



AB # 18-06 R1

Effective: Retroactive to July 1, 2019

Supersedes OJT Elements of: AB 80 Issued/Effective: 3/13/2014

ACTION BULLETIN

**TO: All Recipients of Workforce Innovation and Opportunity Act (WIOA),
Title I Adult and Dislocated Worker Funds**

DATE: 10/30/2019

SUBJ: UPDATE: On-the-Job Training Program Policies and Procedures

PURPOSE OF BULLETIN:

The purpose of this Bulletin update is to inform all recipients of Workforce Innovation and Opportunity Act (WIOA), Title I Adult and Dislocated Worker funds of updates to Alameda County Workforce Development Board's (ACWDB) On-the-Job Training (OJT) Program Policies and Procedures. Changes will be reflected in **bold** type.

REFERNCES:

- WIOA (Public Law 113-128) Section 3(44) and Section 134(c)(3)(H)
- Title 20 CFR "WIOA Final Rule" Sections 680.200, 680.700-680.750
- Training and Employment Guidance Letter (TEGL) 19-16 "Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyer Act Employment Service (ES), as amended by Title III of WIOA, and for implementation of the WIOA Final Rules." (March 1, 2017)

BACKGROUND:

The OJT program provides a partial wage reimbursement to employers to help compensate for the costs associated with skills upgrade training and loss of production for newly hired employees. The OJT program can assist employers who are looking to expand their businesses and who need additional staff trained with specialized skills. The OJT program is a demand driven program, meaning opportunities are provided by the employer in order to meet their workforce needs, and Career Service Providers identify job seekers who can fulfill that need.

OJT employers may receive up to 50% reimbursement of the wage rate for trainees or for a maximum of 520 hours of training to help defray personnel training costs. The maximum

amount of an OJT reimbursement will not exceed \$5,000 per participant. Participants must have a valid and current enrollment in WIOA – and be determined appropriate for placement by the OJT employer.

DEFINITIONS:

ACWDB's Fiscal Agent:

ACWDB's fiscal agent is the vendor contracted by ACWDB to manage WIOA training dollars and some of the contracting processes involved with securing On-the-Job training for WIOA participants.

Career Service Provider:

Career Service Providers are agencies that sub-contract with ACWDB to provide career services to job seekers through WIOA and partner agency funds. The America's Job Center of California (AJCC) in Hayward, and each of the three Sub-Regional Workforce Network leads (SWN) in Alameda County are all considered career service providers.

Certificate of Insurance:

The Certificate of Insurance refers to documentation provided by an employer that verifies the existence of General Liability and Worker's Compensation insurance coverage.

(OJT) Employer Information Worksheet:

The (OJT) Employer Information Worksheet is part of the OJT application packet. It is the document used to initiate the relationship with an employer who has expressed interest in the OJT program.

Master Agreement:

The Master Agreement is the document generated by ACWDB's fiscal agent once all requirements for OJT have been met by the employer. Generally, and unless otherwise specified in the Agreement, Master Agreements are valid for one full year from date of initiation.

On-the-Job Training:

On-the-Job Training is employer-provided coaching and/or guidance that:

- A. is provided to a paid employee/participant while engaged in productive work;
- B. is offering the employee/participant knowledge or skills essential to the full and adequate performance of the job;
- C. is limited in duration as appropriate to the occupation for which the employee/participant is being trained – taking into account the content of the training, the prior work experience of the participant, and the service strategy of the employee/participant as appropriate;
- D. enables the employer to invoice ACWDB **or its fiscal agent** for reimbursement of up to 50% of the employee/participant wages during the training period due to the extraordinary costs of:
 - a. providing the training; and
 - b. providing the additional supervision required related to the training.

OJT Employer

The OJT employer is the employer interested in taking advantage of the OJT program and hiring WIOA eligible participants.

OJT Referral Form

The OJT Referral Form is used to record the details of the agreement between the OJT employer and ACWDB's fiscal agent when a job candidate has been selected to fill the OJT vacancy.

Union/Collective Bargaining Agency Concurrence

The Collective Bargaining Agency Concurrence is a document that provides authorization from the collective bargaining agency to allow the employer to engage in hiring activities through ACWDB's OJT program.

Reverse Referral

The Reverse Referral is when an OJT employer has already identified a candidate they wish to hire who has not yet been determined eligible or appropriate for WIOA services. Reverse Referrals may only be allowed once per OJT employer. Reverse Referral candidates supplied by an employer will need to go through the full WIOA eligibility and intake process (as defined by the CSPs) to ensure that:

- WIOA Eligibility may be appropriately determined and documented; and
- CSP staff may form a relationship with the candidate which will ease the process of conducting follow-up activities as is required by CSP contracts.

POLICY:

ACWDB encourages the use of the OJT program through contract performance measures established with each of the CSPs who offer WIOA Adult and Dislocated Worker funded services to Alameda County job seekers.

The OJT program benefits ACWDB's local area by:

1. Allowing employers to select and train viable, WIOA-enrolled job candidates to fill vacancies;
2. Providing paid training to a skilled job seeker to allow them to become familiar with processes specific to the hiring employer; and
3. Spending WIOA training dollars on specific vocational skills that will result in full-time, permanent employment for the job seeker.

OJTs must be:

1. Offered to WIOA-eligible participants not already employed by the OJT employer;
2. Offered at a wage (at least the locally mandated minimum wage) that is identical to other entry-level hires in similar positions, not covered by OJT contracts, at the OJT company;
3. Offered to fill regular, full-time positions with a minimum of 32 hours per week (not temporary, seasonal, or part-time)
4. Entered into with the agreement that the OJT employer will hire the OJT participant as a full-time, permanent employee at the completion of the OJT contract.
5. **In compliance with Action Bulletin #19-07 "Worker Displacement," which prohibits the replacement of regular employees with WIOA participants.**

Employer Outcomes and Criteria for Subsequent Trainings:

1. **The expected training completion and placement rate for OJT participants is 100%. All OJT's must be completed within the term of the Master Agreement.**
2. **The cumulative training retention rate for OJT participants through the duration of the Master Agreement shall not fall below 80%.**
3. **Employers who are not meeting stated completion and retention goals during or after a training will be required to participate in a Corrective Action process to address individual challenges and may be placed on Employer Hold. Specific details regarding the terms of the Employer Hold will be determined on a case-by-case basis and in conjunction with ACWDB staff.**
4. **Before an employer is allowed to enter into a subsequent Master Agreement, the following will be assessed by CSP staff and the BSU OJT Liaison:**
 - a. **Attainment of training completion, placement and retention goals;**
 - b. **Compliance with all evaluation and monitorings, and submission of participant attendance sheets and other required documentation to the Career Services Provider;**
 - c. **Any outstanding Corrective Actions or Employer Holds.**

The OJT program succeeds when all responsible parties carry-out their obligations according to the following procedures.

PROCEDURES:

For the purposes of this section Responsible Parties may include:

1. ACWDB staff
 - a. Business Services Unit (BSU) Representative;
 - b. Workforce Services Technician (WS Tech)
2. ACWDB's Career Service Providers (CSP);
 - a. America's Job Center of California (AJCC);
 - b. Workforce Services Network leads Career Services Provider (CSP);
3. ACWDB's Fiscal Agent;
4. OJT employer

**A. Employer Outreach/Marketing and Referral
Responsible Party(ies): CSP staff; BSU**

The AJCC, CSPs and BSU are all responsible for marketing the OJT program to employers. Interested employers engaged with the BSU will be referred to the CSP located in the sub-region nearest the employer. OJT positions will be made available to job-seekers throughout the Alameda County workforce system, but initial coordination with the employer will be managed by the CSP who manages the Workforce Services Network in the sub-region nearest the employer.

CSPs should actively market the OJT program to employers at job fairs, on-site employer events and recruitments, and through outreach to employer-facing partners.

B. The (OJT) Employer Information Worksheet, Proof of Insurance, and Union Concurrence

Responsible Party(ies): CSP Staff

Once an interested employer has been identified:

- The CSP staff will outline the OJT program and terms to the employer.
- The employer should be provided a blank copy of the Master Agreement to review.
- Once the employer agrees to the terms of the OJT program, CSP staff will complete the **(OJT) Employer Information Worksheet**
- CSP staff will then submit to ACWDB's fiscal agent through hand-delivery or through the U.S. Postal Service (*See address below*) the following three items:
 - i. the completed the **(OJT) Employer Information Worksheet;**
 - ii. a copy of the Certificate of Insurance (which includes proof General Liability and Worker's Compensation Insurance); and
 - iii. if this is a Union Shop, a copy of Collective Bargaining Agency Concurrence

ACWDB's fiscal agent (*at the time this bulletin was issued*):

Oakland Private Industry Council (OPIC)
268 Grand Avenue
Oakland, CA 94610

C. Master Agreement

Responsible Party(ies): ACWDB's fiscal agent; OJT Employer; CSP staff; and BSU

- When all complete and accurate documents (as listed in Item B. above) have been received, ACWDB's fiscal agent will generate the Master Agreement and deliver it to the OJT employer for signature. **Formal notification will be issued to the attention of the BSU and initiating CSP staff.**
- After the OJT employer reviews and signs the Master Agreement, the original document (containing original signatures) must be returned to ACWDB's fiscal agent through hand-delivery or through the U.S. Postal Service.
- Once ACWDB's fiscal agent receives the signed Master Agreement from the OJT employer, formal notification will be issued to the attention of the BSU and initiating CSP staff.
- Upon notification of the existence of a Master Agreement, ACWDB's fiscal agent will forward that Master Agreement to ACWDB's Workforce Technician for entry into CalJOBS (The OJT Employer must be entered as a "Provider" into the CalJOBS system).
- The BSU will ensure that notification of all active Master Agreements is shared within ACWDB's Workforce System on a monthly basis.

D. Announcement of an OJT Employment Opportunity

Responsible Party(ies): OJT Employer; CSP staff; BSU

Some OJT employers may initiate the OJT/Master Agreement process (as identified beginning in item A. above) prior to the availability of an OJT opportunity within their company or organization. Others will initiate the process only when they have an OJT employment opportunity immediately available.

- Any time during the valid term of the Master Agreement (generally, one **full year beginning on** the date of origination), the OJT Employer may contact CSP staff to begin recruitment for an open OJT job opportunity.
- **When an employer identifies an OJT opportunity within their organization, CSP staff must enter the job order into CalJOBS immediately. ACWDB staff will monitor the entry of job orders to ensure completion.**
- Eligible and qualified candidates may be referred to the OJT employer for an interview or screening process during which the OJT employer may select a candidate.

E. Participant Outreach and Referral to Job Orders

Responsible Party(ies): CSP staff

CSP staff will outreach to and refer participants to open OJT opportunities in the following ways:

- By screening their existing WIOA participants for candidates that meet the employer's requirements.
- By assisting the employer in utilizing the CalJOBS system to search for eligible and qualified job candidates.
- By utilizing the CalJOBS mass messaging feature to recruit qualified candidates.
- **Through their sub-regional networks, educational institutions, other CSPs, and other partners to identify and enroll qualified job seekers into WIOA in the event that eligible and qualified candidates cannot be identified in the CalJOBS system or through existing WIOA participants. *The CSP initiating the Master Agreement is responsible for communicating open OJT positions to all partners.***
- **The CSP is responsible for communicating with the employer the status of the search for a candidate on an ongoing basis.**

F. Reverse Referral Process

Responsible Party(ies): CSP staff; ACWDB staff

Please see the definition of Reverse Referral in the "Definitions" section above.

- Upon determination that an OJT employer wishes to use their single Reverse Referral to fill an open and available OJT position, CSP staff should provide immediate notification to their assigned WS Tech and to the representative from the BSU.

- The WS Tech and the BSU OJT Liaison will record and track use of all Reverse Referrals; responding to CSP staff with an approval or denial for the OJT employer to utilize their allowable Reverse Referral.
- Upon official approval, CSP staff will refer the Reverse Referral candidate to the sub-regional CSP for orientation, screening, eligibility determination and any other steps the CSP determines appropriate prior to referring the candidate back to the OJT employer for hiring. **The Reverse Referral candidate must NOT be hired by the OJT employer prior to:**
 - i. **Completing all steps required for the determination of WIOA eligibility;**
 - ii. **Completing all steps required by the CSP for enrollment into WIOA; or**
 - iii. **Completion and approval of all steps required for development of the Master Agreement and OJT contract.**

G. OJT Referral Form

Responsible Party(ies): OJT Employer; CSP staff

- CSP staff must ensure there is adequate funding available in the ACWDB Grants Checkbook **to cover the cost of the OJT contract.**
- Once the OJT employer has selected a candidate to fill the OJT position, they need to inform CSP staff, who will then work with the employer to complete the OJT Referral Form.
- Once a participant is **selected** (the employer has interviewed and agreed to hire the candidate), the CSP staff will complete **one signed original copy** of the OJT Referral Form **per participant.** *Each individual participant that is selected for an OJT employment opportunity must have his/her own Referral Form.* The copy must contain the original signatures of:
 - i. CSP staff who initiated contact with the OJT Employer;
 - ii. The Manager of the Sub-Regional CSP; and
 - iii. The OJT Employer Representative
- CSP staff will then submit the signed original copy of the OJT Referral Form to ACWDB's fiscal agent and send a scanned copy to their assigned WS Tech.
- ACWDB's fiscal agent will generate an invoice and forward it to the attention of the initiating CSP staff.
- The assigned WS Tech will enter the OJT activity into CalJOBS and reserve the funds in the ACWDB Grants Checkbook.
- CSP staff will inform the OJT employer that they may proceed with hiring the candidate.

H. CalJOBS Data Entry

Responsible Party(ies): ACWDB staff

- Upon completion of Steps A. through G. above, ACWDB staff will be responsible for data entry as follows:
 - i. WS Tech: CalJOBS; Entry of the OJT employer as the training provider;

- ii. WS Tech: CalJOBS; Entry of the OJT enrollment activity (Activity 301);
- iii. WS Tech: Grants Checkbook; Entry of the training activity for the purpose of reflecting fund encumbrance from the Training set-aside.

I. OJT Monitoring/Evaluation

Responsible Party(ies): CSP staff; BSU

To ensure that both the OJT employer and the OJT participant are adhering to the terms of the OJT contract, both parties will be responsible for continuously evaluating the OJT training.

- **CSP staff will conduct monthly evaluations of the OJT with both the OJT employer and the OJT participant separately, utilizing the OJT Evaluation Forms.**
- **Once during the term of the OJT, CSP staff will conduct a full monitoring with both employer and participant utilizing the OJT Monitoring Form and will complete the “exit interview” portion of the monitoring report at the completion of the OJT.**
- **If at any point during an evaluation or monitoring, an issue or concern is raised that could affect the completion of an OJT, a Corrective Action Plan for the OJT employer or OJT participant must be implemented and documented on the evaluation/monitoring forms and brought to the attention of the BSU OJT Liaison.**
- **In order to ensure 80% retention rate for employees under the Master Agreement, issues with employee retention during follow-up must be reported to the BSU OJT Liaison.**

J. Invoicing for Reimbursement

Responsible Party(ies): ACWDB’s fiscal agent; CSP staff; OJT Employer

1. ACWDB’s fiscal agent will prefill the OJT invoice and forward to the OJT employer.
2. The OJT employer must submit copies of timesheets and earning statements that cover the billing period along with the invoice to the initiating CSP staff.
3. When the invoice has been received by CSP staff and the billing amounts are correct, CSP staff will submit the documents to ACWDB’s fiscal agent for processing.

ACWDB’s fiscal agent will issue payment to the employer and update the ACWDB Grants Checkbook.

K. OJT Close Out

Responsible Party(ies): CSP staff

- **CSP staff will ensure that the OJT employer provides a Certificate of Skill Attainment/Completion summarizing the: training hours; skills successfully**

attained during the OJT; and the occupation that the OJT employee is now eligible to assume.

- CSP staff should maintain the Certificate of Skills Attainment/ Completion in the participant's case-file.
- CSP staff must ensure that the OJT enrollment activity (activity 301) is closed in the CalJOBS system.
- Upon closure of the client's WIOA participation record, employment information must be recorded in the WIOA Case Closure in the CalJOBS system. The participant's date of employment must be recorded as the date they began the OJT.
- **Follow-up responsibilities, initiating upon closure of the WIOA case record in CalJOBS and completing at the end of the 4th quarter post-exit are the responsibility of CSP staff. After case closure, the OJT participant should expect to be contacted once per quarter for one full year per WIOA standards.**

L. OJT Modification

Responsible Party(ies): CSP staff; ACWDB Staff

- CSP staff will initiate the OJT Modification Form in the event there are changes to the OJT agreement (i.e., training hours, training beginning or end date, pay rate, etc.). The OJT Modification Form must be submitted to ACWDB's fiscal agent for processing.
- CSP staff will be responsible to ensure that relevant information has been updated in the CalJOBS system (training dates, etc.)
- When required, CSP staff will notify their assigned Workforce Technician to make modifications:
 - i. In the CalJOBS system – when CSP staff do NOT have access to make the required changes; and
 - ii. In the Grants Checkbook
- **OJT contract modifications should only be allowed when they do not extend the OJT contract beyond the expiration of the Master Agreement.**

M. Maintenance of Records Related to OJT and Master Agreements

Responsible Party(ies): CSP staff

- CSP staff will collect and maintain accurate time /attendance, payroll, and other employee records to support amounts reimbursed to the OJT employer under the Master Agreement.
- The following records shall be retained for no fewer than five years beyond the end of the OJT contract period:
 - i. Attendance records, completion certificates;
 - ii. On-site visits, evaluations;
 - iii. Detailed case notes regarding OJT employee; and
 - iv. Records documenting OJT modifications or cancellations along with justification.

For information and inquiries please contact:

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Please contact your Workforce Services Technician for access to OJT forms online.