

WIAB 10-10

DATE: February 18, 2011
TO: All WIA Subrecipients
FROM: Susan Simmons, Workforce Operations Manager
Workforce Development Division

SUBJECT: State 15% OJT Project

The Workforce Development Council recently set aside \$250,000 of State 15% funds for on-the-job (OJT) training opportunities to increase business expansion in support of the department's Business Solutions Initiative. Details regarding expenditure of these funds are outlined below.

Participant Eligibility, Priority for Adults

The State 15% OJT Project may be used to support OJT activities for WIA eligible Adults or Dislocated Workers. However, the State has determined that priority will be placed on WIA eligible Adult participants where funds are relatively limited when compared to WIA eligible Dislocated Workers who can rely on formula funds, rapid response funds and OJT NEG funds for OJT opportunities.

Participants must meet all WIA Adult eligibility *or* all Dislocated Worker eligibility guidelines, *including* a self sufficiency test for employed workers.

Dual Enrollment Required

The State 15% Project will support **only** participant costs associated with the OJT ~ monthly reimbursement of employer's training costs *and any related supportive services* for the activity. All participants must be dual-enrolled in either the provider's Adult or Dislocated Worker program, which will support ongoing case management, development of the OJT with the employer, and any other WIA activities as delineated in the participant's employability plan.

Appropriate Use of State 15% Funds

The State 15% OJT Project may be used to support an OJT when other training funds are not available. Since several funding sources are available, please apply the following priority in determining the funding source to be used to support the OJT.

FUND USAGE TO SUPPORT OJT COSTS, ADULT

1. **TAA** - Use TAA funds first if the individual is TAA-active and the TAA case manager determines that OJT is appropriate for TAA support
2. **WIA ADULT** - If not TAA eligible/appropriate, use WIA Adult funds
3. **STATE 15% OJT** - If not TAA eligible/appropriate, and the region's WIA Adult funds are obligated, use these new State 15% funds

FUND USAGE TO SUPPORT OJT COSTS, DISLOCATED WORKER

1. **TAA** - Use TAA funds first if the individual is TAA-active and the TAA case manager determines that OJT is appropriate for TAA support
2. **OJT NEG** - If not TAA eligible/appropriate, use OJT NEG funds
3. **WIA DISLOCATED WORKER** - If not TAA eligible/appropriate and the employer/participant does not meet the NEG OJT guidelines, use WIA Dislocated Worker funds
4. **STATE 15% OJT** - If not TAA eligible/appropriate and the employer/participants does not meet the NEG OJT guidelines, and the region's WIA Dislocated Worker, Rapid Response funds are obligated, use these new State 15% funds

Employer Eligibility

The State 15% OJT Project does not allow development of OJT positions with public sector (government) employers. OJTs with either private or private non-profit organizations are allowable under the State 15% OJT project.

All WIA provisions and assurances, OJT employer/worksite requirements and policies outlined in the WIA OJT Technical Assistance Guide will apply to the State 15% OJT Project.

Reimbursement Guidance and Policies

The following policies have been established for reimbursement of employer training costs under the State 15% OJT project. If the case manager believes that individual participant capacity or unique employment opportunities in rural areas should be considered in adjusting these parameters, the case manager should contact the Grants Management Unit to request an individual exception to these policies. Exceptions must be authorized by the Grants Management Unit before incorporation into the OJT contract.

Wage Rate – Job opening must pay a minimum wage of at least \$10.00 per hour.

Level of Reimbursement – The case manager may negotiate reimbursement up to 50% of employee hourly wage rate with the employer to cover extraordinary training costs.

Duration - A six (6) month reimbursement limitation for these funds. The length of each OJT will be determined by the case manager based on an analysis with the employer of the occupational skill levels of the participant vs. the job opportunity available, and will include consideration of the SVP code of the occupation.

Reimbursement Schedules – The case manager may choose to reimburse OJT NEG employers on a monthly basis, or may choose to offer one payment upon completion of the OJT.

Forms and Management Information System (MIS), Participant File

The State 15% OJT Project will utilize WIA's current OJT forms and employer orientation requirements:

- ~ Employer contract and Handbook
- ~ Job analyses & Training Task Outline
- ~ Timesheet, monthly/one-time payment

Each participant must be dual-enrolled in the State 15% OJT project **and** either the Adult program (Title X) or the Dislocated Worker program (Title Z). The WIA MIS has been updated and reflects the option for the State 15% OJT Project ~ **Title S, Project Code 837**.

Federal regulations require that individuals in training supported with State 15% funds must be included in performance reporting. Dual-enrollment in the State 15% OJT NEG as well as in the Adult or Dislocated Worker program will ensure compliance with this regulation.

As with any other dual- enrollment, only one participant file containing only one set of eligibility documents, one set of assessment documents, one set of OJT documents, etc., will be maintained by the case manager.

Additional Budget Information

To allow expenditure of funds as quickly and expeditiously as possible, the State 15% OJT Project program will be managed on a statewide basis; there will be no regional allocations. Central Office staff will continuously monitor enrollments and obligations. Grants Management staff will apprise local office staff of project status on a regular basis.

Please contact your Grants Management staff if you have any questions.