

Registered Apprenticeship/Pre-Apprenticeship Requirements and Guidelines

Per the U.S. Department of Labor (USDOL) Employment and Training Administration's Training and Employment Guidance Letter No. 13-16, all Registered Apprenticeship Programs (RAPs) consist of the following five core components:

- **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 RAPs and are involved in every step of their design and execution.
- **On-the-Job Training (OJT).** Every RAP 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 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 RAP receives a nationally recognized credential, referred to as a Certificate of Completion, which is issued by the USDOL or a federally recognized State Apprenticeship Agency (SAA). This portable credential signifies that the apprentice is fully qualified to successfully perform an occupation.

Traditional RAPs 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. ApprenticeshipNC, the State Apprenticeship Agency, 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 RAPs in the context of economic development strategies creates seamless pipelines of skilled workers and flexible career paths to meet current and future workforce demands.

Key Terms Definitions

1. **Registered Apprenticeship** is an industry-driven, high-quality career pathway where employers can develop and prepare their future workforce, and individuals can obtain paid work experience with a mentor, receive progressive wage increases, classroom instruction, and a portable, nationally recognized credential. Registered Apprenticeships are industry-vetted and approved and validated by the USDOL or a SAA.
2. **Eligible Training Provider (ETP)** is a provider of training services who has met the eligibility requirements to receive WIOA Title I funds to provide training services to eligible individuals.
3. **Eligible Training Provider List (ETPL)** is North Carolina's statewide list of approved providers of training services who are eligible to receive WIOA Title I funds.
4. **RAP Sponsors** can be any employer, association, committee, or organization that operates a RAP. This entity assumes full responsibility for the administration and operation of the apprenticeship program. Sponsors can be a single business or a consortium of businesses. Alternatively, the sponsor can be a workforce intermediary, such as an industry association or a labor-management organization. Community colleges, workforce development boards, and community-based organizations can also serve as sponsors of apprenticeship programs.
5. **Joint Apprenticeship Training Programs** 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.
6. **Intermediaries** are organizations that play a crucial role in supporting and expanding RAPs. They act as third-party partners between employers, training providers, and other stakeholders. Essentially, they are the connectors and facilitators within the apprenticeship ecosystem, helping to build, launch, and manage programs.
7. **Recognized post-secondary credential** means a credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship license recognized by the state involved or federal government, or an associate or baccalaureate degree.
8. **Pre-Apprenticeship programs** provide instruction and/or training to increase math, literacy, and other vocational and pre-vocational skills needed to enter a registered apprenticeship program. 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 RAPs that assists in placing individuals who complete the pre-apprenticeship program into a registered apprenticeship program.
9. **ApprenticeshipNC (ANC)** is the state apprenticeship agency in North Carolina. State apprenticeship agencies are responsible for overseeing the registration and maintenance of the state's RAPs. To learn more about ANC, please click [here](#).

Allowable Activities

All allowable activities are subject to the availability of funding.

Registered Apprenticeship Activities

- **Individual Training Accounts (ITAs)**

The WIOA allows registered apprenticeships to be eligible for the ETPL. An ITA may be developed for the related technical instruction portion of the apprenticeship training. All ITA-related activities must comply with the ETPL Guidelines, Penalties, Appeal Process, and Performance Reporting Commission Policy Statement, which can be found on the Commerce website.

Under WIOA, all registered apprenticeships that seek to be included on the state's eligible training provider list (ETPL) are automatically eligible to be included on the state's list upon request of the provider. Once on the state's ETPL, registered apprenticeship instruction providers will remain on the list until they are deregistered or until the registered apprenticeship notifies the state that it no longer wants to be included on the ETPL.

- **OJT Contract**

An OJT contract may be developed with an apprenticeship program for training participants.

- **Work Experience (WEX)**

The WIOA allows apprentices and those receiving pre-apprenticeship services to utilize WEX.

- **Customized and Contract Training**

The WIOA allows registered apprenticeships to utilize customized or contract training to support training activities for apprenticeships.

- **Incumbent Worker Training (IWT)**

Incumbent worker training may be used for “upskilling” apprentices who already have an established worker/training relationship with the registered apprenticeship program.

Pre-Apprenticeship Activities

- 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 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 RAP’s classroom training/related instruction.

Pre-apprenticeship programs do not have the same automatic ETPL status under USDOL regulation (See 20 CFR § 680.470(f)). All pre-apprenticeship programs must meet the requirements of other eligible providers of training services outlined in the ETPL Guidelines, Penalties, Appeal Process, and Performance Reporting Commission Policy Statement and must be registered with ApprenticeshipNC.

- **Incentives**

Incentives may be used towards the completion of a registered apprenticeship or pre-apprenticeship program. All youth incentives must adhere to the guidelines outlined in 20 CFR § 681.640 for youth.

Allowable Expenditures

Allowable expenditures that may be counted toward the apprenticeship expenditure requirement can be more than just wages paid to participants in an OJT or WEX. Administrative costs are not subject to, nor included in, the 6% minimum apprenticeship expenditure requirement. While WDBs may not expend less than 6%, they may expend more than 6% each program year.

Allowable expenditures include the following:

- **Related instruction:**
 - Employer reimbursement for training
 - Postsecondary institution or training provider training costs
 - Individual Training Account costs
- **Work-based learning:**
 - OJT reimbursement
 - Work Experience (WEX) participant wages/stipends
 - Staff time working to identify and develop an IWT, OJT, or WEX opportunity, including staff time spent working with employers to identify and develop the activities
 - Staff time working with employers to ensure a successful OJT or work experience, including staff time spent managing an OJT or work experience

- Staff time spent evaluating an OJT or work experience
- Participant work experience orientation sessions
- Employer work experience orientation sessions
- IWT reimbursement
- Staff time spent working with a specific apprenticeship participant or program

Note: *General outreach, planning meetings, or coordination efforts with community colleges, training providers, or other partners, when not tied to a defined apprenticeship activity or participant, do not qualify as allowable.*

- **Group Sponsor:**

- Staff-time to develop, recruit, and support group level apprenticeship sponsorship in high-demand industries

- **Other Participant Costs:**

- Supportive services that enable participation in work experience
- Incentive payments directly tied to the completion of work experience