

Apprenticeship Program Policy: Philadelphia Works, Inc.

Overview:

The purpose of this policy is to address how Apprenticeship funds are to be administered in Philadelphia county under the Workforce Innovation and Opportunity Act (WIOA), as well as any other state and federal funding distributed by Philadelphia Works, Inc. This policy supersedes all other Philadelphia Works policies when referring to apprenticeship programs and apprenticeship funding. All funding is subject to availability.

Background:

Apprenticeship is an important workforce development strategy for both career seekers and employers. Apprenticeships are work-based training programs that allow employers to develop their workforce and provide individuals with a learn-while-you-earn approach to career development. The Workforce Innovation and Opportunity Act (WIOA) encourages the use of apprenticeship as a career pathway for career seekers and as a hiring strategy for employers and industries. Philadelphia Works is committed to investing in training and upskilling opportunities like apprenticeship that lead to family sustaining wages and career pathways for both adults and young people. This policy outlines local eligibility, funding guidelines, and other requirements related to apprenticeship.

Apprenticeship Overview:

Apprenticeships can be registered at either the state level or at the national level. Additionally, apprenticeships can be non-registered. Non-registered apprenticeships and other apprenticeship models must meet the criteria for learning, skill gain, and wage increases to be considered eligible for opportunities outlined in this policy. These models of apprenticeship programs will be evaluated against the standards set forth by the U.S Department of Labor's Office of Apprenticeship and the PA Department of Labor & Industry's Apprenticeship and Training Office (PA ATO). Eligibility will be determined on a case-by-case basis. Please reference page 2 for more information on non-registered apprenticeship programs.

Apprenticeships are a combination of classroom and on-the-job training. Apprentices must gain and demonstrate job-related and skill-based competencies either over a period of time or at specific benchmarks during the apprenticeship program. When these competencies are gained, as defined by the curriculum, the apprentice earns a wage increase. For a Registered Apprenticeship Program, the minimum total time is 2,000 hours (approximately 1 year) with the minimum time for classroom training being 144 hours per year.

Apprenticeship Eligibility:

Eligible Registered Apprenticeships must be listed on the Pennsylvania Eligible Training Provider List (ETPL) as a Registered Apprenticeship. The provider of Related Technical Instruction must have a related contract in place with Philadelphia Works. Some funding may also be available to non-registered apprenticeship models at the review and discretion of Philadelphia Works. All funding is subject to availability.

Apprentice Eligibility

In order to receive federal funding, apprentices enrolled in an apprenticeship program must meet the eligibility and policy requirements for training services under either WIOA Adult, TANF Adult, or WIOA Dislocated Worker policies.

Employer Eligibility

Employers with eligible apprenticeship programs located within Philadelphia County are a priority for funding opportunities and resources. Employers located outside of Philadelphia County may be eligible if sufficient funding is available **and** the apprentice is a resident of Philadelphia County.

Employer eligibility is outlined as follows:

- The employer provides all apprentices benefits and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work. This includes unemployment coverage where the employer is normally required to provide such coverage to its employees.
- The employer provides benefits to all apprentices per company policy (i.e., insurance, paid leave, profit sharing) other than those required by law.
- The employer confirms that the training provided will be in accordance with the Fair Labor Standards Act.¹
- The employer agrees to cooperate with monitoring efforts as required by WIOA and adhere to all other applicable local, state, and federal rules and regulations.
- The employer must be registered in CWDS for program/participant recording purposes.

Note: Depending on the funding used to support training, the employer must meet the qualifications as outlined in the Philadelphia Works Policy for that funding source or program.

Apprenticeships as Eligible Training Providers

Registered Apprenticeship Programs registered through the PA ATO are automatically eligible to be included on the ETPL. Once on the Pennsylvania ETPL, Registered Apprenticeship Programs will remain on the list until they are deregistered or until the program notifies the PA ATO that it no longer wants to be included on the list.

Non-registered apprenticeships must meet the requirements of other eligible providers of training services to be included on Pennsylvania's ETPL. Philadelphia Works manages the ETPL for Philadelphia County. If a non-registered apprenticeship is interested in applying for the ETPL, they can connect directly with Philadelphia Works' Training Initiatives team at trainings@philaworks.org

Non-Registered Apprenticeship Program Criteria

Non-registered apprenticeship programs will need to either apply directly to be on the ETPL or will need an eligible training provider to apply in order to be eligible for classroom training. Non-Registered Apprenticeship programs can be funded for classroom training and on-the-job training pending approval of application from Philadelphia Works. Non-registered programs will need to submit their training plan in addition to their application to determine eligibility. Non-registered programs must have at least 2,000 hours of on-the-job training and 144 hours of classroom learning. Please refer to Philadelphia Works' ITA and OJT Policies for additional information.

Leveraging Funds for Registered Apprenticeship Programs

There are several ways in which Philadelphia Works' training funds may be used to support participation in registered apprenticeships and apprenticeship models. Apprenticeships (federally or state registered) can be

¹ Reference WIOA 181(a)(1)(A) and 683.275. Additionally, worker protection requirements are set forth in WIOA Sections 181(a) (1) (A) and (B), (b) (2-5) and 188.

funded for classroom training and on-the-job training up to **\$8,000 per apprentice**. Classroom training may be conducted by the employer or by an external training provider contracted by the employer. This funding allocation can be made available to a single participant utilizing any of the available funding resources below:

Individual Training Accounts (ITAs):

ITA funds can be used to support the related technical instruction for Registered Apprenticeships. This includes costs for tuition, fees, books, equipment, and other training-related costs. Philadelphia Works can reimburse up to \$8,000 per individual apprentice every 5 years. In order for an apprenticeship to qualify for an ITA contract, the program sponsor and participant are subject to the requirements outlined in the Philadelphia Works ITA Policy. Philadelphia Works can enter into an ITA contract with the entities listed below:

- A Registered Apprenticeship Program Sponsor that administers an eligible registered or non-registered (but ETPL-approved) apprenticeship.
- An ETPL-approved training provider that administers the related technical instruction for a registered or non-registered (but ETPL-approved) apprenticeship.

Note: ITAs also can be used for pre-apprenticeship training in preparation for formal Registered Apprenticeship **if the training provider is on the ETPL**.

Customized Job Training (CJT):

CJT funds can be used to support apprenticeship programs that are designed to meet the specific needs of an employer or group of employers. Philadelphia Works can develop a CJT contract with an employer or registered apprenticeship sponsor. CJT may be used to support pre-apprenticeship activity for programs registered with the PA ATO.

Philadelphia Works can reimburse up to \$8,000 per apprentice. In order for an apprenticeship to qualify for a CJT contract, the employer and participant are subject to the requirements outlined in the Philadelphia Works CJT Policy. Specifically:

- Employers who receive funds for CJT or participate in CJT through training provider partnerships are required to pay a portion of the training costs – this requirement cannot be waived. The non-federal share can include the amount of the wages paid by the employer to a worker while the worker is attending a training program; the employer may provide the share in case or in-kind.
- The non-Federal employer share is based on the size of the workforce as follows:
 - At least 50 percent of the cost for employers with 50 or fewer employees;
 - At least 25 percent of the cost for employers with 51 to 100 employees; and
 - At least 10 percent of the cost for employers with more than 100 employees

Additional requirements include:

- Apprentices must earn a minimum of \$17 an hour at a minimum of 32 hours a week with evidence that the position is on a career pathway towards a higher level and/or a higher paying job upon completion.
- The apprenticeship program must be able to show an actual career pathway progression by which an individual will attain self-sufficiency within a reasonable period of time.

Contracted Classes for Training Cohorts for Related Instruction²:

Philadelphia Works may contract with an Eligible Training Provider to train a cohort of potential apprentices in in-demand industry sectors or occupations.

- To receive funding, the eligible training provider must be procured and follow the procurement standards found in the Uniform Guidance.
- Philadelphia Works will follow procurement standards and develop a contract with the provider.
- Additionally, incumbent worker training funds can be used to provide training to a cohort of apprentices.

On-the-Job Training (OJTs):

OJT can support the on-the-job learning component of a Registered Apprenticeship through wage reimbursement. An OJT contract may be developed with an apprenticeship program for **newly hired** apprentices.

Philadelphia Works will reimburse the employer a percentage of an eligible OJT participant's wage rate commensurate with the type of training being proposed. Employers will be reimbursed up to 50 percent of a participant's wage per hours, not to exceed \$8,000 per apprentice. The wage reimbursement rate will be based on the size of the workforce. In order for an apprenticeship to qualify for an OJT contract, the employer and participant are subject to the requirements outlined in the Philadelphia Works OJT Policy. Specifically:

- An employer must certify that the position will meet Philadelphia Works' self-sufficient wage of \$17/hour (before benefits) at a minimum of 32 hours per week with evidence that the position is on a career pathway towards a higher level and/or a higher paying job upon completion.
- Apprenticeships must be able to show an actual career pathway progression by which an individual will attain self-sufficiency within a reasonable period of time.

Note: Both ITA and OJT funds can be used when placing participants into a registered apprenticeship program. The funding allowance remains at \$8,000 per apprentice every 5 years. A combination of an ITA to cover the classroom instruction along with an OJT contract to cover the on-the-job portions of the program is allowed as long as the total costs do not exceed \$8,000 per apprentice.

- **Stipulations:**

- **Length of Training:** A typical OJT contract is limited to the period of time required for a participant to become proficient in the occupation for which the training is being provided for up to 13 weeks. In determining the appropriate length of the contract, consideration will be given to the skill requirement of the occupation, the academic and occupational experience of the participant, and both the participant's individual employment plan and the employer's training plan.

For apprenticeship programs, OJT funding can extend beyond 13 weeks, however, employers are required to provide their training plan and proactively discuss the need for more time with Philadelphia Works prior to contracting. Philadelphia Works is committed to providing flexible options for funding to ensure the maximum training investment is made available, however, the \$8,000 funding cap for apprentices still applies.

² TEGL 13-16

- **Contractual:** An OJT contract must be completed and signed by the employer before the apprentice's first day of work at the employer. If the trainee starts working before the contract is signed by the employer, the employer will not be eligible for funds for that apprentice.

Incumbent Worker Training (IWT):

IWT may be used for “upskilling” apprentices who already have an established relationship (i.e., employment) with the Registered Apprenticeship Program employer. Philadelphia Works can develop an IWT contract with an employer, training provider, or registered apprenticeship program sponsor.

Philadelphia Works can reimburse up to \$8,000 per apprentice. In order for an apprenticeship to qualify for an IWT contract, the employer and participant are subject to the requirements outlined in the Philadelphia Works IWT Policy. Specifically:

- Employers who receive funds for IWT or participate in IWT through training provider partnerships are required to pay a portion of the training costs – this requirement cannot be waived. The non-federal share can include the amount of the wages paid by the employer to a worker while the worker is attending a training program; the employer may provide the share in case or in-kind.
- The non-Federal employer share is based on the size of the workforce as follows:
 - At least 50 percent of the cost for employers with 50 or fewer employees;
 - At least 25 percent of the cost for employers with 51 to 100 employees; and
 - At least 10 percent of the cost for employers with more than 100 employees

Supportive Services are also available to WIOA eligible participants in an apprenticeship program consistent with the Philadelphia Works Supportive Services Policy and availability of funds. Examples of supportive services include registration fees, books, supplies, skills development preparation (i.e., digital literacy, essential skills, high school equivalency, etc.), transportation, tools, and uniforms.

Youth Occupational Skills Training is an allowable activity for youth ages 16 - 24 who are eligible and enrolled in a WIOA Youth program. Youth participants engaged in occupational skills training, including those participating in Registered Apprenticeship Programs, may receive supportive services based on documented need and in alignment with the Philadelphia Works Youth Supportive Services Policy. Supportive services are intended to support participation and successful completion of program activities and may include a range of allowable costs as defined by policy. Youth participants who are co-enrolled in the WIOA Adult program may be eligible for additional training resources, contingent upon meeting eligibility requirements and program-specific guidelines.

Employer Incentives

Incentives can assist potential sponsors in customizing their program and existing sponsors to add occupations and enhance their program to include mentor training. Philadelphia Works will discuss employer incentives with eligible employers, particularly those that prioritize registration with the PA ATO. Employer incentives are subject to allowable funding that is currently available.

Eligibility:

Incentive funding is available for new and existing registered apprenticeship programs that will increase the number of registered apprentices. Employers or employer associations, sponsors, industry associations, unions, and intermediaries are all eligible to apply.

Eligible Expenses/Offerings:

Incentives can be provided through the following means:

1. Registration of Registered Apprenticeship Programs (RAPs) with the PA ATO.
2. Costs related to design and start-up of RAPs.
3. Hiring and retention of apprentices from underrepresented groups (women, people of color, justice impacted, and Veterans).
4. Classroom education or online training for apprentices.
5. Extraordinary costs related to on-the-job training, excluding wages; *(Extraordinary costs to the employer can be calculated based on an apprentice's wages as well as based on a journey worker's time as a mentor for an apprentice during the on-the-job learning portion.)*
6. Train-the-trainer costs or activities.
7. Training supplies for apprentices.
8. Curricula development.
9. Technical assistance from an intermediary with the administrative aspects of apprenticeship implementation.
10. Referrals to Philadelphia Works, ApprenticeshipPHL, and/or the PA ATO for technical assistance and/or
11. Supportive Services (e.g., transportation, tools, supplies, etc.) to support apprentices' retention in a program.³

*Philadelphia Works will leverage WIOA funding for all Supportive Services as long as the apprentice is WIOA eligible and successfully enrolled in WIOA.

Data Tracking and Reporting:

Employers or Registered Apprenticeship sponsors will be required to submit to Philadelphia Works data and information on individuals who receive any of the funding programs outlined above, including employment status after training, wages after training, credential attainment, and measurable skill gain.

Philadelphia Works may also collect additional employer data such as employer size, industry, and other information to evaluate the effectiveness of the contracted training program. The Commonwealth Workforce Development System (CWDS) is the system of record.

Such documentation may include:

- Employer data such as employer size, industry, and other information to evaluate the effectiveness of incumbent worker programs
- Documents for contracting which may include W-9s, Certificate of Insurance, and Certificate of Worker's Compensation
- Verification of trainee tenure
- Trainees Social Security Number and demographics collected for state and federal reporting requirements
- Training Provider information, training plans or curriculums, and connections to career pathways
- Verification of trainee wages/salary before and after training
- Training attendance, credential attainment, and measurable skill gain
- Post-training outcomes (i.e., retention and actual career progression)

³ Note that funding for items 8 and 9 would first be leveraged through partnerships with State and local WIOA partners.

Notes

Pennsylvania is a State Apprenticeship Agency (SAA) state in which apprenticeship programs must follow standards and guidelines set forth by the PA ATO. Neighboring states, including New Jersey, are Office of Apprenticeship (OA) states. Apprenticeship programs that are planning to be registered in OA states will follow standards and guidelines set forth by the US Department of Labor's Office of Apprenticeship. Philadelphia Works will review programs based upon the guidelines of the program's "home" state.

Key Definitions:

PA Apprenticeship and Training Office (ATO): guides and promotes the expansion of apprenticeship programs across Pennsylvania.

Department of Labor Employment and Training Administration (DOL ETA): The DOL ETA administers federal government job training and worker dislocation programs, federal grants to states for public employment service programs, and unemployment insurance benefits. These services are primarily provided through state and local workforce development systems.

Eligible Training Provider: a provider of training services who has met the eligibility requirements to receive WIOA title I Adult and Dislocated Worker funds to provide training services to eligible individuals.

Eligible Training Provider List (ETPL): a list of approved providers of training services who are eligible to receive WIOA title I-B funds. Each state has their own ETPL list.

Recognized postsecondary credential: a credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship a license recognized by the State involved or Federal Government, or an associate or baccalaureate degree.

Registered Apprenticeship Program (RAP): an apprenticeship program that is registered either with the US Department of Labor or with the Commonwealth of Pennsylvania.

Registered Apprenticeship Program Sponsors: a RAP sponsor can include the following -

- Employers who provide related instruction
- Employers who use an outside educational provider (i.e., two- or four-year post-secondary institutions, technical training schools or online courses)
- Joint Apprenticeship Training Programs: programs that are made up of employers and unions
- Intermediaries: can serve as program sponsors and take responsibility for the administration of the apprenticeship program. They can provide expertise such as curriculum development, classroom instruction and supportive services, as appropriate. Intermediaries can include educational institutions, industry associations, or community-based organizations.

Additional Funding Resources

- **DCED:** The PA Department of Community and Economic Development (DCED) offers grants to offset RTI expenses for apprentices and pre-apprentices. Sponsor can apply to receive support at \$3,000 per apprentice per year for proposals up to 3 years.
- **GI Bill:** Those who qualify can receive a tax-free monthly stipend in addition to the wages they receive as an apprentice. Veterans also receive tuition and fee payments for classroom instruction.
- **WEDnet:** Workforce and Education Development Network of PA (WEDnet) supports apprenticeship with

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up to \$2,000 per employee, and up to \$100,000 per entity.

References

- U.S. Department of Labor Education and Training Administration, [Training and Employment Guidance Letter \(TEGL\) 13-16](#)
- U.S. Department of Labor Education and Training Administration, [The Federal Resources Playbook for Registered Apprenticeship](#)
- [Workforce Innovation and Opportunity Act Regulations](#), 20 CFR Parts 680 (.740 and .750)
20 CFR 681.480, 680.330
- [TEGLS and TENS for Apprenticeship](#)
- [PA Workforce System Guidance](#), Number 02-2015
- [PA Funding for Apprenticeships](#) Quick Guide
- [The National Apprenticeship Act](#); 50 Stat. 664, chapter 663; 29 USC 50 et seq.
- [Workforce Innovation and Opportunity Act](#), Section 3(52), Section 181 (a) (1) (A) and (B), (b) (2), (3), (4) and (5) and Section 188.

Contact

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