



February 19, 2009

**Workforce Investment Act Policy Letter No. 08-06.1**

To: WIA Local Workforce Investment Boards (WIBs), Fiscal Agents,  
Administrative Entities, and One-Stop Operators

From: Douglas E. Lumpkin, Director

Subject: National Emergency Grants (NEGs) / On-The-Job Training (OJT)  
for the Wilmington Airpark Dislocated Workers

**I. Purpose**

To outline the process for establishing and providing On-The-Job-Training (OJT) to participants being served under National Emergency Grant (NEG) funds in areas impacted by Wilmington Airpark downsizing.

This NEG policy applies to all targeted participants served by the following Project Operators: Local Area 7 - Clinton, Montgomery, Highland, Greene, and Fayette; Local Area 12 - Butler, Clermont, and Warren; Local Area 1 - Scioto, Adams, Brown, and Pike; Local Area 13 - Hamilton; Local Area 11 - Franklin; and Local Area 20 – Ross, Fairfield, and Pickaway. In instances where a local WIB policy conflicts with this issuance, the NEG policy shall be followed when the service is paid with NEG funds. Workers impacted by the downsizing of the Wilmington Airpark who reside outside of the aforementioned areas should be referred to the Wilmington Airpark Transition Center to access available services. Out-of-area One-Stops may also make arrangements to access available NEG services through any one of the project operators.

NEG services are available to eligible dislocated workers identified in the approved NEG resulting from the downsizing of the Wilmington Airpark regardless of their counties of residence. Local WIBs outside of the project operators listed above may use local funds as appropriate, to serve this targeted group if accessing NEG-funded services is not feasible for the workers. Non-project operators may follow their local policies when using their local formula funds for impacted workers.

## **II. Effective Date**

October 1, 2008

## **III. Background**

NEGs are discretionary awards intended to temporarily expand service capacity at the state and local levels by providing time-limited funding assistance in response to significant dislocation events. In August 2008, the Ohio Department of Job and Family Services, Office of Workforce Development applied for NEG funds to aid the areas and workers affected by the downsizing of the Wilmington Airpark in Wilmington, Ohio. Due to the number of workers and counties impacted in Ohio, the state wants to ensure that workers will receive consistent and efficient services from the One-Stop center network, thereby providing a seamless transition regardless of the county of residence or local workforce investment area of the workers.

## **IV. Guidance Statement**

OJT is one type of training offered in the mix of services for training opportunities. This type of training is an option for individuals when formal skill training is not desired, not suitable, or not possible on a full-time basis. OJT is defined as 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 up to fifty percent 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, taking into account the content of the training, the prior work experience of the participant, and the service strategy of the participant, as appropriate (See WIA section 101 (31)).

### **A. Limitations**

OJT can be provided under a contract with both public and private sector (for-profit and non-profit) employers. OJT participants must be provided with wages, benefits, and working conditions that are equal to those provided to regular employees who have worked a similar length of time and who are doing the same type of work. The local WIB must not contract with an employer who has previously exhibited a pattern of failing to provide OJT

participants with continued long-term employment.

The duration of OJT contracts shall not exceed one thousand forty regular hours of on the job experience. OJT payments shall not exceed fifty percent of hourly wages paid. Payments made are reimbursement for regular "straight" time, for actual hours worked with no overtime premium, holiday pay, or fringe benefits included.

OJT participants may not assist, promote, or deter union organizing or engage in political activities during work hours. OJT participants are prohibited from being employed in the construction, operation, or maintenance of any facility that is used for religious instruction or worship.

OJT participants are not permitted to work or train in buildings or surroundings under working conditions that are unsanitary, hazardous, or dangerous to the trainee's health or safety.

OJT participants are not eligible to receive needs related payments (NRPs).

## **B. OJT Considerations**

1. Generally, consideration of high turnover jobs should be avoided. In certain situations, where the returns on investment, potential earnings, or needs of the specific customer warrant it, such opportunities may be the subject of negotiation.
2. Individuals who have a significant barrier to employment, such as a disability defined in the American with Disabilities Act (ADA), may be considered for longer contract duration. Contract duration may be fifty percent longer for disabled workers participating in OJT.
3. Individuals who have completed formal training via an Individual Training Account (ITA), but are at risk of not achieving employment within 90 days of training completion, may be considered for OJT if it creates an opportunity for a positive outcome.
4. When matching customers to OJT opportunities, attention should be given to self-sufficiency based on family/household size.

## **C. OJT Pre-Award Review**

Prior to the placement of an OJT participant, a pre-award review must be conducted to ensure that a business, or part of a business has not relocated from another location in the United States, if the relocation results in any employee losing his or her job at the original location.

The pre-award review must include the following information:

1. Names under which the establishment does business, including predecessors and successors in interest;
2. Name, title, and address of the company official certifying the information;
3. Whether WIA assistance is sought in connection with past or impending job losses at other facilities; and
4. Review of whether WARN notices relating to the employer have been filed.

The pre-award review may include consultation with labor organizations and others in the affected local areas.

The pre-award review must be maintained for monitoring purposes to ensure compliance with the requirement. If during the pre-award review it is determined that a business has relocated and caused dislocation at the original location, OJTs may be available at the new location after the business has been operational for 120 days.

#### **D. Required Components**

1. Pre-award review;
2. An OJT contract with general assurances that outline both parties responsibilities;
3. Job order for OJT participant;
4. Training outline with goals, gaps to be addressed, or other learning objectives;
5. An objective process to determine the necessary duration of the contract;
6. An assessment of candidates to determine skill gaps as they may relate to employer custom requirements/qualifications;
7. A locally defined monitoring process to ensure satisfactory progress of the participant; and
8. A payment process with provision for employees and employer comments.

#### **E. Reporting**

All participants served under this NEG will be counted in statewide performance and must be entered in SCOTI WIA, Special Grants. Participants may be co-enrolled in local formula funded WIA programs. Co-enrolled participants will be counted in both statewide and local performance.

## **F. Local Implementation of NEG Policies**

In order to access NEG funds for targeted individuals, local WIBs must pass a resolution to adopt the statewide NEG policies for targeted individuals or modify existing policies to adopt the statewide NEG policies.

## **G. Using Local Formula Funds**

Local WIBs identified as project operators for this NEG may elect to serve eligible workers under the NEG using local formula funds if desired. In order to ensure consistent and equitable service delivery, local WIBs must, at a minimum, follow the guidelines of the NEG policies that apply to the targeted workers. If local policies exceed the financial caps for services or broaden the array of services, the local policies may be utilized when serving participants with local funds.

Affected workers served with local formula funds must be enrolled in SCOTI WIA, and identified by a unique code entered in the local use field in the basic intake screen as an individual covered under this NEG. Separate reporting requirements to further explain this process have been issued by the ODJFS, Office of Workforce Development.

## **V. Technical Assistance**

For additional information, you may send your questions to the Office of Workforce Development: [WIAQNA@JFS.OHIO.GOV](mailto:WIAQNA@JFS.OHIO.GOV).

## **VI. References**

Workforce Investment Act of 1998, Public Law 105-220  
Workforce Investment Act Final Rules, 20 CFR Part 652  
USDOL TEGL 17-05, et al.  
20 U.S.C. 1087uu  
USDOL approved National Emergency Grant, Wilmington Airpark