
**Western Arkansas Workforce Development Area
Policies and Procedures**

TITLE	On-the-Job Training
NUMBER	P0007-20
TYPE	Policy – Programmatic
APPROVING AUTHORITY	Western Arkansas Workforce Development Board
EFFECTIVE DATE	12/15/2020
NEW/REPLACED	New

Policy:

On-the-job training (OJT) is occupational training that is provided through a contract [20 CFR 680.700(a)]. It is considered a training service for Adults and Dislocated Workers and a work experience for Youth [20 CFR 681.460(a)(3); 681.600(c)]. As a youth work experience, OJT qualifies for the 20% minimum that local areas must spend on work experience [20 CFR 681.590(a)]. Although on-the-job training is classified as a work experience for the Youth program, the guidelines and policies for Youth follow those for Adults and Dislocated Workers [20 CFR 681.600(c)(4)].

An OJT contract will be limited to the period of time required for a participant to become proficient in the occupation that the training is being provided, considering the skills requirement of the occupation, the participant’s prior work experience, and the individual employment plan or individual service strategy of the participant, as appropriate [WIOA §3(44); §134(c)(3)(H)]. The limit on time for participants in OJT is up to 1020 hours as outlined in the local area Work Experience policy P0006-20.

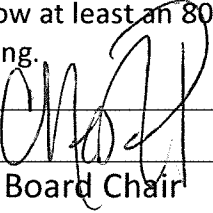
OJT is training provided by an employer to a paid participant engaged in productive work in a job that provides the following.

- On-the-Job Training is conducted with a commitment by the employer to continue to employ an individual on successful completion of the training.
- The training provides knowledge and skills essential to full and adequate performance of the job.
- For adults and dislocated workers, eligibility for this training is the same as for all other training services.
- OJT is classified as a paid work experience under Program Element 3 for Youth.
- The individual must have met all requirements to become a participant in the particular program.
- The participant must have been determined after an interview, evaluation, or assessment, and career planning to be:
 - Unable or unlikely to obtain or retain employment leading to self-sufficiency or wages comparable to or higher than wages from previous employment without the training.

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- In need of training services to obtain or retain employment leading to economic self-sufficiency or wages comparable to or higher than wages from previous employment (and the OJT can do that).
- Has the skills and qualifications to participate successfully in training services.
- Is unable to obtain assistance from other sources to pay the costs of the training [20 CFR 680.210].
- The local area has determined that an employer seeking assistance for current employees would not be considered for OJT but may be eligible to receive training services through Incumbent Worker Training per local policy P0004-20.
- OJT payments to employers are deemed to be compensation for the extraordinary costs associated with training participants and potentially lower productivity of the participants while in the OJT.
- Providers of on-the-job training are not subject to the requirements applicable to entities listed on the eligible training provider list and they are not included on the state list of eligible training providers and programs [20 CFR 680.530], unless they are included for other reasons, such as being registered apprenticeship programs [20 CFR 680.470].
- Employers may be reimbursed up to 50 percent of the wage rate of an OJT participant, and up to 75 percent using the criteria in § 680.730, for the extraordinary costs of providing the training and additional supervision related to the OJT or up to 90% for a participating business with 50 or fewer employees per the approved waiver received by the State on 5/29/2020 [WIOA §134(c)(3)(H)(i); 20 CFR 680.720(b)].
- If the need has been determined to increase the wage compensation above 50% the Director of Workforce Development must document and approve the amount based upon the criteria identified in 20 CFR 680.730(b) and TEGL 19-16.
- Invoices for reimbursement of wages are expected to include a progress report of skills/knowledge learned during the billing period.
- On-the-Job Training participants must have a case note contact with the client AND one with the employer supervisor at least once a month.
- Justification for all training must be clearly documented in the client's individual Employment Plan or Individual Service Strategy.
- Employers must show at least an 80% retention rate when two (2) or more employees are on on-the-job training.

Approval Signature:


Cathy Nesbit, Board Chair