This document provides clarifications to key policy guidance for Apprenticeships: Closing the Skills Gap grantees. If you have further questions after reviewing these policy clarifications, please contact your Federal Project Officer (FPO).

1. **Definition of a Participant**

A participant is any individual who receives an H-1B grant-funded service beyond a determination of eligibility. Grant funded services include any of those specified in your SOW. Additional information specific to Apprenticeships: Closing the Skills Gap will be provided in upcoming Performance Reporting technical assistance.

2. **Populations Eligible to Be Served**

As the FOA indicates, this grant program will train individuals “whose employment status at the time of hiring, and prior to enrollment in an apprenticeship program, are unemployed workers, underemployed workers, incumbent workers, and workers currently employed, including transitioning military personnel.” For definitions of those categories, see FOA Section III.C.3.a.

- As the FOA states, “individuals must be older than 16 years of age and not currently enrolled in school within a local educational agency.” Therefore, H-1B participants must be 17 years of age or older and not currently enrolled in secondary schools (such as high school).
- All individuals served through the Apprenticeships: Closing the Skills Gap program must meet the definitions of participants eligible to receive training—specifically, unemployed, underemployed, incumbent workers and workers currently employed.
- The FOA defines an unemployed worker as “an individual who is without a job, is seeking employment, and is available to work.” Incarcerated individuals are not available to work; therefore, they are not eligible participants for the Apprenticeships: Closing the Skills Gap program and may not receive grant-funded services.

3. **Co-enrolling Apprenticeships: Closing the Skills Gap Participants**

   A. **Co-enrolling with H-1B-Funded Programs**

The intent of co-enrollment is to meet the training and employment needs of program participants and provide as many participants as possible with comprehensive services that may not otherwise be available or allowable under an individual grant or funding source. Therefore, it is not acceptable to leverage resources that would result in co-enrollment in other H-1B-funded programs that are providing the same or similar services. Specifically, grantees should not co-enroll participants in more than one H-
1B job training program grant (enrollment in both an H-1B Apprenticeships: Closing the Skills Gap program and an H-1B American Apprenticeship Initiative program, for example) as a strategy to facilitate the attainment of grantee service levels and performance outcomes across multiple H-1B job training programs.

B. Co-enrolling with non-H-1B-Funded Programs
The Employment and Training Administration (ETA) encourages apprenticeship training program grantees to maximize the use of their resources and minimize the duplication of efforts through partnership building, system alignment, and leveraging of other federal and non-federal funding sources. As programs braid funds together to increase impact, they have the opportunity to show integration in the form of participant co-enrollment, provided this co-enrollment aligns with eligibility criteria and allowable activities for each grant and meets the criteria below.

For Apprenticeships: Closing the Skills Gap activities, leveraging resources may include co-enrolling participants in programs such as:

- the Workforce Innovation and Opportunity Act (WIOA);
- appropriated apprenticeship funds, such as State Apprenticeship Expansion (SAE) grants, Apprenticeship State Expansion (ASE) grants, and AACC Expanding Community College Apprenticeships (ECCA) activities as they are used to expand Registered Apprenticeships;
- other federally funded programs; and
- non-federal programs.

Grantees may co-enroll Apprenticeships: Closing the Skills Gap participants in non-H-1B grant programs only if they satisfy each of the following conditions:

- Participants are determined eligible for each grant as the program’s eligibility policy aligns with the Funding Opportunity Announcement (FOA) and the grantee’s Statement of Work. Every program has very specific and distinct eligibility requirements.
- Participants are enrolled in allowable, non-duplicated grant activities, as the program’s activities pertain to each grant program.
- The grantee adheres to cost allocation, if appropriate.
- The grantee reports on leveraged resources (both federal and non-federal funded) on the ETA-9130 financial report form and quarterly narrative reports (QNR), as appropriate for both grants.
- Fiscal and Performance Reporting policy and practice are in keeping with the Uniform Guidance (appropriate cost allocation, etc.), and Program Office reporting guidelines for the grant, contract, or cooperative agreement.
- The grantee reports on performance outcomes in accordance with the performance reporting requirements for each co-enrolled program, as appropriate.
  - Grantees can report on all outcomes and other deliverables that result from activities and services funded with both leveraged resources and grant funds in the Quarterly Performance Report (QPR) and QNRs for each co-enrolled grant program. For example, for an Apprenticeships: Closing the Skills Gap grant, the grantee may report any
outcomes achieved as a result of leveraged DOL funds supporting AACC ECCA grants, the Apprenticeships: Closing the Skills Gap grant funds, or a combination of both.

Guidance related to co-enrollment does not prevent grantees from leveraging tools, materials, curriculum or other resources that other DOL-funded training grant programs, including other H-1B-funded grant programs, developed, provided these activities do not result in co-enrollment.

4. Incentive Payments to Collect Employment Outcomes

Grantees may use up to 1.5 percent of grant funds for the provision of gift cards or other payments to participants for providing information on their employment status after they leave the program, for the purposes of reporting these employment and retention outcomes to DOL/ETA. These incentive payments must be tied to the goals of the grant. Grantees must have policies and procedures in place governing the awarding of incentive payments and the incentives provided under the grant must comply with these organizational policies. The use of grant funds for incentive payments other than to collect participant information on employment status after they leave the program is not allowed.

5. Use of Grant Funds to Support Wages for Apprentices for Businesses with 50 or Fewer Employees

For the purposes of grants awarded under this FOA, the following will apply: Organizations may only use grant funds to reimburse a portion of the apprentice’s work-based learning costs for small employers (50 or fewer employees). For those businesses that have more than 50 employees, grant funds may not be used to reimburse work-based learning costs.

For grants awarded under this FOA, the negotiated reimbursement percentage of work-based learning costs may be as high as 50 percent of the participant’s hourly wage for employers with 50 or fewer employees. We also encourage grantees to negotiate lower rates or variable rates (such as starting at the maximum allowable reimbursement rate and reducing the subsidy over time), where possible, to ensure that the maximum number of apprentices will be served by the project. The following are additional restrictions for use of grant funds for work-based learning:

a) Participant placements may only occur in private for-profit and nonprofit sectors (i.e., the grant does not allow for public sector placements); and

b) No placement may be made in staffing agencies providing workers on a temporary basis to employers for which the agency receives compensation from an employer.

6. Statement of Work Modifications for Adding Employer Partners

Apprenticeships: Closing the Skills Gap grantees may increase the number of their employer partners to ensure continuity of apprenticeship programming and expand apprenticeship broadly within the grantee’s proposed geographic scope.

The Funding Opportunity Announcement (FOA) states, “applicants proposing to serve a local/regional or statewide geographic scope are required to partner with at least three employers that will implement
apprenticeships. Applicants proposing to serve a national geographic scope are required to partner with at least five employers.” Additionally, “employer partners will be engaged in developing the apprenticeship program and hiring and training apprentices.” (See FOA Section III.A.2.1)

DOL anticipates a variety of situations in which grantees may add employer partners without submitting a grant Statement of Work (SOW) modification. Generally, a SOW modification may not be needed if a grantee is adding additional employer partners in an industry/occupation that is in the original Statement of Work.

However, adding an employer partner may require a modification under certain circumstances, including (but not limited to) the following:

- The grantee is adding an employer partner to replace a partner that was originally included in its Statement of Work in order to meet the FOA requirements for employer partners;
- The new employer partner will provide matching funds; and/or
- The new employer partner is playing a significant role in meeting the grant’s performance outcomes.

Please discuss the addition of new employer partners with your FPO to determine if an SOW modification is necessary.

7. Intellectual Property Rights

Apprenticeships: Closing the Skills Gap grantees will need to make work created with the support of the grant available and public under a Creative Commons Attribution 4.0 (CC BY) license. Work that grantees must license under the CC BY includes both new content created with the grant funds and modifications made to pre-existing, grantee-owned content using grant funds.

For additional information on grant requirements regarding open licensing and intellectual property, please view the following guidance at https://grantsapplicationandmanagement.workforcegps.org/-/media/Communities/grantsapplicationandmanagement/Files/CCBY-open-licensing-IP-2018,-d-,12,-d-,06,-d,----CC-BY-One-Pager.ashx?la=en.

8. Selective Service Registration Requirements

Apprenticeships: Closing the Skills Gap grants are authorized under Section 414(c) of the American Competitiveness and Workforce Improvement Act (ACWIA) of 1998. ACWIA does not require that a determination of Selective Service registration be made prior to enrollment or in determining eligibility to participate in an Apprenticeships: Closing the Skills Gap grant program. While grantees may be checking Selective Service registration for other reasons, such as co-enrollment in Workforce Innovation and Opportunity Act (WIOA)-funded programs, Apprenticeships: Closing the Skills Gap does not require grantees to check if participants are registered for Selective Service.
9. Can I use grant funds for pre-apprenticeship training?

The Apprenticeships: Closing the Skills Gap grant funds can only be used for allowable activities specified in the FOA. The FOA does not identify pre-apprenticeship as an allowable activity, and the FOA FAQ specifically notes that pre-apprenticeship training is not an allowable activity funded through this grant program. We recognize that pre-apprenticeship training activities can be an effective strategy for preparing individuals to become apprentices. DOL encourages grantees to leverage additional resources to broaden the impact of their programs; therefore, grantees that proposed pre-apprenticeship training activities as part of their grant-funded programs can use leveraged resources for these training activities.

There are additional guidelines to ensure that individuals that enroll in pre-apprenticeship training activities can be considered as a “participant” in the Apprenticeships: Closing the Skills Gap grants.

- Individuals that participate in pre-apprenticeship training activities funded by leveraged funds and receives additional grant funded services may be considered a participant in the Apprenticeships: Closing the Skills Gap grant program.
- Individuals that participate in pre-apprenticeship training activities funded by leveraged funds and receive no other grant-funded services may not be considered a participant in the Apprenticeships: Closing the Skills Gap grant program.

10. What is the definition of an apprentice for the Apprenticeships: Closing the Skills Gap grants?

For the purposes of performance reporting, an apprentice is an individual who is hired by an employer into an apprenticeship and enrolled in a related apprenticeship education/training program. Please see the H-1B Performance Reporting Handbook for Apprenticeships: Closing the Skills Gap grants for further information on performance reporting.¹

11. Do I have to use my Apprenticeships: Closing the Skills Gap grant funds only for Registered Apprenticeship Programs (RAPs)? Can we provide a combination of RAPs and unregistered apprenticeship programs?

There are no requirements that grant funds must solely be used for RAPs. Grantees may provide a combination of RAP and unregistered apprenticeship programs if the grantee proposed the apprenticeship model(s) in their Statement of Work (SOW). Apprenticeship programs created using Apprenticeships: Closing the Skills Gap grant funds must include the characteristics of high-quality apprenticeship programs as described in the Apprenticeships: Closing the Skills Gap FOA and provided below.

12. If I use my grant funds to create apprenticeships that are not RAPs, what features must they have?

All apprenticeships created under the Apprenticeships: Closing the Skills Gap grant program must meet the characteristics of quality apprenticeship described in the FOA. Apprenticeship programs funded and developed under this grant program must have the following characteristics:

1. **Paid Work Component**
   Apprenticeship programs must pay apprentices at least the applicable federal, state, or local minimum wage or a federally approved stipend under federal wage requirements if otherwise applicable, and must describe wage progression requirements. Additionally, programs must address how they will provide apprentices the opportunity to gain upward mobility in the industry.

2. **Work-based Learning and Mentorship**
   An important aspect of apprenticeship programs is offering apprentices the opportunity to apply what they are learning to their work through well-designed and highly structured work experiences. While they are learning on the job, programs must provide mentors to support apprentices and provide guidance on an industry or company culture, and industry or workplace policies and procedures.

3. **Educational and Instructional Component**
   Apprenticeship programs must provide or arrange for classroom or related instruction that is high-quality and adequate to help apprentices achieve their proficiency goals and earn certifications or equivalent credentials. As an important indication of quality programs must lead to an industry-recognized, portable credential, and may also be designed to ensure that apprentices receive college credit for classroom or related instruction.

4. **Industry-Recognized Credentials Earned**
   Apprentices must earn industry-recognized credential(s) as part of their apprenticeship programs. The credential(s) earned in the program must be portable, and applicants must identify all of the portability benefits in the application. In sectors in which generally accepted credentials already exist, or will be issued by industry organizations or credentialing bodies, applicants must describe whether program completion will result in one or more of these existing credentials or qualify an apprentice to earn the credential. In sectors where independent credentials exist and are not issued by the apprenticeship program, the applicant must describe

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the alternative credential(s) that apprentices may earn and information on who is offering the exam.

5. Safety, Supervision, and Equal Employment Opportunity

Apprenticeship programs must have policies and procedures in place to ensure a safe working environment that adheres to all applicable federal, state, and local safety, employment, and equal opportunity laws and regulations.

13. How will DOL determine if my programs meet the characteristics of quality apprenticeships in the Apprenticeships: Closing the Skills Gap FOA?

Grantees should have documentation of their proposed apprenticeship program design that may include charts, illustrations, policies and procedures that describe how the apprenticeship program achieves the five hallmarks of quality apprenticeships and how these apprenticeship programs are implemented and deployed. Developing and disseminating this documentation early in the life of your project ensures that your team members, sub-recipients, training partners and employer partners adhere to the hallmarks from the start of the project. It also prepares you to respond to monitoring requests from your Federal Project Officer. Please note, however, that having documentation, policies and procedures alone does not make your grant project in compliance, if your project does not adhere to the hallmarks at the implementation and deployment phase of your grant.

Registered Apprenticeship Programs, and Industry Recognized Apprenticeship Programs recognized by a Standards Recognition Entity, can be assumed to meet the hallmarks of quality apprenticeships outlined in the Apprenticeships: Closing the Skills Gap FOA.

14. Do I have to document that our sub-recipients meet the characteristics of quality apprenticeships?

Yes. As the grantee, you are responsible for the sub-recipient’s compliance with the terms of the grant.

15. What are the specific requirements for Industry-Recognized Apprenticeship Programs (IRAPs)?

The Department of Labor recently published a Final Rule on Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations to establish a system for advancing the development of high quality, industry-recognized apprenticeship programs (IRAPs). IRAPs are high-quality apprenticeship programs that provide individuals with opportunities to obtain workplace-relevant knowledge and progressively advancing skills. The Final Rule went into effect on May 11, 2020. The final rule establishes a process for the Department of Labor’s Office of Apprenticeship to recognize qualified third party entities, known as Standards Recognition Entities (SREs), which will, in turn, evaluate and recognize IRAPs consistent with the Department’s standards. Organizations interested in becoming an SRE can now apply, and the first group of SREs will be announced in Fall 2020. Once

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announced, these SREs can start recognizing IRAPs. Visit the IRAP webpage on Apprenticeship.gov (https://www.apprenticeship.gov/industry-recognized-apprenticeship-program) for more information.

Now that the Final Rule on IRAPs has been published, grantees may be interested in formalizing their unregistered apprenticeship programs in accordance with this guidance. The IRAP programs that Apprenticeships: Closing the Skills Gap grantees proposed as part of their Statement of Work will not officially be recognized as an IRAP until a Standards Recognition Entity officially recognizes these programs as an IRAP.

Note that IRAPs must meet 10 requirements as noted in the IRAP General Fact Sheet (https://www.apprenticeship.gov/sites/default/files/IRAP_General_Fact_Sheet.pdf). The 10 requirements include paid work, written training plan, written apprenticeship agreement, specialized knowledge and experience, safety, equal employment opportunity, credit for prior knowledge, mentorship, industry-recognized credentials, and disclosure of costs and fees. Each is further described in the IRAP General Fact Sheet, and SREs may have additional requirements.

16. **Can I use my Apprenticeships: Closing the Skills Gap funds to develop DOL Standards Recognition Entities and Industry-Recognized Apprenticeship Programs?**

Yes, these activities are allowable if grantees proposed these activities in their grant SOWs, or if they obtain a grant modification.

Developing DOL Standards Recognition Entities and DOL Industry-Recognized Apprenticeship Programs are allowable under the Apprenticeships: Closing the Skills Gap FOA Section I.E. Program Activities/Allowable Activities, which describes that applicants must design workforce development strategies that comprise all of the following activities:

1) Expanding existing apprenticeships or deploying a new apprenticeship program within an H-1B industry or for an H-1B occupation in a local/regional, statewide or national scope. This includes developing program standards, meeting quality standards, and obtaining promotion and adoption by a significant number of employers within the sector;
2) Recruiting a diverse and large number of apprentices for a robust workforce;
3) Offering earn-as-you-learn education and training models that prepare individuals to successfully move into middle- to high-skilled employment;
4) Engaging a wide array of employers, large and small, in the adoption and deployment of apprenticeships to greatly expand apprenticeship opportunities; and
5) Developing a system for reviewing, approving, collecting data from, and monitoring apprenticeship programs to assess the quality of the training standards, materials, and programs.

Additional information on allowable activities is available throughout Section I.E. Program Activities/Allowable Activities.
17. Can we change our apprenticeship program model from what we proposed in our SOW?

DOL will consider requests to change apprenticeship models through the modification process. Please contact your Federal Project Officer if you are thinking about making changes to your apprenticeship model. You may need a grant modification to your SOW. Your FPO can help you determine if the apprenticeship program proposed in your SOW is consistent with the terms of the FOA.

If you would like additional information about RAPs or IRAPs, please contact an apprenticeship consultant. Visit https://www.doleta.gov/oa/contactlist.cfm to find an apprenticeship consultant near you.

18. Is there a minimum required length of an apprenticeship program?

Registered Apprenticeship Programs (RAPs) require a minimum length of 2,000 hours or one year for time-based and hybrid program. RAPs can also be competency-based. IRAPs must meet the requirements of the Standards Recognizing Entity (SRE) through which the IRAP is recognized. The minimum length for IRAPs will vary, and will be established by SREs based on the needs of the industry. Other apprenticeship programs must meet the hallmarks of quality apprenticeships in the FOA.

19. Must Apprenticeships: Closing the Skills Gap grantees have a written training plan for apprentices?

A written apprenticeship agreement for each apprentice that outlines the terms and conditions of the apprentice’s employment and training is not required under the FOA. However, it is required for RAPs and IRAPs, and is therefore, a strong practice that DOL encourages grantees to adopt.

20. Would IRAPs allow tax/tuition credits similar to that in Registered Apprenticeship Programs?

Tax/tuition credits are determined by the state and the educational provider. Some states and colleges allow tax credits for apprenticeship programs in general, while others are specifically for Registered Apprenticeships (RAPs).

21. Can grant funds be used for classroom training (whether in-person, online, and/or competency-based) that occurs prior to an individual being hired as an apprentice?

Yes. If the classroom training that occurs prior to the start of an apprenticeship is part of the educational and instructional component of the apprenticeship (also referred to as Related Technical Instruction, Related Instruction, or “classroom” training), the activity is allowable for Apprenticeships: Closing the Skills Gap grants.
The Department of Labor recognizes that apprenticeship models will vary across industries and occupations to meet the needs of your employer partners. The Apprenticeship Quick Start Toolkit\(^4\) features several apprenticeship models that grantees can use for their apprenticeship training design. While this toolkit is designed for Registered Apprenticeship programs, the strategies and apprenticeship training models in this document will be valuable for unregistered apprenticeship programs as well. Specifically, page 12 of the Quick Start Toolkit illustrates several apprenticeship models. The use of grant funds is allowable to support training that occurs at various stages of the grantees’ proposed apprenticeship programs. The Department will provide additional guidance on how to account for these activities for performance reporting purposes.

**22. May the portion of classroom training that occurs before the start of an apprenticeship count towards the grantee’s overall program requirements for completing an apprenticeship?**

Yes. As noted above, if the instruction is part of the educational and instructional component of the apprenticeship but occurs before the participant is hired by an employer, it is allowable and this instruction may count towards the program’s overall completion requirements.