

# TRADITIONAL APPRENTICESHIP FUNDING GUIDELINES

## Traditional Apprenticeship Funding

The Arkansas Apprenticeship Coordination Steering Committee (AACSC) supports and enhances Apprenticeship Schools using the Arkansas Construction Industry Craft Training Trust Fund and Traditional Apprenticeship Funding. To maximize the efficiency of traditional apprenticeship funding throughout the State, the AACSC adopts the following guidelines, which clarify terms and procedures. The guidelines are consistent with the Rules for Arkansas Registered Apprenticeship Programs that took effect September 5, 2015, specifically sections II (definitions), XII (applications for program start-up), and XIII (program funding).

### **TERMS**

**Administrative Review** – the process for which the State Office of Apprenticeship (OSD-OA) conducts an on-site visit to determine if the New Apprenticeship School Applicant has met all required criteria, as stated in the Eligibility Standards of the Traditional Apprenticeship Funding Guidelines.

**Apprenticeship School:** An organization that provides classroom training, preparatory instruction, supplementary instruction, or related technical instruction in each trade that has been certified as an apprenticeable occupation by the United States Department of Labor. Apprenticeship Schools may have multiple class locations across multiple apprenticeable occupations or trades.

**Classroom Location:** The physical site where apprentices receive organized, classroom instruction (preparatory, theoretical, safety-based, and other related technical instruction) as approved by the OSD-OA operated by a given Apprenticeship School.

**New Apprenticeship School Applicant:** A prospective Apprenticeship School, is one which has never applied, or has not previously been approved for funding by the AACSC. New Apprenticeship School Applicants that do not meet the minimum qualifications stated in the Rules for Arkansas Registered Apprenticeship Programs shall be rejected for funding. Previously funded programs not in operation for the past 12 months with active apprentices, will revert to New Apprenticeship School Applicant status.

**Probation Period:** The one-year period after a New Apprenticeship School Applicant has submitted an application for traditional apprenticeship funding to operate an Apprenticeship School, during which the Applicant is monitored by the for compliance with the Rules for Arkansas Registered Apprenticeship Schools. The Probation Period does not begin unless apprentices have been entered into Registered Apprenticeship Partners Information Data System (RAPIDS), and the OSD-OA has approved your school to begin the Probationary Period. At the close of an Applicant's Probation Period, the OSD-OA conducts an administrative review to determine if the Applicant should be approved as an Apprenticeship School. Funding is not dispersed during the probationary period.

### **PROCEDURES**

These procedures pertain to:

- New Apprenticeship School Applicants seeking approval for funding to operate an Apprenticeship School.
- Apprenticeship Schools seeking approval to add a Classroom Location.
- Apprenticeship Schools seeking approval to add a new classroom location that involves an apprenticeable occupation/trade different than the Apprenticeship School is currently approved.

The application due date for New Apprenticeship School Applicants will be August 17, 2021, for First Semester, and January 18, 2022, for Second Semester, with all eligible programs being notified of their acceptance by email and mail by the OSD-OA. Faxed applications may also be accepted. Apprenticeship Schools that have already been approved by the OSD-OA will no longer have to reapply each year, so long as an original signature on file, as listed on the 242 Application.

### **ELIGIBILITY STANDARDS**

The following standards must be met for a New Apprenticeship School Applicant, or a new Classroom Location, to be considered for eligibility by the State Office of Apprenticeship. Once an Apprenticeship School has been approved, it must maintain these standards.

1. All New Apprenticeship School Applicants and Apprenticeship Schools must comply with the Rules for Arkansas Registered Apprenticeship Programs (September 5, 2015) as they relate to funding and the eight essential components of an approved Program outlined in Ark. Code Ann. § 6-55-107(b).
2. All New Apprenticeship School Applicants, in order to be considered for traditional apprenticeship funding, must have a minimum of 5 apprentices, with the exception of electrical and plumbing, and have been operating in Arkansas with active apprentices registered in the RAPIDS (Registered Apprenticeship Partners Information Data System) for a period of not less than 12 months.
3. The Office of Apprenticeship will approve traditional apprenticeship funding for a New Apprenticeship School Applicant only upon completion of the Administrative Review at the close of the Probation Period.
4. New Apprenticeship School Applicants successfully completing the administrative review will be assigned a Classroom Location number by the Office of Apprenticeship that corresponds to the physical site where the related technical instruction or classroom training is offered. Apprenticeship Schools will be assigned a single Classroom Location number for each approved classroom location. In no event will a Classroom Location number be assigned generally to an Apprenticeship School. The number must identify a particular site for the related technical instruction/classroom training.
5. All New Apprenticeship School Applicants, or Apprenticeship Schools seeking approval to add a Classroom Location, must comply with the “30/30 Rule.” If there is an approved Classroom Location within a 30-mile radius of a proposed Classroom Location—and the approved Classroom Location serves less than 30 apprentices—then the proposed Classroom Location is ineligible for traditional apprenticeship funding. OSD-OA will determine the number of apprentices served at an approved Classroom Location via RAPIDS, as of the date of the relevant Apprenticeship Schools most recent administrative review.
6. A New Apprenticeship School Applicant that has applied for funding may have that application revoked during the Probation Period as a result of the administrative review, for failure to comply with these guidelines or the Rules for Arkansas Registered Apprenticeship Programs. Likewise, Apprenticeship Schools approved for funding may be suspended for one semester, or for the remainder of the calendar year for which funding was approved, for failure to comply with these guidelines or the Rules for Arkansas Registered Apprenticeship Programs. The AACSC will determine the penalty for non-compliance, which will be based on the severity of the infraction and will be reviewed by the OSD-OA. A Non-Compliance Policy is currently being reviewed by the AACSC.

7. The OSD-OA will notify New Apprenticeship School Applicants or Apprenticeship Schools of suspected non-compliance in writing, either through the administrative review process through monitoring (during a New Apprenticeship School Applicant's Probation Period); or by letter, if there is evidence of non-compliance prior to the next administrative review.
8. Previously approved Apprenticeship Schools seeking approval to add a Classroom Location or a new apprenticeable occupation/trade will not be subject to a probation period, but must meet all other requirements, as established by the current rules.
9. Funding for Apprenticeship in Arkansas should reflect a number of fast-changing factors, such as regional and statewide workforce priorities, as well as demand on an Industry-by-industry basis; The Office of Skills Development (OSD), Office of Apprenticeship (OA), in coordination with the AACSC will review each Apprenticeship School during the probationary period to determine eligibility for funding as it relates to the six industry sectors targeted by the Office of Skills Development, Office of Apprenticeship which include:
  - Advanced Manufacturing
  - Healthcare
  - Information Technology
  - Construction/Carpentry
  - Transportation/Logistics
  - Energy (non-construction)

Should the OSD-OA and AACSC determine that the apprenticeable occupation in question does not meet the targeted industry sectors list, funding may not be awarded. Other funding streams, such as eligibility of additional state and federal funds, will be factored into the funding process.

10. Traditional apprenticeship funds will be reviewed and approved for all Apprenticeship Schools, along with New Apprenticeship School Applicants, on a semester basis. For more information on important deadlines, please review the "*Dates to Remember (FY 2021/2022)*" handout, which is provided annually by the OSD-OA.
11. Traditional apprenticeship funds are to be used primarily for instructor reimbursement, and no more than 15% may be used for administrative expenditures by the Apprenticeship School. Instructor reimbursement rates will be reviewed bi-annually. *The \$25 per apprentice processing fee charged by an LEA is considered an administrative function and shall count towards the 15% cap on administrative expenditures a school shall be allowed to use.*
12. These changes will be effective upon the approval of these revisions on a date to be determined and will not be retroactive.

### **Virtual Training:**

In response to the Covid-19 pandemic many apprenticeship programs developed virtual models to provide quality apprenticeship programs. Moving forward, a blended approach to training is eligible for funding provided the following procedures/guidelines are followed:

1. Online Training must be a live presentation, with the ability to interact with the students for question and answer. The instructor(s) must be able to view and identify the students.
  - a. An electronic recording of the class must be available to OSD.
  - b. An electronic sign in sheet must be maintained for each class.
  - c. A computer diagnostic listing each participant with join and leave times must be maintained for each class.
  - d. All electronic test/homework etc must be documented to include a copy of the material covered and grade.

2. A pre-recorded training session may be used to allow apprentices to makeup classroom hours; however, pre-recorded sessions are not eligible for state funding.
3. Funding will be available for up to 160 hours of instruction.
4. The apprenticeship program must be in compliance with Circular 2021-01 issued on December 16, 2020.

### **Construction Training Funding**

Act 474 of 1999 created the Arkansas Construction Industry Education Act. These funds are generated from a surcharge in the amount of fifty cents (.50) per each one thousand dollars (\$1,000) of construction authorized on any non-residential construction permit issued. The proceeds received from the surcharges are held in a special trust account known as the Arkansas Construction Industry Craft Training Trust Fund. For the 2021/2022 fiscal year the total budget for the CT fund is **761,864.00** with **\$673,864.00** for grant disbursement. As allowed by the law, OSD has an operating budget of \$88,000 for the 2021/2022 fiscal year. These funds are not disburseable as grants.

As mandated by Act 474 of 1999, an approved apprenticeship program must comply with the following in order to be eligible for funding.

- Combines supervised, structural, on-the-job training with related theoretical instruction and is sponsored by employers or labor or management groups that can hire and train in a work environment.
- Prepares an individual for skilled employment by conducting training in bona fide and documented employment settings.
- Training requirements that are clearly delineated in federal and state laws and regulations.
- A training strategy that by virtue of a legal contract, indenture, leads to a certificate of completion and official journeyman status.
- Involves a tangible and generally sizable investment on the part of the employer or labor or management program sponsor.
- Payment of wages to its participants at least during the on-the-job training phase of their apprenticeship and that increases these wages throughout the training program in accordance with a predefined wage progression scale.
- Participants must learn by working directly under the supervision and tutelage of a journeyman or master in the craft, trade, or relevant occupational area; and
- Must include an apprenticeship agreement and an implicit social obligation between the program sponsor and the apprentice.

During the July 2021 AACSC meeting the following funding priorities and allocations were reviewed and approved by a majority vote. The percentage of breakdown is based on the past three years of data.

1. Outreach and Education: \$16,846.60 (2.5%)
2. Curriculum: \$539,091.20 (80%)
3. Equipment: \$67,386.40 (10%)
4. Instructor Training: \$50,539.80 (7.50%)

Any unallocated funds will be reviewed during the April meeting. Additional funding may be made available to fund any of the above-mentioned categories up to 100%. Additional documentation may be requested by OSD-OA if necessary.

# **Guidelines for Funding Construction Industry Craft Training Grant Applications for FY22**

## **Budget:**

The budget for grant disbursement for FY22 is \$673,864.00.

## **Section 1--Funding Priorities and Allocations**

1. Outreach and Education: \$16,846.60 (2.5%)
2. Curriculum: \$539,091.20 (80%)
3. Equipment: \$67,386.40 (10%)
4. Instructor Training: \$50,539.80 (7.50%)

## **Section 2--Types of Programs Eligible for Grants**

Apprenticeship Schools providing training in construction related apprenticeable occupations may be approved for grant funding. The list of construction related apprenticeable occupations includes the following: Welding, Plumbing, Carpentry, Equipment Operator, Laborer, Sheet Metal Working, Electrical, Ironworker, HVACR Mechanic, Boilermaker, Painting, Glazing, Insulation worker, and Roofing.

Secondary career centers that serve high school students through registered apprenticeship program or pre-apprenticeship are eligible for funding if funds are available.

Apprenticeship Schools or Career Centers funded through these funds shall be consistent with the nine (9) criteria recommended by AACSC and the Apprenticeship Schools must adhere to the USDOL registered Standards of Apprenticeship. The nine (9) essential components of an approved apprenticeship program shall include all the following:

1. A training strategy that combines supervised, structural on-the-job training with related theoretical instruction and is sponsored by employers or labor or management groups that have the ability to hire and train in a work environment.
2. A training strategy that prepares an individual for skilled employment by conducting training in bona fide and documented employment settings.
3. A training strategy with requirements that are clearly delineated in federal and state laws and regulations.
4. A training strategy that by virtue of a legal contract, indenture, leads to a certificate of completion and official journeyman status.
5. A training strategy that involves a tangible and generally sizable investment on the part of the employer or labor or management program sponsor.
6. A training strategy that pays wages to its participants at least during the on-the-job training phase of their apprenticeship and that increases these wages throughout the training program in accordance with a predefined wage progression scale.
7. A training strategy in which participants learn by working directly under the supervision and tutelage of a master in the craft, trade, or relevant occupational area.
8. A training strategy that involves a written agreement and an implicit social obligation between the program sponsor and the apprentice.
9. Apprenticeship Schools must adhere to the ratios, as per the USDOL registered Standards of Apprenticeship.

### Section 3--Limitations for Grant Requests

**Curriculum:** The grants must be used for state-approved curriculum or codebooks. In addition, only the following types of curriculums may be funded at the specified percentage:

1. Instructor guides and materials for the state approved curriculum--**100%** of the total costs associated with purchasing instructor guides and curriculum related instructional material.
2. Student curriculum--**75%** of the total cost for student curriculum (must be State approved curriculum).
3. Codebooks--**75%** of the total cost of required code books for a **2nd year apprentice**. Apprenticeship Schools will not receive funding to replace lost or damaged codebooks. FY22 maximum reimbursements for codebooks.
  - i. Arkansas Plumbing Codebook--\$45.00 (75% of maximum \$60.00)
  - ii. Arkansas Fuel Gas Codebook--\$45.00 (75% of maximum \$60.00)
  - iii. Arkansas Electrical Codebook--\$82.50 (75% of maximum \$120.00)

**Additional Restrictions:**

- Codebooks for 1st, 3<sup>rd</sup>, 4<sup>th</sup>, and 5<sup>th</sup> year apprentices are not eligible for funding.
  - During code change years, Apprenticeship Schools can only receive funding for the version coming out in the current fiscal year.
  - Maximum allowable cost includes shipping and tax.
4. Curriculum grant applications may be submitted each month. Applications submitted by July 15<sup>th</sup> will be reviewed at the August meeting; application submitted by August 15<sup>th</sup> will be reviewed at the September meeting; etc. April 15<sup>th</sup> is the final date curriculum applications can be accepted.

**Equipment:** The grants must be used for *instructional* related equipment needed to enhance the Apprenticeship School. Grant applications shall be reviewed monthly with April 15, 2022, being the last date for applications, with the final review by AACSC at the May 2022 meeting. An organization is limited to a MAXIMUM of \$20,000.00 per year.

Listed below are some general guidelines considered by the AACSC.

1. Equipment exceeding \$1,000.00 must include three quotes. Request will not be considered without three quotes unless it is a sole source provider.
2. Computers and required computer software for instructors may not exceed \$1,000.00 per unit. Computers purchased with CT Funds cannot be replaced until five years after purchase.
3. Computer labs, computers for apprentice personal usage, iPad or other personal devices are not eligible for funding.
4. Office furniture, classroom furniture, tables, chairs, etc. are NOT considered equipment, and are therefore not eligible for funding.
5. Hand tools are NOT considered equipment and are therefore not eligible for funding.
6. Cost per apprentice is considered in the approval process.
7. Joint applications are permitted and encouraged. If joint applications are submitted, one Apprenticeship School must be designated as the lead applicant.

**Instructor Training:** An Apprenticeship School funded through the OSD-OA and the AACSC is eligible for up to a total of \$800.00 per instructor per 8 hours of approved training per year (regardless of where the training is conducted). A complete course outline and documentation of the trainer's qualification must be attached to the grant application. All course outlines must adhere to the approved training guidelines as outlined below.

### Teaching Methods I Approved Topics

The Teaching Profession and the Teacher, Knowing and Teaching, Challenges to the Instructor, The Competent Teacher, Getting Ready to Teach, Establishing a First-Class Lesson, The Learning Process, The Five Senses, Learning Styles, Teaching and Learning, Things to Remember, Eleven Aspects of Learning, Conditions for Effective Teaching, The Lesson, Sample Lesson, Teaching Methods and Their Combinations, Demonstration Method, Illustration, Group Conference, Supervised Practice, Text Material, Experiment, Test, Question, Lecture, Assignment, Adults and Motivation, The Five Senses, Learning Preferences, Principles of Adult Learning, Teaching Adult Learners

### Teaching Methods II Approved Topics

Review of Class One, Motivation, Myths of Motivation, Motivational Planning, Motivation to Learner, Barriers to Motivation, Instructor's Beliefs, In the Classroom, Questions, Curriculum Design, Leadership, Leadership and Motivation, How to Lead for Results, Leadership Styles, Classroom Management, Basic Concepts in Classroom Management, Classroom Discipline Examples, Classroom Discipline Four Steps, Classroom Discipline Techniques, Good Discipline Tricks, Bad Discipline Tricks, Classroom Arrangement, Things to Remember When Setting Up Your Classroom, How to Study and Remember, how to get the most out of the Text Teaching Method, Testing, How to Take a Test, How to Prepare Tests, Test Tricks.

Funding for the training must be dispersed in the following manner with receipts.

Person	Description	8 hours	Hourly rate
Instructor attending class	Stipend/Travel/Misc./Meals	\$400	\$50.00
Apprenticeship School MAXIMUM funding allowed is 15 instructors	Hosting fee, payment for master instructor conducting training, room rental, lunch for participants, administrative fee for staff, etc.	\$400	\$50.00

#### LIMITS ON Funding:

- Maximum funding allowed is 15 instructors per class. The minimum funding allowed is 7 instructors. For any request fewer than 7 instructors, a formal justification must be presented and reviewed by the AACSC members.
- Instructors in their first year of teaching may request reimbursement of up to 16 hours of approved training.
- Established (Instructors with more than one-year teaching experience) may only request reimbursement of 8 hours training per 24 months of approved training.
- No application will be accepted after April 15, 2022, with a final review by the AACSC at the May 2022 meeting.
- Approval of instructor training is not guaranteed. Apprenticeship Schools are advised to submit instructor training applications prior to the scheduled event.
- Three quotes must be included for master instructor cost exceeding \$1,000.00.

#### Section 4--Worksheets and Supporting Documentation

To expedite the process, the OSD-OA has Construction Industry Craft Training grant applications and worksheets. For a request to be considered for funding, a completed and signed grant application, along with required supporting documentation must be submitted. Worksheets for each of the eligible funding categories are available from the OSD-OA. Grant guidelines and worksheets are emailed and/or mailed to all Apprenticeship Schools in July of each year.