Audit Guide Addition, Deletion, or Amendment Template

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☐ Addition ☐Deletion ☒Amendment

Program Name
Apprenticeship: Related and Supplemental Instruction (RSI)
Statutory Reference
• Apprenticeship California Labor Code Sections 3070-3093 • Education Code sections 8150-8155, 79140 - 79149.7 • California Code of Regulations, title 5, section 56652 (for Community College only) Student Attendance Accounting Manual (for Community College only) • Budget and Accounting Manual Chapter 3 (for Community College only) • Apprenticeship Expenditure and Accounting Guidelines (request these at the site under audit)
Program Background
Apprenticeship programs offer Californians a pathway to in-demand high-wage and high-growth careers, meeting the diverse and technical needs for hundreds of industries and occupations require training. The planned training involves a progression of tasks on the job combined with classroom instruction. The RSI Hourly Reimbursement program utilizes Proposition 98 funding to reimburse apprenticeship programs for the hours of RSI they provide to apprentices. The funding is administered by the California Community Colleges Chancellor's Office to Schedule 2 (CCD) and Schedule 3 (K-12 LEA) fiscal recipients.
Program Objectives
The objectives of RSI funding for apprenticeships are to support the educational component of registered apprenticeship programs by covering the cost of classroom instruction that complements on-the-job training. This funding ensures apprentices gain the theoretical knowledge and technical skills necessary to succeed in their trades. RSI funding helps maintain high-quality, standardized instruction across programs, promoting workforce development and meeting industry-specific skill demands.
Dollars Statewide
$98,107,000 total for FY25-26 for both Schedule 2 (CCDs) Schedule 3 (K-12 LEAs)
Number of districts receiving funds
Approximately 25 CCDs and 30 K-12 LEAs

Program Name
Compliance Requirements *(cite related statute)* & Audit Procedures

Q. APPRENTICESHIP: RELATED AND SUPPLEMENTAL INSTRUCTION

Compliance Requirements

1) Hours of related and supplemental instruction reported to each local education agency by a participating apprenticeship program sponsor, pursuant to Education Code section 8152, must be eligible for reimbursement pursuant to Education Code section 8152.
2) Reimbursement may be made under this section for related and supplemental instruction provided to indentured apprentices only if the instruction is provided by a program approved by the Division of Apprenticeship Standards of the Department of Industrial Relations in accordance with Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code.
3) Reimbursement request for RSI must be supported by source documents such as student sign in sheets for classes (electronic sign in sheets are acceptable). Remote students must also show proof of having received instruction to be eligible for RSI funds.

Suggested Audit Procedures

1. Select a representative sample of ~~apprentices~~ students and verify for RSI for the year under audit, as reported by a participating apprenticeship program sponsor ~~enrolled in a program for which related and supplemental instruction hours were reported by any participating apprenticeship program sponsor,~~ pursuant to Education Code sections 8150.5, 8152, and 79149.3, are eligible for reimbursement, by tracing the hours reported for reimbursement to source documents (i.e. student sign in sheets). For example, when auditing the 2021-22 financial statements, the auditor should test the RSI data reported for 2021-22. ~~Verify the hours reported and claimed are eligible, by tracing the hours reported to source documents (e.g. pupil sign in sheets, timesheets, apprenticeship rosters).~~
2. For isolated apprentices, as defined by Labor Code section 3074, select a representative sample of ~~pupils~~ students, and obtain evidence that supports attendance during instructional events. ~~Report any noncompliance and the estimated dollar value in a finding.~~ State in a finding the resulting hours inappropriately reported for reimbursement and an estimate of their dollar value.