

On-The-Job Training Policy

Effective: January 8, 2025

Revised: May 27, 2015| December 20, 2024

Purpose: To guide contractors (service providers) utilizing On-The-Job Training (OJT) services for eligible participants.

Background:

On-the-Job Training (OJT) is training by an employer given to a participant who, after objective assessment and in accordance with the Individual Employment Plan (IEP), has been referred to and hired by the employer following the development of an agreement with the employer to provide occupational training in exchange for partial reimbursement of the employer's extraordinary costs.

Defined at WIOA sec. 3(44). OJT is provided under a contract with an employer or registered apprenticeship program sponsor in the public, private non-profit, or private sector. Through the OJT contract, occupational training is provided for the WIOA participant in exchange for partial reimbursement, typically up to 50 percent of the wage rate of the participant, for the extraordinary costs of providing the training and supervision related to the training. In limited circumstances, as provided in WIOA sec. 134(c)(3)(h) and [§ 680.730](#), the reimbursement may be up to [75 percent of the wage rate](#) of the participant.

OJT occurs while the participant is engaged in productive work that provides knowledge and skills essential to full and adequate performance on the job. OJT may be sequenced with or accompanied by other types of training such as classroom training or literacy training.

Policy:

A. PARTICIPANT ELIGIBILITY

On-the-job training (OJT) may be provided to eligible WIOA participants who are assessed and found to be in need of and suitable for training services in order to obtain or retain employment that leads to self-sufficiency. The participants must demonstrate a need for training as recorded on the Individual Employment Plan (IEP).

Employers will have the final selection authority for individuals to be hired. All trainees must meet certain WIOA eligibility criteria before training can begin. Only those individuals who meet the eligibility requirements for intensive services, who have received an assessment and for whom an IEP has been developed may be considered for OJT.

At the discretion of the local Workforce Board, an individual referred as a potential candidate for OJT by an employer (reverse referral) may be considered for OJT with that employer only after the individual has met eligibility requirements for intensive services, has received an assessment, and for whom an IEP has been developed that indicates OJT is appropriate.

Consideration should be given to: the skill requirements of the occupation; the academic and occupational skill level of the participant; prior work experience; and the participant's IEP. The results of objective assessment, as documented on the individual's IEP must indicate that the participant requires, and can benefit from, the activity of OJT. The IEP must capture the past work history of the applicant from the official file, assess the test results, capture additional information from the

applicant about past work experience, hobbies, volunteer experience, and identify the strengths and weaknesses of the applicant. It must include documentation as to the new skills to be acquired during training and how skill gap deficiencies will be overcome with the training.

On-the-job training for incumbent workers is allowable by WIOA when: (a) the employee is not earning a self-sufficient wage as determined by local Workforce Development Board policy; (b) all OJT Pre-Award Analysis conditions are met, and (c) 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 WDB. OJT for an incumbent worker must have local Workforce Development Board approval.

B. OJT EMPLOYER ELIGIBILITY

On-the-Job training is primarily a “hire first” program; the jobseeker becomes a participant of the program prior to the beginning of the employment/ training program. Hiring and training will begin after the OJT Pre-Award Analysis form has been completed and the OJT Employer Agreement has been signed by all the parties.

WIOA Service Providers should give careful consideration when selecting a suitable employer for OJT. General business practices in terms of working conditions (safety, health), the availability of health benefits, sustainable wage structure, turnover rates, adequate staff and equipment to carry out the training, and whether the employer is in compliance with federal, state and local laws, etc. are factors to consider while completing the OJT Pre-Award Analysis Form. When considering an employer to participate as an OJT worksite, Workforce Development Board staff should carefully review and determine the nature of the employment to ensure the employment is on-going and not temporary, probationary or intermittent employment.

An On-the-Job Training contract 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 training, consideration must be given to the skill gaps that exist when comparing the skill requirements of the occupation and the academic and occupational skill level of the participant, prior work experience, and the participant's IEP. The goal of On-the-Job Training is retention of the trainee by the employer following the successful completion of the training.

C. OUTREACH/RECRUITMENT OF OJT PARTICIPANTS

WIOA Service Providers will assume primary responsibility for outreach and recruitment of potential WIOA OJT trainees. Information on the availability of Guilford County NCWorks Career Center services as well as information about WIOA program eligibility and training opportunities accessed at the full-service Career Center are to be included in the outreach efforts. All promotional materials for the OJT program must have prior approval by the GuilfordWorks Workforce Development Board and include the statement “funded by GuilfordWorks Workforce Development Board”, and contain language consistent with the Americans with Disabilities Act requirements. Additionally, outreach and recruitment tools developed by the Contractor should be in English and Spanish.

The recruitment strategy will promote the benefits of training, the upward mobility potential, and advancement opportunities. These may include strategies for incumbent workers, local employers for entry-level positions, open houses, presentations to employers, press announcements, and advertisements.

i. OJT Job Search Activities

WIOA Service Providers shall provide each participant with active assistance in seeking the OJT employer who will agree to training and employment. Additionally, job development selections and referrals will be related to the participant's goal as stated in the Employment Plan.

The Individual Employment Plan and assessment documents on record may include the following information:

- personal information (with participants signed release)
- Interests, skills, and work readiness information
- educational and employment history

- financial situation as it relates to employment goals
- short and long-term employment goals
- barriers to employment/advancement and plan to mitigate barriers
- physical accommodations related to employment needs

D. IDENTIFYING OJT EMPLOYERS

Outreach to businesses and employers will be conducted throughout Guilford County. WIOA assigned staff will seek to identify and work closely with successful employers that offer outstanding employment opportunities including company-sponsored training, benefits (health, and other), promotional opportunities, and stable employment. For limited English proficient participants, WIOA Service Providers will identify appropriate employers.

Selection of an employer for an OJT contract requires that employers have:

- Federal and state tax identification numbers;
- Workers' compensation insurance;
- Reasonable business history and business license;
- Identifiable job with corresponding equipment, materials, and supervision to perform the training;
- Ability to commit to skill training outline;
- Ability to enhance marketable skills of OJT employees;
- Ability to support assurances of OJT contract;
- Ability to transition the OJT employee into permanent (more than six months) unsubsidized employment upon completion of training;
- Accounting system that allows for tracking of OJT employee salaries and invoicing procedures; and
- A past performance with OJT contracting (if applicable) that did not indicate serious deficiencies in their ability to train and transition participants.

E. Employer Contracts

The WDB-approved *OJT Employer Contract* form shall be used. All OJT contracts with employers are to begin between **July 1 and May 1 of each program year**. Contracts are to end by June 30th unless approval has been received from the designated GuilfordWorks WDB representative to extend training into the next fiscal year. WIOA Service Providers will be responsible for assuring that the:

- OJT contract is well matched to the participant's occupational interest
- OJT placements are matched to the participant's required working conditions
- OJT position is matched to the participant's financial situation
- OJT training is well matched to the skills the participant needs to acquire in order to continue in on-going unsubsidized employment.
- On-the-Job Training contracts require that the wages paid to trainees be at least the prevailing entry wage for any specific occupation in the community. If the employer operates under a collective bargaining agreement, the wage and benefits must be those specified in that union agreement and the job opening must be cleared with the appropriate union;
- The employer must comply with requirements of the Civil Rights Act with respect to equal opportunity in employment for the OJT position as well as comply with all federal, state, and local laws;
- Trainees hired under this program will be subject to the same personnel policies, rules and regulations, afforded the same benefits, and compensated at the same rates as other employees of the company;
- Employers must carry Workers Compensation Insurance and make federal and state tax withholdings as required by law. In addition, the individual trainee payroll tax records must be maintained and available for review for a minimum period of three years after the end of the training period;
- Conditions of employment and training will be in full accordance with all applicable federal, state, and local laws (including but not limited to health and safety laws), and be appropriate and reasonable concerning the type of work undertaken and the proficiency of the participant;

- The employer must certify that the participant will not displace any regular employee of the employer and that no person was displaced as a result of the relocation of the current business within the previous 120 days of signing the OJT Contract Agreement;
- The OJT employer will agree to adhere to the local Workforce Development Board's grievance process if a complaint arises in connection with the OJT trainee and/or the training;
- On-the-job training participants 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, or be required to participate in religious activities;
- The OJT must be conducted at the employer's place of business or a related location, and may not be subcontracted;
- No individual (neither new hire nor incumbent) may enter an OJT position if a member of his/her family is engaged in an administrative capacity with the OJT employer, including a person with selection, hiring, placement, or supervision responsibilities for the OJT trainee;
- The OJT employer must certify that neither the employing company nor its principals are presently debarred, suspended proposed for debarment, declared ineligible, or excluded from participation by any federal department or agency;
- The OJT employer will maintain and make available for review all time and attendance, payroll, and other records to support amounts reimbursed under OJT contracts;
- A participant may not be trained under an OJT contract at a particular employer if (1) any other individual is on layoff from the same or substantially equivalent job; (2) the employer has terminated the employment of any regular, unsubsidized employee or otherwise caused an involuntary reduction in its workforce to fill the vacancy so created with the WIOA participant; or (3) the job is created in a promotional line that infringes in any way on the promotional opportunities of currently employed workers;
- The employer must provide information such as an IRS Employer Identification number and a State Employer Account number to demonstrate that they are a legitimate employer, have full-time employees, and conducting their trade or business at an appropriate worksite;
- The employer must not be involved in a current labor dispute and must not have a history of frequent layoffs;
- No OJT Funds will be used, or proposed for use, to encourage or to induce the relocation of an establishment, or part thereof, that results in the loss of employment for any employee or such establishment at the original location;
- OJT contracts will be permitted with firms in which current and/or past Workforce Development Board members are employed or otherwise have a financial or personal interest. Every effort will be made to avoid conflict of interest when a board member or member of staff is employed by the company;
- OJT contracts may be written in the public sector (excluding Federal Agencies and the Postal Service) provided that such contracts do not exceed the ratio of public employment to private employment;
- During the past twelve months, the employer's operation has not experienced a high turnover or layoff of employees in similar positions having the same or similar job title as the proposed OJT training positions;
- The incumbent worker OJT must relate to the introduction of new technologies, introduction to new production or service procedures, upgrading to new jobs that require additional skills and workplace literacy;
- The occupation must be one in which there is a documented current or anticipated demand;
- The occupation must not be seasonal, intermittent, temporary, or one for which minimal training is needed;
- The occupation must not involve payment in the form of a commission or tips as the primary source of reimbursement to the OJT Employer/Trainee;

- The occupation must be one in which specific occupational training is a prerequisite for employment. Generally speaking, the occupation must require at least 360 hours of training to reach full productivity;
- The occupation must provide full-time employment. Full-time employment is defined as a 40-hour work week, except where fewer or greater hours are normal to the occupation, but in no case less than 30 hours per week. Contracts may also be negotiated for part-time employment if such negotiation is undertaken for a specific participant, but only in those instances where full-time employment is not feasible due to physical limitation (e.g. impaired/disabled individuals);
- OJT training shall be conducted at the employer work sites that meet prevailing standards concerning wage, hours, and conditions of employment. No OJT contract shall be initiated unless the wages for the position start at \$9.50/hour. The wage cap for reimbursement may not exceed \$30.00/hour. For example, this means that an employer paying \$9.50/hour can be reimbursed at \$4.75/hour or an employer paying \$30.00/hour can be reimbursed at \$15.00/hour.
- OJT training may be conducted within a career ladder as long as it does not infringe in any way upon the promotional opportunities of currently employed individuals;
- Training may not be provided for occupations where adequate supervision and/or monitoring are not available. These include traveling salespersons, out-stationed job positions, truck or van drivers, and other positions requiring more than an occasional trip from the employer worksites;
- OJT training shall not be provided for waiter/waitress or non-management fast food positions.

Specific OJT prerequisites are established by individual employers and participants who have some aptitude for a specific occupation can be placed into an OJT even though they lack the basic education. All contracts will include a job-specific training plan, using the ONET occupations and related job descriptions. The Standard Vocational Preparation (SVP) code and the participant's education and work history will be used as a guide in determining the length of each participant's OJT contract.

The length of training time shall not be less than 240 hours and shall not exceed six (6) months or 1040 hours, OJT contracts will be for full-time employment (30 hours or more per week). Employers with whom OJT contracts are written will be reimbursed from the WDB's training account for extraordinary costs associated with training at a rate not to exceed 50% of a participant's wages during the OJT contract period. All skill training will be provided by the employer as specified in the *OJT Employer Contract*.

Contracts will be written with employers that have not been seriously deficient in their conduct or participation in any U.S. Department of Labor program, State of North Carolina, or Guilford County Employment and Training program. Health and safety standards established under state and federal law, otherwise applicable to the working conditions of employees, shall be equally applicable to the working conditions of participants. To the extent that a State Workers' Compensation law is applicable, benefits under such law shall be available with respect to injuries suffered by participants. All participants shall be provided 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. For unionized employers, compliance with collective bargaining agreements will be observed and signatures of concurrence obtained.

F. Job Site Monitoring

WIOA-assigned staff will visit the worksite monthly to assess training progress and monitor the validity and propriety of amounts claimed for reimbursement. Monitoring visits and all other contacts with either the participant or the employer related to training will be documented in ncworks.gov case notes. WIOA Service Providers will document site visits as case notes in ncworks.gov. Claims submitted to GuilfordWorks WDB are to be substantiated by copies of payroll (**i.e. documentation used by the employer to determine the amount to be paid to the participant for a set pay period**) and time and attendance records.

G. Follow-up and Retention Services

Participants and OJT employers will be surveyed and provided a customer satisfaction feedback form for their completion to rate the OJT services and program. A summary of the feedback will be provided to the WDB Service Providers via a Final Service Report by July 30th following the end of the program year.

The WIOA Service Provider must input the required information into the State's ncworks.gov system for all OJT activity.

The WIOA Service Provider is responsible for completing the training agreement, obtaining progress reports, assisting participants with placement in a job, and conducting follow-up. WIOA Service Providers must maintain contact with participants to help ensure successful participation and completion. Case notes are required to be updated in ncworks.gov on a monthly basis at a minimum throughout the training period to document program progression.

H. Priority of Service Policy

WIOA Staff will implement GuilfordWorks WDB's *Priority of Service Policy* for designated populations of WIOA customers/applicants for those interested in individualized career services and training services.

I. Supportive Services

WIOA Staff will arrange for supportive services during training and employment to eliminate barriers and improve retention according to GuilfordWorks WDB's *Supportive Service Policy*. This may include work clothing, tools, childcare, fingerprinting, and transportation assistance. The need for supportive services will be documented in the Employment Plan or Career Advancement Plan, as well as ncworks.gov case notes. The need will be revised as needed. Supportive services are paid based on an approved invoice and backed up by receipts and/or provider signatures.

Supportive Services claims will be submitted on a monthly basis but no later than 30 days after the conclusion of the training activity.

J. Exception to policy

Under special circumstances, on a case-by-case basis and with proper justification, WIOA Service Providers could request an exception to this policy. WIOA Service Providers should submit a Policy Exception Memo (Attachment I) with the explanation and justification for the exception to the GuilfordWorks WDB designated representative, with a cc. to the GuilfordWorks WDB Deputy Director.

There will be a fiscal monitoring mechanism in place so as not to exceed the annual budgeted amount. The contractor shall create a ncworks.gov case note entry to justify any authorizations exceeding the policy amount.

Action: All WIOA Service Providers shall comply with the attached OJT policy. This policy memorandum is on-going and effective immediately.

Attachments:

- I. Exception Memo

This policy was authorized by: the Executive Committee of GuilfordWorks Workforce Development Board on January 8, 2025

POLICY EXCEPTION MEMO

DATE:

TO: GuilfordWorks Workforce Development:

FROM: WIOA Service Provider:

SUBJECT: Exception to ITA Limit Policy
 Exception to Supportive Service Limit
 Exception to WIOA A/DW Policy:
 Exception to WIOA Youth Policy:

Participant last name, first initial:

State ID#:

Vocational Goal:

Explanation:

Labor market demand Hardship of individual:
 Other: *Explain in the comment section below*

Comments:

WIOA service provider supervisor:

Authorized Signature

Workforce Development Board Staff Approval: Yes No: *Explain in comment section below*

WDB Director and/or Designee Signature

Comments:

Return original to sender for participant's case file.