

THE MISSISSIPPI PARTNERSHIP WORKFORCE DEVELOPMENT AREA

ON-THE-JOB TRAINING PROCEDURES

Revised July 1, 2016

The Mississippi Partnership OJT Procedures

These procedures are effective July 1, 2016 and applies to all On-the-Job Training (OJT) agreements funded by WIOA in the Mississippi Partnership. In order to receive OJT services, participants must follow the guidelines of the Smart Start Career Pathway as approved by the fiscal agent and the Mississippi Partnership Local Workforce Development Board

1. Purpose

The purpose of an OJT is to assist businesses in training and retaining skilled, productive workers. OJT agreements may be written to help train newly hired employees or eligible current employees. Potential funding sources for OJT include WIOA adult, dislocated workers, National Emergency Grant, and statewide, incumbent worker funds.

The purpose of these procedures is to set forth guidelines how the OJT program will be implemented within parameters of the approved Mississippi Partnership OJT policy. These procedures are in conjunction with requirements set forth in the OJT policy.

2. Overall OJT Service Provider Requirements:

- a. Employer Eligibility – The On-the-Job Training service provider must ensure that all employers met the employer eligibility criteria as outlined in the OJT policy. Please note:
 - i. State agencies are not eligible to receive funds an OJT agreement.
 - ii. The Mississippi Partnership Conflict of Interest Policy affects the OJT program. Employers who have an employee currently serving on the Mississippi Partnership Local Workforce Development Board are not eligible to receive OJT funds. This prohibition applies while the employee serves on the board and for one year after the Board member's term expires.
- b. Marketing – The On-the-Job Training service provider must market On-the-Job Training to established local employers. This marketing strategy may include but is not limited to telephone and in-person contact with current and potential OJT employers, speaking engagements with civic groups, economic development organizations, and professional organizations.
- c. Recruiting Employers and Writing Contracts – The OJT service provider must work closely with these employers to whom the program is marketed, developing and writing OJT contracts so that a ready pool of employers is available for participant OJT referrals.
- d. Communication with Employers – The OJT service provider is expected to stay in constant touch with these employers at a minimum of once a month, being aware of their varying needs. Overall, the OJT service provider must concentrate on marketing OJT to employers, recruiting employers, writing contracts, and generally serving their needs.
- e. Communication and Coordination with the Local One-Stop – The OJT service provider must inform the local One-Stop staff of OJT contracts as they are written

and ensure that the One-Stop is aware of local employer needs. The OJT service provider must also coordinate with all One-Stop staff to ensure that eligible and qualified individuals are referred to OJT employers for training. Participant recruitment and the referral of WIOA training-eligible individuals into On-the-Job Training should be done by the WIOA staff at the One-Stop in close coordination with the OJT service provider.

- f. Communication with Participants– The OJT service provider must periodically contact each participant while that participant is enrolled in an OJT program. The OJT service provider must ensure that qualified participants are enrolled into the training programs, and if a participant has become unemployed or is in danger of becoming unemployed, the OJT service provider should make every effort to have that participant contact the One-Stop to receive further services.
- g. Performance measures for OJT– The OJT service provider must be aware of and/or approve each participant prior to that individual's entry into OJT. The success of each individual participant will determine the success of the OJT service provider. The success of the program is dependant upon performance, and any participant who does not retain employment will negatively affect that performance.

3. OJT Participant Eligibility

OJT staff is required to ensure that any WIOA customer enrolled in OJT meet the following requirements:

- a. Persons must have been determined by the one-stop operator, after an interview, evaluation, or assessment, and career planning are:
 - i. Unlikely or unable to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment through career services;
 - ii. To be in need of training services; and
 - iii. To have the necessary skills and qualifications to successfully participate in the selected program of training services.
- b. Employed individuals must not be earning a self-sufficient wage, currently \$21.56 an hour, at entry into OJT.
- c. Participants shall not be trained for occupations in which they possess prior experience unless it can be documented that circumstances exist to justify an exception. For example:
 - i. The OJT relates to the introduction of new technologies, introduction to new production or service procedures through cross-training to retain existing workers, upgrading to new jobs that require additional skills, workplace literacy, or other appropriate purposes identified by the Local Board.
 - ii. Experience was gained prior to significant changes in occupational skill requirements, technological advances, and licensing/certification requirements.
- d. An individual should not be earning less than \$7.25 an hour wage unless employability skills are learned during training that the individual can use to reach a self-sufficient wage. Such employability skills shall be documented in the participant file.

- e. The maximum amount of reimbursement allowable under an OJT contract is \$15 an hour, regardless of compensation rate.

4. OJT Reporting Requirements

In addition to required fiscal reporting schedules and documents, the service provider will submit reports to the fiscal agent as requested. Items to be reported include, but not limited to:

- a. Number of current OJT contracts;
- b. Number of new OJT contracts written in current month;
- c. Names of employers with whom contracts are written;
- d. Types of training being conducted;
- e. Dollar amounts of contracts
- f. Number of participants placed in OJT;
- g. Number of participants completing OJT.

5. OJT Training Length

- a. The OJT Service Provider, in conference with the employer, determines the job title for the position to be trained for, referencing the Occupational Network (O-Net).
- b. From the O-Net, SVP parameters are obtained. It is within these parameters that the length of training is determined. The Individual Employment Plan, IEP, developed for each OJT participant shall document how the training length was determined.
- c. For purposes of data entry in the Mississippi Partnership, all occupational codes entered on OJT contracts must be O-Net codes.
- d. Training shall not extend beyond the end of the program year for which the service provider is funded, unless prior approval is received from the fiscal agent.
- e. The OJT Service Provider shall consider the training needs of each participant, including specific training content and the IEP. The opportunities for training with area employers must also be weighed, and the best match of participant to employer shall be made.
- f. An OJT contract must be limited to the period of time required for a participant to become proficient in the occupation for which the training is being provided. In determining the appropriate length of the contract, consideration must be 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.
- g. No OJT contract will be written with a duration of less than 160 hours, or more than 1040 hours.

6. OJT Job Upgrades

In order for an occupation to qualify for a job upgrade in on-the-job training for an employed individual, certain conditions must be met:

- a. The job upgrade must be to a new job that requires additional skills and abilities that the individual does not possess from prior work experience or training, and
- b. These additional skills and abilities must be documented in that individual's training outline, and detailed procedures must be written in the training outline to evaluate that individual's mastery of the skills that are learned.

7. Employer Payments

- a. Negotiated contracts with Employers will be based on a pre-developed formula that:
 - i. Ensures that payments for OJT shall not exceed the average of 50% of the total wages paid by the employer to each participant during the period of training not to exceed \$15 an hour (wage rate times training hours divided by 2 equals maximum allowable payment); and
 - ii. Considers the appropriate length of training period based on average requirements for the occupation, adjusted for the participant's needs, capabilities and current skill levels as documented in the individual employment plan (IEP); and
 - iii. Ensures that OJT training payments to employers may be based upon scheduled raises or regular pay increases; and
 - iv. Ensures that OJT training payments may not be based on overtime, shift differential, premium pay and other non-regular wages paid by the employer to participants; and
 - v. Ensures that OJT training payments may not be based upon periods of time such as illness, holidays, plant downtime, or other events in which no training occurs.
- b. Payments to employers for OJT are deemed to be in compensation for the extraordinary costs associated with training participants and in compensation for the costs associated with the lower productivity of such participants. (Employers shall not be required to document such extraordinary costs or lower productivity.)

The employer will submit payroll information, including the number of hours worked, to the OJT service provider at a minimum of monthly. Reimbursement to the employer will only be made at the completion of training plus 40 hours of retention.

"Total Fixed Price" is defined as the negotiated training hours x 50% (reimbursement rate) of the hourly wage for each training slot.

8. OJT Form Flow Process:

- a. All OJT Training Agreements, Employer Information, and OJT Invoices will be completed on the State of Mississippi's ETPL - OJT System. Information entered into the OJT System will be used to track OJT contracts, occupations being trained, and OJT expenditures. The OJT System will be used by local, state, and

federal monitors. OJT Staff is responsible for ensuring OJT information is entered in an accurate and prompt manner.

b. OJT Training Outline

The Training Outline has a beginning and ending date for that individual's training. The ending date of the individual's training should be the actual date the training is expected to be completed, even if that date falls in the next program year.

The Training Outline contains information specific to a certain individual's training. Training is designed for an individual, not a "training slot". There is no such thing as replacing someone in a training slot. Should an individual not complete training for some reason and the employer desires another trainee, a new training outline will be developed for the new trainee. At the time an employer identifies an individual to be trained or when a current employee is determined to be eligible for OJT, a training outline will be completed for the individual.

The WIN Job Center staff will work with the employer to list skills/competencies to be learned by the trainee, the number of training hours needed for each task, and the total number of training hours needed. A job description for the trainee should be attached to this form.

When to complete an OJT Training Outline:

- i. The OJT Training Outline should be completed after the employer has a signed OJT agreement and the OJT staff has identified an eligible candidate, either unemployed or underemployed, and has the eligibility documented; and
- ii. The OJT Service Provider has sufficient unobligated funds, either in the current program year or in the program year when payment will become due, to pay the amount required for the position being filled.

9. GENERAL RULES & REQUIREMENTS FOR OJT TRAINING AGREEMENTS

All rules, requirements and policies for OJT Training Agreements are included in the employer's Business Services Handbook. It is critically important that WIN Job Center staff provide the employer with a complete packet.

10. OJT TRAINEE EVALUATION

WIN Job Center staff will ensure that trainees' progress is adequately evaluated and take appropriate action to ensure the trainees' success.