

# NOTICE OF AVAILABILITY OF FUNDS

by the California Department of Industrial Relations  
Division of Apprenticeship Standards

## Apprenticeship Innovation Funding (AIF)

Budget Year 2023-2024

Guidance on Applications for Reimbursement



Released on February 13, 2024

This publication is being issued by the Division of Apprenticeship Standards as part of the Apprenticeship Innovation Fund, which in Budget Year 2022-2023 had \$55M in funding allocated and in Budget Year 2023-24 had an additional \$40M allocated to reimburse for supporting and training apprentices associated with the Interagency Advisory Committee on Apprenticeship.

# Table of Contents

- NOTICE OF AVAILABILITY OF FUNDS..... 1
- Background ..... 3
- Overview ..... 3
- 1.    AIF – Support..... 3
  - 1.1.    Overview ..... 3
  - 1.2.    Amount ..... 4
  - 1.3.    Eligible Recipients ..... 4
  - 1.4.    Eligibility Requirements ..... 4
  - 1.5.    Process to Apply for Reimbursement ..... 6
    - 1.5.1.    2023-2024 Application Timeline ..... 6
    - 1.5.2.    Application Process and Requirements ..... 7
  - Step 1: AIF-CAS Report ..... 7
  - Step 2: Fiscal Entity Designation ..... 8
  - Step 3: Fiscal Reporting ..... 8
  - Step 4: Assembling all the pieces: ..... 9
  - Step 5: Submit all above materials by email ..... 9
  - 1.6.    Terms of Award ..... 10
- 2.    AIF – Training..... 10
  - 2.1.    Overview ..... 10
  - 2.2.    Amount ..... 11
  - 2.3.    Eligible Recipients ..... 11
  - 2.4.    Process to Apply for Reimbursement ..... 14
    - 2.4.1.    2023-2024 Application Timeline ..... 14
    - 2.4.2.    Application Process and Requirements ..... 14
  - Step 1: AIF-CAS Report ..... 15
  - Step 2: Fiscal Reporting ..... 16
  - Step 3: Assembling all the pieces: ..... 16
  - Step 4: Submit all above materials by email ..... 17
  - 2.5.    Notice of Award ..... 17
- 3.    Glossary of Apprenticeship Terms..... 18

## Background

On July 1, 2022, the Apprenticeship Innovation Funding (AIF) was established as a funding source in the state of California for new and innovative apprenticeship programs-- defined as apprenticeships associated with the Interagency Advisory Committee on Apprenticeship (IACA). This funding is administered by the Division of Apprenticeship Standards (DAS) within the California Department of Industrial Relations (DIR) and the initial allocations aim to be spent over Fiscal Years 2022-23 to 2024-25. Senate Bill 191 established the AIF program, and Assembly Bill 179 created the funding for the program in the Budget Act of 2022. The intent of the funding is to support both new and existing IACA apprenticeship programs to grow and scale to meet the needs of more employers, and to create more earn and learn pathways for job seekers.

## Overview

The AIF aims to support industry-led, sector and/or regionally-based, multiple employer IACA apprenticeship programs. The State allocated \$55 million in FY 2022-2023 and \$40 million in FY 2023-2024 to support ongoing program costs and classroom training. In the initial 2022-2023 round of AIF Funding, \$17.3 million was awarded, leaving a balance of approximately \$75 million in available AIF funding.

### **Apprenticeship Innovation Funding – Support (AIF-S)**

- The AIF-S covers the cost of running an apprenticeship program, aggregating employer demand, and recruiting, supporting and placing apprentices.

### **Apprenticeship Innovation Funding – Training (AIF-T)**

- The AIF-T covers the cost of training IACA apprentices and allows for new training programs to develop in a more agile manner.

Eligible entities can apply for one category, the other category, or to both categories. In the most common scenario, an apprenticeship program has a program sponsor, such as a union, that requests AIF-S funding and the program's affiliated Local Educational Agency (LEA) may request AIF-T, and both, if eligible, could receive their reimbursement funding to cover the different eligible activities under the AIF-S and AIF-T programs. In the situation where the LEA is also the lead program sponsor for an apprenticeship program, the LEA may apply for both AIF-S and also AIF-T.

## 1. AIF – Support

### 1.1. Overview

AIF-Support funding is intended to support the costs of running an apprenticeship program. While this funding may not fully reimburse all costs of running an apprenticeship program, the aim is to significantly offset the program sponsors' ongoing costs. This formula funding is based

on the number of registered apprentices with DAS, as reflected in the California Apprenticeship System (CAS). Funding recipients are program sponsor as registered in CAS.

## **1.2. Amount**

The funding amount is **\$3500** per active apprentice per year, prorated to the month, along with a completion bonus of **\$1000** per apprentice.

## **1.3. Eligible Recipients**

Eligible recipients of the funding are program sponsors of apprenticeship programs in “IACA occupations” which are occupations outside the building and construction trades and firefighter occupations. IACA is established in [Labor Code Section 3071.5, as a committee that provides advice and guidance to](#) apprenticeship programs in industries outside of the building and firefighting trades.

A program sponsor could be:

- Apprenticeship Intermediaries
- Labor Management Partnerships Organizations, Unions
- Public Educational Institutions: Community College, K12, Adult Education, County Office of Education, California State Universities, Universities of California, Regional Occupational Program
- Workforce Development Boards
- Non-Profits
- Private for-profits
- Public Sector Entities and/or
- Industry Associations

## **1.4. Eligibility Requirements**

### **1.4.1. Eligible Apprentices**

To be included in the calculation of AIF-S funding, eligible apprentices must meet all of the following requirements:

- Be an active apprentice registered with DAS in an active apprenticeship placement with an employer.
- Be registered by submission of the DAS-1, via CAS web registration when placed with an employer.
- Be registered in CAS with an employer and a wage. If the apprentice is registered with “Firm agree to train” in CAS, that apprentice is ineligible for AIF-S funding purposes.
- Must have been an active apprentice sometime between January 1, 2023 – December 31, 2023.

### **1.4.2. Proration**

“Prorated to the month” means that a program sponsor is only eligible for the full \$3500 if an

apprentice was active for the full 12 months of the year. If an apprentice is only active for fewer than 12 months, then , then the formula is  $\$3500 \times (\text{the number of months} / 12 \text{ months})$ . The following examples assume that an apprentice started on the dates below and remained active for the remainder of the year:

- If an apprentice started Feb 1,  $\$3500 \times (11/12) = \$3208$
- If an apprentice started on July 1,  $\$3500 \times (6/12) = \$1750$
- If an apprentice started on Sept 15,  $\$3500 \times (4/12) = \$1166$

### **1.4.3. Apprentice Completion Bonus**

For every eligible apprentice that completes and graduates at some point between January 1, 2023 – December 31, 2023 from an eligible apprenticeship program, a program sponsor will receive an additional \$1000 bonus for graduating that apprentice.

### **1.4.4. Funding Determination**

The funding determination of \$3500 per active apprentice, was based on the annually available funds, operating costs of the apprenticeship programs, and the goal of providing funding to all eligible programs. In FY 2023-2024, DAS aims to provide \$3500 per active apprentice, and while it aspires to offer that amount in future years, funding is subject to budget shifts and also increased demands upon this funding. As such, DAS cannot guarantee the exact level of future funding.

If there are more applications for reimbursement that meet eligibility requirements than there are available funds, DAS will follow the guidelines below in determining the amount per active apprentice:

- DAS will provide support funds to as many eligible programs as possible, and will consider :
  - The number of approved IACA occupation programs, which are those not within the jurisdiction of the California Apprenticeship Council (CAC)
  - The number of apprentices registered in those programs, and
  - The number of applications for reimbursement to AIF-S and AIF-T
- If there are more eligible applications than there is available funding, DAS will lower the funding amount per apprentice and will provide that lowered formula amount to all eligible programs.

DAS is confident that there is sufficient funding to cover all eligible apprentices for the first 2 years of AIF; however, DAS is legally required to reassess the per apprentice funding amount based on eligible applications for reimbursement and available funding.

In the first round of AIF funding in 2022-2023, DAS funded all eligible applicants at the full funding amount, given the demonstrated reimbursed expenses. In that round, \$17.3 million was awarded and payments were issued in 2023. This left a remaining funding amount of approximately \$75 million to fund subsequent rounds of AIF funding.

### **1.4.5. Quality Jobs Framework**

The AIF-S aims to support pathways into quality jobs and funds programs that demonstrate a

commitment to high road principles as described in subdivision (s) of Section 14005 of the Unemployment Insurance Code, and required by Labor Code section 3100 (h). As such, programs submitting applications for reimbursement must be registered apprenticeship pathways in which the starting apprentice compensation package meets the 2023 New Hire [Employment Training Panel wage standard](#):

**Wage – County**

- \$20.60 - Alameda, Marin, San Mateo, Santa Clara, San Francisco
- \$19.66 - Contra Costa
- \$18.78 - Los Angeles
- \$18.54 – Orange
- \$18.54 - San Diego
- \$18.54 - All Other Counties

Health Benefits of up to \$2.50 may be used to meet all wage requirements and should be calculated as a total value of only health benefits offered to apprentices in a year, and calculated as an hourly amount.

These wage levels are based on ETP New Hire Trainee Wages for 2023. Future years will be based on the same benchmark from [the ETP Wage levels](#)

A compensation package should be calculated as the hourly wage, plus the value of the annual health benefit package, and then divided by the 2080 hours that represent a full year of full-time employment. Health benefits packages may include healthcare, dental and vision benefits. Programs may include up to \$2.50/hour’s worth of health benefits towards the value of the compensation package for an apprentice in order to meet this wage threshold. This compensation package should be calculated and reported at the apprentice level and should correspond with the actual full compensation package being offered to that apprentice.

**1.5. Process to Apply for Reimbursement**

DAS will open the AIF application process for reimbursement in the first quarter of the calendar year; January through March 2024. The primary determinant of funding is the number of apprentices registered with DAS CAS over the previous calendar year, and all of the other above eligibility factors/criteria. This funding will be available to new and existing programs, and, as such, programs may plan to apply for reimbursement annually for as long as available funding remains.

The AIF application process is intended to be supported and collaborative. Since this is formula funding and NOT a competitive grant application or procurement process, DAS intends for all eligible programs to receive this funding. The application process will be based on open communication and as much DAS support as possible. If you have any questions, work with your DAS consultant; specific funding questions may also be send via email to [AIF@dir.ca.gov](mailto:AIF@dir.ca.gov).

**1.5.1. 2023-2024 Application Timeline**

The timeline for applications in FY 2023-2024 is:

- February 13, 2024 – Applications for Reimbursement Open
- ~~April 17, 2024~~ **May 15, 2024** at 12pm PST – Deadline for Applications
- March – June – Eligibility Evaluation
- May – September – Estimated Payment Window

### **1.5.2. Application Process and Requirements**

The reimbursement amount is primarily determined by the apprentices that are registered with CAS. With the introduction of this funding source, DAS added a few fields to the web registration process that the apprenticeship program will be required to enter into CAS. Therefore, programs are strongly encouraged to start this application process as soon as possible, and well before the deadline, as processing time is necessary for data entry into CAS and report generation.

In order to receive funding, the following materials must be submitted via email to [AIF@dir.ca.gov](mailto:AIF@dir.ca.gov) by the posted deadline. The calculation, allocation, and disbursement of funding will occur through a rolling application process. DAS is implementing rolling processing to expedite the evaluation of applications for reimbursement to ensure that recipients receive payments in a timely manner. This approach means the review process typically begins shortly after each application is received, which will enable applications that eligible for reimbursement to be awarded funding more quickly, as there is no need to wait until the specific deadline.

### **Step 1: AIF-CAS Report**

The most important first component of the application is to get the [AIF Report from CAS](#). Plan for time to iterate on this report, since there are a few additional data points that are required beyond what is already entered from when apprentices were initially registered in the program.

- Follow the [AIF-CAS User Guide](#) to review all existing registered apprentices and enter the additional data, which includes:
  - Training Firm – This is the employer that an apprentice is placed with.
  - Apprentice Wage
  - Current health benefit package valued at an hourly rate
  - Number of On-the-Job Training (OJT) hours completed in 2023 – this is the number of hours the apprentice worked
  - Number of training hours, also known as Related and Supplemental Instruction (RSI) hours completed solely within the reporting period of 2023
  - The Local Education Agency (LEA) that is delivering or overseeing those training hours
- Once all data has been updated, generate the AIF-CAS Report to determine the eligible amount of funding the Program. Follow the User Guide to access and generate the AIF-CAS Report.
- If apprentices do not appear in the AIF-CAS report, first check that they pass eligibility as defined in Section 1.4.1, then double check that all their data has been entered correctly. Finally, regenerate the AIF-CAS report.

- Note that the DAS CAS databases and report system update once per day. If entering new data, the program may need to wait up to 24 hours before those updates will appear on the program's AIF-CAS report.
- If you are still having problems, contact your DAS contact person and [AIF@dir.ca.gov](mailto:AIF@dir.ca.gov)

## Step 2: Fiscal Entity Designation

Only one entity associated with the program may apply for AIF-Support reimbursement, and that fiscal entity needs to be clearly defined and agreed upon by the entire committee, if there is one. Designate the fiscal entity that will be receiving the funding on the cover sheet.

### Committee

If the program has a Joint Apprenticeship Training Committee (JATC) or Unilateral Apprenticeship Training Committee (UATC) or a program is a single employer program, but in their standards they established a committee, then the program must provide a letter from the committee that is signed by all members designating the fiscal entity to receive AIF funding. The letter must include the program name as registered with DAS and the DAS File Number for the program along with printed names, organizations and signature for all committee members. Note that DAS will be validating this letter with the committee that the program designated when registering the program. If there are updates to the designated committee, please contact your DAS Consultant or contact person. DAS may be required to request and review further documentation regarding the designated fiscal entity's relationship with the program and/or the committee.

### Single Employer

If the program is a single employer program and the standards did not create a committee, then the employer may apply directly for AIF- Support reimbursement. No letter is required, but the fiscal entity must still be designated on the AIF-S Cover Sheet. DAS may be required to request and review further documentation regarding the designated fiscal entity's relationship with the program and/or the employer.

## Step 3: Fiscal Reporting

The funding mechanism is a reimbursement model, therefore programs must demonstrate operating costs for running the program in 2023 that meet or exceed the amount of funding that is being requested. To demonstrate those costs, provide

- [AIF-Support Expense Narrative](#) on use of funds
- [AIF-Support Expense Report](#)
  - The expense report should categorize expenses in the previous calendar year that demonstrate the primary expense categories that encompass the eligible activities funded through AIF
  - Program sponsors are required to keep records and receipts demonstrating use of funds for a period of 3 years, and if flagged with an audit will be required to share them with DAS.



- **Eligible activities** include:
  - Recruiting, matching, and placing individuals into apprenticeships
  - Employer outreach including marketing strategies, materials and support
  - Employer onboarding and mentor training
  - Employer incentives
  - Project management and stakeholder management
  - Troubleshooting and adjudicating stakeholders in a joint apprenticeship committee, a unilateral management apprenticeship committee, or a unilateral labor apprenticeship committee
  - Support services for an apprentice, such as interview coaching, conflict resolution, and life crisis management
  - Retention initiatives to reduce the turnover rate of apprentices.
  - Tracking and reporting the apprentices, including software
  - Equipment and software for apprentices
  - Employer risk management (i.e. liability, insurance, etc.)
  - Data collection for market research
  - Strategic planning for growth & sustainability including identification of target occupations and populations for program development and scalability
  - Creating and registration of non-traditional RAPs
  - The portion of salaries, wages, fringe benefits, staff training, supplies and travel costs required for administrative functions of the program.
- Funding cannot be used for:
  - Apprentice wages
  - All food and beverage costs
  - Lobbying costs

#### **Step 4: Assembling all the pieces:**

- AIF-Support Cover Sheet
- AIF-CAS Report – See Step 1 for details.
- Letter from Committee (if applicable) – See Step 2 for details.
- Fiscal Reporting – See Step 3 for details
  - AIF-Support Expense Report
  - AIF-Support Expense Narrative
- Standard Form [204](#) – Payee Data Record - This form must be completed and is required to receive payment.
- Standard Form [205](#) - Payee Data Record Supplement – Optional, include the STD 205 form to provide a remittance address, if different than the mailing address on STD 204 to receive the payment.

#### **Step 5: Submit all above materials by email**

- Assemble all of the pieces above and send an email to [AIF@dir.ca.gov](mailto:AIF@dir.ca.gov) with the subject line “AIF-S – [Program Name] – [Lead Applicant Name]”
- All emails must be received by ~~April 17, 2024~~ **May 15, 2024** 12:00pm PT

## 1.6. Terms of Award

After the review of eligibility, those AIF applicants determined to be eligible will receive a formal notification of award, providing details on the award amount, the recipient, and terms of the award. The award recipient is required to sign and return the award letter to DAS. By accepting AIF funds, the recipient acknowledges and accepts the terms and conditions specified in the award. Those terms include that the recipient acknowledges and agrees to the following:

- The program agrees only to use these funds for the purposes for which they were awarded and only for eligible activities;
- The program did not make any misrepresentations to improperly receive funds;
- The program complies with all relevant laws and funding requirements contained in the AIF Notice of Availability of Funds and other AIF guidance;
- The program continues to train apprentices for at least 12 months after AIF funds have been disbursed; and
- The program maintains good standing with DAS for at least 12 months after AIF funds have been disbursed.

Should the program substantially breach any of the funding conditions above, any funding requirements in the AIF Notice of Availability of Funds or other AIF guidance, or any requirements of the Shelley-Maloney Apprentice Standards Act of 1939 or the AIF funding statute, DAS will provide the program with a Notice of Breach and give the program at least 10 calendar days from the date of the Notice to cure (or demonstrate with good cause why the breach cannot be cured). If the program fails to cure the breach (or demonstrate with good cause why the breach cannot be cured) within the time prescribed in the Notice, DAS may do any or all of the following:

- 1) Clawback any funding already disbursed to the program by demanding immediate repayment to the State, with interest at the annual rate of 7 percent;
- 2) Cease any or all outstanding payments and terminate any commitment or obligation to make future payments;
- 3) Declare that the program is ineligible for AIF funding or other funding administered by DAS;
- 4) Take any other action that DAS deems necessary to protect the State's interests.

## 2. AIF – Training

### 2.1. Overview

The AIF-T funds are intended to provide a more flexible and accessible source of funding for the training of apprentices associated with IACA occupation programs. Every apprenticeship program registered with DAS is required to work with a Local Education Agency (LEA), and it is the LEA that will be the recipient of the AIF-T funding. These funds will function alongside existing Related and Supplemental Instruction (RSI) funding as administered by the California Community College Chancellor's Office (CCCCO) and are benchmarked to the RSI hourly rate set each year in the budget cycle. AIF-T is specifically for training IACA occupation apprentices, while RSI funding is more utilized for training CAC occupation apprentices.

## 2.2. Amount

AIF-T aims to be equivalent to the RSI hourly rate set each year in the budget process. The reimbursement rate for training reimbursed under AIF-T is proposed to be equivalent to the reimbursement rate established under Section 8152 and 79149.3 of the Education Code for RSI Funding. For FY 2023-2024, the RSI and the AIF-T rate is **\$9.98 per training hour per apprentice**.

### 2.2.1. Funding Determination

If there are more applications for reimbursement than available funds, DAS will follow the guidelines below in determining the amount per training hour:

- Provide training funds to as many eligible LEAs and programs as possible, therefore DAS will collect:
    - The number of approved IACA occupation programs, which are those not within the jurisdiction of the California Apprenticeship Council (CAC)
    - The number of apprentices and reported training hours registered in those programs.
    - The number of applications for reimbursement to AIF-S and AIF-T
- If there are more eligible applications than available funding, DAS will lower the amount per training hour per apprentice, but will still provide that lowered formula amount to all eligible programs.

DAS reserves the right to reassess the amount per training hour per apprentice based on eligible applicants to the fund and available funding. There is no cap on the amount of AIF-T that a program can receive, however the LEA must attest to the hours reported, and if there are more requests for the funding than available funds, the funding amount will be adjusted as outlined in this section.

## 2.3. Eligible Recipients

The LEA that is associated with the training of the apprentices for a program will be the eligible recipients of the AIF-T funds. In the context of all AIF funding, an LEA is inclusive of all public educational institutions, including:

- K-12 School
- County Office of Education
- Regional Occupational Program
- Community College
- California State University (CSU)
- University of California (UC)
- Adult Education

Private educational institutions are not eligible to be direct recipients of the funding, however they are welcome to form a partnership with one of the entities above, in which the LEA receives funding directly, oversees the quality of the education, and validates that it is meeting the needs of the apprenticeship program. In this arrangement, the LEA is still the fiscal entity receiving the funding but can enter into a Memorandum of Understanding (MOU) to pass the funding onto that private training partner to cover the cost of training. However, the LEA is still

responsible for quality oversight, reporting and fiscal management. The overhead of administering the AIF-T funds shall not exceed 20% of the total AIF-T funding requested.

A single apprenticeship program may be working with multiple education agencies to train its apprentices across the state. In this case each LEA that is training apprentices should apply for the AIF-T reimbursement to cover the costs of training those apprentices.

### **2.3.1. Training Funding Methods**

An LEA and apprenticeship program can pay for the training of apprentices through only **one** of the following methods:

- Apprenticeship Innovation Funding Training (AIF-T)
- Full Time Equivalent Student (FTES) Apportionment as administered by the California Community College Chancellor's Office (CCCCO)
- Related and Supplemental Instruction Funding (RSI) as administered by the CCCCCO

If apprentice training costs are already being reimbursed pursuant to Section 8152, 79149.1, or 79149.3 of the Education Code, then those training costs shall be ineligible for reimbursement under AIF-T. Programs can **NOT** collect funding for the training of a single apprentice from more than one of the above sources of funding. In the application process, LEAs will need to attest that they are not collecting funding for the training of an apprentice from more than one of the 3 sources to cover training costs; AIF-T, FTES or RSI. DAS and CCCCCO are working closely together and sharing data, as authorized by law specifically around apprenticeship training. Violation of the AIF-T eligibility rules, including purposefully misstating information to obtain funding or collecting reimbursement for training from more than one allowable source, may result in the cancellation of an apprenticeship program, ineligibility for future funding, and may also subject the LEA or associated apprenticeship program to other consequences, pursuant to Sections 3073.1, 3084.5, and 3110 of the Labor Code.

### **California State University and University of California**

UCs and CSUs are ineligible for RSI or FTES funding provided under Sections 8152, 79149.1, and 79149.3 of the Education Code, as such funding is made available only to K-12 schools and community colleges. AIF-T funding for UC and CSU is subject to a slightly different process for reimbursement. If the LEA is a CSU or UC and is charging tuition, they are required to reduce the tuition charged by an amount equal to at least 80% of the amount of AIF-T received. The expectation is that the overhead of administering the AIF-T will not exceed 20%. Therefore, the tuition amount, regardless of which party is covering the cost; an employer, an intermediary, the apprentice or any other party; that tuition amount is required to be reduced by an amount equal to at least 80% of the AIF-T funding received.

### **2.3.2. Quality Jobs Framework**

The AIF aims to support pathways into quality jobs and funds programs that demonstrate a commitment to high road principles as described in subdivision (s) of Section 14005 of the Unemployment Insurance Code, and required by Labor Code section 3110(h). As such, programs applying for reimbursement must be registered apprenticeship pathways in which the starting apprentice compensation package meets the 2023 New Hire [ETP wage standard](#):

### **Wage – County**

- \$20.60 - Alameda, Marin, San Mateo, Santa Clara, San Francisco
- \$19.66 - Contra Costa
- \$18.78 - Los Angeles
- \$18.54 – Orange
- \$18.54 - San Diego
- \$18.54 - All Other Counties

Health Benefits of up to \$2.50 may be used to meet all wage requirements and health benefits should be calculated as a total value of only health benefits offered to apprentices in a year, and calculated as an hourly amount.

These wage levels are based on ETP New Hire Trainee Wages for 2023. Future years will be based on the same benchmark from [the ETP Wage levels](#)

A compensation package should be calculated as the hourly wage, plus the value of the annual health benefit package, and then divided by the 2080 hours that represent a full year of full-time employment. Health benefits packages may include healthcare, dental and vision benefits. Programs may include up to \$2.50/hour's worth of health benefits towards the value of the compensation package for an apprentice in order to meet this wage threshold. This compensation package should be calculated and reported at the apprentice level and should correspond with the actual full compensation package being offered to that apprentice.

### **2.3.3. Eligible Apprentices**

To be included in the calculation of AIF-T funding, eligible apprentices must meet all of the following requirements:

- Be an active apprentice registered with DAS in an active apprenticeship placement with an employer.
- Be registered by submission of the DAS-1, via CAS web registration, when placed with an employer.
- Be registered in CAS with an employer and a wage. If the apprentice is registered with "Firm agree to train" in CAS, that apprentice is ineligible for AIF-T funding purposes.
- Must have been an active apprentice sometime between January 1, 2023 – December 31, 2023.

### **2.3.4. Eligible Training**

AIF-T eligible training is any related instruction included within the approved program standards of an IACA associated DAS registered apprenticeship program.

Reimbursements may be made under this section for training provided to registered apprentices only if:

- The training is provided by an approved program that is associated with IACA

occupation as defined in Labor Code Section 3071.5.

- The program is providing the training pursuant to a contract with a public educational institution
- The apprentices being trained are in apprenticeships that meet the quality jobs framework as defined in Section 2.3.2 and are eligible apprentices as defined in section 2.3.3
- An application for reimbursement is submitted to DAS.

“Training hours” are defined as hours actively in training, as determined by the LEA. This includes time in the classroom, either in person or virtually, and does not include homework time. As with RSI, each hour of teaching time may include up to 10 minutes of passing time and breaks. The training must either be delivered by an LEA or associated with an LEA as outlined in section 2.3 above.

In the college context, the AIF-T may be utilized to cover the cost of for credit, non-credit or not- for-credit courses, as long as the course is part of the DAS registered apprenticeship program. However, we do hope in those contexts that all apprenticeship programs are working towards for-credit education, not only because that will be a more stable source of ongoing funding, but also because for-credit courses offer the most value to apprentices as they move forward in their workforce and educational pathway.

## **2.4. Process to Apply for Reimbursement**

DAS will open the AIF application for reimbursement process once a year and starting in the first quarter of the calendar year (January through March). The primary determinant of funding will be the number of training hours of apprentices registered with DAS CAS over the previous calendar year, and all the other eligibility outlined in this document.

The AIF application process is intended to be supported and collaborative; since this is formula funding, and NOT a competitive grant application or procurement process, it is DAS’s intent to fund all eligible programs. The application process will be based on open communication and as much DAS support as possible. If you have any questions, work with your DAS consultant; specific funding questions may also be send via email to [AIF@dir.ca.gov](mailto:AIF@dir.ca.gov).

### **2.4.1. 2023-2024 Application Timeline**

The timeline for applications in FY 2023-2024 is:

- February 13, 2024 – Application for Reimbursement Open
- ~~April 17, 2024~~ **May 15, 2024** at 12pm PST – Deadline for Applications
- March – June – Review and Processing of Applications
- May - September – Estimated Payment Window

### **2.4.2. Application Process and Requirements**

The process to apply for reimbursement is primarily determined by the apprentices that are

registered with CAS. With the introduction of this funding source, DAS added a few fields to the web registration process that the program will be required to enter into CAS. Therefore programs are strongly encouraged to start this application process as soon as possible and well before the deadline, as data entry into CAS is required, and a report will then be generated, all which take some time.

DAS is implementing rolling processing to expedite the evaluation of applications for reimbursement to ensure recipients receive payments in a timely manner. This approach means the review process typically begins shortly after each application is received, which enables applications eligible for reimbursement to be awarded funding more quickly, as there is no need to wait until the specific deadline. In order to receive funding, submittal of the following materials is required via email to [AIF@dir.ca.gov](mailto:AIF@dir.ca.gov) by the deadline.

## Step 1: AIF-CAS Report

The most important first component of the application is to get the [AIF Report from CAS](#). Plan for time to iterate on this report, since there are a few additional data points that are required beyond what is already entered from when the program initially registered the apprentices in the program. If the LEA is not the program sponsor, they will need to work with the program sponsor to get this report, with the LEA listed as a recipient of the funding.

- Follow the [AIF-CAS User Guide](#) to review all existing registered apprentices and enter the additional data, which includes:
  - Training Firm – This is the employer that an apprentice is placed with.
  - Apprentice Wage
  - Current health benefit package valued at an hourly rate
  - Number of On-the-Job Training (OJT) hours completed in 2023 – this is the number of hours the apprentice worked
  - Number of training hours, also known as Related and Supplemental Instruction (RSI) hours completed solely within the reporting period of 2023
  - The Local Education Agency (LEA) that is delivering or overseeing those training hours
- Once all data has been updated, generate the AIF-CAS Report to determine the amount of eligible funding for the LEA. Follow the AIF-CAS User Guide to access and generate the AIF-CAS Report.
- If apprentices do not appear in the AIF-CAS report, first check that they pass eligibility as defined in Section 1.4.1, then double check that all their data has been entered correctly. Finally, regenerate the AIF-CAS report.
- Note that the DAS CAS databases and report system update once per day. If entering new data, the program may need to wait up to 24 hours before those updates will appear on the program's AIF-CAS report.
- If still having problems, contact your DAS contact person and [AIF@dir.ca.gov](mailto:AIF@dir.ca.gov)

If an LEA is working with more than one Apprenticeship Program, they should obtain the AIF-CAS Report from each program for which they want to apply for reimbursement and include all of AIF-CAS reports in the application package.



## Step 2: Fiscal Reporting

The funding mechanism is a reimbursement model, therefore LEAs must demonstrate operating costs for training apprentices in 2023 that meet or exceed the amount of funding that is being requested. To demonstrate those costs, provide

- [AIF-Training Expense Narrative](#) report on use of funds
- [AIF-Training Expense Report](#)
  - The expense report should categorize expenses in 2023 that demonstrate the primary expense categories that encompass the eligible activities funded through AIF-T
  - Program sponsors are required to keep records and receipts demonstrating use of funds for a period of 3 years, and if flagged with an audit will be required to share them with DAS.
  - **Eligible activities** include:
    - Instructional Costs, including:
      - Developing curriculum
      - Instructor salaries
      - Train-the-trainer costs or activities
      - Classroom education or online training for apprentices
      - Books and training materials
      - Initial proficiency testing
      - Equipment specifically for classroom training
      - License exam costs
      - Competency identification, development and validation
    - Educational administration costs, including:\*  - Integration and alignment with proximate work-based learning & CTE ecosystem
  - Mapping competencies to education pathways and credentials
  - Administration of transitioning courses to for-credit college courses
  - Administration of courses and apprentices enrolling in classes
  - Reporting apprentice training hours (RSI hours) to DAS
- Funding cannot be used for:
  - Apprentice wages
  - All food and beverage costs
  - Lobbying costs

\*Note that the educational administration costs for AIF-T shall not exceed 20% of the total funding requested

If an LEA is working in partnership with another training partner, the LEA is responsible for obtaining this financial reporting to demonstrate use of funds.

## Step 3: Assembling all the pieces:



- AIF-Training Cover Sheet
- AIF-CAS Report – See Step 1 for details.
  - Note that if an LEA is applying for reimbursement of training apprentices for more than one program, then all AIF-CAS reports should be included in one application package. In this case there would be multiple AIF-CAS reports, but only 1 of all the other elements requested as required. All programs should be summarized in the Cover Sheet.
- Fiscal Reporting – See Step 2 for details
  - AIF-Training Expense Report
  - AIF-Training Expense Narrative
- Standard Form [204](#) – Payee Data Record - This form must be completed and is required to receive payment.
- Standard Form [205](#) - Payee Data Record Supplement – Optional, include the STD 205 form to provide a remittance address, if different than the mailing address on STD 204 to receive the payment.

#### **Step 4: Submit all above materials by email**

- Assemble all of the pieces above and send an email to [AIF@dir.ca.gov](mailto:AIF@dir.ca.gov) with the subject line “AIF-T – [Program Name] – [Lead Applicant Name]”
- All emails must be received by ~~April 17, 2024~~ **May 15, 2024** 12:00pm PT

### **2.5. Notice of Award**

After the review of eligibility, those AIF applicants determined to be eligible will receive a formal notification of award, providing details on the award amount, the recipient, and terms of the award. The award recipient is required to sign and return the award letter to DAS. By accepting AIF funds, the recipient acknowledges and accepts the terms and conditions specified in the award. Those terms include that the recipient acknowledges and agrees to the following:

- Your entity and the program agree only to use these funds for the purposes for which they were awarded and only for eligible activities;
- Your entity and the program did not make any misrepresentations to improperly receive funds;
- Your entity and the program comply with all relevant laws and funding requirements contained in the AIF Notice of Availability of Funds and other AIF guidance;
- The program continues to train apprentices for at least 12 months after AIF funds have been disbursed; and
- The program maintains good standing with DAS for at least 12 months after AIF funds have been disbursed.

Should your entity and the program substantially breach any of the funding conditions above, any funding requirements in the AIF Notice of Availability of Funds or other AIF guidance, or any requirements of the Shelley-Maloney Apprentice Standards Act of 1939 or the AIF funding statute, DAS will provide your entity and the program with a Notice of Breach and give your entity and the program at least 10 calendar days from the date of the Notice to cure (or demonstrate with good cause why the breach cannot be cured). If your entity or the program fails to cure the breach (or

demonstrate with good cause why the breach cannot be cured) within the time prescribed in the Notice, DAS may do any or all of the following:

- 1) Clawback any funding already disbursed by demanding immediate repayment of those funds to the State;
- 2) Cease any or all outstanding payments and terminate any commitment or obligation to make future payments;
- 3) Declare that your entity and/or the program is ineligible for AIF funding or other funding administered by DAS;
- 4) Take any other action that DAS deems necessary to protect the State's interests.

### 3. Glossary of Apprenticeship Terms

**CAS** – The **C**alifornia **A**pprenticeship **S**ystem (CAS) is the primary database used by the Division of Apprenticeship Standards (DAS) to house information regarding approved programs and their registered apprentices, pre-apprentices, trainees and journeypersons, program Standards, associated Local Education Agencies, program evaluations, and much more.

**CAC** - The **C**alifornia **A**pprenticeship **C**ouncil (CAC) issues rules and regulations which establish standards for equal opportunity access, minimum wages, maximum hours, and working conditions for apprenticeship, preapprenticeship and on-the-job training programs in the building and construction trades and for firefighter occupations.

**DAS** – The Department of Industrial Relations' [Division of Apprenticeship Standards](#) consults with employers to develop a skilled workforce, by establishing innovative apprenticeship programs that offer training, to create viable career pathways for Californians.

**ETP** – [The Employment Training Panel](#) is a workforce development entity within California government that provides financial assistance to California businesses to support customized worker training that attract and retain businesses which contribute to a healthy California economy.

**IACA** - The Interagency **A**dvisory **C**ommittee on **A**pprenticeship (IACA) provides advice and guidance to the Division of Apprenticeship Standards on apprenticeship, preapprenticeship and on-the-job training programs outside the building and construction trades and firefighters.

**LEA** - Relative to apprenticeship, a **L**ocal **E**ducation **A**gency (LEA) is the entity which delivers and/or oversees (approves) the related and supplemental instruction (RSI, also known as curriculum) delivered during an apprenticeship program (as listed in the approved standards). As defined by Labor Code §3074, LEAs are "state and local boards responsible for vocational education". While any entity may deliver apprenticeship curriculum, only California Community College, University or State College, Approved California Department of Education (K-12, County Office of Education, Adult Education) may approve apprenticeship curriculum. In the context of AIF, LEA is inclusive of all public educational institutions as listed above.

**Program Sponsor** - A Program Sponsor is the entity responsible for the creation, operation, maintenance and sustainability of an apprenticeship, pre-apprenticeship or on-the-job training (OJT) program. Program Sponsors may be comprised of a single employer, group of employers,

union organizations, education entities or partnerships between these entities and may be referred to as "Sponsor" or "Committee".

**Registered Apprenticeship** - Registered Apprenticeship is any apprenticeship program engaging in training under, and in accordance with, apprenticeship standards that have been approved by the Division of Apprenticeship Standards (DAS).