
NORTH CENTRAL
COUNTIES CONSORTIUM

**ON-THE-JOB TRAINING
PROCEDURE MANUAL**

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INTRODUCTION

North Central Counties Consortium (NCCC) is committed to providing high quality training to all participants, including On-the-Job Training (OJT). OJT has proven to be a highly effective training alternative for many participants. For participants who are unable to attend classroom training because of financial restraint, OJT is an opportunity to meet personal financial needs while acquiring skills that lead to permanent employment.

Well-managed OJT programs that are responsive to the needs of participants, that recruit sound employers who are willing to train, and include appropriate mechanisms that insure proper oversight and monitoring, provide the type of training alternatives that the Workforce Innovation and Opportunity Act (WIOA) intends. It is the goal of NCCC to ensure that the spirit and statutory requirements of the law are met in OJT programs.

This On-The-Job-Training (OJT) Procedure Manual is designed for use by NCCC WIOA Service Providers to guide the operation and oversight of an OJT program. It provides the minimum statutory, policy and procedural guidance relative to the implementation and operation of a sound OJT program.

This manual is broken into six sections that highlight major program areas as well as references to the WIOA law, program regulations, and local requirements that are appropriate to each section. The six sections are:

- I. Definition of On-The-Job Training (OJT)
- II. Prohibitions and Limitations;
- III. General Program Requirements/Information;
- IV. Selection of Participants/Trainees;
- V. Selection of Employers
- VI. Development of the OJT

Also attached are sample OJT forms and attachments that are required for the operation of an OJT Program. The information contained in each form and attachment represents what is minimally required. One Stop Service Providers may use the sample forms as is, or revise the format and add additional information.

OJT forms and instructions attachments:

- 1) Employer Survey/Instructions
- 2) OJT Agreement/Instructions
- 3) OJT Invoice/Instructions
- 4) OJT Amendment/Instructions
- 5) OJT Termination Letter/Instructions

I. DEFINITION OF ON-THE-JOB-TRAINING (OJT)

In accordance with the WIOA Section (3) (44), the term “on-the-job training” means training by an employer that is provided to a paid participant while 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 of up to 50 percent of the wage rate of the participant, for the extraordinary costs of providing the training and additional supervision related to the training; and
- Is limited in duration as appropriate to the occupation for which the participant is being trained, taking into account the content of the training, the prior work experience of the participant, and the service strategy of the participant, as appropriate.

II. PROHIBITIONS AND LIMITATIONS

A. Displacement

A participant shall not be employed in, or assigned to, a job if any other individual is on layoff from the same or any substantially equivalent job; or if the employer has terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created with the participant; or if the job is created in a promotional line and will infringe in any way upon the promotional opportunities of currently employed individuals. Furthermore, an employer must not allow the employment of an OJT trainee to infringe on non-overtime work hours, wages or employment benefits of any regular employees. [Ref: WIOA Section 181(b) (2) and (3), and WIOA Final Rules 683.270(a), (c) and (d)]

B. Pattern of Failure

An OJT contract shall not be entered into with an employer who has exhibited a pattern of failing to provide OJT participants continued long-term employment as regular employees with wages, benefits, and working conditions at the same level and to the same extent as similarly situated employees. (See sample Employer Survey) [Ref: WIOA Section 194(4) and WIOA Final Rules 680.700 (b)]

C. Sectarian Activities

OJT must not violate any of the provisions limiting sectarian activities which are contained in the Act.

WIOA Section 188(a)(3) states: Participants shall not be employed under Title I of WIOA to carry out the construction, operation, or maintenance of any part of any facility that is used or to be used for sectarian instruction or as a place of religious worship, except

with respect to the maintenance of a facility that is not primarily or inherently devoted to sectarian instruction or religious worship, in a case in which the organization operating the facility is part of a program or activity providing services to WIOA participants. [Ref: WIOA Section 188(a) (3) and WIOA Final Rules 683.255]

D. Conflict of Interest

It is imperative that One Stop Service Providers are aware of the potential for accusations of conflict of interest. Situations that give rise to the appearance of impropriety include staff members writing OJT agreements with close personal friends or business associates; staff members accepting gifts or other favors from the employers with whom they have written OJT agreements; a staff member writing an OJT with an employer whom he or she may work for. Questions regarding the appropriateness of an OJT in reference to potential conflicts of interest, WIOA One Stop Service Providers may contact the NCCC Administrative Office for guidance. All One Stop WIOA staff must complete Statements of Economic Interest annually in accordance with NCCC's Conflict of Interest Code. [NCCC Requirement]

E. Nepotism

OJT agreements will not be entered where nepotism is involved. The WIOA states that "no individual may be placed in a WIOA employment activity if a member of that person's immediate family is directly supervised by the individual or directly supervises the individual. Employers must be informed of the extent of this nepotism prohibition during completion of the Employer Survey (*Attachment 1*). If such a relationship between the above-stated employer representatives, managers, or trainers, and an OJT trainee is discovered after the start of an OJT, the OJT Agreement shall be terminated. [Ref: WIOA Final Rule 683.200(g) and NCCC Requirement]

F. Political Activities

WIOA statutes and regulations do not allow provision of any financial assistance for programs involving political advocacy. OJT agreements must not violate any of the provisions limiting political activities. No OJT trainee during training hours shall engage in any political advocacy. [Ref: WIOA Section 194(6)]

G. Relocation

No funds shall be used for on-the-job training for any business or part of a business that has relocated, until 120 days after the date on which such business commences operations at the new location, if the relocation of such business or part of a business results in a loss of employment for any employee of such business at the original location and such original location is within the United States.

To verify that an establishment which is new or expanding is not, in fact, relocating employment from another area, standardized pre-award review criteria (Employer Survey, *Attachment 1*) must be completed jointly by the local area with the employer as a prerequisite to WIOA assistance. [Ref: WIOA Section 181(d) and WIOA Final Rules Section 683.260]

H. Part-Time OJTs

If the One Stop Service Provider intends to meet the performance standards for the earning rate, entering into OJT agreements for part-time positions is not advisable. Part-time OJT agreements should not be entered into unless the participant will benefit from the arrangement in the long term. [NCCC Requirement]

III. GENERAL PROGRAM REQUIREMENTS AND INFORMATION

A. Employer Payments

1. Up to 50% Reimbursement to Employers

One Stop Service Providers will reimburse employers up to 50% of the total wages paid to each participant/trainee during the period of training agreed to. Payments are deemed to be in *compensation for the extraordinary cost of providing the training and additional supervision related to the training of participants*. The training hours and exact wage(s) and reimbursement level(s) shall be specified in the OJT agreement. Employers are not required to maintain separate records to document the extraordinary costs actually incurred. [Ref: NCCC Requirement]

2. Overtime Hours

Overtime hours worked by an OJT trainee are not to be reimbursed. OJT agreements shall not plan for overtime hours or wages. [NCCC Requirement]

3. Wage Increases or Fluctuations

If wages/salary varies during the training period due to shift differentials, temporary prevailing wage jobs, or other allowable factors, agreements may be amended to reflect the increase, but this is not required. [NCCC Requirement]

B. Working Conditions

1. Compensation at Same Rate as Similar Employees

OJT participants shall be compensated at the same rates, including periodic increases, as trainees or employees who are similarly situated in similar occupations

by the same employer and who have similar training, experience, and skills, and such rates shall be in accordance with applicable law, but in no event less than the higher of the rate specified in Section 6 (a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) or the applicable state or local minimum wage law. [Ref: WIOA Section 181(a)(1)(A) and WIOA Final Final Rule Section 683.275]

If the employer has more than one participant in OJT activities in the same position the pay must be the same unless you document the reason for the difference in pay. This could be based on skill levels, educational levels etc.

2. Health and Safety Standards and Workers Compensation

Health and safety standards established under state and federal law otherwise applicable to working conditions of employees shall be equally applicable to working conditions of OJT participants. It is the responsibility of the employer to provide adequate safety training for the OJT participant during the first week of training and to inform the participant and agency staff of all protective clothing or gear needed for the position. One Stop staff may assist the participant with purchase of such clothing or gear, if the employer does not provide it to all new hires in the position (e.g., steel-toed work boots). Employers shall assure that working conditions are safe, and program staff shall evaluate the safety of a worksite prior to entering an OJT agreement.

Workers compensation shall be provided to OJT participants on the same basis as the compensation is provided to other individuals in the state in similar employment. To qualify for OJT, an employer must provide workers compensation insurance coverage for OJT trainees. [Ref: WIOA Section 181(4), WIOA Final Rules Section 683.280 and NCCC Requirement]

3. Benefits and Working Conditions

Individuals in OJT shall be provided benefits and working conditions at the same level and to the same extent as other trainees or employees working a similar length of time and doing the same type of work. [Ref: WIOA Section 181 and WIOA Final Rules Section 683.275(c)]

C. Concurrence of Employer and Union

Development and implementation of OJT agreements shall not impair an existing contract for services or collective bargaining agreement, and no activity that would be inconsistent with the terms of a collective bargaining agreement shall be undertaken without the written concurrence of the labor organization and employer concerned. [Ref: WIOA Section 181(b)(2)(B) and WIOA Final Rules 683.270(b)]

IV. SELECTION OF PARTICIPANTS/TRAINEES

Referrals to OJT positions will be based on the participant's comprehensive assessment and need, documented in the individual service strategy (ISS), which will take into consideration the applicant's occupational interest, literacy level, aptitude and any previous work experience. To participate in OJT an individual must require training to gain and retain the position and must lack work experience equivalent to the training provided. [NCCC Requirement]

A. Employed Workers

OJT agreements may be written for eligible employed workers when:

1. The employee is not earning a self-sufficient wage as determined by local board policy;
2. The requirements of OJT as outlined in this procedure are met; and
3. The OJT relates to the introduction of new technologies, introduction to new production or service procedures, upgrading to new jobs that require additional skills, workplace literacy, or other appropriate purposes identified by the local board.

NCCC defines **Self-Sufficiency for Employed Workers** – in order for an employed worker to be considered in need of intensive and/or training services the individual's hourly wage or family income must not meet the definition of self-sufficiency. NCCC Policy #02 defines self-sufficiency for an employed worker as either:

- For an individual receiving wages that equal \$15.00 per hour OR
- A family income that is above 250% of the federal poverty guidelines OR

EXEMPT OCCUPATIONS – Health Care Workers: Due to the need to provide upgraded skills training to Health Care Workers the self-sufficiency income limit has been waived. This group may receive intensive and/or training services if they do not fall into the two above criteria.

[Reference: NCCC definition]

B. Reverse Referrals

Employer referrals should be considered only if the applicant's ISS indicates that the referral is appropriate and is in the best interest of the applicant. Though program regulations and local policy do not prohibit reverse referrals, this method of OJT development should be utilized with extreme caution. There have been documented cases of employers, discreetly, hiring applicants and then sending them to One Stops for certification and enrollment into the OJT program. In nearly every case the employer would have hired the individual anyway, without the benefit of OJT. Because

the applicants are usually already qualified to do the job, no training is received, leaving the employer as the only party who benefits from the arrangement.

Note: Staff should be particularly careful when employers refer workers who are employed with them. [NCCC Requirement]

V. SELECTION OF EMPLOYERS

A. Employer Outreach

The success or failure of any OJT program depends on the variety and availability of local employers who are supportive of the OJT concept and have the ability to meet the contractual requirements that the law imposes. It is important for One Stop staff to outreach to employers in the community, using whatever means are appropriate, so that training opportunities will exist for participants who can most benefit from the OJT program. Even though the availability of employers is essential to the operation of an OJT program, it is imperative that One Stop staff utilize only those employers who can best meet the terms of the OJT agreement and the training needs of participants. One Stop staff should develop criteria for selecting employers that includes consideration of an employers past involvement with federal or state funded training programs, solvency, wages and benefits, commitment to providing training, reputation in the community, employee relations, hiring practices, and other information One Stop staff consider to be important in determining the appropriateness of an OJT employer(s). [NCCC Requirement]

Also see Section II Prohibitions and Limitations.

B. OJTs with NCCC Workforce Development Board Members (WDB)

It is allowable to enter OJT agreements with employers in which NCCC WDB members have a financial or other interest. When such OJT agreements are developed, as for all OJT agreements, due consideration must be given to the provision of significant training and benefit to the trainee. All OJT agreements entered with employers in which WDB members have an interest must be held to the same objective standards and criteria as other OJT contractors, including exclusion from the OJT program if a pattern of failure occurs. [NCCC Requirement]

VI. DEVELOPMENT OF THE OJT

An OJT agreement is required and sets forth the terms and conditions that the employer and One Stop Operator agree to provide. The agreement includes the federal, state and NCCC required elements for an OJT. However, WIOA One Stops Service Providers may include additional contract elements as long as they do not contradict or alter the intent of

the required federal, state and NCCC elements. An OJT Agreement Template is attached which contains the minimum agreement requirements and information.

A modification to the agreement is required if any changes are needed for a particular trainee.

A. Selecting Appropriate Occupations

WIOA regulations allow great latitude in determining occupational areas that are suitable for OJT. In general, only those occupations for which there is a reasonable expectation of future employment, demand skills that require a definite period of training, and offer wages that compare to those similar occupations and industries in the area, should be considered for OJT.

Beyond the minimum characteristics described above, case managers should also consider other criteria, including the following:

- High growth occupations in the primary labor market;
- Occupations with a low or average rate of turnover;
- Skilled jobs which offer opportunity for advancement and upward mobility;
- Occupations that offer skill transferability.

B. Determining Type and Length of Training

An OJT agreement must be limited to the period of time required for a participant to become proficient in the occupation for which training is provided.

The duration of OJT agreements shall be based on the [O*Net Job Zone](#) (Job Zone) for the OJT occupation, along with due consideration of the education, experience, skills and aptitudes of the participant, as these relate to a participant's need for training. The consideration of these other factors may cause appropriate adjustments to the training period indicated as appropriate per the O*Net Job Zone. Furthermore:

1. OJT agreements shall be written for a minimum of one month, four weeks, or 173 hours, depending on whether the participant is to be paid hourly, weekly, or monthly.
2. OJT agreements shall be entered for durations appropriate for the occupation and the participant/trainee. If more training is needed at the end of the agreement period for the trainee to gain proficiency in the occupation, and if the employer has been providing the agreed to and necessary training consistently, then the period and training hours of the agreement may be increased by formal amendment. An amendment to increase the training hours and period may also occur when additional types of training or training elements are added to the agreement.

3. If the participant becomes competent (score of 5) in all skill areas identified in an On-the-Job Training Plan, then no further training is needed, and the agreement must be terminated effective the date the participant is determined to be competent in all the skills to be acquired under the OJT Plan.

The following is an explanation of O*NET Job Zones (one and two) and the time associated to each level:

MAXIMUM OJT HOURS (Based on 40 hr. week)		
<i>Job Zone</i>	<i>Months in Training</i>	<i>Hours</i>
One	1	173
One	2	347
One	3	520
Two	4	693
Two	5	867
Two	6	1040

C. Establishing Accountability

Successful OJTs are built on a solid foundation of communication and understanding. It is vital that all parties to the OJT agreement understand its terms. This includes the employer (owner, president, and manager), the employer’s designee (foreperson, supervisor, and trainer), One Stop staff, and the participant. It is essential that all the parties to the agreement review the agreement before it is signed by the employer. Items that should be discussed and reviewed include the following:

1. The training outline and the time frames involved. A copy of the job description and training outline should be provided to the trainee and the employer designated trainer.
2. The starting wage and wage scale of the employer.
3. Payroll periods and overtime policies.
4. Health benefits, vacation, sick leave policy, if applicable.
5. How often the trainee will be evaluated and the worksite monitored. This includes how the training outline will be used to monitor training.

6. Causes for termination, policies on warning notices, and the employer's grievance procedure¹. If the employer has an employee handbook, it would be an appropriate time for all parties involved to review it.
7. A process by which the employer will inform the case manager when difficulties with the agreement arise, to allow for correction. If the participant is in danger of being terminated, a corrective action plan could be developed.

D. OJT Minimum Requirements

1. Employer Orientation

An employer orientation must be conducted with each employer and/or employer representative to discuss the provisions of the OJT agreement and training plan. The agreement process sets the ground rules for OJT with an employer and ensures there is a legally binding agreement between the employer and the One Stop Operator.

2. Employer Survey

An Employer Survey is to be used by all One Stops for **every** employer where an OJT may be used. The Employer Survey should be kept by the One Stop in the OJT agreement file. Attachment 1 is a Survey template and instructions.

3. OJT Agreement and Training Plan

OJT agreements are the terms and conditions that the employer and One Stop Service Provider agree to provide for an OJT experience. At a minimum, an OJT agreement must comply with the requirements of WIOA rules and regulations including identifying the occupation, skills to be learned, and the length of time the training will be provided. Agreements should also include requirements specific to the state and local areas. Agreements are reviewed with the employer and all sections should be understood.

On-the-Job Training Plan, Exhibit *A of the agreement*, is to be used as a dual-purpose document. First, it will outline the skills to be learned to perform the job. Staff and the employer will work to develop the Training Plan and list the skills to be learned during the OJT. The Training Plan is also used as a method to rate/score the progress of the OJT and each skill to be learned. This will be discussed with all parties present at the time the agreement is signed and a copy should be given to

¹ If the employer does not have a grievance procedure; then the WIOA Grievance Procedure may be used.

the participant. The *Training Plan* will then be copied and used by the operator as a monitoring tool that will verify attainment of the skills that are outlined.

Attachment 2 is an OJT agreement template and instructions. The template contains the minimum required elements and information for the OJT agreement. The monitoring form is also the On-the-Job Training Plan, Exhibit A.

4. Monitoring

Monitoring visits should include interviews with the employer, supervisor, and the trainee. Corrective action plans should be developed when appropriate and monitored during subsequent visits. One Stops may wish to utilize additional, internally developed monitoring report forms or evaluations but the Training Plan Exhibit A must be used.

The OJT agreement must be terminated once the specified training time has been reached or competency has been attained for each identified skill. Agreements may be extended if additional skills are identified and additional training is justified.

5. Invoicing

Guidelines for invoicing are as follows:

- Invoicing of the OJT agreement must be conducted on at least a monthly basis, utilizing the invoice form (*Attachment 3*).
- The staff person conducting the invoicing should review the following documents when completing an invoice:
 - 1) Time cards, Time clock report etc.;
 - 2) Payroll records showing hours, pay rate, deductions and net pay;
 - 3) Cancelled checks (if available)
- Both the employer and the person invoicing must sign the invoice.
- It is recommended that invoicing be conducted on the basis of the employer's pay periods to allow for greater accuracy.
- The original invoice must be submitted for payment.
- A copy of the completed invoice should be forwarded to the employer. One copy of the invoice should be on file at the One Stop Operator office.

- It is recommended that the person doing the invoicing use a system for recording information as back-up to the invoice. A ledger sheet, updated each invoicing period, would include all information necessary for subsequent invoices.

6. OJT Agreement Amendment (if applicable)

Amendments to the OJT agreement are required in the event that the terms of the agreement need to be changed. Attachment 4 is the OJT Amendment form and instructions. The OJT Amendment is used to designate the changes. Changes to the agreement which require amendments are as follows:

- *Changes in Pay for the Participant* - Amendments shall be made for permanent changes in pay, effective the date such changes occur, and shall be reflected in *OJT Agreement Amendment*.
- *Increasing the Training Period for the Participant* - This may result from additional duties, increased skill level or increased responsibilities. These must be added to the Elements of Training. Any other reasons for increasing the training period should be explained and justification for increased time must be documented in the participant's case file.
- *Extending the Term of the Agreement* – This may result when the training time is increased because of an increase in job duties but may also result when the trainee may need additional time to become competent in the skills to be learned or has missed work due to illness or injury and was unable to finish the training hours before the term of the agreement ended.

7. OJT Notice of Termination

Use of the Notice of Termination of the document is required when terminating an agreement. Attachment 4 is the OJT Amendment and instructions.

- Two copies of the Notice of Termination of OJT Agreement should be signed by the Employer and One Stop Operator.
- One original returned to the Employer and the other maintained with the One Stop Operator.

8. OJT Completion

When exiting an OJT client the date of employment should be the day after the OJT hours end. The entered employment date is NOT the first day of the OJT activity.

9. Follow-Up

The responsibility of the case manager in insuring customer satisfaction does not end when the OJT agreement is over. A successful placement is one that provides job security and satisfaction for the participant over a long time, and the employer finds has long term benefits for his/her business. In order to keep the employer satisfied and the participant on the job, follow-up is critical.

10. Administrative Review

NCCC Administrative Staff may review OJT programs. Reviews will include an examination of eligibility, case management, OJT agreement, and invoicing systems. One Stops are also subject to monitoring by the state and DOL, and other federal agencies at any time. One Stops must develop their own in-house monitoring systems to periodically review files and make corrective action in advance of being required to by outside monitoring entities.

VII. ATTACHMENTS

- 1) Employer Survey/Instructions
- 2) OJT Agreement/Instructions
- 3) OJT Invoice/Instructions
- 4) OJT Amendment/Instructions
- 5) OJT Termination Letter/Instructions

INSERT ONE STOP OPERATOR NAME
EMPLOYER SURVEY

EMPLOYER NAME: _____

ADDRESS: _____

COMPANY OFFICIAL PROVIDING INFORMATION: _____

TITLE OF COMPANY OFFICIAL PROVIDING INFORMATION _____

	<u>YES</u>	<u>NO</u>
1. Employer's total workforce # _____.		
2. Has the employer hired OJT trainees in the past?	[]	[]
3. If the answer to No. 2 is yes, were all agreements completed successfully? If all agreements were not completed successfully, please explain in comments section. [] N/A	[]	[]
4. Does employer provide workers' compensation coverage?	[]	[]
5. Does the employer's payroll system document wages, tax withholding, and other payroll deductions?	[]	[]
6. Does employer provide health or other benefits? If yes, explain in comments section.	[]	[]
7. Has union concurrence been obtained? [] N/A	[]	[]
8. Has employer been cited for any safety, wage and hour, or child labor violations during the last 12 months? If yes, explain in comments section.	[]	[]
9. Has employer laid off any employees in the past six months? If yes, explain in comments section.	[]	[]
10. Has the employer filed a WARN notice in the past year?	[]	[]
11. a. Is the employer new to the area, i.e. relocating or expanding from another labor market area?	[]	[]
b. If yes, did the relocation result in a loss of employment for any employees?	[]	[]
c. If yes, did the relocation occur less than 120 days ago? If yes, to a, b and c, an OJT agreement cannot be awarded until after 120 days have passed.	[]	[]
12. Agreement awarded:	[]	[]

Comments _____

Staff Reviewer Name: _____

Staff Reviewer: _____ Signature Date: _____

Instructions for Completing the Employer Survey

Top Section

- Employer Name - Fill in employer's name as it appears on business license or tax records.
- Address - Physical and mailing address.
- Company Official Providing Information - Must be the owner, partner, corporate officer, or general manager.
- Title of Official Providing Information – self explanatory

Sequentially Numbered Items:

1. Number in workforce. This includes the employer, partners, and corporate officers.
2. May include trainees from other One Stop Service Providers or other funding sources.
3. Successfully means that the participant entered employment and remained employed for 13 weeks.
4. Ask to see workers' compensation policy.
5. Examine payroll system, if available.
6. Health or other benefits available.
7. Union concurrence means that union officials have been approached and do not dispute the employer's use of OJT.
8. Calls to the Labor Commissioner or to the appropriate state agency may be necessary to verify this information.
9. This includes lay-offs of any duration.
10. May be verified at the State's WARN site:
http://www.edd.ca.gov/jobs_and_training/Layoff_Services_WARN.htm
11. If the employer has relocated from another area and a loss of employment has occurred from any employee then an OJT may not be written until at least 120 days have passed since the relocation.
12. Indicate whether or not the agreement has been awarded.

Bottom Section

- Comments - Include any comments related to #3, #8, #9 and any other question where further information may be necessary.
- Staff Reviewer Name - The name of the staff person who interviews the employer.
- Staff Reviewer Signature - Signature of the staff person who interviews the employer.
- Date of Review - Must precede start date of any OJT agreement.

Insert OJT PROVIDER Name Here
On-the-Job Training (OJT) Agreement

OJT Contract No:

Section 1: Contact Information*Complete the contact information for the OJT PROVIDER (One Stop).*

OJT PROVIDER:	CONTACT PERSON:	TELEPHONE #:
ADDRESS:	EMAIL:	FAX#:

Complete the contact information for the EMPLOYER.

EMPLOYER NAME:	CONTACT PERSON:	TELEPHONE #:
EMPLOYER ADDRESS:	EMAIL:	FAX #:
	# Regular Employee:	# OJT Trainees: (exclude Trainee for this agreement)
Worker's Compensation Insurance Carrier:		POLICY #:
NATURE OF BUSINESS:		

Section 2: Trainee Information*Complete the contact information for TRAINEE and reimbursement rates.*

TRAINEE NAME:	OJT JOB TITLE:	PERSON IN CHARGE OF TRAINING:
BEGINNING DATE:	END DATE:	BASIC WORK SCHEDULE:
LOCATION OF OJT:	O*NET CODE:	O*NET JOB ZONE:
	STARTING WAGE:	WAGE AT COMPLETION:
REIMBURSEMENT RATE (1/2 STARTING WAGE): \$	LENGTH OF TRAINING	MAXIMUM REIMBURSEMENT: \$
PAY PERIODS:	PAY DATES:	

Section 3: OJT Agreement

This On-the-Job Training (OJT) Agreement is between (Name of EMPLOYER), herein after called EMPLOYER and the (Name of OJT PROVIDER), herein after called the OJT PROVIDER. Both parties agree to the terms and conditions set forth within this contract. The contract term commences on (enter start date) and terminates on (enter end date).

Section 4: General Terms and Conditions*Contract Purpose*

The purpose of this contract is to establish the general terms and conditions under which the (OJT PROVIDER) may refer individual WIOA participants ("the Trainee") to the EMPLOYER to enable the Workforce Innovation and Opportunity Act (WIOA) participants to take part in an OJT as the term is defined under the WIOA.

OJT Definition

In accordance with the WIOA section 3 (44), the term "on-the-job training" means training by an employer that is provided to a paid Trainee while engaged in productive work. This training will:

- a) Provide knowledge or skills essential to the full and adequate performance of the job;

- b) Qualify for reimbursement to the employer of up to 50% of the wage rate of the Trainee, for the extraordinary costs of providing the training and additional supervision related to the training; and
- c) Limit the OJT contract period of time for a Trainee to become proficient in the occupation for which the training is being provided. In determining the length of the training, consideration should be given to the skill requirements of the occupation, the academic and occupational skill level of the Trainee, the prior work experience of the Trainee, and the individual employment plan, as appropriate.

TRAINING

- 1. EMPLOYER agrees to employ the Trainee and develop a training plan (Exhibit A) for the OJT Trainee based on the skills needed for the Trainee to be satisfactorily skilled in the OJT position.
- 2. In no event shall the OJT PROVIDER reimburse the EMPLOYER more than 50% of the actual and reasonable costs, subject to the maximum amount set forth in accordance with Section 2, MAXIMUM REIMBURSEMENT, for providing training under the terms hereof.
- 3. EMPLOYER shall not subcontract the OJT.
- 4. EMPLOYER shall ensure the Trainee is paid the wage or salary indicated in this Agreement.
- 5. EMPLOYER provides the Trainee with safety instructions and equipment necessary for reasonable protection against injury and damage. If the EMPLOYER provides special clothing or equipment to regular employees, the EMPLOYER shall provide the same type of clothing or equipment to the Trainee performing similar work.
- 6. The training will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants.
- 7. Reimbursement under OJT will be limited to cost incurred during the basic work week (i.e. the normal number of regular working hours exclusive of overtime and holiday pay).

FISCAL

- 8. OJT PROVIDER shall reimburse EMPLOYER on a monthly basis in an amount not to exceed total reimbursement for extraordinary costs of training to be provided by the EMPLOYER to Trainee.
- 9. EMPLOYER shall ensure that each Trainee is employed under a payroll system that includes documentation of attendance, dates worked and number of hours worked per date, computation of gross wages, deductions, and net pay, and a maintenance system for cancelled checks.
- 10. The OJT PROVIDER has the right to observe and monitor all conditions and activities involved in the performance of this Agreement, and have the right to verify cost or pricing data submitted with respect to this Agreement by examining the EMPLOYER'S books, records, or documents pertaining to this Agreement during the EMPLOYER'S normal business hours.
- 11. EMPLOYER shall provide adequate insurance coverage to protect against legal liability arising out of OJT activity.
- 12. EMPLOYER shall retain all OJT Employee payroll records, fringe benefits and personnel records for a minimum of three years.

EMPLOYER ASSURANCES

- 13. EMPLOYER shall provide worker's compensation coverage for the OJT.

14. If the OJT is provided to one of the EMPLOYER'S current employees, the EMPLOYER verifies that the OJT will relate to the introduction of new technologies, introduction to new production or service procedures, or is an upgrade to a new job that requires additional skills, and that the OJT position will provide the OJT Trainee with additional wages, hours or benefits.
15. EMPLOYER certifies that the company is financially solvent on the date of this contract, and the EMPLOYER'S best projection is that they will remain financially able to meet contract obligations at the end of the training period, including OJT Trainee's retention.
16. EMPLOYER agrees that wage and labor standards will be adhered to and to pay the OJT Trainee at the same rates, including increases, and benefits as trainees or employees who are situated in similar jobs. Such rates shall be in accordance with applicable law, but in no event less than the higher rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 or the applicable state or local minimum wage law.
17. EMPLOYER certifies that the OJT will not impair existing agreements for services or collective bargaining agreements and that either it has the concurrence of the appropriate labor organization as to the design and conduct of an OJT, or it has no collective bargaining agreement with a labor organization that covers the OJT position.
18. EMPLOYER further assures that OJT funds will not be used to assist, promote or deter union organizing.
19. EMPLOYER assures that they have not been debarred or suspended in regard to federal funding.
20. EMPLOYER certifies that they will not contract for an OJT for a member of his/her family such as wife, husband, son, daughter, and mother, father, brother, brother-in-law, sister, sister-in-law, daughter-in-law, son-in-law, mother-in-law, father-in-law, aunt, uncle, niece, nephew, stepparent and stepchild.
21. EMPLOYER assures that the OJT Trainee(s) will not be employed to carry out the construction, operation or maintenance of any part of a facility that is used or to be used for sectarian instruction or as a place for religious worship.
22. EMPLOYER shall ensure that no currently employed worker is displaced by any OJT trainee, including partial displacement such as a reduction in non-overtime hours, wages, employment benefits, and/or infringement on promotional opportunity.
23. EMPLOYER shall not hire OJT trainees where any other individual is on layoff from the same or a substantially equivalent job, or terminate the employment of any regular employee with the intention of filling the vacancy so created with an OJT trainee.
24. EMPLOYER must adhere to all nondiscrimination and Equal Opportunity laws and will not discriminate against any trainee on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions, sex stereotyping, transgender status, and gender identity), national origin (including limited English proficiency), marital status, age, disability, political affiliation or belief, sexual orientation and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any WIOA Title I financially assisted program or activity.
25. EMPLOYER certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract by any Federal department or agency.
26. EMPLOYER certifies that it will provide a drug-free workplace as defined by the Drug-Free Workplace Act of 1988.

ADDITIONAL TERMS

27. No alteration or variation of the terms of this Agreement shall be valid and/or binding unless made in writing and signed by the parties hereto. There are no oral understandings or agreements not incorporated herein.
28. OJT PROVIDER may immediately terminate this Agreement upon written notice to the EMPLOYER at such time as funds are not available to it through the United States Department of Labor or the State of California. In addition, the OJT PROVIDER may immediately terminate this Agreement upon written notice to the EMPLOYER for non-compliance or non-performance of the terms of this Agreement, or in the case a Trainee is found to be ineligible for program participation.
The EMPLOYER may terminate this Agreement with due cause and should notify OJT PROVIDER immediately.
29. EMPLOYER, and any agents and employees of the EMPLOYER, in the performance of this Agreement, shall not act in an independent capacity and not as officers, employees, or agents of the OJT PROVIDER nor shall the EMPLOYER subcontract in the name of the OJT PROVIDER.
30. EMPLOYER shall not have received payments under previous OJT agreements and have exhibited a pattern of failing to provide OJT participants with continued long-term employment as regular employees with wages and employment benefits (including health benefits) and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.
31. EMPLOYER agrees that no funds provided by OJT PROVIDER shall be used or proposed for use to encourage or induce the relocation of the EMPLOYER'S establishment or part thereof that results in a loss of employment for any employee of such establishment at the original location. Furthermore, the EMPLOYER agrees that if the establishment has relocated, no funds under this Agreement shall be used until 120 days after the date on which such establishment commences operations at the new location, if the relocation of such establishment or part thereof results in a loss of employment for an employee of such establishment at the original location.
32. EMPLOYER shall provide a written grievance procedure to the Trainee. If the EMPLOYER does not have a written grievance procedure, a grievance procedure will be provided by the OJT PROVIDER.

Section 5: Authorized Signatures

I hereby agree to all the terms and conditions in this OJT agreement.

EMPLOYER

OJT PROVIDER

EMPLOYER SIGNATURE

OJT PROVIDER SIGNATURE

TYPE/PRINT NAME

TYPE/PRINT NAME

TITLE

TITLE

Instructions for Completing the OJT Agreement and Training Plan

OJT Agreement

- a. At least two original signed OJT agreements are required; an original for the One Stop Operator and one for the Employer.
- b. The One Stop Operator will assign a number to the OJT agreement.
- c. A copy of the signed agreement should be maintained in each participant's case file or in a central location which is readily accessible to case managers, NCCC monitors and other appropriate individuals.

OJT Agreement Instructions

Top of Page 1

- **Insert OJT Provider's name**
- Agreement No. – assign an Agreement number.
- Section 1: Contact Information –
 - Complete for OJT Provider (One Stop Operator) including contact information;
 - Complete all areas of the Employer section.
- Section 2: Trainee Information – enter the following information:
 - the trainee name;
 - job title of the OJT Training;
 - name of person in charge of training;
 - the begin date;
 - the end date of the OJT;
 - the basic work schedule (days of week and hours of day(s));
 - O*Net code of the job title;
 - O*Net Job Zone;
 - the starting wage (please note if hourly, weekly or monthly wage);
 - the wage at completion of the OJT;
 - enter the reimbursement rate (50% of the starting wage-example for hourly reimbursement, if the starting wage is \$16.00 an hour the reimbursement would be \$8.00 an hour);
 - length of training that is determined for the trainee based on the O*Net Job Zone (other factors can determine length);
 - maximum reimbursement for the OJT (reimbursement rate x length of training);
 - enter the pay periods (weekly/bi-weekly/monthly);
 - Enter the pay dates.

- Section 3: Complete with the employer and the OJT provider (One Stop) names. Enter the term dates of the agreement.
- Section 4: General terms and conditions must be reviewed with Employer.
- Section 5: Signature Page:
 - Employer. Someone who has the authority to enter into agreements shall sign the agreement. This person should be someone such as: the owner or partner of a business, president or vice president of a corporation, director of a public or non-profit agency, etc.
 - OJT Provider Signature. Someone from the One Stop who has the authority to enter into agreements shall sign the agreement.
 - Printed Names and Titles. Insert the name and title of the individual signing the agreement for the Employer and the OJT Provider.
 - Authority to Sign OJT Invoices (optional). If the employer wishes to elect another employee to sign the OJT invoices they may do so. This individual should be someone who is normally available when OJT invoicing is conducted. This individual may not be the OJT participant. The employer may elect more than one person to have the authority to sign OJT invoices.
 - Authority to Sign OJT Invoices and Amendments (optional). If the employer wishes to elect another employee to not only have the authority to sign OJT invoices but to also have the authority to sign OJT amendments, then they may do so. Again, this individual should be someone who is normally available and may not be the OJT participant. The employer may elect more than one person to have the authority to sign OJT invoices/amendments.

Training Plan (Exhibit A)

- Agreement No. – enter the assigned OJT agreement number.
- Employer – enter Employer name.
- Trainee - Name of the participant entering OJT.
- Skills to be learned - List the skill requirements needed to perform the job to the standards specified by the employer. Competencies should be stated as specifically as possible, identifying the skill to be used and tools or equipment to be operated.

The remaining parts of this form such as Rating, Scoring, Comments, Monitoring Date, and Signatures, will not require completion until monitoring of the agreement occurs.

Monitoring

Monitoring visits should include interviews with the employer, supervisor, and the trainee. Corrective action plans should be developed when appropriate and monitored during subsequent visits. One Stop may wish to utilize additional, internally developed monitoring report forms or evaluations.

The On-the-Job Training Plan, Exhibit A is also the monitoring form. Once monitoring has commenced, the Rating, Scoring, Comments, Monitoring Date, and Signatures sections of this form will be completed. The Skills section to the form has been previously completed when the OJT agreement was written. The form should follow directions related to the above referenced sections of the OJT Plan which will be completed when monitoring occurs:

- Rating - Rating is to be completed with each invoice/monitoring form. The rating scale for each identified skill is as follows:

<Training for this skill has not commenced - 0

<Training for this skill has commenced but no progress has been made - 1

<Some progress has been made toward skill attainment - 2

<Satisfactory progress has been made toward skill attainment - 3

<Significant progress has been made toward skill attainment - 4

<Competency in this skill has been attained - 5

- Scoring - Add all of the rating scores together. Enter the sum of all rating scores on the line entitled "Total Score".

<Possible Score: A possible score of 5 will be counted for each skill.

Multiply 5 x the number of skills to equal the "Possible Score".

% Score: Divide the Total Score by the Possible Score to equal the % Score.

The OJT agreement must be terminated once the specified training time has been reached or competency has been attained for each identified skill. Agreements may be extended if additional skills are identified and additional training is justified.

- Comment - Issues related to work habits such as: attendance, punctuality, interpersonal relationships, attitude, appearance, etc., may be documented in this section.
- Monitoring Date - Enter the date the monitoring occurred.
- Signatures - The monitoring form is to be signed by the worksite supervisor, trainee, and WIOA staff member.

INSERT ONE STOP NAME
OJT INVOICE

Employer _____ Agreement No. _____

Mailing Address _____

A

Billing Period:

Invoice No. _____ Final Invoice? Yes _____ No _____

From _____ (month) _____ (day) _____ (year)

Basic Workweek _____ Hours

Funding Source _____

Thru _____ (month) _____ (day) _____ (year)

Computation of Invoice Amounts

Trainee Name & S.S.N.	Job Title	Time worked	Rate	Amount
			Total Amount Due \$ _____	

B

I hereby certify that training has been provided in accordance with the provisions of this contract and that hours billed reflect actual hours worked.

C

Employer's Signature

Date

***** STAFF SIGNATURE *****

Signature

Date

Instructions for Completing the OJT Invoice

Section A

- **Employer** - Enter the name of the business exactly as it reads on the OJT agreement. This is the name of the business to which the checks will be made payable to.
- **Agreement No.** - Enter the OJT agreement number.
- **Mailing Address** - Enter the address where the employer wants the OJT reimbursement checks mailed to.
- **Invoice No.** - Enter number one for the first invoice, two for the second, etc.
- **Final Invoice** - If this is the last invoice, enter “Yes” or “No” if it is not the final invoice.
- **Billing Period** - On the first invoice, enter on the line entitled “From” the first day the trainee worked. This date must match the date the term of the OJT agreement commenced. On the line entitled “Thru” enter the date the pay period ended.
 - ❖ Each consecutive invoice will start the day after the last pay period ended.
- **Basic Workweek** - Enter the number of average number of hours (if they vary) that the trainee will normally work.
- **Funding Source** - Enter the funding source the invoice is billed to.

Section B

- **Trainee Name and Social Security** - Enter the name of the trainee and enter their social security number below their name.
- **Job Title** - Enter the job title as it appears on the OJT agreement.
- **Time Worked** - Enter the total number of hours, weeks, or months (based upon how the trainee is paid) that the trainee has worked during the “Billing Period”. This time will be calculated from review of the trainee’s time cards and payroll records.
- **Rate** - Enter half the rate of pay the trainee is being paid. If the trainee is paid by the hour it must be an hourly rate, weekly must be a weekly rate,

and monthly must be a monthly rate. This rate of pay must also match the reimbursement rate of pay indicated in the agreement.

- Amount - Enter the amount of money to be reimbursed to the employer. This amount is the “time worked” times the “rate”.
- ❖ If a participant receives a change in pay during the billing period then a breakdown of the hours for each rate of reimbursement must be calculated.
- Total Amount Due - Enter the “Total Amount Due” to the employer.
- Employer’s Authorized Signature - The employer or their authorized designee as indicated on the OJT agreement must sign the invoice.
- Date - Enter the date the employer or their designee signs the invoice.

Section C

- Staff Signature and Date - The staff person who has reviewed the payroll records must sign and date the invoice.

AMENDMENT OF AGREEMENT

AGREEMENT NO.:

TRAINEE:

AMENDMENT NO.:

STAFF NAME:

BETWEEN

INSERT OJT PROVIDER'S NAME

HEREINAFTER CALLED

AND

INSERT EMPLOYER'S NAME

The above referenced agreement is amended by written agreement of both parties, effective DATE , as follows:

Change in pay for the participant

Increase in training time for the participant

Extend term of agreement

other (specify):

Reason for the above referenced change:

Changes to the agreement as referenced above are reflected in the attached pages of the agreement. All other terms and conditions of the agreement remain unchanged.

IN WITNESS WHEREOF, this amendment has been signed in duplicate by and on behalf of the parties hereto this day.

EMPLOYER OR WORKSITE

INSERT OJT PROVIDER'S NAME

Signature

Signature

Printed Name

Printed Name

Title

Title

Address Telephone

Address Telephone

____ DATE APPROVED

OJT Amendment Instructions

Top of Page

- *Agreement No.* – enter the assigned OJT agreement number.
- *Amendment No.* – Indicate the amendment number (i.e. #01, #02, etc.)
- *Trainee* - Name of the participant entering OJT.
- *Staff Name* - One Stop Operator staff person responsible for oversight and monitoring of the OJT agreement.

Middle of Page

- Insert name of the One Stop Operator and employer same as it reads on original agreement
- Insert date that the change to the agreement became effective (*example: if the agreement is amended because of a pay raise then the effective date of the amendment is the same day as the pay raise*)
- Indicate the type of change that is affecting the agreement. Check all that apply.
- List a reason for the change (*example: change in pay, reason may be wage increase; increase in training time and extend term of agreement, reason may be additional job duties have been added*)

Bottom of Page

- Enter name of the employer or worksite
- *Employer Signature.* Someone who has the authority to sign amendments as indicated on page 5 of the agreements.
- *Printed Name and Title.* Insert the name and title of the individual signing the amendment.
- *Employer Address and Telephone.* Insert the mailing address and telephone number of the employer.
- Complete the same information for the OJT Provider
- Enter date the amendment was approved. This is the date that the amendment was signed by both parties; and prior to the effective date of the amendment.

Date:
Agreement No.:
Trainee:
Staff Name:

Employer Name
Mailing Address
City/State/Zip

RE: Notice of Termination of OJT Agreement

Dear _____,

The **Insert OJT Provider Name** hereby notifies you that the above *On-the-Job Training Agreement* is terminated effective **Insert Effective Date** due to the following:

- Training under this agreement has not commenced.
- Training has commenced under this agreement but has not been completed.
- Trainee has been found ineligible for program services.
- Funds are no longer available for the On-the-Job Training Program.
- Other:

Sincerely,

Name of Person with Signature Authority
Title

OJT Notice of Termination Instructions

The following clarification applies to the termination clauses on the document:

- *First Clause* - The agreement has been executed (signed, issued a number and returned to the One Stop Operator) but the OJT participant has not started work.
- *Second Clause* - The OJT participant has started training but departs from the position for any reason prior to completion of training.
- *Third Clause* - The OJT participant has been found to be ineligible for WIOA.
- *Fourth Clause* - Sufficient funds are not available to complete the OJT agreement.
- *Fifth Clause* - Other reasons for termination would include the employer not meeting the terms of the agreement due to non-compliance or non-performance.

Invoicing, Monitoring, OJT Completion, Follow-Up and Administrative Review

Invoicing

Guidelines for invoicing are as follows:

- Invoicing of the OJT agreement should be conducted on a monthly basis, utilizing the invoice form (*Attachment 5*).
- The staff person doing the invoicing should review the following documents when completing an invoice:
 - 1) Time cards;
 - 2) Payroll records showing hours pay rate, deductions and net pay;
 - 3) Cancelled checks (if available)
- Both the employer and the person invoicing must sign the invoice.
- It is recommended that invoicing be conducted on the basis of the employer's pay periods to allow for greater accuracy.
- The original invoice must be submitted for payment.
- A copy of the completed invoice should be forwarded to the employer. One copy of the invoice should be on file at the One Stop Operator office.
- It is recommended that the person doing the invoicing use a system for recording information as back-up to the invoice. A ledger sheet, updated each invoicing period, would include all information necessary for subsequent invoices.