



Office of Inspector General Apprenticeship Program

Report # A-2021DOE-009

November 2021

Executive Summary

In accordance with the Department of Education's fiscal year (FY) 2020-21 audit plan, the Office of Inspector General (OIG) conducted an audit of the Apprenticeship Program overseen by the Apprenticeship Section within the Division of Career and Adult Education (DCAE). The purpose of the engagement was to ensure the Apprenticeship Section had sufficient internal controls over the registration of apprenticeship and preapprenticeship programs and monitored the programs in compliance with laws, rules, and regulations.

During this audit we noted that, in general, the Apprenticeship Section had sufficient internal controls for the registration of apprenticeship and preapprenticeship programs. We reviewed a sample of apprenticeship and preapprenticeship program registration packets to ensure the Apprenticeship Section appropriately registered programs in accordance with laws, rules, and regulations. We determined all of the reviewed files contained the required elements for registration. However, we identified opportunities for strengthening controls associated with the State Apprenticeship Advisory Council (SAAC) and monitoring of apprenticeship programs. For example, we noted the SAAC is not in compliance with the requirements outlined in the Code of Federal Regulations (CFR). During the scope of the audit, all appointed members served beyond their original four-year terms, and the SAAC did not meet at the frequency required by the CFR. We also noted the Apprenticeship Section did not conduct Provisional Quality Assurance Assessments and Quality Assurance Assessments at the frequency outlined in the CFR. Additionally, the assessment documentation maintained at headquarters was incomplete and inconsistent. The Audit Results section provides details of the instances noted during our audit.

Scope, Objectives, and Methodology

The scope of the audit included preapprenticeship and apprenticeship program registrations, quality assurance assessments, the State Apprenticeship Advisory Council members and meetings, and apprenticeship grants from July 1, 2019, through December 31, 2020. The objectives of the audit included:

1. Determining if the Division of Career and Adult Education has an effective process in place to oversee the apprenticeship programs and related agreements in accordance with laws, rules, and regulations.

2. Determining if the Division of Career and Adult Education conducts registration of apprenticeship and preapprenticeship programs in accordance with laws, rules, and regulations.

To accomplish our objectives, we reviewed applicable laws, rules, and regulations; interviewed appropriate Division of Career and Adult Education staff; reviewed policies, procedures, and related documentation; reviewed the State Apprenticeship Advisory Council composition and meeting schedule; reviewed a sample of preapprenticeship and apprenticeship registrations; reviewed a sample of apprenticeship program monitoring; and reviewed a sample of apprenticeship grants.

Background

The United States Department of Labor (USDOL) recognizes the Florida Department of Education as the authorized registration agency for apprenticeship programs. The Apprenticeship Section within the Florida Department of Education, Division of Career and Adult Education is authorized to implement and oversee the management of Florida's registered apprenticeship programs and serves approximately 200 registered apprenticeship programs throughout the state. In order to earn and maintain the USDOL recognition as the State Apprenticeship Agency, the Apprenticeship Section must establish and continue to use a State Apprenticeship Council. The role of the Council is to represent the apprenticeship community and advise the department on matters relating to registered apprenticeship programs.

The purpose of the registered apprenticeship program is to enable employers to develop and apply industry standards to training programs for registered apprentices that can increase productivity and improve the quality of the workforce. Registered apprenticeship programs combine employer-driven education and employment training with on-the-job training to provide individuals with opportunities to attain industry recognized credentials while earning progressively higher wages. Florida's registered apprenticeship programs require five core components: business involvement; structured on-the-job training; related technical instruction; rewards for skill gains; and a nationally recognized credential. Apprenticeship programs can be sponsored by a single employer, a group of employers, a trade association, a local workforce development board, a public or private education provider, a community or faith based organization, or any other entity that complies with federal and state regulations. The sponsors are responsible for all aspects of a registered apprenticeship program. Each registered apprenticeship program operates independently and establishes its application process and minimum qualifications. Certifications earned through registered apprenticeship programs are nationally recognized. USDOL's Registered Apprenticeship Partners Information Data System (RAPIDS) is used for the registration of apprenticeship programs and provides individual apprentice and sponsor data.

In addition to apprenticeship programs, the Apprenticeship Section is responsible for registering preapprenticeship programs. Registered preapprenticeship programs prepare individuals to enter and succeed in a Florida registered apprenticeship program. A preapprenticeship program is defined as an organized program of instruction offered in a public school system, or elsewhere, designed to prepare a person 16 years of age or older to become an apprentice. The program

must be approved by, and registered with, the department and sponsored by a registered apprenticeship program. Individuals who successfully complete a registered preapprenticeship program earn a preapprenticeship certificate issued by the department.¹ The Apprenticeship Section does not have a centralized mechanism for registering preapprenticeship programs and preapprentices. Currently, all records relating to preapprenticeship programs are retained at the Apprenticeship and Training Representatives' (ATR) field offices. An ATR is an "individual representative of the Registration Agency, properly authorized to act on behalf of that agency in matters concerning apprenticeship, preapprenticeship, and on-the-job training." They are Department of Education staff located at the nine regional offices throughout the state.

The Apprenticeship Section is also responsible for reviewing the performance and operations of apprenticeship programs in accordance with Title 29 CFR Part 30. This includes Provisional Quality Assurance Assessments (PQAA), Quality Assurance Assessments (QAA), and Equal Employment Opportunity (EEO) Compliance Reviews. The PQAA/QAA reviews utilize the same metrics, which are outlined by USDOL. The difference between the PQAA and QAA is the date of occurrence. The PQAA should be conducted after the one-year registration anniversary, and the QAA should be conducted no less frequently than every 5 years after the completion of the PQAA. Per Title 29 CFR Part 30 "the Registration Agency will regularly conduct EEO compliance reviews to determine if the sponsor maintains compliance with this part, and will also conduct EEO compliance reviews when circumstances so warrant." The ATR training manual states that EEO Compliance Reviews may be conducted each time a program exercises their selection procedure, selects apprentices, once every 12 months, when a complaint is filed, or when the QAA is performed.

Audit Results

Finding 1: The State Apprenticeship Advisory Council (SAAC) is not in compliance with the requirements outlined in CFR 29 Part 29, regarding the committee members currently serving and the frequency of the SAAC meetings.

The department is granted recognition, by USDOL, to serve as the State Apprenticeship Agency. Per Title 29 CFR Part 29.13, in order to earn and maintain recognition as the State Apprenticeship Agency, the Agency must establish and continue to use a State Apprenticeship Council. Florida established the State Apprenticeship Advisory Council (SAAC) to provide advice and recommendations on the operation of Florida's apprenticeship system. Per section 446.045, Florida Statutes, the SAAC does not have the authority to establish rules or policies, nor do they have the authority to determine whether particular apprenticeship programs should be approved by the department.

Per state and federal guidelines, the State Apprenticeship Council may be either regulatory or advisory and must meet the following requirements:

- It must be composed of persons familiar with apprenticeable occupations;
- It must include an equal number of representatives from employer and employee organizations and include public members;

¹ Florida's Annual Apprenticeship and Preapprenticeship Report - Program Year 2019-20

- The committee is to be composed of ten (10) voting members appointed by the Governor and two (2) ex officio nonvoting members;
- The Commissioner of Education or the Commissioner's designee shall serve ex officio as the nonvoting chair of the State Apprenticeship Advisory Council;
- Florida's director of the Office of Apprenticeship of the United States Department of Labor shall serve ex officio as a nonvoting member of the council;
- The Governor shall appoint, to serve 4-year staggered terms, four members representing employee organizations, four members representing employer organizations, and two public members with knowledge of apprenticeship/apprenticeable occupations who are independent of any organization;
- The committee shall meet at least twice a year; and
- The council shall maintain minutes of each meeting, to be made publicly available.

We reviewed the committee member roster and meeting minutes available on the department website² and determined the SAAC committee is currently comprised of four voting members and two nonvoting members. Of the four voting members, three represent employer organizations and one is a public member. This composition does not meet the requirements of the Florida Statute and leaves employee organizations underrepresented in matters addressed by the SAAC. Additionally, all the appointed members are serving beyond their original four-year term. During the scope of our audit, we confirmed the department requested new committee appointments and recommended individuals for the positions to the Executive Office of the Governor. The department submitted the first communication April 7, 2020, the second communication on September 15, 2020, and submitted a follow-up on October 26, 2020. Finally, per the department website, the last SAAC meeting occurred on April 10, 2019. Therefore, the SAAC is noncompliant with the bi-annual meeting requirements.

Lack of compliance with the Code of Federal Regulations and Florida Statutes could potentially put the recognition of the department as a State Apprenticeship Agency at risk. Furthermore, employer organizations are currently overrepresented, which could lead to decisions being made without employee interests and concerns being represented.

Recommendation

We recommend DCAE continue to seek to fill all positions in accordance with the Code of Federal Regulations and the Florida Statutes and document its efforts. We additionally recommend the SAAC resume meeting bi-annually and maintain publicly available minutes of each meeting in accordance with the Code of Federal Regulations.

Apprenticeship Management Response

Concur. The Department will continue to work with the Executive Office of the Governor to support the appointment of the 10 voting members required for the SAAC. As soon as the appointments are made, the Bureau Chief for Standards, Benchmarks and Frameworks will

² <http://www.fldoe.org/academics/career-adult-edu/apprenticeship-programs/state-apprenticeship-advisory-council/>

convene the SAAC and host a subsequent meeting with the general counsel’s office to conduct training on Florida sunshine laws.

All meetings will be publicly noticed in the Florida Administrative Weekly. In addition, all registered Apprenticeship programs will be notified of the scheduled meeting. The anticipated completion date is February 2022.

Finding 2: The Apprenticeship Section did not conduct Provisional Quality Assurance Assessments and Quality Assurance Assessments at the frequency outlined in Title 29 CFR §29 and §30.

Provisional Quality Assurance Reviews

Title 29 CFR Part 29.3 states “Applications for new programs that the Registration Agency determines meet the required standards for program registration must be given provisional approval for a period of 1 year.” “The Registration Agency must review all new programs for quality and for conformity with the requirements of this part at the end of the first year after registration.” “Programs not in operation or not conforming to the regulations must be recommended for deregistration procedures.” Title 29 CFR Part 29.6 states, “Every registered apprenticeship program must have at least one registered apprentice, except for the following specified periods of time, which may not exceed 1 year: between the date when a program is registered and the date of registration for its first apprentice(s) and between the date that a program graduates an apprentice and the date of registration for the next apprentice(s) in the program.”

To ensure first year provisional monitoring occurred within the timeframe stipulated by the CFR, we identified the apprenticeship programs, via the RAPIDS database, with a 1-year registration anniversary date in FY 2018-19 and 2019-20. We then compared the RAPIDS list to the provided *Quality Assurance Assessments and Compliance Reviews (Provisional)* spreadsheet, which identified the Provisional Quality Assurance Assessments scheduled to be completed in FY 2018-19 and 2019-20.

FY	Number of programs, identified using RAPIDS, with a 1-year anniversary in this FY	Number of Assessments to be Completed According to PQAA Schedule (D + E)	Number of Assessments Completed during same FY as anniversary	Number of Assessments Completed More than 1 year after Anniversary Date	Number of Assessments not Completed per the PQAA Schedule
18-19	18	8	5	3	10
19-20	28	13	3	10	15

We reviewed the files of the ten programs not listed on the department’s PQAA schedule for FY 2018-19 and determined none of the ten program files stored at the department included documentation of a completed PQAA. Upon inquiry, the Apprenticeship Director explained that three programs, while showing a location in Florida in the RAPIDS system, were registered in other states; therefore, the department does not have jurisdiction and is not required to complete an assessment on those programs. Additionally, we found three programs that received a PQAA, but the documentation was either not submitted into RAPIDS or not submitted to the department headquarters and had to be retrieved from the field offices. The Program Director was able to

provided evidence that the ATRs completed the three PQAAs. The remaining four programs did not receive an assessment because they did not have any registered apprentices. Two programs voluntarily terminated registration during the course of the audit. The final two programs remain registered in RAPIDS. According to Title 29 CFR Part 29.6; “Every registered apprenticeship program must have at least one registered apprentice, except for the following specified periods of time, which may not exceed 1 year between the date when a program is registered and the date of registration for its first apprentice(s).” For the 2018-19 fiscal year, we determined the ATRs completed three assessments more than one year after the due date and failed to deregister four other programs that had no registered apprentices after twelve months.

Of the fifteen programs not listed on the department’s PQAA schedule for FY 2019-20, eleven reflected active apprentices. We reviewed the program files at department headquarters and found only one of the eleven program files included documentation of a completed PQAA. For the 2019-20 fiscal year, we determined the ATRs completed 10 assessments more than one year after the due date, the ATRs failed to complete 10 other assessments by the end of our fieldwork, and the ATRs did not complete four assessments because the program had no registered apprentices. According to Title 29 CFR Part 29.6; “Every registered apprenticeship program must have at least one registered apprentice, except for the following specified periods of time, which may not exceed 1 year between the date when a program is registered and the date of registration for its first apprentice(s).” The ATRs did not deregister any of the four programs.

5-Year – Quality Assurance Assessments

Title 29 CFR 29.3(h) states “The Registration Agency must review all programs for quality and for conformity with the requirements of this part at the end of the first full training cycle. A satisfactory review of a provisionally approved program will result in conversion of provisional approval to permanent registration. Subsequent reviews must be conducted no less frequently than every five years. Programs not in operation or not conforming to the regulations must be recommended for deregistration procedures.”

We reviewed the RAPIDS database to identify all programs due for a 5-year quality assurance assessment during the scope of the audit. Per the Apprenticeship Director, RAPIDS received a systems upgrade in 2017, and a byproduct of the upgrade was a reset of all the programs back to provisional certifications. Therefore, the Apprenticeship Section could not produce a report of each program’s last monitoring date, which hindered our ability to identify which programs were due for monitoring.

In order to determine which programs are due for monitoring each year, the Director of Apprenticeship establishes a scope of work with each of the ATRs that includes a list of programs to receive a quality assurance review in the coming year. This selection process relies on the ATRs to know which programs are due for review. Per the director, not all of the ATRs have a completed scope of work due to restructuring.

The program area additionally provided a list of the QAAs conducted in FY 2018-19, 2019-20, and 2020-21. We compared the list of QAAs conducted in each fiscal year to the list of registered programs we identified as having a 6-year anniversary during the same fiscal year.

We identified these programs by using the registration date listed in the RAPIDS Registered Program Data. We selected a 6-year anniversary since each program should have received a PQAA at the end of the first year and a QAA five years after that.

FY	Number of programs, identified using RAPIDS, with a 6-year anniversary in this FY (5 years after PQAA should have been completed)	Number of Assessments Completed per the QAA Schedule	Number of Assessments not Shown as Completed on the QAA Schedule and No QAA Documents in the File
18-19	4	1	3
19-20	0	0	0
20-21	5	1	4

Of the nine programs that we determined required a QAA during our audit period, only two programs received the required assessment. We found no evidence that the other seven programs received the QAA as required in the CFR.

QAA Frequency

Per the Apprenticeship Director, RAPIDS does not provide reports that include the dates of completed PQAAs, QAAs, and EEOs. In addition, the program area does not maintain a master tracking spreadsheet that lists each program, the date of the PQAA, dates of QAAs, and dates of EEOs. The program area also does not have a spreadsheet indicating when the assurance reviews are due. The lack of a report available through RAPIDS, or any type of internal tracking method, to track when assurance reviews are due hinders the department's ability to determine which programs are due for an assurance review and ensure programs receive their quality assurance in accordance with the CFR. Due to the difficulty identifying the programs due for assessment, we randomly selected fifteen files of registered programs to ensure the Apprenticeship Section completed the assurance reviews in accordance with the CFR. The registration dates of the programs selected for review ranged from 1946 to 2013. Upon review of the selected files, we determined five of the fifteen files did not include documentation of a completed QAA or EEO compliance review. Of the remaining ten program files reflecting a completed QAA, the documentation submitted was inconsistent.

We additionally noted four of the ten files reflected the program was overdue for a five year QAA based on the date of the most recent QAA. The most recent QAAs for the ten files occurred between June 8, 2011, and October 27, 2020. Seven of the ten files reflected a previous QAA occurring within five years of the most recent QAA. For the remaining three files, two did not include documentation of a previous QAA and one occurred twenty years prior to the most recent QAA.

Per the Apprenticeship Section, they did not complete a number of quality assurance assessments due to long-term vacancies in ATR positions. In addition, one ATR, at the instruction of the Apprenticeship Director, selected a percentage of the programs due for an assessment each year due to the large number of programs. The lack of an internal tracking mechanism and inconsistent records maintained in the program files hinders the department's ability to ensure

and demonstrate compliance with the CFR. Additionally, for PQAA, QAA, and EEO compliance reviews completed; the documentation maintained in the official program files at the department was inconsistent, incomplete, and did not provide a complete picture of the monitoring activities conducted. This practice also hinders the department's ability to consistently perform assurance reviews in accordance with rules and regulations. Relying solely on ATRs to identify when programs are due for review allows errors to occur and go undetected and hinders management's ability to ensure all programs are appropriately monitored.

Recommendation

We recommend the Apprenticeship Section conduct Provisional Quality Assurance Assessments and subsequent Quality Assurance Assessments in a timely manner as required in the Code of Federal Regulations. To assist the section in ensuring the timeliness of assessments, the section should develop an internal log to track quality assurance activities. The log, at minimum, should include all the registered programs, date of registration, length of training cycle, date of the completed PQAA, date of the last completed QAA, date of the completed EEO Compliance Reviews, and the next QAA due date. This practice would allow for continuity of work if there is a change in personnel. We additionally recommended the Apprenticeship Section conduct a comprehensive assessment of their programs to document the dates of the last completed assurance reviews and ensure quality assessments are conducted in the timeframes required by the CFR.

We recommend the department ensure the documentation of assurance and compliance reviews submitted to headquarters is consistent, as this serves as the program's official file. The quality assurance assessment file maintained at the department should, at minimum, include a copy of the RAPIDS entry page; the Apprenticeship Program Quality Assessment form, the QAA-Final outcome letter, and documentation of any required follow-up. The records for EEO Compliance Reviews, at minimum, should contain the EEO checklist, the completed EEO Compliance Review Guide, and a final outcome letter, if separate from the QAA-Final Outcome Letter. Additionally, we recommend the Apprenticeship Section update the ATR manual to require the ATRs to submit assessment documents to the department.

Apprenticeship Management Response

Concur. The Office of Apprenticeship (OA) (located in the Division's Bureau of Standards, Benchmarks and Frameworks) will conduct the following steps to achieve full compliance with both the Code of Federal Regulation and State Board of Education rule:

1. Build master PQAA and QAA tracking system that contains the fields recommended by the IG's office. The target completion date is December 15, 2022.
2. Prioritize the immediate scheduling of overdue PQAA and QAAs of any registered program in conjunction with Apprenticeship Training Representatives with a tentative target completion of March 31, 2022 for any overdue program. Of the programs overdue for either a PQAA or QAA, programs with registered apprentices will be scheduled first followed by overdue programs that do not have registered apprentices.

In addition, the OA will document revised processes in the ATR manual and will develop a separate training guide on the PQAAs and QAAs. Furthermore, the Bureau Chief is requesting that USDOL Regional 3 representatives provide a comprehensive training to the team in early 2022 on PQAA and QAA best practices.

Closing Comments

The Office of the Inspector General would like to recognize and acknowledge the Apprenticeship Section and staff for their assistance during the course of this audit. Our fieldwork was facilitated by the cooperation and assistance extended by all personnel involved.

To promote accountability, integrity, and efficiency in state government, the OIG completes audits and reviews of agency programs, activities, and functions. Our audit was conducted under the authority of section 20.055, F.S., and in accordance with the International Standards for the Professional Practice of Internal Auditing, published by the Institute of Internal Auditors, and Principles and Standards for Offices of Inspector General, published by the Association of Inspectors General. The audit was conducted by Melissa Melendez del Rosario and supervised by Tiffany Hurst, CIA, FCCM, Deputy Inspector General.

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