

REGION 2 WORKFORCE INVESTMENT BOARD POLICY #4

Subject: Employment Programs/On-the-Job Training (OJT)

Effective Revision: December 1, 2016

Approved Revision: September 20, 2016

Purpose: To establish a Policy to provide guidance in establishing a procedure for Region 2 to meet the requirements of Federal WIOA Regulations and State Policy # _____ and to include all of Region 2 Employment Programs which includes On-the-Job Training (OJT), Incumbent Worker, (IW), and Transitional Job (TJ) and any other direct employment/reimbursement plan that is approved. This section does not apply to any employment situation that does not create an employer-employee relationship as referenced under Section below titled Background

References: Workforce Innovation and Opportunity Act of 2014 (WIOA), Section 3 (23); WIOA Section 134(d) (4); Proposed 20 CFR 680.780, 680.790, 680.800, 680.810, 680.820, 682.210 (b) and 682.320(b) (3).

Background: On-the Job Training (OJT) is defined as occupational training by an employer that is provided to a paid WIOA participant while engaged in productive work in a job or position that the WIOA participant has limited or no experience. As with any training program, a curriculum of study must exist between the Region 2 OJT contractor and the employer that details the skills that must be mastered and the time frame for the mastery of said skills.

Policy: The employer may be in the public, private or private non-profit sector meeting the minimum wage \$10.00 an hour. The business must be located in Region 2 or being willing to hire only a Region 2 resident to qualify for an OJT contract. The employer may receive a reimbursement of up to 50% of the wage rate to compensate for the employer's extraordinary costs. The goal of the program is for the participant to gain skills that leads to long-term employment. Minimum wage is as mentioned above except for youth as defined under WIOA or individuals who are disabled such as those on S.S.I. or S.S.D. or other qualifying individual who meets the federal definition of disability who is wanting to reenter the workforce.

OJT contracts may be written with individual incumbent workers provided that the employee is WIOA eligible, all other requirements are met except WorkKeys assessment and the OJT relates to the introduction of new technologies, introduction of new production or service procedures, upgrading to a new job that requires additional skills, workplace literacy, or other appropriate purposes approved by the Executive Director.

OJT contracts will not be used to assist, promote or deter union organizing and the employer cannot have laid-off employees in last 12 months in that job classification or moved from in or out of state within the last 6 months if a job lost occurred at previous site.

The participant must be WIOA eligible including Work Keys assessed, unless an employer is using a recognized industry assessment or an apprenticeship program uses an assessment to qualify individuals for a Registered Apprentice program from which the employer hires individuals, have signed IEP and been hired by the employer. As with any occupational training program the employer may recruit participants and refer these individuals to the employment program but individual must meet eligibility requirements of Region 2. Eligible participants may qualify for supportive services such as tools and/or clothing reimbursement or Region 2 may set-up direct payment agreement with provider of said equipment or service. Out-of-School Youth age 18 or above may participate in OJT and may be funded by appropriate funding source of WIOA, Adult, Dislocated Worker or Youth.

Incumbent Worker (IW) is defined as employed by the Fair Labor Standards Act requirements for an employer-employee relationship, and have a history of employment with the employer for 6 months or more. The employer is the customer of Region 2 and to qualify under WIOA Section 134 (d) (4) and 680.790 must increase the competitiveness of the employee or employer. An I.W. does not necessarily have to meet the eligibility requirements for career and training services for adults and Dislocated Workers under this Act. Region 2 may expend up to 20% of combined adult and dislocated worker formula allotments for IW training. Region 2 will consider the following factors in determining the eligibility of employers to receive up to 40% reimbursement of cost of training from formula funds. Funding may be provided from WIOA discretionary funds or statewide training funds or combination of the two but Region 2 funds cannot exceed 40% of balance of training cost after other training funds are expended.

Factors in determining eligibility of employers:

1. Characteristics of the Incumbent Workers to be trained, specifically the extent to which they historically represent individuals with barriers to employment as defined in WIOA Section 3 (24) and how they will benefit from retention, advancement, or pay increase.
2. Quality of training (e.g. industry-recognized credentials, advancement, etc.
3. Number of participants the employer plans to train or retrain.
4. The wage and benefit levels of participants before and after training.
5. The employer must not have laid-off workers within 12 months and must make a commitment to retain or avert layoffs of incumbent worker(s) being trained.
6. The employer must not be delinquent in unemployment insurance, worker's Comp insurance, compensation taxes, county property taxes or any penalties or interest on fines.

7. Region 2 contractor must provide documents that meet the above 6 provisions for approval of agreement.
Participant not eligible for Supportive Services.

Transitional Job (TJ) provides a limited work experience, that is subsidized at a rate not greater than 75% for period not greater than 4 weeks and TJ participant may not be subsidized for greater than 20 hours a week. To qualify the employer must be classified as public, private or non-profit sector and be licensed business. The individual must be hired by the employer and have barriers such as but not limited to chronic unemployment, inconsistent work history or receiving forms of assistance from government source. This category is designed to enable a participant to establish a work history, demonstrate work success including basic job skills and develop the skills that will lead to unsubsidized employment. The participant in addition to the 25 hours of work will be required to attend 15 hours of soft skills training, career counseling, etc. and will receive a stipend for attendance during the 4 weeks. It is anticipated that if the employer retains the participant beyond the 4 week period a new agreement will be developed to reflect the requirements of an OJT agreement and the employer will be reimbursed at rate of 50% for a period not to exceed 300 hours of on the clock time. By WIOA regulation Region 2 may reserve and spend maximum 10% of their combined total of adult and dislocated worker formula funds.

Participant eligible Supportive Services same as ITA.

Apprenticeship Programs are eligible for OJT or ITA training depending on how organized by employer or sponsor. A participant may be eligible for supportive services.

Supportive Services: Are additional individualized services to assist individuals to reach or meet personal obligations in order to be employed full-time. Examples:-Travel, Moving expenses, child/elder care and bus pass, clothing, tools, etc.

Action: Staff of the Region 2 WIB will prepare procedures and guidelines that reflect this policy and prepare a Request for Proposal every 3 years or sooner if a contractor is not meeting performance by end of March. The contractor should have completed 75% of placements by the end of March to be considered in compliance with this policy. The Executive Director will provide a recommendation if that level has not been obtained.

Expiration Date: Effective from date of passage until rescinded or modified by Region 2 Workforce Board or Executive Committee acting on their behalf.