

TITLE:	Procedure to apply the policy to Reimburse the On-the-Job Training (OJT) Activity
VALIDITY:	November 15, 2017 [Signed]
APPROVED BY:	Mr. Rafael H. Aparicio Cesaní, Local Board President

I. OBJECTIVE

To describe how the policy to reimburse the On-the-Job Training (OJT) activity will be applied. To establish the documentation for the eligibility in the exceptions approved by the Local Board, in which it is determined to reimburse up to 75% of the maximum hourly salary of \$13.23.

II. REFERENCES

- Policy to reimburse to Employers the On-the-Job Training Programmatic Activity, as approved by the Local Board on March 21, 2017
- The Workforce Innovation and Opportunity Act, (WIOA, for its English acronym) in Section 3 (44) and 134 (c) (3) (H)
- “Federal Register,” Volume 81, No. 161, Sections 680.700, 680.710 and 680.720 and 680.730
- “Training and Employment Guidance Letter WIOA,” (TEGL-13-15) of February 23, 2016
- “Training and Employment Guidance Letter WIOA,” (TEGL-19-16) of March 1, 2017
- Law 62 of 2014, Law of Support for Microenterprises and Small and Medium-sized Merchants

III. DEFINITIONS

1. On-the-Job Training: activity whose purpose is to facilitate participants a training given by an employer in the workplace, for which they receive a salary compensation. From this point on the OJT acronym (On-the-Job Training) will be used.
2. Microenterprise: business or enterprise that generates a yearly gross income that is less than \$500,000.00 and that has seven (7) employees or less
3. Small business: business or enterprise that generates a yearly gross income that is less than \$3,000,000.00 and that has twenty-five (25) employees or less.
4. Medium-sized business: business or enterprise that generates a yearly gross income that is less than \$10,000,000.00 and that has fifty (50) employees or less.

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5. Salary cap or limit: the maximum amount that the employer can receive by means of the reimbursement that is to be applied is calculated in §13.23; for example, $\$13.23 \times .50\% + \6.62
6. Disabled persons that are able to work: individuals that are apt and available to work and that have some physical or mental disability.

IV. RESPONSIBILITIES

This procedure will be applied by the Title I personnel. The areas and designated positions are: Career Planner, Service Assistant, Social Workers, Occupational Counsellors, Job Promoters, Managers, and other areas and positions that are delegated.

V. DESCRIPTION AND DOCUMENTATION

The Specialists on Service to Employers, by means of the presentation of services, will bring orientation about the benefits and incentives available under Title I funds. In turn, they will identify the type of business, according to the definitions established in Law 62 and indicated in Part III of this procedure.

The employers must provide information on the quality of the training to be offered and the opportunities for professional growth that said training will offer. In the Case Management procedure, the participants' characteristics (time unemployed, current skills, and barriers to obtain a job) must be included.

1. **Microenterprise**: business or enterprise that generates a gross income that is less than \$500,000.00 yearly, and has seven (7) employees or less. It will receive up to 75% of an hourly salary of \$13.23. It will present evidence of its yearly gross income and the number of hired employees.

Documentation:

- Quality of the training to be offered and growth opportunities
- Financial Statements
 - In the case of new projects: it must present its three-year projections.
- Organization chart, list of employees, enterprise certificate, or enterprise roster

2. **Small business**: business or enterprise that generates a yearly gross income that is less than \$3,000,000.00 and has twenty-five (25) employees or less. It will receive a 65% reimbursement up to a maximum hourly salary of \$13.23. It will present evidence of its yearly gross income and the number of hired employees.

Documentation:

- Quality of the training to be offered and growth opportunities
- Financial Statements
 - In the case of new projects: It must present its three-year projections.
- Organization chart, list of employees, enterprise certificate, or enterprise roster

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3. **Medium-sized business:** business or enterprise that generates a yearly gross income that is less than \$10,000,000.00 and has fifty (50) employees or less. It will receive a **55%** reimbursement up to a maximum hourly salary of \$13.23. It will present evidence of its yearly gross income and the number of hired employees.

Documentation:

- Quality of the training to be offered and growth opportunities
- Financial Statements
 - In the case of new projects: it must present its three-year projections.
- Organization chart, list of employees, enterprise certificate, or company roster

4. **Business or businessperson** that generates a yearly gross income that is greater than \$10,000,000.00 and has more than fifty (50) hired employees. It will receive up to **50%** of the yearly salary of the participants that are to be recruited for the training.

Documentation:

- Quality of the training to be offered and growth opportunities
- Financial Statements
 - In the case of new projects: it must present its three-year projections.
- Organization chart, list of employees, enterprise certificate, or company roster

5. **Business or enterprise** under this procedure that wants to receive more than a 50% up to a 75% salary reimbursement. It must present assessment criteria and be submitted to the Local Board in order to evaluate the following criteria:

Descriptive letter from the employer and/or Local Area addressed to the Local Board with evidence of:

- a. Number of participants: present a list of the available positions to be contracted and/or participate through the On-the-Job Training Activity.
- b. Salaries and benefits: List or certification of the fringe benefits among other retributions that the OJT participants will receive.
- c. Difficulty level of the training: training description
- d. Demonstrate that is onerous to operate with a reimbursement of a 50% of the participants' salary: present evidence of the training costs showing that is onerous, and to apply for a consideration of more than a 50% of the participants' salary reimbursement.

6. ***Business or enterprise*** that hires disabled persons that are able to work or that are former inmates receives a **75%** of the described participant's salary. For this exception, in particular, the size of the enterprise will not be considered.

Documents available in the employer's invoices and the participant's file:

- Evidence of disability
- Penal antecedents
- Department of Justice letter
- Social Worker certification

VI. ATTACHMENT

Form to summarize the documentation of the Policy for On-the-Job Training and its exceptions

VII. VALIDITY

This procedure will take effect after its approval by the Local Board. It will be the Executive Director's responsibility to inform the personnel regarding this procedure within the fifteen (15) days after its approval.

[Signed]

Rafael H. Aparicio Cesaní, President
Local Board of Southeast Labor Development

November 15, 2017
Date

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Procedure to Apply the Policy to Reimburse the On-the-Job Training (OJT) Activity

Business, Enterprise , or Businessperson		Applicable Exception	Instructions	Documents
1	In the Case Management the participants' characteristics must be documented and explained (time unemployed, current skills, barriers to obtain a job).	It applies to everyone.	Case Management	Evidence of Certifications Job experience evidence and/or standardized tests
2	Quality of training to be given and growth opportunities	It applies to everyone.	Document Certification	Official certification of the employer of the training description and its opportunities
3 Enterprise size (small and medium-sized business)				
3.1	<u>Microbusiness</u> : business or enterprise that generates a yearly gross income that is less than \$500,000.00 and has seven (7) employees or less.	75% up to an hourly salary of \$13.23	Evidence of gross income and number of hired employees	<u>Financial Statements</u> organization chart, certified list of employees and/or headcount (roster)
3.2	<u>Small business</u> : business or enterprise that generates a yearly gross income that is less than \$3,000,000.00 and has (25) employees or less.	65% up to an hourly salary of \$13.23	Evidence of gross income and number of hired employees	<u>Financial statements</u> organization chart, certified list of employees and/or headcount (roster)
3.3	<u>Medium-sized business</u> : enterprise that generates a gross income that is less than \$10,000,000.00 yearly, and has fifty (50) employees or less.	55% up to an hourly salary of \$13.23	Evidence of gross income and number of hired employees	<u>Financial statements</u> organization chart, certified list of employees and/or headcount (roster)
3.4	Enterprise or employer with a yearly gross income greater than \$10,000,000 and that has more than 50 hired employees	50%	Corporate documents, as established, not additional ones.	
		More of a 50% up to a 75% of the salary reimbursement	It must be submitted to the Local valuate these criteria:	
			* Number of participants of the OJT activity	
			*Salaries and benefits *Training difficulty level	
		*Demonstrate that operating with a 50% reimbursement of the participants' salary is onerous		
3.5	Enterprise that hires disabled persons able to work and former inmates	75% of the described participant	There must be evidence in the employer's and the participant's file in order to probe the described criteria.	Evidence of the participant's disability
				Penal antecedents
				Department of Justice Letter
				Social Worker Certification

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