MN Department of Employment and Economic Development

On-the-Job Training (OJT) Contract

OJT Contract No:

## CONTRACT PURPOSE

The purpose of this contract is to establish the general terms and conditions under which the “OJT Service Provider”, (OJT Service Provider), may refer individual Workforce Investment Act (“WIA”) or Trade Adjustment Assistance (“TAA”) participants (“the Trainee”) to (Name of Employer) to enable the Trainee to take part in an On-the-Job Training (“OJT”) program.

## OJT DEFINITION

The term “on-the-job training” means training by an employer that is provided to a paid trainee while engaged in productive work. This training will:

1. provide knowledge or skills essential to the full and adequate performance of the job;
2. qualify for reimbursement to the employer of a portion of the wage rate of the Trainee, for the extraordinary costs of providing the training and additional supervision related to the training; and
3. limit the OJT contract period of time for a trainee to become proficient in the occupation for which the training is being provided. In determining the length of the training, consideration should be given to the skill requirements of the occupation, the academic and occupational skill level of the trainee, the prior work experience of the trainee, and the individual employment plan, as appropriate.

# Section 1: OJT Agreement

This On-the-Job Training Agreement is between and , the employer. Both parties agree to the terms and conditions in this contract. The contract begins on (enter start date here) and ends on (enter end date here).

# Section 2: Contact Information

Complete the contact information for the OJT Service Provider and the Employer.

|  |  |  |
| --- | --- | --- |
| OJT Service PROVIDER: | CONTACT PERSON: | TELEPHONE #: |
| OJT ADDRESS: | EMAIL: | FAX #: |
| EMPLOYER NAME: | F.E.I.N. # | MN ID #: |
| EMPLOYER ADDRESS: | CONTACT PERSON: | EMAIL: |
| TELEPHONE #: | FAX #: |

# Section 3: Trainee Information and Training Plan

Complete the contact information for trainee and reimbursement rates.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Trainee Name: | | Select One: New Hire  **OR** Current Employee | | | |
| Social Security #: | | | TELEPHONE #: | | |
| Beginning Date: | | | TRAINING End Date: | | |
| Job Title: | | O\*NET SOC #: | | | O\*Net Job Zone: |
| Job Description: | | | | | |
| Labor Market Outlook: | | | | | |
| STARTING Hourly Wage Rate: $ | | EXPECTED Hourly Wage Rate AT END OF TRAINING: $ | | | |
| TOTAL TRAINING HOURS: | WEEKLY WORK HOURS: | | | Reimbursement Rate:      % | |
| **Skills To Be Learned / CLASSROOM TRAINING REQUIRED:** | | | | | **Estimated Training Hours:** |
| 1. Skill To Be Learned / Class Required | | | | | Hours |
| 2. Skill To Be Learned / Class Required | | | | | Hours |
| 3. Skill To Be Learned / Class Required | | | | | Hours |
| 4. Skill To Be Learned / Class Required | | | | | Hours |
| 5. Skill To Be Learned / Class Required | | | | | Hours |
| 6. Skill To Be Learned / Class Required | | | | | Hours |
| 7. Skill To Be Learned / Class Required | | | | | Hours |
| 8. Skill To Be Learned / Class Required | | | | | Hours |
| 9. Skill To Be Learned / Class Required | | | | | Hours |
| 10. Skill To Be Learned / Class Required | | | | | Hours |
| Tools, Uniforms, Supplies Needed for Training: | | | | | |

# Section 4: General Terms and Conditions

## (OJT Service Provider)’s Responsibilities

1. agrees to pay on a (Enter a term such as a monthly or bi-monthly; TAA-funded OJTs must be monthly) basis.

## (Name of Employer)’s Responsibilities For Current Employee Trainees

1. If the OJT is provided to one of 's current employees, agrees that the OJT will relate to the introduction of new technologies, introduction to new production or service procedures, or is an upgrade to a new job that requires additional skills, and that the OJT position will provide the OJT Trainee with additional wages, hours or benefits.

## (Name of Employer)’s Responsibilities For New Hires and Current Employee Trainees

1. agrees to employ OJT Trainees who have completed their training for a minimum of 26 weeks after training has been completed. may only discharge an employee during this 26-week period if he or she commits employment misconduct, as defined in Minn. Stat. § 268.095, subd. 6.
2. agrees to maintain adequate time and attendance, payroll, and other records to support amounts reimbursed under the OJT contract, as well as fringe benefits and personnel records, for three (3) years after the end of the contract. These records are subject to review, monitoring, and audit by the OJT Service Provider and any government entities, at any time and without prior notice.
3. agrees to provide adequate insurance coverage to protect against legal liability arising out of OJT activity.
4. agrees that the training plan in this contract is limited to the time necessary for the OJT Trainee to become proficient.
5. agrees to adhere to all applicable federal, state, and local laws and ordinances, including wage, anti-discrimination, labor, employment, environmental, health, and safety laws.
6. agrees to pay the OJT Trainee at the same rates, including increases, and benefits as employees who are situated in similar jobs.
7. agrees that OJT funds will not be used to assist, promote or deter union organizing or religious activities.
8. agrees that no member of the OJT Trainee's immediate family is engaged in an administrative capacity for , or will directly supervise the OJT Trainee. For the purpose of this contract, immediate family is defined as spouse, children, parents, grandparents, grandchildren, brothers, sisters or person bearing the same relationship to the OJT Trainee's spouse.
9. agrees that the OJT Trainee has not been hired into a position when any other person is on layoff from the same or a substantially equivalent job within the same organizational unit or has been bumped and has recall rights to that position, nor is the OJT created in a promotional line that infringes on opportunities of current employees.

# Section 5: Contract Modification or Termination

may immediately terminate this contract if federal or state funding is no longer available, or if the WIA or TAA programs are no longer authorized by state or federal law.

This contract will automatically terminate if the OJT Trainee voluntarily resigns. may then submit a final reimbursement to for the outstanding hours worked before the resignation.

may immediately terminate this contract if does not fulfill its responsibilities under the contract, and must refund any moneys paid under this contract to .

This contract is governed and construed in accordance with the laws of the State of Minnesota. All claims relating to or arising out of this contract, including any contract or tort claims, are governed by the laws of the State of Minnesota.

# Section 6: Signatures

agrees to all the terms and conditions in this OJT Contract.

|  |
| --- |
| DATE: |
| EMPLOYER REPRESENTATIVE NAME: |
| TITLE: |
| SIGNATURE: |

agrees to all the terms and conditions in this OJT Contract.

|  |
| --- |
| DATE: |
| OJT SERVICE PROVIDER REPRESENTATIVE/ TAA SPECIALIST NAME: |
| TITLE: |
| SIGNATURE: |

# Section 6: Concurrence of the Collective Bargaining Agent

Complete this information about whether the employment and training is subject to a collective bargaining agreement.

|  |  |
| --- | --- |
| 1. Is the occupation in which the OJT is being offered subject to a collective bargaining agreement? | YES  NO |
| 1. If yes, please indicate the name, title, and union affiliation of the appropriate bargaining representative. |  |

BARGAINING REPRESENTATIVE’S NAME:

BARGAINING REPRESENTATIVE’S TITLE:

UNION AFFILIATION:

SIGNATURE:

# Section 7: For TAA Office Use Only

The number of weeks for training to be completed, calculated from estimated training hours and hours worked per week (Section 2):

Length of training is within the limit set by applicable laws: YES / NO

|  |  |
| --- | --- |
| OJT SERVICE PROVIDER REPRESENTATIVE/ TAA SPECIALIST SIGNATURE: | DATE: |