

PARTNER WORK

WIOA ON-THE-JOB TRAINING POLICY

Purpose

The purpose of this policy is to articulate how On-the-Job (OJT) training funds are to be administered in Pittsburgh and Allegheny County under the Workforce Innovation and Opportunity Act (WIOA).

Affected Parties

This policy applies to all Pittsburgh/Allegheny County WIOA Title I Adult and Dislocated Worker participants who will participate in an OJT. This policy also applies to employers participating in an OJT.

Pittsburgh/Allegheny County WIOA Title I Adult and Dislocated Worker staff and Partner4Work staff are responsible for implementing this policy.

References

- WIOA Section (3)(44)
- WIOA Section 134(c) (3)(h)
- 20 CFR 680.530
- 20 CFR 680.700
- 20 CFR 680.710
- 20 CFR 680.730
- 20 CFR 680.740
- Partner4Work Eligible Training Provider List Policy and Procedures
- Partner4Work Eligibility Policy

Definition of Key Terms

“**On-the-Job Training**” means training by an employer that is provided to a paid participant while engaged in productive work in a job that:

- Provides knowledge or skills essential to the full and adequate performance of the occupation;
- Provides reimbursement to the employer for the costs of providing the training and additional supervision related to the training; and
- Is limited in duration as appropriate to the occupation for which the participant is being trained.

An “**Incumbent Worker**” is defined as an individual who has an established employment history with the employer for 6 months or more.

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Participant Eligibility

An individual enrolled in Pittsburgh/Allegheny County WIOA Adult or Dislocated Worker programs may qualify to participate in an OJT if it is determined by PA CareerLink® staff that they meet the following criteria:

- A resident of the City of Pittsburgh and/or Allegheny County, or a worker dislocated from an City of Pittsburgh and/or Allegheny County work site;
- After an interview, evaluation or assessment, and career planning, PA CareerLink® staff have determined that the individual:
 - Is 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 only;
 - Is 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;
 - Has the skills and qualifications to participate successfully in training services; and
 - Is unable to obtain grant assistance from other sources to pay for the cost of such training.

Requirements for Employed Workers

Priority in WIOA OJT contracts will be given for **new hires** with an employer. When funds are available, WIOA OJT contracts may be written for eligible employed individuals when:

- The employee is not earning a self-sufficient wage or wages comparable to or higher than wages from previous employment;
- The OJT relates to the introduction of new technologies, introduction to new production or services procedures, upgrading to new jobs that require additional skills, workplace literacy, or other appropriate purposes identified by Partner4Work; and
- The individual does not meet the definition of an “incumbent worker” (see Definitions above).

Per WIOA regulations (20 CFR 683.200(g)), “no individual may be placed in an employment activity if a member of that person’s immediate family is directly supervised by or directly supervises that individual.” For the purpose of this policy, the term “immediate family” includes a spouse, child, son-in-law, daughter in-law, parent, mother-in-law, father-in-law, sibling, brother-in-law, sister-in-law, aunt, uncle, niece, nephew, stepparent, stepchild, grandparent, and grandchild.

Employer Eligibility

Employers may qualify to participate in an OJT if it is determined that they meet the following criteria:

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Eligible Employer Types

- Private-for-profit business;
- Private non-profit organization; or
- Public sector employer

Employer Restrictions

An employer will **not** be eligible to participate in an OJT if:

- The employer has any other individual on layoff from the same or substantially equivalent position.
- The OJT would infringe upon the promotion of or displacement of any currently employed worker or create a reduction in their hours.
- The same or a substantially equivalent position is open due to a hiring freeze.
- The positions are for seasonal employment.
- The employer is a private for-profit employment agency, i.e. temporary employment agency, employee leasing firm, or staffing agency.
- The position is not full time, i.e. minimum of 32 hours per week.
- The employer has 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.

Employer Assurances

With assistance from Partner4Work staff, participating employers must guarantee that:

- All participants shall be provided benefits and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work. This will include UC coverage where the employer is normally required to provide such coverage to its employees.
- The position provides the participant benefits per company policy (i.e. insurance, paid leave, profit sharing) other than those required by law.
- Employees who have financial responsibilities related to the receipt and disbursement of funding under the Agreement shall be covered by fidelity bonding.
- The training to be provided will be in accordance with WIOA 181(a)(1)(A) and 683.275 for wage and labor standards. Worker protection requirements are set forth in WIOA Sections 181(a) (1) (A) and (B), (b) (2), (3), (4) and (5) and 188.
- The employer agrees to cooperate with monitoring efforts as required by WIOA legislation and adhere to all other applicable local, state, and federal rules and regulations.
- Funds are not used to directly or indirectly assist, promote, or deter union organizing.

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- The employer agrees to respond to Partner4Work/PA CareerLink® Pittsburgh/Allegheny County staff requests for wage and retention information of participants.
- The employer commits to retain the trained employees for a period of **six months** following the completion of training. Failure to do so may result in the employer being ineligible to receive further Partner4Work training funds for a period of **one year**.
- If the participating employer(s) has recently relocated, resulting in the loss of employment of any employee of such business at the original location in the U.S., on-the-job training contracts may not be granted to the employer until after 120 days have passed since the relocation.

OJT Program Requirements

Required Program Criteria

An OJT program must meet the following criteria to receive WIOA funding:

- The training is provided by an employer to a paid participant while engaged in productive work in a job and the training must:
 - Provide knowledge or skills essential to the full and adequate performance of the occupation; and
 - Be limited in duration as appropriate to the occupation for which the participant is being trained. (*See OJT Length below*)
- At the time of completion of the OJT program, individuals must be employed in occupations that meet the following criteria:
 - Hourly wage must be at the self-sufficiency wage;
 - The occupations must be a full time permanent position following the training (minimum of 32 hours per week).

OJT contracts will generally not be written for low skill jobs that generally would require little or no training. Programs training **five or more** individuals within a single quarter or three-month period must meet the requirements for customized job training (CJT) rather than OJT.

Occupational Eligibility

OJT dollars should be prioritized for programs leading to employment in a High Priority Occupation (HPO) and/or in-demand industry sector. An OJT must lead to employment opportunities that enable the participant to become economically self-sufficient and contribute to the occupational development and upward mobility of the participant. The current Partner4Work HPO List is available at Partner4Work.org.

OJT Length

The maximum time frame for an OJT is **six months**. Duration of an OJT is a function of training needed, not the maximum allowed under this policy. PA CareerLink® Pittsburgh/Allegheny County staff should consult with the employer and utilize the Occupational Information Network's (ONET) Specific Vocational

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Preparation Range (SVP) to determine the appropriate occupational training needed. Using the SVP provided by ONET, the following duration times are recommended in addition to the participants past skill and experience.

LEVEL	TIMEFRAME
Level 1	<1 month
Level 2	1 month
Level 3	>1 month - 3 months
Level 4	>3 months - 6 months
Level 5	>6 months
Level 6	>6 months
Level 7	>6 months
Level 8	>6 months
Level 9	>6 months

WIOA OJT Funding Levels

Employers will be reimbursed 50 percent of a participant's wage per hour. While participants may be paid a higher hourly wage, employers will only receive 50 percent reimbursement for up to \$20/hour of a participant's wage. The maximum amount a company may receive is \$10,000 per trained individual. Partner4Work will consider an increase in the reimbursement rate (up to 75 percent) and funding cap taking into consideration one or more of the following factors:

- Size of the employer(s) with an emphasis on small businesses;
- The characteristics of the participants taking into consideration whether they are individuals with barriers to employment;
- The quality of employer-provided training and advancement opportunities. For example, if the OJT contract is for an in-demand occupation and will lead to an industry-recognized credential;
- Wage and benefit levels of employees (at present and anticipated upon completion of training);
- Other relevant factors, as appropriate.

PA CareerLink staff must submit a request for Partner4Work's approval to increase the reimbursement rate to 75 percent or to increase the funding cap, describing how the OJT meets one or more of the above criteria.

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Policy Exceptions:

Under limited circumstances, Partner4Work may grant exceptions to requirements within this policy. Requests for exceptions may be submitted to policy@partner4work.org. Requests should include the following:

- The specific policy requirement for which an exception is being requested;
- A clear summary of the exception being requested and the reason for the exception; and
- For WIOA programs, the Participant ID of the participant(s) for which an exception is being requested. For non-WIOA programs, the full name of the participant(s) for which an exception is being requested; or
- The name and FEIN of the business customer for which an exception is being requested.

Exception requests will be reviewed based on their allowability under WIOA and any other applicable legislation, regulation, and policy/guidance. Partner4Work will also consider funding availability, how an exception will lead to improved outcomes for the customer(s) being served, and other relevant factors.

Effective Date: January 1, 2022

Date	Summary of Policy Changes
12/14/2021	<ul style="list-style-type: none">• Mechanical reformatting of policy to improve flow and clarity.• Added language to participant eligibility requirements to better align with WIOA eligibility requirements for training services.• Revised requirement that an OJT must be providing training in a High Priority Occupation (HPO). Language now states that OJT funding should be prioritized for training that leads to an HPO or in-demand industry sector.• Revised OJT Funding Levels section so that employers are reimbursed based on a percentage of the participant's wage instead of a percentage of the Partner4Work-defined self-sufficiency wage. Clarified the maximum wage amount that can qualify for the full 50% reimbursement.• Removed requirement that an OJT must provide training within an occupation aligned with Partner4Work's industry partnership industries.