

On-the-Job Training (OJT) Policy #P-15-2.22

Date: January 31, 2024

Re: On-the-Job Training

Policy Approved: March 24, 2022

Recent Revision: January 31, 2024

Revision Approved: February 8, 2024

References: WIOA/TANF Section 3(44)
WIOA/TANF Section 134(c)(3)(h)
20 CFR 680.530
20 CFR 680.700
20 CFR 680.720
20 CFR 680.730
Workforce System Policy 04-2015
Workforce System Policy 06-2015

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I. Overview:

- A. SCPa Works contracted service providers (vendors) implement WIOA-funded OJT services to Title I participants as a strategic employment opportunity.
- B. OJT benefits employers by reducing the cost of training new employees, enabling the employer to design the on-site training, supporting training that aligns with the skills required for the job, and serving as a long-term investment in the company.
- C. OJT benefits the job seeker by providing an opportunity to acquire job and career advancement skills and long-term employment.
- D. An OJT may be completed in conjunction or sequenced with other One-Stop services.
- E. It is unlawful for any WIOA Title I recipient to be discriminated against.
 1. SCPa Works requires non-discrimination practices and protocol at all times across all programming administered by SCPa Works, including delivery of all federal-funded services through the PA CareerLink® system.

II. Details

- A. The intent of the OJT is to assist workers in developing skills leading to occupations that provide adequate wages and ensure self-sufficiency through which a participant is hired by an employer and provided hands-on training while on the job.
- B. OJTs are created for high-priority occupations and in-demand industries.

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- C. Training is provided by the employer under an OJT Agreement and is limited to a period of up to six months.
- D. Occupations based on commission as the primary compensation, or seasonal in nature, are not eligible for OJT.
- E. Different from paid work experience, internships, and other limited-duration placements, an OJT requires the employer to hire the participant as a part of the company staff, place the participant on the company payroll, and retain the participant as a full-time employee at the conclusion of the OJT.

III. Definitions

- A. On-the-Job Training - training provided by an employer to a paid WIOA-eligible participant who is engaged in productive work in a job that:
 - 1. Provides knowledge/skills essential to adequate performance of the occupation;
 - 2. Provides reimbursement to the employer for the costs of providing the training;
 - 3. Is limited in duration, reflecting skill attainment and occupation requirements.
- B. Incumbent Worker – a worker who has been with the employer for six months or more.
- C. Business Services Consultant (BSC) – an individual specializing in employer relationship management.

IV. Partner Employer Relationship Management:

- A. Business Services Consultants address employer needs and educate employers on specialized PA CareerLink® services to include:
 - a. OJT opportunities with reimbursement;
 - b. Job postings on the PA CareerLink® website;
 - c. Training plan assistance;
 - d. Contract guidance;
 - e. Follow-up services with employees;
 - f. Staff-assisted employee matching services; and
 - g. Reimbursement for OJT services.

V. Employer Eligibility

- A. SCPa Works monitors and evaluates employers for compliance with equal opportunity laws, guidelines, and policies to ensure that employment practices and contracting arrangements provide equal opportunity without regard to race, religion, color, national origin, sex, age, or disability. (SCPa Works EO and Discrimination Policy #P-13-2.22.)
- B. OJT contracts are entered into with private, non-profit, and public sector employers **before** a WIOA-eligible participant starts the new job.
- C. Employers must comply with local, Commonwealth, and federal rules for lawful business operation, register with the PA CareerLink® system, and agree to utilize the system for advertising to include listing available employment opportunities.
- D. Employers must ensure that the training provided is in accordance with federal wage and labor standards.
- E. Employers cannot have a record of previously laying off workers within six months of signing the OJT contract.
- F. The employer must hire the participant, and an employer/employee relationship must be maintained throughout the training period.
- G. Employers must be included on the High-Priority Occupation (HPO) list.
- H. Registered Apprenticeship Programs (RAPs) are considered eligible employers.
- I. Employers are not permitted to use WIOA-funded OJT payments to directly or indirectly assist, promote, or deter union organizing

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- J. Employers must provide OJT participants with continued long-term employment with wages, benefits, and working conditions equal to those provided to regular employees who have worked a similar period and are doing the same type of work.
- K. Employers are required to present proof of the following:
 - 1. Current Federal Tax ID Number; and
 - 2. Proof of current workman's compensation insurance coverage.
- L. Employers must agree to cooperate with monitoring efforts as required by WIOA legislation, adhere to local, state, and federal rules and regulations, and respond to SCPa Works staff requests for wage and retention information of participants.
- M. **Employers are required to ensure** that participants are employed after the OJT program is completed in occupations that meet the following criteria:
 - 1. Hourly wage must be at the self-sufficient wage;
 - 2. Occupation must be listed as in-demand; and
 - 3. The employment must be full-time following the training (minimum of 32 hours per week).

VI. Participant Eligibility:

- A. WIOA Title I Adult and Dislocated Worker participants must meet WIOA eligibility for financial assistance, training services, and priority of service before engaging in an OJT.
- B. WIOA Title I Out-of-School Youth participants are eligible for an OJT if it is identified as an appropriate service in the employment plan.
- C. OJT funding is not available for individuals who are already engaged in employment and earning a wage unless it is documented and proven that:
 - 1. The employee is not earning a self-sufficient wage or wages comparable to or higher than wages from previous employment, as determined by <https://livingwage.mit.edu/states/42> ;
 - 2. Requirements for on-the-job training are met as stated in 20 CFR § 680.700; and
 - 3. 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.
- D. Incumbent Worker Training (IWT Policy #P-8-5.22) funding may be utilized for a cohort of existing employed workers.
- E. WIOA-eligible individuals eligible to be enrolled in a Registered Apprenticeship Program (RAP) or a Pre-RAP are also eligible for OJT funding.
- F. Per 20 CFR 683.200(g), No individual may be placed in an employment activity if a member of that person's immediate family is supervised by or supervises that individual.
 - 1. The term "immediate family" includes a spouse, child, son-in-law, daughter-in-law, parent, mother-in-law, father-in-law, sibling, brother-in-law, sister-in-law, aunt, uncle, niece, nephew, step-parent, step-child, grandparent, and grandchild.

VII. OJT Documentation Requirements:

- A. The Business Services Consultant (BSC), employer, and WIOA-eligible participant will collectively complete the following forms provided by SCPa Works.
 - 1. OJT Training Plan
 - 2. OJT Master Agreement
 - 3. OJT Pre-Award Checklist
 - 4. OJT WIOA Participant File Review
 - 5. OJT Progress Report and Invoice
- B. The employer must complete and submit form W-9 and proof of workers' compensation insurance.

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VIII. Length of OJT Training:

- A. An OJT contract must be limited to six(6) months or less.
- B. Skill requirements of the occupation, the participant's academic and occupational skill level, prior work experience, and the participant's training plan are considered.
- C. WIOA Title I program services staff use the Occupational Information Network's (O*NET) Specific Vocational Preparation Range (SVP) to determine the appropriate occupational training needed as listed below:

LEVEL	TIMEFRAME
Level 1	<1 month
Level 2	1 month
Level 3	>1 month – 3 months
Level 4	>3 months – 6 months
Level 5	>6 months
Level 6	>6 months
Level 7	>6 months
Level 8	>6 months
Level 9	>6 months

IX. OJT Trainee Wages:

- A. OJT positions will have a minimum starting wage rate that reflects the prevailing wage for the occupation in which the OJT is planned.
 - 1. Wages must reflect the MIT Living Wage Calculator found at <https://livingwage.mit.edu/states/42>.

X. OJT Funding Levels

- A. Through the OJT contract, on-the-job occupational training is provided for the WIOA participant by the employer in exchange for reimbursement at 50% of the wage rate of the participant for costs of providing the training and supervision related to the training if the following criteria are met (20 CFR 680.730).
 - 1. The characteristics of the participants taking into consideration whether they are “individuals with barriers to employment,” as defined in WIOA Section 3(24);
 - 2. The size of the employer, with an emphasis on small businesses; and
 - 3. The quality of employer-provided training and advancement opportunities is for an in-demand occupation and will lead to an industry-recognized credential.
- B. The OJT participant must be compensated by the employer at the same rate as existing employees in similar occupations and with similar training, experience, and skills.
- C. Reimbursement to the employer for costs related to an OJT can reflect up to 75% of the wage rate of the participant who is being trained with written approval by the vendor to include a detailed case note describing the process through which the reimbursement percent was agreed upon.

XI. Reimbursements to the Employers:

- A. The SCPa Works OJT program will reimburse the employer 50% of the trainee's wage, up to **\$7,500.00** for the total predetermined OJT period.
- B. The employer must submit a monthly timesheet and progress report to the BSC in compliance with Section XIII of this policy.
- C. SCPa Works **will not reimburse** for:
 - 1. Paid Holidays

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- 2. Vacation Days
- 3. Lunch/Meal Breaks
- 4. Overtime Hours

- D. No reimbursement shall be made for work performed outside of the term of the contract or during periods of work stoppages or fringe benefits, which include paid holidays, sick leave, or vacation leave.
- E. Overtime hours above the predetermined full-time weekly hour allotment, as stated in the OJT Agreement, are paid by the employer.

XII. Monthly Reporting, Progress Requirements, and Timesheets:

- A. The employer submits monthly progress reports/timesheets to the BSC.
- B. A monthly invoice will be submitted to the BSC to be reviewed for payment.
- C. The monthly progress report will describe the OJT participant’s progress.
 - 1. The OJT trainee must sign to verify progress, wages, and hours.
- D. If the monthly progress report indicates a rating of less than satisfactory, the BSC will schedule a visit to the worksite to meet with the employer and the trainee.
 - 1. A record of the visit and the outcome of the visit (i.e., improvement plan, review of goals, focus on timeline events, etc.) will be attached to the monthly report and remain on file to include a detailed case note in CWDS.

XIII. Summary of Changes:

Date of Change:	Changed by:	Summary of Change(s):	Effective Date
08/08/2022	Saranne Miller 	1. Removed form number IDs. 2. Added TANF OSY requirements, and included TANF throughout where applicable. 3. Added RAP/Pre-RAP eligibility in Sec. III(H). 4. Added RAP/Pre-Rap exception to Sec. V(B). 5. Added RAP/Pre-Rap exception to Sec. XVI(A)(5)(a) and XVI(A)(6)(a). 6. Added RAP/Pre-Rap exception to Sec. XVII(A)(2)(b)(i).	08/08/2022
01/31/2024	Saranne Miller 	1. Section I - content was edited/removed, new content was added to better state the purpose; a statement defining discrimination was added. 2. Section II - content was removed, and new content was added to simplify the verbiage and clarify generalized OJT details. 3. Section III - added a “Definitions” section. 4. Section III(C) – added “an individual” per Todd Truntz 5. Section IV - content was removed, and new content was added to enhance the definition of employer relationship management. 6. Section V - content was removed and condensed to clearly define OJT employer eligibility; an equal opportunity statement was added. 7. Section VI - content was deleted, and new content was created to provide a clear, concise definition of participant	TBA

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		<p>eligibility and to integrate IWT and RAP into eligible OJT scenarios.</p> <ol style="list-style-type: none"> 8. Section VI(F) – removed capitalization on the word “No” per Todd Truntz. 9. Section IX - content was removed to reflect ever-changing wage standardization using the MIT Living Wage Calculator. 10. Section X - added WIOA OJT Funding Levels 11. Section XI - invoicing practice was removed and added to section XII in the policy. 12. Original Section XII - was deleted to eliminate redundancies. 13. Section XII - was re-created to clarify the invoicing and progress report submission process. 14. Original Sections XIV – XVI were removed to eliminate outdated content. 	
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