

Using WIOA OJT Funds to Support Registered Apprenticeship

Introduction and Background

Registered Apprenticeship (RA) is a proven workforce strategy that combines paid work experience with structured learning. Employers build a skilled workforce, and participants earn as they gain experience, often leading to permanent employment and career advancement.

The Workforce Innovation and Opportunity Act (WIOA) is the nation's primary workforce development legislation, designed to help job seekers access employment, education, training, and support services, while also assisting employers in finding skilled workers. It promotes coordination among federal, state, and local workforce programs to create a more efficient and effective service delivery system. Workforce boards and WIOA staff can support RA expansion by leveraging On-the-Job Training (OJT) funds. OJT reimburses employers for a portion of wages during a defined training period, helping reduce the upfront cost of onboarding apprentices and increasing employer engagement.

Things to Keep in Mind

- **OJT eligibility still applies.** Apprentices must meet WIOA eligibility requirements under the Adult, Dislocated Worker, or Youth programs.
- **The job must qualify for OJT.** Not all apprenticeship occupations are automatically eligible. The occupation must be on the demand occupation list for the state and/or local area, and the individual working under the OJT contract must meet eligibility requirements before enrolling in the RA program.
- **RA and OJT are distinct tools.** As a WIOA program, OJT can be applied to RA participation on the job site and often, workforce boards require a signed OJT contract (with specific parameters) outside of the RA agreement.
- **OJT timeframes are limited.** Reimbursement of wages typically ranges from up to 50 percent of the wage rate of the participant, for the extraordinary costs of providing the training and supervision and may be up to 75 percent of the wage rate of the participant, depending on occupation complexity and local policy.

Best Practices for Workforce Boards

- **Engage employers early.** Coordinate with RA sponsors to identify which roles and participants are a good fit for OJT.
- **Integrate with WIOA intake.** Screen for OJT opportunities during the initial WIOA enrollment process to avoid missed timing.
- **Clarify responsibilities.** Help employers understand the documentation and compliance requirements involved.
- **Combine funding thoughtfully.** OJT can be braided with other WIOA-funded supports, such as classroom training (via Individual Training Accounts [ITAs]) and/or supportive services to maximize impact, so long as state and local policy allows.



Key Considerations



Set up OJT before training begins. OJT contracts must be in place before an apprentice starts training. Reimbursement cannot be applied retroactively.



Avoid duplicating funding. If the employer receives another form of wage reimbursement, OJT may not be allowable for the same training period.



Stay aligned with local policy. OJT policies may vary by board. Always consult your local fiscal guidance before committing funds.



Ensure proper documentation. Maintain OJT agreements, training plans, and participant records according to local and federal requirements.

Mini Case Example: Detroit Registered Apprenticeship Program

The Detroit Employment Solutions Corporation (DESC), the city's WIOA workforce board, launched the [Detroit Registered Apprenticeship Program](#) (D-RAP) to connect local residents with apprenticeship opportunities in high-demand industries such as construction, healthcare, IT, and manufacturing. To reduce employer costs and encourage sponsorship, DESC provided financial reimbursement to apprenticeship employers through OJT contracts funded with WIOA Title I resources. These contracts covered a portion of apprentice wages—averaging about \$3,000 per apprentice and up to \$5,000 for longer programs—helping employers offset training costs while maintaining compliance with federal apprenticeship standards. Additional ITAs were sometimes used to support Related Instruction (RI), while supportive services helped apprentices with transportation, tools, and other barriers.

The U.S. Department of Labor highlighted D-RAP in [Training and Employment Guidance Letter \(TEGL\) 13-16](#) (Attachment II) as a national example of how local boards can integrate WIOA funding with Registered Apprenticeship. This recognition underscored the program's innovative use of OJT wage reimbursement as a tool for apprenticeship expansion. By braiding WIOA resources into both the RI and OJT components, DESC demonstrated how workforce boards can leverage existing funding streams to strengthen employer pipelines, expand access for underrepresented populations, and improve performance outcomes under WIOA.



■ Important Notes in Using OJT to Support RA

- **WIOA eligibility is required.** Apprentices must be referred to, and enrolled through, their local American Job Center (AJC), where WIOA staff determine eligibility and complete a required intake and documentation. This process must occur before OJT funds can be applied to the apprenticeship.
- **Training reimbursement is limited.** OJT funds can cover up to 75 percent of wages for a training period, typically 3 to 6 months.
- **OJT supports the early phase of RA.** Because eligibility is tied to income, and RA participation is considered employment from Day 1, participants may not be eligible later in the RA program as wages increase. Using OJT early in the apprenticeship helps ensure participants can fully benefit before income affects their eligibility status. Additionally, local boards only issue OJT contracts for new hires. If OJT is requested for an incumbent employee, a local board would need to designate the employee as an incumbent worker requiring a different type of contract.
- **Separate documentation is required.** A formal OJT agreement, training plan, and ongoing tracking must be in place. Typically, the local workforce board or AJC staff handle the OJT agreement, training plan, and documentation, in coordination with the employer or RA sponsor. Employers must provide input on the training plan and verify progress, but the AJC ensures compliance and recordkeeping.
- **Funds cannot overlap.** OJT cannot be used in conjunction with other wage subsidies for the same time period.
- **Local board policies govern use.** Always follow your board's OJT eligibility, caps, and compliance procedures.

■ Other Resources

- [On-the-Job Training \(OJT\) Toolkit](#)
Provides step-by-step guidance on implementing WIOA-compliant OJT, including eligibility, contracts, reimbursement, and monitoring.
- [WIOA and Registered Apprenticeship: A Proven Strategy](#)
Outlines how RA aligns with WIOA goals and how OJT funds can support RA expansion.
- [Registered Apprenticeship Tools and Tips](#)
Offers templates, examples, and strategies for engaging employers and managing RA programs under WIOA.
- [WIOA Registered Apprenticeship Program \(RAP\) Desk Reference](#)
A practical guide for workforce staff on aligning WIOA services with RA participation and tracking.
- [Registered Apprenticeship & OJT Work-Based Learning Guide](#)
Explains how to use OJT as a WIOA-funded tool to support RA training phases.