

**Call Now!!
No Cost
No Obligation**

To obtain information for the On-The-Job Training Program contact the local Alabama Career Center at the location listed below.

Alabama Career Center:

Attach Business Card Here

- Equal opportunity employer/program
- Auxiliary aids and services are available upon request to individuals with disabilities.

**MADE IN
ALABAMA**

Alabama Department of Commerce

GENERAL REQUIREMENTS

- Trainees must meet the Workforce Innovation and Opportunity Act (WIOA) eligibility requirements.
- Employers must have Workmen's Compensation or approved on-site accident insurance.
- Training agreement must be approved before trainees can begin to work.
- Trainees must not be currently working for the employer.
- Full-time employment is required.
- Employer must provide a wage of at least \$8.00 an hour for non-metropolitan counties and \$9.00 an hour for metropolitan counties in Alabama.
- Trainees must receive the same wages and benefits as other employees holding the same or similar positions.
- Trainees abide by the same company policies as other employees.

For more information go online to:
www.madeinalabama.com

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October 2015

Alabama Department of Commerce
Workforce Development Division
Workforce Innovation and Opportunity Act



**ON-THE-JOB
TRAINING
(OJT)
PROGRAMS**



Alabama
Career Center System
ROBERT BENTLEY, GOVERNOR

New Hire On-The-Job Training

There are two types of On-the-Job Training programs: New Hire and Performance-Based. Funded by the U.S. Department of Labor, the Alabama Department of Commerce, the Workforce Development Division (WDD) administers the On-the-Job Training Program. The OJT program gives individuals an opportunity to learn new job skills and allows employers to train new employees while saving money on training costs. A Business Service Representative and the employer will create a training plan that defines training objectives and goals for the trainee(s).

The OJT program is designed to provide reimbursement to employers for the extraordinary costs associated with the hiring and training of individuals eligible for these services. This reimbursement serves as an incentive to encourage employers to hire individuals who do not have all of the required skills for a particular job.

The negotiated training period can range from 6 to 26 weeks based on the skill level of the participant(s) and the training occupation.

OJT trainees must be paid at least \$8.00 per hour in non-metropolitan counties and \$9.00 per hour in metropolitan counties or the same wage as other entry-level employees in the same occupation if higher.

The New Hire OJT agreement allows an employer to hire new workers and train them in skilled positions, with a goal of permanent employment upon successful completion of training.

Note: OJT trainees cannot begin work/training until the OJT agreement is approved by the WDD authorized representative.

Employer Benefits

- **E**mployers may receive up to 75% for reimbursement of trainees' hourly wages.
- **E**mployers make all hiring decisions.
- **E**mployers tailor all training.
- **E**mployers save recruiting, screening and training costs.
- **L**ength of training is negotiable.
- **M**inimal paperwork for the employers.
- **I**ncreased cash flow and profits.
- **N**o cost for OJT services.

Wage Reimbursement Chart

1-50 employees : Up to 75% reimbursement for eligible Adults, Youth and Dislocated Workers
51-200 employees: Up to 75% reimbursement for eligible Dislocated Workers (ONLY)
50% reimbursement for all other businesses.

Note: Public sector and private non-profit employers are only eligible for 50% reimbursement.



Performance-Based On-The-Job Training

Performance-Based On-the-Job Training Agreements are designed to offer training for a large number of employees for a short period of training time. This includes skilled and/or unskilled workers when time is of the essence (need trained employees fast).

Training hours, training plans, number of trainees, and cost and wages are negotiated through the Alabama Department of Commerce on a case-by-case basis. All Performance-Based agreements are based on the employer's needs at the time.

The Business Service Representative assisting the employer with the agreement must submit a letter to WDD's Alabama Workforce Investment Area Section with the following information:

- Employer's business name
- Background information on the employer
- Number of employees to be trained
- Hiring Positions
- Time period recommended for training
- Job descriptions
- Wages per hour/per positions

The employer is eligible to receive reimbursement for training after the employee's completion of training plus one day.

ON-THE-JOB-TRAINING (OJT) FACT SHEET: REVISED: OCTOBER 2015

Custom designed training programs based on the employer's particular work force requirements.

- **OJT** Employers are reimbursed for up to 50% and 75% of the hourly wages, based on the employers and trainees eligibility requirements. Monthly timesheets are maintained by the employer and reported to the Business Service Representative.
- **OJT** Trainee(s) are hired for fulltime work, and they must work in a safe environment. OJT trainee(s) are not trained for seasonal or temporary positions.
- **OJT** Trainee(s) will follow the same company policies and rules as other employees and will be provided with wages and benefits that are equal to those doing the same type of work. **OJT trainees must be paid at least \$8.00 per hour in non-metropolitan counties and \$9.00 per hour in metropolitan counties/or the same wages as other entry-level employees in the same occupation.**
- **OJT** Trainees have a wage cap of **\$20.00 an hour for New Hires**. Employers may be entitled up to **\$35,000.00** per employer and per training year which is **July 1st – June 30th**.
- Career Centers maintain a pool of eligible applicants capable of meeting the employer's needs.
- **OJT** Trainee(s) cannot start to work before the Workforce Development Division in Montgomery approves the OJT Agreement; please allow **3-5 business days**.
- **OJT** Trainee(s) must not replace laid off workers.
- The Employer should retain OJT Trainee(s) after completion of the OJT Agreement.
- Employers must provide proof of Workmen's Compensation Insurance or onsite Health & Accident Insurance.
- Immediate relatives of the Employer are **not eligible** for the OJT Training Program(s).
 - **OJT** Trainee(s) must be determined eligible for Workforce Innovation and Opportunity Act (WIOA) services by the local Career Center.
 - **OJT** Employers must report any changes from the original agreement to the Business Service Representative immediately.
 - **OJT** Employers that use a **P.O. Box address**, will need to submit **(2) W-9s**, one with their physical address and one with their P.O. Box address.
 - **OJT** Employers are required to use the State of Alabama Accounting and Resource System (STAARS). ALL previous employers must activate their account in the Vendor Self Service (VSS) Portal. ALL new employers must register in the (VSS).
 - **OJT** Employers must complete a Certificate of Compliance form with the Alabama's Immigration Law (Documentation of completed form is required).
 - **OJT** Employers must enroll in the E-Verify program for employment verification (Documentation of enrollment is required).
- **NOTE:** The E-Verify Company Information Page information i.e. Employer Name, Address and FEIN must match the Employer 147C form information.
- The Business Service Representative initiates all paperwork, including the monthly invoices for reimbursement.

Business Service Representative: _____ **Phone Number:** _____