

Oklahoma Employment Security Commission

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Oklahoma Employment and Training Issuance 27-2000

TO: WIA Board Staff

FROM: Eddie Foreman

DATE: May 19, 2000

SUBJECT: Oklahoma's Interim Final Policy on WIA On-the-Job Training

MESSAGE: Comments must be submitted by June 16, 2000. Please send comments to me electronically via my e-mail address.

OKLAHOMA ON-THE-JOB TRAINING POLICY

I. PURPOSE

The following policy is intended to provide the structure for on-the-job training (OJT) programs and agreements, pursuant to WIA Section 101(31) (A)(B)(C), 195(4), 135(4)(D)(ii), and the Welfare to Work (WtW) Plan. Local WIAs are encouraged to develop more extensive policies than the minimum elements outlined here.

II. PRE-AWARD REVIEW

The On-the-Job training provider employer must be reviewed on-site prior to the execution of the first OJT Agreement of each year. It is not mandatory, but advised that someone conduct the review other than the job developer or case manager who developed the OJT. At the minimum, the review must cover the following information:

- A. Has the participant worked for the employer at any time in the past?
If so, what were the dates and circumstances?
- B. Is the participant related to the employer or any person who works for the employer in an administrative capacity?
- C. Is the position covered by a collective bargaining agreement?

- D. Is there a written job description? Are the minimum qualifications for the position included in the description?
- E. Does the position pay a commission?
- F. Is the position full or part-time?
- G. Is the position permanent, temporary, or seasonal? What is the turnover history for the past year?
- H. Does the employer provide worker's compensation or accident insurance?
- I. Does the employer's accounting system document payroll, payroll deductions, and the hours worked?
- J. Is the worksite safe and sanitary? Have there been any wage and hour, or child labor law violations in the past twelve (12) months?
- K. Are wages and fringe benefits for the position equivalent to similar positions with the employer? What about any similar positions in the labor market?

In addition to the on-site review, the LWIB must maintain documentation to support the need for the participant training and the length of training to be provided. It is recommended that such documentation include a review of the participant's past work and training history in determining an appropriate length of training. Where a person has related training or experience, more attention must be given to the necessity and rationale for the training provided.

III. TRAINING AGREEMENT

- A. OJT agreements shall comply with the Oklahoma State Contract Policy. The minimum elements required in the agreements are as follows:
 - 1. Trainee name
 - 2. Trainee wage
 - 3. Name, address and telephone number of the employer and the LWIB
 - 4. Training job title
 - 5. Employer identification number
 - 6. Training outline
 - 7. Beginning and end dates, and hours of training to be provided
 - 8. Collective Bargaining Unit Concurrence
- B. Boilerplate Terms and Conditions

OJT agreements shall contain boilerplate terms and conditions in accordance with the Oklahoma State Contract Policy for agreement with vendors who serve

participants. These conditions are as listed below:

1. PAYMENTS

No OJT employer may be reimbursed for any amount in excess of fifty percent (50%) of the trainee's wages actually paid during the training period. The contractor shall be paid upon the submission of properly prepared invoices submitted at a time specified by the Grantor and for training performed in accordance with the terms and general provisions of this Contract. The Contractor shall be paid an hourly Fixed Cost, as specified in the Contract, up to the maximum training hours allowed in the Contract. Reimbursement shall not be claimed for time in which the trainee is absent from training. This includes authorized paid absences such as holidays, sick days, or vacation days. In no event, shall payment exceed the Contract amount.

2. BENEFITS

The Contractor agrees that OJT participants shall be provided with the same wages, benefits, and rights afforded by the Contractor to its other employees.

3. TERMINATION OF OJT PARTICIPANTS

The Contractor agrees that the OJT participant shall not be terminated without prior notice and reasonable opportunity is given for correction or improvement of performance. The Contractor also agrees that it will immediately notify the Grantor if the OJT participant has an attendance or disciplinary problem or has demonstrated an inability to perform in accordance with the training outline contained in the Contract. The Contractor understands that the termination of an OJT participant is subject to the grievance procedures of the Grantor.

4. DISPLACEMENT OF CURRENTLY EMPLOYED WORKERS

The Contractor agrees that no currently employed worker shall be displaced by the OJT participant including a partial displacement such as a reduction in the hours, wages, or employment benefits. The Contractor also agrees that no OJT participant shall be placed into a position that is currently vacated by an employee who is on layoff or into a position in which the Contractor has terminated the employment of an employee with the intention of filling the position with an OJT participant. The Contractor further agrees that this Contract does not infringe in any way upon the promotional opportunities of current employees.

5. ACCESS TO RECORDS

The Contractor agrees that at any time during normal business hours, and as often as deemed necessary, the grantor, State of Oklahoma, U.S. Department of Labor, or other authorized Federal agencies or its agents may inspect and monitor any records or activities pertaining to this Contract. Such inspection shall be made to determine if the contractor is in compliance with the terms and provisions of this Contract and if the OJT participant is making sufficient progress.

6. RECORDKEEPING SYSTEM

The LWIBs shall maintain an OJT recordkeeping system with procedures that will provide timely and relevant information for management, planning, and purposes. This system will allow the LWIB to generate such information on each contract such as number of unused training hours, current funds expended to date, etc.

7. RECORD RETENTION

As with all records, the LWIB must ensure that OJT records are maintained for the statutory period of three (3) years from the last date of the OJT Agreement or until audits are resolved, whichever is later. This may be accomplished by passing some of the retention responsibility on to the employer, or by requiring enough documentation for payment that employer record retentions unnecessary for WIA purposes. Documentation of hours worked, wages paid, and training progress must be available for the record retention period.

IV. ON-SITE REVIEW

A person other than the OJT developer must monitor each OJT site at least once annually to assure compliance with contract terms and to solve problems with the training provider and/or participant.

The monitor should verify that the participant is receiving the training contracted for at the wages in the agreement, and that the participant is not required to engage in activities prohibited by WIA. The monitor must also review employer records to assure that the participant is receiving proper wages and that the employer is withholding taxes and paying workers compensation (or equivalent) insurance.

Any areas requiring corrective actions must be followed closely and compliance must be assured before final payment is made on the OJT contract.

V. DOCUMENTATION

The documentation listed below must be maintained in the Contract file:

- A. OJT Agreement (Original)
- B. OJT payment invoices and time sheets
- C. Pre-award checklists
- D. Monitoring reports, including problems, corrective action, and follow-up (if necessary)
- E. Any modifications to the OJT Agreement
- F. Justification of failure (if necessary)
- G. Training Time Documentation
- H. Relocation Pre-award, original (if necessary)
- I. Participant Performance Evaluation

VI. TRAINING SERVICES FOR SPECIAL PARTICIPANT POPULATIONS

The Workforce Investment Act, section 134(d)(4), specifies that in the event that funds allocated to a local area for adult training activities are limited, priority for intensive and training services funded with Title I adult funds must be given to recipients of public assistance and other low-income individuals in the local area.

States and local areas must establish the criteria by which the local areas can determine the availability of funds and a process by which any priority will be applied under the Workforce Investment Act section 134(d)(2)(E).

The statutory priority is only for use of adult funds for training services. Funds Allocated for dislocated workers are not subject to the requirement.

ACTION: Please distribute this issuance to appropriate staff and include it as part of your permanent records.

INQUIRIES: Questions may be directed to your Planning Coordinator or Mike Clark at 405/557-5339.

LS/jyg