<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table of Contents</td>
<td>2</td>
</tr>
<tr>
<td>Introduction</td>
<td>3</td>
</tr>
<tr>
<td>Part 1 Overview</td>
<td>5</td>
</tr>
<tr>
<td>Part 2 Pre-Award Requirements</td>
<td>6</td>
</tr>
<tr>
<td>Part 3 Award Phase</td>
<td>12</td>
</tr>
<tr>
<td>Part 4 Post-Award Requirements</td>
<td>15</td>
</tr>
<tr>
<td>Part 5 Changes and Amendments</td>
<td>21</td>
</tr>
<tr>
<td>Part 6 Costs</td>
<td>26</td>
</tr>
<tr>
<td>Part 7 Roles and Responsibilities for Grantees</td>
<td>28</td>
</tr>
<tr>
<td>Appendix A Glossary</td>
<td>30</td>
</tr>
<tr>
<td>Appendix B Technical Assistance</td>
<td>33</td>
</tr>
<tr>
<td>Appendix C Resources</td>
<td>39</td>
</tr>
</tbody>
</table>
Introduction

Purpose

The purpose of this guide is to help entities that receive funds from the Texas Workforce Commission’s (TWC) Apprenticeship Training Program (ATP), to efficiently administer funds contracted to local education agencies (LEAs) and apprenticeship committees.

Scope

The guide explains the federal, state, and TWC administrative and program requirements that govern ATP funds. The guide includes specific program requirements that govern the pre-award and post-award stages of the funding cycle for ATP grants.

While information relating to applicable federal, state, and TWC administrative and program requirements was used in preparing this guide, omission of an applicable requirement from this guide does not waive a grantee’s responsibility to comply with that requirement. If a conflict appears to exist between a provision of this guide and an ATP contract, the grantee must contact TWC at apprenticeship@twc.state.tx.us. For the definition of the term “grantee,” see Applicability, below.

Applicability

This guide compiles federal, state, and TWC requirements that apply to grantees of ATP funds. Grantees are LEAs and apprenticeship committees. The requirements published in this guide also apply when a grantee subcontracts ATP funds to a lower-tier subrecipient, or subgrantee. These entities are also subject to the requirements that are applicable to ATP funds and are referred to in this guide as subgrantees.

Effective Date

This ATP Administrator’s Guide rescinds and replaces all earlier versions of the ATP Administrator’s Guide. Unless otherwise specified, changes made to this guide take effect on the date that the changes are published in this guide.

Distribution of the Guide

The ATP Administrator’s Guide is made available to ATP grantees as a publication on the TWC website. Hard copies of the guide are distributed only when information in the guide is needed to carry out the terms of a contract and there is no way to send the document electronically.
Request for Technical Assistance

Grantees may request clarification on the requirements of this guide by sending an e-mail message to apprenticeship@twc.state.tx.us. Subgrantees may request clarifications from grantees, when needed. A grantee may forward a subgrantee’s question to apprenticeship@twc.state.tx.us, at the grantee’s discretion.

Resources

The specific resources used in preparing this guide are identified in each section and in the appendices, where applicable.

The resources generally include the following:

- The Office of Management and Budget Circulars
- The grants management common rule
- The Uniform Grant Management Standards
- Program statutes and regulations
- State statutes, such as the Texas Education Code
- Federal guides, including guides related to cost principles and indirect costs
- TWC rules and systems

Organization

On June 8, 2018, TWC updated the ATP Administrator’s Guide to implement legislative program changes and conform to TWC policy and plans regarding the accessibility of electronic and information resources.

Sections and appendices are navigable by hyperlinks from the table of contents and throughout the guide. As before, each section is organized into subsections that contain a policy statement, supporting requirements, considerations specific to a program or entity, and citations for resources. Hyperlinks are used throughout the guide to link to source documents, other sections or subsections, and appendices, including the glossary, where key terms are defined.

Updates

Updates to the ATP Administrator’s Guide are made as needed. When possible, changes are made annually to coincide with the beginning of the state’s fiscal year, on September 1. However, updates may be made more frequently when significant changes require more timely revisions. The date on which a section was last updated is identified at the beginning of the section.
Part 1 Overview

The purpose of the Texas Workforce Commission’s (TWC) Apprenticeship Training Program (ATP) is to encourage and assist industries in the development and improvement of Registered Apprenticeship and other training programs that are designed to provide the skilled workers needed for Texas to compete in a global economy.

As authorized in Texas Education Code, Chapter 133, TWC provides funds to local education agencies (LEAs) and apprenticeship committees to support a portion of the costs of job-related, in-person classroom instruction in registered apprenticeship programs. A registered apprenticeship program arranges with an LEA or the apprenticeship committee so that one or the other can act as the ATP’s fiscal agent. The LEA and apprenticeship committee are the funding link between the registered apprenticeship program and TWC.

Return to Table of Contents
Part 2 Pre-Award Requirements

The pre-award phase represents the beginning of a grant’s life cycle. The phase includes announcing opportunities, planning estimates, and submitting applications. It also includes the reviewing process.

The next section explains what generally occurs during the pre-award phase. The section is organized as follows:

2.1  Funding Opportunity Announcement
2.2  Submission Requirements
2.3  Review Process

Return to Table of Contents
2.1 Funding Opportunity Announcement

Texas Education Code §133.006 requires that the TWC adopt forms, formulas, and administrative procedures for distributing available funds to ATPs. Additionally, TWC Chapter 837 Apprenticeship Training Program rule §837.21 states that after TWC receives recommendations from the Texas Workforce Investment Council, TWC must provide public notice of the amount of funds available to support apprenticeship training programs.

Funds are distributed to eligible grantees by TWC in a two-step process consisting of planning estimates and final distributions. Details of the annual distribution process are published in TWC rule §837.26.

Each May or June, TWC publishes on its website a notice of available funding for the program’s prospective fiscal year, along with instructions for submitting requests for funds.

TWC announces the funding, and eligible grantees that are interested complete and return all submission materials by the required date, as indicated on the program timeline. Incomplete submissions may be omitted from funding consideration.
2.2 Submission Requirements

Planning Estimates. For the prospective state fiscal year, grantees must submit a planning estimates form to TWC for each registered ATP that it supports. The planning estimates form consists of the following two elements:

Estimates. For prospective apprentices to be trained, grantees must provide the number of approved classroom hours; the estimated number of registered apprentices; and the estimated total number of contact hours of job-related, in-person classroom instruction to be conducted.

TWC will fund up to 220 classroom hours per occupation. Planning estimates of more than 220 classroom hours will be adjusted downward.

Note: The estimated number of contact hours is determined by multiplying the estimated number of registered and enrolled apprentices by the number of approved classroom hours for the funding year.

Assurances. Grantees must sign and submit assurances, understanding that state funding is available only for job-related, in-person classroom instruction; understanding the requirements for functional apprenticeship committees; and acknowledging adherence to all rules, regulations, and eligibility requirements.

Apprenticeship committee grantees also must complete and submit the following with their planning estimates:

- The Apprenticeship Committee Information Form
- The Financial Management Questionnaire

TWC conducts internal reviews on all potential members of the apprenticeship committee and any affiliated business partners of ATPs. TWC’s review includes an analysis of fiscal stability and a regulatory integrity review of the business partner’s standing with federal, state, and local governments (including confirming payment of all state taxes, determining the existence of pending administrative or court actions, and determining whether there are adverse factors that could impact the awarding of a grant).

Applications. After submission of the planning estimates, TWC sends potential grantees an application for the ATP by e-mail. It includes instructions for submitting the application to TWC. Additionally, any supporting documents must be submitted with the application on or before the due date, as annually prescribed in the program timeline.

Grantees must notify and/or provide the following support documents:

- The Local Workforce Development Board Review & Comment Form (provided by TWC to the grantee as part of the application package)
• A signed agreement between the local education agencies and apprenticeship committees, as applicable
• Evidence of the registered apprenticeship programs’ standards, as recognized by the US Department of Labor (DOL)

**Preliminary Contact-Hour Rate.** Once TWC has determined the contact-hour rate, calculated based on all planning estimates received, TWC provides each grantee with the statewide preliminary contact–hour rate and a planning estimate for the prospective state fiscal year, so that application budgets can be finalized before submission.

**Considerations**

**Distance Learning.** Distance learning is allowable with prior approval. Distance learning is instruction (classroom hours) provided in an untraditional way, rather than being provided in a traditional setting with the instructor and the apprentice physically in the same classroom. DOL allows correspondence, electronic media, and interactive distance learning to be included and approved in its standards for the registered apprenticeship program. However, included in the planning estimates, registered apprenticeship programs must request approval to include distance learning instruction.

Registered apprenticeship programs seeking approval from an LEA or from TWC for distance learning instruction shall provide, at a minimum, the following for consideration:

• a copy of the DOL-approved program standards reflecting the untraditional training delivery format;
• an assurance that apprentices enrolled in distance learning will not pay more than apprentices enrolled in job-related, in-person classroom instruction;
• an assurance that the apprentice resides and works in the state of Texas;
• the estimated number of apprentices involved;
• the number of classroom hours identified in the registered apprenticeship programs’ standards; and
• a description of how the classes will be conducted, including:
  o delivery method;
  o lab settings; and
  o testing sessions.

Upon LEA approval, the LEA must submit the request to TWC for approval. Registered apprenticeship programs that are not partnering with an LEA will submit the request directly to TWC for approval.

Once approved, TWC requires:

• access and passwords that are needed to participate and observe the training;
• all apprentices to meet in person at the first-class meeting, which TWC or LEA personnel may attend;
• updates, at least quarterly, on the progress of each apprentice participating in the training; and
• lab and testing dates, which TWC or LEA personnel may attend.

Distance learning as defined above that does not have TWC approval may be unallowable, potentially resulting in the requirement for the program to repay grant funds.

*Indirect Cost Rate.* Grantees, specifically LEAs, may ask to include their indirect cost rate as part of their cost allocation plan, but they must make the request when they submit their application. An indirect cost rate must be approved before a contract is initiated.

Most Recent Update: June 18, 2019

[Return to Section Contents]
2.3 Review Process

Once the submission deadline for an application passes, TWC reviews the applications.

The steps for reviewing an application are as follows:

- Initial screening to ensure that the application is complete
- Programmatic review and assessment of the applications
- Financial review of the proposed budget
- Award decision and announcement

**Initial Screening.** In the initial screening, also called a basic minimum requirements review, TWC checks each application to ensure that each required element is included and is complete, such as the section on eligibility, the program narrative, and the budget attachment. If an application does not meet all basic requirements, then it is likely that the application will not be considered for funding.

**Programmatic Review and Assessment of Applications.** The applications undergo a thorough review and assessment for their technical and programmatic quality and competency.

**Financial Review.** The budget included in the application must be well-documented and reflect the requirements of the grant project. TWC conducts a cost analysis, reviewing each line item and the overall proposed budget to ensure compliance with statutory and financial regulations. The financial review also considers the total budget for the ATP in relation to the amount of money each application requests.

**Award Decision and Announcement.** See Part 3 Award Phase.

[Return to Table of Contents]
Part 3 Award Phase

Once the Texas Workforce Commission (TWC) completes the application review process, the award phase begins. Apprenticeship Training Program (ATP) staff members review and make award recommendations, based on the programmatic and financial reviews of the applications.

This section is organized as follows:

3.1 Contract Negotiations
3.2 Notice of Award

Return to Table of Contents
3.1 Contract Negotiations

Grantees receive an e-mail notification and grant award documents for review and approval for processing.

The e-mail notification and grant award documents consist of the following:

- Funding sources and allocations breakdown
- Program objectives and deliverable targets
- Budget detail

Authority

Contracts cannot be initiated until the grantee confirms that the grant award documents are approved for processing.

Submission of Required Forms. In some cases, certain required documents (such as certification forms, affidavits, and proof of insurance) are not submitted to TWC during the grant application process; however, all required documents must be submitted before TWC will disburse funds.

Return to Table of Contents
3.2 Notice of Award

Once the final award decisions are made, TWC sends a Notice of Grant Award (NGA) to the applicants selected for funding. The NGA is the official, legally binding issuance of the award. By accepting the grant (that is, by signing the grant agreement), the grantee becomes legally obligated to carry out the full terms and conditions of the grant.

The NGA includes the following information:

• The name of the grantee
• The grant period
• The type and amount of federal and state funds
• The grant number
• A signature page
• A general terms and conditions page
• Statements of work (Attachments A, B, C, and D)

Award Notification and Acceptance. After receiving the document review notification, the grantee has 30 days to do the following:

• Download and review the entire grant award
• Contact TWC with any questions
• Obtain a digital signature for the authorized official
• Accept award documents via TWC’s electronic and review process

When TWC receives the grantee’s acceptance of the award with all e-signatures provided, the grant is considered active.

Authorized Signatures for Grant Awards. For LEAs, TWC requires grant awards to be signed by the highest levels of management, as follows:

• For independent school districts, the superintendent signs
• For community colleges, the president or a dean signs

For apprenticeship committees, information about which officers or members are authorized to sign contracts is typically provided in the committee’s bylaws. The signatory is typically the committee chair.

Commencement of Grant Activities. Grant activities and related purchases may not begin until the start date of the grant period, on September 1.

Return to Table of Contents
Part 4 Post-Award Requirements

The post-award phase requires a significant amount of work, including implementing the grant, reporting progress, and completing the closeout requirements.

Apprenticeship Training Program (ATP) staff members are available to assist grantees and ensure that they comply with the grant terms and conditions. Grantees must faithfully and diligently carry out the grant objectives.

This section is organized as follows:

4.1 Reporting
4.2 Monitoring
4.3 Auditing
4.4 Closeout

Return to Table of Contents
4.1 Reporting

The Texas Workforce Commission (TWC) monitors the progress made and money spent by grantees using various programmatic and financial reporting procedures, as well as using the activities and performance metrics published in the grant award. Most grantees administer the grants ethically and efficiently. However, TWC’s monitoring procedures are necessary to maintain transparency and to prevent fraud and abuse.

TWC typically assigns a grant manager and a program specialist to each grant. Grantees work with both throughout the duration of the grant. Because the grant manager and program specialist review reports and conduct site visits, TWC recommends that the grantee develop an effective means of communicating with them. It is better to prevent issues by talking with the grant manager and program specialist to clarify grant terms or expectations, rather than submitting a report about an issue and waiting for recourse to be initiated.

The specific reporting requirements, schedules, and systems for ATP grants are identified in the terms and conditions of the grant.

The systems and administrative requirements include the following:

- The Cash Draw and Expenditure Reporting System
- Other federal, state, or TWC guidance
- Grant award provisions

Data Collection. Grantees must have a method in place to collect required apprentice data. Grantees may choose to use TWC’s apprentice data questionnaire to collect this data. The apprentice data questionnaire is provided by TWC to the grantee as part of the grant award orientation package. After apprentice data is collected and validated by the grantee, data must be entered in TWC’s Apprentice Information Form for reporting to TWC. Grantees must report required apprentice data by October 11 for both new and continuing programs.

The purpose of the data validation is to verify that:
- the minimum number of approved job-related, in-person classroom instruction hours is met, as required in the approved registered apprenticeship programs’ standards;
- each apprentice reported is registered with DOL before attending the first class;
- each apprentice reported is in good standing with the registered apprenticeship program; and
- the number of classroom hours and registered apprentices used to calculate the final statewide contact-hour rate and to distribute funds for registered apprenticeship programs is correct.
Provisions

Financial Reporting. To monitor how grantees are using state funds, TWC requires grantees to submit timely fiscal reports for review. Grantees will electronically submit an accurate monthly financial report, including accrued expenditures and obligations, through the TWC’s on-line Cash Draw and Expenditure Reporting (CDER) system.

Submission Requirement. Grantees must submit a financial report to TWC each time funds are requested and, at a minimum, on the dates specified in the grant award. If a financial report is delinquent, future awards and drawdowns may be withheld.

Program Reporting. Grantees must submit required apprentice data to TWC using the Apprentice Information Form, which identifies all eligible apprentices who are receiving job-related, in-person classroom instruction related to grant-funded activities. The form also provides a basis for discussion during on-site monitoring visits from the grant manager or program specialist. TWC sends grantees the appropriate version of the form, along with other award documents. The form is due back to TWC on the date specified in the grant award (in the Statement of Work—Attachment A, in the activities and deliverables matrix).

Return to Table of Contents
4.2 Monitoring

Monitoring refers to:

- the broad overall system of reviewing and tracking the use of federal and state funds; and
- the more specific day-to-day review processes.

Monitoring ensures that a grantee is complying with federal or state rules and regulations and is meeting the goals and objectives of the grant.

The day-to-day review processes include the following:

- Desk reviews: Reviews of financial and program reports, audit reports, correspondence, and other documentation provided by TWC
- Telephone contacts: Direct communication with the grantee by telephone to ask or answer questions and check on the progress of the grant-funded project
- On-site monitoring: A visit to the registered apprenticeship programs’ site to review one or more aspects of the subgrantee’s project

**On-Site Monitoring.** A certain number of subgrantees are selected for on-site monitoring each year. In some cases, monitoring is done in response to a perceived problem or concern.

Common problems that could necessitate a monitoring visit include the following:

- The late submission of program or financial reports
- Expenditures made in unauthorized budget categories
- A spending rate that is too fast or too slow
- Discrepancies between program and financial reports
- A delay in the start of the grant-funded project
- Unresponsiveness to requests for information
- Allegations of misuse of funds
- Audit exceptions that require a follow-up

**Standards**

*Financial Management Standards.* All grantees are required to establish and maintain accounting systems and financial records to accurately account for funds awarded to them. These records must include both federal and state funds, when applicable.

[Return to Table of Contents]
4.3 Auditing

TWC and grantees are audited. The Office of Inspector General, the Subrecipient Monitoring Department in TWC’s Regulatory Integrity Division, and various other TWC departments monitor and analyze policies, expenditures, and other activities related to each grant award. These entities, as well as others, also monitor and analyze the grantees’ performance.

*Audit Objectives.* Grant awards are subject to conditions of fiscal, program, and general administration to which the grantee expressly agrees. Accordingly, the objective of the audit is to review how the grantee administers funds to determine whether the grant recipient has accomplished the following:

- Established an accounting system integrated with adequate internal fiscal and management controls to provide full accountability for revenues, expenditures, assets, and liabilities. The system must provide reasonable assurance that the grantee is managing federal and state financial assistance programs in compliance with applicable laws and regulations
- Prepared financial statements that are presented fairly and in accordance with generally accepted accounting principles
- Prepared financial reports that contain accurate and reliable financial data and are presented according to the terms of applicable grant awards

Top Ten Audit Findings:

1. Late report submissions
2. Lack of documentation
3. Inadequate monitoring of subgrantees
4. Inadequate reporting of work and travel time (unclear, lacking detail, and so on)
5. Inaccurate and deficient reporting (expenditure reports and apprentice information form)
6. Commingling of funds
7. Excess cash on hand
8. Unallowable costs
9. Inappropriate changes (see Part 5 Changes and Amendments)
10. Conflicts of interest

[Return to Table of Contents]
4.4 Closeout

The grant process ends with the closeout step, when grantees submit the final financial and programmatic reports. According to the grant provisions, the grantee must submit all financial, program, and other reports required under the grant within 60 days after the grant award expires or is terminated.

TWC reviews these reports to ensure that grantees have complied with the grant’s terms and conditions and to ensure that they have spent all of their funds and spent them appropriately. Any funds not drawn at the end of the grant period will revert to TWC.

Each grantee submits the following closeout documentation:

- A financial closeout report in TWC’s on-line CDER system
- The Apprentice Information Form designating each apprentice’s completion status
- An equipment inventory (when applicable)
- Any additional reports, data, or information on the administration and performance of the grant award, as needed

Provisions

Property Acquisitions. If the grantee acquired property using ATP grant funds, the grantee completes the closeout step when the grantee must ensure that the grant’s stipulations were followed properly, including obtaining approvals, following procurement procedures, and maintaining an inventory of assets.

Retention of Property. Grantees must retain records for real property (equipment) for seven years from the date of the disposition or the date of replacement or transfer, at the discretion of TWC.

Retention of Records. In accordance with 28 CFR Parts 66 and 70, all financial records, supporting documents, statistical records, and all other records pertinent to grant awards must be retained by each registered apprenticeship program for at least seven years following the closure of the most recent transaction. Retention is required for purposes of federal and state examination and audit. Records may be retained in TWC’s on-line CDER system.

Return to Table of Contents
All requests for changes to program or administrative budgets must be submitted by the grantee in writing for review and approval by the Texas Workforce Commission (TWC)—before obligation and within the grant period. Requests may be sent by e-mail to apprenticeship@twc.state.tx.us. All requests for changes to the approved grant award must be carefully reviewed by TWC for both consistency with the requirements published in this guide and the contribution that the changes will make to the goals and objectives of the grant-funded project.

This section is organized as follows:

5.1 Final Distribution  
5.2 Budget Changes  
5.3 Sanctions  
5.4 Grant Terminations

Return to Table of Contents
5.1 Final Distribution

Each grantee must report to TWC, on the designated Apprentice Information Form, the number of approved class hours, actual number of registered apprentices, and total number of contact hours of job-related, in-person instruction for the prospective fiscal year.

The actual number of contact hours must be submitted by the grantee and received by TWC on or before the due date provided in the grant award or in the program timeline.

Grantees must ensure that:

- each apprentice has met WIOA basic eligibility requirements;
- each apprentice has verifiable attendance during an on-site visit and/or the classroom instructor’s attendance documentation as described in Part 7 of this guide;
- each apprentice has his or her demographic, characteristic, and training information entered on the Apprentice Information Form, to be included for final Chapter 133 funding distribution; and
- the Apprentice Information Form is reported to TWC no later than the due date prescribed in the program timeline or grant award.

After determining the final rate for contact hours, TWC notifies each grantee about the final distribution, based on the final statewide rate for contact hours.

TWC does reserve the right to unilaterally amend, modify, or terminate grant awards, in whole or in part, whenever it’s determined that such termination is in its best interests.

Most Recent Update: June 18, 2019

Return to Table of Contents
5.2 Budget Changes

Transfers of funds between the major cost categories as listed in Attachment B-1 of the grant award may require TWC’s approval. Budget line item transfers of less than 20 percent of the affected line items do not require prior approval if they do not materially alter the scope of the grant. However, notification to TWC is needed to ensure accurate cost allocations in TWC’s online CDER system.

Any budget change that materially alters the scope of the grant-funded project requires prior approval from TWC. Deviation from these requirements will cause TWC to question the costs and perhaps disallow them.

Changes must be requested within the grant period. Changes requested outside of the grant period are not considered.

Return to Table of Contents
5.3 Sanctions

If a grantee materially fails to comply with the terms and conditions of the grant award, whether the terms are stated in federal or state statute, in a regulation, in an assurance (see 2.2 Submission Requirements), in an application, during certification, or in the grant provisions, TWC may take one or more of the following actions, as appropriate to the circumstances:

- Conduct a site visit to review the grant-funded project or provide technical assistance
- Seek corrective actions through Technical Assistance Plans
- Temporarily withhold cash payments pending correction of the deficiency by the grantee
- Deobligate grant funds for the cost of an activity or action that is not in compliance
- Withhold further grant awards for the project
- Take other remedies that may be legally available

Return to Table of Contents
5.4 Grant Termination

TWC may terminate any grant award, in whole or in part, when a grantee materially fails to comply with the terms and conditions of an award or when the grantee and TWC agree to terminate the grant award.

If a grant award is terminated, TWC:

- notifies the grantee in writing about the decision;
- specifies the reason;
- gives the grantee a reasonable time in which to terminate operation of the grant-funded project; and
- asks the grantee to seek support from other sources.

A grant award that is terminated is subject to the same requirements regarding audit, record keeping, and submission of reports as a project that runs for the duration of the grant award period.

Return to Table of Contents
Part 6 Costs

Part 6 Costs explains the general allowability of costs. For specific cost information, refer to the Texas Workforce Commission’s (TWC) Financial Manual for Grants and Contracts.

**Determination of Allowability.** To be allowed under a grant award, costs must meet the following general criteria:

- Be necessary and reasonable for proper and efficient administration of the grant-funded program
- Be allocable to federal awards under the provisions of the applicable federal circular
- Be authorized or not prohibited under state or local laws or regulations
- Conform to any limitations or exclusions set forth in the principles, federal laws, terms and conditions of the grant award, or other governing regulations on the types or amounts of costs
- Be consistent with policies, regulations, and procedures that apply uniformly to both federal and state awards and other activities
- Be accorded consistent treatment. A cost may not be assigned to a grant award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the grant award as an indirect cost.
- Be determined in accordance with generally accepted accounting principles
- Not be included as a cost or used to meet cost-sharing or matching requirements of any other grant award in either the current or a prior period, except as specifically provided by federal and state law or regulation
- Be adequately documented
- Be paid or obligated for services provided during the grant period
- Be paid, if obligated by the end of the grant period, within 60 days of the grant period’s ending date

**Allowable Costs.** Allowable costs must be reasonable, allocable, and necessary to the grant-funded project, and they must comply with the funding requirements. Allowable costs are the costs identified in the federal circulars listed below, as well as in the program guidelines, which may be more specific.

- **OMB Circular A-87:** Cost Principles for State, Local and Indian Tribal Governments
- **OMB Circular A-122:** Cost Principles for Non-Profit Organizations
- **OMB Circular A-21:** Cost Principles for Educational Institutions

**Administrative Costs**
Grantees may use up to 15 percent of the funds allocated for administrative costs to pay for staff salaries and fringe benefits, including the salaries and fringe benefits of supervisors, administrative support staff, and accountants.

Grantees must be aware of the following:
• Administrative salaries chargeable to more than one program or other cost objectives must be auditable using the grantees’ records on staff time and grant distribution.
• Fringe benefits must comply with local policies.
• Administrative supplies are the office supplies and other items needed to properly administer the grant award.
• Administrative travel expenses are the expenses necessary for the grantee’s authorized administrator or designee to supervise the job-related, in-person classroom instruction. Examples are the expenses incurred for an administrator or designee to travel to and from job-related, in-person classroom instruction or TWC-sponsored apprenticeship workshops.

Program Costs
The Registered Apprenticeship training program must use at least 85 percent of the funds allocated for the following program costs:

• Instructors (salaries and fringe benefits)—for employees of the grantee who teach job-related, in-person classroom instruction
• Instructional contracts (salaries)—for instructors who are under contract with the grantee and are therefore not employees of the grantee
• Janitorial and security staff (salaries and fringe benefits)—for employees of the grantee who clean and maintain the training site or maintain security at the site. All costs must be documented and prorated appropriately, based on the extent to which the apprentices use the training site.
• Instructional supplies—for the items necessary to provide instruction, such as paper, pencils, and workbooks, as well as consumable construction and industrial materials used by the apprentices during the job-related, in-person classroom instruction. The items must be purchased with grant funds for the Apprenticeship Training Program, at no cost to the apprentice.
• Instructional items—for the items used in the classroom or laboratory to teach the job-related, in-person classroom instruction. The items may include computers, overhead projectors, and welding machines. Items costing $5,000 or more per unit must have prior approval from TWC.
Part 7 Roles and Responsibilities of Grantees

Local Education Agency (LEA). An LEA is a public school district or state postsecondary institution that serves as a sponsor for a registered apprenticeship program pursuant to a contract between the LEA and an apprenticeship committee, as described in Texas Education Code (TEC) §133.002.

An LEA administrator’s responsibilities include:

- ensuring that the director of a registered apprenticeship program has obtained Department of Labor (DOL) approval of the registered apprenticeship program standards and that the program is registered and in good standing with DOL;
- ensuring that the director has registered all prospective apprentices with DOL;
- ensuring that all required duties of the apprenticeship committee are performed, as described in TEC §133.003;
- documenting the place and schedule of job-related, in-person classroom sessions;
- making at least one on-site visit to all continuing registered apprenticeship programs during one of the first four class meetings and verifying the following using the instructor’s attendance rosters:
  - The name of the instructor for each job-related, in-person classroom session
  - The names and number of apprentices in the class
  - That all apprentices in attendance are registered with DOL
  - That all apprentices are or will be reported according to the Texas Workforce Commission’s (TWC) prescribed method;
- performing at least one on-site visit during the second, third, or fourth class meetings of all new registered apprenticeship programs and verifying the following using the instructor’s attendance rosters:
  - The name of the instructor for each job-related, in-person classroom session
  - The names and number of apprentices in the class
  - That all apprentices in attendance are registered with DOL
  - That all apprentices are or will be reported according to TWC’s prescribed method;
- collecting all information and forms and providing them to TWC on or before the due date, as annually prescribed in the program timeline or grant award;
- establishing qualifications for instructors;
- maintaining records on all expenditures;
- monitoring and evaluating the registered apprenticeship program; and
- retaining all records pertaining to the grant-funded project for at least seven years after TWC’s closeout of the contract.

Notes:

- Continuing programs and new programs may have different due dates for reporting, as noted on the program timeline.
- To be eligible for funding, each apprentice in a new program must be physically present for the third class meeting or for both the second and fourth class meetings, as indicated in the instructor’s official attendance record.
Apprenticeship Committees. An apprenticeship committee is an autonomous local group consisting of members appointed by one or more employer sponsors of apprentices, bargaining agents representing members of an apprenticeable trade, or a combination of the two.

Apprenticeship committees carry the same responsibilities as described above for LEAs.

An apprenticeship committee must be designated for each registered apprenticeship program. The committee establishes instruction standards and goals for a particular skill or skills, interviews and selects applicants, and monitors the program and apprentices, as described in TEC §133.003:

The apprenticeship committee for each registered apprenticeship program must:

- establish standards and goals for preparatory instruction, supplementary instruction, and related classroom instruction for apprentices in the program;
- establish rules governing the on-the-job training and other instruction for apprentices in the registered apprenticeship program;
- plan and organize instructional materials designed to provide the technical and theoretical knowledge and the basic skills required by apprentices in the registered apprenticeship program;
- recommend qualified instructors to the registered apprenticeship program;
- monitor and evaluate the performance and progress of each apprentice in the registered apprenticeship program and the grant-funded project as a whole;
- interview applicants and select those most qualified for entrance into the registered apprenticeship program;
- ensure the keeping of records on each apprentice’s progress and on-the-job training;
- encourage instructors to maintain the recommended qualifications;
- perform any other duties that, in the opinion of the apprenticeship committee, promote the goals of individual apprentices and of the grant-funded project as a whole; and
- establish a memorandum of understanding with the local Workforce Solutions Office, as set forth in Workforce Development (WD) Letter 01-17, Change 1, issued June 2, 2017, and entitled “Workforce Innovation and Opportunity Act: Texas Workforce System Partners’ Memoranda of Understanding, Including Infrastructure Funding Costs—Update.”

All Registered Apprenticeship training programs that are eligible for approval and registration by DOL must establish registered apprenticeship program standards that incorporate the terms and conditions of employment, training, and supervision of one or more apprentices in an apprenticeable occupation.

Return to Table of Contents
Appendix A Glossary

The following definitions clarify the meaning and use of terms used in the Apprenticeship Training Program Administrator’s Guide and are applicable and binding for that purpose. Unless a specific legal authority is cited, the definitions are not intended for legal or general use.

**Apprentice**

An apprentice is a full-time paid worker who is at least 16 years of age (except when a higher minimum age is required by law), is employed in the private sector, is registered with the Department of Labor-Office of Apprenticeship (DOL-OA), and receives training to learn a skill in a certified apprenticeable occupation.

**Apprenticeship Agreement**

An apprenticeship agreement is a signed commitment between the apprentice and the employer sponsor. The apprentice agrees to perform the work and complete the job-related, in-person classroom instruction. The employer agrees to make every effort to keep the apprentice employed and to comply with the standards established for the registered apprenticeship program.

**Apprenticeship Committee**

An apprenticeship committee is an autonomous local group consisting of members appointed by one or more employers of apprentices, or by one or more bargaining agents representing members of an apprenticeable trade, or by a combination of the two. An apprenticeship committee, approved by the DOL-OA, operates independently as a designated sponsor for a registered apprenticeship program to establish instruction standards and goals for a particular craft or crafts, interview and select applicants, and monitor the program and apprentices as described in Texas Education Code (TEC), §133.003.

**Continuing Programs**

Continuing programs are registered apprenticeship programs, or occupations within registered apprenticeship programs, that received funds for job-related, in-person classroom instruction, as allowed by TEC Chapter 133, during the previous funding year.
### Grantee

The term “grantee” refers to recipients and subgrantees of ATP funds and, unless otherwise stated, to LEAs and apprenticeship committees.

### Job-Related, In-Person Classroom Instruction

Job-related, in-person classroom instruction provides apprentices with the required components of registered apprenticeship programs, and it supplements on-the-job training. A minimum of 144 hours per year is normally considered necessary for each occupation. Job-related, in-person classroom instruction consists of organized, off-the-job instruction in theoretical or technical subjects required for the completion of a registered apprenticeship program for a particular apprenticeable trade. Only job-related classroom instruction offered in person by an instructor is eligible for funding under TEC Chapter 133, unless approved in writing by the Texas Workforce Commission (TWC).

### New Programs

New programs are registered apprenticeship programs, or occupations within registered apprenticeship programs, that did not receive funds for job-related, in-person classroom instruction, as allowed by TEC Chapter 133, during the previous funding year.

### Office of Apprenticeship

The Office of Apprenticeship (OA) is the Department of Labor branch responsible for administering the national standards for apprenticeships in the United States. OA encourages and helps industries develop, expand, and improve registered apprenticeship programs. Through its field staff in Texas, OA works with local employers, employer groups, labor-management organizations, and state and federal agencies to register as apprenticeships that meet the national apprenticeship standards.

### On-the-Job Training

On-the-job training is structured, supervised training consisting of at least 2,000 on-the-job hours, depending on the occupation. Every apprentice participating in a registered apprenticeship program enters into an apprenticeship agreement. The employer sponsor and the apprentice agree to the terms of the registered apprenticeship program standards incorporated as part of the agreement. On-the-job training is referred to in the registered apprenticeship program standards. One or more skilled journeymen supervise the apprentice. The apprentice’s supervisor reviews, evaluates, and maintains records relating to the apprentice’s job performance. As the apprentice demonstrates satisfactory progress in both on-the-job training and job-related, in-person classroom instruction, the apprentice advances in accordance with the wage schedule provided in the approved standards for the registered apprenticeship program.
Standards for Approved Registered Apprenticeship Training Programs

The standards that approved registered apprenticeship programs must follow are partially explained in 29 CFR Part 29.5, as follows:

- Full and fair opportunity to apply for apprenticeship
- A work schedule that allows an apprentice to receive training and experience on the job
- A program that includes job-related, in-person classroom instruction on technical subjects related to the apprentice’s trade (for example, a minimum of 144 hours per year on the job is normally considered necessary)
- A schedule of progressively increasing wages (as skills are obtained, wages increase)
- Proper supervision of on-the-job training with adequate facilities to train apprentices
- An apprentice’s progress, both in job performance and related classroom instruction, evaluated periodically and appropriate records are maintained
- No discrimination in any phase of selection, employment, or training
Appendix B Technical Assistance

Organization Identifiers for Application Elements

The following guidance provides apprenticeship committees, with additional information and assistance for obtaining necessary application elements:

Texas Identification Number (TIN)

If the Joint Apprenticeship Training Committee (JATC) knows its Federal Employer Identification Number (FEIN), the easiest route for all parties involved will be for the JATC to request the TIN through Texas Workforce Commission (TWC). To do that, JATCs will need to complete the Form 1020 and submit it to TWC via the e-mail address listed at the bottom of the form. Instructions for completing the form are also attached. This will take care of several aspects to get setup to receive payments from TWC. Note: TWC’s on-line Cash Draw and Expenditure Reporting system will require a separate set-up process, which will be provided during the contracting phase.

Important:

• The turnaround time is currently running at approximately one month, because TWC recently received a large number of requests. If the JATC needs a TIN before that, please indicate “Rush” in your e-mail. If there is a specific date by which you need a TIN, specify that in your e-mail as well.
• It is important that the JATC complete the form in its entirety and do so as accurately as possible. Inaccuracies and incomplete information will delay processing, and require back-and-forth between TWC staff and the JATC.
• Be sure to keep copies of what is submitted.

Recurring Transaction Index (RTI)

The RTI applies for state agencies and institutions of higher education only. It is a six-digit identifier established in the statewide accounting system by a state agency receiving funds from another state agency when funding sources for both agencies are held in the State Treasury. The RTI number directs the statewide accounting system how to post the receiving transaction when funds are being passed from one agency to another. If the apprenticeship committee grantee is not a state agency or institution of higher education, it will not have or need an RTI.

System for Award Management (SAM)

There is no fee to register in SAM.

According to the Association of Procurement Technical Assistance Centers (APTAC) articles linked below there apparently some commercial entities that target companies as soon as they begin the SAM registration process, but which lead companies registering to believe that the fees
that they charge (which can be “hefty”) are being charged by the government and are required for registration. The APTAC articles reiterate that the government never charges a fee to register in SAM, and provides some no-cost and low-cost options for assistance. TWC is also required to maintain a current SAM registration, and for that reason, TWC staff may be able to assist with some questions.

There are a number of reliable sources that state there is no charge to register on SAM:

- The What is SAM? page on the SAM Web site states that there is no cost to use SAM and that one can use the site register for free.
- Procurement Technical Assistance Centers were authorized by Congress in 1985, and exist to assist businesses to do business in the U.S. government marketplace. The association is administered by the U.S. Department of Defense, Defense Logistics Agency.
- The U.S. General Services Administration notes no fee on its [Beginner’s Guide to GSA Schedule Contracts](https://www.gsa.gov/gs/content/beginner-guide-gsa-schedule-contracts) page and on [GSA Interact](https://www.interact.gsa.gov/).

### Security of Personal Identity Data

TWC makes every effort to ensure the security and confidentiality of personal identity data for all TWC customers. Because Apprenticeship Training Program (ATP) grants involve collecting and reporting data that include personal identity information, it is imperative that the following procedures be followed each time the grantee submits a report with personal identity data. Failure to comply with these procedures is considered a breach of contract, which could result in the termination of the grant award.

For additional guidance and information, refer to the following documents:

- [WD Letter 02-18](https://www.twc.state.tx.us/news/letters/2018/02/02-18-HPIOI-OtherSensitiveinformation.pdf), issued March 23, 2018, and entitled “Handling and Protection of Personally Identifiable Information and Other Sensitive Information,” or subsequent changes
- The Grant Award’s General Terms and Conditions, Section 11
- The Grant Award’s Attachment A, Section 5

All grantees and participating registered apprenticeship programs must ensure that confidential information, including the following, is kept secure:

#### Electronic Security

To ensure electronic security, contractors must take the following measures:

- Do not share user log-in information, passwords, personal identification numbers, or any data or equipment used for authentication and identification purposes.
• Do not send any personal identity data in the subject or body of an e-mail; instead, save the data to a secure document, select the options for encryption or password protection, and send the document as an attachment in a separate e-mail.
• Always use encryption or password protection when saving personal identity data in a document or form that will be transported by e-mail or on a laptop computer or portable storage device.

Physical Security

To ensure physical security, contractors must take the following measures:
• Limit access to sensitive printed materials.
• Use locked storage for materials that include personal identity data.
• After use, shred documents that include personal identity data.
• Secure all computers (desktop and laptop) when not in use.
• Do not leave documents that include personal identity data in plain view.

If the grantee does not know how to submit reports with encryption or password protection, the grantee may request help from the assigned grant manager or program specialist.

Purchasing Property (Equipment) and Supplies

Equipment is defined as nonexpendable, tangible personal property that has a useful life of more than one year and a per-unit acquisition cost of $5,000 or more. If the property does not meet the definition of equipment, then the property is classified as a supply. See Appendix A of the Financial Manual for Grants and Contracts (FMGC).

When purchased with grant funds, ownership of property is dictated by governing requirements. When a grantee uses grant funds to purchase property, the grantee is the owner. (See FMGC 13.1.) However, because the grantee purchased the property with grant funds, the government maintains an interest in the property until the property is properly disposed of in accordance with the applicable requirements.

If the property is equipment, the grantee must do the following:
• Maintain certain property records, including an identification number (such as an asset tag number or manufacturer’s serial number). The information that must be kept in the property records for equipment is explained in FMGC 13.6 and 13.7.
• Conduct an annual inventory of the property.
• If the property is a supply, the grantee must adequately safeguard the property and be able to identify the property as having been purchased under a particular TWC ATP grant and funding source within the grant—that is, funds provided under WIOA or from the state’s General Revenue fund—but there is no requirement for an annual inventory. (See FMGC 2.1 and 13.13.)
Repair and maintenance services that the grantee receives during the grant period to keep the property operational for grant-funded activities can be charged to the grant. Repair and maintenance services received after the grant’s end date are the responsibility of the grantee. (See FMGC 8.3.36, relating to the permissibility of maintenance, operations, and repair costs. See Attachment B, Section 1, of the grant, relating to limitations on TWC’s liabilities under the grant.)

When the property is no longer needed for grant-funded activities, the property must be disposed of in accordance with applicable requirements. For property that meets the definition of equipment, see the disposition requirements published in FMGC 13.11 and 13.12. For property that meets the definition of supplies, see the disposition requirements published in FMGC 13.13.

In some cases, FMGC requires the grantee to follow the more specific disposition instructions published in TWC Form 7300, Notice of Excess Property.

Note: Depending on the property’s classification as equipment or supplies at the time of purchase and the property’s fair market value at the time of disposition, it may be necessary for the grantee to credit the original registered apprenticeship program by remitting compensation to TWC before using the property for other training activities or otherwise disposing of the property.

### Other Allowable Expenditures

**Sales Tax**

The sales tax that a grantee is legally required to pay is allowable under grants funded by an ATP grant, if the purchase on which the tax is assessed is allowable under the grant. Sales tax is not allowable, for example, if the grantee making the purchase is exempt from paying sales tax. See the Uniform Grant Management Standards (UGMS) Part 11, Attachment B, Item 41, and Office of Management and Budget (OMB) Uniform Guidance, 2 CFR §200.470.

**Portable Storage**

Portable storage structures are considered adequate for effectively administering the grant project, provided that:

- the registered apprenticeship program has properly procured the storage;
- the storage is kept in a secure location that cannot be easily removed from the property;
- the storage is locked;
- the storage has limited access;
- the storage is **not** used to store sensitive or personally identifiable information or files; and
- the registered apprenticeship program will continue to participate in and be funded under TWC’s ATP. (See TEC §133.002(g).)
Storage Funded Solely by ATP

If the storage is funded solely by the ATP grant:

- the storage must be used for grant-funded activities only; and
- the registered apprenticeship program property on which the storage is located must be adequately insured, regardless of where it is stored.

Property Ownership

Grant awards for ATP grants are funded with a mix of federal WIOA funds and the state’s General Revenue funds (see TEC Chapter 133).

Accordingly, the grant requires that activities conform to applicable administrative requirements, including the requirements published in the federal UGMS, in TWC’s FMGC, and in OMB Circulars A-102 and A-110. These requirements contain property standards that govern the acquisition, ownership, use, management, and disposition of property that the grantee must read and understand, and with which the grantee must comply.

Property requirements are as follows:

- The grantee must classify real property as either equipment or supplies.
- The grantee must make the classification when the property is purchased.
- The grantee must classify an article of property as equipment if when purchased it had a useful life of more than one year and a per unit acquisition cost of $5,000 or more.
- If the property did not meet the definition of equipment when it was purchased, then the grantee must classify the property as a supply. (See FMGC Appendix A.)

Ownership of property that is purchased with grant funds is dictated by requirements that govern vesting of the title. When a grantee uses grant funds to purchase property, the title becomes legally vested to the grantee. (See FMGC 13.1.) However, because the grantee purchased the property with grant funds, the government maintains an interest in the property until the property is properly disposed of in accordance with applicable requirements.

Transference of Property (Equipment)

Once acquired, equipment must be used for the originally authorized purpose for as long as it is needed, even if ATP grant support is discontinued. While the equipment is needed for the originally authorized purpose, the equipment must be used only by the apprenticeship program or project for which it was acquired.

If an apprenticeship program changes its LEA partner, ownership of the equipment that was acquired through the previous LEA must be transferred to the new LEA.
Leveraging Resources through Coordinated Efforts

All registered apprenticeship programs that ask to be included on the Eligible Training Provider List are automatically eligible to receive federal workforce funding under WIOA as preapproved training providers for the workforce system. WIOA funds can support registered apprenticeship programs, such as funding for classroom training, on-the-job training, and support services.

The Work Opportunity Tax Credit (WOTC) is one of several workforce programs that enhance workplace diversity and facilitate access to good jobs for Texas workers. WOTC encourages employers to hire apprentices from certain targeted groups that have consistently faced significant barriers to employment.

Local Adult Education and Literacy (AEL) providers help by screening and assessing apprentices to determine their proficiencies in math, reading, writing, and English, and to identify educational opportunities.

Unallowable Expenditures

Out-of-State Training

The costs of out-of-state training are not permissible under ATP grant funds. ATP grant funds may not be used for out-of-state training or for out-of-state travel expenses, including per diem, airfare, mileage, lodging, and registration fees. Out-of-state training and travel costs are unallowable uses of ATP grant funds.

Events Not Directly Related to Program Training

Key personnel assigned to the implementation and administration of the grant objectives may not use ATP grant funds to attend events, conferences, or meetings that do not directly correlate to the administration of the grant objectives or related classroom training.

Most Recent Update: June 18, 2019
Appendix C Resources

This appendix serves as a primary reference to help grantees fulfill their fiscal responsibility to safeguard grant funds and ensure that they are used for the purposes for which they were awarded. The guide is a day-to-day management tool for grantees and may also be used by subgrantees in administering their grant projects.

Office of Management and Budget (OMB) Circulars

Instructions or information issued by OMB to federal and state agencies.

<table>
<thead>
<tr>
<th>Administrative Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OMB Circular A-102</strong>: Grants and Cooperative Agreements with State and Local Governments</td>
</tr>
<tr>
<td><strong>OMB Circular A-110</strong>: Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations</td>
</tr>
<tr>
<td>(codified at 28 CFR Part 70)</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Cost Principles</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OMB Circular A-21</strong>: Cost Principles for Educational Institutions</td>
</tr>
<tr>
<td>(codified at 28 CFR Part 66, by reference)</td>
</tr>
<tr>
<td><strong>OMB Circular A-87</strong>: Cost Principles for State, Local, and Indian Tribal Governments</td>
</tr>
<tr>
<td>(codified at 28 CFR Part 66, by reference)</td>
</tr>
<tr>
<td><strong>OMB Circular A-122</strong>: Cost Principles for Non-Profit Organizations</td>
</tr>
<tr>
<td>(codified at 28 CFR Part 66, by reference)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Audit Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OMB Circular A-133</strong>: Audits of States, Local Governments and Non-Profit Organizations</td>
</tr>
<tr>
<td>(codified at 28 CFR Part 66 and Part 70)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Federal Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>The National Apprenticeship Act</td>
</tr>
<tr>
<td>29 USC §50</td>
</tr>
<tr>
<td>Labor Standards for the Registration of Apprenticeship Programs</td>
</tr>
<tr>
<td>29 CFR Part 29</td>
</tr>
</tbody>
</table>
## State Resources

<table>
<thead>
<tr>
<th>Resource</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apprenticeship System of Adult Career and Technology Education</td>
<td>Texas Education Code, Chapter 133</td>
</tr>
<tr>
<td>Consequences of Criminal Conviction</td>
<td>Texas Occupations Code, Chapter 53</td>
</tr>
<tr>
<td>Texas Workforce Commission Apprenticeship Training Program Rules</td>
<td>40 Texas Administrative Code (TAC) Chapter 837</td>
</tr>
<tr>
<td>Texas Workforce Commission Integrity of the Texas Workforce System Rules</td>
<td>40 TAC Chapter 802</td>
</tr>
</tbody>
</table>