

New River/Mount Rogers Workforce Investment Area Consortium Board On-the-job Training Policy

A. On-the-job Training

1. The term “on-the-job training” (OJT) means:
 - (a) training that is provided to a paid trainee while engaged in productive work in a job;
 - (b) knowledge or skills training that is essential to the full and adequate performance of the job; and
 - (c) training that provides reimbursement to the employer of up to 50 percent of the wage paid to the trainee for the extraordinary costs of providing the training and additional supervision related to the training.

2. OJT contracts may be written for eligible employed workers when:
 - (a) the employee is not earning a self-sufficient wage;
 - (b) the OJT relates to the introduction of new technologies, introduction to new production or service procedures, upgrading to new jobs that required additional skills, workplace literacy, or other appropriate purposes identified by the LWIB; and
 - (c) the OJT meets the identified training needs of the trainee, according to an individual employment plan.

3. Eligible employers:
 - (a) may be in the public, private non-profit, or private sector;
 - (b) must have the personnel to provide adequate supervision and training;
 - (c) must describe the skills to be learned as part of the OJT contract
 - (d) must provide a minimum of 50% of the employee’s wages throughout the training;
 - (e) must compensate trainees in on-the-job training at the same rates, including periodic increases, as trainees or employees who are similarly situated in similar occupations by the same employer and who have similar training, experience and skills. Such rates must be in accordance with applicable law, but may not be less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 or the applicable State or local minimum wage law.
 - (f) must provide benefits and working conditions at the same level and to the same extent as other trainees or employees working a similar length of time and doing the same type of work;
 - (g) must not have a history or pattern of failing to provide OJT trainees 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;
 - (h) must not have relocated from any location in the United States within 120 days, if the relocation resulted in any employee losing his or her job at the original location;
 - (i) must not use OJT assignments to displace regular employees, or to replace any employee on layoff.

4. Payments to employers:

- (a) are deemed to be compensation for the extraordinary training costs associated with providing training including additional supervision and the costs associated with the lower productivity of the trainees, and those extraordinary costs need not be documented by the employer; and
- (b) must not be in excess of 50 percent of the wages paid to the OJT trainee during the training period.

5. Duration:

An OJT contract must be limited to the period of time required for a trainee to become proficient in the job for which the training is designed. In determining the appropriate length of the contract, consideration should be given to the skill requirements of the job, the academic and occupation skill level of the trainee, prior work experience, and the trainees' individual employment plan. The specific Job Zone from the Occupational Information Network (O*NET) occupation code must be used in determining the appropriate length of on-the-job training. The length of the on-the-job training assignment must be at least 30 days but must not exceed 6 months unless approval has been obtained by the WIB Executive Director. The training plan shall describe a timeline for completion of the training.

6. Worksite Monitoring:

All OJT worksites must be open for review by local, state or federal monitors. Program Operators must notify OJT employers of this requirement at or before the OJT contract is completed.

7. Consumer reports:

All OJT performance information, along with the other relevant information, must be made available to the New River/Mount Rogers Workforce Investment Board upon request.