

DEPARTMENT OF WORKFORCE DEVELOPMENT
DIVISION OF EMPLOYMENT AND TRAINING
ADMINISTRATOR'S MEMO SERIES

ACTION 11-05
 NOTICE

ISSUE DATE: 09/22/2011
DISPOSAL DATE: Until Further Notice

*PROGRAM CATEGORIES:

AS FL ML TR
 CR IT RA WIA
 FM JC TC YA
LM TA

To: Workforce Development Board Directors, Registered Apprenticeship Representatives,
Job Service Staff

From: Jane Pawasarat
Division Administrator

RE: Registered Apprenticeship Partnering with the Workforce Investment Act

Purpose

The purpose of this state policy is to provide guidance on the use of Registered Apprenticeship within the One-Stop Workforce Investment Act System.

Legislative/Regulatory References

- Training and Employment Guidance Letter No. 2-07, Leveraging Registered Apprenticeship as a Workforce Development Strategy for the Workforce Investment System;
- Final Rule 29 CFR Part 29, Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations;
- Training and Employment Guidance Letter No. 27-09, Youth Program Guidance for PY 2010.

Background

The United States Department of Labor (U.S. DOL) has encouraged the infusion of Registered Apprenticeship within the One-Stop system as a "critical component of talent development strategies." Registered Apprenticeship combines on-the-job learning, related instruction and mentoring that offers an efficient training strategy responsive to developing a skills talent pool driven by employers.

*PROGRAM CATEGORIES:

AS--Apprenticeship
Standards
CR--Civil Rights

FM--Financial Management
Requirements
FL--Foreign Labor Certification
IT--IT Systems
JC--Job Center

LM--Labor Market
Information
ML--Migrant Labor
RA--Refugee Assistance
TC--Tax Credit Programs
TA--Trade Assistance

TR--Transportation
WIA--Workforce
Investment Act
YA--Youth Apprenticeship

Wisconsin celebrated its 100th year on June 14, 2011, as the nation's first Registered Apprenticeship program that served as a model for the national apprenticeship system.

In 2009, the Bureau of Apprenticeship Standards (BAS), Division of Employment and Training, initiated a workforce forum to increase the partnerships and integration between the One-Stop system and apprenticeship programs. This collaborative forum provided a renewed introduction of both systems among the partners, and identified opportunities to infuse apprenticeship activities within the Workforce Investment Act programs.

The Bureau of Apprenticeship Standards competed for a DOL "green" grant, and received six million dollars in February 2010. The Sector Alliance for the Green Economy (SAGE) grant has several key objectives:

- Establish enduring energy sector partnerships;
- Equip workers with green skills required to obtain and retain energy industry jobs; and
- Prepare workers for careers in energy through connection to career pathways.

The grant activities require increased partnerships between the One-Stops, energy-sector industries and apprenticeship. In addition to upgrading current apprenticeship programs in construction trades, industrial trades and services trades, the grant will expand the apprenticeship training model to occupations including Wastewater Treatment Plant Operator and Dairy Grazier. For additional information, access the website: www.sage.wisconsin.gov. The "Greening the Trades" tab on the website is updated with the status to "green" an apprentice program.

Guidance

Apprenticeships are designed to meet industry demand, available statewide, and provide a portable, nationally-recognized credential. Registered Apprenticeship is a national training system that combines paid learning on-the-job and related technical and theoretical instruction in a skilled occupation. It is business and industry-driven sponsored by employers, employer associations, or labor/management entities. Apprenticeship offers several unique benefits including "earn while you learn." Apprentices earn a living wage with health insurance, retirement and other benefits while learning skills in a trade. As the apprentice's skill level increases by learning the trade both in the classroom and on the job site, the wages also increase progressively. After completion of an apprenticeship program, the individual's journey-level status is recognized nationally.

In Wisconsin, apprenticeship stakeholders work through State Trade Committees that establish and formalize the standards that apply to apprentice training in their particular trade. Apprentice sponsors abide by these standards and are provided guidance and oversight by BAS.

Apprenticeship sponsors hire and train people in real-work situations, and provide journey worker supervision during the apprentice's on-the-job learning in accordance with written standards and a formal contract. Wisconsin is unique in requiring the employer to pay the apprentice wage during required related instruction. Apprentices are employed at the start of the apprenticeship, and work through a series of defined work processes and curricula until the completion of their apprenticeship programs. The duration of training, and the skills and competencies required for mastery, are occupation-specific and determined by the industry.

Apprenticeship enables employers to develop and apply industry standards to training programs that increase productivity and improve the quality of the workforce. In the context of an

economic development strategy, Registered Apprenticeship also creates a seamless pipeline of skilled workers and flexible career pathways to meet current and future workforce demands.

Wisconsin has a major statewide collaborative initiative between the Department of Workforce Development (DWD) and the Wisconsin Technical College System, Regional Industry Skills Education (RISE). RISE provides bridge and career pathways for people who need skill advancement. Currently, there are over 40 programs available through the technical colleges to increase the individual's career and earning opportunities.

The Workforce Investment Act (WIA) provides a range of services in which to infuse Registered Apprenticeship activities. The guidance below highlights some of those possibilities within the One-Stop system. In addition, the Appendix provides various scenarios and examples of allowable uses of WIA resources for funding of registered apprenticeship.

For workers who may not have the fundamental skills to succeed in a Registered Apprenticeship program, and youth who are exploring career options, pre-apprenticeship training programs act as a bridge. For example, an apprenticeship candidate may participate in a short, intensified training, with a formalized intention or agreement to place them into Registered Apprenticeships after completion. Pre-apprenticeship may also be used as a means of selecting apprentices under a particular program sponsor's approved program standards.

“Pre-apprenticeship programs can include summer employment opportunities and work experiences that provide an introduction to the skills and knowledge required to be eligible for registered apprenticeships. Local areas are encouraged to develop and implement pre-apprenticeship training programs as well as develop strategies that transition youth from pre-apprenticeship programs into registered apprenticeships.” [TEGL 27-09] This would require formal linkages to a registered program, and work with area apprenticeship programs.

In addition to the industry-driven nature of apprenticeship training, apprenticeship may involve high school, community colleges, technical and alternative schools in the delivery of job-related classroom instruction. Apprenticeship provides youth with the opportunity to earn while they learn, and incorporates instruction that leads to the completion of a high school diploma or equivalency certification.

On-the-Job Training is an allowable training activity for youth. The WIA regulations state: "In most cases, on-the-job training is not an appropriate work experiences activity for youth participants under age 18. Local program operators may choose, however, to use this service strategy for eligible youth when it is appropriate based on the needs identified by the objective assessment of an individual youth participant."

Dislocated workers and incumbent (employed) workers eligible for WIA may be best served through Registered Apprenticeship particularly during this transitional period of declining industries, emerging sectors, and modernization of industries as part of the economic recovery.

Other programmatic and operational activities are available for WIA and Registered Apprenticeship partnering:

WIA explicitly provides for flexibility in determining registered apprenticeship training programs as initially eligible providers of Individual Training Account (ITA)-funded services. This enables expanding the available training options to ITA customers. Workforce Development Boards (WDB) may entertain applications for apprenticeship programs registered under the National

Apprenticeship Act. The use of ITAs to support the related instruction (e.g. classroom and distance learning) portion of apprenticeship training or pre-apprenticeship training is advantageous: supports WIA customer choice in selecting training providers; empowers apprenticeship candidates to make informed education and career decisions; and, the WIA funded training must be directly linked to employment opportunities in the local area.

Co-Enrollments: WIA eligible participants can also be enrolled in a Registered Apprenticeship, or other partner program as well as Veteran status (see Priority of Service).

Career Guidance Strategies: Referral to apprenticeship and pre-apprenticeship programs can be routinely integrated into the career guidance and career exploration services as part of WIA staff-assisted services.

Co-locating apprenticeship staff in Job Centers would improve collaborative efforts with WIA Title I case managers and veterans' representatives to place career seekers with apprenticeship sponsors.

Co-sponsor career fairs and other outreach activities related to education and career opportunities with Registered Apprenticeship local representatives, and market opportunities to both employers and Job Center customers.

Coordinate the development of pre-apprenticeship or training venues with community-based organizations committed to provide related work experience that is formally linked to area apprenticeship program(s) in order to prepare candidates for Registered Apprenticeship.

Infuse customized training and on-the-job training by linking courses of training across connected industry sectors with Registered Apprenticeship such as construction and transportation to more broadly support the economic clusters driving job prospects within a region.

Who do I contact to get assistance for a WIA participant, and how do I get an occupation included in an apprenticeship?

BAS has a public website: www.wisconsinapprenticeship.org. Follow the "Applicant FAQ" link for information on Wisconsin's Adult Apprenticeship activities along with contact information by county and occupational area. Apprenticeship Training Representatives are located throughout the state and work with employers and stakeholders to develop new apprenticeship programs to meet industry demand.

BAS is the authority to approve an occupation as an apprenticeable occupation. In order for the BAS to determine whether or not an occupation meets the apprentice criteria, it surveys similar industries and trade associations, consults with advisory committees, and with the Wisconsin Apprenticeship Advisory Council.

In order for a new occupation to be approved by the BAS as apprenticeable, the occupation must involve the progressive attainment of manual, mechanical or technical skills and knowledge which meets industry standard for that occupation and would require at least 2,000 hours of on-the-job learning to attain; must customarily be learned in a practical way through a structured, systematic program of on-the-job supervised learning must require that there be related instruction to supplement the on-the-job learning; and is clearly identified and recognized throughout an industry.

Priority of Service

As with all WIA and related workforce programs, eligible Veterans and eligible Veteran's spouses must be served first [TEGL 10-09, TEN 15-10a1, State Administrator's Memo 10-02.] Note that registered apprenticeships qualify as a training service with Veteran's Benefits.

The Jobs for Veterans Act affords priority of service to covered veterans and eligible spouses over non-covered persons for the receipt of employment, training, and placement services provided under new or existing job training programs funded in whole or in part, by the U.S. DOL.

To be eligible for priority of service you must meet the following definition as a Covered Person.

The term 'covered person' means any of the following individuals:

- *A veteran:* A person who served in the active military, naval, or air service, and who was discharged or released under conditions other than dishonorable.

- *Eligible Spouse:* The spouse of any of the following individuals:
 - Any veteran who died of a service connected disability
 - Any veteran who has a total disability resulting from a service-connected disability.
 - Any veteran who died while a disability so evaluated was in existence.
 - Any member of the Armed Forces serving on active duty who, at the time of application for assistance under this section, is listed, pursuant to section 556 of title 37 and regulations issued by the Secretary concerned, in one or more of the following categories and has been so listed for a total of more than 90 days: missing in action, captured in the line of duty by a hostile force, or forcibly detained or interned in line of duty by a foreign government or power.

Veterans priority of service means the right of eligible covered persons to take precedence over eligible non-covered persons in obtaining services. For example, this could mean:

- The covered person receives access to the service or resource earlier in time than the non-covered person; or
- If the service or resource is limited, the covered person receives access to the service or resource before the non-covered person.

Performance

The standard monthly or quarterly performance reports used to collect registered apprenticeship activities are the Workforce Investment Act Standardized Record Data, ETA 9090 and ETA 9149, that is reflected in the annual performance report ETA 9091.

For the Automated System Support for Employment and Training (ASSET) Reporting:

- WIA and Wagner-Peyser participants who receive core and intensive services resulting in their entry into a Registered Apprenticeship program become employees of the Registered Apprenticeship sponsor and can be tracked against Common Measures associated with employment;
- BAS tracks apprenticeship progress in the BAS Information System;
- Apprentices who receive WIA services after enrollment in Registered Apprenticeship to support classroom or on-the-job training, or to provide other services, should be treated as

- For the purposes of tracking and common measures, WIA and Wagner-Peyser participants associated with apprenticeship programs should be exited from the workforce system after the completion of the WIA/Wagner-Peyser activities. It is not necessary to track apprentices through to the completion of their apprenticeship program unless they are supported by WIA resources for the entire duration. For example, an apprentice who receives WIA resources to support specific portions of classroom training may be exited from the program upon completion of that training, even if they continue in the apprenticeship program for a longer period of time; and
- ASSET should also be used to track the credentials that are earned by an apprentice only while they are enrolled in WIA or Wagner-Peyser. Report the interim credential earned by the apprentice while co-enrolled. For example, apprentices in competency-based programs may receive a Certificate of Training upon completion of a specific skill while working towards a Certificate of Completion. All of these interim credentials may be recorded as appropriate credentials for the purposes of reporting under the Common Measures.

Action Required

WDB staff shall:

- Review the Administrator's memo with all Job Center staff and distribute to WIA partners;
- Discuss collaborative efforts in the WIA Local Plan; and,
- Ensure that registered apprentices co-enrolled in a WIA or Wagner-Peyser activity are entered into ASSET.

Contact:

The policy contact is: Pamela O'Brien (608) 266-8563, pamela.obrien@dwd.wisconsin.gov

APPENDIX
Sample Scenarios: Chart and Detail Narrative Below

Note that there are many factors involved in determining eligibility including the individual's detailed circumstances and the Workforce Development Area's local policies and procedures.

Scenario (Detailed Below)	Wagner-Peyser	WIA Title I Youth Formula	WIA Title I Adult Formula	Other	WIA Title 1 Set-Aside
(1) Interested Apprenticeship	Probably Allowable	Probably Allowable	Probably Allowable	WIA Title II Adult & Family Literacy	X if Authorized
(2) Unemployed Candidate	Probably Allowable	Probably Allowable	Probably Allowable	Local Area's Supportive Services Policies & WIA Title II Adult & Family Literacy	X if Authorized
(3) Non-traditional Apprentice	Probably Allowable	No	Probably Allowable	Local Area's Supportive Services Policies	X if Authorized
(4) Employer Braided Funding	No	Regulations only allow OJT as an exception	Probably Allowable	WIA cannot cover the employer's cost of training as it is not an "extraordinary" cost.	X if Authorized
(5) Unions, Employers Fair	Probably Allowable	NA	NA	WIA Title I allows for limited employer activities	X if Authorized
(6) Preparatory Apprenticeship	Probably Allowable	Probably Allowable	Probably Allowable	WIA Title I Individual Training Account Process and/or OJT; Local Area's Supportive Services Policies	X if Authorized
(7) At-Risk Pre-Apprenticeship	No	Probably Allowable	Probably Allowable		X if Authorized

Detail Narrative and Answers Below

(1) Interested Apprenticeship Applicant

Joey is twenty years old. He is a high school graduate. He enrolled in a technical diploma course at his local technical college but dropped out during the first semester. He is currently employed part-time as a helper with a roofing contractor, but he wants a full-time job in the construction field. He would like to get into a registered apprenticeship but he does not know where to start. He goes to the local Workforce Development Board looking for help. What WIA resources are allowable to provide Joey?

Joey goes into a Job Center and is guided through the Resource Room for unassisted staff services. Staff would provide information for the area's apprenticeship programs and the Apprenticeship Training Representative for details on the programs. If it appears that Joey needs additional assistance to gain employment, he would continue thru the typical local process of WIA Title I eligibility determination, enrolled as a participant in ASSET, and the appropriate Adult Core, Intensive and Training sequence of services would commence. WIA lists a variety of allowable services, and determined appropriate for Joey based on his need for Intensive and Training services "to obtain or retain employment that leads to self-sufficiency" along with the local WDB policies. Determining why he dropped out of the technical college would provide guidance as to whether he needed remedial academic assistance, and determine another possible resource such as WIA Title II, Adult and Family Literacy.

The Act is specific as to the coordination of WIA training funds and other grant assistance: "WIA funding is limited to participants who are unable to obtain grant assistance from other sources to pay the costs of their training, or; require assistance beyond that available under grant assistance from other sources to pay the costs of such training. Program operators and training providers must coordinate funds available to pay for training..." as described further in WIA Title I regulations. WIA Title I funds are intended to supplement other sources for training. [The only exception is for an eligible veteran or spouse-- they do not have to exhaust all veteran's sources of education/training before WIA training funds.]

(2) Unemployed Apprenticeship Candidate

Chris is nineteen years old. He is a high school graduate and living at home. He is unemployed. He applied for the Construction Electrician apprenticeship. He had taken a year of high school algebra and received two "C" grades. He failed the math portion of the entrance examination. The committee explained to Chris that he needs remediation in math before he will be allowed to take the exam again. They then referred him to an apprenticeship preparatory program (e.g., BIG STEP). What WIA resources are allowable to help Chris? What if he wanted to receive math help from a source other than a true apprenticeship preparatory program (e.g., BIG STEP)? He does not have a vehicle, but does live on a bus line. Is there any assistance available for this problem? Is there any other type of transportation assistance if Chris doesn't live on a bus line? If he remediates his math problems and passes the entrance exam, qualifies to be an apprentice and is offered a job, would he be eligible for funding for safety equipment? Tools? Transportation?

- (a) Chris would be provided other referrals of workforce partners from the Job Center Resource Room staff (e.g. WIA Title II Adult Family & Literacy funds area providers for remediation) and transportation referrals (e.g. WI Employment Transportation

Assistance Program/Job Access Reverse Commute that funds area providers for transportation services and vehicle support).

- (b) After he is guided through unassisted staff resource room services, if it appears that Chris needs additional assistance to gain employment, he would continue thru the typical local process of WIA Title I eligibility determination, enrolled as a participant in ASSET, and the appropriate Adult Core, Intensive and Training sequence of services would commence. WIA lists a variety of allowable services, and determined appropriate for Chris based on his need for Intensive and Training services "to obtain or retain employment that leads to self-sufficiency" along with the local WDB policies. The Act is specific as to the coordination of WIA training funds and other grant assistance: "WIA funding is limited to participants who are unable to obtain grant assistance from other sources to pay the costs of their training, or; require assistance beyond that available under grant assistance from other sources to pay the costs of such training. Program operators and training providers must coordinate funds available to pay for training..." as described further in WIA Title I regulations. [The only exception is for an eligible veteran or spouse.] WIA Title I funds are intended to supplement other sources for training
- (c) Work Keys may be an appropriate service for "remediation" activity. "Job readiness" training and adult education and literacy provided in combination with specific training services are allowable.
- (d) WIA Title I Supportive Services allows for transportation assistance and the purchase of safety equipment based on local WDB policies.

(3) Non-traditional New Apprentice

Nancy is a 27 year old single mother of two small children. She completed the application process to be a sheet metal worker apprentice. She qualified and has been hired to start next week. Nancy is considered to be a registered apprentice, even though she has not officially started work. She is facing a number of financial challenges:

- *She is required to purchase tools during the first six months of the apprenticeship. These tools will cost \$800 to \$1000.*
- *She needs work clothing.*
- *She needs steel toed work boots.*
- *She needs dependable child care for her two pre-school age children.*
- *She needs financial assistance with the cost of her tuition and books for the required paid related instruction portion of the apprenticeship.*

Which of these needs/costs, if any, are allowable from the WIA program?

- (a) If Nancy is determined to be an eligible participant for WIA Title I, she would be enrolled in ASSET and the appropriate Adult sequence of Core, Intensive and Training services would commence based on the local WDB policies. [Same as # 1 and # 2]
- (b) WIA Title I Supportive Services allows the purchase of tools, initial work clothing, work boots and child care for WIA eligible participants based on local WDB policies and the Act.
- (c) WIA Title I Training services allows for tuition and books for WIA eligible participants based on WIA and local WDB policies.

(4) Employer/WIA Braided Funding

The ACME Widget Company has been in business for over 40 years. They have been training industrial apprentices (Industrial Electricians, Maintenance Mechanics) since 1987. The Human Resources Manager calls her local WDB and wants to know if the company can be reimbursed for training costs involved with the training of apprentices.

The company currently has ten registered apprentices employed. All have started working within the last two years. They have four applicants who are not yet employed or registered. They do anticipate hiring three of the four applicants as registered apprentices in the near future. What employer training expense can be reimbursed, if any, from the WIA program?

The ACME Widget Company could be offered to do an On-the Job Training (OJT) contract with the WDB based on the State's OJT Administrator's Memo and local WDB policy. The State's DOL-approved OJT waiver allows training payments to employers for "the extraordinary costs of providing the training and additional supervision related to the OJT" of WIA Title I eligible participants at the following rates:

- (1) Up to 90 percent for employers with 50 or fewer employees;
- (2) Up to 75 percent for employers with 51 - 250 employees; and
- (3) For employers with more than 250 employees, the current statutory requirements continue to apply at 50% reimbursement rate.

[An OJT contract would likely fit this scenario although a Customized Training contract may also be appropriate depending on further details]

Follow-up question: Can the OJT cover the cost of training that is the employer's responsibility under the terms and conditions of the Indenture Agreement? No, it is not an extraordinary cost.

(5) Unions, Employers and Career Expo

A group of industrial unions and local industrial employers have a meeting with the local Workforce Development Board. The group wants to hold a Career Expo to inform the public about apprenticeship opportunities. They request any help available for the following needs:

- *Funding for any and all aspects of the Expo*
- *Referrals*
- *Marketing Assistance*
- *Location (Either help with the costs or a free/low cost location)*
- *Resource Information (Industry Employer Lists)*

What assistance is allowable with WIA resources?

WIA Title I allows for employer outreach and job development activities as they are "directly related to training for eligible individuals." Therefore, a WDB could engage in a Career Expo similar to past practices such as job fairs, and the use of fee-for-services. The regulations are clear listing the allowable and prohibitive employer-related activities (§ 667.262 - 667.270) with the key being "WIA title I funds may not be spent on employment generating activities, economic development, and other similar activities, unless they are directly related to training for eligible individuals."

(6) Apprenticeship Preparatory Training

Mary Activist wants to start an apprenticeship preparatory class for her inner-city area. She has an approved program outline, which is already in use in another city and has linkages to existing apprenticeship programs.

She has currently identified at least 20 individuals who want to participate, but there are a number of barriers. The location for the training that is available to her is not on a bus line and most of the future participants do not have dependable transportation. She also needs funding for the actual conduct of the training, both startup and on-going.

This preparatory program would train individuals in the following areas:

- *Basic work skills*

- *General introduction to tools*
- *Assessment & remediation in math & reading*
- *General introduction to the construction trades*

This preparatory program would result in a completion certification. While there is no guarantee of a job in the construction trades upon completion, area trade committees endorse the idea and recognize the certificate as a plus in their entry structures.

What WIA funding is allowable to the participants?

What WIA funding is allowable for the costs of the program itself?

- A WDB would provide Mary Activist with an application to be a training provider on the State's Individual Training Account list.
- She may also be an applicant for a WDB's Youth services provider request for proposals. [WIA Title I regulations allow for work experiences for Youth including OJT: § 664.460(18) "In most cases, on-the-job training is not an appropriate work experiences activity for youth participants under age 18. Local program operators may choose, however, to use this service strategy for eligible youth when it is appropriate based on the needs identified by the objective assessment of an individual youth participant."]
- WIA Title I allows for transportation costs for a WIA Title I eligible participant as a Supportive Service based on local WDB policy.

(7) Pre-Apprenticeship Training for At-Risk Youth

The Training Coordinator for a large plumbing Local Apprenticeship Committee contacts his local WDB. He wants to start a pre-apprenticeship education and training program for local at-risk youth and is currently in the planning stages of this endeavor. He envisions the program as a feeder into registered plumbing apprenticeships after participants successfully complete the three to four month training program.

He needs to know if the WIA program allows for:

- *Stipends for participants*
- *Instructor costs*
- *Curriculum development costs*
- *Facilities costs or available space*

He also would like to partner with the WDB on planning and development of the program. Would this be possible?

"Pre-apprenticeship programs can include summer employment opportunities and work experiences that provide an introduction to the skills and knowledge required to be eligible for registered apprenticeships." TEGL 27-09.

- For costs "to provide opportunities for training to eligible youth", the Training Coordinator could be an applicant for a WDB's Youth services provider request for proposals. If the Coordinator is selected based on the required procurement process, a training service contract would be issued.
- Several of the WIA Title I ten program elements suit the "pre-training" notion (e.g. "occupational skills training"), and the WDB would determine appropriateness for service(s) once the youth program design framework commences with a WIA eligible youth participant. The Act also requires that all youth participants be provided with

"referral to appropriate training and educational programs that have the capacity to serve the participant or applicant either on a sequential or concurrent basis." The Act allows "incentives for recognition and achievement to eligible youth."

- (c) The WDB could invite him to a Youth Council meeting. The WDB Director could determine staff and facility availability for planning and possible space for the training.
- (d) Generally, WIA Title I funds are not allowed for curriculum development costs.