

On-the-Job Experience (OJE) Guidelines

On-the-Job Experience (OJE) is a SCSEP training option, which allows programs to subsidize employment with private-for-profit employers for a limited time period.

OJE is designed for participants who require special skills that are not attainable through the regular community service assignment. Typically, OJE participants need the “OJE boost” to secure an unsubsidized employment position and would not in all likelihood be able to attain specific skills to meet their IEP job goals without the OJE opportunity.

OJE’s provide both the participant and the employer a trial run and can ease the participant’s transition to unsubsidized employment.

DOL has approved the OJE option for use by VDA’s SCSEP subprojects. *Subprojects must obtain approval from VDA’s SCSEP Project Director prior to using OJE.*

When making a decision on whether to exercise the OJE training option, consideration must be given to the following: limitations on how OJE can be used, requirements for the OJE contract, and which OJE payment method should be used. These are each discussed below.

On-the-Job Experience (OJE) Limitations

DOL’s Older Worker Bulletin 04-04 on Permissible Training Activities outlines the limitations that DOL has placed on projects using OJE. These limitations include:

- **Participants must be on the program and must have completed at least two (2) weeks at a community service assignment before they can participate in OJE.** A participant may not be placed in OJE training if the participant is not assigned to a host agency. Typically, participants are on the program for a much longer time period before participating in OJE. DOL’s requirement; however, is a minimum of two weeks.
- **OJE training must be based on the participant’s Individual Employment Plan (IEP).**
- **A particular participant may only participate in OJE once in a 12 month period.** If the OJE placement does not work out, the participant can stay on the program in a SCSEP community service assignment, but may not participate in another OJE for a year.

- **A participant may not work more than forty (40) hours per week.** If the participant has an OJE assignment in addition to a SCSEP community service assignment, which is permissible, total combined hours may not exceed forty (40) hours per week. There is flexibility to combine the two, depending on the participant's needs. Hours of community service may be reduced as OJE employment hours increase.

- **A particular employer may only contract to participate in five (5) OJEs for the same job category in a 12 month period.** Subprojects cannot use OJE to fill the same type of job over and over again with one employer. However, if an employer has multiple types of jobs, it is permissible to place up to five OJE participants in each of those job categories each year.

- **An OJE employer, which can be a public or private employer, cannot be an active host agency training site.** DOL has not required that any specific time elapse as long as there are no participants active at the former host agency when the subproject contracts for OJE. There is an understanding that the subproject and the organization are acting in good faith and that the organization will not immediately revert to being a host agency once the OJE is over. That would be circumvention of the rules.

- **DOL imposes strict time limits on how long an OJE assignment can last. In no case, can OJE exceed twelve weeks in duration. In some cases, depending on the payment arrangement, OJE is restricted to four weeks. See descriptions below:**
 - If a participant assigned to OJE stays on the subproject's payroll, the OJE contract is limited to no longer than 12 weeks.
 - If an OJE employer is reimbursed at a rate greater than 50% (i.e., 51% to 100%), the OJE contract is limited to a maximum of four weeks.
 - If an OJE employer is reimbursed at a rate equal to or less than 50%, the OJE contract is limited to no longer than 12 weeks.

The four week and twelve week limits are the maximum lengths of time an OJE training assignment can last. Subprojects must negotiate with each OJE employer on duration of OJE and, when applicable, amount of reimbursement, based on the participant's skill level and job requirements. Because each OJE is tailored to the needs of the participant and the requirements of the employer, the

hours participants work and the number of weeks worked will vary (within the DOL-specified limits). Subprojects should always attempt to negotiate a reasonable OJE duration that results in subsidizing employment only for the projected training period required for the participant. In many cases, the participant is trained and the employer makes a final decision to hire the participant in two or three weeks. The status of subproject expenditures must be considered in decisions to use OJE and duration of OJE.

OJE Contract Requirements

DOL's Older Worker Bulletin 04-04 on Permissible Training Activities outlines OJE contract requirements. These requirements include:

- The OJE contract must stipulate that the employer will hire or retain the participant in a permanent job at the end of the OJE training period if the participant has performed satisfactorily.
- The OJE contract must detail the following items:
 - The specific skills to be learned by the participant (specified in the OJE training plan).
 - The training timelines and the benchmarks to be achieved.
 - The hours that the participant will work per week.
 - The number of weeks the participant will work for this employer.
- The OJE contract must stipulate that there will be significant follow-up to resolve potential unsafe conditions or other issues that arise with the employer or the participant.
- The OJE contract must stipulate the amount the employer is to be reimbursed or participant is to be paid. The wage can be negotiated with the employer. OJE participants may be paid the prevailing wage, instead of the minimum wage, for the occupation in which they are training.
- The OJE contract must detail responsibility for workers compensation coverage. If the participant remains on the program's payroll, the program would be responsible for workers compensation. If the participant is on the employer's payroll (program reimburses the employer rather than paying the participant),

subprojects must negotiate with the employer regarding who pays workers compensation and who will be responsible for any resulting workers comp claims; the decision must be included in the OJE contract with the employer.

The Two OJE Payment Options

There are two different methods of paying participants who are assigned to OJE training:

1) Subprojects can keep the participant on the program's payroll while he/she is in an OJE position with a private employer. 2) Subprojects can have the employer place the participant on its payroll, and the subproject would then reimburse the employer a negotiated percentage of the wages while the participant is in an OJE position. Each method has advantages and disadvantages. They are (not all-inclusive):

Participant on Subproject Payroll for OJE

Advantages

- Easier to sell to an employer – less risk for employer – subproject handles the paperwork
- Opportunity for “tryout employment” – may not take long for the employer to determine if the participant is going to work out – can be done for short time periods – 1 or 2 weeks
- Subproject may have more control over the hours & salary.

Disadvantages

- Not as much up-front commitment from the employer – easier for the employer to terminate the OJE – easier for the participant to give up on the OJE and stay with SCSEP community service assignment
- Paying 100% of salary can be a major drain on program's budget

Participant on Employer's Payroll and Employer Reimbursed by Subproject

Advantages

- Employer has a “buy-in” in this “hire up front” type of arrangement -- employer and participant have a stronger commitment to make it work
- Less of a strain on subproject's budget if employer is reimbursed at rate of 50% or less of participant's wages – can result in spending less program funds

Disadvantages

- May be harder to sell to employer because of commitment attached to the “hire up front” type of arrangement
- More payroll paperwork for employer to document reimbursements

Additional OJE Guidelines

- During the OJE training assignment, the subproject must ensure frequent follow-up to address any issues or problems. If the OJE training assignment is not working out or the employer has made a decision not to hire, the OJE training must be ended.
- OJE is to be recorded in the Training Information and Training Provider Information sections of the Community Service Form (see topics 43 – 47 of Data Collection Handbook).
- Recording OJE Hours – If the participant is kept on the subproject’s payroll and paid by the subproject for OJE, hours must be listed as hours paid on the SPARQ CSA form (field 21.) If the subproject reimburses the employer, OJE hours are not included on the CSA form as this is outside the participant payroll system (see topic 52 of Data Collections Handbook). When the subproject reimburses the employer for OJE wages, another form of payment such as a purchase order must be used. Hours of paid training is a data validation element.
- OJE is not considered unsubsidized employment. OJE is a type of training and the participant remains enrolled in the program during an OJE; the participant does not exit. A placement does not occur until an OJE had ended, the participant has exited the program, and the employer has officially hired the participant.
- The start date on the Unsubsidized Employment form should be the first day on the employers’ payroll after the OJE has ended and the participant has exited.

Required OJE Forms

- The *On-the-Job Experience Letter of Agreement* is required when the participant remains on the program’s payroll while assigned to OJE training.
- The *OJE Training Reimbursement Contract* is required when the participant is on the employer’s payroll, and the program is reimbursing the employer, during the participant’s OJE assignment.

- The *On-the-Job Experience Training Plan* is required and must be used for all OJE training assignments.

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