



COUNTY OF LOS ANGELES  
WORKFORCE DEVELOPMENT, AGING  
AND COMMUNITY SERVICES  
WORKFORCE DEVELOPMENT  
PROGRAMS DIRECTIVE



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## On The Job Training (OJT) Policies and Procedures

### Executive Summary

This Directive puts forth the requirements for providing On-the-Job Training (OJT) services to businesses and participants enrolled in Workforce Development Programs funded by the Workforce Innovation and Opportunity Act (WIOA) Youth, Adult, and Dislocated Worker programs.

This Directive:

- Offers guidance on the requirements for providing OJT to participants enrolled in workforce development programs funded by WIOA;
- Directs the America's Job Centers of California (AJCCs) to increase the number and the quality of OJTs available to participants and employers;
- Provides basic standards for operating WIOA funded OJTs for the benefit of employers, participants, and mutual partners; and
- Provides consistent OJT protocols and processes for AJCCs to follow to conduct effective OJTs.

This Directive is effective upon release and supersedes the previous OJT Directive WDP D19-07.

### Background: Purpose/Definition of OJT

OJT is a permissible training expenditure under WIOA section 134(c)(H). OJT is critical to providing businesses with qualified participants who are eager to work, but need the specialized training only an employer can provide. OJT can be used to defray a portion of the extraordinary costs of this training through a partial reimbursement of the trainee's wages. This encourages businesses to utilize OJT as a low-risk high-value means to hire new talent, mitigate the learning curve for new employees, minimize business disruption while providing training, and ultimately benefit the business with improved operations and an excellent return on investment. OJT differs from other work experience programs in that the trainee immediately becomes an employee of the business and the employer commits to retaining the employee after training ends.

In order for a Business Service Representative (BSR) to execute an OJT program with a business and a participant, they must follow these steps:

- Step 1: Verify Requirements & Responsibilities
- Step 2: Create Contract & Training Plan

- Step 3: Training, Reporting & Oversight
- Step 4: Reimbursement & Final Report

### Step 1: Verify Requirements & Responsibilities for OJT

The first step to determining if OJT is the best option for the employer and participant is to verify that each party meets the requirements and agrees to the responsibilities. The participant must be eligible for and enrolled in WIOA programs. They should be qualified for the job opening, but require some initial training in order to perform the job up to the employers standards. OJT can be combined with classroom or other training, but the OJT should be training specifically provided by the employer. If the participant is eligible, they are responsible for completing the OJT program and communicating any issues during the program to the AJCC.

Before offering OJT to a business, the BSR should check in the Customer Relationship Management (CRM) system (both CalJOBS<sup>SM</sup> and Launchpad) if the business has previously participated in an OJT with LA County. If so, the business must have met all of the requirements of the previous OJT contract to be eligible for a new one. It is especially important that the business did not terminate the OJT participant without cause after the training ended. The business must not violate any of the displacement, layoff, relocation, or union agreement terms outlined in the OJT contract. Businesses must maintain an employee persistency rate (rate of retaining OJT trainee's post training) of 75% over a 12 month rolling period. If this rate is not maintained, the employer will not be eligible for OJT services for a period of 12 months. Approval may be sought to waive this rule, in certain circumstances. A formal request must be made with the Regional Manager(s) within the Economic and Business Development (EBD) Division, in order to secure the waiver and proper justification.

If the business meets the requirements for an OJT program, the employer must commit to fulfilling the following responsibilities. The employer agrees to hire the participant in a career pathway position at standard rate of pay and benefits. The business is responsible for training the employee according to the agreed upon training plan and communicating any issues to the BSR. Periodic reports and invoices will be required in order to receive reimbursement. While the employer retains the right to terminate the employee for cause, they must commit to retaining the employee after the OJT ends if there are no issues.

The AJCC is responsible for verifying the eligibility of both parties to the best of their ability and ensuring all parties understand their responsibilities. BSRs can identify other programs that may be offered concurrently with an OJT, such as the Work Opportunity Tax Credit (WOTC). Before entering into an OJT agreement the AJCC must confirm availability of training funds for the total amount of reimbursement. OJT reimbursement may not exceed \$7,500 per employee or 50% of the employee's wages during training, whichever is lower (unless exceptions and State approvals are given in emergency circumstances, as noted later in this directive) .

## Step 2: Create Contract & Training Plan

Once an AJCC has determined that the business and participant are eligible and willing to do an OJT program, they must draft a contract and training plan agreed upon by all parties. This includes the employer, participant, and any unions that may be involved. The AJCC must use the attached Contract (Attachment I) and Training Plan (Attachment II) templates. The Contract and Training Plan should not exceed one year in length as the OJT must be limited in duration as appropriate for the position, participant skill level, and employer needs.

## Step 3: Training, Reporting & Oversight

When the OJT contract and training plan are complete, the employer may begin training the new employee. The employer is responsible for training the employee according to the training plan and contacting the BSR if any issues arise. In order to receive reimbursement for the agreed upon percentage of the employee's wage during training, the employer must submit a progress report (Attachment III) and invoice (Attachment IV) every payment period. The frequency of billing and reporting is negotiable between the AJCC and the Business. The AJCC is responsible for oversight of the OJT and quality assurance. AJCC staff should periodically check in with the employer and employee to ensure that the OJT is being properly executed.

The AJCC is also responsible for reporting OJT-related activities to LA County through the CRM system. This includes the use of the OJT activity code (E30 On-the-Job Training) and uploading OJT documentation into the CRM system. Proper documentation of the OJT activity code should also be entered into CalJOBS<sup>SM</sup>, using activity code 301. All applicable documentation needs to be uploaded into the participants digital file in CalJOBS<sup>SM</sup> as well.

## Step 4: Reimbursement & Final Report

The AJCC will reimburse the employer as agreed upon in the OJT contract after reviewing progress reports and invoices. When the OJT program ends, both the employer and the BSR must complete a final report (Attachment V) within two weeks of completion. If the employer did not comply with the OJT contract or training plan in any way, this must be noted in the BSR's final report so that the employer is not eligible for OJT in the future. Both final reports must be uploaded to the business' account in the CRM system for future reference.

The AJCC will provide follow up services to check for employment and skills gains, post training completion. These services will be rendered in the 12 months post training.

\*Note: Only regular hours are allowable / billable costs associated with OJTs. Overtime and holiday pay are not permissible as reimbursable costs under the terms of the OJT contract.

## Required Documentation for OJT Case Files

As OJT is a form of training under WIOA, there are required documents that must be

present in each participant's case file. These documents are as follows:

1. A copy of the job description for the position of the trained employee.
2. Training Plan
3. OJT Contract
4. A copy of the Employers workers compensation coverage page (must be active)
5. A copy of all progress reports / final reports
6. All timesheets / attendance records
7. All invoices and payment records
8. Copy of any / all certifications and documented measurable skill gains (Attachment VI)

### Conflicts of Interest

No individual may enter an into 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 key is to preserve public trust and to avoid the appearance of favoritism. Any questions on this issue need to be directed to the Regional Manager(s) within EBD for review.

### Emergency Services and Program Allowances – OJT Temporary Waiver

According to WIOA Section 3(44), OJT is training provided by the employer to a paid participant while they are engaged in productive work in a job that provides knowledge or skills essential to the full and adequate performance of the job. It is also 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.

Under WIOA Section 134(c)(3)(H)(i), a Local Board may reimburse the employer up to 50 percent of the wage rate of an OJT participant for the extraordinary costs of providing the training and additional supervision related to the training. This waiver would allow Local Boards to reimburse up to 90 percent of the wage rate of an OJT participant for the extraordinary costs of providing training and additional supervision related to the training if the business has 50 or fewer employees.

The majority of businesses in California are small businesses, which have drastically modified their service-delivery methods and procedures to adapt to the COVID-19 pandemic. On top of changing business practices, small businesses have adjusted to decreased supply and access to goods, services, employees, and patrons, while simultaneously acclimating to changes in demand and increasing production of crucial goods and services. This waiver would allow Local Boards to provide additional relief to small businesses who may be more risk-averse when it comes to hiring and training new employees during this time of economic instability.

Prior to the usage of this 90% usage waiver, each AJCC will submit a formal request to

the Regional Manager(s) from the EBD team for approval and proper tracking. This training waiver is only in place for Fiscal Year 2021-2022 and will sunset on June 30<sup>th</sup>, 2022.

### Action & Inquiries

Los Angeles County AJCCs should ensure that the policy and procedures described herein are communicated throughout the operations, management, and governance structure of each AJCC and that this directive is appropriately maintained until further notice.

Inquiries regarding this directive and the policies and procedures described herein should be directed to [bizdev@wdacs.lacounty.gov](mailto:bizdev@wdacs.lacounty.gov).

### Reference to WIOA

WIOA of 2014, Public Law 113–128—JULY 22, 2014.

- WIOA Sections 3(23), 3(44), 3(44)(C), 134(c)H, 134(c)(3)(A)(i), 134(c)(3)(h), 134(c)(3)(G), 188(a)(3), 194(4), and 20 CFR 680.320, 680.410, 680.530, 680.700, 680.710, 680.720, 680.730, 680.740, 680.750, 20 CFR 680.850, and CFR 683.200 through 683.295.
- WIOA (Public Law 113-128) (PDF) Section 134(c)(3)(H)(i); Section 134(d)(2); Section 134(d)(5); Section 181(e); Section 189(i)(3)(A) • National Emergencies (Public Law 94–412) Title II, Section 201, 90 Stat. 1255. • Title 20 Code of Federal Regulations (CFR), Section 680.190, 680.19; Section 680.720(b) • Training and Employment Guidance Letter (TEGL) 8-18 (PDF), WIOA Title I and WagnerPeyser Act Waiver Requirements and Request Process (December 19, 2018) • California Executive Order N-33-20 (PDF) (March 19, 2020) • Workforce Services Directive WSD19-06, CalJOBS<sup>SM</sup> Activity Codes (December 27, 2019) • Workforce Services Information Notice WSIN20-52, COVID-19 WIOA Waivers (April 2, 2021)

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### ATTACHMENTS:

- I. OJT Contract
- II. OJT Training Plan
- III. OJT Progress Report
- IV. OJT Invoice
- V. OJT Employer Final Report
- VI. OJT Certificate of Training