

<b>EMPLOYMENT AND TRAINING ADMINISTRATION</b> <b>ADVISORY SYSTEM</b> <b>U.S. DEPARTMENT OF LABOR</b> <b>Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> WIOA – Registered Apprenticeship
	<b>CORRESPONDENCE SYMBOL</b> OA
	<b>DATE</b> January 12, 2017

**ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER WIOA NO. 13-16  
OPERATING GUIDANCE for the WORKFORCE INNOVATION AND  
OPPORTUNITY ACT**

**TO:** STATE AND LOCAL STAKEHOLDERS IN THE WORKFORCE  
INNOVATION AND OPPORTUNITY ACT  
STATE WORKFORCE AGENCIES  
STATE APPRENTICESHIP AGENCIES  
STATE DIRECTORS, OFFICE OF APPRENTICESHIP  
STATE WORKFORCE ADMINISTRATORS  
STATE WORKFORCE LIAISONS  
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS

**FROM:** PORTIA WU /s/  
Assistant Secretary

**SUBJECT:** Guidance on Registered Apprenticeship Provisions and Opportunities in the Workforce Innovation and Opportunity Act (WIOA)

1. **Purpose.** Registered Apprenticeship is an important workforce development strategy that the workforce system provides to its customers, both job seekers and employers. It is an evidence-based model for job seekers and is a job-driven strategy for employers and industries. Engagement with employers, institutions of higher education, and policy makers has ramped up significantly in order to achieve the administration’s goal to double the number of apprentices across the United States. This is an historic opportunity for the workforce system to expand its business base and offer job seekers greater employment prospects while offering employers a strategic approach to talent development. The purpose of this guidance is to provide information about the new provisions for Registered Apprenticeship in WIOA, including the status of Registered Apprenticeship sponsors as Eligible Training Providers, membership on State and Local Workforce Boards, the use of WIOA funding to support Registered Apprenticeship, reporting on Registered Apprenticeship activity, and suggestions about how to coordinate with the Registered Apprenticeship system.

2. **References.** See Attachments.

3. **Background.** WIOA became law on July 22, 2014, and supersedes titles I and II of the Workforce Investment Act (WIA) of 1998, and amends the Wagner-Peyser Act and the Rehabilitation Act of 1973. The Departments of Labor and Education published the Final Rules in the Federal Register on August 19, 2016, which became effective October 18, 2016.

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> Continuing
----------------------------	--------------------------------------

4. **What is Registered Apprenticeship?** Registered Apprenticeship is a proven model of job preparation that combines paid on-the-job training (OJT) with related instruction to progressively increase workers' skill levels and wages. Registered Apprenticeship is also a business-driven model that provides an effective way for employers to recruit, train, and retain highly skilled workers. It allows employers to develop and apply industry standards to training programs, thereby increasing productivity and the quality of the workforce. As an "earn and learn" strategy, Registered Apprenticeship offers job seekers immediate employment opportunities that pay sustainable wages and offer advancement along a career path. Graduates of Registered Apprenticeship programs receive nationally-recognized, portable credentials, and their training may be applied toward further post-secondary education.

The U.S. Registered Apprenticeship System is authorized through the National Apprenticeship Act of 1937 (29 U.S.C. 50 et seq.). The Office of Apprenticeship (OA) in conjunction with State Apprenticeship Agencies (SAAs) is responsible for registering apprenticeship programs that meet Federal and State standards, issuing certificates of completion to apprentices, encouraging the development of new programs through outreach and technical assistance, protecting the safety and welfare of apprentices, and assuring that all programs provide high-quality training.

In the United States today, there are more than 150,000 employers and other Registered Apprenticeship sponsors (see list of other sponsors on page 6) employing more than 500,000 apprentices in over 1,000 occupations. A broad range of additional occupations can be mastered through Registered Apprenticeship. For example, employers are developing skilled workers using apprenticeship models in such industries as advanced manufacturing, health care, telecommunications, biotechnology, information technology, energy, and transportation and logistics. Employers sometimes work collaboratively to develop a Registered Apprenticeship program; in fact, industry partnerships are one of the hallmarks of Registered Apprenticeship.

All Registered Apprenticeship programs consist of the following five core components – direct business involvement, OJT, related instruction, rewards for skill gains, and a national occupational credential:

- **Business Involvement.** Businesses are the foundation of every Registered Apprenticeship program, and the skills needed for workforce success form the core of the model. Businesses must play an active role in building Registered Apprenticeship programs and are involved in every step of their design and execution.
- **On-the-Job Training.** Every Registered Apprenticeship program includes structured OJT. Companies hire apprentices and provide hands-on training from an experienced mentor. This training is developed by mapping the skills and knowledge the apprentice must learn over the course of the program to be fully proficient at the job.

- **Related Instruction.** Apprentices receive related instruction or classroom style training that complements the OJT. This instruction helps refine the technical and academic skills that apply to the job. Related instruction may be provided by a community college, technical school or college, an apprenticeship training school, or by the business itself. This instruction can be provided at the school, online, or at the work site.
- **Rewards for Skill Gains.** Apprentices receive increases in pay as their skills and knowledge increase. Progressive wage gains reward and motivate apprentices as they advance through training and become more productive and skilled at their job.
- **National Occupational Credential.** Every graduate of a Registered Apprenticeship program receives a nationally-recognized credential, referred to as a Certificate of Completion, which is issued by the U.S. Department of Labor (USDOL) or a federally-recognized SAA. This portable credential signifies that the apprentice is fully qualified to successfully perform an occupation. Many Registered Apprenticeship programs – particularly in high-growth industries such as health care, advanced manufacturing, and transportation – also offer interim credentials as apprentices master skills as part of a career pathway.

The length of training and the skills and competencies required for mastery of an occupation are set by industry. Traditional Registered Apprenticeship programs are time-based and require a specific number of hours of OJT and related instruction. Increasingly, however, industries are using competency-based programs that reflect mastery of key skills and allow workers to progress at their own pace. The Registered Apprenticeship system currently approves time-based, competency-based and hybrid time-and-competency-based programs and is encouraging industries to transition to competency-based programs to enhance program effectiveness and potentially widen the pool of apprentices.

Through Registered Apprenticeship, employers attract and retain highly-qualified employees, and improve productivity and the quality of services and products. State and local workforce systems that use Registered Apprenticeship as a workforce strategy meet the needs of job seekers for sustainable careers and the needs of businesses for a skilled workforce. Adopting robust Registered Apprenticeship programs in the context of economic development strategies creates seamless pipelines of skilled workers and flexible career paths to meet current and future workforce demands.

5. **Leveraging Registered Apprenticeship as a Workforce System Strategy.** Registered Apprenticeship is fully aligned with the employer-focused, work-based training that WIOA envisions. Features of Registered Apprenticeship, including its flexibility, opportunities for immediate earnings, and emphasis on partnerships, make it an effective strategy to meet workforce system goals. Additionally, the outcomes attained by apprentices and graduates of Registered Apprenticeship programs can lead to strong WIOA performance results.

Adopting Registered Apprenticeship as a workforce strategy can help advance the goals of WIOA – a transformed public workforce system that improves employment opportunities for

job seekers and workers through an integrated, job-driven system that links diverse talent to the nation's businesses. Below are ways that Registered Apprenticeship can enhance the WIOA system.

- **Promoting industry sector strategies and regional economic competitiveness.** Meeting the workforce needs of employers is critical to economic growth and is a key priority of WIOA. As an employer-driven model for skill attainment, Registered Apprenticeship provides businesses with the highly-qualified talent they need to grow and compete. WIOA also promotes industry sector strategies and regional collaboration because the very foundation of Registered Apprenticeship is industry engagement, which can further the workforce system's efforts to support regional economies. Registered Apprenticeship can be a critical part of establishing worker pipelines in regionally-critical industry sectors. The apprenticeship model can serve as a catalyst to bring together partners to align education and training investments to meet sector workforce needs.
- **Strengthening partnerships.** WIOA calls for strong partnerships that connect the workforce, economic development, and education systems with business and other stakeholders. Successful Registered Apprenticeship programs are similarly based on strong collaboration among businesses, educational institutions, the public workforce system and other key community organizations. These stakeholders work together to pinpoint the employer's needs, design the Registered Apprenticeship program, recruit apprentices, and fund the program. The Registered Apprenticeship system at the state and national levels is available to provide support and technical assistance to help launch, maintain and grow Registered Apprenticeship opportunities.
- **Emphasis on work-based training strategies.** Registered Apprenticeship is an effective work-based learning approach that builds worker skills and establishes pathways for higher wages and career opportunities. The increased emphasis on work-based learning and business engagement in WIOA provides a clear opportunity for the workforce system to integrate Registered Apprenticeship into business services, providing customized support to meet the needs of any business or group of businesses, thereby fulfilling WIOA's focus on advancing the workforce needs of employers while providing quality training opportunities for job seekers.
- **Increasing access to education and training.** Adult learners with families and financial obligations frequently need to work while they gain additional education or workforce skills. Young adults also may need to work while attending school. Since Registered Apprenticeship is an "earn and learn" model, it provides access to education and training that might not otherwise be possible for many job seekers. Additionally, WIOA automatically includes Registered Apprenticeship programs on state Eligible Training Provider Lists (ETPL), establishing the opportunity for public workforce systems to invest WIOA resources in the related instruction component of Registered Apprenticeship programs.

- Increasing skills and creating career paths with credentials for workers.** The foundation of the apprenticeship model is that apprentices progressively increase their skills and competencies throughout the program. WIOA creates a new measurable skill gains performance indicator that measures the interim progress of participants in an education or training program, including Registered Apprenticeship programs. Examples of measureable skill gains can be found in the Joint WIOA Final Rule and WIOA Performance Accountability Guidance, [https://wdr.doleta.gov/directives/corr\\_doc.cfm?docn=8226](https://wdr.doleta.gov/directives/corr_doc.cfm?docn=8226). Apprenticeship programs are well positioned to impart skills to workers, which would meet the WIOA measurable skills gain performance indicator. Additionally, because Registered Apprenticeship programs include immediate employment for apprentices, they provide an excellent opportunity for dislocated workers, returning military service members, and others needing to transition to new careers. Registered Apprenticeship contributes to career pathways by building worker skills and establishing well-defined steps along pathways to higher levels of employment and wages. Registered Apprenticeship programs also can be an important part of industry growth strategies where the skills of large segments of the workforce need to be re-tooled.
- Meeting the needs of out-of-school youth.** Registered Apprenticeship programs provide an effective strategy to meet WIOA’s emphasis on providing services to out-of-school youth and increasing youth work experiences. Registered Apprenticeship is an important talent development option that leads to career opportunities in demand-driven occupations. Registered Apprenticeship programs provide youth with the opportunity to “earn while they learn,” and obtain portable credentials that can lead to additional positive post-secondary training outcomes. For younger youth, pre-apprenticeship programs can serve as a gateway to Registered Apprenticeship programs, while providing contextual learning that can promote and enhance high school completion levels. WIOA also requires Local Workforce Development Boards (LWDBs) to utilize at least 20% of their youth funding on paid and unpaid work experiences that have an academic and occupational education component. Such work experiences may now include pre-apprenticeship.

**6. Registered Apprenticeship in WIOA.** WIOA represents a tremendous opportunity to explore, expand and emphasize the utilization of Registered Apprenticeship as a workforce system talent development strategy. Below are specific areas where Registered Apprenticeship is included in the WIOA legislation.

- A. Registered Apprenticeship on State List of Eligible Training Providers (ETPs) DOL-only Regulations §§ 680.410 (d), 680.450, 680.460, and 680.470.** Under WIOA, title I, Registered Apprenticeship program sponsors are automatically eligible for placement on the state-approved ETP list and will remain on the list as long as the program is registered or until the program sponsor notifies the State that it no longer wants to be included on the list. Registered Apprenticeship programs are not subject to the same application and performance information requirements or to a period of initial or continued eligibility as other providers because they go through an extensive application

and vetting process to become a Registered Apprenticeship program sponsor with the USDOL or the SAA.

i) Registered Apprenticeship can take many forms and its sponsors are diverse, including:

- Employers who provide related instruction: A number of employers with Registered Apprenticeship programs provide formal in-house instruction as well as on-the-job training at the work site. In this situation, the employer is the ETP.
- Employers who use an outside educational provider: Under this model, Registered Apprenticeship program sponsors do not provide the related instruction or educational portion of the apprenticeship, but instead rely upon an outside educational entity to deliver the instruction. Employers can use two- or four-year post-secondary institutions, technical training schools or on-line courses for related instruction. The employer is the ETP and must identify the instructional provider(s).
- Joint Apprenticeship Training Programs: These programs are run by a joint labor-management committee and are comprised of employers and unions. They have an apprenticeship training center where the instructional portion of the Registered Apprenticeship program is delivered. The training schools are usually administered by the union. The Joint Apprenticeship Training Committee is the ETP.
- Intermediaries: Intermediaries can serve as program sponsors when they take responsibility for the administration of the Registered Apprenticeship program. They can also provide expertise such as curriculum development, classroom instruction, and supportive services, as appropriate. The intermediary is the ETP and must identify the instructional provider if an outside organization is providing the educational portion of the Registered Apprenticeship program. Intermediaries include:
  - (1) Educational institutions including two- and four-year post-secondary institutions or technical schools. In this model, the educational institution administers the programs, works with employers to hire apprentices, and provides the classroom or on-line instruction for the Registered Apprenticeship program;
  - (2) Industry associations administer the program and work with employer/members and educational entities to implement the Registered Apprenticeship program; and

- (3) Community-based organizations administer the program and work with employers, educational entities and the community to implement the Registered Apprenticeship program.

ii) *Steps for Adding Registered Apprenticeship Program Sponsors to the State List of Eligible Training Providers*

Although all Registered Apprenticeship sponsors are eligible for the State list of ETPs, some may choose not to be included and/or remain on the list. The majority of Registered Apprenticeship programs have not had the opportunity to work with the public workforce system and will need to learn about WIOA and its key provisions, such as the State list of ETPs, State and Local Workforce Development Boards (WDBs), and other aspects of the system. The Department encourages the Governor to work closely with the Federal OA State offices and the SAAs to facilitate the integration and collaboration of the workforce and Registered Apprenticeship systems. Federal OA and SAA state contact information is at: <http://www.doleta.gov/oa/contactlist.cfm>.

Each State must notify Registered Apprenticeship programs of their eligibility to be on State list of ETPs, and Registered Apprenticeship programs should indicate their interest in being on the State list of ETPs according to procedures established by the Governor. The Governor must work with the Federal OA State Director or if the State oversees the Registered Apprenticeship system, with the SAA, to develop a mechanism to contact all Registered Apprenticeship programs. When developing policies and procedures, the State should make all efforts to minimize the burden to Registered Apprenticeship programs. The State should also take into consideration that new Registered Apprenticeship programs are continually added to the Federal and SAA databases and may want to become ETPs. Therefore, data collection on new Registered Apprenticeship programs should be added on a timely basis, at least semi-annually.

As stated in the DOL-only regulations at 680.470(a), States are required to do the following —

- Contact the State OA or SAA office to get information about Registered Apprenticeship program sponsors to inquire about placement on the list of ETPs; create a process for gathering basic information on Registered Apprenticeship programs;
- Request information on the following: (1) occupations included within the Registered Apprenticeship program; (2) contact information including the name and address of the Registered Apprenticeship sponsor; (3) the name and address of the Related Technical Instruction provider, and the location of instruction if different from the program sponsor's address; (4) the method and length of instruction; and (5) the number of active apprentices. This is all the information that is needed for inclusion on the ETPL.

Registered Apprenticeship programs that do not provide the Related Technical Instruction portion of the apprenticeship (as outlined above) may be required to provide additional information about their education provider, including the cost of the instruction (this is the only time that cost information should be requested);

- Create a process to inquire if Registered Apprenticeship sponsors want to be included on the ETPL and confirm that the information the State OA or SAA office provided is accurate. Registered Apprenticeship programs must be given the opportunity to agree to ETP list placement; and
- Once RA sponsors request to be included on the ETP, the state will post required information on the ETPL.

iii) Placement on Local ETPL

The expectation is that Registered Apprenticeship programs will be included on statewide lists of ETPs through a minimally burdensome process that includes the State Director of Apprenticeship, as well as any and all local lists of ETPs. Program sponsors should not have to apply multiple times to be placed on local ETP lists. Moreover, the language at Section 680.510(a) of the WIOA Final Rule makes clear that LWDBs cannot impose any additional requirements on Registered Apprenticeship program sponsors. Several states have already revised their ETPL policies to add clarifying language that eliminates any ambiguity in this regard.

iv) Biennial Review of Registered Apprenticeship ETP Status

According to DOL-only Regulation § 680.460(j), the Governor is required to develop a procedure to verify the status of Registered Apprenticeship programs as a part of the State's review of the State list of ETPs at least every two years. Although Registered Apprenticeship programs are not subject to the same review procedures as other ETPs, the State must verify the status of the Registered Apprenticeship programs in order to ensure that it remains certified, and removes any apprenticeship programs from the ETP list that are no longer registered. The State should work with Federal OA or SAA staff to get a list of all Registered Apprenticeship programs that are either voluntarily or involuntarily deregistered.

v) Disseminating Information on Registered Apprenticeship Programs to the Workforce System

The Governor is responsible for disseminating information on Registered Apprenticeship program ETPs to the Local Boards. This includes information on any new Registered Apprenticeship program ETPs, and identification of any programs that no longer want to remain on the ETP list or any that were deregistered. The Governor is authorized to designate a State agency to carry out this requirement. The Department urges the State agency to work directly with the Federal OA or the SAA office to obtain the information.



vi) *ETP Reporting Requirements for Registered Apprenticeship*

Registered Apprenticeship programs that are part of the State list of ETPs are not subject to the same information reporting requirements as other training programs under WIOA, including the requirements for annual ETP reporting under Section 116. More information on performance reporting requirements for Registered Apprenticeship programs on the ETPL will be provided in upcoming guidance. More specifically, the Departments of Education and Labor will be amending the joint information collection request (ICR) (OMB 10205-0526) which includes information on the data elements required for, and the overall process of producing the eligible training provider report. The ICR is slated for a 60-day public comment period release in January 2017.

vii) *Pre-Apprenticeship Programs*

Pre-apprenticeship programs provide instruction and/or training to increase math, literacy, and other vocational and pre-vocational skills needed to gain entry into a Registered Apprenticeship program. Implementing Registered Apprenticeship and pre-apprenticeship models that are aligned with the needs of key industry sectors creates opportunities to advance students, job seekers, and workers along the talent pipeline. A pre-apprenticeship program funded with WIOA funding must have at least one Registered Apprenticeship partner; such pre-apprenticeship programs must possess or develop a strong record of enrolling their pre-apprenticeship graduates into a Registered Apprenticeship program. Once the participant is enrolled in the Registered Apprenticeship program, and if his/her funding has not been exhausted, a portion and/or the balance of funding may be used to cover the costs of the Registered Apprenticeship program's classroom training/related instruction.

Pre-apprenticeship programs generally consist of the following:

- Training and curriculum that aligns with the skill needs of employers in the economy of the State or region involved;
- Access to educational and career counseling and other supportive services, directly or indirectly;
- Hands-on, meaningful learning activities that are connected to education and training activities, such as exploring career options, and understanding how the skills acquired through coursework can be applied toward a future career;
- Opportunities to attain at least one industry-recognized credential; and

- A partnership with one or more Registered Apprenticeship programs that assists in placing individuals who complete the pre-apprenticeship program into a Registered Apprenticeship program.

It must be noted that pre-apprenticeship programs do not have the same automatic ETP status under WIOA as do Registered Apprenticeship programs according to DOL-only Regulation § 680.470(f). The USDOL does not register or regulate pre-apprenticeship programs, although we have defined the attributes of a quality pre-apprenticeship program (see TEN 13-12). Only Registered Apprenticeship programs go through a detailed application and vetting procedure to become a Registered Apprenticeship program sponsor with the USDOL or the SAA. Organizations offering pre-apprenticeship training programs that are seeking ETP status are required to go through the same vetting process and performance reporting requirements as all other training providers in the State. If the pre-apprenticeship training program is on the ETP list, WIOA Title I funds may be used to fund that program for eligible individuals.

- B. Registered Apprenticeship Program Representation on State and Local Workforce Development Boards—DOL-only Regulations 679.110(b)(3)(ii)(B) and Paragraph (c) of § 679.320.** One of the emphases in WIOA is restructuring the LWDBs to be more strategic and job-driven with a focus on sector strategies and career pathways. In support of this emphasis, at least one representative from a Registered Apprenticeship program is required on both the State and Local WDBs. WIOA stipulates that membership must come from a joint-labor management Registered Apprenticeship program. The program must be registered with the USDOL OA or with the SAA. The Registered Apprenticeship representative must be a member of a labor organization or a training director of the joint program. If there are no joint labor-management Registered Apprenticeship programs in the State, the Chief Local Elected Official should appoint a representative from a non-union Registered Apprenticeship program. The apprenticeship representative should have optimum decision-making capacity, as is required with all Board members. Representatives from the SAA and the USDOL OA cannot serve in this capacity; they can, however, serve as advisors to the WDB and work in a non-official capacity.
- C. Registered Apprenticeship as a Recognized Post-Secondary Credential – Section 3(52).** In addition to the new aforementioned Measurable Skill Gains performance indicator, WIOA also includes a new Credential Attainment Rate performance indicator. Graduates from Registered Apprenticeship programs receive a credential (referred to as a Certificate of Completion) issued by either the USDOL or a federally-recognized SAA, which is considered a recognized postsecondary credential under WIOA. Individuals who complete a Registered Apprenticeship program may use their credential toward college credit at a college participating in the Registered Apprenticeship-College Consortium (RACC). This is a network of colleges and Registered Apprenticeship programs where member colleges agree to accept the Registered Apprenticeship credential towards college credit. As a member of the RACC, Registered Apprenticeship

programs must have their programs assessed by a third party evaluator to determine college credit value. <http://doleta.gov/oa/racc.cfm>

**D. Pre-apprenticeship as Part of Work Experience Youth Program Element – Section 129(c)(2)(C)(ii).** As noted earlier in Section A, WIOA emphasizes youth “work experience” as one of the fourteen required youth program elements by adding a requirement for LWDBs to utilize at least 20% of their youth funding to support work experiences; the statute specifically includes pre-apprenticeship as a type of work experience.

**E. Pre-apprenticeship/Registered Apprenticeship for YouthBuild – DOL-only Regulations Part 688.** YouthBuild grantees are encouraged to coordinate work experience and skills training with pre-apprenticeship and Registered Apprenticeship programs. YouthBuild may offer pre-apprenticeship training to prepare youth for Registered Apprenticeship or other career opportunities.

**F. Registered Apprenticeship as Pathway for Job Corps –DOL-only Regulations Part 686.** Registered Apprenticeship is a positive placement under the Job Corps program. National training contractors working with Job Corps centers are strongly encouraged to provide pre-apprenticeship training to ensure that graduates are placed in Registered Apprenticeships upon program completion. OA and Job Corps have memoranda of understanding to provide Job Corps graduates priority admission into Registered Apprenticeship programs (See JC Circular 74-5).

**7. WIOA Funding to Support Registered Apprenticeship.** With the significant expansion of Registered Apprenticeship programs in high-demand fields, WIOA Title I funds, in addition to other sources of public and private funds, can be used to support Registered Apprenticeship programs.

WIOA Title I Funds: ETA strongly encourages the workforce system to use WIOA funding to support Registered Apprenticeship in the following ways:

Service	Supporting Registered Apprenticeship (RA)
<b>Individual Training Accounts (ITAs)</b>	RA sponsors are able to use ITA funds to support the educational portion (i.e., related instruction component) of the registered apprenticeship for eligible apprentices. ITAs also can finance pre-apprenticeship training in preparation for formal RA if they are on the State ETP list. Additionally, individuals in receipt of ITAs may also receive supportive services to enable them to participate in the training. States should have up-to-date lists of RA program sponsors from their OA and SAA offices to place on the ETP lists. State and Local WDBs should work with OA and SAA offices on an outreach strategy to maximize RA program sponsor usage.

<p><b>Contracted Classes for Training Cohorts for Related Instruction</b></p>	<p>In certain circumstances a LWDB may determine that a contract with an ETP to train a cohort of potential apprentices in in-demand industry sectors or occupations may be developed instead of an ITA. This approach provides an efficient and well-suited process for certain cohorts of RA training. Note that grantees must ensure that contracts with training providers, including for-profit training providers, meet the procurement standards found in the Uniform Guidance. If a college is considered a contractor, the procurement standards are applicable to grant recipients entering into agreements with contractors and not sub-recipients. All transactions with contractors must adhere to the procurement standards that identify a variety of different ways to procure goods or services. If the cost of the training is within the micro-purchase (\$3K) or under the simplified acquisition threshold which is currently at \$150K, a competitive process is not required. The WDB can hire the college without competition. If the cost of the training exceeds the micro-purchase and simplified acquisition thresholds, the WDB would have to use a competitive process to solicit training providers in the area. If it is determined that the college is acting in the capacity of a sub-recipient, then no procurement is needed. Although ITAs may be utilized to support the related instruction for individual apprentices, it is allowable for the workforce system to utilize a contract as the vehicle for training a cohort of apprentices in the related instruction component of the RA program provided the apprentices (or potential apprentices) meet the Adult or Dislocated Worker eligibility requirements. Under section 134(c)(3)(G)(ii)(V) of WIOA, the contract exceptions to an ITA have been expanded to include RA. Additionally, a LWDB may use incumbent worker training funds under section 134(d)(4) to provide training to a cohort of apprentices.</p>
<p><b>Youth Occupational Skills Training</b></p>	<p>Youth occupational skills training is a required program element under WIOA that includes RA as a viable training option for youth 16-24 that provides both a living and a pathway to the middle class. This program element also emphasizes training that aligns with in-demand industry sectors and occupations, which is a key component of RA programs.</p>
<p><b>Supportive Services</b></p>	<p>WIOA funds can support a variety of supportive services for apprentices, including books, supplies, child care, transportation, tools and uniforms.</p>

<b>Customized Training</b>	State and Local WBDs can support RA program sponsors and apprentices through customized training agreements.
<b>On-the-Job Training</b>	WIOA expands the potential for utilizing OJT to support RA. In certain circumstances, up to 75 percent of the apprentices' wages may be reimbursed by public workforce system contributions if employers meet criteria for a designated period of time. States and Local WBDs can set up arrangements with RA programs where participants may do OJT for multiple employers who are signatories to the RA program, consistent with State and Local policies. Unlike the related instruction component, the OJT component is supported by a contract, not an ITA.
<b>Incumbent Worker Training</b>	LWDBs may use up to 20% of their adult and dislocated worker funds to pay the Federal share of the cost of incumbent worker training, enabling current workers to remain on the job while in training, which is strongly emphasized in WIOA.

For more detailed information on how WIOA funds may be used to support Registered Apprenticeship, please refer to the Registered Apprenticeship Desk Aid <http://www.dol.gov/apprenticeship/toolkit.htm>.

## 8. **Other Sources of Funding for Registered Apprenticeship.**

A. **Trade Adjustment Assistance (TAA).** Registered Apprenticeship is an allowable type of employer-based training that may be approved for a worker covered by a certification of group eligibility for the TAA Program authorized by the Trade Act of 1974, as amended. For a worker to receive approval to enroll in a Registered Apprenticeship program funded by TAA, the State must determine that the following six criteria are met according to 20 CFR 617.22: (1) no suitable employment is available for an adversely affected worker; (2) the worker would benefit from appropriate training; (3) there is a reasonable expectation of employment following completion of training; (4) training is reasonably available to the worker; (5) the worker is qualified to undertake and complete such training; and (6) training is suitable for the worker and available at a reasonable cost. The TAA Program can pay for the expenses associated with related instruction (e.g., classroom and distance learning), tools, uniforms, equipment or books for an adversely affected worker's participation in a Registered Apprenticeship program. TAA support for the costs of the Registered Apprenticeship must end either at the end of the 130-week maximum duration of training limit established under the Trade Act, or when the participant reaches suitable employment. For further guidance on TAA and Registered Apprenticeship, refer to TEGL No. 5-15, Change 1, Section D.5.3. Further guidance on the TAA Program's funding of the Registered Apprenticeship OJT component is planned and for more information, please contact the appropriate Regional Trade Coordinator.

**B. State Funds.** Many states use statewide funding to support Registered Apprenticeship, and consideration of the use of these funds to support Registered Apprenticeship is strongly recommended. States have considerable flexibility in designing the optional uses of their statewide set-aside funds, including for Registered Apprenticeship and pre-apprenticeship activities, as noted in WIOA Sec. 134(a)(3). Other state-level resources also may be used to support Registered Apprenticeship. For instance, the State of South Carolina offers statewide reserve-funded competitive grants to expand Registered Apprenticeship in high-growth, high-wage industries. The statewide organization, Apprenticeship Carolina, provides eligible businesses with a tax credit of \$1,000 for each registered apprentice they employ.

**C. Discretionary Grants from ETA.** H-1B discretionary grant programs may fund projects that include Registered Apprenticeship as a training strategy to provide participants with the skills, credentials, and experience necessary to enter middle- and high-skilled jobs across industries and occupations for which employers are using H-1B visas to hire foreign workers. H-1B grant initiatives include:

*American Apprenticeship Initiative:* This grant opportunity provides \$175 million to 46 grantees to support the Registered Apprenticeship system through: public-private partnerships in high-growth occupations and industries; development of career pathways; and increased opportunities for women and other underrepresented populations in Registered Apprenticeship. More information on the apprenticeship grants is available at:

<http://www.dol.gov/apprenticeship/grants.htm>

**D. ApprenticeshipUSA Expansion Grants and Contracts.** Congress approved \$90 million in FY2016 to expand Registered Apprenticeships across the country in a diverse array of industry sectors. Grants provide funding to 36 States and one territory to undertake new apprenticeship efforts in both urban and rural communities. Ten ApprenticeshipUSA Industry Intermediary Contracts were awarded to national organizations to start or scale apprenticeship programs that meet the occupational and skill needs of their industries. More information on the grants and contracts is available at: <https://www.dol.gov/featured/apprenticeship/grants>

**9. Additional Federal Funding Sources for Registered Apprenticeship.** Federal funding for Registered Apprenticeship programs is available through several federal agencies to support business investments in apprentices and to assist educators and intermediaries in strengthening the tie between training and employment through Registered Apprenticeship. Below is a summary of the funding sources available outside of the USDOL. For more in-depth information on each of these funding sources, visit the “Federal Resources Playbook for Registered Apprenticeship” available at:

<http://www.doleta.gov/oa/federalresources/playbook.pdf>.

## A. U.S. Department of Education

Federal Student Aid Funds – The Federal Student Aid (FSA) office provides billions of dollars each year in Federal grants and work-study funds that can be used to help workers pursue higher education through Registered Apprenticeship. These uses include:

- i) Federal Pell Grants – Apprentices who qualify for Federal Pell Grants can receive funding to cover all or most of the cost of tuition and fees, and books and supplies for the students' enrollment in the technical instruction portion of a Registered Apprenticeship if part of an eligible academic program. The average Federal Pell Grant award was \$3,700 in the 2014-15 academic year.
- ii) Federal Work Study – Institutions can use Federal Work Study (FWS) funds to pay a portion of the training wages of eligible students who are apprentices while they are enrolled in eligible certificate or degree programs. The average FWS award was close to \$1,700 in the 2014-15 academic year. Institutions can leverage their FWS funds, individually or as part of a group of institutions, to create a Job Location and Development (JLD) program to help identify and support employers in creating Registered Apprenticeships for enrolled students.

## B. U.S. Department of Veterans Affairs

- i) GI Bill® – Veterans using the GI Bill® entitlement for formal classroom instruction may receive a percentage of tuition and fee payments (i.e., all tuition and fee payments for an in-State student or up to \$20,235.02 per year for a private/foreign institution for a maximum of 48 months, paid directly to the school on the Veteran's behalf) while participating in an employer's Registered Apprenticeship program. (Veterans may only use their GI Bill® entitlement to support the related instruction component of a *registered* apprenticeship program.)
- ii) Vocational Rehabilitation & Employment (VR&E) Apprenticeships – The VR&E program helps Service members and Veterans with service-connected disabilities and an employment handicap prepare for, find, and maintain suitable careers. Beneficiaries of the VR&E program may receive services that can help with job training, workplace accommodations, and employment placement services, such as resume development, interview coaching, and direct job development.
- iii) Special Employer Incentive (SEI) – Under the SEI program, employers hiring Veterans approved for VR&E services may receive a reimbursement of up to 50 percent of the Veterans' salary for six months. Reimbursements help employers offset costs associated with a loss of production, training instruction, and training materials.

### C. U.S. Department of Agriculture

- i) Supplemental Nutrition Assistance Program – Employment and Training Programs (SNAP E&T) – SNAP E&T programs may include pre-apprenticeships and Registered Apprenticeships, and SNAP E&T funds may be used to pay for training and education expenses, participant reimbursements for dependent care, transportation and other expenses directly related to participation in a pre-apprenticeship or Registered Apprenticeship program, and for case management. There is no ceiling on the availability of these 50/50 reimbursement funds. USDA does not set limits on the amount of participant expenses, though States may establish their own limits. To be eligible for funding, activities must be included in the state’s SNAP E&T plan.

### D. U.S. Department of Transportation

Federal Highway Administration (FHWA) On-the-Job Training and Supportive Services (OJT/SS) Program – The FHWA OJT/SS requires State Transportation Agencies (STAs) to establish Registered Apprenticeship and training programs to prepare women, minorities, and disadvantaged individuals for journey-level positions. Individual OJT/SS programs must be formally approved by STAs, and must have a focus on the construction trades and certain management positions where the training is oriented toward construction applications. FHWA provides funding and technical assistance for state OJT/SS programs through the following:

- i) Grant Funding – Provides a maximum of \$10 million to states each year for OJT/SS, including Registered Apprenticeship programs, for selected surface transportation projects.
- ii) Highway Workforce Funding – A discretionary program that may be used by State Transportation Directors under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). At the discretion of the Secretary of Transportation, States may use up to 0.5 percent of their Federal allotment for selected highway transportation programs to fund transportation workforce development, including Registered Apprenticeship programs.
- iii) Regional Workforce Centers – A central focus of these workforce centers is to assist STAs in using the OJT/SS program by developing and supporting workforce programs, including Registered Apprenticeship programs, in partnership with community colleges, private industry, community-based organizations, and workforce agencies. In October 2014, FHWA awarded nearly \$5 million in grants to five Regional Surface Transportation Workforce Centers.



## E. U.S. Department of Housing and Urban Development.

Section 3 Covered Housing and Urban Development (HUD) Financial Assistance Programs – HUD provides financial assistance to entities such as Public Housing Authorities, local government agencies, multi-family property owners, and nonprofit organizations that, in turn, are responsible for awarding contracts to businesses that are owned by, or substantially employ, Section 3 residents (i.e., section 3 businesses). Section 3 residents are public housing residents, and low- or very low-income persons residing in the metropolitan area or non-metropolitan county where the Section 3 covered assistance is expended. To meet Section 3 requirements, HUD grantees and their contractors can partner with and recruit workers from pre-apprenticeship programs, such as YouthBuild, and participate in Registered Apprenticeship programs that prepare and train Section 3 residents for jobs. By employing HUD public housing residents or YouthBuild graduates as apprentices, contractors can receive a preference for further HUD projects.

- 10. Workforce System Reporting Requirements for Registered Apprenticeship.** The WIOA individual record layout, called the PIRL (Participant Individual Record Layout), will be the mechanism through which the public workforce system collects and reports data on the utilization of Registered Apprenticeship. In terms of Registered Apprenticeship, the PIRL expands upon the WIASRD (Workforce Investment Act Standardized Record Data) layout utilized under WIA, allowing for the collection of more substantive data with which to gauge workforce system integration. For instance, PIRL Data Element #931 is a required data element for multiple USDOL programs that will require staff to flag whether or not a WIOA participant is either in a Registered Apprenticeship program at the time of program entry or whether they enter a Registered Apprenticeship program during participation. In addition, the coding elements for *Type of Training* (e.g., Data Element #1303) now clarify that, if OJT or skill upgrading is being provided as part of a Registered Apprenticeship program, the code value for Registered Apprenticeship (09) should be utilized.

Data on utilization of Registered Apprenticeship was first captured in the WIASRD through reporting revisions made in 2013. Specifically, TEGL 4-13 revised the *Type of Training* data element to include a specific coding value for Registered Apprenticeship (coding value 09 on WIASRD element number 1209). Data reported through the WIASRD since 2013 indicate very few states reporting this type of training. In fact, national WIASRD data for the quarter ending 3/31/16 (which consists of three quarters of WIOA data and one quarter of WIA data) indicates only 17 states and 30 LWDBs (out of more than 600) reporting this type of activity. ETA therefore sees WIOA implementation as a tremendous opportunity to support, advance and emphasize Registered Apprenticeship and will be tracking these data closely. As a result, it is important that states report accurate and reliable data on Registered Apprenticeship activity.

- 11. WIOA Performance and Registered Apprenticeship.** At Section 116, WIOA outlines six primary indicators of performance, which are summarized as follows:

1. Employment in the Second Quarter After Exit
2. Employment in the Fourth Quarter After Exit
3. Median Earnings in the Second Quarter After Exit
4. Credential Attainment
5. Measurable Skill Gains
6. Effectiveness in Serving Employers

Registered Apprenticeship *is* employment and registered apprentices earn a wage from day one. As previously mentioned, Registered Apprenticeship programs are a strategic intervention that may be reflected in the Measurable Skill Gains indicator and the Registered Apprenticeship Completion Certificate is a recognized post-secondary credential that supports the Credential Attainment indicator.

Further guidance on how Registered Apprenticeship can positively impact performance on the WIOA required indicators is forthcoming.

**12. Action Steps.** Below are six concrete steps that can be taken to better align the Workforce Development System and Registered Apprenticeship System and utilize this proven workforce training strategy:

**A. Get to know your state Registered Apprenticeship contact.**

Every state has Registered Apprenticeship representatives available to provide support and technical assistance to the public workforce system regarding Registered Apprenticeship programs. OA or SAA staff can help develop contacts and can serve as a valuable partner in your Registered Apprenticeship programs. Invite your Registered Apprenticeship representative to your One-Stop center for a tour and to learn about your services and partners. Section 6.A. ii of this TEGL states that Registered Apprenticeship programs will need to be educated on the State list of ETPs, WIOA funding, WDBs, governance, and other aspects of the system. Similarly, state agencies will need to be fully educated on Registered Apprenticeship processes and programs. The workforce system will also need to work with Registered Apprenticeship staff to collect, update and share data on current Registered Apprenticeship program sponsors.

To locate RA contacts in your state, visit [www.doleta.gov/oa/contactlist.cfm](http://www.doleta.gov/oa/contactlist.cfm)

**B. Develop new Registered Apprenticeship programs in your area.**

Sector Strategies and Career Pathways initiatives can help integrate Registered Apprenticeship into your workforce system, as RA is an integral part of both sector strategies and career pathways. Sector strategies engage employers in determining local or regional hiring needs and then designing customized training programs that are responsive to those needs. By aligning with evolving regional economies, these strategies can help provide a network of employment, training, and related services that meet employer needs and build a stronger workforce. Registered Apprenticeship programs emphasize a job-driven educational

option that allows workers to gain industry-recognized credentials and to move along a determined career path. By the time the program is completed, Registered Apprenticeship takes individuals with few, if any, skills to a level of technical competency in a given occupation. This provides an important career path as a stand-alone program or offers further upward mobility into higher-level careers. For industries involved in sector strategies, this approach offers multiple employers in a given sector opportunities to develop career pathways and pool resources to educate and train individuals for in-demand jobs. Work with your State apprenticeship office to develop these models.

**C. Connect with the new apprenticeship representative on your workforce board.**

Under WIOA, Registered Apprenticeship representatives are required members of state and LWDBs. This provides the forum for educating and integrating the Registered Apprenticeship and workforce systems. Board participation and engagement will support the incorporation of Registered Apprenticeship programs into the suite of training services in your workforce system.

**D. Brief your Business Services and Case Manager staff on Registered Apprenticeship.**

Registered Apprenticeship fits well with the employer-driven, work-based training vision of WIOA. Business representatives can work collaboratively with Registered Apprenticeship professionals in marketing activities to employers to discuss benefits of the workforce system and Registered Apprenticeship. The assistance provided by apprenticeship staff is always free of charge and with 19,000 employers in the United States today with active Registered Apprenticeship programs, collaborative efforts can result in economies of scale for the workforce system at a time when LWDBs may be resource-challenged.

In addition, with the special automatic ETP status for Registered Apprenticeship sponsors, there will be more opportunities to work with these employers. State Apprenticeship staff can provide technical assistance to One-Stop staff on how Registered Apprenticeship works and how to engage and place individuals into a program.

**E. Visit the new ApprenticeshipUSA Toolkit and Desk Aid.**

The Employment and Training Administration launched the ApprenticeshipUSA Toolkit in 2015. This online toolkit, designed to support the public workforce system in developing successful Registered Apprenticeship strategies, includes a variety of tools, tutorials, fact sheets and other resources.

The toolkit will add value for workforce systems at all levels of familiarity with Registered Apprenticeship, from the inclusion of tools to learn about apprenticeship, to building apprenticeship partnerships, to implementing Registered Apprenticeship strategies and by providing examples of successful partnership models currently in place in different parts of the country. <http://www.dol.gov/apprenticeship/toolkit.htm>

## **F. Set Goals to Expand Workforce System Engagement with Registered Apprenticeship.**

Despite numerous studies indicating a robust return on investment, current reported data indicate low utilization of Registered Apprenticeship as a workforce development strategy (the percentage of WIOA participants in Registered Apprenticeship is less than 1%). Based on the new statutory provisions supporting Registered Apprenticeship, as well as the national goal to double the number of apprentices across the country, we encourage States and LWDBs to set their own goals and targets based on current data and what might be appropriate for your State and/or local area. This could take several forms. For instance, given current levels, an appropriate goal may be raising the percentage of current WIOA participants involved in Registered Apprenticeship to 5%. States and LWDBs could also take a data-based approach by utilizing current WIASRD data as a baseline and reviewing expansion on a semi-annual or even quarterly basis once the WIOA Participant Individual Record Layout is fully implemented nationwide. States and LWDBs also may take the approach of increasing the number or percentage of Registered Apprenticeship *programs* that have successfully partnered with the State or local workforce development system. We encourage thoughtful consideration of the multiple opportunities to demonstrate successful engagement with ApprenticeshipUSA in measurable ways.

**13. Inquiries.** Questions should be submitted to the appropriate Regional Office.

## **14. Attachments.**

Attachment I: References

Attachment II: Making Registered Apprenticeship Work: Case Studies on Workforce-Registered Apprenticeship Partnerships from Detroit and Arizona

Attachment III: How to Count Registered Apprenticeship in the Workforce System