions should not become the norm but may be made when appropriate. Recognized exceptions include:

- The trainee is not fully skilled at the end of the training period, but substantial training has occurred, the trainee has gained a significant set of skills, and the employer expects to retain the trainee. A no-cost extension of the training plan may be warranted beyond the stated maximum duration, or the employer may deem the participant "trained" to a satisfactory level to maintain employment in the position.

- At the end of the training plan period, the job will pay less than a locally determined minimum expected OJT hourly wage, but a special participant or employer circumstance exists. For example, the job may be in a targeted industry, such as manufacturing, which has opportunities for advancement. Or the job may provide medical benefits to a single mother on public assistance, or it might offer work to a trainee who has a significant barrier to employment, such as a year or more without paid work. An exception should not be made if the job does not pay at least a locally determined "rock bottom" expected OJT hourly wage at the end of the training plan period.

- Training is critically needed and results can be measured, but it may be for a very short or a very long period of time. In this instance, the minimum or maximum OJT training length may be waived, as long as the maximum number of hours under state policy is not exceeded.

- The employer did a good job of training but may not qualify for all or part of the OJT reimbursement because the trainee quit or was fired for just cause.

- A trainee's individual circumstances should be considered. For example, the OJT length or amount may be adjusted to reasonably accommodate learning or other disability, as long as the maximum number of hours under state policy is not exceeded.

All exceptions should be documented using the On-the-Job Training Exception Request (JFS 80650) form, before the end date of the training plan. Exceptions also must be documented in the participant case notes.

For Trade purposes, if the employer or TAA-funded participant has any concerns, they should contact their ODJFS State Merit Staff to discuss possible options.

SAMPLE - LOCAL WORKFORCE AGENCY TO DEVELOP

On-the-Job Training Exception Request
Local Workforce Agency
(For WIA Only)

Employer Name:	Employee/Trainee Name:
Position Title:	O*NET Code:
Training Period: From to	Maximum Obligation $
Wage per hour: $	Amount for Training Payment $
Hrs./week:	Amount for Retention Payment $
Date Hired:	Date Determined Eligible:
Is the trainee a: ☐ Current Employee?	☐ New Hire?

Training Plan Exceptions

☐	(List exception reason(s) here)
☐	
☐	
	Describe Training Plan Exception Justification

Payment Exceptions

☐	(List exception reason(s) here)
☐	
☐	
	Describe Payment Exception Justification

Local Workforce Agency:	Reviewed By:
Authorized Signature Date	Authorized Signature Date
Print Name and Title	Print Name and Title

JFS 80650

8. OJT Quality Assurance and Monitoring

Monitoring is the responsibility of both the state and the local workforce agency, though the duty may be assigned to another designated entity or individual. Monitoring at the local level will include oversight of the participant training and the corresponding employer payroll records. To ensure the validity and propriety of the reimbursement amounts claimed, and that the training for which the contract was written is actually delivered, on-site monitoring of OJT employers is required. The on-site monitoring of the OJT must include documenting information received directly from the trainees. It also should capture the trainee supervisor's perspective about how the training is progressing, and should include a review of the employer payroll records.

Every OJT work site should be visited regularly. The first visit should occur prior to the execution of the OJT agreement. At this time, the OJT Employer Information Form should be completed. Care should be taken to understand the employer's business and to explain OJT rules and requirements. When individual training plans are approved, the work site should again be visited to ensure that the skills listed in the training plan are accurate and that the training length is appropriate given the trainee's prior related work and education. Finally, the work site should be visited at or near the training's completion to ensure that the training has been substantially delivered and that wage records can be verified. These "quality assurance" visits can be combined with job development efforts. More than one training plan may be checked during a single quality assurance visit.

OJT monitoring should occur on a sample basis. It should include a desk review of a representative sample of OJT agreements and a site review of a sample of work sites to ensure that file records are accurate. The key monitoring issues are that training was needed, that training was actually provided, that the OJT length was reasonable, that the reimbursement rate was at the predetermined percentage, and that other applicable OJT rules and requirements were followed. The sample size is subject to the monitor's professional judgment. If significant problems are detected, the sample size should be increased.

For Trade purposes, TAA-funded OJTs will be monitored by the assigned ODJFS Workforce Specialist.

SAMPLE - EMPLOYER MONITORING REPORT LOCAL WORKFORCE AGENCY TO DEVELOP

Employer On-the-Job Monitoring Report
Local Workforce Agency

Employer Name:	County:
Employee Name:	Case Manager:
OJT Start Date:	OJT End Date:

1. What is the rate of pay and hours worked? Rate of Pay: Hours Worked: $
2. Is this consistent with the OJT Agreement? ☐ Yes ☐ No
3. Your overall satisfaction with the employee: ☐ Excellent ☐ Good ☐ Average ☐ Poor
4. Identify any areas in which we can assist you:
5. Additional comments:

Training/Job Skills Received	Approximate Hours	Date Achieved	Trainer Initials
1.			
2.			
3.			
4.			
5.			

Local Workforce Agency:	Reviewed By:
Authorized Signature Date	Authorized Signature Date
Print Name and Title	Print Name and Title

JFS 80644

SAMPLE TRAINEE MONITORING REPORT - LOCAL WORKFORCE AGENCY TO DEVELOP

Employee/Trainee Name:_____

Trainee Monitoring Report
Local Workforce Agency
(For WIA Only)

As a new employee of_____, you have been given job duties by your employer. Some of the duties you perform are completely new to you. Hopefully, you are doing well and getting to know what your job is. Please take a moment to complete this form and mail it back to me in the envelope that I have already stamped and addressed for you. My telephone number is _____.

It is most important that I receive this completed form or your call by _____. Thank you.

_____

1. Please list your specific job functions below. For each job function, rate how well you feel you have been trained. A low number is poor. The higher the number is, the better the training, with five (5) being excellent. Circle the number that most closely describes your training experience with this job.

Your Job Duties	**Your Rating**				
	Very Poor 1	Below Average 2	Average 3	Above Average 4	Excellent 5
1.	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5
2.	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5
3.	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5
4.	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5
5.	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5
6.	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5
7.	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5

Please write any comments regarding your training, or how well you feel you are doing in your job.

_____

_____

_____

JFS 80648

2. What is your regular work schedule?

Time In | Time Out | Hours per week

3. What is your rate of pay?

Per hour | Per week

4. How often are you paid for your work?

☐ Daily ☐ Weekly ☐ Every 2 weeks ☐ Other, please specify:

5. How are you paid?

☐ Company check ☐ Personal check ☐ Cash ☐ Other, please specify:

6. Are deductions, such as income tax and Social Security, taken out of your paycheck?

☐ Yes ☐ No

7. If tools and/or other special equipment are required for your job, have you been provided with these?

☐ Yes ☐ No

8. If you must provide your own tools, do you have what you need?

☐ Yes ☐ No

If no, please explain:

9. Please rate how well you feel your employer explained the following:

Your job duties	☐ Very well	☐ Average	☐ Poor	☐ Not at all
Company policy	☐ Very well	☐ Average	☐ Poor	☐ Not at all
What is expected of you	☐ Very well	☐ Average	☐ Poor	☐ Not at all
Safety rules	☐ Very well	☐ Average	☐ Poor	☐ Not at all

10. What is the name of your supervisor?

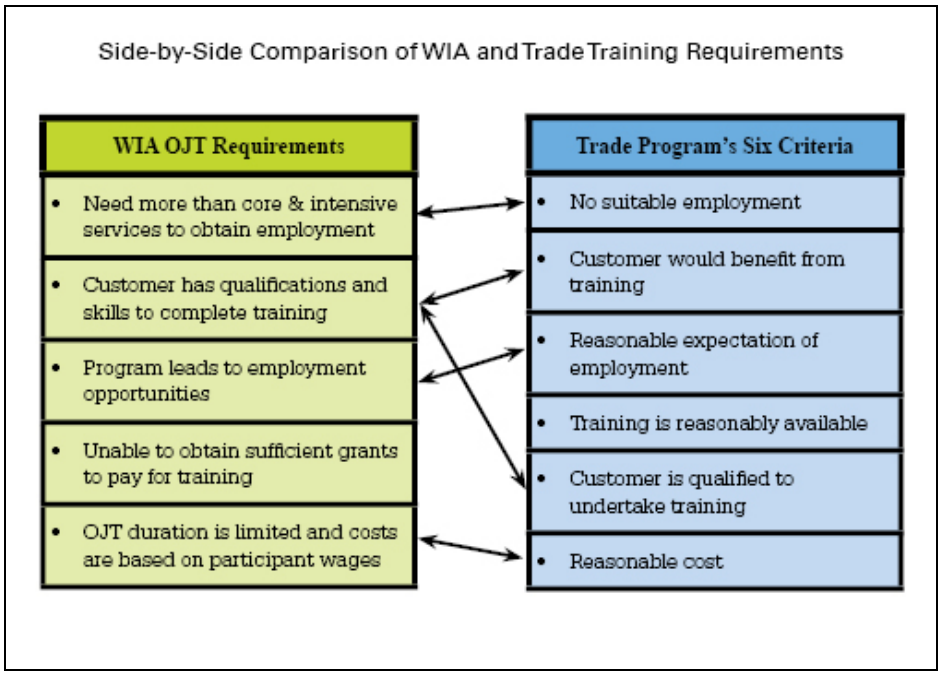
Thank you very much. Please sign below:

Signature	Date

JFS 80648

Coordination Between WIA and TAA Funding Streams

To a large extent, the information in this guidance manual applies to both OJT services provided by Workforce Investment Act funding (including WIA formula funds, Rapid Response and National Emergency Grants) and OJT services provided by the Trade program. For example, form templates contained in this manual may be adopted and used by both WIA and Trade program service providers to standardize the OJT paperwork and data collection. The goal has been to create a seamless approach to OJT service delivery, regardless of the funding stream, and to foster communication and information-sharing between programs. The following comparison between WIA and Trade training requirements demonstrates the high level of congruency between the two programs:



Despite very similar criteria for training eligibility, however, some critical differences in the federal regulations governing these programs may result in different terms, benefits and processes, depending on which funding stream is paying for a participant's OJT. The Trade program, for example, limits reimbursement of participant wages to 50 percent and mandates a monthly billing cycle. In contrast, WIA permits more flexibility in the payment terms and reimbursement rate under waiver authority. A challenge facing the workforce system is the implementation of OJT services funded by multiple programs, with some similarities and some differences, as seamlessly as possible while minimizing confusion, duplication of effort, or the appearance of disparity in benefit levels.

The Workforce Investment Act establishes a priority of funding for OJT participants who are eligible for both WIA and Trade. WIA section 134(d)(4)(B) mandates that WIA participants must access other available funding sources, such as Trade, before using WIA funds to pay for training. Although the costs of the training itself may be covered by one program, the other program often provides related wrap-

around benefits and supportive services that could enhance the participant's success. As a result, co-enrollment and approval of OJT by both WIA and Trade (if available) is encouraged for all OJT participants, regardless of which program actually funds the training. Coordination and frequent communication between the WIA and Trade program staff at the state and local level are therefore critical to ensure that dislocated workers receive all available benefits from the appropriate funding stream(s), in accordance with federal regulations, timelines and guidance as seamlessly as possible.

Some participants embarking on OJT may be eligible for both WIA and Trade funding at the time of application. Others may qualify for only one program at the onset of training and become eligible for the other program during their OJT experience. The remainder of this chapter provides guidance on how the WIA and Trade programs should work in concert in these situations to serve OJT participants as seamlessly as possible while remaining in compliance with both programs' regulations.

Trade-Eligible Participants

If an applicant is not already enrolled in a WIA-funded OJT and is eligible for assistance under the Trade Adjustment Assistance (TAA) program, WIA funding should not be used to fund the OJT training costs. The applicant should be referred to the Trade program for an expedited eligibility determination and potential OJT funding. WIA funding may be used to provide wrap-around services, such as supportive services and case management not otherwise available from the Trade program.

WIA OJT Participants Who Become Eligible for Trade

If a participant is already enrolled in a WIA-funded OJT and subsequently becomes eligible for funding through TAA, the local area must determine whether to continue funding the OJT with WIA dollars or to transition the OJT to the Trade program, based on the following criteria:

1. If the WIA-funded OJT uses a higher wage reimbursement rate than the maximum 50 percent wage reimbursement that Trade regulations allow, the participant's OJT may continue to be funded by WIA until completion, or may be transitioned to Trade funding if feasible at the local area's discretion;

2. If the WIA-funded OJT uses a different payment point than the Trade program's required monthly OJT payment point, the participant's OJT may continue to be funded by WIA until completion, or may be transitioned to Trade funding if feasible at the local area's discretion;

3. If the WIA-funded OJT uses the same wage reimbursement rate and payment point as the Trade program OJT, the local area must transition the OJT from WIA funding to Trade funding in order for Trade to cover the remainder of the training period.

Local WIA and Trade staff must work together to develop a plan for transitioning OJTs from one funding stream to another without negatively affecting the employer or participant.

Regardless of whether the OJT continues to be funded through WIA or transitions to Trade, participants who become eligible for Trade should be co-enrolled in both the WIA and Trade programs. The OJT should be approved by both programs to ensure the participant may qualify for other associated benefits and services.

Process for Transitioning WIA-Funded OJTs to Trade

When it becomes necessary or desirable to transition a WIA-funded OJT to Trade, the WIA program staff must notify the Trade staff of which Trade-eligible participant OJTs are to be transitioned to the Trade program. Upon receiving this notification, the Trade program staff shall complete the following steps for each participant:

1. Gather OJT Verifications and Forms — Trade staff should review the documents that were used to implement the participant's WIA-funded OJT to determine whether they meet Trade requirements. Whenever possible, Trade staff are encouraged to accept the same assessment results and eligibility documentation used for approval of the WIA-funded OJT to avoid a paperwork burden for the participant and employer.

   The form templates contained in this manual (i.e., the Employer Information Form, On-The-Job Training Plan, OJT Agreement, OJT Requirements and Monthly Reimbursement Form) were developed by a team of WIA and Trade program staff to incorporate both the WIA and Trade requirements. Therefore, if the local workforce area has used the form templates in this manual to establish the WIA-funded OJT, there is no need for Trade staff to complete these forms again. Trade staff should simply copy the completed forms for the Trade case record to establish and justify the Trade-funded OJT. Likewise, if the local workforce agency has developed local forms to implement the WIA-funded OJT, and these forms include all of the data elements contained in the form templates in this manual, there is no need for Trade staff to gather new versions of the existing forms.

   If, however, the documentation or forms secured by the WIA staff to establish a WIA-funded OJT do not meet Trade program requirements, Trade staff must secure appropriate documents and forms to implement the participant's Trade-funded OJT as mandated in Trade regulations and procedures.

   When approving OJTs under the WIA program, some areas use blanket agreements that are not permissible under the Trade program. (See "The OJT Agreement and Requirements" chapter.) In these cases, the Trade program staff will need to execute a new agreement with the employer for each OJT participant that meets Trade requirements and is being transitioned to Trade.

2. Verify That Trade OJT Requirements Are Met — Trade staff must verify that the participant meets all OJT requirements specific to the Trade program. Although WIA and Trade use very similar criteria for approving training, there have been instances where one or more of Trade's six criteria for receiving training funds are not met even though training is being funded under the WIA program.

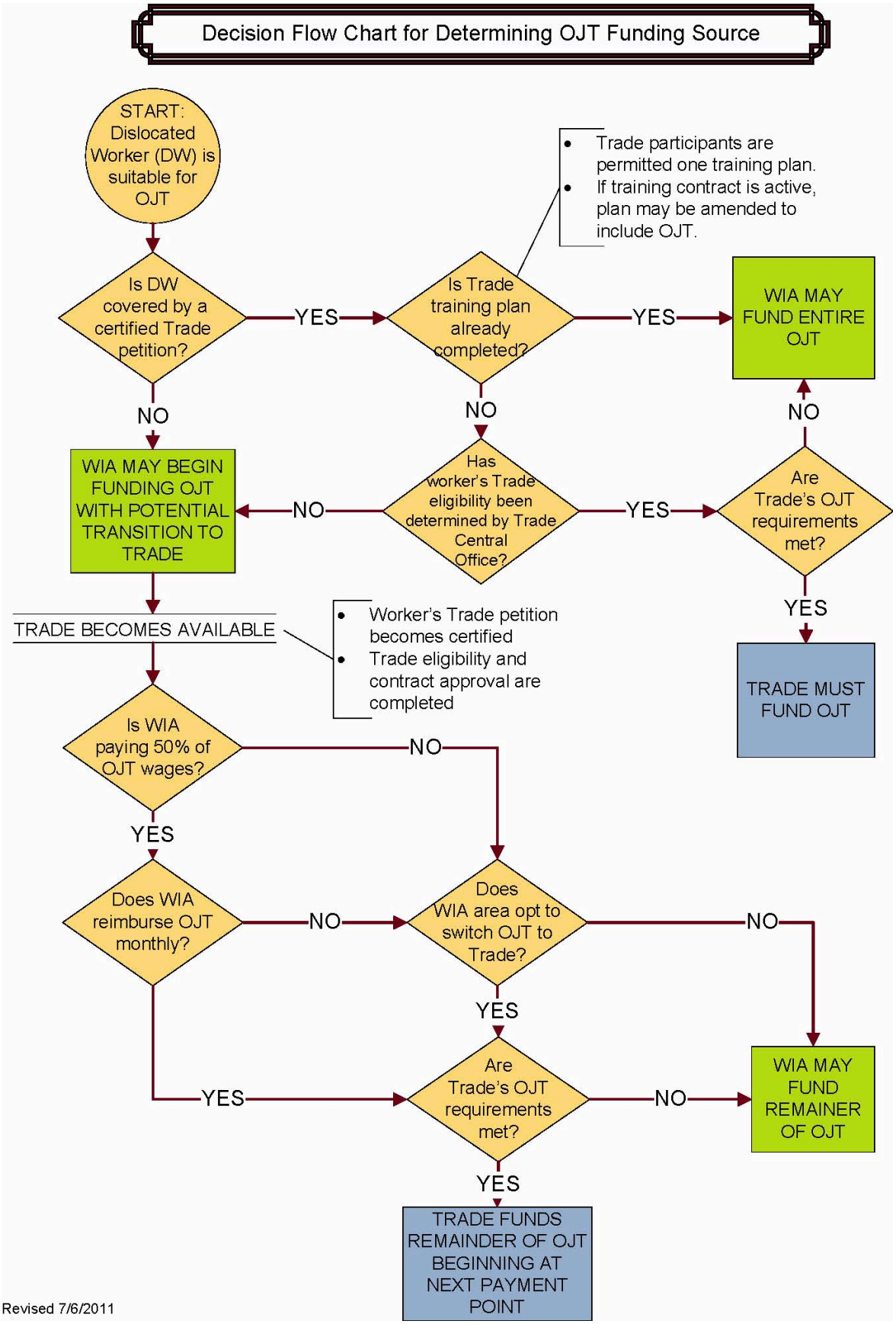
3. Acquire Trade Approval of the OJT –Trade staff must next seek and be granted approval from the ODJFS Trade Central Office for the eligible participant's Trade-funded OJT.

Notify Employer and WIA Staff of Transition – Upon approval of the OJT to receive Trade funding, Trade staff shall:

a. Complete and sign a Funding Transition Form (JFS 80645)to document the effective date that Trade will begin covering the costs of the OJT. The recommended effective date of transition is the first day of the month following the month of Trade OJT approval, or the day following the next payment point for the WIA-funded OJT, whichever is earlier.
b. Forward the form to the ODJFS Trade Central Office, where it will be signed and returned to the Trade staff person at the local level.
c. Provide and explain the Funding Transition Form to the employer and secure the employer's signature. This will ensure that the employer understands both the invoicing procedure specific to the Trade program and the effective date of transition to the Trade program.
d. Send the signed Funding Transition Form to the local workforce area's WIB director or designee for signature so the WIA staff will know when to stop reimbursing OJT costs.
e. Distribute final copies of the form, with all required signatures, to all parties who signed the document.

Upon completion of these steps, the transition of the OJT from WIA to Trade funding is considered complete. After this transition, the remainder of the OJT costs should be invoiced to, and covered by, the Trade program.

The following decision tree depicts the process for determining whether to transition an OJT to Trade program funding:


Decision Flow Chart for Determining OJT Funding Source
START: Dislocated Worker (DW) is suitable for OJT
Is DW covered by a certified Trade petition?
YES
Is Trade training plan already completed?
Trade participants are permitted one training plan.
If training contract is active, plan may be amended to include OJT.
YES
WIA MAY FUND ENTIRE OJT
NO
NO
NO
WIA MAY BEGIN FUNDING OJT WITH POTENTIAL TRANSITION TO TRADE
NO
Has worker's Trade eligibility been determined by Trade Central Office?
YES
Are Trade's OJT requirements met?
YES
TRADE MUST FUND OJT
TRADE BECOMES AVAILABLE
Worker's Trade petition becomes certified
Trade eligibility and contract approval are completed
Is WIA paying 50% of OJT wages?
NO
YES
Does WIA reimburse OJT monthly?
NO
Does WIA area opt to switch OJT to Trade?
NO
YES
YES
Are Trade's OJT requirements met?
NO
WIA MAY FUND REMAINER OF OJT
YES
TRADE FUNDS REMAINDER OF OJT BEGINNING AT NEXT PAYMENT POINT
Revised 7/6/2011

Required When WIA OJT Participant Becomes Trade-Eligible and OJT Funding is Transferred to the Trade Program

Funding Transition Form
Local Workforce Agency

Employer Name:	Employer Address:

While receiving On-the-Job Training (OJT) funded by the Workforce Investment Act (WIA), the following trainee(s) were determined eligible for another program: Trade Adjustment Assistance (TAA). This form serves as notification that the trainee(s) listed below will be transitioned to the Trade program and that all allowable training costs will be reimbursed by Trade for the remainder of the OJT period. No OJT costs incurred on or after the effective date(s) listed below shall be invoiced to, nor reimbursed by, the WIA program.

Transition Details

The following trainee(s) receiving OJT from the employer organization listed above will be transitioned to Trade-funded OJT services as of the effective date(s) listed below.

Trainee Name	OJT Begin Date	OJT End Date	Effective Date of Transition to Trade

If additional trainees are being transitioned to Trade, attach sheet listing the above data and check here: ☐

Trade OJT Invoicing Instructions

Allowable training costs incurred for the above-listed trainee(s) on or after each trainee's Effective Date shall be reimbursed by the Trade program according to Trade Adjustment Assistance invoicing instructions, program policies, and regulations. To request reimbursement of monthly Trade training costs, submit an invoice within 30 days of the end of each calendar month to:

ODJFS Trade Fiscal Unit
4020 E. 5th Ave.
Columbus, OH 43219

JFS 80645

Disputes

Any disputes that involve situations occurring prior to the effective date of this transition, or that are related to the WIA program, shall be addressed following the local workforce area's complaint procedures. These procedures are contained in the OJT Requirements document supplied with the OJT Agreement and signed by the employer. Disputes related to the Trade program or occurring after the effective date of transition to Trade shall be referred to the ODJFS Trade Central Office for resolution. The provisions related to disputes in the OJT Requirements document are hereby amended as described in this paragraph.

Signatures

Acknowledged and agreed to by signing below:

ODJFS State Merit Staff Signature / Date	ODJFS Trade Central Office Signature / Date
Print Name and Title	Print Name and Title
Employer:	Local Workforce Agency:
Authorized Signature Date	Authorized Signature Date
Print Name and Title	Print Name and Title

JFS 80645

TIPS AND TRAPS: SOME FACTORS TO CONSIDER AS OJTS GEAR UP

When developing processes for implementing OJTs, consider the following points:

1. It is assumed that an "OJT field person" will do the legwork, meeting with employers to hash out whether an OJT agreement is appropriate, go over rules, discuss training needs, fill in the many blanks, develop the training plan, and go over billing and employer payment(s). This person's skill level is critical to OJT success! Practice what we preach and offer the OJT field person up-front and continuing on-the-job training!

2. It is also assumed that a second person will review OJT paperwork prior to obligating funding. This is the "quality control" person. It may be the supervisor of the OJT field person, an accounting/fiscal person or someone else.

3. Consider establishing an OJT master file so you can keep all original paperwork in a set, pre-determined location. The master file may be maintained by the OJT paperwork reviewer, or it could be kept in another location. Every workforce agency will have to adapt the OJT policy, procedures and forms to its own structure. Go over the policy and forms carefully so that it is clear who does what in your agency and so that paperwork completion, review, filing and distribution are as simple and clear as you can make them.

4. Put your OhioMeansJobs branding on the forms and policies as you see fit. OJT paperwork given to the employer should NOT look like a government form, if at all possible. A multicolor logo and large print help.

5. This OJT policy, guidance and forms can be adapted for use by any workforce agency or funding stream. Special conditions, caveats or language may have to be added to reflect the requirements of a particular funding source or grantee terms and conditions. Funding source rules must always be communicated to field staff and reviewers, and those rules must be followed!

   For WIA Funded OJTs, this guidance manual presumes that one "blanket" OJT agreement will be written per employer. You do not need to include all OJT requirements (terms and conditions) with every training plan if many training plans are written with the same employer during the same time period. This approach greatly reduces paperwork.

   For Trade Purposes, OJT Agreements Must Be Completed on a Per-Participant Basis.

6. Each local workforce area may elect to establish a minimum OJT length. The "norm" across the country is 160 hours, about a month of full-time training. OJTs should not be written for such a short period that training gains cannot be documented. However, sometimes the training minimum is waived when compact, highly structured training occurs that includes readily measurable skill gains. An example is an on-the-job Microsoft course lasting three weeks with certification at the end.

7. Every local workforce agency has its own way of obligating and de-obligating money. Consider how your agency handles this task. If you use the forms in this manual, the OJT agreement obligates nothing. Dollars are obligated only as individual training plans for eligible participants are approved. A given OJT agreement may result in $100,000 in obligations and expenditures if many training plans with that employer are approved, or $0 if no training plans result with that employer.

8. Similarly, there is no regulatory maximum or minimum wage per hour for OJT. Most local workforce areas do set minimums. If your area elects to do so, the local policy should allow for exceptions when justified. For example, a 19-year-old youth who has never worked regularly may be quite pleased with the minimum wage. A single parent may be better off with a minimum wage job with medical benefits and a chance for advancement than with a job paying a much higher base wage but without benefits or a clear promotion path. Allow field staff to look at the big picture and to consider an exceptional circumstance if a minimum base OJT wage is set.

9. The Employer Information Form and screening process are critically important. This is yet another area where up-front field staff training and regular on-the-job training are needed. New field staff should make several employer visits with experienced staff prior to going alone, if possible. Sample training plans should be kept in a central database and widely shared.

10. Develop and maintain a consistent process for distributing and filing OJT forms. Original signatures are typically required on only one copy of the document; the original may be photocopied or reproduced electronically. However, be sure to follow local agency rules. Typically, the original document resides with the local workforce agency or service provider. Copies go to the employer, the staffing agency (if applicable), the field person completing OJT paperwork, the OJT paperwork reviewer, and the participant file.

11. The training plan should be signed by the trainee and by an individual who is authorized to sign contracts for the employer (and the staffing agency, if applicable). After these signatures have been obtained, the OJT field person should have the training plan signed by the OJT reviewer.

12. The OJT training plan should be forwarded to the agency department or unit responsible for tracking OJT obligations. The plan must show the total amount of the reimbursement obligation for each trainee. Be sure to provide updated documentation when training plan modifications cause a change in financial obligation.

REIMBURSEMENT METHODS

There are three possible ways to make WIA-funded OJT reimbursements. Local workforce areas should choose the model that best suits their needs.

1. Monthly Reimbursement (WIA and Trade)

Historically, most local workforce areas reimbursed employers on a monthly basis for 50 percent of trainees' earnings during the prior month. However, there is no legal requirement to reimburse employers monthly for OJTs funded through WIA.

NOTE – This is the only reimbursement method allowed for Trade-funded OJT participants.

2. Reimbursement at the Completion of Training (WIA only)

An alternative model is to reimburse employers at the successful completion of the training plan. Today, most OJTs written using WIA funds reimburse the employer when the OJT time period is complete, the skills in the training outline have been mastered sufficiently for employment retention, and the trainee is still employed without a pay or hour reduction below specified levels. For example, if the OJT ends November 2, the employer may request reimbursement on November 3 if (a) the trainee is still employed, (b) the trainee is still earning at least the wage paid during the OJT training period, and (c) the trainee is still scheduled to work an agreed-upon minimum number of hours or more each week.

Local workforce areas differ in setting weekly hour limits. Some set a maximum of 32 hours, some 36 hours, others 24 hours. This is up to the local areas to decide, but many have found that a 30-hour limit works well.

Note that the employer is responsible for determining whether the trainee has acquired sufficient skills to retain employment. Also, there is no retention requirement! If the business were to suddenly shut down on November 4 due to business conditions that were not reasonably foreseeable by the employer, the full OJT reimbursement is still due and payable.

3. Retention Model (WIA only)

A third option is a retention model. An increasing number of local workforce areas are withholding part of the OJT reimbursement until 90 days after the end of the OJT. A typical retention withholding amount is $1,000. For example, in the scenario above, the employer would still request reimbursement on November 3, 2013 but $1,000 would be withheld and paid only if the trainee was (a) still employed on February 1, 2014, (b) still earning at least the wage paid during the training period, and (c) still scheduled to work an agreed-upon minimum number of hours or more each week.

There are a number of arguments for and against withholding all or part of the OJT reimbursement for 90 days:

1. Every reimbursement request involves more paperwork, more process time and more risk. In our business, simpler is almost always better. Employers detest monthly paperwork!

2. Over the years, employers have learned to expect monthly reimbursements. That said, local workforce areas that have moved to a single reimbursement have not lost employer business. If a business depends on your OJT reimbursement for survival, perhaps it would be best if they opted out of OJT! A few local areas "grandfather" in monthly OJT reimbursements if requested by area employers who are currently using OJTs. The problem with grandfathering is added complexity and a muddled message.

3. Economic theory predicts that behaviors that are incentivized financially occur at a greater rate. Withholding OJT reimbursements for 90 days will increase entered employment rates, work retention rates and participant earnings. These are the performance standards upon which WIA evaluations are based. It makes sense to incentivize the behaviors that determine your workforce area's success.

4. Hand-delivering the retention check, or showing up in the days after the employer receives the check in the mail, results in new job listings, more placements and more OJTs. Most local workforce areas that use the retention model hold back $1,000 of the reimbursement. However, a handful of workforce areas have increased the retention holdback to as much as 100 percent of the OJT reimbursement!

5. The employment and retention withholdings are not bonuses! They are included within the calculation of the maximum percentage of trainee wages subject to OJT reimbursement. For example, if Joe Jones earned $18,000 during his six-month OJT training period, at the traditional 50 percent OJT reimbursement rate, his employer would receive about $1,500 each month regardless of whether the training took place and Joe retained employment. Using the reimbursement-at-the-completion-of-training model, the employer would receive the full $9,000 when the OJT was over and only if the training was successful and Joe was still employed. Using the retention withholding model, Joe's employer would receive $8,000 when the OJT was complete and the final $1,000 90 days later, *if Joe was still employed and if the other conditions were met*. The maximum employer reimbursement remains $9,000, but the time the money is paid changes, and employment and retention are required for full reimbursement.

6. The retention model shifts the risk to the employer. The theory is that the employer has far more control over the situation than the local workforce area does.

Guidance on Determining Trainee Skill Levels

From an employer's perspective, the purpose of the OJT contract with the local workforce agency is to train workers to be skilled and productive and to receive reimbursement for the extraordinary costs of the training.

From the trainee's perspective, the OJT is a way to gain entry to employment for which the trainee needs additional knowledge, skills and abilities to succeed.

The amount of time needed for this training depends on several factors regarding each trainee:

(1) Prior work experience and education;
(2) Skills, knowledge and abilities; and
(3) Any barriers to employment.

The length of the OJT should be determined by assessing and documenting the above factors and by determining the usual time it takes to train someone for the occupation or job that the trainee will fill. To assess the trainee, use the Individual Service Plan (ISP) process. To determine the OJT length, analyze the tasks involved in the job and then use the O*NET system's Specific Vocational Preparation (SVP) component. The SVP is the amount of lapsed time required by a typical worker to learn the techniques, acquire the information, and develop the facility needed for average performance in a specific job-worker situation.

To determine a job's SVP, enter the job title specified by the employer into the O*NET system (**onetonline.org/find**). Entering the job title in the search box may bring up several other job titles; choose the one that is most applicable.

Now review the employer's job description and/or the job tasks listed on the O*NET summary report to determine the job tasks for the OJT training. Along with the employer, choose the five to seven most important job tasks for which the trainee needs to be trained. Then use the trainee's assessment to determine the trainee's current skill level for each task; the skill level must be at two or below for each. Now you can determine how long it will take the trainee to become proficient at each skill. This will determine the length of the training plan. The training plan length may be less than the SVP range, but it should not exceed that range unless an exception is documented and approved by the local workforce agency.

Example:

The employer job title is "bookkeeper," but the job duties involve mostly payroll and timekeeping. Go to **onetonline.org/find**. Enter "Bookkeeper" in the search box and then choose "Payroll & Timekeeping Clerk" from the job titles. Go to the "Payroll & Timekeeping Clerk" summary report at **onetonline.org/link/summary/43-3051.00**.

This page gives you the O*NET Code, 43-3051.00, which can then be entered on the Training Plan form. Scroll down the summary report to the Job Zone section. This section shows that the SVP code for this occupation is 6.0 to 7.0.

From the chart below, the SVP hours can then be determined. Since the SVP for a "Payroll & Timekeeping Clerk" is above the maximum allowed ("5," which translates to 26 weeks), the training plan period for this position is limited to 26 weeks. For a thorough discussion of the SVP system, see **onetonline.org/help/online/svp**.

Maximum Hours

Fill in the maximum hours for training according to the SVP Code:

SVP	Maximum Hours	Minimum Weeks
1	0	0
2	240	6
3	520	13
4	800	20
5+	1,040	26

Note: The training hours noted on the scale above give the maximum allowable hours for any given SVP. The actual training time should be determined after considering the variables of the job, the demands of the job as stated in the employer's job description and training plan, and the trainee's previous education, training, skills and/or experience. The training hours may also be adjusted for any barriers or disabilities that may affect the number of hours the trainee needs to acquire a skill. The SVPs above represent the average amount of time required to learn the techniques, acquire the information and develop the facility needed for average performance in a specific job-customer situation. Training hours should never exceed the SVP hours unless special needs are documented; however, in no case may they exceed 1,040 hours unless extenuating circumstances exist (documentation required). OJT participants facing a significant barrier to employment, such as an Americans with Disabilities Act (ADA) disability, may be considered for a longer training duration, not exceeding a maximum of 1,560 hours.

The training time should also take into account that the trainee may have experience in a particular occupation but not in the occupation in the context of the OJT employer's business. For example, a bookkeeper in a dry cleaning establishment may meet the basic requirements of a bookkeeping position but would need additional training for bookkeeping in another business or industry, such as a trucking company. This may also apply to a trainee who may have previous experience in the same type of business as the OJT job but needs training on the specific applications for the OJT employer. Note that, in most cases, an OJT contract should not be written for less than 240 hours.

The training time and reimbursement rate must be negotiated with each employer. They should be based on both the employer's needs and the trainee's training requirements.

In all cases, the case notes for the trainee should indicate the basis for determining the number of hours of training included in the OJT contract.

Skills to be Learned

To fill in the "Skills to be Learned" section of the Training Plan form, copy the job tasks and skills to be learned from the tasks listed on the O*NET job code/title summary page. In addition to – or instead of – doing this, you could also add tasks and skills from the employer's job description or that you learned about from discussions with the supervisor.

Starting Capability Skill Levels

Fill in the trainee's skill level for each job skill and/or task for which the trainee will receive training. The skill level should be determined after assessing the trainee's prior education, training and work history.

Place the skill level (either 1 or 2) in the "Assessed Level" field for the trainee. The skill levels should match those detailed in the trainee's ISP and resume.

- Skill Level 1: The trainee can do only simple parts of the task and has either basic or no prior education, training or experience in performing this task.

- Skill Level 2: The trainee can do most parts of the task and has some prior education, training or experience in performing this task. The amount of prior education, training or experience should determine the number of hours needed to acquire skill in this task. This is should be based on the staff member's and the trainee's assessment of his/her skills and may need to be modified when the individual is actually on the OJT job. An OJT contract modification would be needed to change the training plan.

Ending Capability Skill Levels

- Skills "Met": For skills to be considered "met," the trainee must meet the employer's standard for the task and must demonstrate skill in performing the task. The trainee will not need any additional training hours. This is based on the employer's assessment of the trainee's skills. If the trainee's skill level is not a "1" or "2" when the OJT starts, there is no point in including this task in the training plan, and the OJT length should be decreased appropriately.

Number of Training Hours

Fill in the number of training hours required for each task. The total number of hours cannot exceed the maximum number of SVP hours. The number of training hours should take into account the trainee's prior education, training, skills and experience.

LESSONS LEARNED REGARDING OJT

The U.S. Department of Labor commissioned an evaluation of OJT programs under the Job Training Partnership Act program in 1991. Yes, that was a long time ago (the minimum training wage was $3.35/hour!). However, some of the things learned through this evaluation are still relevant today. They can help ensure that the OJT results in quality outcomes for participants.

Lessons Learned from the Evaluation

High-quality OJT placements contained at least three of the following four dimensions:

1. The job was matched to the participant's interests;
2. The working conditions were appropriate for the participant's needs;
3. The wage rate was appropriate to the participant's needs and previous experience; and
4. The job provided training in skills the participant needed to upgrade.

High-quality training followed these general principles:

1. The training had clear objectives in logical order;
2. The training matched the participant's basic skills level and abilities;
3. The skills learned were transferable to similar jobs with other employers;
4. The participant received interactive training at the work site through expert demonstration or by being observed and corrected while working; and
5. Work sites were monitored on a regular basis by staff.

The Evaluation Report Noted the Following Outcomes

1. Of all the OJT participants included in the study, only 50 percent were still working for their OJT employer when contacted.
2. However, more than 80 percent of the OJT participants whose OJT contracts were judged to be good matches to participants' needs on at least three dimensions were still employed with their OJT employer. Of those participants in poorly matched jobs, only 40 percent were still employed with their OJT employer;
3. 87 percent of the employed former trainees were earning more than their OJT wage rate. Of those, about half had received raises of $.50 per hour or more.
4. Almost 66 percent of the employed former trainees were receiving benefits.

Other Lessons

1. Participants with a limited or unstable work history had better OJT job retention if they received other work readiness training prior to entering their OJT position.

2. Better placements and outcomes were obtained when the employer understood that OJT is not just a job subsidy, but instead is intended to provide solid work skills and habits and a chance for career advancement for the participants.
3. The evaluation contractor (Stanford Research Institute [SRI]) established the following criteria for evaluating quality OJT services:
    a. Quality of match to participant's needs. Because the job is expected to continue, it should:
        i. Be matched to the participant's occupational interests and abilities;
        ii. Be matched to the participant's required working conditions;
        iii. Be matched to the participant's financial needs and alternatives;
        iv. Provide the participant with needed skills; and
        v. Result in continued employment in the training-related occupation, in a job that offers adequate compensation, stability and possibility for advancement.
    b. Quality of training. Because the OJT is to provide training, the training should:
        i. Have clear objectives related to the skills that the participant needs to acquire;
        ii. Be provided in a logical sequence and in a way that is matched to the participant's level of skills and knowledge;
        iii. Be provided by an expert who can demonstrate the job tasks and work with the participant as he or she learns the skills; and
        iv. Provide the participant with skills that are transferable to similar jobs with other employers.
4. One employer established the following criteria for supervisors/employees who are training OJT participants, which was cited as a best practice:
    a. Be aware of terminology that you take for granted (explain acronyms and words with specialized meanings);
    b. Teach the trainee how to ask questions;
    c. Be constantly aware of the picture that is being painted in the trainee's mind through your instruction;
    d. Whenever possible, give feedback before the action is taken; i.e., ask the trainee ahead of time how s/he will complete the task;
    e. Be sensitive about retention; the training has got to build, like learning a language; and
    f. Be aware that people will develop skills at different paces. Challenge the trainees but do not swamp them.

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