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I. APPLICABILITY/SCOPE

This policy applies to services delivered through Workforce Innovation and Opportunity Act (WIOA) Title IB to Adult, Youth and Dislocated Worker program participants by staff and contracted providers of ARIZONA@WORK City of Phoenix.

II. PURPOSE

The On-the-Job Training (OJT) program is to successfully prepare an individual for long-term, unsubsidized employment by providing the knowledge or skills essential to meet the full and adequate performance of the job. Training is provided under a contract with an employer who is reimbursed a percentage of the wage rate of the participant being trained while engaged in productive work in a job. This policy provides administrative and operational guidelines to ensure workforce development staff delivering this service do so as part of a standardized practice.

III. BACKGROUND

On-the-Job Training (OJT) is training provided under a contract with an employer who is reimbursed a percentage of the wage rate of the participant being trained while engaged in productive work in a job. OJT is intended to successfully prepare an individual for long-term, unsubsidized employment by providing the knowledge or skills essential to meet the full and adequate performance of the job.

Section 20 CFR 680.700 of the Workforce Innovation Opportunity Act (WIOA) On-the-Job Training states the term "On-the-Job Training" means training by an employer that is provided to a paid participant while engaged in productive work in a job that:

1. Provides knowledge or skills essential to the full and adequate performance of the occupation.
2. Provides reimbursement to the employer for the costs of providing the training and additional supervision related to the training.
3. Is limited in duration as appropriate to the occupation for which the participant is being trained.

IV. DEFINITIONS


N/A

V. POLICY

A. Worker Criteria

All individuals must be registered in Arizona Job Connection (AJC) and determined eligible prior to receiving training services. Training services are available to employed and unemployed individuals if after evaluation it is determined the participant:

1. Is living in the State of Arizona;
2. A new hire, working full-time with standard benefits offered to other employees of the hiring company.
3. Meet the Fair Labor Standards Act for an employer-employee relationship;
4. Is registered in Arizona Job Connection;

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5. Provided a State of Arizona Identification such as a Driver’s License;
6. Provided a copy of their social security card; and
7. Provided proof of total household income and that the income is below the current Lower Living Standard Income Level (LLSIL) or Federal Poverty Guidelines.

OJT contracts may be written for eligible existing workers under the following conditions:

1. The employee is not earning a self-sufficient wage as determined by Local Workforce Development Area (LWDA policy); and
2. The training relates to:
 - a) Introduction of new technologies;
 - b) Introduction to new production or service procedures; or
 - c) Upgrading to new jobs that require additional skills such as:
 - i. Workplace literacy; or
 - ii. Other appropriate purposes identified by the LWDA or tribal entity.


On-the-Job Training and Registered Apprenticeship Programs

1. OJT contracts may be written with Registered Apprenticeship programs, or participating employers in the Registered Apprenticeship program, to cover the on-the-job training portion.
2. ITAs can be combined with on-the-job training contracts when placing participants into Registered Apprenticeship programs.
3. OJT contracts with Registered Apprenticeship programs should be consistent with other OJT requirements in this policy including those for existing workers.

B. Business Criteria

All businesses must be located and conducting business within the State of Arizona. Each business agrees to:

1. Complete an application and enter a contract with the City of Phoenix;
2. Adhere to applicable WIOA Title 1B administrative requirements per Section 683.000, as well as the nondiscrimination and equal opportunity provisions of the laws;
3. Provide a Training Development Plan that identifies the training need and competencies that will be achieved for the individual selected to receive the training;
4. Not displace any currently employed workers (including a partial displacement such as a reduction in non-overtime work, wage, or employment benefits);
5. Not Impair any existing contract for services or a collective bargaining agreement;
6. Employ the OJT candidate as a full-time, permanent employee, with the same benefits as any other current full-time employee;
7. Be available for City of Phoenix program monitoring on a scheduled basis;
8. Provide quarterly post-training reports, including information on the retention and/or promotions of trainees and the impact training made on the business, for one year after the completion of the training;
9. OJT contracts will not be provided to any company that has relocated within the previous 120 days of its application if the relocation has resulted in any employee losing his or her job at the original location;

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10. Not procure, contract for, or incur costs to be paid from WIOA Title IB program funds prior to the start date, as determined by the date when all parties sign the contract;
11. Provide copies of a "Certificate of Completion" to the LWDA for everyone who successfully completes the prescribed training program. Such certificates must contain the individual's name and the class or course completed through training; and
12. May enter into a contract with a public non-profit agency, such as a local fire department or a board of education, as long as WIOA Title 1B section 680.700 through section 680.730 are met.

C. Occupational Eligibility

Priority sectors which lead to employment opportunities enabling the participant to become economically self-sufficient and which will contribute to the occupational development and upward mobility of the participant, are given priority of service for contract implementation.

The maximum contract award per company is up to \$50,000 per fiscal year with an option for the City of Phoenix Business and Workforce Development Board to approve additional funds based on the organization's extraordinary ability to impact job seekers. The following items will be used in determining an organization's impact:


1. Number of new hires;
2. Jobs that are in demand in the City of Phoenix, preference given to core sector focuses;
3. Full-time positions, over 32 hours a week, hourly or salary, but not commission or piecework;
4. Provides the individual self-sufficiency;
5. Provides the individual a wage over \$13.00 per hour; and
6. Training introduces practical knowledge of new technologies or upgrading skills to new job that requires additional skills, or workplace literacy.

D. Employer Match

The City of Phoenix will reimburse the contracting company 50 percent of the hourly wages, not to exceed \$4,000, to industries in the City of Phoenix core sector focus.

Individuals with barriers to employment can be provided up to 75 percent of wage reimbursement to the employer under WIOA section 680.730 when considering the following factors:

1. The characteristics of the participants taking into consideration whether they are "individuals with barriers to employment," as defined in WIOA sec. 3(24);
2. The size of the employer, with an emphasis on small businesses;
3. The quality of employer-provided training and advancement opportunities, for example if the OJT contract is for an in-demand occupation and will lead to an industry-recognized credential; and
4. number of employees participating, wage and benefit levels of the employees (both at present and after completion), and relation of the training to the competitiveness of the participant.

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VI. POLICY MANAGEMENT REQUIREMENTS

Administrative revisions to the policy may be made by the Phoenix Business and Workforce Development (PBWD) Board Executive Director, with notice to the PBWD Board’s Executive Leadership Committee. All other substantive revisions will go to the PBWD Board’s Executive Leadership Committee for review and recommendation to the PBWD Board for approval.

VII. ADDITIONAL OR MISCELLANEOUS INFORMATION

A. Related Workforce Development Program References

1. Attachment A – On-the-Job (OJT) Training Application
2. Department of Economic Security Policy and Procedure Manual - Workforce Innovation and Opportunity Act (WIOA)

<https://des.az.gov/services/employment/workforce-innovation-and-opportunity-act/policy-and-procedure-manual-workforce>