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TO: Program Managers, SETA-Funded Service Providers,
Site Supervisors, Sacramento Works Job Centers of California
(SWAJCCs)

FROM: Kathy Kossick, Executive Director

SUBJECT: On-the-Job Training/Subsidized Employment (OJT/
SE) Policy – WIOA Directive #WDD19-2

Purpose

This directive provides policy guidance for the On-the-Job Training/Subsidized Employment (OJT/SE) program.

On-the-Job Training/Subsidized Employment provides job seekers with work experience and skills training needed to successfully obtain and retain employment. OJT/SE is a “hire first” program that provides a subsidy of the wages paid by an employer during the training period, resulting in permanent, unsubsidized employment and the completion of the training.

Effective Date

This directive is effective on the date of issuance.

REFERENCES

- Workforce Innovation and Opportunity Act (WIOA) (Public Law 113-128)
- Title 20 Code of Federal Regulations Parts 680 and 683
- State of California, Employment Development Department (EDD), Workforce Services Directive WSD15-09, *Impact of WIOA Implementation on Waivers Approved under WIA* (November 20, 2015)
- State of California, Employment Development Department (EDD), Workforce Services Directive WSD15-14, *WIOA Adult Program Priority of Service* (January 22, 2016)
- Affordable Care Act (ACA) (Public Law 113-128)
- California Assembly Bill (AB) 1522, “HWHFA”, Statutes of 2014
- State of California Employment Development Department (EDD) Workforce Services Directive WSD15-26, *Subsidized Employment and Employee Benefits* (June 3, 2016)

POLICY AND PROCEDURES

1. Eligibility and Priority of Service:

For policy guidelines on eligibility, see SETA WIOA Directive, *Eligibility, Data Collection and Documentation*.

For policy guidelines on Priority of Service for WIOA Adults, see SETA WIOA Directive, *WIOA Title I Adult Priority of Service*.

2. Enrollment Procedures for OJT/SE trainees:

Customers can be enrolled into an OJT/ SE program through a referral from a SWAJCC, the Department of Human Assistance (DHA), an employer, or through a service provider. Regardless of where the referral originates, customers must be informed of services and activities before enrollment.

SWAJCC Referrals - Customers who are referred to OJT/SE providers by SWAJCC staff must be assessed for eligibility prior to referral. After eligibility is verified and documented, the final determination of suitability is made by the service provider and the employer. The SWAJCC staff will be responsible for ensuring that the enrollment into OJT/SE is communicated to the staff and/or site supervisor of the referring SWAJCC.

Employer Referrals - It is allowable for an employer with a hiring need to send an individual to a SWAJCC for an eligibility and verification determination and then hire the individual through an OJT/SE contract. However, all of the conditions of this policy directive must be met.

OJT/SE Service Provider Referrals - The service provider will contact staff designated by SETA (eligibility staff or the SETA DHA liaison) to verify WIOA Adult, WIOA DW, CalWORKs, or other discretionary or local grant eligibility. When the final determination of suitability is made by the provider and the employer, the service provider must ensure that the enrollment into OJT/SE is communicated to the staff and/or site supervisor at the SWAJCC.

For guidelines on the SWAJCC customer flow, see SETA WIOA Directive, *Customer Flow*.

Service providers are required to utilize SETA's standard contract form, *SETA OJT/SE Contract*, including the *OJT/SE Policies and Procedures*, *OJT/SE and Trainee Information Form*, and the *Elements of Training/Monthly Evaluation Form* when entering into an OJT/SE opportunity with an employer.

3. Supportive Services/Script:

For WIOA, discretionary, and local grant supportive services and script guidelines, see SETA WIOA Directive, *Financial Assistance Award*.

4. Completion of OJT/SE:

- a) **Unsubsidized Employment** - Within five days of the completion of training and obtaining unsubsidized employment, the Placement Form must be submitted to SETA staff to enter the closure information (employment outcomes). Service Providers must close/end all activities to ensure trainee's exit from the CalJOBS system, the State of California's electronic participant tracking and case management system, occurs on schedule.
- b) **Continued Employment Services** - If the completion of an OJT/SE does not result in a trainee's transition to unsubsidized employment, service providers may continue providing job placement services to the customer. OJT/SE Service Providers should note that "Customer is continuing employment services" and extend the grant enrollment in CalJOBS.
- c) **Termination Without Employment** - OJT/SE service provider staff have the discretion to exit a customer through an auto exit if the customer contact is lost or no other services are provided. Service provider must ensure all activity end dates are complete in CalJOBS. If staff continues to work with the customer, the service provider must enter appropriate activity code(s) in CalJOBS to prevent a premature auto exit.

5. Follow-up Services:

After the completion of the OJT/SE, the service provider must provide the trainee follow-up services for 12 months from date of entry into unsubsidized employment. All follow-up must be documented in CalJOBS case notes.

For further details and guidelines on follow-up services, see SETA WIOA Directive, *Customer Flow*.

ACTIONS

Bring this directive to all relevant parties.

INQUIRIES

For questions on this policy directive contact Michelle O'Camb at Michelle.Ocamb@seta.net.

Attachments indicated below support this policy directive and SETA's OJT/SE Policies and procedures. All attachments have been made available on SETA's website at www.SETA.net, or may be accessed by clicking the link below:

- [SETA On-the-Job Training/Subsidized Employment \(OJT/SE\) Contract](#)
- [OJT/SE Policies and Procedures \(Attachment A of the OJT/SE Contract\)](#)
- [OJT/SE and Trainee Information Form \(Attachment B of the OJT/SE Contract\)](#)
- [Elements of Training/Monthly Evaluation \(Attachment C of the OJT/SE Contract\)](#)
- [OJT/SE Contract Checklist](#)
- [OJT/SE Tiered Employment Reimbursement Rates](#)
- [OJT/SE Timesheet](#)
- [OJT/SE Contract Modification Request](#)