

Capital Region Workforce Development Board (WBD)
Workforce Innovation and Opportunity Act (WIOA) Service Policy #SP 102

On-the-Job Training (OJT)

References: Workforce Innovation and Opportunity Act (WIOA), Final Rule, Section 134(c) (3)(h), 20CFR 680.530, 20 CFR 680.700 -20 . CFR 680.740

Date: Revision #2, January 11, 2023.
History: Revision #1, September 23, 2021; Original, December 15, 2017;

Replaced: Resource Management Policy #4

Purpose:

To establish requirements and limits for the use of OJT as a tool to connect enrolled WIOA jobseekers into work-based learning opportunities where they earn wages while obtaining job-specific skills identified by the employer.

Policy Statement:

The Capital Region Workforce Development Board recognizes the value of OJT as an effective employment and training tool that supports needs of both the employer and job seeker. This policy shall outline the definitions and other details for use by contracted service providers in developing and executing OJT opportunities in the Capital Region.

Definition:

The term **“on-the-job training”** (OJT) means:

Training provided by an employer to a WIOA referred ~~and hired~~ enrollee who is hired and will be paid by the employer while the employee is engaged in learning specific skills related to the job for which he/she was hired.

OJT will require a written agreement between the Virginia Career Works program provider and the employer which details the specific and agreed upon training period and identifies the specific knowledge, skills and capabilities the trainee will learn in order to achieve full and adequate performance on the job.

The OJT Agreement further stipulates the portion of the trainee’s salary that the employer may reimbursed as the extraordinary cost of providing training and additional supervision to the trainee.

Duration of OJT Activities:

OJT agreements will be written to the period of time required for the employee to become proficient in the job for which the training was designed. No agreement or series of agreements for one individual combined should exceed more than 1,040 hours (26 weeks).

In determining the appropriate length of time of the training, consideration will be given to the skill requirements of the job, the academic and occupational skill level of the employee, the prior work experience of the employee, and the participant’s individual service strategy.

Program provider staff will use the Dictionary of Occupational Titles Standard Vocational Practices code as the guideline, or other similar resources, in determining the duration of an OJT training period. The methodology must be documented in the case file.

Payment of the Agreed Upon Reimbursement to the Employer:

Employers will be reimbursed in accordance with the agreed upon individual contract amount based on the hourly wage of the participating employee. Minimum wage rates should meet or exceed the regional living wage as set by the MIT living wage calculator.

Contract amounts will be limited to maximum reimbursements as follows, unless a waiver is granted by the Workforce Development Board Director. Contracts written prior to the latest revision date of this policy may be honored:

Occupations related to:	Maximum Amount
Tier I Targets: Educational Services; Healthcare; Manufacturing; Professional, Scientific and Technical Services and Transportation and Warehousing (logistics)	\$10,000
Tier II Targets: Administrative and Support; Construction; Finance; Hospitality and Retail	\$8,000
Occupations for which the Virginia Employment Commission projects at least 1% annual growth; or those supported by a recent economic development announcement	\$6,000
Occupations supported by a written letter from an employer committing to hire	\$5,000

Employers with more than 50 employees will be reimbursed 50% of wage costs. Those with 50 or fewer employees may be reimbursed at a rate up to 75%.-

To request the reimbursement, the employer will need to send the appropriate time record or other verifiable payroll records and documentation including signatures of the employer and employee for each month or week of participation depending on the duration of the training and a statement of progress made in achieving proficiency.

Eligible Employees:

OJT is limited to those workers who:

- (a) Are a new hire to the company from referrals who require on the job training as the means of learning the job for which they were hired. The individual hired must have a WIOA Individual Service Strategy which identifies OJT as the most appropriate training methodology for the individual and the activity has been properly entered in the VOS system; or
- (b) An individual already employed by the employer that is not earning a "self-sufficient wage" as determined by the Capital Region Workforce Development, and for whom newer or enhanced skills will result in promotion and/or higher wage employment opportunities within the same company.

Eligible Employers:

- (a) May be public, private non-profit or private for profit
- (b) Must have the personnel to provide adequate supervision and training
- (c) Must be willing to provide the agreed upon hourly training wage and agree to continue the trainee as an employee after the training period has ended.
- (d) Must provide the 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
- (e) Must not have a history of or pattern of failing to provide OJT trainees with continued long-term employment with wages, benefits, and working conditions that are equal to those provided to regular employees who have worked a similar length of time and are doing the same type of work.
- (f) Must not have relocated from any location in the United States within 120 days, if the relocation resulted in any employee losing his or her job at the original location, and
- (g) Must not use OJT assignments to displace regular employees, or to replace any employee on layoff.
- (h) Must be willing to enter into a written agreement for the training that must include an outline of the competencies/skills to be taught and mastered as a condition of the OJT activity for each employee participating, and
- (i) Must be willing to submit a monthly time record and information about the progress of the employee in completing the training to secure the OJT reimbursement.

Performance Information:

The program operator will be required to provide performance information by company and number of participating employees monthly to the Workforce Development Board.

This information will be used to provide information to potential enrollees about the OJT activities, and will be used by the customer to make decisions about the type of training they would like to access.

Approval Determinations and Appeals:

OJT is not an "entitlement" service. The local board director or contracted service providers may

deny or alter approval of any submitted request for OJT assistance from an employer. Written reasoning must be provided as to the basis for denial.

Upon receiving such denial or notice of alteration, an employer may file an appeal within 30 days receiving notice to the Workforce Development Board for consideration at the next regularly scheduled meeting of the Board.

Should the Workforce Development Board uphold the staff/provider decision, the employer may file appeal with the State Director of WIOA Title I Administration and Compliance at the Virginia Community College System. (Or any successor with such authority).