



Category/Subject: Registered Apprenticeships in WIOA
Colorado Policy Guidance Letter#: WIOA-2017-05, <b>Change 1</b>
<b>Revise</b> /Replace PGL#: WIOA-2017-05
Date: October 10, 2017
Distribution: CDLE Management/Finance, State/Local Workforce Directors & Staff, Partners

**SEPTEMBER 2017 CHANGES HIGHLIGHTED**

**I. REFERENCES:**

- National Apprenticeship Act of 1937 (29 USC 50 et seq.)
- [Workforce Innovation and Opportunity Act \(WIOA\) of 2014](#), Pub. L. No. 113 and 128, Sections 129 and 134
- WIOA Department of Labor-Only Final Rule ([81 FR 56072](#), Aug. 19, 2016)
- [Title 29 CFR, Part 29: Labor Standards for the Registration of Apprenticeship Programs](#)
- [Title 29 CFR, Part 30: Equal Employment Opportunity in Apprenticeship](#)
- [TEGL 13-16](#): Guidance on Registered Apprenticeship Provisions and Opportunities in WIOA
- [TEGL 10-16](#): Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Title I, Title II, Title III and Title IV Core Programs
- [TEN 31-16](#): Framework on Registered Apprenticeship for High School Students
- [TEN 13-12](#): Defining a Quality Pre-Apprenticeship Program and Related Tools and Resources
- [PGL TAA-2011-01](#), TAA Training Approval Guidelines
- [PGL WIOA-2015-06](#), Eligible Training Providers for WIOA Title I Adult and Dislocated Worker Programs
- [PGL WIOA-2016-05](#), WIOA Classroom Based Training and Work Based Learning Options – Interim Guidance
- [PGL WIOA-2016-08](#), On-the-Job Training
- PGL GRT-2017-01, ApprenticeshipUSA State Expansion Grant
- See list of additional resources in Section M.

**II. PURPOSE:**

- To provide guidance to Local Workforce Development Boards and Local Areas on the new provisions for Registered Apprenticeship in WIOA
- To provide guidelines for the development of a local exit policy for Registered Apprenticeships, **which are due to your Regional Liaison no later than 90 days after receipt of this Policy Guidance Letter (PGL)**

**III. BACKGROUND:**

Registered Apprenticeships (RA) are innovative work-based earn-and-learn models that combine on-the-job learning with related technical instruction. Features of RA, including its flexibility, opportunities for immediate wages, and emphasis on partnerships, make it an effective strategy for the workforce system.

Colorado's WIOA Combined State Plan emphasizes the alignment of state and local partners to implement a system of integrated work-based education and training leading to post-secondary credentials and sustainable employment. Registered apprenticeships provide great opportunities for adults and out-of-school youth because they provide immediate employment and offer advancement along a career path. WIOA, along with other public and private resources, can effectively support this proven model for job preparation.

#### IV. POLICY/ACTION:

##### A. Definitions

1. **Apprentice** – A worker at least 16 years of age, except where a higher minimum age standard is otherwise fixed by law, who is employed to learn an apprenticeable occupation.
2. **Certificate of Completion** – Nationally-recognized credential issued by the U.S. Department of Labor to a graduate of a RA program.
3. **Pre-Apprenticeship Program** – A program designed to prepare individuals to enter and succeed in an RA program. WIOA-funded pre-apprenticeship programs must be formally linked to one or more RA programs and have a strong record of enrolling their graduates into a RA program.
4. **Registered Apprenticeship Program** – A work-based training program that meets the federal criteria (29 CFR Part 29, section 5), and has been accepted and approved by the USDOL Office of Apprenticeship.
5. **Registered Apprenticeship Program Sponsor** – Any person, association, committee, or organization operating an apprenticeship program and in whose name the program is (or is to be) registered or approved. Examples of program sponsors include employers, joint apprenticeship training programs, industry intermediaries, and community-based organizations.
6. **Related Technical Instruction (RTI)** – Instruction or classroom style training that complements an RA OJT component and helps refine the technical and academic skills that apply to the job. RTI can be provided by a community college, technical school, apprenticeship training school, or by the employer.

##### B. What is Registered Apprenticeship?

The U.S. Registered Apprenticeship System is authorized through the National Apprenticeship Act of 1937. The U.S. Department of Labor (USDOL) Office of Apprenticeship, in conjunction with State Apprenticeship Agencies, is responsible for registering apprenticeship programs that meet Federal and State standards (see **Attachment 1**, Federal Registered Apprenticeship Criteria and Standards), issuing certificates of completion to apprentices, encouraging the development of new programs, protecting the safety and welfare of apprentices, and assuring that all programs provide high quality training. Colorado does not have a state-run apprenticeship agency. However, there is a federal Office of Apprenticeship in Denver to provide program registration and technical assistance to employers and other program sponsors.

All RA programs consist of the following five core components:

1. **Business Involvement** – Employers are the foundation of every RA program, and the skills needed by their workforce are at the core. Businesses must play an active role in building RA programs and be involved in every step of their design and execution.
2. **On-the-Job Training** – Every RA program includes structured OJT (at least 2,000 hours is recommended). 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 in the job.
3. **Related Technical Instruction (RTI)** – Apprentices receive instruction or classroom style training that complements an OJT and helps refine the technical and academic skills that apply to the job (at least 144 hours per year is recommended). RTI can be provided by a community college, technical school, apprenticeship training school, or by the employer. Education partners collaborate with employers to develop curriculum based on skills and knowledge needed by the apprentice. The instruction can be provided at the school, online, or at the work site.
4. **Rewards for Skill Gains** – Apprentices receive pay increases as their skills and knowledge increase. Progressive wage gains motivate apprentices as they advance through training and become more productive and skilled at their job.
5. **National Occupational Credential** – Every graduate of a RA program receives a Certificate of Completion from USDOL. This portable credential signifies that the apprentice has mastered every skill and has all the knowledge needed to be proficient for a specific occupation. RA programs may also offer interim credentials as apprentices master skills as part of a career pathway.

According to the USDOL Office of Apprenticeship, there are over 1,000 apprenticeable occupations in the U.S. today. Colorado currently has over 5,000 registered apprentices enrolled in over 200 RA programs. Colorado also has a large number of apprenticeship programs that are *not* registered, including an estimated 20,000 individuals who are enrolled in a non-registered plumbing or electrical apprenticeship programs. Taken together, the total number of apprenticeships, both registered and non-registered, demonstrates the value that this form of work-based training has for both Colorado employers and workers.

### C. **Registered vs. Non-Registered Apprenticeships**

Registration of an apprenticeship program with the USDOL Office of Apprenticeship provides many benefits to jobseekers and employers when compared to a non-registered program:

1. **National Credential** – Graduates of Registered Apprenticeship programs receive a national, industry-recognized credential that is portable and stackable.
2. **Quality Standards** – Registration means the program has met national and independent standards for quality and rigor. Registration tells prospective employees, customers and suppliers that the business invests in its workforce and believes employees are its most important asset.

3. **High Quality and Safe Working Conditions** – Emphasis on program safety may reduce worker compensation costs.
4. **Technical Assistance and Support** – The program joins the Registered Apprenticeship system, which provides access to a nationwide network of expertise, customer service, and support at no charge for program sponsors.
5. **Tax Credits** – In some states, businesses can qualify for state-based tax credits related to apprenticeship programs. In addition, employers may be able to claim some expenses for training as a federal tax credit.
6. **Federal Resources** – Businesses and apprentices can access funding and other resources from many federal programs to help support their Registered Apprenticeship programs, including Pell Grants and the GI Bill.

#### **D. Developing New Registered Apprenticeship Programs**

Colorado’s Office of Apprenticeship is responsible for providing technical assistance and registering new RA programs. Business development representatives may discuss the benefits of RA to employers, convene meetings with stakeholders in the development of the apprenticeship program, and support the sponsor in the registration process with the Office of Apprenticeship. The most current contact information for Colorado’s State Apprenticeship Director can be found at: <https://www.doleta.gov/OA/stateoffices.cfm>.

RA representatives are required members of state and local workforce development boards under WIOA, and may serve as resources to their local area in the development of new RA opportunities.

Sector partnerships can help integrate RA into your local workforce system. Sector strategies engage employers in determining local or regional hiring needs and then designing customized training programs that are responsive to those needs. For example, a sector partnership intermediary, such as an industry association or training provider, may become an RA sponsor for multiple employers in one sector.

#### **E. Eligibility Requirements**

RA program sponsors identify the minimum qualifications to apply into their apprenticeship program. The eligible starting age can be no less than 16 years of age; however, individuals must be 18 to be an apprentice in hazardous occupations (see [TEN 31-16](#) for further details on the Fair Labor Standards Act (FLSA) rules for child labor). Program sponsors may also identify additional minimum qualifications and credentials to apply, such as education or ability to physically perform the essential functions of the occupation. Pre-apprenticeship programs may serve as a gateway to apprenticeship for youth or individuals with barriers to employment.

#### **F. Leveraging Registered Apprenticeship as a Work-Based Training Strategy**

There are a number of ways that WIOA Title I funds can support the components of RA for Adults, Dislocated Workers, and Youth:

1. **Individual Training Accounts (ITAs)** – ITAs can be used to fund the related instruction component of the RA for eligible apprentices. ITAs can also fund pre-apprenticeship training if the sponsor is on the ETPL. Pre-apprenticeship is not just a youth program strategy but may also be an effective strategy for participants in the WIOA adult programs.

2. **On-the-Job Training (OJT)** – In certain circumstances, up to 75% of the apprentices’ wages may be reimbursed by WIOA funds. Local areas can contract with RA programs where participants may participate in OJTs with multiple employers who are signatories to the RA program. In certain circumstances, the local board may determine that a contract with a training provider is the most appropriate way to train a cohort of new apprentices in in-demand industry sectors or occupations.
3. **Customized Training** – RA program sponsors and apprentices can be supported through customized training agreements.
4. **Incumbent Worker Funds** – Adult or Dislocated Worker incumbent worker training funds may be used to provide training to a cohort of apprentices.
5. **Youth Occupational Skills Training** – In the Title I Youth program, pre-apprenticeships are considered a type of work experience for youth age 16-24. The work experience program element also emphasizes training that aligns with in-demand industry sectors and occupations, which is a key component of RA programs.
6. **Supportive Services** – WIOA funds can support a variety of supportive services for apprentices, including annual dues, registration fees, books, supplies, child care, transportation, tools, and uniforms.

#### **G. Registered Apprenticeship Program Sponsors**

A sponsor registers and operates an apprenticeship program. Some examples of typical RA program sponsors are listed below:

1. **Employers who provide related instruction**, such as formal in-house instruction, as well as on-the-job training at the work site.
2. **Employers who use an outside educational provider** to deliver instruction. Under this model, RA program sponsors do not provide the related instruction or educational portion of the apprenticeship, but rely upon an outside educational entity. Employers can use two- or four-year post-secondary institutions, technical training schools or on-line courses for related instruction. The employer is the eligible training provider and must identify their instructional provider.
3. **Joint Apprenticeship Training Programs** that are made up of employers and unions. They have an apprenticeship training school where the instructional portion of the apprenticeship program is delivered. The training schools are usually administered by the union, in which case the union would be the eligible training provider.
4. **Intermediaries** that serve as program sponsors who take responsibility for the administration of the apprenticeship program. They also can provide expertise such as curriculum development, classroom instruction and supportive services, as appropriate. Intermediaries include educational institutions including two- and four-year post-secondary institutions or technical schools. In this model the educational institution administers the program, works with employers to hire apprentices and provides classroom or on-line instruction for the apprenticeship program.

5. **Industry associations** that administer the program and work with employer/members and educational entities to implement the apprenticeship program.
6. **Community-Based Organizations (CBOs)** that administer the program and work with employers, educational entities and the community to implement the apprenticeship program.

#### **H. Registered Apprenticeship Sponsors on the Eligible Training Provider List (ETPL)**

Under WIOA, RA program sponsors are automatically eligible for placement on the state's ETPL. All RA programs can opt in to be included on the ETPL and will remain on the list as long as the program is registered or until the sponsor informs CDLE that they no longer want to be on the list. New RA programs are automatically informed of the ETPL opportunity at the time of registration. The ETPL pertains only to the RTI component of a RA program.

#### **I. Pre-Apprenticeships and Registered Apprenticeships for Youth**

Eligible in-school and out-of-school youth may be enrolled in pre-apprenticeships or registered apprenticeships as part of the WIOA Youth program.

Through a variety of unique program designs and approaches, pre-apprenticeship programs can be adapted to meet the needs of diverse populations and businesses. USDOL has developed a [framework for quality pre-apprenticeship programs](#). YouthBuild and Job Corps programs often serve as pathways to Registered Apprenticeship programs, and have an established track record of successful apprenticeship placements because they meet the criteria of a quality pre-apprenticeship program.

USDOL, in partnership with the U.S. Department of Education, has also developed a [Framework on Registered Apprenticeship for High School Students](#). This guidance also includes information child labor laws, workers' compensation, and hazardous occupation exemptions for 16- and 17-year olds.

#### **J. Registered Apprenticeship in the Trade Adjustment Assistance (TAA) Program**

In addition to WIOA programs, RA 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. Please refer to PGL TAA-2011-01, TAA Training Approval Guidelines, for further guidance on TAA training requirements.

#### **K. Tracking Registered Apprenticeships in Connecting Colorado**

Program participants who require pre-apprenticeship services prior entry into RA should receive an individualized career service (or youth program element) code "PA" with related activity "AC" to identify them as pre-apprentices. A case note should be entered that describes the nature of the pre-apprenticeship program and the RA program to which it is formally linked. If the individual subsequently enters an RA from a pre-apprenticeship program, activity code "AC" should be entered along with a corresponding case note with information about their RA program.

WIOA participants who are engaged in RA at the time of enrollment, or who enter an RA program after enrollment, should be identified with an “AC” service code. Apprenticeships are considered employment so participants who are enrolled in an RA should be identified as employed. In some cases, the participant may be considered an incumbent worker. A case note should also be entered with information about their RA program. This service must be stored for the length of time that the WIOA program will be supporting the RA program.

To support the Related Training and Instruction (RTI) portion of the RA, store an “OC” service code with the related activity “AC”. The local area will follow their local ITA policy in relation to the “OC”.

To support the On-The-Job Training (OJT) portion of the RA, store an “OJ” service code with a related activity “AC”. The local area will follow their local OJT policy in relation to the “OJ”.

To provide Supportive Services while supporting an RA, store the appropriate supportive service activity that is being provided with a related activity “AC”. The local area will follow their local Supportive service policy in relation to what supportive services are allowable. Here is the complete list of supportive services:

- Counseling (CO)
- Family Care (FC)
- Health/Medical (HM)
- Housing or Rental Assistance (RA)
- Needs Related Payment (NR)
- Other Supportive Services (SS)
- Relocation (RL)
- Transportation (TR)

**NOTE:** Supportive services alone cannot initiate participation or extend exit. Therefore local areas that wish to support apprentices by only providing supportive services, such as transportation and child care, may do so as long as the service is coupled with an appropriate career service that can initiate participation and/or extend exit, such as career counseling. When utilizing career services that are related to RA, use the related activity “AC”.

#### **L. Program Exit**

For most training services provided under WIOA, participants complete their training and then exit the WIOA program. RAs, however, range from one to six years. In many cases, participants will still be participating in their RA programs after they exit from WIOA.

The length of RA programs is not a barrier to positive outcomes under the performance measures. However, it does require determining the appropriate exit points from RA programs that adhere to WIOA regulations, provide quality employees for businesses, and ensure increased skill sets for workers.

The point of exit should be based on when the participant is successfully moving through the RA program and is no longer receiving services from WIOA, including supportive services. **Once the local area is done supporting the RA, the “AC” service needs to be closed.**

The following three RA milestones are appropriate exit points from WIOA:

1. **Wage Increases** – Apprentices receive progressive increases in pay as their skills and knowledge increase; this is a core element of all RAs. A wage increase may be an appropriate point of exit from WIOA, as it means that apprentices have passed a milestone in their training, improved their skills, and increased their earnings, signaling that support through WIOA may no longer be needed.
2. **Credential Attainment** – Many RA programs offer interim occupational credentials that can be attained by apprentices during their program. The attainment of a credential is another aspect that could be factored into the determination of an appropriate exit point from WIOA, given that this marks an important milestone in the RA program. Attainment of a credential signals that apprentices have successfully advanced along a career pathway and increased their skills in the field, and potentially moved beyond the point of needing WIOA support.
3. **Measurable Skill Gains** – As apprentices’ skills increase, they should be able to document progress towards such an interim occupational credential or the certificate of completion awarded at the successful end of an apprenticeship. Documented progress in an apprenticeship is defined as either:
  - a. Satisfactory or better progress report, towards established milestones, such as completion of OJT or completion of one year of an apprenticeship program or similar milestones, from an employer or training provider who is providing training; or
  - b. Successful passage of an exam that is required for a particular occupation or progress in attaining technical or occupational skills as evidenced by trade-related benchmarks such as knowledge-based exams.

#### **M. WIOA Performance**

Registered apprenticeship positively impacts WIOA performance. Graduates from RA programs receive a recognized postsecondary credential called a Certificate of Completion that counts towards the WIOA Credential Attainment performance indicator.

In addition, RA training activities may count for the Skills Gain Measure. Individuals may be counted in the Skills Gain measure once during each program year if there is only one period of participation in that program year, or once during each period of participation if the individual has two or more periods of participation during the program year. RA also counts as employment and apprentices earn a wage from the first day on the job. For more on RA and WIOA performance, see **Attachment 2**, Making Registered Apprenticeship Work for the Public Workforce System.

**N. Case File Documentation**

A participant’s case file must include a copy of the apprenticeship agreement with the sponsor, in addition to any other documentation required by the WIOA program. A case note should also be entered with information about their RA program.

**O. USDOL Registered Apprenticeship Technical Assistance**

USDOL has developed a toolkit and several pieces of guidance to support the expansion of registered apprenticeship:

- [ApprenticeshipUSA Toolkit](#)
- [Apprenticeship USA Community of Practice](#)
- [Framework on Registered Apprenticeship for High School Students](#)
- [A Quick Start Toolkit for Employers](#)
- [Federal Resources Playbook for Registered Apprenticeship](#)

**P. Local Policy Requirement**

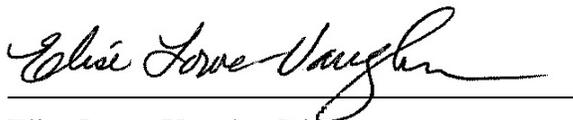
Local boards are responsible for creating a policy on when to exit a participant from the WIOA program when they are in a Registered Apprenticeship. See Section K. for guidance on appropriate exit points. Local policy may add requirements that are stricter than those of the state, but not less restrictive.

**V. IMPLEMENTATION DATE:**

Effective immediately. **Local exit policies for Registered Apprenticeships are due to your Regional Liaison by November 30, 2017.**

**VI. INQUIRIES:**

If you have any questions regarding this PGL, please contact Jennifer Jirous-Rapp, Workforce Development Programs, at (303) 318-8822 or [Jennifer.jirous-rapp@state.co.us](mailto:Jennifer.jirous-rapp@state.co.us).



Elise Lowe-Vaughn, Director  
Workforce Programs, Policy, and Strategic Initiatives

**ATTACHMENT(S):**

1. Federal Registered Apprenticeship Criteria and Standards
2. Making Registered Apprenticeship Work for the Public Workforce System