

MEMORANDUM

SUBJECT: A Social Compact for Alabama Founded on Competency-Based Human Capital Development

Executive Summary

Governor Ivey is committed to meeting the Alabama postsecondary attainment goal of adding 500,000 credential holders to the workforce and raising Alabama's labor force participation rate of 57.3 percent to the national average of 63.1 percent by 2025 through human capital development and a new social compact between the workforce and Alabama's employers. Stackable, trackable, portable, and transferable industry-recognized credentials that are linked to fast-growing, high-wage, and high-demand career pathways will create career pathways for in-school youth based on work-based learning and credential attainment and will provide multiple points of entry and exit from the workforce for adults who need to earn competency-based credentials to reenter the workforce or upskill. A currency of credentials of value will create a reciprocal feedback loop between employers and the workforce by signaling progressive wage increases, upward mobility within a firm, and the potential for lateral transfers within and between industry sectors. A credential currency will also signal to many people who are disengaged from the workforce, who are also economically disadvantaged and socially at-risk, that entry into a skill- and competency-based career pathway is also a path into economic security.

Aligning Alabama's Workforce System through the Four-Year WIOA Plan

Governor Ivey will submit a new four-year WIOA state combined plan in 2020. The ALSDE will become a partner to the combined state WIOA plan in 2020. The timing for submitting the combined state plan should allow for submission of the final state plan by no later than April 2020. Under WIOA, the Governor of each state must submit a Unified or Combined State Plan to the U.S. Secretary of Labor that outlines a four-year strategy for the state's workforce development system. At a minimum, a state must submit a Unified State Plan that includes a plan for the six core WIOA programs. However, a state may also submit a Combined State Plan that includes other workforce development programs, such as secondary and postsecondary CTE programs funded under the Carl D. Perkins Act.¹ Of the 57 states, districts, and territories that submitted a WIOA state plan, 30 submitted combined state plans.² Alabama submitted a combined state plan for 2016-2019; however, CTE programs were not included in the plan. Alabama's Combined State Plan does include the Temporary Assistance for Needy Families (TANF) program; the Veterans' Administration workforce programs; the Supplemental Nutrition Assistance Program (SNAP); and the Senior Community Service Employee Program, a work-based training program funded at \$434 million nationally for seniors.³ Furthermore, WIOA requires 75 percent of the Title I state and local youth funds to be devoted to out-of-school youth; whereas, the Workforce Innovation Act (WIA), which preceded WIOA, only required 30 percent of youth funds to be devoted to out-of-school youth.⁴ However, several states (Michigan, Minnesota, Northern Mariana Islands, Illinois, Puerto Rico, Texas and Ohio) have been granted WIOA waivers by the U.S. Secretary of Labor to reduce the out-of-school youth requirement to 50 or 60 percent to support work-based learning for at-risk, in-school students.⁵ Furthermore, Texas, Ohio, and Utah have received waivers to allow local boards to provide in-school youth with individual training accounts (ITA). WIOA requires training services provided to eligible Title I adults,

¹ *Required Elements for Submission of the Unified or Combined State Plan and Plan Modifications under the Workforce Innovation and Opportunity Act*, U.S. Department of Labor, 18 December 2018, accessed on 30 July 2018 <<https://doleta.gov/wioa/docs/December17-ICR-State-Plan-Modification.pdf>>.

² *Workforce Innovation Opportunity and Act State Plans*, U.S. Department of Education, accessed on 31 July 2018 <<https://www2.ed.gov/about/offices/list/osers/wioa/state-plans/index.html>>.

³ *WIOA State Plan for the State of Alabama, 2016-2019*, accessed on 30 July 2018 <<https://doleta.gov/wioa/docs/December17-ICR-State-Plan-Modification.pdf>>.

⁴ Wu, Portia, Assistant Secretary, U.S. Department of Labor, *Workforce Innovation and Opportunity Act Youth Program Transition*, (TEGL WIOA 23-14), pg. 4.

⁵ *Approved WIOA Waivers as of July 12, 2018*, U.S. Department of Labor, accessed on 31 July 2018 <https://www.doleta.gov/wioa/Docs/Approved_WIOA_Waivers_July_12_2018.pdf>.

youth, and dislocated workers to be on an Eligible Training Provider List (ETPL). WIOA Title I clients may use their ITAs to procure services on the ETPL.⁶

The U.S. Congress passed the Strengthening Career and Technical Education for the 21st Century Act of 2018 (Perkins V), a six-year reauthorization of Perkins on Wednesday, July 25, 2018. The reauthorization provides a federal definition for work-based learning, permits the braiding of WIOA and Perkins funding to provide more robust apprenticeship opportunities beginning in high school, adopts performance indicators similar to the performance indicators designed for the six WIOA core programs, adopts WIOA definitions (career pathway, in-demand occupation, recognized post-secondary credential, and industry and sector partnership), and reduces the length of time covered under a Perkins state plan from six years to four years (the same length as WIOA) to encourage alignment, requires the Perkins fiscal agent to consult with WIOA state and local workforce boards and the Governor when developing the Perkins state plan, and requires the fiscal agent to allow the Governor to sign off on the state plan before it is submitted to the U.S. Secretary of Education. Perkins V also permits states to set their own annual targets on the core indicators of performance at both the secondary and postsecondary education levels without approval from the Secretary of Education and the flexibility needed to pursue innovative ways to deliver work-based learning (including pay for success programs), to construct a college and career exploration tool, and to align CTE programs to workforce and industry needs.⁷

Alabama Committee on Credentialing and Career Pathways (ACCCP)

To make progress against Alabama's postsecondary education attainment goal of adding 500,000 credential holders to the workforce by 2025, Alabama is establishing a committee of the Alabama Workforce Council (Alabama's blue-ribbon business investment council) called the Alabama Committee on Credentialing and Career Pathways (ACCCP). The ACCCP, and its series of technical advisory committees composed of business and industry members representing each sector, will be responsible for evaluating credentials and determining if they should be placed on the Alabama Compendium of Valuable Credentials—Alabama's list of credentials of value. Eligible credentials must be (1) required by law, mandated by industry, or preferred by industry (as determined by the technical advisory committees when evaluating competencies required for an industry); (2) aligned to a regional or statewide in-demand career pathway; (3) endorsed by an industry association; (4) achievable by secondary or postsecondary students; (5) determined after a number of hours and levels of competencies determined by each sponsoring technical advisory based on industry guidance; (6) stackable; (7) provide a wage premium over a high school diploma; (8) trackable by the ATLAS on Career Pathways, the state's longitudinal database system; and (9) portable within and across industry sectors. Alabama anticipates beginning the process of including credentials on the compendium of valuable credentials by the end of 2019. The P-20W Council, consisting of each of the agency heads who are a partner to the ATLAS on Career Pathways, will work with all agencies involved with secondary and postsecondary education and workforce training in Alabama to institute best practices for sharing verifiable student learning records and data on non-degree credentials, in accordance with best practices established by the National Student Clearinghouse, the Quality Assurance Commons for Higher and Postsecondary Education, the Comprehensive Digital Learner Record standard, and the Competency Calibrator.

Industry-recognized credentialing organizations will be a required partner for vetting credentials of value added to the Alabama compendium of valuable credentials. State-level credential organizations, based on industry sector and working through the relevant technical advisory committee (TAC), will be consulted when national, sector-level credentialing organizations are not available for participation. Each industry sector will be represented by a TAC, and the TAC will develop an industry-endorsed technical and academic competency model for each occupation code within the industry. Each competency model will include an approved,

⁶ *The Workforce Innovation and Opportunity Act*, Title I, Public Law 113-128 (29 U.S.C. Sec. 3101, *et. seq.*).

⁷ Parker, Stephen, *Summary—Strengthening Career and Technical Education for the 21st Century Act of 2018*, National Governor's Association, 25 June 2018.

stackable sequence of industry-recognized credentials. Requiring employer participation in the identification of valuable credentials for inclusion on the Alabama compendium of valuable credentials will generate more interest among employers in hiring credentialed employees possessing the competencies reflected in stackable credential sequences vetted by the ACCCP. Alabama is also aligning its CTE and WIOA funds to the in-demand career pathways and credentials of value identified by the ACCCP. Recognized credential attainment will be chosen as the state determined indicator of program quality for Alabama's Perkins V state plan. The competency models developed by each TAC will establish credential attainment as the "common denominator" between progression from secondary to postsecondary education and training programs. Alabama will reach the "tipping point" goal of publishing over half of the credentials in the state to the ATLAS on Career Pathways by 2022.

Using Data to Establish Employer Signals and Career Pathways Based on Stackable Credentials

Alabama is collaborating with the Lumina Foundation, the National Skills Coalition, and the Workforce Data Quality to establish a standardized protocol to inventory and publish credentials. The ATLAS on Career Pathways, the state's longitudinal database system, will serve as Alabama's credential registry. As part of the process of vetting a credential for inclusion on the Alabama compendium of valuable credentials, the state's list of credentials of value, relevant credential data will be published to the ATLAS on Career Pathways. Each credential application submitted to the ACCCP for review will be referred to a TAC. The TACs will publish information on each credential, whether or not it is selected for inclusion on the Alabama compendium of valuable credentials. The ACCCP will adopt a process for the TACs to publish credential information as structured linked data in the Credential Transparency Description Language (CTDL) and the Credential Transparency Description Language - Achievement Standards Network (CTDL-ASN) using the JSON-LD format, based on standards established by schema.org. Using the CTDL-ASN as the format for publishing credential in the ATLAS on Career Pathways will enhance the scope of audiences who use the ATLAS on Career Pathways to access credentialing information—including students and workers, counselors and career coaches, employers and educators, and policymakers. Furthermore, the Alabama College and Career Exploration Tool (ACCET) will be designed to serve as a digital resume to display industry-recognized credentials and progress against established competency models. Credential information displayed through the ACCET will signal to employers that a worker or student possess the requisite skills for either an entry-level job or a progressive wage increase as a result of mastering the next competency within a stackable sequence.

Enhancing credential transparency is key to Governor Ivey's workforce development strategic plan. By providing a standardized process for vetting and publishing data on credentials of value and mapping credentials to workforce competencies, stackable sequences mapped to competences, and traditional degrees will make non-degree credential attainment an indelible component of Alabama's workforce system and labor market. Vetting credentials through the ACCCP, publishing data on credentials submitted to the ACCCP to the ATLAS on Career Pathways, and then allowing students and workers to display credentials of value they have earned through their profile on the ACCET will provide for a credential currency in Alabama that could result in a paradigm shift in relations between individuals and the education and workforce training system and between the workforce and employers by signaling to employers that they should reward employees with progressive wage increases and increased responsibility for mastering advanced competencies. Portable, verifiable credentials will also allow policymakers to asset-map and heat-map areas of strength and deficiency in the public workforce investment system, based on a review of longitudinal labor market information and metadata produced by credential earners who are linked to the ACCET and ATLAS on Career Pathways. Creating a market language for credentials through credential transparency will produce a more intentional pathway for Alabamians who determine to pursue a competency-based education as a pathway into the middle class. Outcomes data on persistence within career pathways and progress against the Alabama postsecondary attainment goal and labor force participation rate among subgroups, industry clusters, and within each of Alabama's seven geographic workforce development regions will drive iterative adjustments to the ACCCP, ATLAS, and ACCET protocol for maintaining the quality assurance of non-degree credentials of value.

The Alabama Terminal on Linking and Analyzing Statistics (ATLAS) on Career Pathways and the Alabama College and Career Exploration Tool (ACCET)

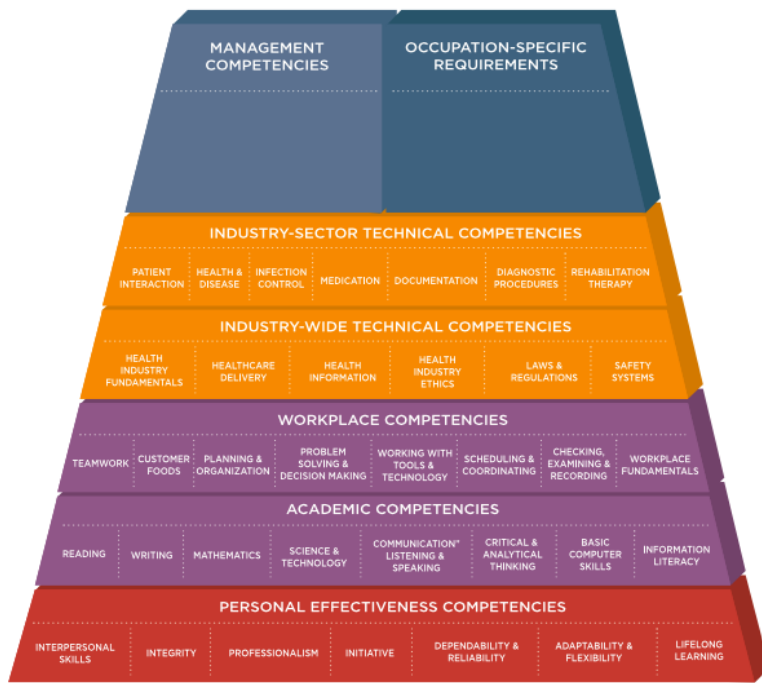
Credential engine data will be used to standardize the series of stackable credentials of value that are mapped to each valuable O*NET code and career pathway identified through the ATLAS on Career Pathways. The ACCCP serves as the state body responsible for vetting credentials to establish regional and statewide compendia of valuable credentials. The Credential Transparency Description Language (CTDL) will be used to trace and verify credentials and providers that are entered into the ATLAS on Career Pathways and the compendia of valuable credentials. The Credential Transparency Description Language - Achievement Standards Network (CTDL-ASN) data will be used to standardize the competencies associated with each career pathways developed by the ACCCP's sixteen (16) technical advisory committees, which represent each industry sector. Thus, the CTDL-ASN data from credential engine will be used by the ACCCP to harmonize credential and competency data to develop fully-articulated and standardized competency-models and associated stackable credential progressions for each in-demand career pathway in Alabama. As a derivative of the ATLAS on Career Pathways, Alabama is establishing the ACCET, which will serve as a one-stop hub for accessing employment, education, and training services. The ACCET will include college and career exploration, FAFSA completion, access to WIOA services, employment services, and a digital resume and attainment display. The ACCET will express structured linked data in the JSON-LD format to incorporate the CTDL-ASN data for each registered credential in Alabama to create a digital resume of validated credentials for all Alabamians. Once Alabama standardizes and maps registered credentials of value into stackable sequences and onto in-demand career pathway competency models, then that data will be structured as CTDL data in the ATLAS on Career Pathways and used as the rubric for WIOA ETPL eligibility determinations.

The Alabama Lists of In-Demand Career Pathways and the Compendia of Valuable Credentials

The ACCCP will be a subcommittee of the AWC and will be composed of the following ex-officio officers and appointees, or their designees: the Governor, the Chair of the Alabama Workforce Council, the Chair of the Alabama Workforce Development Board, the Alabama Superintendent of Education, the Chancellor of the Alabama Community College System, the Secretary of Labor, the Deputy Secretary of Commerce for Workforce Development, the Executive Director of the Alabama Commission on Higher Education, the President of the Alabama Council of College and University Faculty Presidents, and seven members, appointed by the Governor, to serve a two-year term, who will each represent one of the seven workforce regions, and who must be a member of a local workforce council or a local workforce development board. The ACCCP will be charged with analyzing labor market data and longitudinal data from the ATLAS on Career Pathways to determine, annually, among the 16 career clusters and 79 associated career pathways, which career pathways are in-demand at the regional (the seven RWCs) and state levels. Wages for the occupation must be at least 70 percent of the average wage; the education level for the occupation must require at least a high school diploma; and occupations must be considered in-demand based on an evaluation of job vacancy, short-term job projections, long-term job projections and wage data. The ACCCP will create a five-star rating system to rank the 79 career pathways.

Based on the regional and state in-demand career pathways, labor market information, and program completion and employment data, the ACCCP will also create annual Compendium of Valuable Credentials. The Alabama Compendium of Valuable Credentials will be composed of the regional and state lists of credentials that are mapped onto the regional and state in-demand career pathways. All credentials included in the Alabama Compendium of Valuable Credentials must be accredited by a third-party accrediting body, such as a sector or industry association. Applications to include a credential in the Alabama Compendium of Valuable Credentials must demonstrate that the credentials are aligned to a career pathway on the ACC's regional or state lists of in-demand career pathways, must include evidence of employer endorsement, and must be recognized at the state and/or national levels. The process to develop the Compendium of Valuable Credentials will include a

comprehensive review of employer signaling, labor market information, and primary and secondary longitudinal workforce data. An industry group, university or college president, CTE director or principal may apply to have a credential included on the Alabama Compendium of Valuable Credentials.



Competency Model Clearinghouse (Career One-Stop): <http://www.careeronestop.org/CompetencyModel/>

The ACCCP will compile regional lists of in-demand career pathways by including all pathways with three or more stars. The state list will include all career pathways that appear on at least two of the regional lists. The ACCCP shall appoint a TAC for each of the 16 career clusters. Each TAC will be composed of 28 members: 7 state workforce members (members must be members of either the Alabama Workforce Council or the Alabama State Workforce Development Board); 7 regional workforce members (members must be members of either a regional workforce council or a local workforce development board); 7 state educators (members must be members of the Alabama State Board of Education; the Alabama Community College System Board of Trustees; the Alabama Commission Higher Education; or an employer of ALSDE, ACCS, or ACHE); 7 local educators (must be a member of a local board of education, an employer of a public college or university, an

employee of a not-for-profit education advocacy organization, an employee of a local education agency, or private citizen advocating on behalf of career pathways). The TACs must create an industry competency model and a competency-based career lattice, based on the U.S. Department of Labor Career Pathways toolkit, for each of the 79 career pathways within the 16 career clusters. An industry competency model is a collection of competencies, skills, and knowledge that together define successful performance in a particular industry or cluster of related occupations. Competency models articulate the business and industry requirements that are essential components for the development of curriculum, skill assessment instruments, and certifications. Competency models facilitate the development of the courses and career lattices that provide the framework for career advancement. The Competency Model Clearinghouse, developed by USDOL, provides tools and resources for building competency models (from scratch or by modifying existing models) as well as developing career ladders/lattices based on competency models.

The ACCCP will refer each application, by career cluster and pathway to a TAC for initial review. After receiving applications for secondary and postsecondary credentials by a determined deadline, the TAC will begin the annual review process. Credentials that were included in the Alabama Compendium of Valuable Credentials in the previous year do not require a new application for review; however, the carry-over credentials will undergo the same review process annually as new applicants for review to ensure that the Alabama Compendium of Valuable Credentials is adaptive to the labor market. Each credential will receive one of the three following classifications upon initial review: required by law, mandated by industry, or preferred by industry. Credentials required by law, includes those credentials and licenses that are mandated by law or regulation in the state. Examples of credentials in the first tier would include licenses for being a registered nurse or driving commercial vehicles. The second tier includes credentials that are required by at least two companies or organizations in a specific industry and serve as a gateway for students pursuing a career in that field. The third tier of credentials could be considered “nice-to-have” credentials that, while having value in the

labor market, are not essential to begin an entry-level job. An initial screening process will determine whether the credential under review is:

1. required by law, mandated by industry, or preferred by industry;
2. aligned to a career pathway on the ACC's regional or state lists of in-demand career pathways;
3. sector or industry endorsed nationally or recognized by the foremost state sector or industry association (credentials that are either developed or endorsed by a nationally recognized industry association or organization and are sought or accepted by local companies within the sector for purposes of recruitment or hiring);
4. achievable by students in a secondary or postsecondary level of study;
5. earned after at least 130 hours of instruction time and are offered through a proctored examination;
6. stackable in a sequence of aligned competencies that progress along with the rigor of advanced training programs (A credential that is part of a sequence of credentials that can be accumulated over time to build up an individual's qualifications is considered stackable. Typically, stackable credentials help individuals move up a career ladder or along a career pathway to different and potentially higher-paying jobs);
7. valuable by leading at least a 20-percent wage premium over a high school diploma;
8. trackable by the ATLAS on Career Pathways; and
9. portable across or within an industry sector (credentials that are recognized and accepted as verifying the qualifications of an individual in other settings—either in other geographic areas, at other educational institutions, or by other industries or employing companies—are considered portable).

Credentials that are vetted and receive a majority vote of approval by the TAC proceed to stage two review. During stage two review, credentials that are approved through the initial review are categorized into either the secondary or postsecondary division of the Alabama Compendium of Valuable Credentials. Next, certificates in both the secondary and the postsecondary divisions will be classified as either basic or advanced. Basic certifications are the first level or industry certification, or a relevant stand-alone certification. Advanced credentials are part of a stackable sequence of credentials that are linked to an occupation on the ACCCP's list of regional and state in-demand career pathways. Basic and advanced certifications will be categorized as either a statewide, regional, or complementary credential. Statewide credentials must be linked to an in-demand career pathway on the ACCCP's state list of in-demand career pathways. A regional certification must be linked to a career pathway on the ACCCP's regional list of in-demand career pathways. Complementary credentials, such as first aid or digital literacy, have value across industry sectors. A subgroup of secondary certificates categorized as basic and classified as complementary, which will be endorsed as Pathways Credentials, will be designed to provide basic and universal skills to elementary and middle school students, such as computer coding or word processing. Secondary certifications categorized as advanced and classified as statewide or regional that also leads to 12 or more dual-enrollment post-secondary credits towards an aligned postsecondary degree will be designated as an AIRRAP credential. Postsecondary credentials aligned with stackable secondary AIRRAP credentials will also be designated as AIRRAP credentials. Secondary credentials eligible for the Pathways Credential or AIRRAP credential endorsement will be duly noted. Once the stage two review process is complete, then the TAC votes for final adoption of its annual list and will submit its annual list to the ACCCP. The ACCCP will develop a five-tier credential taxonomy that will include the following information: Career Cluster (each of the 16 career clusters will be given a numeric code); Career Pathway (each of the career pathways will be given a numeric code); Division (Secondary or Postsecondary); Category (Basic or Advanced); and Classification (Complementary, Regional, or Statewide). The ACCCP will vote to adopt or reject in whole each of the TACs' final lists. The aggregated approved TAC final lists will be promulgated by the ACCCP as the annual Alabama Compendium of Valuable Credentials.

The Alabama Career Pathways Model

Governor Ivey has set a postsecondary education attainment goal of adding 500,000 credential holders to Alabama's workforce by 2025 and a goal to increase Alabama's labor force participation rate of 57.3 percent to the national average by 2025. Governor Ivey established the Governor's Office of Education and Workforce Transformation (GOEWT) to ensure that the attainment and labor force participation goals are met through an equity-based framework. The GOEWT will work to braid Alabama's federal CTE and WIOA funding streams through the combined 2020 state WIOA plan to develop career pathways based on work-based learning and credential attainment. The GOEWT Division of Education and Workforce Statistics will manage the Alabama Terminal on Linking and Analyzing Statistics (ATLAS) on Career Pathways and will provide support to the P-20W Council that will manage the ATLAS on Career Pathways. The GOEWT will use data from the ATLAS on credential pathways to assist the Alabama Committee on Credentialing and Career Pathways in establishing competency-based career pathways and stackable sequences of valuable credentials in all sixteen industry sectors. The GOEWT is also working to establish the two-pronged Alabama Career Pathways Model. Under the first prong, in-school youth may participate in a registered- or industry-recognized apprenticeship program, earn their associate degree, and earn stackable credentials at the time of high school graduation. Under the second prong, adults who are disconnected from the workforce or those who are underemployed may upskill or become basic skills proficient through multiple on and off ramps from workforce training and employment through stackable credentials mapped to a traditional associate degree. Shortened career pathways for in-school youth will hasten their ability to enter the workforce and lengthened career pathways, with multiple points of entry and exit, for adults will allow for a flexible progression and persistence through a competency model and career pathway.

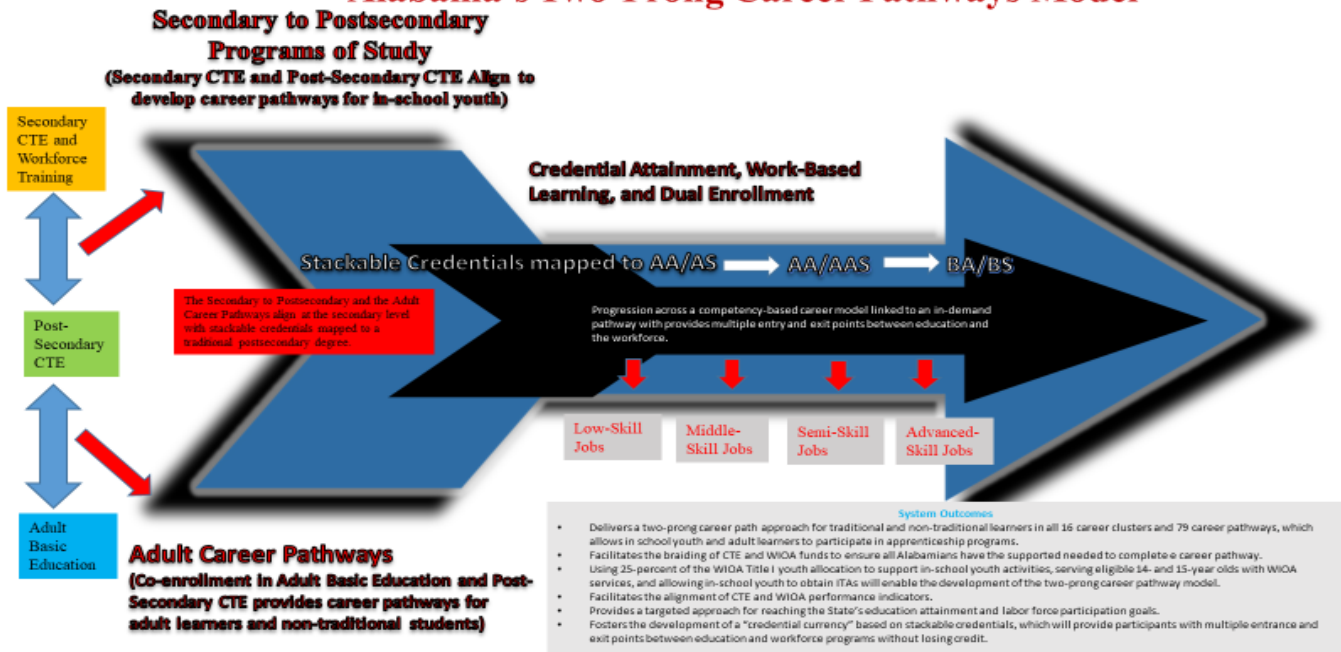
Alabama is aligning programs funded under the Carl D. Perkins Career and Technical Education (CTE) Act and the Workforce Innovation Opportunity Act (WIOA), using data to make informed workforce development decisions, and creating the Alabama Industry-Recognized and Registered-Apprentice Program (AIRRAP) to develop aligned CTE programs of study that evolve into career pathways. Post-secondary credential attainment, dual enrollment, and work-based learning will be used as strategies to establish the two-pronged Alabama Career Pathways Model. Under the Pre-K to Workforce prong, students will become literate and numerate by the 3rd grade, will explore all 16 career pathways between 4th and 8th grade, will participate in pre-apprenticeship programs aligned to career pathways and credentials designated as valuable by the Alabama Compendium of Valuable Credentials in 9th and 10th grades, and will participate in youth registered apprenticeships (RA) and industry-recognized apprenticeship programs (IRAP) in 11th and 12th grades. Graduates may earn their high school diploma, associate degree, industry-recognized credentials, and an apprenticeship credential at the time of high school graduation. For the Postsecondary CTE to Workforce prong, the Alabama Workforce Council (AWC), the state and local WIOA boards, and the GOEWT will work with the Alabama State Department of Education (ALSDE) and the Alabama Community College System (ACCS) to promote co-enrollment in adult education programs, postsecondary CTE programs, and WIOA Title I adult programs to ensure that opportunity subgroups are able to access braided programming to meet their education and training needs. Imbedding stackable credentials onto the program of study for associate degrees will permit students to enjoy multiple entry and exit points and will ensure that students do not lose credit if they do not finish a program before reentering the workforce. WIOA requires local workforce boards to partner with secondary and postsecondary CTE providers to develop and implement career pathways.

Apprenticeship Alabama

The Apprenticeship Alabama Tax Credit Program offers tax credits to participating companies that have qualified apprentices who receive classroom instruction and on-the-job training. The Alabama Department of Commerce manages the program, and the program follows U.S. Department of Labor guidelines for apprenticeships. Alabama focuses on five industry sectors: healthcare; construction and carpentry; information technology; distribution, transportation, and logistics; and advanced manufacturing and industrial maintenance. The program provides an income tax credit of \$1,000 to an employer for each qualified apprentice and would

cap the cumulative tax credits allowed at \$3,000,000 for 2017 and 2018. Governor Ivey is braiding workforce employment and training funds from core and partner WIOA programs, including SNAP and TANF, to establish a human capital development fund to support wrap-around supports, such as transportation, needed to help youth apprentices persist through their career pathways.

Alabama's Two-Prong Career Pathways Model



The Alabama Industry-Recognized and Registered Apprenticeship Program (AIRRAP)

The two-pronged AIRRAP model is aligned to the Alabama Career Pathways Model. Under the in-school youth prong of the AIRRAP model, youth AIRRAP participants will be given the opportunity to participate in career exploration activities beginning in 5th grade, participate in pre-apprenticeship programs aligned to career pathways and credentials designated as valuable by the Alabama Compendium of Valuable Credentials beginning in 9th grade, and participate in youth RAs and IRAPs in grades 10-12. AIRRAP graduates may earn their high school diploma, associate degree, industry-recognized credentials, and an apprenticeship credential at the time of high school graduation. For the adult prong of the AIRRAP model, the Alabama Office of Apprenticeship and the Alabama Community College System will promote registered and industry-recognized apprenticeship programs for individuals who are co-enrolled in adult basic education programs and postsecondary career and technical education programs to ensure that individuals who are disengaged from the workforce are able to gain access to education and training programs, with multiple points of entry and exit.

President Trump's Apprenticeship Executive Order and Apprenticeship Task Force

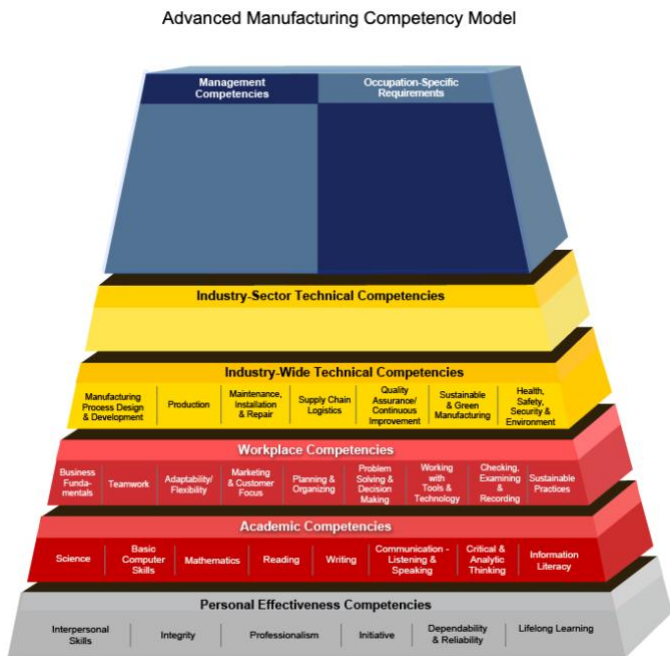
On June 15, 2017, President Trump signed Executive Order 13801 establishing a Task Force on Apprenticeship Expansion, co-chaired by the U.S. Secretaries of Education and Labor. The executive order also established the IRAP, a new version of non-registered apprenticeship. Under the IRAP model, trade and professional associations, employers, educational institutions, unions, labor-management organizations, states, and other third parties will collaborate to certify new, industry-driven apprenticeships. Certifiers of industry-recognized apprenticeship programs will be a critical part of the new initiative. They will certify high-quality apprenticeship programs administered by individual sponsors such as trade and industry groups, companies, non-profit organizations, educational institutions, unions, and joint labor-management organizations, and will develop off-the-shelf apprenticeship products for their use. On May 10, 2018, the Task Force on Apprenticeship Expansion submitted its final report and recommendations to President Trump. Along with providing recommendations to preserve and expand the traditional RA model, the Task Force focused on developing an industry-developed, competency-based apprenticeship program. The Task Force's first recommendation was to

expand the tradition work-and-earn model to include IRAPs. On July 31, 2017, the U.S. Department of Labor issued a Training and Employment Notice (TEN) establishing high-level requirements that IRAP certifiers will need to establish in order to seek Department of Labor approval for a new IRAP. The TEN also stated that potential IRAP certifiers will receive a favorable determination by the Department of Labor if they meet the following criteria: validity in sector standards; clear policies and procedures for certifying IRAPs; transparency and accountability; impartiality, confidentiality, objectivity, and independence; high quality (paid work component, work-based learning, mentorship, educational and instructional component, industry credentials earned, safety and supervision).

Establishing the Alabama Office of Apprenticeship (AOA)

The Governor’s Office is working with the Department of Commerce Workforce Development Division to request permission from the U.S. Department of Labor to establish the Alabama Office of Apprenticeship (AOA), which will be housed within the Department of Commerce Workforce Development Division. The AOA will create a federally-recognized state apprenticeship credential, equivalent to the Department of Labor’s RA credential. The Alabama Office of Apprenticeship will certify Alabama’s IRAPs and RAs. IRAPs will not be automatically eligible for WIOA funds; however, creating the AOA and allowing it to certify IRAPs will enable IRAP participants to receive WIOA funding for training services. The AOA, in cooperation with the Alabama Workforce Council will provide nationally-recognized credentials to IRAPs that align with Alabama’s high-value, high-demand career pathways. RAs are automatically considered as eligible training providers for the purposed of the ETPL. Pre-apprenticeships are not considered apprenticeship programs for the purposes of the WIOA; however, high-quality pre-apprenticeships with facilitated entry or articulation to a RA or are WIOA eligible as a skills training program under WIOA Title I.

AIRRAP Competency-Based Apprenticeship Frameworks



The ACCCP, and its series of technical advisory committees composed of business and industry members representing each sector, will be responsible for evaluating credentials and determining if they should be placed on the Alabama Compendium of Valuable Credentials—Alabama’s list of credentials of value. Eligible credentials must be (1) required by law, mandated by industry, or preferred by industry (as determined by the technical advisory committees when evaluating competencies required for an industry); (2) aligned to a regional or statewide in-demand career pathway; (3) endorsed by an industry association; (4) achievable by secondary or postsecondary students; (5) determined after a number of hours and levels of competencies determined by each sponsoring technical advisory based on industry guidance; (6) stackable; (7) provide a wage premium over a high school diploma; (8) trackable by the ATLAS on Career Pathways, the state’s longitudinal database system; and (9) portable within and across industry sectors.

Alabama anticipates beginning the process of including credentials on the compendium of valuable credentials by the end of 2019. The TACs must create an industry competency model and a competency-based career lattice, based on the U.S. Department of Labor Career Pathways toolkit, for each of the 79 career pathways within the 16 career clusters. An industry competency model is a collection of competencies, skills, and knowledge that together define successful performance in a particular industry or cluster of related occupations.

Competency models articulate the business and industry requirements that are essential components for the development of curriculum, skill assessment instruments, and certifications. Competency models, as the basic building block, also facilitate the development of the courses and ultimately the career pathways and career lattices that provide the framework for career advancement. The Competency Model Clearinghouse, developed by USDOL, provides tools and resources for building competency models (from scratch or by modifying existing models) as well as developing career ladders/ lattices based on competency models.

Using WIOA to Support Apprenticeship

At least twenty percent of WIOA youth formula funds allocated to local areas must be used to provide youth with paid and unpaid work experiences, including pre-apprenticeship and other types of on-the-job training. Also, local WIOA formula funds may also be used to support apprentices participating in apprenticeship programs. The Alabama State Workforce Development Board is currently petitioning the U.S. Department of Labor to recognize RAs and IRAPs serving in-school or out-of-school youth in high-value, high-demand career clusters as eligible-training providers, which will allow students participating in IRAPs to receive critical wrap-around services paid for by WIOA Title I funding through individual training accounts. Texas, Ohio, and Utah have received waivers to allow local boards to provide in-school youth with individual training accounts (ITA). Allowing at-risk, in-school youth who are participating in apprenticeship program to access WIOA funding will enhance the viability of pre-, youth, registered-, and industry-recognized apprenticeships that are aligned to credentials of value and in-demand career pathways.

WIOA Title I Youth In-School Youth Waivers

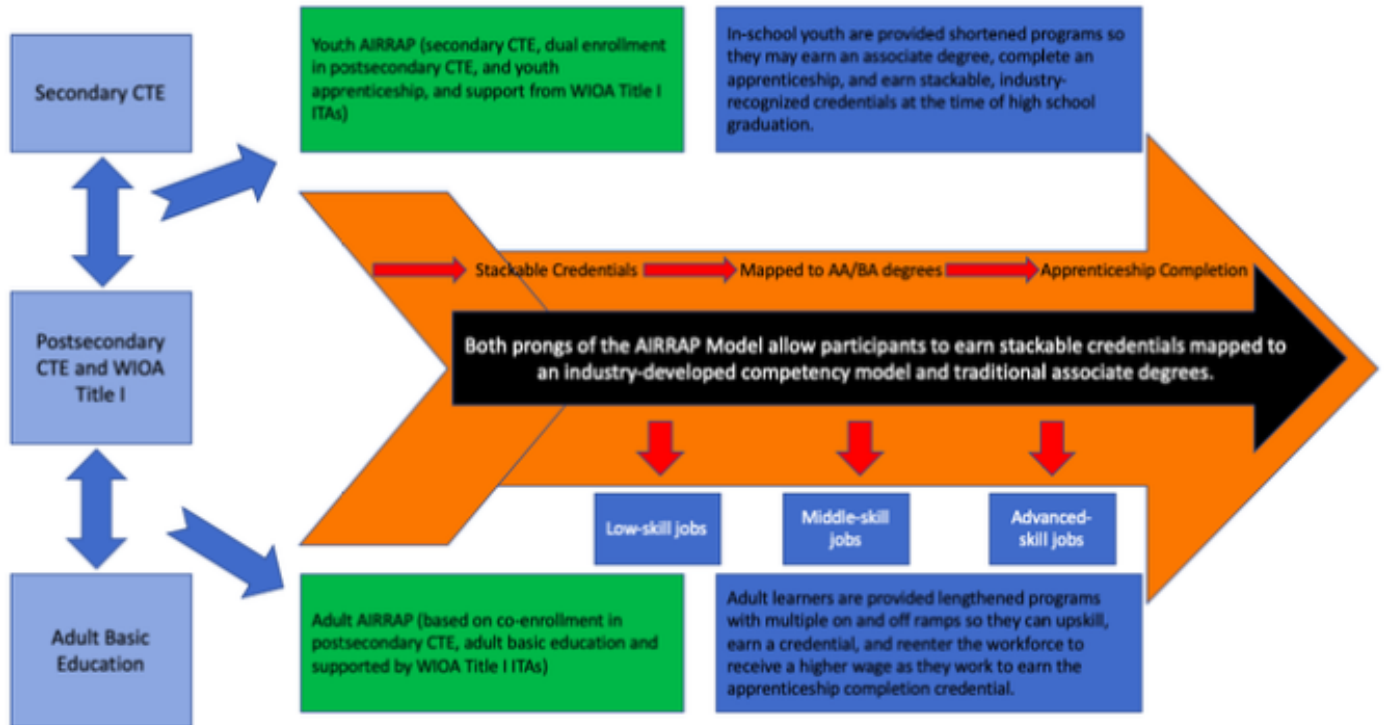
Local workforce development boards may choose to allocate no more than 25 percent of the WIOA Title I youth allocation in support of in-school youth activities, including employability skills and soft skills training, career counseling, career planning, mentoring, pre-apprenticeships, youth RAs, and industry-recognized apprenticeships. WIOA Title I youth funds designated to support in-school youth may be used to support students who are between the ages of 14 and 24 at the time of enrollment (previously 14- and 15-year-olds were excluded). Providers of employability skills and soft skills training, career counseling, career planning, mentoring, pre-apprenticeships, youth RAs, and industry-recognized apprenticeships may petition local workforce development boards for inclusion on the eligible training provider list. Local workforce development boards may choose to establish individual training accounts for eligible in-school youth who may procure services included on the eligible training provider list that are designated to support in-school youth activities.

AIRRAP In-School Youth Attainment Goal

The Alabama State Department of Education and the Alabama Community College System are collaborating so that, through dual enrollment and postsecondary credential attainment, approximately 15 to 20 percent of each high school graduating may graduate with their associate degree; stackable industry-recognized credentials; and an apprenticeship credential by 2025 to assist in meeting Governor Ivey's attainment goal of adding 500,000 workers to the workforce by 2025. The 2016-2017 graduation cohort consisted of 49,630 graduates. Thus, if the target is to get 15-20 percent of each graduating class to graduate with an associate degree and stackable credentials at the time of graduation, then 9,926 students would need to do so to make the 20-percent target. Therefore, Alabama has set the goal of placing 10,000 in-school youth apprentices by 2025.

- Beginning with zero in-school youth apprentices, Alabama will collectively place 500 youth apprentices among the top five industries in Alabama's seven workforce regions by the end of pilot year in 2020.
- By the end of 2021, Alabama will place 2,000 in-school youth apprentices.
- By the end of 2022, Alabama will place 4,000 in-school youth apprentices.
- By the end of 2023, Alabama will place 6,500 in-school youth apprentices.
- By the end of 2024, Alabama will place 8,500 in-school youth apprentices.
- By the end of 2025, Alabama will place 10,000 in-school youth apprentices.

The Alabama Industry-Recognized and Registered Apprenticeship Program (AIRRAP)



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