Financials of Apprenticeship at Community Colleges

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"Let's encourage businesses to become creators, not just consumers of talent by establishing an audacious goal of 500,000 earn-and-learn apprenticeships by 2029."

- Governor Gavin Newsom

Apprenticeship Agenda

- Overview
- Funding sources
- Cost model

Please ask questions throughout!

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What is a Registered Apprenticeship (RA)?

A structured education and training program that takes place in the workplace and includes:

- On-the-job (OTJ) training – usually at least 2000 hours (1 year FT)
- Classroom-based, related and supplemental instruction (RSI) – recommended 144 hours

An apprentice is a full-time, paid employee of the sponsoring organization.

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On-The-Job Training

- Work processes established in partnership with employer
- Learn by doing
- Designated **mentor** trains the apprentice on the job
- Progressive Wages Scales
  - **Articulated skills progression** with at least one **wage increase**.
  - **Wage progression** starts around ~50% of what an experienced person holding that role (journeyperson) would be making. That progression should finalize ~90% of a journeyperson compensation.

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Types of Registered Apprenticeship

Time-based program

Measures progress based on the number of hours an apprentice has spent in on-the-job training (OJT) and related and supplemental instruction (RSI)
Typically 2000 hrs OJT and 144 hrs RSI
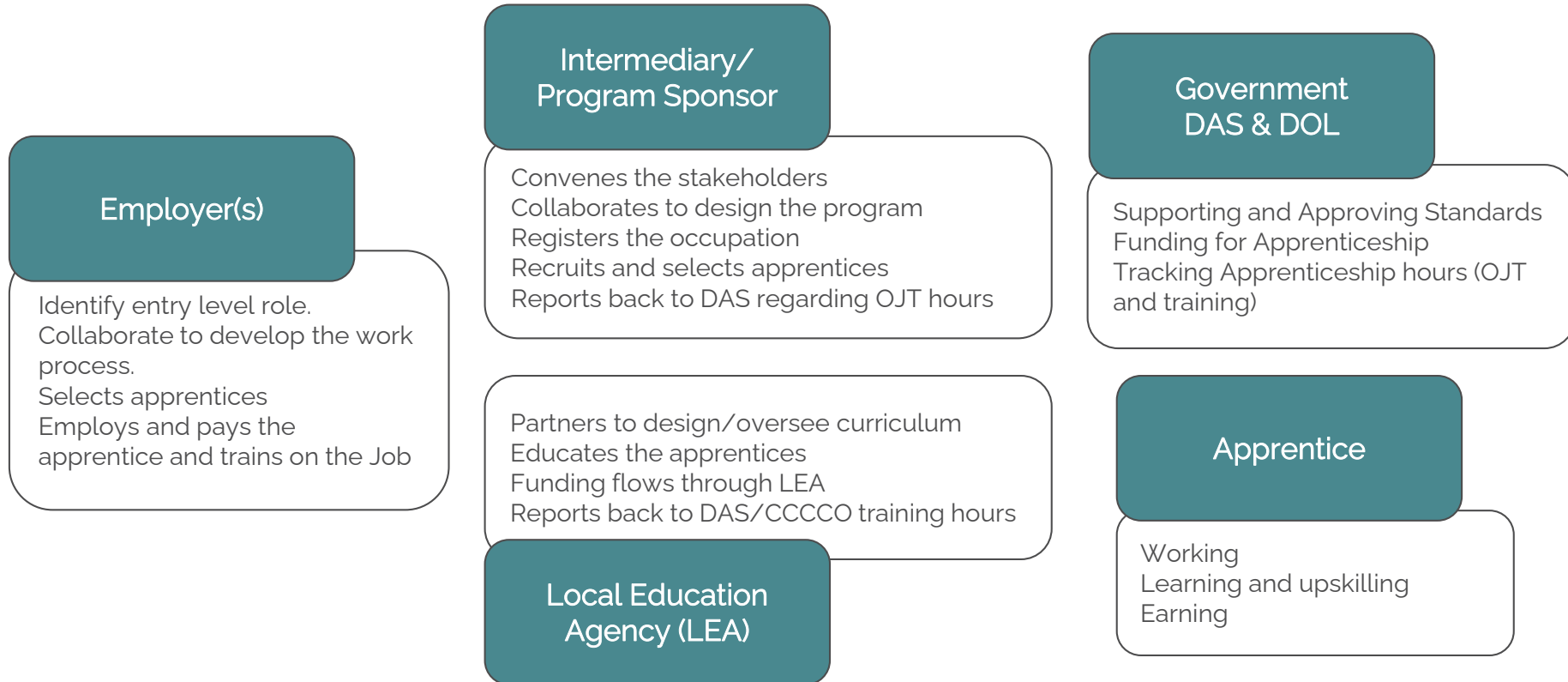
Competency based Program

Measures progress based on the apprentice's demonstrated ability to perform the duties associated with the occupation
The program cannot be less than six months

Hybrid program

Includes both time-based and competency-based requirements.

Apprenticeship Stakeholders

Employer(s)
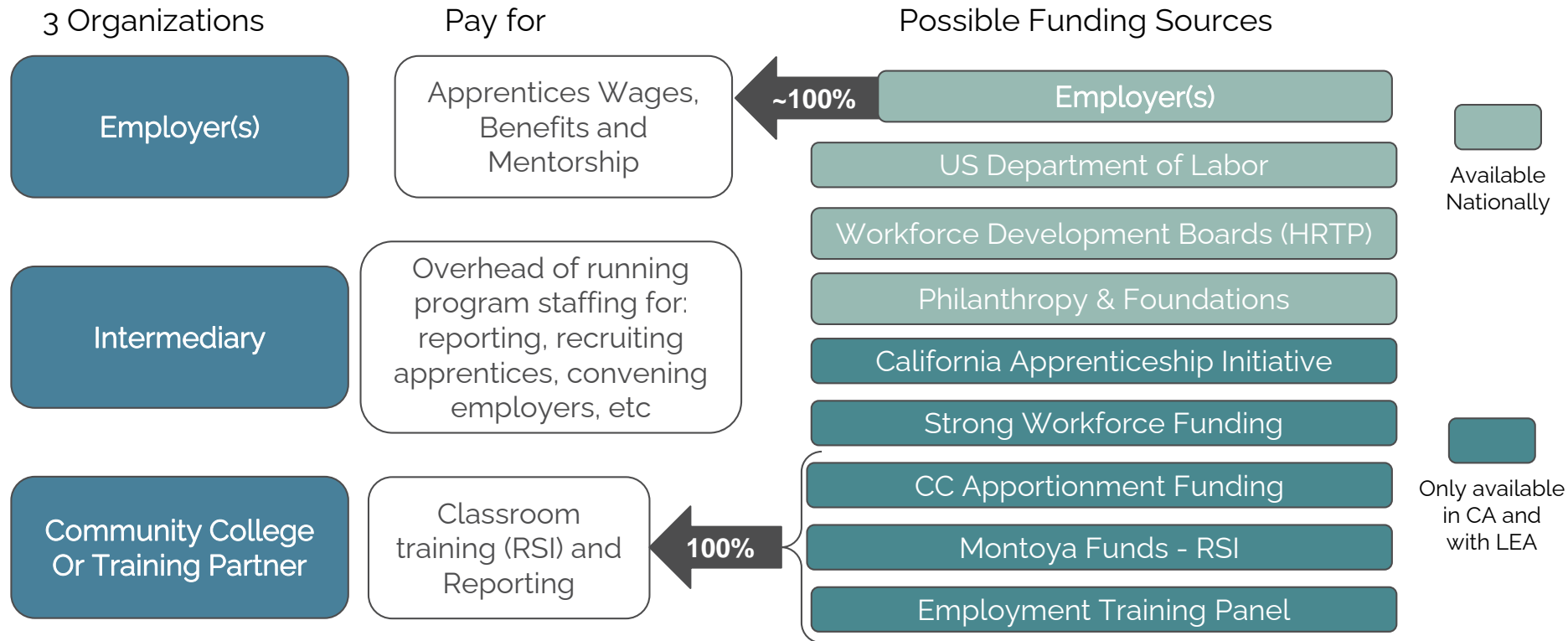
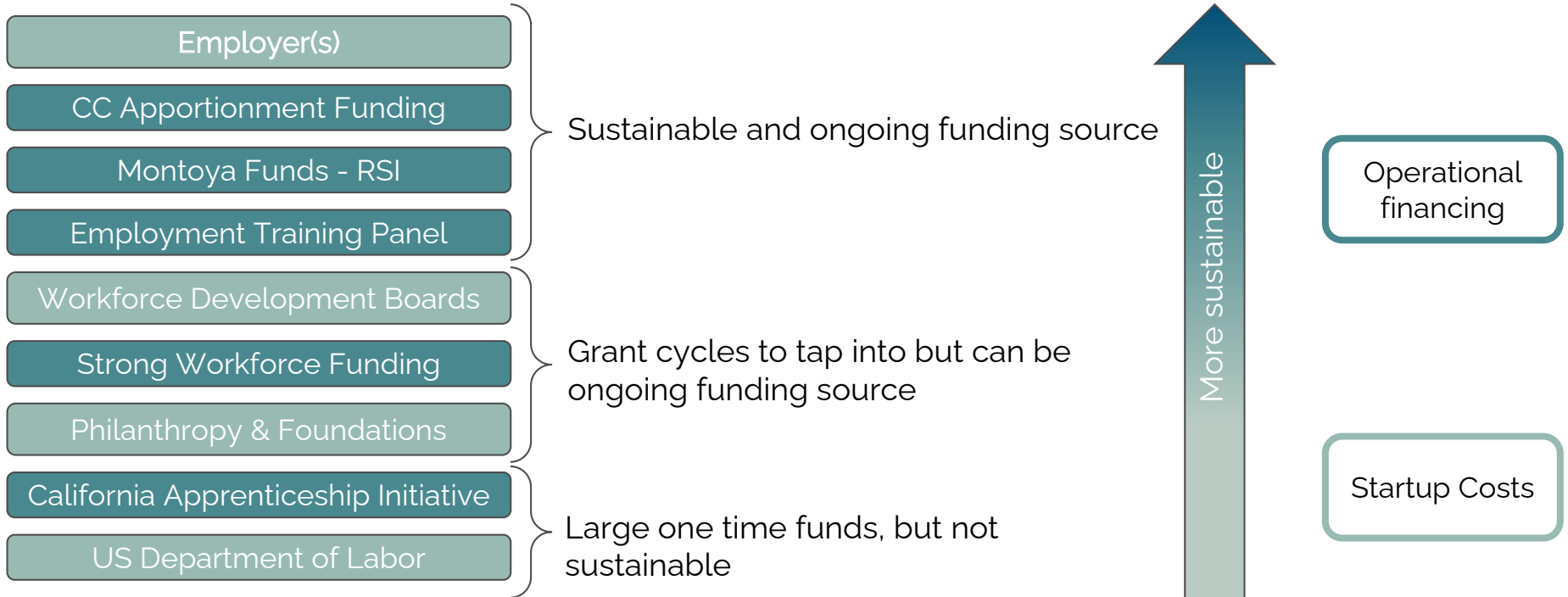Identify entry level role.
Collaborate to develop the work process.
Selects apprentices
Employs and pays the apprentice and trains on the Job

Intermediary/ Program Sponsor

Convenes the stakeholders
Collaborates to design the program
Registers the occupation
Recruits and selects apprentices
Reports back to DAS regarding OJT hours

Local Education Agency (LEA)

Partners to design/oversee curriculum
Educates the apprentices
Funding flows through LEA
Reports back to DAS/CCCCO training hours

Government DAS & DOL

Supporting and Approving Standards
Funding for Apprenticeship
Tracking Apprenticeship hours (OJT and training)

Apprentice

Working
Learning and upskilling
Earning

Funding Sources

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California
Community
Colleges

Funding Reality of Apprenticeship in CA

3 Organizations

Pay for

Possible Funding Sources

Employer(s)

Apprentices Wages, Benefits and Mentorship

← ~100% — Employer(s)

US Department of Labor

Workforce Development Boards (HRTP)

Philanthropy & Foundations

California Apprenticeship Initiative

Strong Workforce Funding

Available Nationally

Intermediary

Overhead of running program staffing for: reporting, recruiting apprentices, convening employers, etc

Community College Or Training Partner

Classroom training (RSI) and Reporting

← 100% — CC Apportionment Funding

Montoya Funds - RSI

Employment Training Panel

Only available in CA and with LEA

Funding Reality of Apprenticeship in CA

Possible Funding Sources

| Employer(s) |
| CC Apportionment Funding |
| Montoya Funds - RSI |
| Employment Training Panel |

Sustainable and ongoing funding source

| Workforce Development Boards |
| Strong Workforce Funding |
| Philanthropy & Foundations |

Grant cycles to tap into but can be ongoing funding source

| California Apprenticeship Initiative |
| US Department of Labor |

Large one time funds, but not sustainable

More sustainable

Operational financing

Startup Costs

Apportionment Funding and RSI Funding

Feb 2020 CCCCO Memo

"Allows for the attendance of apprentices enrolled in any class offered for community college credit by a community college, as part of state approved apprenticeship training program, to be <u>reimbursed at the per credit FTES funding rate.</u>"

"<u>No apprentice will be charged the $46 per unit enrollment fee,</u> or nonresident tuition, for any course taken as part of an approved DAS apprenticeship program, whether the student's attendance is reported on the CCFS-320 or CCFS-321."

Ongoing Apprenticeship Financing

These changes mean that as of 2020, Colleges can now choose to either collect RSI funding or Apportionment funding to cover the cost of apprenticeship programs.

Apportionment FTES Funding

~$9.25/hr

Reported on CCFS-320

RSI Funding

$6.77/hr

5% increase became effective July 1, 2021

Reported on CCFS-321

RSI Mechanics

$6.77/hr

On a reimbursement basis, once a year

Rough timeline:
- Jan-May - Inquiry from Chancellor's Office on Apprenticeship training hours - now reported through NOVA
- May-June - Calculation made about what portion of funding goes to each partner
- July-Sept - Funding should arrive to College, who then passes 80-90% of it onto partner

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2021 Memo on RSI Funding

Feb 24, 2021

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The purpose of this memo is to clarify guidance on reporting Attendance Accounting for Apprenticeship Related and Supplemental Instruction (RSI) for Fiscal Year (FY) 2019-20, as a result of COVID-19.

The Chancellor's Office recognizes that California measures to prevent the spread of COVID-19 across the state have impacted Community College District (CCD) and Local Educational Agency (LEA) apprenticeship training programs. Many CCDs and LEAs have had to suspend in-person classroom activities in order to:

1) Convert courses to on-line instruction, or;
2) Wait until instruction can begin again in-person, which could create a loss of instructional hours.

To **help ensure CCDs and LEAs do not lose RSI funding due to current restrictions,** the Chancellor's Office will **use FY 2018-19 RECAL hours (apprenticeship attendance hours generated on the CCFS-321) when calculating RSI funding for FY 2019-20.** However, CCDs and LEAs should submit actual FY 2019-20 RECAL hours on or before March 12, 2021. Chancellor's Office staff will then make the necessary adjustments to FY 2019-20 RSI data for apportionment distribution in RECAL.

Please note that CCDs and LEAs are required to maintain attendance records for audit purposes, in accordance with guidance documents and memos. This guidance is consistent with other hold harmless protections provided by our office due to the COVID-19 pandemic.

All other requirements to be eligible for RSI apportionment funding remain the responsibility of the CCD and LEA pursuant to Education Code Section 79149.3.

If you have any questions please contact Nick Esquivel at nesquivel@cccco.edu
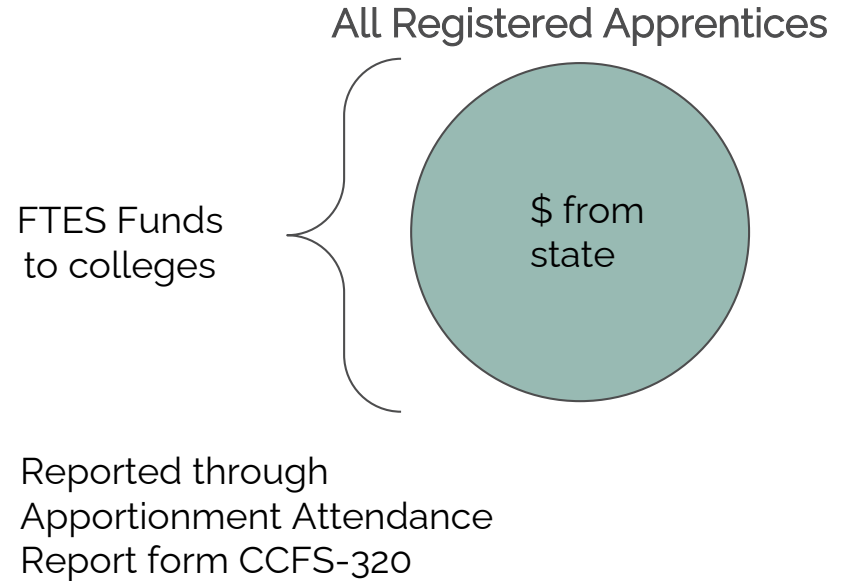
Apportionment / FTES Funding

FTES is the amount the state pays for a Full Time Equivalent Student minus any amount the college collects in fees

Typical Student

Any student with a mandated Fee Waiver

$ from state

FTES Funds to colleges

$ from state

Enrollment Fees

Reported through Enrollment Fee Revenue form CCSF 323

Reported through Apportionment Attendance Report form CCFS-320
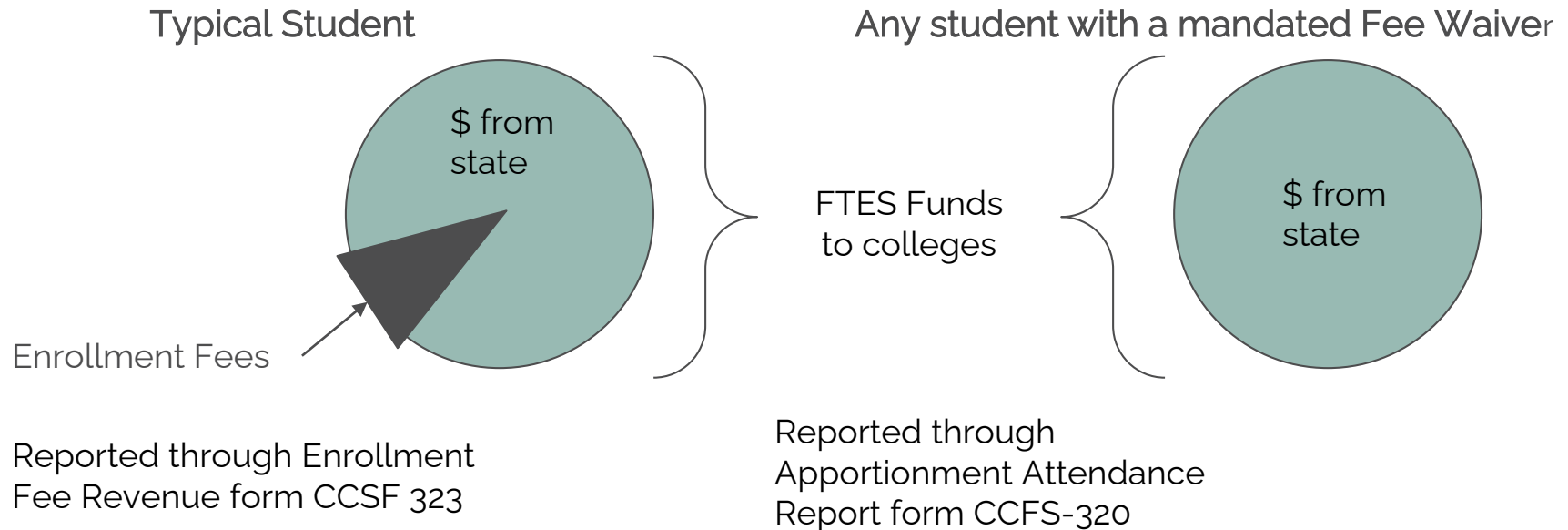
FTES Funding and Apprenticeship

- Colleges can now (as of Feb 2020) collect FTES for all apprentices taking courses with the college
- June 2018, AB 1809 (Higher Education Trailer Bill 2017-18) mandates that no apprentice will be charged the $46 per unit enrollment fee,

All Registered Apprentices

$ from state

FTES Funds to colleges

Reported through Apportionment Attendance Report form CCFS-320

Colleges recoup waived fees in FTES, so it is NOT lost financing

Using Work Experience with Apprenticeship Programs

Title 5 Regulations

Cooperative Work Experience Education is a district-initiated and district-controlled program of education consisting of the following types:

• (a) General Work Experience Education is supervised employment which is intended to assist students in acquiring desirable work habits, attitudes and career awareness. The work experience need not be related to the students' educational goals.

• (b) Occupational Work Experience Education is supervised employment extending classroom based occupational learning at an on-the-job learning station relating to the students' educational or occupational goal.

Title 5, Div. 6, Ch 6, Subch 4, Art 4., Sec. 55252

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§ 55252. Types of Cooperative Work Experience Education.
5 CA ADC § 55252
BARCLAYS OFFICIAL CALIFORNIA CODE OF REGULATIONS

Term ▶

Barclays Official California Code of Regulations Currentness
Title 5. Education
Division 6. California Community Colleges
Chapter 6. Curriculum and Instruction
Subchapter 3. Alternative Instructional Methodologies
Article 4. Cooperative Work Experience Education

5 CCR § 55252

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Note: Authority cited: Sections 66700 and 70901, Education Code. Reference: Sections 70901, 70902 and 78249, Education Code.

Work Experience

a) …<u>students may earn up to a total of 16 semester credit hours or 24 quarter credit hours</u>, subject to the following limitations:

(2) Occupational Work Experience Education.

A maximum of eight credit hours may be earned during one enrollment period in occupational work experience education.

(b) The district policy on course repetition adopted pursuant to section 55040 may permit a student to repeat a cooperative work experience course any number of times so long as the student does not exceed the limits on the number of units of cooperative work experience education set forth in subdivision (a). Consistent with section 58161, attendance of a student repeating a cooperative work experience course pursuant to this subdivision may be claimed for state apportionment.

Title 5, Div. 6, Ch 6, Subch 4, Art 4., Sec. 55253

Course Types

Course Type	Intent of Course type	Time to develop & approve a new course	Academic Senate Curriculum Approval Process	Who teaches these?	Count towards Certificate	Count towards Associates Degree
Not-for-Credit	Community Education. Short term training, responds quickly to industry needs Contract Education*	4-6 months		Contract Instructors - do not need to meet Min Qualifications		
Non-Credit	Appear on Transcript but with no grade. No credit received for completing the course. Used more in CTE. Repeatable.	1-2 years		Faculty - Do need to meet Min Qual		
Credit	For Credit classes. Count towards a transcript with a grade. Can be transferable.	1-2 years		Faculty - Do need to meet Min Qual		

*Contract Education can actually be any of the above 3 categories, but what is important is that external 3rd party pay all associated costs.

Course Funding in Apprenticeship Context

Course Type	Who pays for the course?	RSI Funding Eligible	FTES / Apportionment Eligible
Not-for-Credit	● Student or ● Grant, SWP or ● External Partner	✓ (?)	
Non-Credit	Apportionment* (zero cost to student)		✓ *
Credit	Apportionment AND $46/credit enrollment fee for student**	✓ **	✓ **

*Depends on the Type of Course - must be part of 2 course pathways, towards a certain career pathways or sector

**Colleges CANNOT charge apprentices the $46/credit

Current Funding Opportunity

CA Apprenticeship Initiative Pre-Apprenticeship and Apprenticeship Grant

- RFA released **August 17th**
- Bidders Conference **Thursday Sept 23, 2-3pm**
- Written Question by Oct 15
- Submissions **due December 17th**

Total Pool of funds is $45-90M
Grant size up to 500K

The CAI program is designed to provide startup funding for the creation of new preapprenticeship and apprenticeship programs. Priority will be given to applications proposing programs in new, innovative, and non-traditional sectors that are responsive to economic recovery with equity in light of the COVID-19 pandemic.

Link to RFA

Current Funding Opportunities

K12 Strong Workforce Program Round 4 Funding

- Released Aug 16
- Questions by Sept 17
- **Deadline Oct 15**

Total funding 150M statewide, 30.8M for Bay Area.

Award Range - $250K-2M

Strong Workforce Program K12 grant funds is to support K–12 local education agencies (LEAs) in creating, improving, and expanding career technical education (CTE) courses, course sequences, programs of study, and pathways for students transitioning from secondary education to postsecondary education to living-wage employment.

[Link to RFA](#)

Current Funding Opportunities

EDA - Good Jobs Challenge

- Released July 22, 2021
- **Deadline Jan 26, 2022**

Total funding 500M

Award Range - $1M -$25M

This ARPA Good Jobs Challenge NOFO is designed to help get Americans back to work by developing and strengthening regional systems to develop and execute sectoral partnerships that will lead to well-paying jobs. The goal of regional workforce training systems is to create and implement effective employer-driven training programs that will connect the existing and emerging skills needs of employers with workers and will help workers find and keep quality jobs and advance along their chosen career path.

Link to RFA

Upcoming Funding Opportunities

High Road Training Partnership Funding in 2021-2022 CA Budget

- $100M to make additional High Road Training Partnership Grants
- $25M one time to establish HRTPs aligned with CA Community Colleges

An HRTP is a partnership to develop the workforce considering the following principles

- Equity: Building economic opportunity and mobility for those who have been marginalized, disadvantaged, and/or denied opportunity.
- Climate: Mitigating and supporting adaptation to climate change; increasing environmental sustainability; building community and economic resilience.
- Jobs: Engaging with the state's high road employers to increase quality jobs and design skills answers to their shared needs.

Link to HRTP Projects

Cost Model

Community College Levels of Engagement

	Level 1 - Contract Ed Development	Level 2 - Instructional Partner	Level 3 - LEA Funding Partner	Level 4 - Program Sponsor
Teaching	New courses developed and taught through Contract Ed	Apprentices are enrolled in classes offered at the college	Apprentices are in existing courses or courses get approved	Apprentices are enrolled in credit courses
Reporting		Form CCFS 320 - FTES	Form CCFS 320 and/or 321 RSI Collection and Management	Form CCFS 320 and/or 321 DAS Reporting
Registering	MOU Letter of Support to Program Sponsor	MOU Letter of Support to Program Sponsor	MOU Letter of Support to Program Sponsor	College registers the occupation with DAS
Recruiting			Might do some on campus marketing - website	College convenes employer partners, manages committee, recruits and selects apprentices.
Running			Sometimes offers supportive services to apprentices	College runs all aspects of the apprenticeship program.

Additional Work of Apprenticeship when compared to a regular CTE or GE College Program

Startup Work:

- Initial setup and gathering stakeholders to articulate occupation
- Clearly defining the roles of different partners and who does what
- Aggregating employer demand
- Grant application, compliance and reporting as needed
- Filing the standards with DAS and/or DOL

Ongoing work:

- Managing employer relationships
- Recruiting, matching and placing students into apprenticeships
- Apprentice placement and apprenticeship journey support
- Wrap around support for apprentices (childcare, transportation, emergency food or housing support) Critical to creating equitable pathway.
- Tracking and reporting the apprentices back to CCCCO and DAS/DOL
- Troubleshooting and adjudicating stakeholders in a JATC/UATC

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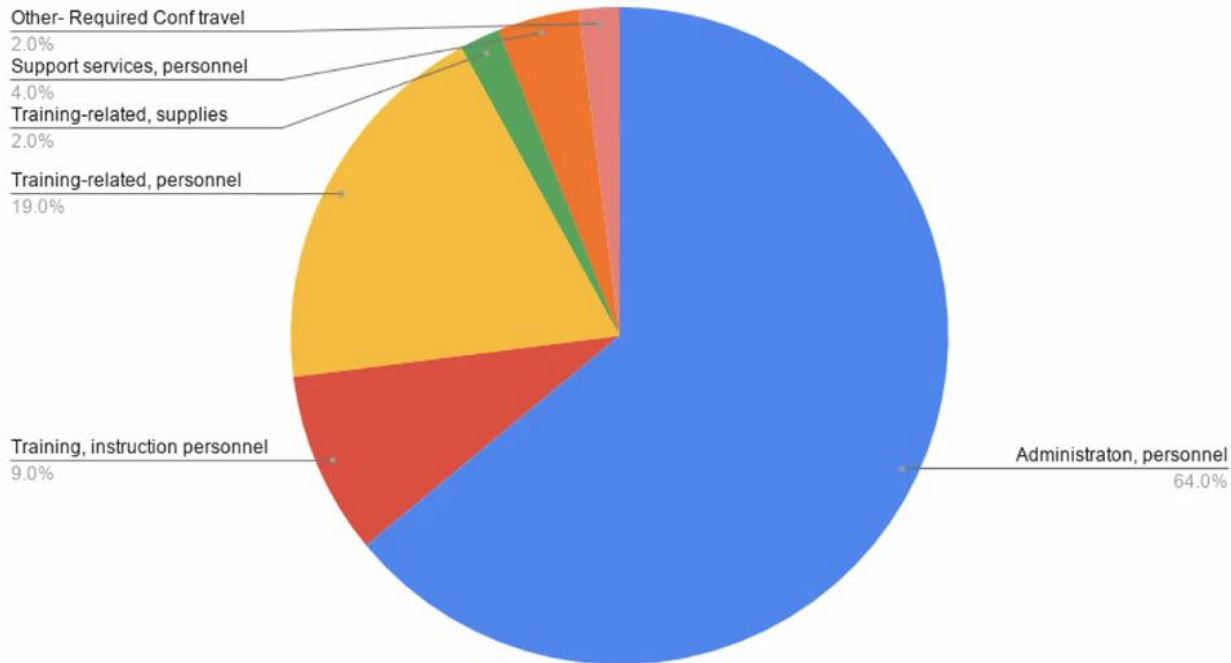BAY AREA
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Cost Drivers

Primary possible cost categories to the Program Sponsor

Note - This does NOT include apprentice wages or benefits, which are assumed to be covered by the employer partners.

- Administration:
  - Running the program
  - Recruit and manage employer partners
  - Coordination between partner organizations such as LEA/training partner or Workforce Development Board
  - Fiscal management, data and performance tracking
- Instruction - Related and supplemental Instruction, classroom training
  - Faculty/Trainers
- Equipment and Supplies
  - Specialized equipment for training
  - Supplies for training (laptops, tools, uniforms, safety equipment, etc)
- Support Services for apprentices:
  - Transportation assistance
  - Childcare
  - Emergency assistance

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Drilling down a little more

PROJECTED Percentage of total cost%

Other- Required Conf travel
2.0%
Support services, personnel
4.0%
Training-related, supplies
2.0%

Training-related, personnel
19.0%

Training, instruction personnel
9.0%

Administraton, personnel
64.0%

GROW APPRENTICESHIP CALIFORNIA

Supporting the expansion of apprenticeships and providing access statewide.

Towards Sustainability and Scale

Toward Sustainability and Scale

A Playbook for California Apprenticeship Stakeholders and Champions

March 2021

Prepared for
Foundation for California Community Colleges

Prepared by
Kristin Wolff, Melissa Mack, Caleb van Docto, and Vinz Koller
SOCIAL POLICY RESEARCH ASSOCIATES

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POWERED BY THE
FOUNDATION for CALIFORNIA COMMUNITY COLLEGES

The James Irvine Foundation

SPR SOCIAL POLICY RESEARCH ASSOCIATES

Questions

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How to not charge apprentices $46/unit enrollment fee

The Traditional Method

Determine Apprenticeship Courses	A&R Exempts All Students	Billing

In traditional apprenticeship programs (RSI funded), courses are specifically designated as apprenticeship courses (SAM-A Code).

Only apprentices are enrolled in these courses.

The apprenticeship coordinator (often the faculty lead) communicates with A&R which courses are SAM-A courses. A&R makes sure that none of the apprentices are charged enrollment.

Depending on arrangement, historically, college might have billed:
- Sponsor
- Union
- Partner
- Grant

They should now, not do that.

Manual Solution when classes combined

System Setup	A&R Exempts Section	Billing

If there are courses where there is a combination of apprentices and non-apprenticeship students:

- Create a separate section of the course and calibrate the # cap on the class such that the two sections = total number of students actually in the classroom
- Faculty needs to work with Program to plan for # of apprentices
- 30 days before class remaining spots need to be opened up to public

The apprenticeship coordinator (often the faculty lead) communicates with A&R to setup, manage #s and tag the section as SAM-A course. A&R makes sure that none of the apprentices in the SAM-A Code sections are charged enrollment.

Apprentices enrolled in the apprenticeship section are NOT charged the $46/unit enrollment fee.

New Pilot Method

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Establish System	A&R Pilot Implementation	Billing

Work with A&R to establish 2 types of exemption codes:
- Apprenticeship Exemption code associated with the Student
- Course Exemption code associated with a class
- Create system such that ONLY when both exemption codes are present, an apprentice is not charged the $46/unit

- Student enrolls
- Apprenticeship program give A&R a list of apprentices and they are tagged in the system with an exemption code
- Apprenticeship program give A&R a list of apprenticeship related courses, and those courses are tagged with an exemption code

When the system detects BOTH the student apprentice exemption code AND the apprenticeship class exemption code, the student is NOT charged the $46/unit enrollment fee