



COUNTY OF LOS ANGELES WORKFORCE DEVELOPMENT PROGRAMS DIRECTIVE



DATE: August 21st, 2019

NUMBER: WDP D19-07

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 ADW-D13-01.

BACKGROUND

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 well. 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 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.

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.

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 and Training Plan 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 and invoice every payment period.

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.

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 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 must also complete a one month and six month follow-up report to ensure the OJT participant is retained and the business is satisfied with the employee.

WDACS recommends that each BSR strive to complete at least five OJTs per calendar year.

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.

ACTION & INQUIRIES

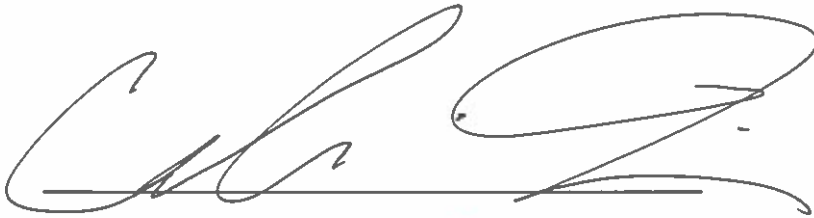
Los Angeles County AJCCs should ensure that the policy and procedures described herein are communicated throughout the operations, management, and governance structure of each AJCC and that this directive is appropriately maintained until further notice.

Inquiries regarding this directive and the policies and procedures described herein should be directed to bservices@wdacs.lacounty.gov.

REFERENCES

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.

A handwritten signature in black ink, appearing to read 'C. Torosis', written over a horizontal line.

**Caroline Torosis, Program Manager
Economic and Business Development Division**

Attachments:

- Contract Template
- Training Plan Template
- Employer Report Template
- Invoice Template
- Final Report Template