

# **CONEXION**

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## **LABORAL**

**AREA LOCAL MAYAGÜEZ • LAS MARIAS**

PUBLIC POLICY NUM: 2025-PP-WIOA-001

DATE: April 30, 2025

SUBJECT: Requirements for On-the-Job Training Activity (OJT) under the Workforce Innovation and Opportunity Act (WIOA).

AIMED AT: Members of the Local Board, Executive Director, Manager of the Single Management Center, Officials and employees of the Single Labor Management System

PURPOSE: Amend the public policy related to the planning, design and development of the On-the-Job Training ("OJT") activity of the Title of Innovation and Opportunity Law of The Labor Force (WIOA) provided through funding delegation contracts.

APPLICABILITY: This Public Policy applies to the Mayaguez - Las Marías Single Management System integrated by the municipalities of Mayagüez and Las Marías.

### **I. LEGAL BASE:**

Workforce Identity and Innovation Act (WIOA) (Public Law 713-128)

Municipal Code of Puerto Rico (Act No. 107 of 14 August or 2020, as amended)

Law on Incentives for the Generation and Retention of SMEs (Law No. 120 of July 31, 2014)

Puerto Rico Unified State Plan 2020 or subsequent

20 CFR 680.700; 20 CFR680.710; 20 CFR680.720; 20 CFR680.730

**20 CFR 200** - ("Uniform Administrative Requirements. Cost Principles and Audit Requirements for Federal Awards") according to amendment on April 22, 2024.

**TEGL 19-16:** Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act Employment Service (ES), as amended by title III of WIOA. and for Implementation of the WIOA Final Rule

**TEGL 21-16:** Third Workforce Innovation and Opportunity Act (WIOA) Title I Youth Formula Program Guidance

**TEGL 10-16:** Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Title I, Title II, Title III and Title IV Core Programs

**TEGL 8-19:** Workforce Innovation and Opportunity Act (WIOA) Title I Training Provider Eligibility and State List of Eligible Training Providers (ETPs) and Programs

**DDEC-WIOA-02-20** - Technical Assistance Guide to Youth Program Elements (July 7, 2020).

**WIOA - PP- 04-22** - Amendment 2 Requirements for Job-Based Entry (WBT) Activities under the Workforce Innovation and Opportunity Act (WIOA) of October 2, 2024, WIOA - PP-06-2024

Standardization of Documentation for Training Activities  
Based on Work (WBT) under WIOA on October 2, 2024.

II. **DEFINITIONS:** The words or concepts used in this policy must be interpreted according to the following definitions:

1. **On-the-Job Training (OJT):** A structured training provided by a public or private employer, on a for-profit basis, to a participant who earns a wage while performing productive work in a job that:
  - a. It provides essential knowledge and/or skills for a full and adequate performance of the work;
  - b. It reimburses the employer up to 50 per cent of the participant's salary, and up to 75 per cent of the salary, in the event of circumstances or justifiable factors, as included in this public policy. The reimbursement rate, for the employer, can be up to 90%, as long there is a waiver approved by the Federal Department of Labor.

- c. It is limited in duration as appropriate for the occupation in which the participant is being trained, taking into consideration the skills required for the occupation, the content of the training, the participant's level of academic and occupational skills, the level of academic and occupational skills, the level of the participant's academic and occupational skills, the level of the training and the level of the training of the participant, the level of academic and occupational skills, the level of the training and the level of the participant's academic and occupational skills, the level of academic and occupational skills, the level of the training and the level of the participant's academic and occupational skills, the level of the training and the level of the participant's academic and occupational skills, the level of the training and the level of the participant's academic and occupational skills, the level of the training and the level of the participant's academic and occupational skills, the level of the training and the level of the participant's academic and occupational skills, the level of the training and the previous work experience and the service strategy of the participant, as applicable.
2. **Local Labor Development Area (ALDL):** Assignment by the Government to a geographical area, composed of one or more municipalities, within which labor force development activities take place.
3. **CGU:** stands for “Centro de Gestión Unica” in Spanish. Also known in English as “American Job Center” (AJC).
4. **Extraordinary Cost:** A non-recurring expense incurred by an employer associated with a participant's on-the-job training and low level of productivity.
5. **Significant cost of the Training:** It is the Portion of the cost of Training in the employment or training as the Measurement is to be provided by the employer considering the next: Size of the company, Number of Employees that Participate in training, the salary y the level of Benefits of those employees (to Home y at the end of the training), the Relationship of the training with the competitiveness of the participant, others Training provided by the employer y the opportunities for advancement within the company.
6. **Credential:** The recognition given to an individual for obtaining a measurable skill of a technical or occupational nature that is necessary for obtaining employment or improvement within an occupation. It also consists of an industry-recognized certificate or certification, a high school diploma or its equivalent, a certificate for completion of an apprenticeship program, a state or federally recognized license, or an associate or bachelor’s degree.

7. **Department of Economic Development and Commerce (DDEC):** Puerto Rico’s government agency designated by Act 171-2014 as the administrator and fiscal authority of the federal funds received by the Government under Federal Public Law 113-128 on July 22, 2014, known as the Workforce Innovation and Opportunity Act (WIOA).
8. **DOL:** Stands for the Federal Department of Labor.
9. **Self-sufficiency and Standard:** The household income equivalent to or more than 100% of the Lower Living Standard Income Slight (100%) based on 100% of the annual calculations of the Federal Department of Labor.
10. **Individual Service Strategy (ISS):** The individual plan designed specifically for participants in the Youth Program. The Independent Services Ladder is used as a basic tool for documenting case management and as a guide for the provision of the appropriate combination of insurance for the young person, including referrals to other programs.
11. **Individuals with Barriers to Employment:** An individual belonging to one or more of the following populations:
  - a. Displaced housewives.
  - b. Low-income individuals.
  - c. Others, as defined in section 166 of the WIOA;
  - d. Individuals with disabilities (including youth).
  - e. Aged individuals.
  - f. Former offenders.
  - g. Homeless people. as defined in section 41403-cn (6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)); Wandering youth or children is, as defined in section 725(2) of the McKinney Act - Ambulatory Assistance Vento (42 U.S.C. 11434a (2));
  - h. young people who are in -or- have passed the age to be in foster care;
  - i. Individuals who are apprentices of English language, individuals who have low levels of literacy and individuals who face substantial cultural barriers;
  - j. Seasonal agriculture and eligible migrants according to WIOA section 167(i).
  - k. individuals within two years of exhausting lifetime eligibility under Part A of Title IV on the Social Security Act (42 U.S.C. 601 et seq.);

- I. pregnant unmarried women, including single parents;
  - m. long-term unemployed individuals; and
  - n. other groups that the governor determines have barriers to employment.
12. **State Board of Labor Development** - Pursuant to Section 101 of WIOA (d)(1), the State Board will assist the governor in developing, implementing, and modifying the strategic plan that outlines strategies for the statewide labor system. labor development and the additional purposes established in the law. This. It is appointed by the governor and led by representatives of the private sector, who make up most of the board members. In addition, the membership includes representatives of labor organizations, state agencies responsible for post-secondary education, professional education and the Technical Development of the Workforce, economic development; and lastly the Community Organizations.
  13. **Local Workforce Development Board (JL DL):** The local board is appointed by the elected official(s) (mayors) in each local area in accordance with the state criteria set forth in WIOA Section 107(b). and is certified by the governor every two (2) years, in accordance with WIOA 107(c)(2).1.
  14. **Fair Labor Standards Act**, 29 U.S.C. § 203, et seq., (FLSA) sets standards for minimum wage, overtime pay, and employment of minors, affecting full-time and part-time workers in the private sector and in the federal government, as well as in governments state and local states.
  15. **Planning Office, Validation and Statistics of the Labor Development Program (OPEVE):** Office within the Labor Development Program that promotes, implements, and advises on strategic and programmatic planning for the development of the Labor Development System.
  16. **O\*NET:** The online system of occupational classification<sup>2</sup> that provides a common language for defining and describing occupations. The O\*NET database is the main source of occupational information in the United States. The electronic address of the portal is [onetonline.org](http://onetonline.org).
  17. **Employer:** An individual (person, community) who recruits another individual (employee), pays him a salary, and determines his or her job duties.
  18. **Small and Medium-sized Enterprises ("SMEs"):** State Law No. 120 of July 31, 2014, known as The Incentives law for Retention and job generation PvMEs, classifies SMEs as:
    - (i) **Microenterprises:** generate an Income Gross less than five hundred thousand dollars (\$500,000) annually, and employ seven (7) employees or less;
    - (ii) **small business:** they generate a gross income of less than three million dollars (\$3,000,000) annually and employ twenty-five (25) employees or less than its equivalent as that term is

defined in this Law.

(iii) **medium-sized enterprises:** generate a gross income of less than ten million dollars (\$10,000,000) each year and employ fifty (50) employees or fewer or its equivalent as such term is defined in this Law.

19. Individual Employment Plan: is an individualized career service developed by the Individual Employment Plan, Careers and the participants. The Employment Index Plan (PIE) is an ongoing strategy to identify employment goals, achievement objectives, and the appropriate mix of services for the Adult or Displaced Worker Program participant.
20. Career Planning: is participant-centered service delivery designed to:
  - a. Prepare and coordinate comprehensive employment plans for participants, such as service strategies, to ensure access to necessary workforce development activities and support services using, to the extent possible, computer technology; and
  - b. Provide employment, education, and career counseling, as appropriate, during participation in the program and after placement in employment.
21. **Labor Connection Program (PCL):** program attached to the DDEC, created by virtue of the Law 171-2014, whose function is to administer, advise, coordinate, supervise and implement the public policy of the system of development of the workforce.
22. **Salary:** Salary is the compensation that the participant must receive per hour. In the case of OJT's activity, the salary of the partner must be equal to that of a regular employee of the employer who performs the same functions. For the purposes of the problem, the employer must document the salaries of the positions included in the proposal.
23. **Industrial sector or employment in demand:**
  - a. An industry sector that has a substantial current or potential impact (including jobs that lead to self-sufficiency and growth opportunities) on the local, state, or regional economy, as appropriate, and that contributes to the growth or stability of other related businesses or industrial sectors; or
  - b. An occupation that has or is projected to have several positions (including jobs that lead to self-sufficiency and growth opportunities) in an industrial sector that has a significant impact on the local economy, state or regional. The determination of whether an industry sector or occupation is in demand shall be made by the State Board or the Local Board, as appropriate, using state and regional business projections and labor market information.
24. **Application for Funds for Teaching and Learning Activities:**

document(s) to be completed by the employer at the time of applying for WIOA funds for On-the-Job Training activities. The Application sets forth the requirements that the employer must meet to be eligible, the documents necessary for the evaluation of the application and the subsequent contract for the delegation of funds, if the application is approved. All requests will be evaluated, once the process is complete, and accordingly to the availability of the funds from the Local Area.

25. **"Specific Vocational Preparations" (SVP):** the quantity of time required for an employee to learn techniques, acquire information and develop agility required average execution in one specific position. The training can be acquired in a school environment, work environment, Military, Institution or vocation. The required time of orientation for a qualified employee will be accommodated to special conditions of a new work, it is not included within the SVP. The following Table contains an Explanation of the different levels of the SVP:

Level	Time
1	Only short demonstrations
2	Anything beyond a short demonstration up to a month
3	More than one month up to three months, including
4	More than three months to six months, including
5	More than six months to one year, including
6	More than one year up to two years, including
7	More than two years up to four years, inclusive
8	More than four years up to ten years, including
9	More than a decade (ten years)

26. **Career Pathway:** Vocational Work Approaches for the Work Force Development Articulated Steps of Education and Occupational Trainings in an industrial sector, combined with supportive services, to enable people to enter and leave to various levels and advance to higher skills, recognized credentials, and better jobs with higher salaries. Each step in a career path is to prepare people to progress to the next level of employment and/or education. Career path strategies target important job openings and for local and regional economies and strengthen relations with employers.

### III. BACKGROUND:

The Workforce Innovation and Opportunity Act (WIOA) authorize several work-based training (WBT) options that can be used, according to Corr Esponda, to help job seekers re-enter or advance into the workforce. Generally, employment-based training involves commitment by an employer or employers to employ participants full-time after they have successfully completed the program.

A key advantage of job-based training is that participants can “earn as they learn” in a hands-on environment to achieve better performance outcomes and gains. In addition, employment-based training opportunities provide companies with the opportunity to develop and retain a skilled workforce using WIOA resources.

Each of the job-based training models can be used effectively to address different needs of employment and employers. One of the activities is On-Job Training ("OJT").

#### **IV. POLY POLICY:**

##### **A. GENERAL REQUIREMENTS FOR ELIGIBILITY OF PARTICIPANTS FOR THE “ON THE JOB” TRAINING SERVICES**

1. All training services, including OJTs, will be available to individuals employed or employed when:
  - a. The American Job Center (CGU/AJC) or a partner, after an interview or evaluation, determines that the individual:
    - i. Only with the provision of services of career students is unlikely or unable to obtain or retain a job that leads to self-sufficiency or to a salary comparable to or greater than that earned in the previous job;
    - ii. Who has a need to obtain or retain employment that leads to self-sufficiency or a salary comparable to or greater than that earned in the previous employment; and
    - iii. That has skills and Qualifications to participate successfully in the training service selected.
  - b. Employment-based training opportunities should be identified in the Individual Employment Plan (PIE) or Individual Service Strategy (IS) as an appropriate activity for Individual Employment Participants (IS) program. In addition, PIE or the ISS and/or the case annotations will specify the objectives of the job-based training activity and the expected results.
  - c. The selected training program that is directly tied to employment opportunities in the local area or planning region (occupations and industries in demand are established in the Local Plan), or in another area where the individual is willing to travel or relocate.

- d. Is unable to obtain financial assistance from another source to pay for the costs of training, including such sources of state or federal training funds, the Trade Adjustment Assist (TAA) program, on the “Federal Pell Grant” established under Title IV of the Federal Education on 1965”.
  - e. Individuals are eligible and will be served in accordance with state and local priority policies.
2. The Local Board shall adopt, calculate, or commission for approval self-sufficiency standards for the local area specifying the necessary income of families, by family size, by family number and ages of children in the family and by sub-state geographical considerations. This is established in the Public Policy No. 26 from January 22, 2019.
  3. A new participant interview or assessment will not be required if the CGU/AJC or a partner of the AJC is appropriate or use an interview or assessment recently conducted by another education program or training.

**B. ON-THE-JOB TRAINING ACTIVITY ("OJT")**

OJT is defined in section 3(44) of the WIOA as structured training provided by an employer to a participant who earns a salary while performing productive work in a job that:

1. Provide the knowledge and skills necessary for full and adequate performance on the job;
2. Provide reimbursement to the employer, generally up to five (50) percent of the participant's wages, for the extraordinary costs of providing training and additional OJT-related surplus. The refund can be up to 75% of the salary in case there are circumstances or factors that are justified, as included in this public policy. It has a limited duration according to the occupation for which the training is being carried out. The duration is taken into account the content of the training, previous work experience and service standard (PIE or ISS) of the participant, as appropriate.
3. It is essential to differentiate the "training" of the OJT from the initial orientation provided by the employer to the new employees it hires. The employer should only be compensated for the type of training that is in addition to what is normally provided for a newly qualified employee.
4. The OJT benefits employers by reducing the cost of training new employees, the employer designs the training at the place of employment, the training is aligned with the required abilities to perform the tasks of the position and is a long-term investment in the company. The OJT benefits the candidate by providing the opportunity to earn wages as he learns in a practical environment, acquire the skills of employment with the possibility of

achieving professional promotion, in addition to the opportunity to maintain a long-term job. The core purpose of an OJT is to encourage public and private employers, whether for profit or not, to hire people and teach the necessary destitutions to perform the skills of an eligible worker. The Local Board or service provider provides the employer with a partial refund of the participant's salary in exchange for providing training and the payment of Retain the person when training is completed successfully.

5. Not all jobs are appropriate for an OJT. The emphasis on the training eliminates automatically all the work that does not require more than a brief initial orientation period. Of the same reason, because the reimbursements are intended to compensate the employer for the decrease in productivity, jobs that pay for commissions or for work delivered, are not appropriate. Other jobs not suitable for OJT include seasonal, temporary, and part-time jobs, since the desired outcome of OJT is long-term retention in full-time employment leading to self-employment.

### **Occupational demand on the local and/or regional labor market**

OJT employment options must be in demand in the local market or laboratory as defined in WIOA Section 3(23) and must be determined by the labor market issued by the Department of Labor and Human Resources.

OJTs produced in small enterprises where OJT training covers a relatively wide range of functions based on several occupations were identified as a generic occupation for the purposes of demand for labor market. With these unique occasions, the fact that there is an employment opportunity for the occupation in the business presupposes the existence of a demand for occupation.

### **Selection of participants**

The responsibilities that accompany the use of public funds require that expenditure on training activities be limited in situations where there is a documented need for training. The OJT is not to subsidize wages to companies or provide economic incentives for hiring. Therefore, the selection of candidates for the OJT must be carefully guided by a well-thought-out process. The skills that the participant already possesses must be considered together with the skills necessary to perform the work.

1. OJT programs can be particularly successful for people who:
  - a. They are unable or unlikely to obtain employment without retraining;
  - b. Are low-income, receive unemployment insurance, or public assistance, or need to earn a wage while learning an occupational skill:

- c. They are people with barriers to employment who need help finding their next job;
  - d. They are individuals who can learn the skills necessary for the occupation more easily and thoroughly within the workplace; and/or,
  - e. They need supervision a Measurement that learn the specific skills for an occupation.
2. OJT activity may also be offered to eligible people who are already employed when:
- a. The employee does not earn a salary that allows him to be self-sufficient or is underemployed,
  - b. He receives a comparable salary to or less than the wages earned in previous jobs, as determined by the policy of the Local Board;
  - c. Meets the requirements set forth for an OJT; and
  - d. Employment training is related to the introduction of new technology, new products or service procedures, promotions to new jobs that require additional skills, literation in the workplace or for another appropriate purpose identified by the Local Board.

**Note: workers who already have a substantial part of the work required to carry out the work should not be considered OJT positions.**

### **Participant Eligibility**

1. Participants are required to meet the requirements of eligibility of the program for each funding source, WIOA's Adult, Displaced and Out-of-School Youth programs, National Distributed Worker Grants, (NDWG), or the Adult Worker Assistance Program. Adjustment in Trade (TAA).
2. Although the focus of OJT is the training of specific skills for work, sometimes it is necessary to include simultaneous training related to deficiencies in basic skills and/or preparation for work as part of participant training plan.

### **Evaluation of the participants**

1. The OJT may be provided to any WIOA-eligible participant who has completed a comprehensive assessment process and has been determined to need the training service: and that the training service is adequate to obtain or retain employment that will lead to self-sufficiency. The employers will have the final decision on the recruitment of participants, subject to compliance with the requirements

of the eligibility for the services of OJT.

2. Where a candidate is referred by an employer, he or she may be considered for an OJT with that employer only if he or she has the requirements of the law as provided in this policy.
3. To determine the eligibility of the participant for the activity, it is necessary to consider the requirements of the occupation, the levels of academic and occupational skills of the participant, experiences of previous work and the PIE in the case of adults and workers; or the ISS for out-of-school youth and over 18 years of age. The PIE/ISS should be based on the results of the objective assessment and demonstrate that the partner has the need and the OJT activity will be of benefit to the candidate. As part of the evaluation, it should be considered; employment history, analysis of diagnostic test results, and additional participant information on work experiences, hobbies, volunteer work, and identification of skills and weaknesses of the participant. In addition, the assessment should include documentation related to the new skills to be acquired during training and how the skills gap in skills will be developed. Skill skills will be surpassed with this one.

### **Participants with previous experience in the occupation**

A participant who possesses knowledge or skills essential to the full and adequate performance of the specific occupation for which the OJT is proposed cannot be considered for this activity in that occupation. While strict adherence to this principle is in line with the concept of OJT, many jobs are typical and do not present an exact match of skills required for work with other employers, even when the job title is identical. Therefore, the need for OJT can sometimes be justified through the evaluation process. In addition, a lack of up-to-date application of skills or a change in technology may require additional training.

### **Joint Enrollment in WIOA and TAA**

1. Eligible participants can co-enroll in workforce development system partner programs such as the Trade Adjustment Assistance (T-AA) Program and receive WIOA's OJT.
2. Participants must meet the eligibility requirements for each program. WIOA and TAA funds should be administered in a coordinated manner to better meet the needs of participants earlier and avoid paying for training costs.
3. **The TAA Program can reimburse employees up to fifty percent (50) percent, and WIOA may reimburse employers up to an additional twenty-five (25) percent, increasing the total reimbursement to employers by up to seventy-five (75) percent, aligning TAA Program benefits with the benefits of WIOA.**

## Refund for the right hand

1. As part of this public policy, it is established that the reimbursement rate for an OJT may be increased from fifty (50%) to seventy-five (75%) taking into consideration the following factors:
  - a. special characteristics of participants considering whether they are individuals with barriers to employment - or - for example, whether they are people with disabilities, etc.;
  - b. size of the company or business, with emphasis on small and medium-sized enterprises for these purposes, reimbursements will be granted according to the following parameters:

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State Law No.120 of July 31, 2014, known as the Law of Incentives for the Generation and Retention of SME Jobs, classifies SMEs as:

- (i) **Microenterprises:** generate a gross income of less than five hundred thousand dollars (\$500,000) each year, and employ seven (7) employees or less:
  - i. For workers with 1 to 50 employees, up to 75% reimbursement;
  - ii. For employers with 51 employees or more – the stated reimbursement would be 50%
- c. the employer's trajectory by providing training and opportunities

for promotion, such as, for example, training for an in-demand occupation that may lead to an industry-recognized credential;

- d. Salary level and participant benefits, during and after training;
  - e. type of industry;
    - i. If the employer belongs to the construction, renewable energy or health-related services industries, the Board authorizes that - as a sectoral situation - it be granted seventy and five percent (75%) of the reimbursement, indistinctly from the quantity of employees.
  - f. Type of credential obtained;
  - g. Relations between training and the competitiveness of the participants;
  - h. number of employees to be trained.
2. Designated officials shall document the factors used when determining to increase the level of salary reimbursement over fifty (50%) to a maximum of seventy-five (75%) for OJTs. It shall not be necessary to document the external costs when the reimbursement is less than fifty (50%) of the participant's salary.
  3. The OJT must be delivered through a delegation of funds contract that sets out the conditions of the structured training and the responsibilities of the parties involved. The contract must be completed and signed by all parties before training begins.
  4. Only the hours spent by the participant in training shall be reimbursed. No payment will be made for work performed outside the terms of the contract, or during periods of recess or periods not worked (e.g. vacations, holidays, sick leave, strikes, etc.). emergency closures, etc.).

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(ii) small businesses: generate a gross revenue of less than three million dollars (\$3,000,000) each year, and employ twenty-five (25) or fewer full-time employees or their equivalent as such term is defined in this Act; and

(iii) Medium-sized enterprises: generate a gross income of less than ten million dollars (\$10,000,000) each year and employ fifty (50) employees or fewer or their equivalent as such term is defined in this Act.

5. For the OJT to be a bear, the training requires continuous monitoring, which allows documenting the progress of the activity and its participants.
6. The OJT contract must be limited to the length of time required by the participant to become skilled or skilled in the occupation for which the training is provided. The maximum number of hours of established training in O\*Net should not be allocated for an occupancy uniformly in an OJT activity. To determine the content and appropriate duration of training, the skill gap that exists when comparing the skills required for the occupation and the skill level must be taken into consideration academic and occupational studies of the country, previous work experiences, and the PIE/ISS of the participant e.

### **Waiver at DOL-approved refund rate**

Waivers must be approved by the Federal Labor Department's Training and Employment Administration (DOLETA), pursuant to WIOA section 134(c)(3)(H)(i) and 20 CFR 680.720(b) to increase reimbursement to employers for On-the-Job Training (OJT) activity up to ninety (90%).

The provision allows the DDEC (in state representation) and the JLDL to increase the reimbursement to the employer, for participants in the in-service training activity (OJT), up to ninety (90%) or as established in the dispensations that he is valid and for the period authorized by it. The Local Board has determined to take advantage of waivers until and when this person is in power. The Local Board determines to avail itself of this provision for the duration of this period and will be applicable to employers with five (50) or fewer employees. As a result, the prices for the seventy-five percent (75%) and fifty percent (50%) amended to be awarded as follows:

- a. Ninety percent (90%)
  1. Employers with fifty (50) employees or less
- b. Seventy-five percent (75%) of refund
  1. Employers with fifty - one (51) and two hundred fifty (250) employees
- c. Fifty percent (50%)
  1. Employers with two hundred fifty-one (251) or more

Each year that the waivers are approved, the Local Board will carry out the following:

1. Notify the PCL in writing and include in the public policy of On-the-Job Training (OJT) the changes that reflect the reimbursement rates approved by the Local Board, if they are different from those approved here.
2. Submit, for the approval of the PCL, the Summary of Budgetary Information (BIS) (notification) by program, reflecting the impact of the use of the waiver in the budget parameters for each program year (as applicable).
3. Amend the current contracts of those eligible employers, for the activity of OJT, which began prior to the approval of the dispensation. The application of the contract and its amendment to the rate of salary reimbursement will be from the date and the filing of it before the Office of the Comptroller of Puerto Rico (it will not be retroactive).

If the Local Board determines not to participate in the OJT refund exemption, we will do the following:

1. It shall not sign its decision in writing to OPEVE of the PCL. In which case, the parameters provided herein remain in force.

The PCL OPEVE will monitor progress under the current waiver and work with the Local Board to implement approved state and local policies. The Executive Director or her designee shall submit a final report setting out the number of trustees, participants impacted and the budget used. We must ensure faithful compliance as the DDEC Monopoly Division will evaluate the implementation of this policy in its monitoring to the systems operation to them, administrative and financiers, according to the intervention period.

#### **Eligibility requirements of the Employer**

1. The OJT is offered under an agreement with an employer in the public, private, for-profit, or non-profit sector. Prior to executing an OJT agreement, pre-screening must be conducted to ensure that the employer meets the minimum standards and can provide training and employment to an OJT participant. If it is necessary to add to it, the CGU/AJC must ensure that an external training provider is included in the agreement.
2. The minimum standards should guarantee a state level and on Local Board are the following:
  - a. **The** employer should offer the participants of the OJT continuous employment with salaries, allowances and employment conditions

equal to those provided to their regular employees who have worked for a period of time similar to the same type of work;

- b. WIOA funds will not be used to relocate all or part of the operations of the company or organization;
  - c. The employer has operated at its current location for at least one hundred (120) days. If you have less than one hundred (120) days and the business has moved from another U.S. jurisdiction, you will not be able to do so. The U.S. government may not have terminated employees at the previous location because of the relocation. If you have one hundred and twenty (120) days or less and the business has never operated in another jurisdiction, you must submit the following documents:
    - Projection of the business's profits/operation, certified by a Chartered Public Accountant (CPA) independent of the employer.
    - Five (5) year Business Plan.  
Certification that they are not currently or have been in bankruptcy proceedings in the last five (5) years.
  - d. The employer will not use OJT participants to fill job vacancies arising because of a labor dispute;
  - e. The funds of the OJT shall not be used to assist, promote or directly or indirectly assist a trade union organization;
  - f. The OJT does not result in the total or partial release of the employees of! Not the father;
  - g. Nor may an employer be contracted with who has been debarred or suspended from participation by any federal department or agency.
3. When selecting an employer, general business practices should be considered in terms of working conditions (health and safety), availability of health benefits, sustainable wage structure, turnover rate, adequate equipment and personnel are available to carry out the ad, and compliance with municipal ordinances and state and federal laws.

#### Requirements for Occupation

1. To determine whether training for an occupation is eligible to be conducted through an OJT, the following may be considered:
  - a. Employment must be part of the market in occupational demand.

- b. The occupation must be one that requires a skill level of at least four (4) or more, according to the Specific Vocational Preparation ("SVP").
- c. The occupation must provide potential for growth in the profession.
- d. The occupation must comply with the measure of execution related to the median profit.
- e. The occupation may not be related to political or religious activities, including the maintenance, operation, or construction of a facility that is or will be used for sectarian education or is used as a place of religious worship or where religious participation is required.
- f. The occupation must provide the participant when employed with an increase in earnings and additional skills.
- g. Occupations cannot be seasonal, temporary services, "part time") or have a high percentage of turnover.
- h. They cannot be occupations in which the main source of income is tips or commissions, unless they are recorded and reported on the withholding receipt (W-2PR).

**Minimum requirements that an OJT contract must contain**

1. The employer and/or employer's representative should be guided to discuss the provisions of the contract and training plans. The contracting process will establish the ground rules for OJT with an employer and ensure that there is a legally binding agreement between the employer and the OJT training provider, if the latter is an outsider. The contracts include the terms and conditions that the employer and the OJT provider agree to provide for a successful experience.
2. At a minimum, an OJT contract should be limited to the length of time necessary for a participant to become competent in the occupation for which the training is intended. Contracts must also include specific OJT-related requirements funded through other federal programs.
3. The contracts signed with employers for the activity of the OJT must contain, at least, the following:
  - a. The occupation for which the training is being offered and description of it, including the skills and competencies to be learned or acquired.

- b. The training outline reflecting the occupational skills required for the position, including the hours of training for each skill or area. The description of the occupation and the outline should be sufficiently specific to allow verification that the training is being offered in accordance with the provisions of the contract. This description is detailed in the submitted and approved proposal, which becomes part of the contract.
- c. The number of participants and the hourly wage of each participant to be trained. The number of wages to be reimbursed, according to the percentage approved of by the employer. The State Board or the Local Board may approve public policy to establish a wage cap for all occupations for Puerto Rico.
- d. The method of payment and the maximum amount to be reimbursed to the employer.
- e. Clause that establishes that the employer must comply with the compensation insurance, as well as the withholding of applicable contributions.
- f. The employer must maintain and submit time, attendance, or other records to support the reimbursement amounts to be claimed under the OJT contract.
- g. Any applicable provisions required by federal statutes and the executive orders listed in 2 CFR part 200, appendix 11.
- h. Other Contractual Clauses:

Compliance with the requirements and restrictions set forth in Section 181 (a), (b) and (d) relating to the benefits and labor standards that apply to participants under Title I activities of WIOA. Prohibition on training a participant under a WBT contract with an employer if: any other individual is terminated from the same or substantially equivalent position; the employer has terminated any regular employee or reduced the workforce with the intent to fill the number of employees vacancies created with the participants; or the position is created in a promotion line that may infringe in any way on the company's regular employee promotion opportunities. The employer's commitment to employ or retain in employment those individuals who have successfully completed the Training.

Participants shall be subject to the same rules, policies, and personnel rules as other employees of the enterprise;

The duty of the employer is to maintain, retain and give access to the files to the Local Area, the DDEC, the Comptroller of Puerto Rico and the Department of the Federal Trabajo. These must show the associated costs of the training activity and the corresponding costs to respond during monitoring or auditing processes;

Prohibition of the proposed use or use of WIOA funds to induce a business or part of a business to relocate and the results of such relocation result in any employee losing his or her employment at the original location;

Prohibition of the use or proposed use of the training funds or WIOA in any business or part of a business that has been relocated to the United States, until the company has operated in the new location for 120 days, if the company has been relocated to the new location. Relocation results in any employee losing their job at the previous location:

Prohibition of directly or indirectly filling a position that is vacant because the incumbent is on strike, or is suspended for a

labor complaint, or because filling the vacancy in another way is a matter within a labor dispute that involves an interruption of the work;

Provision on non-discrimination and prohibition of sectarian activities;

Prohibit the use of funds to assist, promote, or stop union organization;

Prohibition of the use of WIOA funds for foreign travel (outside U.S. jurisdictions); Prohibition of political and lobbying activities; Provision relating to the availability or existence of a writ proceeding pursuant to Section 181(c) of the WIOA;

No individual may hold a position in a WBT if there is a member of his or her family in the fourth degree of consanguinity or according to affinity, who has administrative capacity with the employer, including the selection, hiring, placement, or supervisory responsibility of the WBT participant;

Suspension and excuse-release clause; and,

Definition of certification of drug-free workplace;

The general provisions established in the Section related to the General Provisions subsection 5, which are not mentioned in the above.

### **Application for Funds for On-the-Job Training Activities (OJT)**

The Workforce Innovation and Opportunity Act Recruitment and Funding Application Manual (WBT) includes documents to be used as part of the process of Request for Funds, Eligibility of the Employer, Qualification of the employer and documentation required for the filing of funds and contracting, as well as the contractual clauses that must contain as a minimum Contracts related to activities. They shall be used as directed by the State Board, including any amendments that the latter may make. In relation to requests for funds (proposals) that are in the process of evaluation and/or contracting, the forms authorized prior to the effectiveness of this policy will be used.

#### **C. GENERAL PROVISIONS:**

1. Section 683.275 of the WIOA final regulations establishes what are the salary standards that apply to participants under the activities of Title I. De conformidad, the applicable rules are:
  - a. Individuals participating in any OJT or employed under WIOA Title I activities shall be compensated at the same rate, including periodic allowances, as those in training or employment who are in training or employed who are in training or employed in similar situations and conditions. Wage compensation will never be less than that established by the Fair Labor Standards Act, or the federal, state, or local salary.
  - b. Participants of any OJT or employees under WIOA Title I activities shall receive fringe benefits and working conditions at the same level and to the same extent as those employees or regular employees who are employed by WIOA. They have been performing similar tasks and have been performing the functions for the same purpose.
  - c. The employer shall comply with the provisions of the laws and regulations of WIOA;
  - d. The employer's recommended reimbursement rate is based on factors consisting of the state and local policies specified in section 6(a)(1) of the Fair Standards Act. Labor of 1938 (29 U.S.C. 206(a)(1) or the applicable state or local wage;

- e. Salaries, income, and payments to participants in WIOA Title I activities will not be considered as property income if eligible under other federal programs and the amount of pass-through income and "in kind" assistance provided by other federal need-based programs except for purposes of the Social Security Act.
2. For Determining the Duration of The OJT will be used as guide reference The Information Net Online and the SVP that is detail in each occupation. In addition, it is considering the Skills required for the occupation, The Level of Skills Academics and Occupation del participant experiences of Work Previous and The Plan individual of Employment of the participants.
  3. The Executive Director or her designee shall draft a draft and shall be evaluated by the Local Board. It shall be carried out in accordance with the provisions established in this policy. The procedure includes the following elements:
    - a. Search (outreach") and recruitment of participants is for employment-based training activities;
    - b. analysis of the skills gap and development of the PIE/ISS;
    - c. strategies for marketing to employers:
    - d. policies for the referral of participants by the employers;
    - e. SOST service policies for participants (if applicable);
    - f. development of OJT contracts;
    - g. coordination of case management functions and employer services;
    - h. Procedures or policies for reimbursement and invoicing.
    - i. financial and programmatic monitoring.
  4. The proposals will be evaluated by the Business Liaison Committee, attached to the Local Board. The evaluation may be carried out in person or by referendum by electronic methods so that the evaluation process is not delayed and the services offered to the participants are not adversely affected System.
  5. At the very least, OJT contracts must contain clauses that include the following:
    - a. Compliance with the requirements and restrictions set forth in Section 181(a), (b) and (d) relating to the benefits and labor standards that apply to participants under the activities of WIOA Title I.
    - b. Appropriate warranties and certifications that include compensation, benefits, and working conditions at the same level and extended to other employees working for a similar period and performing the same type of work;
    - c. Prohibition of training a participant under an OJT contract with an employer if:
      - i. any other individual is dismissed from the same or substantially

equivalent position;

- ii. the employer has fired a regular employee or reduced the workforce with the intention of filling vacancies created with the participants; or
  - iii. The position is created in a line of promotion that may in any way infringe the company's opportunities for promotion of regular employees.
- d. The employer's commitment to employ or retain in employment those individuals who have successfully completed training or:
  - e. Participants will be subject to the same rules, policies, and staff regulations as other employees of the company;
  - f. The employer's duty is to maintain, retain, and give access to records to the Local Area, the DDEC, the Comptroller, and the Federal Department of Labor. These should show the associated costs of the training activity and the correspondence of the training, such as attendance records, numbers, invoices and other necessary information to respond during monitoring or auditing processes;
  - g. Prohibition of the use or proposed use of WIOA funds to induce a business or part of a business to relocate and that the results of such relocation result in the employee losing its use in the original location;
  - h. Prohibition of the use or proposed use of training funds or WIOA in any business or part of a business that has been relocated to the United States, until the company has operated in the new location for 120 percent (120) days, if the relocation results in which any employee loses his or her job in the previous location;
  - i. It prohibits directly or indirectly filling a position that is vacant because the incumbent is on strike, or is suspended because of a labor complaint, or because filling the vacancy is otherwise an internal matter. of a labor dispute involving an interruption of work;
  - j. Disposition on no-discrimination and prohibition of Activities sectarian:
  - k. Prohibition of the use of funds to assist, promote, or stop the organization of unions;
  - l. Prohibition of the usage of WIOA funds for foreign travels (Outside US jurisdiction).
  - m. Prohibition of political and lobbying activities;
  - n. Provision of a lawsuit pursuant to Section 181(c) of WIOA; and
  - o. No individual may hold a position in an OJT if there is a member

of his or her family within the fourth degree of consanguinity or second degree by affinity. who has administrative capacity with the employer, including the selection, hiring, placement, or supervisory responsibility of the OJT participant.

6. Upon completion of the OJT, the employer must issue an Execution Report and a certificate for each WIOA share, formally stating that the worker is a competitor in the skills acquired occupational diseases.

## **V. CONTRACTING**

Contracts shall be worked in faithful compliance with Act No. 18 of October 30, 1975, as amended. Regulation 33: Registration of Contracts of the Office of the Comptroller of the Commonwealth of PR, Circular Letter OC-21-11 of May 12, 2021, issued by the Constitutional Court of PR and any other applicable legislation.

## **VI. KNOWABILITY CLAUSE:**

If any provision of this public policy is challenged by the Court and declared unconstitutional or void, such decision will not affect, impair or invalidate the rights of this public policy, but its effect will be limited to the specific provision of the system. The nullity or invalidity of any provision shall not affect our prejudice in any way its application or validity in any case, except when specifically, and expressly in force it is applied e for all cases.

## **VII. COMPLIANCE**

Compliance with the provisions and requirements established in this policy will be evaluated by the Monument or admission to the Local Board as part of its functions, as well as by the Monitoring Division of the DDEC as part of the evaluation of the operations of the ALDL.

## **VIII. FAIR PRACTICES AND ACCESSIBILITY:**

All people will have the same opportunities and access to physical services and facilities regardless of race, religion, color, sex, age, origin national or ancestry, marital status, parental status, sexual orientation, disability, or veteran status. Officials will be responsible for ensuring necessary support for participants with disabilities who need assistance in accessing CGU/AJC facilities and services.

## **IX. ACTION REQUIRED**

The Executive Directorate and the Local Board will be responsible for implementing this public policy, as well as training the employees of the Single Labor Management

System in relation to this public policy. Additionally, must be all those queries or requests for information related to it.

## **X. INTERPRETATION**

Words and phrases in this policy are interpreted according to the context, and the meaning is endorsed in common usage, except when they have been given a specific definition. The words used in the present tense also include the future; those used in the masculine gender include the feminine and neuter, except in cases where such an interpretation would be absurd; The number singular includes the plural and the plural includes the singular, provided that the interpretation does not contravene the purpose of the provision. The terms time, in days, which are established in this policy, refer to calendar days.

## **XI. REPEAL**

The Public Policy and Procedure for On-the-Job Training (On The-OJT), as approved on October 27, 2016, and amended on March 25, 2025, is repealed.

## **XII. VALIDITY:**

This public policy was approved by the Mayagüez - Las Marías Local Board in an effective meeting on April 30, 2025. It will come into force on April 30, 2025, and will be in force until it is amended or repealed by the Local Board.

To do so, I sign this public policy in Mayaguez, Puerto Rico on the 30th day of April 2025.

A handwritten signature in blue ink, appearing to read "Justiniano", with a stylized flourish at the end.

José Justiniano  
Presidente de la Junta Local