



STATE OF TENNESSEE
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
DIVISION OF WORKFORCE DEVELOPMENT
220 French Landing Drive
Nashville, TN 37243-1002
(615) 741-1031

Workforce Investment Act Memorandum 12-50

- Topic:** Guidance on requesting Rapid Response State Set-Aside funds for OJT
- Subject:** Program Year (PY) 2011 On-the-Job Training (OJT) Initiative for Dislocated Workers - Funds Available from Tennessee's Workforce Investment Act (WIA), State Rapid Response Allocation.
- Purpose:** To transmit policy and requirements for requesting OJT Initiative Dislocated Workers funds
- Background:** To encourage economic recovery and promote employment opportunities for dislocated workers, there is renewed national, state and local emphasis for OJT. The Division of Workforce Development is making funds available from Tennessee's Rapid Response allocation to address critical needs by providing OJT funding opportunities to Local Workforce Investment Areas (LWIAs).
- To build on the success demonstrated by Tennessee's OJT National Emergency Grant (NEG), a Statewide Rapid Response Initiative outlined in this Issuance will fund OJT programs that (1) help workers obtain valuable skills while taking advantage of new job opportunities; (2) stimulate the local economy by affording participants opportunities to earn livable wages; and (3) encourage businesses to hire workers by offering employer reimbursement for a portion of employees' wages while new employees are in training.
- All Workforce Investment Act regulations must be followed. Specific OJT references include: WIA Public Law 105-220 Sections 101(31)-Definition; 181 (a)(1)(A) and (a)(b)(5); 195 (4); and Federal Regulations 20 CFR Part 663.700-730, 667.266, 667.268, 667.270, 667.272, 667.274 and Tennessee Division of Workforce Development OJT Policy 01-18.
- Instructions:** LWIAs may request OJT Initiative Funds by submitting **Attachment 1 - On the Job Training (OJT) Funds Request for Dislocated Worker Funds from State Rapid Response allocation**, with a detailed description of funding needs to the Division of Workforce Development.

Requests will be accepted, subject to funds available, through June 30, 2012 and may not exceed \$25,000 per request.

OJT Initiative Funds do not include Administrative funds. Participants will be entered into the Case Management and Tracking System (CMATS) and are included in State performance calculations. Funds will be available effective January 1, 2012 and funds must be expended by June 30, 2013.

The OJT Initiative requires each participant to be:

1. a Dislocated Worker, and
2. laid off at some point since January 1, 2008, and
3. determined an appropriate OJT candidate based on an individual's current skills and analysis of acquisition of skills required by employer for competency in the occupation that trainee does not already possess.

Wage cap for reimbursement may not exceed the state average of \$17.96 per hour. While the employee's wage may be higher than \$17.96, the reimbursement cannot exceed the reimbursement percentage applied to a maximum of \$17.96. Duration of the training period for reimbursement may not exceed four calendar months.

Employers must be in the private for-profit and private non-profit sectors. OJT may not be used in the public sector with these funds. The goal is good jobs at family sustainable wages. Benefits in addition to wages should be considered in determining OJT placements.

Upon completion of the OJT contract with the employer, a brief narrative and chart will need to be submitted to assist in measuring the outcomes of this initiative. Please provide the required closeout information as requested in **Attachment 2 – PY 2011 OJT Activities**.

Contact: Questions concerning this operational guidance should be directed to Sterling van der Spuy, Director, Division of Workforce Development, at 615-532-5945 or sterling.vanderspuy@tn.gov

Effective: January 1, 2012

Expiration: June 30, 2013



Susan K. Cowden, Administrator
Division of Workforce Development

Attachment 1: On the Job Training (OJT) Funds Request for Dislocated Worker Funds from State Rapid Response allocation

Attachment 2: PY 2011 OJT Activities

**On the Job Training (OJT) Funds Request for Dislocated Worker Funds
from State Rapid Response allocation.**

1. Details needed to generate an OJT contract:

Company Name/LWIA #: _____

Location (City & County): _____

Amount Requested (not to exceed \$25,000 for any one company): _____

New jobs created over next 1 year period: _____

Projected hourly OJT wage per participant (50% of hourly wage): _____

Projected number of participants to be served: _____

Projected hours in OJT per participant (not to exceed 4 months): _____

Contract time line: Start date: _____ End Date: _____

LWIA Director' Name: _____

2. Provide the following detail (may attach one additional page):

This additional page needs to include a budget showing the amount of funds for wage reimbursement, no administrative functions may be charged to these grant dollars.

3. Signature

Please have the LWIA Director sign and date the document as assurance that all WIA OJT regulations and requirements will be adhered to. These include WIA Public Law 105-220 Sections 101 (31) – Definition; 181 (a)(1)(A) and (a)(b)(5); 195 (4); and Federal Regulations 20 CFR Part 663.700-730, 667.266, 667.268, 667.270, 667.272, 667.274 and Tennessee OJT, Division of Workforce Development Policy 01-18. All participants under this grant must be eligible WIA dislocated worker participants that have the necessary skills gaps to warrant appropriate OJT to acquire the required employer competency in the occupation. There will need to be appropriate eligibility determination, performance and data collection on all participants enrolled in this grant.

Local Workforce Investment Area Director Signature

Date

**PY 2011 OJT ACTIVITIES
FINAL REPORT – to be provided by Grantee**

- Provide a brief narrative documenting significant learning experiences and recommendations on how to better deliver this opportunity.
- Provide a chart listing the name of the employer, occupation of trainee(s), number of participants served, length of program, cost per participant and the total amount of the grant award. This chart does not have to document each participant but rather each occupation.

Company	Occupations	Number	Program Length	Cost per participant	Total cost