

On-the-Job Training (OJT) Hiring Guidance

July 2018

Purpose: To provide staff with information on DVR On-the-Job Training (OJT) policy and procedure, and detail required steps for authorizing and providing the service.

Rationale: On a case-by-case basis, the Division of Vocational Rehabilitation (DVR) can reimburse an employer for wages paid to a DVR consumer. This service is for employers who permanently hire DVR consumers needing assistance in learning job skills above and beyond what is needed for the average starting employee.

Definition: An OJT provides a 50 percent reimbursement of wages an employer pays to a permanently-hired DVR Consumer. The reimbursement is intended to assist the employer with costs of training the DVR Consumer on skills necessary to work for the employer long-term.

Required OJT Hiring Discussion with Consumer: When considering an OJT, before moving forward Counselors must cover each point below to ensure the Consumer understands the information. Best practice is to document the outcome of the discussion related to each item.

- Provide guidance and counseling to Consumer regarding job development options.
- Describe the opportunity for DVR to provide a training incentive to an employer who offers Consumer a permanent position in accordance with their IPE goal.
- Explain that an employer will be offered training funds of 50 percent of wage costs for up to 90 days if the business provides invoicing with a completed progress report.
- Explain that by participating, Consumer will be disclosing their association with DVR to the employer. Ensure Consumer is comfortable with this and agrees to move forward.
- Explain that Consumer must review and sign-off on the employer's progress report prior to it being submitted to DVR.

OJT Hiring Initiative Approval Considerations

The following must be considered before approving an OJT through DVR:

1. The training is for a job that meets the DVR Consumer's IPE goal.
2. Wage and fringe benefits are compensated at or above the minimum wage, and not less than the customary wage and level of benefits paid by the employer to others performing similar work.
3. Work hours must meet the DVR Consumer's needs, and may be part-time or full-time up to 40 hours per week.
4. The DVR Consumer is considered a permanent employee and the employer agrees to maintain the employment and pay the wage and fringe in full following the training.

Case Service Procedures

Prior to an OJT, the DVR Counselor must provide the Consumer with information to make an informed choice about their need for an OJT and the need for the employer to receive training funds for 90 days.

If the Consumer agrees to participate, the DVR Counselor:

1. Includes the service in the IPE.
2. Advocates on behalf of the job seeker to offer training funds for up to 90 days to a specific employer.
3. When applicable, informs the authorized job placement vendor to offer training funds for up to 90 days of training to the employer for the Consumer.

Note: While a provider may approach an employer to discuss and offer training funds, a DVR representative is responsible for negotiating and completing the OJT agreement form with the employer.

OJT Initiation Steps through Case Closure

- The DVR Consumer, employer, and DVR representative complete the OJT Agreement and Training Plan.
- DVR gives the monthly OJT invoice and evaluation forms to the employer.
- Employer places Consumer on the company's payroll, providing wage and fringe benefits usual and customary for duties to be performed by Consumer, subject to the employer's policies. All onboarding paperwork (W-2 and I-9 forms) is completed as is customary for all employees of the employer.
- DVR staff sends the completed and signed [OJT Hiring Initiative Agreement](#) (DVR-16561-E) to DVR Scanning.
- For Consumers placed by a job development service provider, the job developer provides retention services in accordance with the DVR authorization and technical specifications during the training period. The service provider is paid upon completion of the OJT.
- For Consumers self-directing their job search, the Consumer's DVR Counselor provides retention services to Consumer during the training period.
- Following the completion of an OJT, DVR staff provide retention services by establishing regular contact with the employer and Consumer for 90 days after the OJT has ended.
- Consumer's DVR Counselor closes the case successfully after Consumer has been paid 100 percent of their wages by the employer for 90 days.

Fiscal Procedures

Employer Set-up in STAR: Before the start of the OJT, DVR staff must verify that the employer is set up as a vendor in STAR, and if not, DVR staff must follow the instructions for new and existing vendors. See [DVR's Vendor Instructions](#) for more information.

Complete the W-9: OJT vendors only need to complete the W-9 form. Sufficient time should be planned for completion of the W-9 and entry into STAR. Remember to write "OJT" on top of the W-9 form and indicate "OJT" in the email to [DWD MB DO Vendors](#).

Import into IRIS: A purchase order cannot be approved until the employer is approved in STAR and imported into IRIS.

Questions: For questions regarding if an employer has been entered STAR, staff can send an email to: [DWD MB DO Vendors](#).

OJT Purchase Orders (POs)

- All the OJT Hiring Initiative POs should be coded 058. See sample PO language in the next section.
- DVR issues a PO to the employer prior to the start of the OJT for reimbursement of 50 percent of wages paid as described in the OJT Agreement for up to 90 calendar days of training.
- PO receiving is completed monthly upon review of the monthly progress report.

NOTE: Employer's monthly progress report will serve as an invoice.

Invoicing/Payment

- Upon receipt of the [Progress Report/Invoice](#) (DVR-18435-E), DVR staff will Date Stamp and forward copy to CCP for Payment Processing to: [DWD MB DVR Vendor Invoices](#).
- CCP will process and Schedule payment to Employer within 1 business day of receipt.

Example Language for an OJT Purchase Order

*This authorization is for 50 percent of the personnel costs associated with the paid training required for the permanent hire of the individual named above. A total of **XX** hours per week at an hourly rate of **\$XX** is approved for this individual's training.*

Recommendations and Related Considerations

- Consider the Consumer's need for accommodations, rehabilitation technology, and/or short-term job coaching. Add these services to the Consumer's IPE if needed.
- An OJT may not be used in circumstances of job replacement if a company is on strike.
- Consider consultation with local Business Services Teams regarding the employer's track record of layoffs when considering an OJT.
- DVR staff and/or job development service providers should consider offering the Work Opportunity Tax Credit to employers in addition to a DVR OJT Hire.
- Employers should be made aware of the benefits of using [Job Center of Wisconsin](#) (JCW) services for hiring needs.