



ON-THE-JOB TRAINING PROGRAM 2009-2010

The On-the-Job Training (OJT) Program is funded by the Federal Workforce Investment Act (WIA) and administered by work2future. The purpose of the program is to provide reimbursements to employers to compensate for the costs associated with skills upgrade training for full-time employees.

PROGRAM INFORMATION

OJT is defined as training provided by an employer to a paid participant that:

- Provides knowledge or skills essential to the full and adequate performance of his or her job;
- Provides reimbursement of up to 50% of the wage rate of the participant to a maximum reimbursement per participant of \$3,000, in compensation for the extraordinary cost 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, which takes into account:
 - The content of the training,
 - The prior work experience of the participant, and
 - The service strategy of the participant

OJT is indicated when specific employer needs can be better met through individualized training and when individual employers demonstrate the need to hire new employees and will commit to hire and train WIA-enrolled clients who may not meet their normal hiring requirements. Persons already employed are not eligible for OJT services.

All applications are subject to a pre-award review by a panel of work2future staff.

APPLICATION PROCESS

Eligible Applicants

Applications for the 2009-2010 work2future On-the-Job Training Program will be accepted from companies, agencies, and organizations meeting the guidelines indicated below:

An organization applying for OJT Program funding:

- Must not use WIA funding for any activity that would otherwise be available in the absence of such funds (per Section 195.2, Workforce Investment Act of 1998).
- Must not have exhibited a pattern of failing to provide OJT participants with continued long-term employment with wages, benefits, and working conditions equal to that of regular employees doing similar work.

- Must agree to certify the skills and abilities obtained by trainees who successfully complete the OJT program by issuing a nationally recognized or industry recognized degree or certificate.
- Is not eligible to execute a contract until 120 days after the commencement of operations of a relocated establishment, if the relocation resulted in the loss of employment for any employee at the original location.
- Must be a business in qualified, targeted industries providing in-demand occupations. Preference will be given to organizations that provide training in industries on the work2future Industry Clusters List, below:
 - Bioscience and biotechnology
 - Software
 - Retail
 - Hospitality and tourism
 - Healthcare
 - Construction trades
 - Public sector
- Must provide On-the-Job Training related to one of the following:
 - The introduction of new technologies
 - The introduction of new production or service procedures
 - Upgrading to new jobs that require additional skills
 - Workplace literacy
 - Other appropriate purposes as identified by the local Workforce Investment Board
- Must demonstrate financial viability and must be current on all state tax obligations
- Must have the personnel to provide adequate supervision and training
- Must hire trainees prior to OJT Training, as regular full-time employees provided with the same benefits as regular employees not in the On-the-Job Training Program. OJT Trainees must be enrolled in the WIA program prior to hire.
- Must, on satisfactory completion of OJT Training, retain OJT Trainees in the occupations for which they have been trained, without additional subsidy or financial assistance from work2future for a period of at least ninety (90) days after the OJT Training is completed.
- May not displace, including a partial displacement, currently employed workers or impose on their promotional opportunities.

Priority will be given to:

- Businesses in the City of San José's Enterprise Zone
- Businesses in qualified targeted industries
- Businesses whose proposals represent a significant upgrade in employee skills
- Businesses whose proposals represent a significant layoff avoidance strategy
- Businesses that commit to providing trainees with wage gains, promotions, and/or career paths to self-sufficiency, following successful completion of training

Application Instructions

Complete and submit the 2009-2010 OJT Program Application. Any information or documentation that cannot be supplied in the provided space should be attached and additional information should clearly be label as to which relevant question number which it refers. Submit one original and three (3) copies of the signed completed application to:

work²future
On-the-Job Training Program
Attention: Ric Giardina
1290 Parkmoor Avenue
San José, CA 95126

CONTRACTING AND TRAINING

A business approved for funds enters into a contract with work2future, which commits the business to completion of the OJT project as proposed in its application. Contracting is done directly between work2future and an OJT Employer (whether public sector, private, non-profit, or private sector) that then provides skills training through an OJT program using its own employees or a third party Training Provider.

On-the-Job Training Services:

- Shall be provided for full-time employees. Training shall be provided for a minimum of 30 hours per week.

Contract Requirements:

Employer organizations in OJT must provide:

- A list of specific skills that must be mastered to accomplish tasks required by one or more occupations as well as a schedule of the training hours dedicated to learning each task.
- A list of competencies that participants are expected to achieve during OJT.
- A method of measuring participants' competencies.
- The number of trainees the OJT Employer will hire and train.
- The base wage and an identification of benefits provided to OJT Trainees. Wages and benefits must be equal to those provided to regular employees in similar positions doing the same type of work.
- Non-discrimination assurance.
- Assurance of ADA compliance.
- Assurance of operating as a drug-free workplace.
- Evidence of insurance as follows:
 - Minimum limits of Insurance required by the City of San José:
 - **Commercial General Liability:** \$1,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage. If Commercial Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit; and

- Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage; and
- Workers' Compensation and Employer Liability: Workers' Compensation limits as required by the California Labor Code and Employers Liability limits of \$1,000,000 per accident.
- The City of San José, its officers, employees, agents, and contractors are to be covered as additional insureds on the Employer Organization's policies.
- Other insurance provisions will apply, depending on the type of goods or services the Employer Organization provides. Employer Organizations will be provided with the entire insurance requirements during contract negotiations.

Reimbursable On-the-Job Training Expenses:

- Up to 50% of a trainee's hourly base wage for hours spent in On-the-Job Training for a period not to exceed six months (1080 Hours) per trainee, and not to exceed \$3,000 per trainee.

Non-reimbursable Costs for OJT:

- Wage reimbursements will *not* be based upon overtime, shift differentials, premium pay, and other non-regular wages, nor will the payments be based on pay for such periods of time as illness, holidays, plant downtime, or other events in which no training occurs;
- Instructor and trainer wages;
- Textbooks and manuals;
- Tuition;
- Registration costs or fees.

Reimbursements:

- Any business approved for reimbursement through the work2future OJT Program that is a recipient or sub-recipient of Federal funding of \$300,000 or more in a fiscal year, will be required to furnish an independent financial and compliance audit. The company is responsible for the cost of the audit. OJT funds cannot be used to cover these costs.
- Reimbursement requests with required support documentation (time cards, evidence that trainees' wages have been paid by employer) may be submitted monthly, to ensure timely reimbursement.
- Employer Organizations must keep accurate records of the OJT Program's implementation process and certify that all information provided for the purpose of requesting reimbursements and reporting training activity is accurate.
- For performance tracking purposes, businesses are required to submit specific information for employees participating in training activities that includes, but is not limited to: trainees' names, last four digits of trainee social security numbers, dates of birth, race/ethnicities, and wages.
- Final payment for businesses receiving OJT reimbursements will not be made until the final report is submitted and all performance criteria specified in the contract have been achieved; including, but not limited to, trainees' employment retention for ninety (90) days after completion of the OJT Program and trainees receiving credentials.

Project Completion:

- OJT Employers must assure work2future that, at the end of the OJT training period, any new-hire participants will have skills leading to increased wages and/or responsibilities.
- Due to the high demand and limited funding available, all applications will be evaluated to leverage other state, federal, and private funds with OJT Training Program funds.
- All OJT Training Projects shall be performance-based with specific measurable performance outcomes, including but not limited to the completion of the OJT Training Program and number of OJT Trainees employees trained.
- Businesses shall provide sufficient documentation to work2future for identification of all OJT Trainees for calculation of performance measures required by WIA and any other outcomes deemed pertinent by work2future.