

**Date:** July 1, 2009

**To:** Pacific Gateway Workforce Investment Network Staff  
WIN Sub-Recipients

**From:** Bryan S. Rogers  
WIB Executive Director

**Subject:** **POLICY MEMORANDUM: WDB-14A**  
**ON-THE-JOB TRAINING**

**EFFECTIVE DATE**

This policy is effective upon date of issuance. It supersedes previous policy dated November 28, 2007.

**PURPOSE**

The purpose of this policy is to provide direction regarding the administration of On-the-Job Training agreements by the Pacific Gateway Workforce Investment Network for Adults and Dislocated Workers participating in Workforce Investment Act (WIA) programs, American Recovery and Reinvestment Act (ARRA) and other funding sources as applicable.

**POLICIES AND PROCEDURES**

On-the-Job Training (OJT) is defined as occupational training provided under contract by an employer to a (paid) participant while engaged in productive work in a job that:

- a) Provides knowledge or skills essential to the full and adequate performance of the job;
- b) Provides reimbursement to the employer of up to 50 percent (for WIA, ARRA other participants) of the wage rate of the participant, for the extraordinary costs of providing the training and additional supervision related to the training; and
- c) Is limited in duration as appropriate to the skill requirements of the occupation for which the participant is being trained, taking into account the content of the training, the prior work experience of the participant, and the individual employment plan of the participant.

**Eligibility Requirements**

OJT contracts may be written for eligible employed workers when the employee is not earning a self-sufficient wage as determined by Local Board policy (see Policy Memorandum WDB-04).

**Required Steps**

1. OJT Agreement: An OJT agreement is required for every customer entering into an OJT program. The Agreement details the specific guidelines that must be followed by both



the employer and the Network. All information requested in the Agreement must be fully completed and approved by staff as well as the employer, prior to the participant starting training. The original form must be forwarded to the Financial Services Unit to be maintained with the OJT Fiscal Authorization.

2. OJT Fiscal Authorization: An OJT Fiscal Authorization form (Attachment A) must be completed for each participant planning to participate in an OJT activity. Fiscal Authorizations must be authorized prior to the customer starting training. Any changes to the Authorization must be submitted through a modification. This would include changes to the start/completion date, funding source, etc. A new Authorization form must be completed if the training provider changes. The original form must be forwarded to the Financial Services Unit to be maintained with the OJT Agreement.

### **OJT Site Monitoring Reports**

OJT agreements are required to be monitored by Network staff on-site upon reaching the first quarter of the total hours allotted for the training agreement. Monitoring will ensure that the training is being provided as specified in the on-site Agreement and ensures that any issues identified through an on-site visit may be resolved within a sufficient amount of time. The original monitoring report must be provided to the Quality Assurance Unit.

### **Certificate of OJT Program Completion, Achievement of Recognized Skill Standards, and Placement**

Upon satisfactory completion of the OJT program, a copy of the OJT Program Completion, Achievement of Recognized Skill Standards, and Placement form must be completed and signed by the employer and customer. The form must be attached to the Check Disbursement Request form when requesting reimbursement to the OJT employer. Employers will not be responsible for unsuccessful termination(s) and/or retention(s) through no fault of their own. A copy of this form must be maintained by the Fiscal Unit and must be in the customer's file.

### **REFERENCES**

WIA Section 101(31)  
20 CFR Part 652 et al. Subpart G

### **CONTACT**


Should you have any questions regarding this Policy Memorandum, please contact Cherie Gomez at (562) 570-4715; TTY (562) 570-4629.

Thank you.

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**Eligibility Requirements**

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## **Required Steps**

1. **OJT Agreement:** An OJT agreement is required for every customer entering into an OJT program. The Agreement details the specific guidelines that must be followed by both the employer and the Network. All information requested in the Agreement must be fully completed and approved by staff as well as the employer, prior to the participant starting training. The original form must be forwarded to the Financial Services Unit to be maintained with the OJT Fiscal Authorization.
2. **OJT Fiscal Authorization:** An OJT Fiscal Authorization form (Attachment A) must be completed for each participant planning to participate in an OJT activity. Fiscal Authorizations must be authorized prior to the customer starting training. Any changes to the Authorization must be submitted through a modification. This would include changes to the start/completion date, funding source, etc. A new Authorization form must be completed if the training provider changes. The original form must be forwarded to the Financial Services Unit to be maintained with the OJT Agreement.

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Thank you.

BSR:aw

The Pacific Gateway Workforce Investment Network (Network) and (*Employer*) \_\_\_\_\_, hereafter referred to as Employer, hereto agree to participate in a training program, which will contribute to the occupational development of the Network Customer, hereafter referred to as Participant. The purpose of the OJT Agreement is not to subsidize wages or reduce wage costs, but to purchase training and to reimburse the Employer for the extraordinary costs associated with training the Participant. Agreed upon training will lead to employment and promotional opportunities and enable the Participant to achieve and maintain economic self-sufficiency.

<input type="checkbox"/> <b>WIA</b>	<input type="checkbox"/> <b>ARRA</b>	<input type="checkbox"/> <b>OTHER:</b>
<input type="checkbox"/> ADULT <input type="checkbox"/> DISLOCATED WORKER	<input type="checkbox"/> ADULT <input type="checkbox"/> DISLOCATED WORKER	

CUSTOMER NAME:	ENROLLMENT NO.:
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**TERMS:**

The terms of this Agreement and the duration of training is from (*Date*) \_\_\_\_\_ through (*Date*) \_\_\_\_\_. The length of this Agreement is limited to the period of time required for the Participant to become proficient in the occupation for which the training is being provided, with consideration given to the skill requirements of the occupation, the academic and occupational skill level of the Participant, prior work experience, and the Participant's individual employment plan.

The Network shall reimburse the Employer an amount not to exceed (*Amount*) \_\_\_\_\_, at (*Amount*) \_\_\_\_\_ per hour, representing \_\_\_% reimbursement of the Participant's actual salary for (*Number*) \_\_\_\_\_ hours of OJT.

**TRAINING:**

The Employer shall employ and train the Participant in the occupation of (*Occupational Title*) \_\_\_\_\_, (*O\*NET 3 Code*) \_\_\_\_\_.

On-the-Job Training Activities that will lead to enhanced skills, to include:

- 1.
- 2.
- 3.
- 4.
- 5.



TRAINING SUPERVISOR/TRAINING SITE:

Employer (Name & Address):	Occupation:  Supervisor Name & Number:	Training Dates:  Total Training Hours:  Start: Completion:
Hourly Wage:	Subsidized Hourly Wage:	Total Reimbursable Amount:

THE EMPLOYER SHALL ENSURE:

- A) Hire/retain the Participant as a regular full-time employee upon successful completion of the training. Employer agrees to provide the Participant and the Network with a copy of the Certificate of OJT Program Completion, Achievement of Recognized Skill Standards, and Placement Form (attached herein). This Form certifies that said Participant has successfully completed the training activity and has attained necessary skills ensuring proficiency in the occupation for which the training is being provided, and/or within an occupation that requires the same/similar skill standards. Hiring is subject to the availability of a position and the same conditions of employment as the Employer's other regular employees performing similar work.
- B) Confirms that the Participant has not been charged a fee for placement or referral to said training activity. Employer also confirms that they have not previously exhibited a pattern of failing to provide OJT participants with continued long-term employment with wages, benefits, and working conditions that are equal to those provided to regular employees who have worked a similar length of time and are doing the same type of work.
- C) The OJT activity is not subcontracted. Any attempt to delegate duties under this Agreement shall be void and shall permit the Network to immediately terminate this Agreement.
- D) The Participant is compensated by the Employer at the same rates, including periodic increases, as participants or regular employees who are employed in similar occupations by the same Employer and who have similar training, experience, and skills. Such rates shall be in accordance with applicable law, but in no event less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206 (a)(1)) or the applicable State or local minimum wage law.
- E) The Participant, during training, is on the Employer's payroll and is paid the salary indicated herein. Employer shall also ensure that OJT funds are not used to directly or indirectly assist, promote, or deter union organizing and confirms that Employer is not currently involved in a strike, lockout or other labor dispute.

- F) The Participant is provided benefits and working conditions at the same level and to the same extent as other participants or regular employees working a similar length of time and doing the same type of work.
- G) Provide State workers' compensation is provided to the Participant on the same basis as the compensation is provided to other participants or employees performing similar work.
- H) The Participant, during training, is provided with safety instructions and materials and equipment necessary for reasonable protection against injury and damage. Shall also ensure that health and safety standards established under State and Federal law otherwise applicable to working conditions of regular employees are equally applicable to working conditions of Participant. Where special materials and equipment is provided to the Employer's regular employees, Employer shall provide the same to the Participant performing similar work.
- I) Compliance with applicable Federal, State, and/or local regulations with matters relating to providing a drug-free workplace.
- J) Training involving sectarian or political activities is prohibited.
- K) Training has not (will not) result in the displacement (including a partial displacement, such as a reduction in hours of non-overtime work, wages or employment benefits) of any currently employed employee.
- L) Agreement does not (will not) impair existing contracts for services or existing collective bargaining agreements. If said OJT activity is inconsistent with a collective bargaining agreement, the appropriate labor organization and Employer must have provided written concurrence before the activity begins.
- M) Agreement does not (will not) result in the substitution of Federal funds for other funds in connection with work that would otherwise be performed, including services normally provided by temporary, part-time or seasonal workers or through contracting such services out.
- N) Employer has not (will not) terminate the employment of any regular, unsubsidized employee or otherwise caused an involuntary reduction in its workforce with the intention of filling the vacancy so created by hiring a participant whose wages are subsidized under this program.
- O) Participant is not hired into, or remains working in, any position when the same or a substantially equivalent position is vacant due to a lay-off.
- P) The training does not (will not) infringe upon, in any way, the promotional opportunities of currently employed workers.
- Q) No funds provided under this program will be used to encourage or induce the relocation of an establishment, or part thereof, that results in the loss of employment for any employee of such establishment at the original location. Employer confirms that the Employer's

establishment, or part thereof, has not been relocated from a previous location less than 120 days prior to the effective date of this contract.

- R) Comply fully with applicable Federal, State, and local nondiscrimination and equal opportunity provisions, including:
- That which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex, national origin, age, disability, political affiliation or belief, and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any financially assisted program or activity
  - Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the bases of race, color and national origin
  - Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities
  - The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age, and
  - Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.
- S) Act in an independent capacity and not as officer, employee, or agent of the Network in the performance of this Agreement. This provision shall also apply to any agent or employee of the Employer. The Employer shall not contract or incur expenses in the name of the Network.
- T) Agrees to maintain records (including books, papers and computer data, time sheets, attendance and payroll records, and canceled checks) to document all costs, direct and indirect, incurred under this Agreement and to account for all money received under this Agreement. All records shall be kept for a period of five (5) years from the date final payment is made on this Agreement. All records regarding the Participant shall be made available to representatives of the Network, and applicable State and Federal agencies/representatives. The right to the records includes the right to make excerpts, transcripts and photocopies. The right also includes the reasonable and timely access to personnel for the purpose of interviews and discussions related to the records of the Participant.
- U) Maintain the confidentiality of any information regarding Participant, or their immediate family, which may be obtained through documents obtained from public agencies, counselors, or any other source. Without permission of the Network, such information shall be divulged only as necessary for the performance or evaluation of the Agreement and only to persons having responsibilities under this Agreement.
- V) Participant is provided with Employer's grievance procedures.

- W) Agrees, to the extent permitted by law, to defend, protect, indemnify and hold the Network, its officers, employees, and agents, free and harmless from and against any and all claims damages, expenses, loss or liability of any kind or nature whatsoever growing out of, or resulting from the alleged acts or omissions of Employer, its officers, agents or employees in the performance of this Agreement. Employer shall at its own cost, expense and risk, defend all claims or legal actions that may be instituted against either the Employer or the Network, and shall pay any settlement entered into or satisfy any judgment that may be rendered against either the Employer or the Network.
- X) Submit invoice(s) for payment of training costs reimbursable under the terms of this Agreement. The Employer shall submit the invoice(s), address referenced herein, to the Network. Employer will provide copies of payroll or time and attendance records to support amounts claimed for reimbursement. Employer shall ensure that the Participant's name, as well as the funding source, is referenced in the invoice.

The Pacific Gateway Workforce Investment Network (Network) shall ensure:

- A. In no event pay the Employer more than his/her actual and reasonable costs for providing training, subject to the maximum amount set forth herein. Reimbursement under this Agreement will be limited to costs incurred during the basic 40 hour work week and deemed to be in compensation for the extraordinary costs associated with the training. Reimbursement may not be based on overtime, shift differential, premium pay and other non regular wages, or upon periods of time such as illness, holidays, plant downtime or other events in which no training occurs. No monies will be paid for those Participants who are laid off or terminated by the Employer, through no fault of the Participant, prior to completion of training and entering unsubsidized employment.
- B. Reimbursement for agreements with a duration of, or less than eight weeks will be processed upon 30 days of successful retention of the participant.
- C. Agreements with a term duration greater than eight weeks will be processed in two payments: 50% for activities completed at the mid-point of the agreement and 50% upon 30 day successful retention of the participant. Employers will not be penalized for unsuccessful termination(s) and/or retention(s) through no fault of their own.
- D. Observe and monitor all conditions and activities involved in the performance of this Agreement and verify data submitted with respect to this Agreement by examining the Employer's books, records or documents pertaining to this Agreement.

#### GENERAL PROVISIONS:

- A) No alteration or variation of the terms of this Agreement shall be valid and/or binding unless made in writing, signed and dated by the parties hereto. There are no oral understandings or agreements not incorporated herein.
- B) This Agreement may be terminated by either party upon ten (10) (business) days written notice by either party. Employer may terminate Participant on the same basis Employer would terminate any other participant receiving training services. Employer agrees to

consult with the Network at least ten (10) (business) days prior to Participant's impending termination, suspension or lay-off. Employer will provide the Network an opportunity to correct the reason for termination, suspension or layoff within a reasonable and agreed upon time frame.

C) This Agreement is subject to said funding sources appropriate program rules and regulations and the availability of funding. Modifications to this Agreement may be made to reflect any reduction in funding availability and subsequent directives and/or changes to rules and regulations.

D) This Agreement is of no force and effect until approved and signed by representatives of both of the parties hereto.

IN WITNESS WHEREOF, This Agreement has been executed by authorized signatories and on behalf of the parties hereto:

Pacific Gateway Workforce Investment Network  
3447 Atlantic Avenue  
Long Beach, CA 90807  
(562) 570-3700

(Employer)  
(Address)  
(City, State, Zip Code)                      ,  
(Phone #)                                      (     )  
(Federal ID #)

\_\_\_\_\_ Date \_\_\_\_\_

Employer Representative

\_\_\_\_\_ Date \_\_\_\_\_

OJT Participant

\_\_\_\_\_ Date \_\_\_\_\_

Employment Specialist

\_\_\_\_\_ Date \_\_\_\_\_

Program Supervisor