



**OhioMeansJobs**

Summit & Medina Counties

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OHIO LOCAL WORKFORCE AREA 2  
POLICY LETTER C-09  
ON-THE-JOB TRAINING

- I. **SUBJECT:** On-the-Job Training (OJT)
  - II. **PURPOSE:** The purpose of this policy is to provide guidelines for On-the-Job Training activities for Adults, Dislocated Workers, and Youth.
  - III. **EFFECTIVE DATE:** November 1, 2018
  - IV. **REVISED DATE:** January 1, 2020; July 28, 2020; September 18, 2020; September 2, 2021; July 1, 2022; July 1, 2023; January 1, 2025
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**V. BACKGROUND**

On-the-Job Training (OJT) is a key method of delivering training services to adults, dislocated workers, and youth. Through OJT activities provided under WIOA, adult, dislocated worker, and youth participants can obtain the skill sets necessary to fill the jobs that are available and that are being created in this economy. OJT is a type of training or work experience that is provided by an employer to a participant. During the training or work experience, the participant is engaged in productive work in a job for which he or she is paid, and the training provides knowledge or skills necessary for the full and adequate performance of the job. Employers must commit to hire and retain the participant at the end of a successful training period. OJT activities support the development of a workforce with skills that meet the needs of employers and provide additional training options for workers and employers. OJT provides an incentive to employers to hire individuals and invest in their skill development, and trainees can earn a wage as they learn. It is a critical tool that helps job seekers enter successful employment.

In Area 2, employers can be reimbursed 50% of their OJT employee's regular "straight time" wages, up to \$10,000.00 total over a period of six or fewer months, depending on the length of time needed to complete training. The OJT employee must work a minimum of 30 hours per week and earn a minimum wage of \$17.50 per hour. Self-sufficiency is the ultimate goal for WIOA job seekers. Area 2 has determined that a minimum of \$17.50 per hour at a full-time job begins to promote self-sufficiency and financial independence.

**VI. REQUIREMENTS**

***Participant Eligibility***

WIOA-funded OJT is available for eligible WIOA youth, unemployed or under-employed adult and dislocated workers. Employed workers may be eligible for WIOA-funded OJTs when the employee is not earning a self-sufficient wage as determined by Area 2 (see **Area 2 WIOA Policy Letter A-02 Standard of Self-Sufficiency**). Participants who have completed occupational skills training via an

individual training account (ITA) may be considered for OJT if it creates an opportunity for the participant to become employed.

As outlined in Workforce Innovation and Opportunity Act Policy Letter (WIOAPL) 15-09.1, Training Services for Adults and Dislocated Workers, WIOAPL 15-10, Youth Program Services, and rule 5101:14-1-02 of the Ohio Administrative Code, training services may be provided to adults and dislocated workers or work experiences to youth participants if, after an interview, evaluation, or assessment and career planning, the participant has been determined to have the skills and qualifications to successfully participate in an OJT.

OJT participants must receive 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. Appropriate workers' compensation insurance protection must also be provided to all OJT participants by the employer.

OJT participants are not eligible to receive needs-related payments (NRPs) and cannot be family members, through blood or marriage, of the business owner or anyone in their chain of command.

### ***Participant Suitability and Appropriateness***

For an individual to qualify for any training services, including OJT, the Area 2 career services providers must determine a person is a suitable and appropriate candidate for training services. Appropriateness is determined by completion of an interview, evaluation or assessment and career planning. Assessments may include, but not limited to:

1. A combination of standardized tests;
2. Inventory of interests;
3. Skills assessments;
4. Career exploration;
5. Evaluation of the participant's soft skills, including time-management, work ethic, and dependability;
6. Past work history; and
7. Available labor market data.

### ***Maximum Duration of OJT***

The duration of the OJT shall not exceed a maximum of 1,040 hours unless extenuating circumstances exist, in which case appropriate documentation is required. The length of the training considers several factors such as the participant's skills gap including prior work experience, the occupation for which the participant is receiving training, the content of the training, and the service strategy of the participant. Exceptions for individuals with disabilities or other significant barriers: OJT participants facing a significant barrier to employment, such as a disability covered under the Americans with Disabilities Act (ADA), may be considered for a longer training duration of up to 50% more hours than the typical length of a similar OJT, not to exceed a maximum of 1,560 hours.

Every registered apprenticeship program includes a structured OJT. Employers hire apprentices and provide hands-on training from an experienced mentor. This training is developed by mapping the skills and knowledge the apprentice must learn over the course of the program to be fully proficient at the job. Therefore, registered apprenticeships are time-based and require a specific number of

hours of OJT. Consequently, OJTs with longer duration – not to exceed 2,080 hours – may be used when the OJT is completed as part of the registered apprenticeship program.

### ***Employer Eligibility***

OJT is provided under an agreement with an employer in the public, private non-profit, or private for-profit sector to WIOA eligible participants. Careful consideration should be given when selecting a participating employer. Business functions Area 2 must research before selecting an employer include, but are not limited to:

1. Working conditions (safety and health);
  - a. Area 2 will conduct at least one on-site visit to observe working conditions prior to signing an OJT agreement with an employer.
2. Availability of employer-provided health benefits;
  - a. An employer must provide optional health insurance benefits in order to be considered for an OJT agreement.
3. Wage structure;
  - a. An employer must use a legitimate payroll accounting system and pay employees via direct deposit or with physical paychecks;
  - b. An employer must pay its employees no less than twice per month; and
  - c. Employees must be paid a regular wage that is not commission-based.
4. Turnover rates;
  - a. General turnover rates of the employer, as well as longevity and retention of former OJT employees, must be considered.
5. Adequateness of staff and equipment to carry out the training; and
6. Compliance with federal, state, and local laws.

### ***Disqualifying Factors***

Employers will be disqualified from participating in the OJT program in the following situations:

1. Businesses must not be presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from participation in transactions by United States Department of Labor (USDOL) or the State of Ohio. Tax, environment compliance, and debarment status will be checked using the following resources:
  - a. Federal Debarment Site: <https://www.sam.gov>
  - b. Ohio Department of Taxation: <http://www.tax.ohio.gov>
  - c. Business Filing Search: <http://www.sos.state.oh.us>
2. Businesses must not have any outstanding tax liability for over six months to the state of Ohio. Area 2 requires businesses to disclose any known outstanding tax liabilities with Ohio and other states prior to entering into the contract. Area 2 may consider existing out-of-state violations when determining eligibility to receive OJT funds. Area 2 must document any resolution of outstanding tax liability, which may include letters from the business or from the State from which the tax liability occurred.
3. Businesses must not have any outstanding civil, criminal or administrative fines or penalties owed to or pending in the state of Ohio.
4. Area 2 will not enter into an agreement with an employer who has previously exhibited a pattern of failing to provide OJT participants with continued long-term employment.
  - a. Should a pattern of failing to provide continued long-term employment be determined, the employer must agree to more frequent monitoring for the remainder of the

- agreement period. Monitoring of all subsequent OJTs will be monthly rather than at the halfway point and end of training only.
- b. Additionally, should a pattern of failing to provide continued long-term employment be determined, the employer may become ineligible to receive an OJT from the reverse-referral process for the remainder of the agreement.
  - c. If fewer than 50% of the employer's OJT employees are employed at the 90-day post-OJT retention point, it is at the discretion of the Area 2 Executive Director whether to renew the employer's OJT agreement with the Area.
5. The employer must comply with all applicable federal, state, and local laws and regulations related to providing reasonable working conditions. OJT participants are not permitted to train or work in buildings or surroundings under working conditions that are unsanitary, hazardous, or dangerous to the trainee's health or safety.
  6. If during completion of the employer information form it is determined that a business has relocated from one US labor market to another and caused dislocation at the original location, OJTs may be available at the new location only after the business has conducted work at the new location for more than 120 days. The State of Ohio On-the-Job Training Guidance Manual may be referenced for determining whether business relocation has occurred. To verify that a business is not relocating employment from another area, a pre-award review is undertaken by Area 2 staff. The review must include the names under which the establishment conducts business, including predecessors and successors in interest; the name, title, and address of the company official certifying the information, and whether WIOA assistance is being sought about past or impending job losses at other facilities of their company. The pre-award review also includes a review of whether appropriate notices have been filed, as required by the Worker Adjustment Retraining Notification (WARN) Act. The review may also include consultations with labor organizations and others in the affected local area(s).
  7. Absent a clear and applicable layoff definition within a collective bargaining agreement or personnel policy governing a local operation, a layoff is defined as termination with the intent to recall. A laid off employee who refuses a recall request is no longer considered to be in layoff status. Layoff recall rights will last six months from the last day of work prior to the layoff. If the employer has laid off someone from similar or "substantially equivalent" work at the same local operation, no OJT or other subsidized employment is permitted. The work is considered substantially equivalent if the overlap between the work (duties and job titles) is 80% or greater. If more than one person is laid off from a substantially equivalent job, and all these persons worked their last day more than six months before the training plan begins, the OJT may proceed, and the employer may be reimbursed regardless of the previous layoffs.
  8. Training positions covered may not have been created by the displacement of an unsubsidized employee by a WIOA-subsidized employee. This includes partial displacement such as reduction in the hours of non-overtime work, wages, or employment benefits. There is no requirement for the job to be similar or substantially equivalent. The key is employer intent: if an unsubsidized employee's earnings are reduced by hiring a WIOA subsidized participant to offset the lost productivity, it is considered displacement.

### ***Prohibited OJT Activities***

The following types of activities are prohibited from OJTs:

1. Sectarian activities: Funds provided to employers for OJT may not be used to employ the participant/trainee in a position involving political or sectarian activities. Furthermore, OJT participants may not assist, promote or deter union organizing, or engage in political activities during work hours.

2. Religious activities: OJT participants are prohibited from being employed in the construction, operation, or maintenance of any facility which is used for religious instruction or worship.
3. Private placement agencies: A private placement agency is not considered to be an eligible employer for WIOA-funded OJTs in Area 2.

#### ***Candidate Referral Policy***

1. Employers using OJT to train new hires must be willing to accept referrals from the OhioMeansJobs (OMJ) career services staff in the Area. Employers are not required to hire referred candidates but are asked to make a good-faith effort to screen and consider candidates referred by OMJ career services staff.
2. All candidates must be determined suitable and appropriate for the position prior to being granted an OJT. The candidate referred must be determined eligible for OJT, be fully assessed, and be exposed to other career services as appropriate.
3. Area 2 reserves the right to decline an OJT for any “reverse-referral” (referred to OMJ by the company) candidate who is deemed ineligible for WIOA, unsuitable, or inappropriate for the job, field, or OMJ services.

#### ***Coordination with Trade***

If an individual is eligible for training dollars under Trade Adjustment Assistance (TAA), TAA should be used to fund the OJT. An exception would be situations where the cost exceeds the TAA program's ability to fund the training; WIOA funds can pay the portion of the cost that exceeds the TAA maximum. If a participant is already enrolled in a WIOA-funded OJT and subsequently becomes eligible for funding through TAA, the local area must determine whether to continue funding the OJT with formula dollars or to fund the remainder of the training with TAA funds based on the following criteria:

1. If the WIOA-funded OJT uses a different wage reimbursement rate than the Trade program's OJT policy allows, the participant's OJT may continue to be funded by formula dollars until completion;
2. If the WIOA-funded OJT uses a different payment point than the Trade program's required OJT payment point, the participant's OJT may continue to be funded by formula dollars until completion;
3. If the WIOA-funded OJT uses the same wage reimbursement rate and payment point as the Trade program OJT, the local area must plan for the remainder of the OJT to be funded by TAA beginning at the next payment point. Local areas must coordinate with Trade staff to develop a plan for transitioning participants from one funding stream to another without negatively affecting the employer or the participant.

Regardless of whether participants remain in the WIOA-funded OJT or transition to TAA funding, it is required that the participant be co-enrolled in both the WIOA-funded OJT and Trade programs and that the OJT be approved under both programs (even if it is being fully funded by formula dollars) to ensure the participant may qualify for other associated Trade benefits and services. Detailed procedural guidelines are found in the State's On-the-Job Training Guidance Manual.

## **VII. WAGES & REIMBURSEMENT**

### **Wages**

The minimum hourly rate an OJT trainee can earn is \$17.50, unless the O\*NET OnLine occupation

code wage information for the employer's zip code shows a wage higher than \$17.50 per hour at the "low end" (10<sup>th</sup> percentile for all workers with that job title in that zip code). The employer must begin, at minimum, at the 10<sup>th</sup> percentile wage on O\*NET OnLine if it is higher than \$17.50 per hour and agree to a wage progression plan adding at least \$1.50 per hour to the employee's wage by the end of the training period. Wages must be regular and not commission-based.

### **Reimbursement**

Wages are reimbursed directly to the employer after receipt of an invoice (using the OJT Invoice Form) and corresponding pay stubs generated by the employer's payroll system that clearly state hours worked and hourly wage for each pay period, as well as approval by Area 2 staff. The payment schedule is as follows:

1. Employer may invoice at the halfway point and end of the training period dependent on the length of the training plan:
  - a. If the planned training period is three months or less, the employer shall invoice once, at the end of the training period;
  - b. If the planned training period is over three months, the employer shall invoice twice, once at the training halfway point, and once upon termination of the training plan.
  - c. In the event an individual terminates employment prior to completing their training plan:
    - i. Less than 30 days after the plan start date, there shall not be reimbursement;
    - ii. 30 days or longer after the plan start date, a statement documenting reasons for termination shall be used to determine reimbursement.
2. Some employers may be exempt from the reimbursement schedule under certain circumstances which are determined exclusively by the Area 2 Executive Director.
3. Employers utilizing OJT are limited to eight (8) plans per annual agreement. An OJT plan counts against the limit once one invoice for reimbursement has been processed.

## **VIII. MONITORING**

The service provider staff member working with the participant will conduct/collect the following reports, review the information provided, and pursue any corrective action necessary.

1. Participant six-week monitoring report (every six weeks while participant is training)
  - a. Perform a desk audit of the participant's file;
  - b. Review the IEP/IOP and OJT;
  - c. Follow up with participant via phone call or email to check on the status of training;
  - d. Follow up with the employer via phone call, email, or visit to check on the status of training, including the participant's attendance and performance;
  - e. Report any issues or discrepancies to the program manager for corrective action.
2. Area 2 will conduct oversight of the OJT program by review of the participant files to ensure participants are enrolled and provided intended training services. Additionally, employers' training programs will be reviewed to make certain the programs are in compliance with the standards required of an employer to be eligible to receive OJT funds based on local, state, and federal requirements.

## **IX. FORMS**

Forms that must be completed when executing an OJT Agreement or Training Plan –

1. OJT Agreement SFY 202\_
2. Employer Information Form
  - a. To be completed with the Business Services Representative
3. Summit County Munis Vendor Self-Service registration forms, if applicable
4. OJT Training Plan
  - a. OJT Plan Modification Form
  - b. OJT Invoice Form
  - c. Trainee Monitoring Report
  - d. Employer Monitoring Report

**X. REFERENCES**

1. Area 2 WIOA Policy Letter A-02 Standard of Self-Sufficiency
2. ODJFS WIOA Policy Letter 15-22.1 On-the-Job Training (OJT)
3. Workforce Innovation and Opportunity Act, § 134, Public Law 113-128
4. 20 C.F.R. §§ 680.700-680.750 and 683.275
5. 2 C.F.R. Part 200, Appendix II
6. OAC 5101:9-30-04 and 5101:14-1-02
7. USDOL, Training and Employment Guidance Letter No. 19-16
8. USDOL, Training and Employment Guidance Letter No. 13-16