

SOP 22-05 Change 3
Workforce Innovation and Opportunity Act
On-the-Job Training
Standard Operating Procedures
Southwest Indiana Workforce Region 11
WDB Approval Date: 10/28/2022
Revision Date: 10-02-2026

Purpose

To provide guidance for on-the-job training (OJT) contracts funded by the Workforce Innovation and Opportunity Act (WIOA) Title I Adult and Dislocated programs in the State of Indiana.

Change 3 Summary

Update to expenditure (\$13,000) and wage figures (\$15.00 or \$31.200 annual salary) for OJT experiences.

Recission

DWD Policy 2022-02 Workforce Innovation and Opportunity Act (WIOA) Title I Adult and Dislocated Worker On-the Job Training (OJT).

Region 11 SOP 15-03 On-the-Job Training

References

- WIOA Sections 3, 134, 181, and 194
- 2 CFR 200.400(d)
- 20 CFR Parts 600, 680, and 683
- 20 CFR 663.730
- 29 CFR Parts 29 and 30
- 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-Peyser Act Employment Service (ES), as amended by title III of WIOA and for implementation of the WIOA Final Rules.

Action

DWD Policy 2022-02 Workforce Innovation and Opportunity Act (WIOA) Title I Adult and Dislocated Worker On-the-Job Training will be implemented as Region 11 SOP 22-05 Change 3.

Definitions

On-the-Job Training (OJT): 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 job
- Provides reimbursement to the employer of 50% (or up to 75% under certain conditions) of the wage rate of the participant for the extraordinary 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. The duration of the OJT considers the content of the training, prior work experience of the participant, and the service strategy of the participant.

Individual Training Accounts (ITA): the primary method used for procuring training services under WIOA.

Training Contracts: Contracts for services may be used instead of ITAs when one or more of the following exceptions apply, consumer choice requirements are met, and the process to be used in selecting contract providers will be described in the local plan. Exceptions are allowed:

- When services are OJT, customized training, incumbent worker training, or transitional jobs
- When Southwest Indiana Workforce determines that there are insufficient numbers of eligible training providers in the local area to accomplish the purpose of a system of ITAs
- When Southwest Indiana Workforce determines there is an effective training service program in the area to serve individuals with barriers to employment. If needed, Southwest Indiana Workforce will determine demonstrated effectiveness; demonstrated effectiveness applies to services to individuals with barriers to employment.
- If consumer choice is not limited and pay-for-performance is not the strategy, the region may utilize an institution of higher education or other provider of training services to expedite training of multiple individuals in in-demand occupations.

OJT Reimbursement Rate: While local boards may increase the reimbursement rate for OJT up to 75%, Southwest Indiana Workforce generally does not. If appropriate, Southwest Indiana Workforce may consider the following factors:

- If individuals with barriers to employment require more intensive training than those individuals without barriers to employment
- If OJT employer is a smaller business
- If OJT contract is for an in-demand occupation and leads to an industry-recognized credential
- If Southwest Indiana Workforce determines other factors to be appropriate including the number of employees participating and/or wage and benefit levels.
- If in the event there is appropriate and reasonable, the exception will be documented in participant case notes.

Content

- OJT is provided under a contract with an employer or registered apprenticeship program sponsor in the public, private non-profit, or private sector.
- Through the OJT contract, occupational training is provided for the WIOA participant in exchange for the reimbursement for the extraordinary costs of providing the training and supervision related to the training.
- Maximum duration of an OJT is six (6) months.
- Exceptions may be approved on a case-by-case basis. Exceptions requests are submitted along with a brief explanation to WIOATitleI@dwd.IN.gov.

Priority of Service

Section 134(c)(3)(E) of WIOA establishes a priority requirement with respect to funds allocated to a local area for individualized employment and training activities if funded by WIOA Title I Adult program. Southwest Indiana Workforce follows the guidance in SOP 22-01 Revision 1. This includes veterans and eligible spouses. Veterans must meet each program's eligibility criteria to receive services under the respective employment and training program.

OJT Participant Eligibility, Requirement, and Restrictions

- OJT participants will first meet eligibility requirements for each funding source (WIOA Adult or Dislocated Worker).
- A need for training services will be determined.
- Potential OJT participants will be assessed to ensure suitability and desire for training including:
 - Specific skill requirements of the relevant occupation
 - Participant academic and occupational skill level
 - Prior work experience, and
 - Participant's Individual Employment Plan (IEP). The IEP and case note must reference the lack of skills and need for OJT.
- Participant will only utilize OJT one time in any twelve-month period. An exception may be made if training was completed and OJT participant was subsequently laid off through no fault of their own.
- Prior to beginning an OJT program, participants may be required to pass a drug screen consistent with employer, state, and/or local policies. Region 11 does not require drug screens.
- Under the following circumstances, an individual may NOT participate in an OJT:
 - If any other individual is currently on layoff from the same or any substantially equivalent job with the employer
 - The employer has terminated the employment of any regular employee or caused an involuntary reduction in its workforce with the intention of filling the vacancy

- with OJT participants
- The OJT position is created in a promotional line that infringes in any way on the promotional opportunities of currently employed workers.

OJT for Employed Workers

OJT contracts may be written for eligible employed workers when:

- The employee is not earning a self-sufficient wage, or wages comparable to or higher than wages from previous employment, as determined by local policy.
- All applicable OJT requirements have been met; and OJT related to one or more of the following:
 - The introduction of new technologies
 - The introduction to new production or service procedures, or
 - Upgrading to new job that require additional skills, workplace literacy, or other appropriate purposes identified by the local area.
- Region 11 staff will document and maintain eligibility, assessments, and the IEP in DWD's case management system with a case note that includes which of the elements above is involved.

OJT Employer Eligibility, Requirements, and Restrictions

Prior to entering into an OJT agreement with an employer, Region 11 will determine and ensure that the employer meets OJT criteria and is able to provide both training and long-term employment to the participant:

- OJT employers must offer wages, benefits, and working conditions equal to those provided to regular employees who have worked for a similar length of time and who are performing the same type of work.
- OJT employers must comply with all applicable federal, state, and local laws, and regulations including safe and clean working conditions.
- Once the OJT is completed, OJT employers are expected to retain the participant for at least six (6) months.
- OJT contracts will not be established with employers that have previously exhibited a pattern of failing to provide OJT participants with long-term employment with wages, benefits, and working conditions described above.
- Funds provided to employers for OJT will not be used to directly or indirectly assist, promote, or deter union organizing.
- WIOA funds will not be used to provide OJT if the business has relocated from any location in the United States and the relocation resulted in any employee losing his or her job at the original location. After the company operates at the new location for 120 days, this restriction is no longer applicable. To verify that a business is not relocating from another area:
 - A standardized pre-award review will be completed and documented jointly by the local area and the OJT employer **before** WIOA assistance. The review will include:
 - ✓ Names under which the establishment does business, including predecessors

- and successors in interest
- ✓ The name and title, and address of the company official certifying the information
- ✓ Whether WIOA assistance is sought in connection with part or impending job losses at other facilities
- ✓ A review of whether WARN notices relating to the employer have been filed
- ✓ A search of the Indiana Secretary of State's Business Search to determine whether the business is properly registered without irregularities
- ✓ Consultations with labor organizations and others may be included in the review.
- WIOA funds will not be used for the encouragement or inducement of a business, or part of a business, to relocated from any location in the U.S., if the relocation results in any employee losing his or her job at the original location.
- OJT providers are not subject to the requirements applicable to entities listed on the eligible training provider list and are not included on the state list of eligible training providers and programs.
- OJT providers will provide sufficient evidence and documentation to justify invoices of OJT costs (e.g., timesheets and other payroll materials).

OJT and Registered Apprenticeship (RA)

- OJT contracts may be entered into with RA program sponsors or participating employers in RA programs for the OJT portion of the program.
- ITAs and OJT funds may be combined to support participants. ITA could support the classroom training and OJT contract could support the OJT portion of the program.
 - ITAs could be used to support pre-apprenticeship training.
- Supportive services may be provided for OJT.
- Work-based training options may be used to support participants in RA programs.
- If the apprentice is employed at the time of OJT participation, the additional criteria in the OJT for Employed section above must be met.

OJT Contracts

- An OJT must be in an in-demand industry or occupation per INDemand Jobs on the Indiana Career Ready website, <https://www.indianacareerready.com/Indemandjobs?nav=jobseeker> with a ranking of three (3) flames or higher.
- Local areas should target priority industries identified in their local plan.
- Occupations targeted for OJT should be defined in the local OJT policy and targeted employer outreach should occur within those industries.
- The expenditure for an individual OJT is limited to \$13,000 per participant in any 12-month period.
- For Adult and Dislocated Workers, OJT funds can only be used to pay for training for positions that pay a minimum of \$15.00 per hour for an hourly engagement, or

\$31,200 annually for a salaried engagement. Exceptions may be made to the minimum starting wage requirement by submitting an exception request with explanation to WIOATitle1@dwd.IN.gov.

- Reimbursement will be managed by a system that includes:
 - The number of hours worked for each workday
 - The rate of pay
 - Supporting documents signed by:
 - ✓ Both participant and employer or
 - ✓ Only by the employer if accompanying documentation such as timesheets/timecards are signed by the participant.
- Only hours worked by the participant will be reimbursed. Reimbursement does not include overtime pay, holiday pay, sick pay, vacation pay, paid time off (PTO), or commissions.
- Region 11 will document the factors utilized when deciding to increase the wage reimbursement levels above 50% and up to 75%.
- All OJT contracts will contain the following assurance language:
 - “The equal opportunity and nondiscrimination assurances at 29 CFR 38.25 apply to this contract/agreement.”

Determining the Appropriate Duration of an OJT

- Maximum training duration is six (6) months. Exceptions may be made to the maximum duration of training by submitting the exception request with explanation to WIOATitle1@dwd.IN.gov. Board staff?
- OJT duration should ensure the needed occupational training skills. The following tools will be used:
 - ONet’s Specific Vocational Preparation tool
 - Employer’s specifics skill requirements
 - Academic and occupational skillset of the participant
 - Participant’s prior work experience, and
 - The IEP.
- Written justification for the length of training is to be documented in written training plan.

OJT Training Plans

Based on the selected occupation, the plan is a formal written program describing the structured job training with a combination of instruction in employment competencies and specific occupational skills. As the statement of work in the contract, it is a guide to deliver training.

For RAs, training plans are to follow guidance in Appendix A found at [https://www.doleta.gov/oa/bul11/Bulletin 2011 16 Appendis A.pdf](https://www.doleta.gov/oa/bul11/Bulletin%2011%2016%20Appendis%20A.pdf). A sample training can be found in DWD Technical Assistance 2022-03.

OJT Process

Paperwork process developed by DWD provides the minimum outline that will be followed:

1. Work with new or expanding employer to conduct the pre-award review. Information in the pre-award review will be monitored during the on-site monitoring visit.
 2. Work with the employer to determine the number of workers needed by the employer, the needed skills, needed experience, and other job requirements required for the training
 3. Work with employers to determine the appropriate training duration (not to exceed six months).
 4. Ensure job openings for OJT participants are on DWD's labor exchange system.
 5. Work with employer to recruit and select OJT participants. Hiring decision are made by the employer.
 6. Work with the employer and participants to determine skill gaps and develop training plan. (Training plan and IEP must be in client file and case note in case management system.
 7. Establish OJT contracts with each individual OJT participant.
 8. Employer will provide regularly scheduled invoices for reimbursement.
 9. Employer electronic signatures on OJT forms are authorized in accordance with IC 26-2-8, the Uniform Electronic Transaction Act.
- When the employer hires the new worker, the OJT officially begins.
 - For an employed worker OJT, the OJT officially begins when the training in the training plan begins.
 - Service records must indicate the start date of the OJT.
 - Case management will document required client files, service provision, vouchers, and corresponding case notes.

Monitoring and Follow-up Requirements

- Southwest Indiana Workforce will monitor the operations of OJT contracts.
- As the WDB designee, local service provider staff will conduct check-ins with the OJT companies.
- Southwest Indiana Workforce staff will conduct at least one fully documented monitoring visit during the OJT contract. Such monitoring visits confirm that the employer is following all OJT specifications and that the participant is making satisfactory progress.
- Local service provider staff will provide follow-up services to OJT participants.
- WorkOne staff will conduct check-ins monthly with OJT participants during the training period and for six months after completion of the OJT.
- All check-ins will be documented in the electronic case management system.
- For RAs, wages begin paid match the rate outlined in Appendix B to ETA Form 671.
- A sample monitoring template is found in DWD Technical Assistance 2022-03

The content of this policy will be part of routine DWD monitoring.

Attachments

Attachment A – Recommended OJT Contract Provisions

Attachment B – OJT Training Plan Guidance

Effective Date

Immediately

Ending Date

Upon rescission

Attachment A

Recommended OJT Contract Provisions

An OJT contract outlines the responsibilities of an OJT employer and Southwest Indiana Workforce in the provision of an OJT program. At a minimum, each contract will contain the provisions included in the guidance below:

- Identification of the parties involved in the contract
- The beginning and ending dates of the contract
- The total training hours of the OJT program
- The rate of reimbursement
- The total reimbursement for the entire OJT program
- The wage rate for the WIOA participant
- Types of tools, equipment, or classroom training needs for the training, and whether the employer or the WIOA program will pay for the cost
- A copy of the participant's OJT Training Plan
- Requirements for trainee retention
- Assurance of safe working conditions
- Assurances from employer of compliance with all federal, state, and local regulations, including WIOA
- Assurance from the employer that include specific references to fair labor standards, benefits, nondiscrimination, non-sectarianism, lobbying restrictions, and political activity restrictions
- Audit right and access to records for the WDB and DWD
- Record retention requirements
- Default clauses for non-performance
- Termination for convenience clause
- Modification methodology
- Payment and delivery terms, and
- A requirement that the employer will maintain time and attendance records and produce these record to Southwest Indiana Workforce and DWD upon request.

Attachment B

OJT Training Plan Guidance

Training providers may use O*Net and/or a job description to develop a list of skills or tasks for the training plan. Individual tasks are to be observable and measurable. **The OJT participant, supervisor, and/or trainer will be knowledgeable about the training plan contents.**

At a minimum, OJT training plans will include:

- Occupation information including
 - Job title
 - Job description, and
 - O*Net code/description
- Training outline with training activities clearly described that show the employer is obligated to conduct specific training, including:
 - Skills and activities needed to successfully obtain employment in the occupation, and
 - Skills and activities in which participants will be trained or achieve proficiency, including an outline of any measurable skills gains to be achieved.
- The overall duration of the OJT
- The length in hours of training time established for each identified skill or activity, with training times that are reasonable relatable to both the complexity of the job and the abilities of the trainee
- The job title of the person(s) responsible for the training
- Progress measurements that identify how the progress of the participant will be measured in the skills to be achieved (e.g., observation of lead worker or supervisor, demonstration of specific competencies, observation of specific tasks, etc.)

Sample Training Plan

(from DWD Technical Assistance 2022-03)

Automotive Technician: (O*NET Code) front-end mechanic (automobile service); alignment mechanic; axle-and-frame mechanic; chassis mechanic; wheel alignment mechanic

Job Description: Aligns wheels, axles, frames, torsion bars, and steering mechanism of automotive vehicles, such as automobiles, buses, and trucks. Drives vehicle onto wheel alignment rack. Tests for bent axle, worn ball joints, and bent steering rods, using alignment testing machine. Straightens axle and steering rods and adjusts shims, tie rods, and joining pins to align wheels, or installs new parts, using hand tools. Places wheel on balancing machine to determine where counterweights must be added to balance wheel. Hammers counterweights onto rim of wheel. Installs shock absorbers. Strengthens frame using hydraulic jack, chassis aligner, and acetylene torch.

Training Outline:

1. **Skill(s):** Learn to operate wheel alignment machines. Develop skills required to measure, caster, camber, toe-in, toe-out, king pin inclination at requisite levels of precision for various types of systems used on contemporary passenger cars, i.e., double wish bone coil suspension Systems. McPherson strut system, torsion bar system, etc.
 - a. **Trainer:** Assigned Lead Worker
 - b. **Estimate Training Hours:** 160
 - c. **Performance Measurement:** Demonstration of skills required to operate equipment and tools used to align front-end components according to specifications.

2. **Skill(s):** Instruction in the disassembly and assembly of component parts of various front-end systems noted in item #1. Learn to remove and replace springs, shocks, ball joints, king pins, struts, steering rods, steering arms, idler arms, etc. Become thoroughly familiar in the operation of power tools and hydraulic equipment used in the above operations.
 - a. **Trainer:** Assigned Lead Worker
 - b. **Estimated Training Hours:** 200
 - c. **Performance Measurement:** Demonstration of ability to remove and replace springs, shocks, ball joints, kingpins, struts, etc. using power tools and hydraulic equipment.

3. **Skill(s):** Learn to operate with required skills, equipment used to remove and replace tires from wheels. Learn to operate various items of equipment to balance wheels on and off vehicles, static and dynamically, using computerized balancing equipment.
 - a. **Trainer:** Assigned Lead Worker
 - b. **Estimated Training Hours:** 80
 - c. **Performance Measurement:** Demonstration of skills required to operate tire changing and wheel balancing equipment.

TOTAL HOURS: 440

Determining the Appropriate Duration of an OJT

To ensure that the duration of the OJT is appropriate, Specific Vocational Preparation (SVP) codes associated with various occupational coding systems (i.e., DOT, OES, SOC, or the Occupational Units of the O*Net system) should be utilized. The SVP code for an occupation is the amount of lapsed time required by a typical worker to learn the techniques, acquire the information, and develop the facility needed for average performance in a specific job-worker situation. SVP codes range from 1 – 9 levels.

Each level suggests an appropriate duration for training as shown:

SVP Level	
1	Short demonstration only
2	Anything beyond short demonstration up to and including 1 month
3	Over 1 month up to and including 3 months
4	Over 3 months up to and including 6 months
5	Over 6 months up to and including 1 year
6	Over 1 year up to and including 2 years
7	Over 2 years up to and including 4 years
8	Over 4 years up to and including 10 years
9	Over 10 years

SVP codes for various occupational coding systems may be obtained through DOL's O*Net web site at <http://online.onetcenter.org/> by clicking on "OnLine Help." Note that the duration of training suggested by the SVP for a given occupation is only a starting point for negotiations with an employer. In determining the specific duration for a specific contract, consideration should 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.

SAMPLE OJT Monitoring Template
(from DWD Technical Assistance 22-03)

Employer Name: _____

OJT Contract Number _____

OJT Participant Name: _____

Contract Amount _____

OJT Participant State ID: _____

OJT Supervisor Name _____

Contract Start Date: _____

Contract End Date _____

Hourly Pay Rate: _____

Reimbursement Rate: _____

Monitor Name: _____

Date of Monitoring _____

Activities to be Monitored

Records and Accounts

Question	Yes or No	Findings/Issues/Notes
Has the employer submitted regular progress reports when requesting reimbursements?		
Does the employer have timesheets or payroll registers for the OJT participant?		
Do the timesheets or payroll registers support the hours claimed on the most recent invoice?		
Is the OJT participant receiving the wage identified in the OJT contract and on the most recent invoice?		
Is the OJT participant receiving the same wage a other workers in the same position/classification?		

Training Activities

Questions	Yes or No	Findings/issues/Notes
Do both the OJT participant and the employer have a copy of the OJT Training Plan?		
Is the OJT participant receiving the training that was detailed in the OJT Training Plan?		
Is the OJT participant working and receiving training in a safe and healthy work environment?		
From both the supervisor and participant's perspectives, is the OJT participant receiving appropriate direction and supervision on the worksite?		

OJT Training Progression

Questions	Yes or No	Findings/Issues/Notes
Does the OJT participant feel they are doing well and learning the required job tasks?		
Are there any OJT participant grievances?		
Does the employer feel that the OJT participant is doing well and learning the required job tasks?		
Does the employer expect to retain the OJT participant after the OJT contract ends?		
Are there any issues that may cause this OJT to be unsuccessful?		

Overall Evaluation

Briefly describe what you observed and learned while conducting the OJT monitoring visit.

Detail any corrective actions necessary to address the findings and issues identified during the monitoring.

Monitor's Signature: _____

Date of Signature: _____

Date of Follow-Up Visit if Needed: _____

Sample Pre-Award Review Template for New or Expanding Business
(from DWD Technical Assistance 22-03)

Employer Information

Employer Name: _____

Address: _____

City/State/Zip: _____

Employer Official – Name and Title: _____

Employer Official Phone: _____

Other names (including successor(s) in interest) under which the above employer has conducted or is currently conducting business: _____

Previous OJT Contracts

Has the employer previously participated in an OJT contract? Yes _____ No _____

If yes, please answer the following:

How many OJT positions have been funded? _____

Of the number of previously funded positions:

- How many participants successfully completed the training? _____
- How many participants were retained after the training contract ended? _____
- How many received a wage increase and/or promotion after successfully completing their training plan? _____

Relocation Information

Has the above employer, any subsidiary, affiliates, or part thereof, relocated within the last 120 days to its current location? Yes _____ No _____

If yes, please indicate the date upon which operations began at the new location. _____

If the employer relocated within the last 120 days, did the move result in a loss of employment for any employee of the employer at the original location? Yes _____ No _____

Current Employee Status

Are any employees currently on layoff from the same job classification(s) that will be included in the on-the-job training program?

Yes _____

No _____

If yes, have the employees been laid off for a minimum of 120 days or declined an offer to return to work?

Yes _____

No _____

Has the employer terminated the employment of any regular employee or caused an involuntary reduction in its workforce with the intention of filling the vacancy with OJT participants?

Yes _____

No _____

Was the OJT position created in a promotional line that infringes in any way on the promotional opportunities of currently employed workers?

Yes _____

No _____

Labor Consultation

Are the position that are part of the OJT training program subject to a collective bargaining agreement?

Yes _____

No _____

If yes, provide a listing of all unions and contact information.

Attestation and Validation

By my signature below, I attest, under penalty for perjury, that the above information is correct.

Signature of Employer Official

Date

WorkOne/AJC Representative/Title

Date

