

## **CATAWBA WIOA INSTRUCTION PY16**

TO:

**WIOA Grantees** 

SUBJECT:

OJT Wage Reimbursement

**ISSUANCE DATE:** 

March 9, 2017

**EFFECTIVE DATE:** 

Immediately

**EXPIRATION DATE:** 

Indefinite

OJT contracts are designed to assist employers with a wage subsidy during the training period, as an incentive to the employer to hire individuals who lack marketable skills for the current job market.

Business Services staff negotiates the OJT wage and reimbursement rate with the employer. Starting wage must be a minimum of \$11 an hour at entry of training and end at a minimum of \$11 following completion of training. Starting wage cannot exceed \$19.03 per hour (WIOA TEGL 13-15).

The Workforce Innovation and Opportunity Act allows for payments of wage reimbursement for on-the-job training activities. The reimbursement rate depends upon the number of employees at the company and ranges from 50%-75 %. Employers with less than 100 employees are reimbursed at 75%; employers with 100 or more employees are reimbursed at 50%. Employer should only include employees at the specified location.

Follow the information above when administering the OJT program locally.

**INQUIRES:** If you have any questions regarding this instruction, please contact Nicole Lawing at 327-9041 or nlawing@catawbacog.org.

Nicole Lawing

WIOA Administrator