

Apprenticeship Common Administrative Practices and Treatment of Costs¹

Common Acronyms & Definitions²

- **AIF-T – Apprenticeship Innovation Funding – Training; funding provided by DAS to fund RSI.CAC – The California Apprenticeship Council.**
- **College – A California Community College.**
- **Chancellor’s Office – The California Community College Chancellor’s Office.**
- **Charter School – California Department of Education chartered school.**
- **Cumulative Reporting – Reporting that adds amounts generated in a reporting period to the running balance of the performance period (See the counting apprentices’ example below for more context).**
- **DAS – The Division of Apprenticeship Standards.**
- **FTES – Full-time Equivalent Student; a measure used in CCD apportionment reporting equivalent to 525 hours of instruction.**
- **FTES RSI Reimbursement– the RSI reimbursement program directed by Education Code section 79149.1 that reimburses community college districts for attendance of apprentices in related and supplemental instruction courses provided for credit by a community college faculty member.**
- **Hourly RSI Reimbursement Program – The RSI reimbursement program directed by Education Code sections 8152 and 719149.3 that reimburses LEAs for hours of related and supplemental instruction provided to apprentices.**
- **IACA – The Interagency Advisory Committee on Apprenticeship.**
- **Instructor – a person who has either (1) completed an accredited apprenticeship in his/her craft, or (2) who has completed the equivalent of an apprenticeship in length and content of work experience and all other requirements in the craft but may not necessarily be designated as journey workers.**
- **JAC - Joint Apprenticeship Committee. The committee is made up of equal number of members from labor and management.**
- **Journeyman, journeyperson, journey worker, and journey level worker – mean a person who has either (1) completed an accredited apprenticeship in his/her**

¹ These policies affect apprenticeship programs created after August 1, 2014.

² See 8 CCR 205

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craft, or (2) completed the equivalent of an apprenticeship in length and content of work experience and all other requirements in the craft which has workers classified as journey workers in the apprenticeable occupation.

- **LEA - Local Educational Agency** including California Department of Education authorized K12 school districts, charter schools, community college districts, and county offices of education.
- **OJT – On-the-job training.**
- **Performance Period –** The entire portion of time that funds from a specific source are available. For example, the RSI performance period is July 1 through June 30 of a given year.
- **Registered Apprentice –** a person who is training under and in accordance with apprenticeship standards that have been approved by the Chief DAS, and who is party to an apprentice agreement that has been accepted by the Division of Apprenticeship Standards.
- **Registration of an Apprentice Agreement –** the acceptance and recording thereof by the Division of Apprenticeship Standards (DAS) which serves as evidence of the participation of the apprentice in a specific apprenticeship program.
- **Reporting Period –** The portion of time covered by a single fiscal report.
- **ROP - Regional Occupational Centers & Programs.**
- **RSI –Related and Supplemental Instruction:** an organized and systematic form of instruction designed to provide the apprentice with knowledge including the theoretical and technical subjects related and supplemental to the skill(s) involved.
- **UAC - Unilateral Apprenticeship Committee.** The committee is made up of management or labor representatives.
- **Unduplicated Number of Apprentices –** A count of apprentices that ensures apprentices are not double counted (See the counting apprentices example below for more context).

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Background

Education Code Sections 8150 through 8155 direct the Chancellor's Office in allocating funds for apprenticeship programs in good standing and approved pursuant to Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code for school districts and county offices of education and Education Code Sections 79149 through 79149.7 direct the Chancellor's Office in allocating funds for apprenticeship programs in good standing and approved pursuant to Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code for the community colleges. Education Code Sections 8152 and 79149.3 direct Hourly RSI and Education Code Section 79149.1 directs FTES RSI.

Hourly Reimbursement of RSI:

For both groups, the total allocation amount and the reimbursement rate for Hourly RSI reimbursement is established in the annual Budget Act. The allocation for community colleges is generally established in Section 6870-101-001, Schedule 2 and the allocation for school districts and county offices of education is generally established in Section 6870-101-001, Schedule 3. Although the two groups share an RSI reimbursement rate and adhere to the same policies, they do not share allocations.

FTES Reimbursement of RSI:

In addition to reimbursement through Education Code Section 79149.3, community colleges may alternatively receive reimbursement for RSI provided for credit by a community college faculty member through Education Code Section 79149.1.

Eligibility

To be eligible to receive Hourly RSI reimbursement, a program shall:

1. Be in good standing and approved pursuant to Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code for the secondary education system.

To be eligible to report Apprenticeship FTES, a program shall:

1. Be in good standing and approved pursuant to Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code for the secondary education system.
2. Provide instruction by a community college faculty member.
3. Provide instruction within a class offered for community college credit.

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General Best Practices

The Common Administrative Practices document serves as a best practice guide rather than a mandatory set of rules or requirements. It provides recommended approaches for achieving optimal outcomes in a particular context but allows for flexibility in implementation. While adherence to these best practices is encouraged for optimal results, stakeholders have the freedom to adapt them based on specific needs or circumstances. The document aims to offer valuable insights and guidance without imposing mandates.

LEAs:

- Develop and implement an agreement with applicable apprenticeship program(s) for all matters related to content, delivery of RSI together with accountability requirements and procedures for RSI funding, or FTES funding where applicable.
- Conduct and report RSI delivery observations for each instructor and class not less often once per fiscal year.
- Provide RSI to apprentices where an apprenticeship program does not provide RSI.
- Submit written confirmation of the willingness to serve as the RSI provider and/or RSI funding, or FTES funding together with active RSI oversight.
- Attend JAC and UAC meetings.
- Attend CAC meetings.
- Review RSI curriculum, RSI delivery and contracts not less often than once per year.
- Monitor RSI hours and the unduplicated number of apprentices receiving RSI.
- Verify that all individuals shown on apprentice attendance reports and or invoices are duly registered apprentices under the applicable DAS approved apprenticeship program.
- Review and check all certified attendance records and invoices prior to reimbursement payments.
- Report attendance to the Chancellor's Office on behalf of the Program Sponsor.
- Complete reporting documents on time as requested by the Chancellor's Office.
- Monitor Chancellor's Office Memos pertaining to RSI reporting.
 - Subscribe to Chancellor's Office Memos here:
<https://docs.google.com/forms/d/e/1FAIpQLSciNdfXdG6vFgzEHsnFVUxEjsGH1a8HkntzzocNuWCKGFrYJg/viewform>

Apprenticeship Committees:

- **Provide certified positive attendance records to their LEA or Community College monthly, or as otherwise agreed upon.**
- **Certified positive attendance reporting shall include the unduplicated number of apprentices that received RSI and the number of hours provided and separated by apprenticeship program and occupation (See the counting apprentices example below for further context).**
- **Ensure that appropriate and verifiable procedures are in place to track**

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attendance.

- Invite LEAs or Community Colleges to attend and participate in JAC and UAC meetings, graduations, and other events.
- Provide access to professional development opportunities for instructors and staff to improve curriculum and lesson plan development together with RSI delivery.
- Communicate with LEA or Community College partners for information regarding reporting, reimbursement, and program changes.

LEAs, Community Colleges, and Apprenticeship Committees:

- **Ensure that a consistent program evaluation including instructor delivery evaluations and improvement processes are in place and followed. Ensure that a professional development process is in place and followed to improve instructor teaching skills as provided or recommended by the LEA or Community College.**
- Leverage resources to increase apprentice completion rates.
- Review and update curriculum as needed.
- Act to support a central repository of "Best Practices" related to education and training of apprentices.
- **Assure the welfare of the apprentice and that the goals set forth by the California Labor Code, Education Code and applicable Regulations are achieved.**
- **Respond to correspondence between the parties named herein within 5 days of receipt which shall include but not be limited to letters, emails, or text messages.**
- **Any and all comments or complaints by the parties hereto or by the public regarding the application of these best practices shall be filed with the RSI committee of the California Apprenticeship Council.**

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Reporting Schedule

Hourly RSI Reporting

Reporting Period	Due Date	Content
Budget Year Projection	October 1	Please include an estimate of the hours that will be provided in the Budget Year (the following fiscal year), including each program/occupation combination that the district plans to report hours for, the number of hours allocated to each program, and the number of unduplicated apprentices anticipated to receive instruction.
P1	January 31	<p>Please include all hours of instruction that were provided starting July 1 through December 31. Identify each program/occupation combination that provided instruction, the number of hours of instruction provided by that program/occupation combination, and the number of unduplicated apprentices that received instruction through that program/occupation combination.</p> <p>Only report confirmed hours of instruction, if it is unclear whether instruction occurred, do not report those hours.</p> <p>If any apprentices received instruction, but then dropped out of the program, those apprentices and hours should be counted.</p>
P2	May 31	<p>Please include all hours of instruction that were provided starting July 1 through April 30. Identify each program/occupation combination that provided instruction, the number of hours of instruction provided by that program/occupation combination, and the number of unduplicated apprentices that received instruction through that program/occupation combination.</p> <p>Only report confirmed hours of instruction, if it is unclear whether instruction occurred, do not report those hours.</p> <p>If any apprentices received instruction, but then dropped out of the program, those apprentices and hours should be counted.</p>

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		The number of hours and number of apprentices reported in P2 should be inclusive of the hours and apprentices report in P1.
ReCalc	November 1	<p>Please include all hours of instruction that were provided starting July 1 through June 30. Identify each program/occupation combination that provided instruction, the number of hours of instruction provided by that program/occupation combination, and the number of unduplicated apprentices that received instruction through that program/occupation combination.</p> <p>Only report confirmed hours of instruction, if it is unclear whether instruction occurred, do not report those hours.</p> <p>If any apprentices received instruction, but then dropped out of the program, those apprentices and hours should be counted.</p> <p>The number of hours and number of apprentices reported in ReCalc should be inclusive of the hours and apprentices report in P1 and P2.</p>

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How to Count Hours & Unduplicated Apprentices

(Example is for a single program/occupation combination)

	Reportin g Period	Class 1	Class 2	Class 3	Reportin g Period RSI Total	Cumulativ e RSI Total	Unduplicate d Number of Apprentices
Performance Period	<i>P1</i>	Apprentice A 20 hours Apprentice B 5 hours	Apprentic e B 15 hours Apprentic e C 20 hours	Apprentice A 35 hours Apprentice B 5 hours Apprentice C 60 hours Apprentice D 2 hours	162 hours	162 hours	4
	<i>P2</i>	Apprentice C 30 hours	Apprentic e B 5 hours Apprentic e E 15 hours		50 hours	212 hours	5
	<i>ReCalc</i>	Apprentice E 5 hours	Apprentic e F 5 hours Apprentic e G 10 hours		20 hours	232 hours	7

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Transfer of Programs Between LEAs

- All requests to transfer program training contracts, including transferring training hours, between LEAs must be approved by DAS prior to submission to the Chancellor's Office.
- If implemented, all transfers will take effect the following fiscal year or when the Governor signs the Budget Act if beyond that date.
 - There may be no mid-year transfer of hours.
- Requests to transfer RSI funding within Schedule (2) or within Schedule (3) of Budget Act Item 6870-101-0001 (between school districts and county offices of education, or between colleges) must be submitted to the Chancellor's Office **prior to the start of the applicable fiscal year.**
- All requests to transfer RSI funding between Budget Act Schedule (2) and Schedule (3) of Item 6870- 101-0001 (from a school district or county office of education to a college or the reverse) must be submitted to the Chancellor's Office no later than September 1 of the current fiscal year and will be submitted into the forthcoming Budget Act process. Failure to meet this deadline will cause the transfer to be disapproved or delayed to a future year.
 - Transfers of hours between Schedule (2) and Schedule (3) are subject to adequate funding being appropriated in the Budget Act and may not be supported if funding is not appropriated accordingly or may be supported at a lower number of hours than requested.
 - The amount to be shifted shall not exceed the current year allocation of RSI hours but may be less than the current year allocation if the sponsor did not fully utilize their prior year allocation. In this case, the amount transferred shall not be less than the prior year RSI funding utilized by the sponsor. The total number of hours to transfer must be set according to these guidelines and agreed to by the LEAs, within an email record, prior to submission of a request to DAS. The agreement email should also be submitted to DAS.
- For any transfer, in the event the appropriation for RSI in the subsequent fiscal year has been reduced, the dollar amount transferred shall be reduced proportionally among recipients.
- The sponsor of an apprenticeship program seeking to transfer must develop and sign a new contractual agreement with the new LEA prior to submitting the request to the Chancellor's Office.
- Program sponsors, LEAs, and Colleges should work diligently to maintain a good working relationship so that transfers are unusual events.

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Annual RSI Allocations

The Chancellor's Office allocates additional hours or reduces hours to LEAs when their Schedule is allocated greater or fewer hours than the previous year. The Chancellor's Office increases or decreases allocations based on the actual number of hours reported by LEAs in the previous fiscal year. The Chancellor's Office bases the number of hours allocated to LEAs on the numbers the LEAs reported in the previous fiscal year because those are the numbers that were used to develop the current Budget Act allocation. With program stability as a priority:

1. When a Schedule is allocated fewer hours than the previous year:
 - a. The Chancellor's Office will maintain the previous year allocation of hours for any LEA that reported hours equal to or greater than its allocation in the previous fiscal year.
 - b. The Chancellor's Office will reduce the allocation for any LEA that reported hours less than its allocation in the previous fiscal year. Hours are reduced in proportion to the reduction of hours for the Schedule and the number of hours reported by the LEA in the previous fiscal year.

2. When a Schedule is allocated a greater number of hours than the previous year:
 - a. The Chancellor's Office will maintain the previous year allocation of hours for any LEA that did not report hours greater than its allocation in the previous fiscal year.
 - b. The Chancellor's Office will increase the allocation for any LEA that reported hours greater than its allocation in the previous fiscal year. Amounts are increased in proportion to the number of hours reported beyond the allocation in the previous fiscal year and the number of available hours.

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Treatment of Costs and Services

For purposes of apprenticeship, the maximum percentage of reimbursement an LEA may claim for indirect expenses is to be based upon negotiations with the program sponsor, but not to exceed 20 percent. However, the 20 percent may be exceeded only if the LEA and the program sponsor negotiates and agrees to additional activities, support, or services that LEA will provide that result in costs exceeding 20 percent. In every case where the percentage exceeds 20 percent, the Sponsor must provide adequate justification to DAS for all costs attributable to activities, support, and services used to determine the total percent to be charged, including those costs used in the calculating the 20 percent. Failure to reach agreement is sufficient justification for the sponsor to transfer to a different LEA.

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Audit Guidance for All LEAs

Criteria:

Apprenticeship California Labor Code Sections 3070-3093

Education Code sections 8150-8155, 79140 - 79149.7

California Code of Regulations, title 5, section 56652

Student Attendance Accounting Manual

Budget and Accounting Manual Chapter 3

Apprenticeship Expenditure and Accounting Guidelines (request these at the site under audit)

Compliance Requirements:

Hours for related and supplemental instruction reported to each community college district by a participating apprenticeship program sponsor, pursuant to Education Code section 79149.3, must be eligible for reimbursement pursuant to Education Code section 79149.3.

Reimbursements may be made under this section for related and supplemental instruction provided to indentured apprentices only if the instruction is provided by a program approved by the Division of Apprenticeship Standards of the Department of Industrial Relations in accordance with Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code.

Reimbursement requests for RSI must be supported by source documents such as student sign in sheets for classes (electronic sign in sheets are acceptable). Remote students must also show proof of having received instruction to be eligible for RSI funds.

Suggested Audit Procedures:

- 1) Select a representative sample of students and verify the hours claimed for RSI for the year under audit, as reported by a participating apprenticeship program sponsor pursuant to Education Code sections 8150.5, 8152, and 79149.3, are eligible for reimbursement, by tracing the hours reported for reimbursement to source documents (i.e., student sign in sheets). For example, when auditing the 2021-22 financial statements, the auditor should test RSI data reported for 2021-22.
- 2) For isolated apprentices, as defined by Labor Code section 3074, select a representative sample of students, and obtain evidence that supports attendance during instructional events.
- 3) State in a finding the resulting hours inappropriately reported for reimbursement and an estimate of their dollar value.