

Purpose.

The Workforce Investment Act (WIA) authorizes local workforce development boards (WDBs) to provide training that addresses local needs. Authorized training may include On-the-Job Training (OJT) conducted with a commitment by the employer to hire an individual upon successful completion of the training. WIA regulations require WDBs to develop policies to administer OJT programs. This document establishes the policy of the Southwest Wisconsin Workforce Development Board for OJT.

Policy.

On-the-Job Training (OJT) provides selected participants with specific occupational skills and assists employers develop a trained workforce. The Southwest Wisconsin Workforce Development Board (SWWDB), as allowable under WIA regulations, may provide OJT as one option within the scope of its overall training service plan within the region.

OJT means training in specific occupational skills provided by an employer at the job site to a hired participant while that person is engaged in productive work in a job. An OJT provides the knowledge or skills essential to the full and adequate performance of the job. Participants eligible for an OJT are those who would not have been hired by an employer due to lack of qualifications/skills and who have been determined to be in need of the training to be productive in the occupation.

SWWDB may enter into a negotiated OJT contract with an employer to provide occupational training in exchange for reimbursement of up to 50 percent of the participant's wage rate to compensate the employer for the extraordinary costs of training the participant and the costs of the lower productivity of the worker. Employers need not document such extraordinary costs or lower productivity. Training shall be limited to the time required for the participant to become proficient in the occupation with consideration of the skill requirements of the occupation, academic and occupational skills of the participant, prior work experience and the person's individual employment plan.

An OJT shall be conducted at least 32 hours per week providing skills that the participant does not already possess. OJT positions shall be matched to the participant's occupational interests and capabilities with training providing transferable skills into a different job/occupation. The employer shall provide OJT participants with wages, benefits and working conditions equal to those provided regular employees who perform the same type of work and have similar seniority.

SWWDB may enter into OJT contracts for employed workers when the employee is not earning a self-sufficient wage, and the training relates to the introduction of new technologies, production or service procedures; upgrading to new jobs that require additional skills; workplace literacy; or other purposes determined appropriate by SWWDB in accordance with WIA regulations.

SWWDB shall enter into an OJT contract when the training meets the following performance criteria at the time of completion:

- Training is in one of the region's demand occupations in accordance with the SWWDB Local WIA Plan.
- Employer is a private sector business located in the SWWDB region.
- Employee's hourly starting wage is at least \$10.00/hour.
- Training is in an occupation where there is a reasonable expectation of continued and permanent employment upon completion of the training provided performance is satisfactory.
- Employee has the opportunity for upward mobility into a higher paid job classification.
- Employer has the necessary equipment, materials, and supervision capabilities to provide training.
- Employer does not have workers adversely affected and/or displaced due to lay-off.
- Employer does not have a history of not retained OJT participants or have experienced other OJT related problems.
- Union concurrence has been established when appropriate.

Employment and employee leasing agencies that meet the requirements stated in this policy may be eligible for OJT agreements. SWWDB shall ensure that the agreement specifies the source of training and that the payments are for the extraordinary training costs of the entity providing the training.

The Board directs the Executive Director to implement this policy, and to develop and maintain procedures that will implement OJT training services in a manner that is practical, uniform and complies with applicable federal and state laws and regulations. The Director of Operations, under the direction of the Executive Director, is operationally responsible for management of OJT training and oversight of program operator implementation of OJT services for SWWDB.

SWWDB requires that program operators receiving funding shall use OJT as one of the training options available to clients. Each program operator will become familiar with and follow SWWDB policies and procedures for OJT services. Failure to comply with SWWDB policies and procedures may result in costs being disallowed and/or termination of the contract.

References: Workforce Investment Act of 1998, Public Law 105-220; August 7, 1998; 112 Stat. 936, Section 101 (31) and 134(c)(4)(D)(ii);
20 CFR Part 652 et al., Workforce Investment Act; Final Rules, Part 663. Subpart G, Section 663.700, 663.705 and 663.710; and

Wisconsin Department of Workforce Development (DWD), Workforce Programs
Guide, Part 2, Section K

Policy Adopted: Date Policy Originally Adopted by Board

Policy Revised: Date Policy Revised by Board