

## South Central Workforce Development Board (SCWDB)



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### **POLICY: ON THE JOB TRAINING**

**EFFECTIVE DATE: JULY 1, 2016**

**POLICY NUMBER: 2016-07**

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**SUBJECT: ON THE JOB TRAINING FOR WIOA ELIGIBLE ADULTS AND DISLOCATED WORKERS**

#### **PURPOSE:**

On the job training (OJT) as allowed by the Workforce Innovation and Opportunity Act (WIOA) is a viable training tool for eligible WIOA participants. The purpose of this policy is to outline the parameters and provide direction for providing OJT to WIOA enrolled adult and dislocated customers. This policy articulates how On-the-Job (OJT) training funds are to be administered in South Central Kentucky under the Workforce Innovation and Opportunity Act (WIOA).

**EFFECTIVE DATE:** July 1, 2016

#### **ACTION REQUIRED:**

Within 15 days of the receipt of this policy it is the recipient's (e.g., vendors, partners) responsibility to ensure all staff are informed of the policy and to create an internal process to ensure accountability.

#### **BACKGROUND:**

OJT activities are training services provided to eligible participants via an OJT agreement between the Workforce Development Board (WDB) Contractor, through the South Central Workforce Development Board, (WDM), and the employer. Such an agreement, along with the associated participant training plans, specifies the duration of training as well as the skills and competencies to be acquired by the participant. Employers who provide OJT are reimbursed for their extraordinary costs of training the participant based on a percent of trainee wages during the training period. The length of the training period depends on the funding source of the OJT, the complexity of the job, as well as the participant's skills and prior work experience. Employers must commit to hire and retain the participant at the end of a successful training period. In sum, OJT provides an incentive to employers to hire individuals and invest in their skill development, and trainees can earn a wage as they learn.

Payments made to employers are considered to be reimbursements for costs of training, including lower productivity, which are over and above normal training that would be provided to non-WIOA eligible new hires. The OJT contract is not a subsidy to employers for normal hiring and training. WIOA funds must be used to offset the cost of training, not as payment for placements and/or wage subsidies.

## **POLICY:**

### ***Definitions:***

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:

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

An "Incumbent Worker" is defined as an individual who has an established employment history with the employer for 6 months or more.

### ***Eligibility Requirements***

#### **Participant Eligibility**

For an individual to qualify for OJT under the WIOA guidelines, he/she will:

1. Have enrolled with South Central Kentucky WIOA Adult or Dislocated Worker programs.
2. Have completed an initial assessment or evaluation and have been determined to need training to find employment.
3. Earn less than the self-sufficiency<sup>1</sup> hourly wage.
4. Have an Individual Employment Plan (IEP), wherein the participant's interests, abilities and needs are identified.

#### **Employer Eligibility**

Potentially eligible employers able to participate in OJT contracting include: private-for-profit businesses, private non-profit organizations, and public sector employers. An employer will NOT be eligible to receive WIOA OJT training reimbursements if:

1. The employer has any other individual on layoff from the same or substantially equivalent position.
2. The OJT would infringe upon the promotion of or displacement of any currently employed worker or a reduction in their hours.
3. The same or a substantially equivalent position is open due to a hiring freeze.
4. The positions are for seasonal employment.
5. The employer is a private for-profit employment agency, i.e. temporary employment agency, employee leasing firm or staffing agency.

Employers participating in OJT must apply to be on the South Central Kentucky WDB's Local Training Provider List (See WDB ITA Policy #2016-06)

Preference should be given to businesses located in the South Central Kentucky workforce area. However, the employer providing the OJT and/or the OJT worksite does not have to be located within South Central Kentucky borders.

#### **Occupational Eligibility**

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<sup>1</sup> See Self-Sufficiency Policy 2016-10

OJT dollars must be used on occupations within the WDB's targeted industries and 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. The WDB's targeted industry sector approach is designed to maximize impact on industries served, thus OJTs may only be written for training in occupations within the WDB's targeted industries. The WDB's targeted industries are based on criteria pertaining to high wage, high growth or high demand. They are:

- Construction
- Healthcare
- Hospitality
- Manufacturing
- Professional Service
- Transportation, Distribution and Logistics

#### ***General WIOA OJT Requirements***

1. WIOA OJT contracts shall not be made with employers who have previously exhibited a pattern of failing to provide OJT participants with continued long-term employment with wages, benefits and working conditions that are equal to those provided to regular employees who have worked a similar length of time and are doing the same type of work.<sup>2</sup>
2. Priority in WIOA OJT contracts will be given for new hires with an employer. When funds are available, WIOA OJT contracts may be written for eligible incumbent workers when:
  - i. The employee is not earning a self-sufficient wage as determined by the WDB's Self Sufficiency policy (#2016-10).
  - ii. The OJT relates to the introduction of new technologies, introduction to new production or services procedures, upgrading to new jobs that require additional skills, workplace literacy, or other appropriate purposes identified by the WDB<sup>3</sup>.
3. It is the expectation of the WDB that employers that use OJT funding will hire the individual receiving the training as a full-time employee provided benefits and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.
4. OJT contracts will generally not be written for low skill jobs that generally would require little or no training.
5. Per WIOA regulations (20 CFR 683.200(g)), "no individual may be placed in an employment activity if a member of that person's immediate family is directly supervised by or directly supervises that individual." For the purpose of this policy, the term "immediate family" includes a spouse, child, son-in-law, daughter in-law, parent, mother-in-law, father-in-law, sibling, brother-in-law, sister-in-law, aunt, uncle, niece, nephew, stepparent, stepchild, grandparent, and grandchild.

#### ***WIOA OJT Length***

The maximum time frame for an OJT is 6 months. Duration of an OJT is a function of training needed, NOT the maximum allowed under this policy. South Central Kentucky Workforce Development Board staff and/or vendor staff should consult with the employer and utilize the Occupational Information Network's (ONET) Specific Vocational Preparation Range (SVP) to determine the appropriate occupational training needed. Using the SVP provided by ONET, the following duration times are recommended in addition to the participants past skill and experience.

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<sup>2</sup> 20 CFR 680.700

<sup>3</sup> 20 CFR 680.710

LEVEL	TIMEFRAME
Level 1	<1 month
Level 2	1 month
Level 3	>1 month - 3 months
Level 4	>3 months - 6 months
Level 5	>6 months
Level 6	>6 months
Level 7	>6 months
Level 8	>6 months
Level 9	>6 months

At the time of completion of the OJT program, individuals must be employed in occupations that meet the following criteria:

1. Hourly wage must be at the self-sufficient wage.
2. Occupation must be in one of the high demand and high growth or high wage targeted industry sectors.
3. The occupations must be a full time permanent position following the training (minimum of 32 hours per week).

With assistance from WDB contract staff, participating employers must guarantee that:

- a) All participants shall be provided benefits and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work. This will include UC coverage where the employer is normally required to provide such coverage to its employees.
- b) The position provides the participant benefits per company policy (i.e. insurance, paid leave, profit sharing) other than those required by law.
- c) Employees who have financial responsibilities related to the receipt and disbursement of funding under the Agreement shall be covered by fidelity bonding.
- d) The training to be provided will be in accordance with WIOA 181(a)(1)(A) and 683.275 for wage and labor standards. Worker protection requirements are set forth in WIOA Sections 181(a) (1) (A) and (B), (b) (2), (3), (4) and (5) and 188.
- e) The employer agrees to cooperate with monitoring efforts as required by WIOA legislation and adhere to all other applicable local, state and federal rules and regulations.
- f) Funds are not used to directly or indirectly assist, promote or deter union organizing.
- g) The employer agrees to respond to WDB staff requests for wage and retention information of participants.
- h) The employer commits to retain the trained employees for a period of six months following the completion of training. Failure to do so may result in the employer being ineligible to receive further WDB training funds for a period of one year.
- i) If the participating employer(s) has recently relocated, resulting in the loss of employment of any employee of such business at the original location in the U.S., incumbent worker training contracts may not be granted to the employer until after 120 days have passed since the relocation.

### ***Referrals***

For each OJT contract developed, the source of job applicant referrals can be the agency responsible for the development of the OJT subcontract, other partner agencies, or the employer. Employers will have the final selection authority for individuals to be hired. All trainees

must meet eligibility criteria before training can begin. Reverse referral of potential OJT trainees by employers will be considered, but not automatically accepted into the OJT program. All OJT trainees must meet WIOA participation requirements. OJT employers must agree to accept referrals and agree to interview other WIOA applicants for the OJT in addition to the employer-referred participant.

**Customer Service**

It is expected that the Business Services staff of Kentucky Career Centers will assist the employer in providing all the information and in filling out the required forms. It is not acceptable to send the employer the forms and expect them to fill them out. The process developed must be seamless and 'lean' for the employer.

**OJT Forms**

The following form must be completed.

- On-the-Job Training (OJT) Contract with Training Plan (Attachment A)

**Funding**

WIOA OJT payments (including retention payments when authorized) in excess of \$5,000 must be approved by the WDB Director.

**Recordkeeping**

The following records should be maintained in the OJT participant/trainee's file:

- Verification of WIOA Program Eligibility
- Completed OJT Monitoring Guide
- Objective Assessment Results (including work history)
- Individual Employment Plan (IEP)
- Correspondence/Case Notes
- Needs Assessment Form
- Certificate of Completion
- OJT Employer Information Form
- Copy of OJT Contract
- Copies of Monthly Time Record and Progress Report

**REFERENCES:**

- WIOA Section (3)(44); WIOA Section 134(c) (3)(h)
- 20 CFR 680.530; 20 CFR 680.700; 20 CFR 680.710; 20 CFR 680.730; 20 CFR 680.740
- Kentucky Career Center, Eligibility Training Provider Listing Policy, Policy Number: 16-014, Effective Date: Jul 1, 2016
- WDB Adult and Dislocated Worker Eligibility Policy (#2016-08)

Approved:

3-17-2017  
Date of WDB Approval

2-23-2017  
Date of Governance  
Committee Approval

Signed by:

  
Ron Sowell, WDB Chairman

## SOUTH CENTRAL WDB: OJT Policy Attachment A On-the-Job Training (OJT) Contract with Training Plan

OJT Contract No:

### Section 1: Contact Information

Complete the contact information for the OJT Provider and the Employer.

<b>Enter Name of OJT Provider</b>	CONTACT PERSON:	TELEPHONE #:
ADDRESS:	EMAIL:	FAX #:
EMPLOYER NAME:	F.E.I.N. #	IF EMPLOYER IS A CORPORATION: KENTUCKY STATE #:
EMPLOYER ADDRESS:	CONTACT PERSON:	EMAIL:
	TELEPHONE #:	FAX #:

### Section 2: Trainee Information

Complete the contact information for Trainee and reimbursement rates.

TRAINEE NAME:	LAST 4 DIGITS OF SOCIAL SECURITY #:	TELEPHONE #:	
BEGINNING DATE:	END DATE:	TOTAL TRAINING HOURS:	
JOB TITLE:	O*NET SOC #:	O*NET JOB ZONE:	
JOB DESCRIPTION:			
HOURLY WAGE RATE: \$	REIMBURSEMENT RATE: %	MAXIMUM REIMBURSEMENT: \$	
LABOR MARKET OUTLOOK:			
REQUIRED JOB SKILLS TO BE LEARNED:	ESTIMATED TRAINING HOURS:	START DATE	COMPLETION DATE
1. SKILL TO BE LEARNED	ESTIMATED TRAINING HOURS	START DATE	COMPLETION DATE
2. SKILL TO BE LEARNED	ESTIMATED TRAINING HOURS	START DATE	COMPLETION DATE
3. SKILL TO BE LEARNED	ESTIMATED TRAINING HOURS	START DATE	COMPLETION DATE
4. SKILL TO BE LEARNED	ESTIMATED TRAINING HOURS	START DATE	COMPLETION DATE
5. SKILL TO BE LEARNED	ESTIMATED TRAINING HOURS	START DATE	COMPLETION DATE
TOOLS, UNIFORMS, SUPPLIES NEEDED FOR TRAINING:			

### Section 3: OJT Agreement

This On-the-Job Training ("OJT") Agreement ("Contract") is between (enter.name of OJT Provider) (hereinafter "Provider" and (Name of Employer) (hereinafter "Employer"). Both parties agree to the terms and conditions set forth within this Contract, including Exhibit A (WIOA Requirements) and

Certifications attached hereto. The Contract term commences on (Enter Start Date) and terminates on (Enter End Date), unless extended or sooner terminated in accordance with Section 4, Part 19 of this Contract.

## **Section 4: General Terms and Conditions**

### **CONTRACT PURPOSE**

The purpose of this Contract is to establish the general terms and conditions under which the Provider may refer individual Workforce Innovation and Opportunity Act ("WIOA") participants (the "Trainee") to the Employer to enable WIOA participants to take part in an OJT as that term is defined under WIOA.

### **OJT DEFINITION**

In accordance with WIOA Section 101 (31), the term "on-the-job training" means training by an employer that is provided to a paid Trainee while engaged in productive work. This training will:

- a) Provide knowledge or skills essential to the full and adequate performance of the job;
- b) Qualify for reimbursement to the Employer of up to Enter Percentage of the wage rate of the Trainee, for the extraordinary costs of providing the training and additional supervision related to the training; and
- c) Limit the OJT Contract period of time for a Trainee to become proficient in the occupation for which the training is being provided. In determining the length of the training, consideration should be given to the skill requirements of the occupation, the academic and occupational skill level of the Trainee, the prior work experience of the Trainee, and the individual employment plan, as appropriate.

### **TRAINING**

1. Employer agrees to employ the Trainee and develop a training plan for the Trainee that includes competencies needed to be satisfactorily skilled in the OJT position.

### **FISCAL**

1. Upon receipt and verification of payroll records submitted by Employer to the Provider no later than the fifteenth (15<sup>th</sup>) day following the end of the month in which costs are incurred, Provider shall reimburse Employer on a (Enter a term such as a monthly or bi-monthly) basis in an amount not to exceed the maximum reimbursement set out in Section 2 "Trainee Information" for extraordinary costs of training provided by the Employer to Trainee ("Compensation Amount"). Failure to submit requests for reimbursement within ninety (90) days of the incurred cost may result in the forfeiture of the reimbursement.
2. Employer agrees to maintain adequate written time and attendance, payroll, and other records to support amounts reimbursed under the OJT Contract.
3. Employer agrees that records which are directly related to the OJT Contract are subject to review, monitoring, and audit by the Provider, the local, state and/or the federal government, at any time and without prior notice to the Employer.
4. Employer shall preserve all OJT Employee payroll records, fringe benefits and personnel records for three (3) years from the date of final payment for each fiscal year.

## **INSURANCE**

Employer, at Employer's sole cost and expense, shall procure and maintain for the duration of this agreement insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, the performance of the services hereunder by Employer, its agents, representatives, employees or subcontractors.

### **1. Minimum Scope of Insurance**

Coverage shall be at least as broad as:

- a. The coverage provided by Insurance Services Office Commercial General Liability coverage ("occurrence") Form Number CG 0001; and
- b. *Applicable only if vehicles used in the course of training and/or instructors driving during instructions-*

The coverage provided by Insurance Services Office Form Number CA 0001 covering Automobile Liability. Coverage shall be included for all owned, non-owned and hired automobiles; and

- c. Workers' Compensation insurance as required by the Kentucky Labor Code and Employers' Liability insurance; and
- d. *Applicable only if Professional training is being provided such as, but not limited to: Medical, Cosmetology (Beauty Shop or Barber Shop), Massage Therapy, Scientific, Legal, Real Estate, Accounting or other licensed training as necessary – Professional Liability Errors and Omissions.*

### **2. Minimum Limits of Insurance**

EMPLOYER shall maintain limits no less than:

- a. Commercial General Liability: \$1,000,000 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
- b. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage; and
- c. Workers' Compensation and Employers' Liability: Workers' Compensation limits as required by the Kentucky Labor Code and Employers' Liability limits of \$1,000,000 per accident; and
- d. Professional Liability Errors and Omissions \$1,000,000 per occurrence/Aggregate Limit.

## **EMPLOYER ASSURANCES**

1. Employer shall provide worker's compensation coverage as required by the Kentucky Labor Code and Employer's Liability Insurance for OJT Trainees.
2. If the OJT is provided to one of the Employer's current employees, the Employer verifies that the OJT will relate to the introduction of new technologies, introduction to new production or service procedures, or is an upgrade to a new job that requires additional skills, and that the OJT position will provide the OJT Trainee with additional wages, hours or benefits.



3. Employer certifies that the company is financially solvent on the date of this Contract, and the Employer's best projection is that they will remain financially able to meet the Contract's obligations at the end of the training period, including OJT Trainee's retention.
4. Employer agrees that wage and labor standards will be adhered to and shall pay the OJT Trainee at the same rates, including increases, and benefits as trainees or employees who are situated in similar jobs. Such rates shall be in accordance with applicable law, but in no event less than the higher of the rate specified in Section 6(a)(1) of the Fair Labor Standards Act of 1938 or the applicable state or local minimum wage law. (WIOA Sect. 181(a)(1)(A))
5. Conditions of employment and training will be in full accordance with all applicable federal, state, and local laws and ordinances (including but not limited to anti-discrimination, labor and employment laws, environmental laws or health and safety laws). (29 CFR 37.38(b))
6. Employer certifies that the OJT will not impair existing agreements for services or collective bargaining agreements and that either it has the concurrence of the appropriate labor organization as to the design and conduct of an OJT, or it has no collective bargaining agreement with a labor organization that covers the OJT position.
7. Employer assures that they have not been debarred or suspended in regard to federal funding, as certified in Certification 1.1, attached and incorporated into this Contract. (29 CFR Part 98)
8. Employer further assures that OJT funds will not be used to assist, promote or deter union organizing. (20 CFR 663.730)
9. Employer certifies that no member of the OJT Trainee's immediate family is engaged in an administrative capacity for the Employer, or will directly supervise the OJT Trainee. For the purpose of this Contract, immediate family is defined as spouse, children, parents, grandparents, grandchildren, brothers, sisters or person bearing the same relationship to the OJT Trainee's spouse. (20 CFR 667.200(g))
10. Employer assures that the OJT Trainee(s) will not be employed to carry out the construction, operation or maintenance of any part of a facility that is used or to be used for sectarian instruction or as a place for religious worship. (29 CFR 37.6(F))
11. Employer assures that the OJT Trainee has not been hired into or will remain working in any position when any other person is on layoff from the same or a substantially equivalent job within the same organizational unit or has been bumped and has recall rights to that position, nor if the OJT is created in a promotional line that infringes on opportunities of current employees. (20 CFR 667.270)

### **TERMINATION**

This Agreement may be terminated in whole or in part under any of the following circumstances:

1. Termination for Convenience. Provider may, through Provider Director, terminate this Agreement without cause by giving Employer thirty (30) calendar days written notice.
2. Termination for Cause. Each of Employer's obligations under this Agreement shall be deemed material. If Employer fails to perform any of its obligations under this Agreement, or any other AGREEMENT with Provider, Provider may terminate this Agreement upon ten (10) days advance notice ("Notice Period") to Employer, specifying Employer's breach and providing Employer with

the opportunity to cure the specified breach within the Notice Period or in those instances where the specified breach cannot reasonably be cured within the Notice Period, the opportunity to commence to cure the specified breach. In the event Employer fails to cure or to commence to cure the specified breach within the Notice Period, this Agreement shall be terminated. Without limiting the generality of the foregoing, the occurrence of any one of the following events shall constitute a default of this Agreement for which Provider may exercise its right of termination:

- a. Employer's breach of any of the representations or warranties contained in this Agreement;
  - b. The occurrence of any of the events set forth in Section 3 for suspension or termination of Provider's payment of Services.
3. In the event of termination under this Section, Employer shall have the following obligations:
- a. No later than thirty (30) days following the date of termination Employer shall refund to Provider any unused portion of the Reimbursement Amount, except that Employer shall have no obligation to refund to Provider any portion of the Compensation Amount spent as of the date of termination in accordance with the terms of the Agreement. Employer shall also provide Provider with a written report detailing the expenditures, if any, from the Compensation Amount, including an accounting of its administrative expenses to the date of termination.  
  
Nothing in this Agreement shall be deemed to be a waiver of Provider's right to recover from Employer any portion of the Compensation Amount that has not been spent in accordance with this Agreement. Upon receipt, Employer will be paid for services performed and reimbursable expenses incurred in compliance with the terms of this Agreement to date of termination.
  - b. Upon termination, Employer shall immediately deliver to Provider any and all copies of materials used or developed including, but not limited to, all data collection forms, reports, studies and other work performed, whether or not completed by Employer or Employer's subcontractor, if any, under this Agreement.
4. Provider Director is authorized to terminate this Agreement on Provider's behalf.
5. Provider may, at its sole option, pursue a course correction process with Employer to address issues with Employer's performance under this Agreement. However, Provider is under no obligation to pursue a course correction prior to exercising its rights to suspend payment to Employer or to terminate this Agreement. Nothing in this Agreement shall be construed so as to deprive Provider of its rights and remedies at law or in equity against Employer.

#### **ADDITIONAL TERMS**

1. In the event that suit shall be brought by either party to this contract, the parties agree that venue shall be exclusively vested in the state courts of the City of Bowling Green, or if federal jurisdiction is appropriate, exclusively in the United States District Court, Kentucky.
2. Employer understands and agrees that the assurances contained in this Agreement are material representations upon which Provider does and will continue to rely upon as the basis for entering into this Agreement. Employer understands and agrees that any act or omission which is inconsistent with these assurances shall be deemed a material breach of this Agreement, and cause for immediate termination pursuant to Section entitled "TERMINATION". Employer shall immediately notify Provider of any change in facts or circumstances related to these assurances.
3. Employer represents and warrants that the information contained in this Agreement is true and accurate to the best of its knowledge; that it is duly organized to operate under the laws of the State of Kentucky; that its signatory to this Agreement is authorized to execute this Agreement.
4. It is understood and agreed that Employer in the performance of this Agreement, shall not act nor is it at any time authorized to act, as the agent or representative of the Provider or the City of Bowling Green, or the Workforce Development Board in any matter. Employer further agrees that it will not in any manner hold itself out as the agent or representative of the Provider or the City of Bowling Green, or the Workforce Development Board or act in such a fashion as would give the impression to a reasonable person that Employer is acting in such a capacity.
5. It is understood and agreed that Employer and Employer's employees, in the performance of the work and services agreed to be performed by Employer, shall act as and be an independent contractor and not an agent or employee of the Provider or City of Bowling Green or the Workforce Development Board; and as an independent contractor, Employer shall obtain no rights to retirement benefits or other benefits which accrue to Provider's employees, and Employer and Employer's employees hereby expressly waive any claim it/they may have to any such rights.
6. The Employer does hereby acknowledge and agree to indemnify and hold the (OJT provider) harmless from and against liabilities, claims, losses, and expenses, including attorney's fees, which arise out of or result from (i) the violation of the Employer's duties and responsibilities under this Contract, or (ii) any and all claims for violation of any federal and/or state wage, hour and labor standards statutes. The Employer is also liable to repay any debts, sanctions, or disallowed costs that may be incurred as the result of Employer's performance, or lack thereof, of this Contract.
7. If any provision of this Contract, or its application to any person, place or circumstance, is held by a court of competent jurisdiction, if applicable, to be invalid, unenforceable or void, such provision will be enforced to the greatest extent permitted by law, and the remainder of this Contract and such provision as applied to other persons, places and circumstances will remain in full force and effect.
8. This Contract supersedes any and all prior agreements relating to the subject matter hereof, written or oral, and represents the entire agreement between the parties hereto, with respect to the subject matter hereof. This Contract may not be changed, added to or otherwise modified except by a writing by each and every party hereto or any representatives thereof.
9. The parties cannot assign this Contract, or their respective obligations thereunder, without prior written consent of the other party, which shall not be unreasonably withheld.

10. This Contract may be executed in counterparts, and each counterpart shall have the same force and effect as an original and shall constitute an effective, binding agreement on the part of each of the undersigned.

**Section 5: Signatures**

The parties hereby agree to all terms and conditions in this Contract.

**Authorized Signatures**

DATE:

EMPLOYER SIGNATURE:

TYPE/PRINT NAME:

TITLE:

DATE:

(OJT PROVIDER) SIGNATURE:

TYPE/PRINT NAME:

TITLE:

**Section 6: Concurrence of the Collective Bargaining Agent**

*Complete this information in regards to if the employment and training is subject to a collective bargaining agreement.*

11. Is the occupation in which the OJT is being offered subject to a collective bargaining agreement?  YES  NO

12. If yes, please indicate the name, title, and union affiliation of the appropriate bargaining representative.

BARGAINING REPRESENTATIVE'S NAME:

SIGNATURE:

BARGAINING REPRESENTATIVE'S TITLE:

UNION AFFILIATION:

**EXHIBIT A**  
**WIOA REQUIREMENTS**

**A. OJT Requirements**

1. Training for each Trainee will be no longer than 1040 hours. Trainees will be full-time employees, described as working a minimum of thirty (30) hours per week. Trainees must be paid the base wage identified in Section 2 of this Contract for the duration of the Training. The wage and benefits must be equal to those provided to regular employees who have worked a similar length of time and are doing the same type of work.
2. Employer understands that OJT wage reimbursement payments will not be based upon overtime, shift differential, premium pay and other non-regular wages, including payments on behalf of client to any benefit plans, nor will the payments be based on such periods of time as illness, holidays, plant downtime, or other events in which no On-the-Job Training occurs.
3. Successful completion of OJT shall result in the issuance of a written certification recognizing the participants' competency in the job-related skills specified in each participant's OJT Training Plan. The Employer's Training Program must result in:
  - a nationally recognized credential, or
  - an industry recognized credential, or
  - An Employer-issued certificate may be used upon prior approval by Director.
4. Upon successful completion of OJT, Employer agrees to give consideration to retain Trainees as full-time employees for a minimum period of ninety (90) days.

**B. Reimbursement Requirements**

1. Employer will submit a reimbursement request to Provider for each month Trainee is in the Training Program no later than the fifteenth (15th) day following the end of the month. Reimbursement requests will include the month the request is for, Trainee's name, last four (4) digits of Trainee's social security number, number of training hours, number of non-training hours, rate of pay, total amount requested, and Trainee's signature. Copies of payroll records such as timecards must accompany each request for reimbursement. Payroll records must clearly indicate dates and times worked by Trainee, and the number of reimbursable hours and number of non-reimbursable hours. In the final month of training, Employer shall submit verification of payroll records in addition to a copy of the certificate of competency for each Trainee named on the final request for wage reimbursement.
2. Provider shall not be obligated under this Contract to pay Employer for any expense that is not allowable. Allowable shall mean that the expense is: 1) actually incurred by

Employer; 2) reasonable and necessary for the purpose of providing services and conducting a Training Program; 3) allocable to a WIOA cost category; 4) permitted in the budget; and 5) authorized and permitted under federal, state and local laws and regulations.

3. Employer shall establish and maintain a system of financial record keeping which complies with applicable laws, rules and regulations, and with generally accepted accounting principles relevant to entities receiving WIOA funds.
4. Employer shall have available nonfederal resources, and resources other than those received from the Provider, readily convertible to cash in an amount to repay Provider all disallowed costs incurred in connection with this Contract, which resources shall be accessible to Provider during the entire retention period, and for one (1) year thereafter.
5. **Certification Required for Fiscal Reports or Cash Requests.** Pursuant to 2 C.F.R. § 200.415, annual and final fiscal reports or vouchers requesting payment under this Contract must include a certification, signed by an official who is authorized to legally bind Employer, which reads as follows: "By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729–3730 and 3801–3812)."

**C. General WIOA Provisions**

1. **General**  
Employer shall comply with the applicable requirements of the Workforce Innovation and Opportunity Act (WIOA), and with applicable regulations, policies, guidelines, Office of Management and Budget (OMB) circulars, and field memoranda promulgated by United States Department of Labor (DOL), the State of Kentucky, and/or any legislation which may replace the WIOA, and all other applicable federal, state and local rules, regulations and laws.
2. **Grievance Procedure**  
Employer shall establish, seek Provider approval for, and distribute to all Trainees a written description of its procedures for resolving Trainee grievances and complaints. Said procedure shall be subject to approval by the Provider, and comply with applicable WIOA laws and regulations.
3. **Nondiscrimination**  
Employer is prohibited from discriminating on the ground of race, color, creed, religion, sex, sexual orientation, actual or perceived gender identity, marital status, family status (minor children or no minor children), national origin, ancestry, age, disability, political affiliation or belief, and for participants only, citizenship or participation in programs or

activities funded under this Contract, in admission or access to, opportunity or treatment in, or employment in the administration of, or in connection with, any program or activity funded under this Contract.

As a condition to the award of financial payment, Employer assures, with respect to operation of this funded program or activity and all agreements or arrangements to carry out this program or activity, that it will comply fully with all nondiscrimination and equal opportunity statutes and regulations including, but not limited to, the following: Section 188 of the WIOA; Title VI and VII of the Civil Rights Act of 1964, as amended; Americans with Disabilities Act of 1990, as amended; Section 504 of the Rehabilitation Act of 1973; Title IX of the Education Amendments of 1972; Age Discrimination Act of 1975; Kentucky Fair Employment and Housing Act, Government Code Sections 12900 et seq.; Kentucky Labor Code Sections 1101, 1102, and 1102.5; Executive Orders 11246 and 11375 supplemented in Department of Labor Regulation 41 C.F.R. Part 60; 29 C.F.R. Part 37, and with all applicable requirements imposed by or pursuant to regulations implementing those laws. Federal, state, and local governments shall have the right to seek judicial enforcement of this nondiscrimination assurance.

**4. Accessibility**

Employer shall comply with all applicable laws including, without limitation, the Americans with Disabilities Act (ADA), as it applies to Employer, and those laws that govern health and safety, accessibility to persons with disabilities, and prevention of unhealthy conditions.

**5. Lobbying Restrictions**

Employer assures and certifies in CERTIFICATION 1.2 that no federal appropriated funds have been paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with this Contract, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

**6. Drug-Free Workplace**

Employer assures and certifies under penalty of perjury that it will comply with the requirements of the government-wide requirements for a drug-free workplace codified in DOL Regulations, including but not limited to, 29 C.F.R. Part 94 and the State of Kentucky's Drug-Free Workplace Act of 1990 (Government Code §§ 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code § 8355(a)(1).
- b. Establish a Drug-Free Awareness Program as required by Government Code § 8355(a)(2) to inform employees about all of the following:
  - i. The dangers of drug abuse in the workplace; and
  - ii. Employer's policy of maintaining a drug-free workplace; and

- iii. Any available counseling, rehabilitation and employee assistance programs; and
  - iv. Penalties that may be imposed upon employees for drug abuse violations.
- c. Provide, as required by Government Code § 8355(a)(3), that every employee who works on services under this Contract:
- i. Will receive a copy of Employer's drug-free policy statement; and
  - ii. Will agree to abide by the terms of Employer's statement as a condition of employment.
- d. Failure to comply with these requirements may result in suspension of payments under this Contract or termination of this Contract or both, and Employer may be ineligible for award of future agreements if Provider determines that either of the following has occurred:
- i. False certification; and/or
  - ii. Violation of the certification by failing to carry out the requirements as noted above.
- 7. Environmental**  
Employer shall comply with all applicable standards, orders, and requirements relating to energy efficiency contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871), Section 306 of the Clean Air Act (42 U.S.C. § 7606), Section 508 of the Clean Water Act (33 U.S.C. § 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 C.F.R. Part 31).
- 8. Federal Ownership of Materials/Copyrights**  
The federal government reserves a royalty-free, nonexclusive and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for federal government purposes: (1) the copyright in any work developed under this Contract; and (2) any rights of copyright to which Employer purchases ownership with WIOA grant funds received under this Contract. Further, the federal, state, and city governments shall have access to any report, preliminary findings or data assembled by Employer under this Contract and the federal government shall retain ownership and patent rights to any discovery or invention under this Contract, as provided in 29 C.F.R. Section 95.48, Appendix A-5, 29 C.F.R. Section 97.34, and 29 C.F.R. Section 97.36(i)(8)-(9).
- 9. Salary and Bonus Limitations**  
In compliance with Public Law 109-234, none of the funds appropriated in Public Law 109-149 or prior Acts under the heading "Employment and Training" that are available for expenditure on or after June 15, 2006, shall be used by a recipient or sub recipient of such funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of Executive Level II, except as provided for under section 101 of Public Law 109-149. This limitation shall not apply to contractors providing goods and services as defined in OMB Circular A-133. Where States are recipients of such funds, States may establish a lower limit for salaries and bonuses of those receiving salaries and bonuses from sub recipients of such funds, taking into account factors including the relative cost-of-living in the States and the compensation



levels for programs involved including Employment and Training Administration programs. See Training and Employment Guidance Letter number 5-06 for further clarification.

The incurrence of costs and receiving reimbursement for these costs under this award certifies that your organization has read the above special condition and is in compliance.

**CERTIFICATIONS**

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**Cert. 1.1  
DEBARMENT AND SUSPENSION CERTIFICATION**

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**Instructions for Certification**

1. By signing and submitting this proposal, the prospective recipient of federal assistance funds is providing the certification as set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies to the federal government, the Department of Labor (DOL) may pursue available remedies, including suspension and/or debarment.
3. The prospective recipient of federal assistance funds shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective recipient of federal assistance funds learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction", "debarred", "suspending", "ineligible", "lower tier covered transaction", "participant", "person", "primary covered transaction", "principal", "proposal", and "voluntarily excluded", as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549.
5. The prospective recipient of federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DOL.
6. The prospective recipient of federal assistance funds further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may but is not required to check the List of Parties Excluded from Procurement or Non-Procurement Programs.

- 8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
  
- 9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the DOL may pursue available remedies, including suspension and/or debarment.

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**Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions**

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This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 C.F.R. Section 98.510, Participants' Responsibilities (updated and amended at 29 C.F.R. § 98.300 et seq.). The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

**(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS FOR CERTIFICATION)**

- 1. The prospective recipient of federal assistance funds certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
  
- 2. Where the prospective recipient of federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

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SIGNATURE

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DATE

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NAME and TITLE of AUTHORIZED REPRESENTATIVE

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ORGANIZATION

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**Cert. 1.2**  
**LOBBYING CERTIFICATION**  
**(For Contracts, Grants, Loans and Cooperative Agreements)**

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The undersigned certifies, to the best of his/her knowledge and belief, that:

1. No Federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.
2. If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL "Disclosure Form to Report Lobbying" in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. Section 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

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SIGNATURE

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DATE

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NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

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ORGANIZATION