

**FY 2011**

**CONGRESSIONAL BUDGET JUSTIFICATION**

**EMPLOYMENT AND TRAINING ADMINISTRATION**

**Training and Employment Services**



# TRAINING AND EMPLOYMENT SERVICES

## TABLE OF CONTENTS

Appropriation Language .....	1
Explanation of Language Change .....	7
Analysis of Appropriation Language.....	9
Amounts Available for Obligation.....	10
Summary of Changes .....	11
Summary Budget Authority and FTE by Activity .....	13
Budget Authority by Object Class .....	15
Summary of Performance .....	16
Significant Items in Appropriation Committees' Reports .....	20
Appropriation History .....	30
Adult Employment and Training Activities.....	31
Dislocated Workers Employment and Training Activities.....	43
Youth Activities .....	55
Green Jobs Innovation Fund .....	67
Workforce Data Quality Initiative .....	77
Reintegration of Ex-Offenders.....	83
Career Pathways Innovation Fund .....	91
Pilots, Demonstration and Research .....	99
Evaluation .....	111
Women in Apprenticeship .....	119
Denali Commission.....	125
Indian and Native American Programs.....	129
Migrant and Seasonal Farmworkers .....	139
Youthbuild .....	149
Job Training for Employment in High Growth Industries.....	157



## TRAINING AND EMPLOYMENT SERVICES

### Training and Employment Services (including transfer of funds)

For necessary expenses of the Workforce Investment Act of 1998 ("WIA"), the Second Chance Act of 2007, and the Women in Apprenticeship and Non-Traditional Occupations Act of 1992, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the WIA; [\$3,828,530,000] \$3,925,475,000 plus reimbursements, shall be available. Of the amounts provided:

(1) for grants to States for adult employment and training activities, youth activities, and dislocated worker employment and training activities, *and for workforce innovation activities*, [\$2,969,449,000] \$3,178,031,000 as follows:

(A) [\$861,540,000] \$906,884,000 for adult employment and training activities, *of which not more than 5 percent shall be available for workforce innovation activities to carry out projects authorized under section 171(b) of the WIA that test and validate effective strategies for improving program delivery and outcomes for program beneficiaries, and of which* [\$149,540,000] \$194,884,000 shall be available for the period July 1, [2010] 2011, through June 30, [2011] 2012, and of which \$712,000,000 shall be available for the period October 1, [2010] 2011 through June 30, [2011] 2012;

(B) [\$924,069,000] \$1,025,000,000 for youth activities, which shall be available for the period April 1, [2010] 2011 through June 30, [2011;] 2012, *and of which not more than 15 percent shall be for workforce innovation activities to carry out projects authorized under section 171(b) of the WIA that test and validate effective strategies for improving program delivery and outcomes for youth: Provided, That for purposes of section 127(b) of the WIA, funds available for youth*

## TRAINING AND EMPLOYMENT SERVICES

*activities shall be used and allotted as if the total amount available for youth activities in the fiscal year does not exceed \$1,000,000,000: Provided further, That notwithstanding section 128(a)(1) of the WIA, the amount available to the Governor for statewide activities shall not exceed 10 percent of the amount allotted to the State from the appropriation under this subparagraph: Provided further, That of the funds reserved in this subparagraph for workforce innovation activities not less than 30 percent shall be for projects providing summer employment activities for youth; and*

*(C) [\$1,183,840,000] \$1,246,147,000 for dislocated worker employment and training activities, of which not more than 5 percent shall be for workforce innovation activities to carry out projects authorized under section 171(b) of the WIA that test and validate effective strategies for improving program delivery and outcomes for program beneficiaries, and of which [\$323,840,000] \$386,147,000 shall be available for the period July 1, [2010] 2011 through June 30, [2011] 2012, and of which \$860,000,000 shall be available for the period October 1, [2010] 2011 through June 30, [2011:] 2012;*

*Provided, That notwithstanding the transfer limitation under section 133(b)(4) of the WIA, up to 30 percent of [such] funds allocated to a local area from appropriations under subparagraphs (A) and (C) may be transferred by a local board if approved by the Governor: Provided further, That a local board may award a contract to an institution of higher education or other eligible training provider if the local board determines that it would facilitate the training of multiple individuals in high-demand occupations, if such contract does not limit customer choice[;]:*

*Provided further, That projects carried out with funds available for workforce innovation activities shall not be subject to the requirements of section 171(b)(2)(B) of the WIA and shall be administered by the Secretary of Labor in cooperation with the Secretary of Education and, as*

## TRAINING AND EMPLOYMENT SERVICES

*appropriate, other heads of departments and agencies: Provided further, That of the funds available for workforce innovation activities, not more than 5 percent shall be for technical assistance and evaluations related to the projects carried out with these funds;*

(2) for federally administered programs, [\$470,038,000] \$492,538,000 as follows:

(A) \$229,160,000 for the dislocated workers assistance national reserve, of which \$29,160,000 shall be available for the period July 1, [2010] 2011 through June 30, [2011] 2012, and of which \$200,000,000 shall be available for the period October 1, [2010] 2011 through June 30, [2011] 2012: *Provided*, That funds provided to carry out section 132(a)(2)(A) of the WIA may be used to provide assistance to a State for State-wide or local use in order to address cases where there have been worker dislocations across multiple sectors or across multiple local areas and such workers remain dislocated; coordinate the State workforce development plan with emerging economic development needs; and train such eligible dislocated workers: *Provided further*, That funds provided to carry out section 171(d) of the WIA may be used for demonstration projects that provide assistance to new entrants in the workforce and incumbent workers: *Provided further*, That none of the funds shall be obligated to carry out section 173(e) of the WIA;

(B) [\$52,758,000] \$55,000,000 for Native American programs, which shall be available for the period July 1, [2010] 2011 through June 30, [2011] 2012;

(C) [\$84,620,000] \$87,378,000 for migrant and seasonal farmworker programs under section 167 of the WIA, including [\$78,410,000] \$82,135,320 for formula grants (of which not less than 70 percent shall be for employment and training services), [\$5,700,000] \$4,368,900 for migrant and seasonal housing (of which not less than 70 percent shall be for permanent housing), and [\$510,000] \$873,780 for other discretionary purposes, which shall be available for the period July 1, [2010] 2011 through June 30, [2011] 2012: *Provided*, That notwithstanding any other

## TRAINING AND EMPLOYMENT SERVICES

provision of law or related regulation, the Department of Labor shall take no action limiting the number or proportion of eligible participants receiving related assistance services or discouraging grantees from providing such services;

(D) \$1,000,000 for carrying out the Women in Apprenticeship and Nontraditional Occupations Act, which shall be available for the period July 1, [2010] 2011 through June 30, [2011] 2012; and

(E) [\$102,500,000] \$120,000,000 for YouthBuild activities as described in section 173A of the WIA, which shall be available for the period April 1, [2010] 2011 through June 30, [2011]: *Provided*, That for program year 2010 and each program year thereafter, the YouthBuild program may serve an individual who has dropped out of high school and re-enrolled in an alternative school, if that re-enrollment is part of a sequential service strategy]2012;

(3) for national activities, [\$389,043,000] \$254,906,000, as follows:

(A) [\$93,450,000] \$46,556,000 in addition to any amounts available under paragraph (1) for Pilots, Demonstrations, and Research, which shall be available for the period April 1, [2010] 2011 through June 30, [2011] 2012, of which [\$30,000,000] \$40,000,000 shall be for Transitional Jobs activities, and shall not be subject to the requirements of section 171(b)(2)(B) or 171(c)(4)(D) of the WIA, and that up to 10 percent of the amount available for Transitional Jobs activities may be used for evaluation of such projects or transferred to the Department of Health and Human Services and/or the Department of Justice for support of Transitional Jobs activities; [and of which \$5,500,000 shall be for competitive grants to address the employment and training needs of young parents, and shall not be subject to the requirements of section 171(b)(2)(B) or 171(c)(4)(D) of the WIA; and of which \$48,889,000 shall be used for the projects, and in the amounts, specified under the heading ``Training and Employment Services''



## TRAINING AND EMPLOYMENT SERVICES

in the statement of the managers on the conference report accompanying this Act: *Provided*, That funding provided to carry out such projects shall not be subject to the requirements of sections 171(b)(2)(B) and 171(c)(4)(D) of the WIA, the joint funding requirements of sections 171(b)(2)(A) and 171(c)(4)(A) of the WIA, or any time limit requirements of sections 171(b)(2)(C) and 171(c)(4)(B) of the WIA;]

(B) [\$108,493,000] \$98,000,000 for ex-offender activities, under the authority of section 171 of the WIA and section 212 of the Second Chance Act of 2007, which shall be available for the period April 1, [2010] 2011 through June 30, [2011] 2012, notwithstanding the requirements of section 171(b)(2)(B) or 171(c)(4)(D) of the WIA[, of which \$15,000,000 shall be for competitive grants to provide Transitional Job activities for ex-offenders];

(C) [\$9,600,000] \$11,600,000 for Evaluation, which shall be available for the period July 1, [2010] 2011 through June 30, [2011] 2012;

(D) [\$40,000,000] \$85,000,000 for activities that prepare workers for careers in energy efficiency and renewable energy as described in section 171(e)(1)(B) of the WIA, under the authority of section 171 of the WIA, which shall be available for the period July 1, [2010] 2011 through June 30, [2011] 2012, and which shall not be subject to the requirements of section 171(b)(2)(B) or 171(c)(4)(D); *and*

[(E) \$125,000,000 for Career Pathways Innovation Fund, under the authority of section 171 of the WIA, which shall be available for the period July 1, 2010 through June 30, 2011, of which not less than \$65,000,000 shall be dedicated to activities that prepare workers for careers in the health care sector, and which shall not be subject to the requirements of section 171(b)(2)(B) or 171(c)(4)(D); and]

[(F)](E) [\$12,500,000] \$13,750,000 for the Workforce Data Quality Initiative, under the

## **TRAINING AND EMPLOYMENT SERVICES**

authority of section 171(c)(2) of the WIA, which shall be available for the period July 1, [2010] 2011 through June 30, [2011] 2012, and which shall not be subject to the requirements of section 171(c)(4)(D). (*Department of Labor Appropriations Act, 2010.*)

# TRAINING AND EMPLOYMENT SERVICES

## EXPLANATION OF LANGUAGE CHANGE

The Administration is proposing to amend the FY 2011 appropriations language under the Training and Employment Services (TES) heading for a number of purposes. The primary purpose of the changes would be to make available to the Secretary of Labor a portion of the funds from the WIA formula programs to make competitive awards for workforce innovation activities under the pilot and demonstration authority of the WIA . These activities would test new approaches to service delivery and provide for replication of proven practices.

Specifically, in paragraph (1) of TES preceding the enumerated subparagraphs, language would be added that the appropriation under that paragraph includes funds for workforce innovation activities.

The language appropriating funds for WIA adult employment and training activities in paragraph (1)(A) of TES would be amended to make available to the Secretary of Labor not more than 5 percent of the appropriated amount for workforce innovation activities, to be carried out through pilot and demonstration projects authorized under section 171(b) of WIA, that test and validate effective strategies for improving program delivery and outcomes for program beneficiaries.

The language appropriating funds for WIA youth activities in paragraph (1)(B) of TES would be amended to provide to make available to the Secretary of Labor not more than 15 percent of the appropriated amount for workforce innovation activities, to be carried out through pilot and demonstration projects authorized under section 171(b) of WIA, that test and validate effective strategies for improving program delivery and outcomes for program beneficiaries. The language would also provide that of the amount available for workforce innovation activities under this subparagraph, not less than 30 percent would be used for projects providing summer employment activities for youth. In addition, language would be added to provide that the funds appropriated for the youth formula program are to be used and allotted under WIA as if the total appropriation for the fiscal year does not exceed \$1 billion. Finally, language is also added that provides that the Governor may reserve not more than 10 percent of the youth formula funds allotted to the State for statewide activities in lieu of the 15 percent allowed under WIA currently.

The language appropriating funds for WIA dislocated worker employment and training activities in paragraph (1)(C) of TES would be amended to make available to the Secretary of Labor not more than 5 percent of the amount appropriated for workforce innovation activities, to be carried out through pilot and demonstration projects authorized under section 171(b) of WIA, that test and validate effective strategies for improving program delivery and outcomes for program beneficiaries.

Language would also be added at the end of paragraph (1) of TES that would provide that the pilot and demonstration projects used to carry out the workforce innovation activities would not be subject to the general limitation contained in WIA that funds for pilot and demonstration projects only be awarded to entities that have demonstrated expertise, in order to give the

## TRAINING AND EMPLOYMENT SERVICES

Department more flexibility to support a wide range of organizations testing innovative program models. In addition, the language would be added to provide that the Secretary of Labor administer the workforce innovation activities in cooperation with the Secretary of Education and, as appropriate, the heads of other departments and agencies. Coordination is needed to ensure that grants encourage collaboration across programs to improve participant outcomes. Finally, language would be added to provide that not more than 5 percent of the amount available for workforce innovation activities under the paragraph may be used by the Secretary of Labor for technical assistance and evaluations related those activities. Allowing some funds to be used for evaluation is crucial to build knowledge about what works.

The language appropriating funds to carry out the YouthBuild program under paragraph (2)(E) of TES would be amended by striking the provision providing for services to certain individuals who have dropped out of high school and re-enrolled in an alternative school. The language is deleted because that provision in FY 2010 applied to program year 2010 and each program year thereafter, and therefore does not need to be repeated in subsequent appropriations acts to remain in effect.

The language appropriating funds for WIA pilots, demonstrations and research in paragraph (3)(A) of TES would be amended by striking the provision that reserved a specified amount for competitive grants to address the employment and training needs of young parents. In addition, the language would be amended by striking the provision requiring a specified amount for projects identified in the statement of managers on the conference report under the TES heading.

The language appropriating funds for ex-offender activities in paragraph (3)(B) of TES would be amended by striking the provision specifying an amount of funds for competitive grants to provide Transitional Job activities for ex-offenders. The language instead appropriates a single amount for transitional jobs under pilots, demonstrations, and research. These funds may be used for a variety of target populations, including ex-offenders.

Finally, the language appropriating funds for the Career Pathways Innovation Fund that had been contained in paragraph (3)(E) of TES would be deleted, because no funding is requested for this initiative.

# **TRAINING AND EMPLOYMENT SERVICES**

## **ANALYSIS OF APPROPRIATION LANGUAGE**

Not Applicable.

## TRAINING AND EMPLOYMENT SERVICES

<b>AMOUNTS AVAILABLE FOR OBLIGATION</b>								
(Dollars in Thousands)								
	<b>FY 2009 Enacted</b>		<b>Recovery Act</b>		<b>FY 2010 Enacted</b>		<b>FY 2011 Request</b>	
	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>
<b>A. Appropriation</b>	<b>0</b>	<b>1,854,448</b>	<b>0</b>	<b>3,950,000</b>	<b>0</b>	<b>2,056,530</b>	<b>0</b>	<b>2,153,475</b>
Balance Carried Forward	0	376,254	0	0	0	0	0	0
Appropriation, Revised	0	2,230,702	0	3,950,000	0	2,056,530	0	2,153,475
Subtotal Appropriation	0	2,230,702	0	3,950,000	0	2,056,530	0	2,153,475
Comparative Transfer To:	0	0	0	0	0	0	0	0
Comparative Transfer From:	0	0	0	0	0	0	0	0
Offsetting Collections From:	0	0	0	0	0	0	0	0
Fees	0	125,000	0	0	0	125,000	0	125,000
Expenditure Transfer to PA	0	0	0	-39,500	0	0	0	0
Advance Appropriation	0	1,772,000	0	0	0	1,772,000	0	1,772,000
Subtotal	0	1,897,000	0	-39,500	0	1,897,000	0	1,897,000
<b>B. Gross Budget Authority</b>	<b>0</b>	<b>4,127,702</b>	<b>0</b>	<b>3,910,500</b>	<b>0</b>	<b>3,953,530</b>	<b>0</b>	<b>4,050,475</b>
Offsetting Collections From:	0	0	0	0	0	0	0	0
Prior Year Balance	0	-376,254	0	0	0	0	0	0
Fees	0	-125,000	0	0	0	-125,000	0	-125,000
Expenditure Transfer to PA	0	0	0	39,500	0	0	0	0
Subtotal	0	-501,254	0	39,500	0	-125,000	0	-125,000
<b>C. Budget Authority</b>	<b>0</b>	<b>3,626,448</b>	<b>0</b>	<b>3,950,000</b>	<b>0</b>	<b>3,828,530</b>	<b>0</b>	<b>3,925,475</b>
Before Committee	0	3,626,448	0	3,950,000	0	3,828,530	0	3,925,475
Offsetting Collections From:	0	0	0	0	0	0	0	0
Prior Year Balance	0	376,254	0	0	0	0	0	0
Fees	0	125,000	0	0	0	125,000	0	125,000
Expenditure Transfer to PA	0	0	0	-39,500	0	0	0	0
Subtotal	0	501,254	0	-39,500	0	125,000	0	125,000
<b>D. Total Budgetary Resources</b>	<b>0</b>	<b>4,127,702</b>	<b>0</b>	<b>3,910,500</b>	<b>0</b>	<b>3,953,530</b>	<b>0</b>	<b>4,050,475</b>
Unobligated Balances End of Year	0	0	0	0	0	0	0	0
Unobligated Balance Expiring	0	0	0	0	0	0	0	0
<b>E. Total, Estimated Obligations</b>	<b>0</b>	<b>4,127,702</b>	<b>0</b>	<b>3,910,500</b>	<b>0</b>	<b>3,953,530</b>	<b>0</b>	<b>4,050,475</b>

# TRAINING AND EMPLOYMENT SERVICES

## SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2010 Enacted	FY 2011 Request	Net Change
<b>Budget Authority</b>			
General Funds	3,828,530	3,925,475	+96,945
Trust Funds	0	0	0
<b>Total</b>	3,828,530	3,925,475	+96,945
<b>Full Time Equivalents</b>			
General Funds	0	0	0
Trust Funds	0	0	0
<b>Total</b>	0	0	0

Explanation of Change	FY 2010 Base		Trust Funds		FY 2011 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Increases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
<b>Built-Ins Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>B. Program:</b>								
Adult Employment and Training								
Innovation Fund	0	0	0	0	0	45,344	0	45,344
Dislocated Worker Innovation Fund	0	0	0	0	0	62,307	0	62,307
Funding Increase for Evaluation	0	9,600	0	0	0	2,000	0	2,000
Funding Increase for Green Jobs								
Innovation Fund	0	40,000	0	0	0	45,000	0	45,000
Funding Increase for Native American								
Programs	0	52,758	0	0	0	2,242	0	2,242
Funding Increase for Workforce Data								
Quality Initiative	0	12,500	0	0	0	1,250	0	1,250
National Farmworkers Jobs Program	0	84,620	0	0	0	2,758	0	2,758
Transitional Jobs within PD&R	0	30,000	0	0	0	10,000	0	10,000
Youth Activities Innovation Fund	0	0	0	0	0	153,750	0	153,750
YouthBuild	0	102,500	0	0	0	17,500	0	17,500
<b>Programs Subtotal</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>+342,151</b>	<b>0</b>	<b>+342,151</b>
<b>C. Financing:</b>								
<b>Total Increase</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>+342,151</b>	<b>0</b>	<b>+342,151</b>
<b>Decreases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
<b>Built-Ins Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>B. Program:</b>								

## TRAINING AND EMPLOYMENT SERVICES

Explanation of Change	FY 2010 Base		Trust Funds		FY 2011 Change		Total	
					General Funds			
Career Pathways Innovation Fund	0	125,000	0	0	0	-125,000	0	-125,000
Funding Decrease for PD & R	0	62,450	0	0	0	-56,894	0	-56,894
Funding Decrease for Reintegration of Ex-Offenders	0	108,493	0	0	0	-10,493	0	-10,493
Funding Decrease for Youth Activities Formula Grants	0	924,069	0	0	0	-52,819	0	-52,819
<b>Programs Subtotal</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>-245,206</b>	<b>0</b>	<b>-245,206</b>
<b>C. Financing:</b>								
<b>Total Decrease</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-245,206</b>	<b>0</b>	<b>-245,206</b>
<b>Total Change</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>+96,945</b>	<b>0</b>	<b>+96,945</b>



## TRAINING AND EMPLOYMENT SERVICES

### SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY

(Dollars in Thousands)

	FY 2009 Enacted		Recovery Act		FY 2010 Enacted		FY 2011 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Adult Employment and Training Activities</b>	<b>0</b>	<b>861,540</b>	<b>0</b>	<b>495,000</b>	<b>0</b>	<b>861,540</b>	<b>0</b>	<b>906,884</b>
General Funds	0	861,540	0	495,000	0	861,540	0	906,884
<b>Formula Grants</b>	<b>0</b>	<b>861,540</b>	<b>0</b>	<b>495,000</b>	<b>0</b>	<b>861,540</b>	<b>0</b>	<b>861,540</b>
General Funds	0	861,540	0	495,000	0	861,540	0	861,540
<b>Innovation Fund Contribution (5%)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>45,344</b>
General Funds	0	0	0	0	0	0	0	45,344
<b>Dislocated Workers Employment and Training Activities</b>	<b>0</b>	<b>1,341,891</b>	<b>0</b>	<b>1,435,500</b>	<b>0</b>	<b>1,413,000</b>	<b>0</b>	<b>1,475,307</b>
General Funds	0	1,341,891	0	1,435,500	0	1,413,000	0	1,475,307
<b>Formula Grants</b>	<b>0</b>	<b>1,183,840</b>	<b>0</b>	<b>1,237,500</b>	<b>0</b>	<b>1,183,840</b>	<b>0</b>	<b>1,183,840</b>
General Funds	0	1,183,840	0	1,237,500	0	1,183,840	0	1,183,840
<b>Innovation Fund Contribution (5%)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>62,307</b>
General Funds	0	0	0	0	0	0	0	62,307
<b>National Reserve</b>	<b>0</b>	<b>158,051</b>	<b>0</b>	<b>198,000</b>	<b>0</b>	<b>229,160</b>	<b>0</b>	<b>229,160</b>
General Funds	0	158,051	0	198,000	0	229,160	0	229,160
<b>Youth Activities</b>	<b>0</b>	<b>924,069</b>	<b>0</b>	<b>1,188,000</b>	<b>0</b>	<b>924,069</b>	<b>0</b>	<b>1,025,000</b>
General Funds	0	924,069	0	1,188,000	0	924,069	0	1,025,000
<b>Youth Employment and Training Activities</b>	<b>0</b>	<b>924,069</b>	<b>0</b>	<b>1,188,000</b>	<b>0</b>	<b>924,069</b>	<b>0</b>	<b>871,250</b>
General Funds	0	924,069	0	1,188,000	0	924,069	0	871,250
<b>Innovation Fund Contribution (15%)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>153,750</b>
General Funds	0	0	0	0	0	0	0	153,750
<b>Green Jobs Innovation Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,000</b>	<b>0</b>	<b>85,000</b>
General Funds	0	0	0	0	0	40,000	0	85,000
<b>Workforce Data Quality Initiative</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,500</b>	<b>0</b>	<b>13,750</b>
General Funds	0	0	0	0	0	12,500	0	13,750
<b>Reintegration of Ex-Offenders</b>	<b>0</b>	<b>108,493</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>108,493</b>	<b>0</b>	<b>98,000</b>
General Funds	0	108,493	0	0	0	108,493	0	98,000
<b>Career Pathways Innovation Fund</b>	<b>0</b>	<b>125,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>125,000</b>	<b>0</b>	<b>0</b>
General Funds	0	125,000	0	0	0	125,000	0	0

## TRAINING AND EMPLOYMENT SERVICES

<b>Pilots, Demonstrations and Research</b>	<b>0</b>	<b>48,781</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>93,450</b>	<b>0</b>	<b>46,556</b>
General Funds	0	48,781	0	0	0	93,450	0	46,556
<b>Evaluation</b>	<b>0</b>	<b>6,918</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,600</b>	<b>0</b>	<b>11,600</b>
General Funds	0	6,918	0	0	0	9,600	0	11,600
<b>Women in Apprenticeship</b>	<b>0</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000</b>	<b>0</b>	<b>1,000</b>
General Funds	0	1,000	0	0	0	1,000	0	1,000
<b>Denali Commission</b>	<b>0</b>	<b>3,378</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
General Funds	0	3,378	0	0	0	0	0	0
<b>Indian and Native American Programs</b>	<b>0</b>	<b>52,758</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>52,758</b>	<b>0</b>	<b>55,000</b>
General Funds	0	52,758	0	0	0	52,758	0	55,000
<b>Migrant and Seasonal Farmworkers</b>	<b>0</b>	<b>82,620</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>84,620</b>	<b>0</b>	<b>87,378</b>
General Funds	0	82,620	0	0	0	84,620	0	87,378
<b>Youthbuild</b>	<b>0</b>	<b>70,000</b>	<b>0</b>	<b>49,500</b>	<b>0</b>	<b>102,500</b>	<b>0</b>	<b>120,000</b>
General Funds	0	70,000	0	49,500	0	102,500	0	120,000
<b>Job Training for Employment in High Growth Industries</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>742,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
General Funds	0	0	0	742,500	0	0	0	0
<b>Total</b>	<b>0</b>	<b>3,626,448</b>	<b>0</b>	<b>3,910,500</b>	<b>0</b>	<b>3,828,530</b>	<b>0</b>	<b>3,925,475</b>
<b>General Funds</b>	<b>0</b>	<b>3,626,448</b>	<b>0</b>	<b>3,910,500</b>	<b>0</b>	<b>3,828,530</b>	<b>0</b>	<b>3,925,475</b>

## TRAINING AND EMPLOYMENT SERVICES

<b>BUDGET AUTHORITY BY OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Change FY 11 Req. / FY 10 Enacted</b>
25.1	Advisory and assistance services	30,675	0	34,046	41,921	7,875
41.0	Grants, subsidies, and contributions	3,595,773	3,910,500	3,794,484	3,883,554	89,070
	<b>Total</b>	<b>3,626,448</b>	<b>3,910,500</b>	<b>3,828,530</b>	<b>3,925,475</b>	<b>96,,945</b>

## TRAINING AND EMPLOYMENT SERVICES

<b>SUMMARY OF PERFORMANCE</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Adult Employment and Training Activities</b>				
<b>1</b>				
1. Percent of participants employed in the first quarter after exit.	64.00%	--	66.00%	67.10%
2. Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.	81.00%	--	81.00%	82.30%
3. Average earnings in the second and third quarters after exit	\$12,597.00	--	\$12,741.00	\$13,032.00
<b>Career Pathways Innovation Fund</b>				
<b>1</b>				
1. Number of participants enrolled in training	--	54,745	54,745	54,745
2. Number of participants completing training	--	34,728	34,728	34,728
3. Number of participants receiving certifications	--	26,938	26,938	26,938
4. Percent of participants employed in the first quarter after exit	--	--	73.60%	73.60%
5. Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit	--	--	91.30%	91.30%
6. Average earnings in the second and third quarters after exit	--	--	\$20,972.00	\$20,972.00
<b>Dislocated Workers Employment and Training Activities</b>				
<b>9</b>				
1. Percent of participants employed in the first quarter after exit.	70.20%	--	70.60%	71.50%
2. Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.	83.90%	--	84.40%	85.30%
3. Average earnings in the second and third quarters after exit	\$14,773.00	--	\$14,837.00	\$14,964.00
<b>Dislocated Workers Employment and Training Activities</b>				
<b>9</b>				
1. Percent of participants employed in the first quarter after exit.	65.70%	--	66.50%	68.10%
2. Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit	79.90%	--	80.30%	81.30%
3. Average earnings in the second and third quarters after exit	\$11,486.00	--	\$11,618.00	\$11,883.00
<b>Green Jobs Innovation Fund</b>				
<b>3</b>				
1. Total Enrolled in Training	--	--	(base)	TBD
2. Total Completed Training	--	--	(base)	TBD

## TRAINING AND EMPLOYMENT SERVICES

<b>SUMMARY OF PERFORMANCE</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
3. Percent of participants employed in the first quarter after exit	--	--	.00% (base)	TBD
4. Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit	--	--	.00% (base)	TBD
5. Average earnings in the second and third quarters after exit	--	--	\$.00 (base)	TBD
<b>Indian and Native American Programs</b>				
<b>1</b>				
1. Percent of participants employed in the first quarter after exit.	62.90%	--	63.70%	65.20%
2. Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.	73.10%	--	73.60%	74.40%
3. Average earnings in the second and third quarters after exit.	\$8,969.00	--	\$9,071.00	\$9,279.00
<b>Job Training for Employment in High Growth Industries</b>				
<b>3</b>				
1 Total Enrolled in Training	19,593	--	19,593	19,593
2. Total Completed Training	15,495	--	15,495	15,495
3. Percent of participants employed in the first quarter after exit.	--	--	TBD	TBD
4. Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.	--	--	TBD	TBD
5. Average earnings in the second and third quarters after exit.	--	--	TBD	TBD
<b>Migrant and Seasonal Farmworkers</b>				
<b>3</b>				
1. Percent of participants employed in the first quarter after program exit.	72.20%	--	73.00%	74.80%
2. Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.	71.20%	--	71.60%	72.50%
3. Average earnings in the second and third quarters after exit.	\$8,844.00	--	\$8,945.00	\$9,150.00
<b>Reintegration of Ex-Offenders</b>				
<b>1</b>				
1. Percent of participants employed in the first quarter after exit.	52.80%	--	53.40%	54.60%
2. Percent of participants employed in the first quarter after program exit still employed in the second and third quarters after exit.	66.40%	--	66.80%	67.60%

## TRAINING AND EMPLOYMENT SERVICES

<b>SUMMARY OF PERFORMANCE</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
3. Average earnings in the second and third quarters after exit	\$9,619.00	--	\$9,729.00	\$9,951.00
4. Percent of participants re-arrested for a new crime or re-incarcerated for revocation of a parole or probation violation within one year from release from prison.	22.00%	--	22.00%	22.00%
5. Percentage of youth ages 18 and above entering employment or enrolling in post-secondary education, the military or advanced training/occupational skills training.	48.10%	--	48.50%	49.40%
6. Percentage of youth offenders ages 14-17 recidivating	16.00%	--	16.00%	16.00%
7. Percentage of youth offenders ages 18 and above recidivating	17.00%	--	17.00%	17.00%
<b>Reintegration of Ex-Offenders</b>				
<b>1</b>				
1. Percent of participants employed in the first quarter after exit.	52.80%	--	53.40%	54.60%
2. Percent of participants employed in the first quarter after program exit still employed in the second and third quarters after exit.	66.40%	--	66.80%	67.60%
3. Average earnings in the second and third quarters after exit	\$9,619.00	--	\$9,729.00	\$9,951.00
4. Percent of participants re-arrested for a new crime or re-incarcerated for revocation of a parole or probation violation within one year from release from prison.	22.00%	--	22.00%	22.00%
5. Percentage of youth ages 18 and above entering employment or enrolling in post-secondary education, the military or advanced training/occupational skills training.	48.10%	--	48.50%	49.40%
6. Percentage of youth offenders ages 14-17 recidivating	16.00%	--	16.00%	16.00%
7. Percentage of youth offenders ages 18 and above recidivating	17.00%	--	17.00%	17.00%
<b>Youth Activities</b>				
<b>3</b>				
1. Percent of participants entering employment or enrolling in post-secondary education, the military or advanced training/ occupational skills training in the first quarter after exit.	58.50%	--	59.00%	60.00%
2. Percent of participants who earn a diploma, GED, or certificate by the end of the third quarter after exit.	48.80%	--	49.90%	52.20%
3. Percent of participants who achieve literacy or numeracy gains of one Adult Basic Education (ABE) level	21.20%	--	22.20%	24.40%
4. Percentage of participants in summer employment who achieve an increase in work readiness skills	.00% (base)	--	TBD	TBD

## TRAINING AND EMPLOYMENT SERVICES

<b>SUMMARY OF PERFORMANCE</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Youthbuild</b>				
<b>1</b>				
1. Percent of participants entering employment or enrolling in post-secondary education, the military or advanced training/occupational skills training in the first quarter after exit	--	--	TBD	TBD
2. Percent of youth who attain a diploma, GED, or certificate by the end of the third quarter after exit.	.00% (base)	--	TBD	TBD
3. Percent of participants deficient in basic skills who achieve literacy or numeracy gains of one Adult Basic Education (ABE) level	.00% (base)	--	TBD	TBD

# TRAINING AND EMPLOYMENT SERVICES

## EMPLOYMENT AND TRAINING ADMINISTRATION

### SIGNIFICANT ITEMS IN APPROPRIATION COMMITTEES' REPORTS

#### **Transfer of Funds Made Available for Dislocated Workers and Adult Activities**

House: The Committee repeats a provision allowing local boards to transfer up to 30 percent of funds made available for dislocated workers and adult activities between these funding streams, upon approval by the Governor. The Committee also includes a provision from the Recovery Act that provides flexibility for workforce investment boards to use Adult and Dislocated Worker formula funds to award contracts to institutions of higher education and other eligible training providers

Response: In the current economic crisis, local boards need the flexibility to address the realities of their local and regional economy. Allowing local areas to transfer up to 30 percent of funds between WIA Adult and Dislocated Worker program, with the approval of the Governor, provides the local boards the flexibility and capacity to address the needs of the variety of customers accessing services.

Allowing local boards increased flexibility to award direct contracts to institutions of higher education enables local areas to quickly design training programs that help more job seekers obtain the education and credentials required to qualify for new occupations in high-demand and emerging industry sectors.

The Department will issue guidance that outlines these provisions and the related allowable activities as well as provide clarification on the waiver requirements for state plan purposes.

#### **Dislocated Worker National Reserve**

House: National Reserve funds also support Statewide and multiple sector activities, as well as technical assistance and pilot and demonstration projects. The Committee recommends that these activities be coordinated with area economic development needs.

Response: The Department agrees with the recommendation that dislocated worker demonstration projects continue to provide additional and innovative assistance to all workers, including dislocated workers, new entrants, and incumbent workers. As with all workforce development efforts, the Department agrees that these initiatives should be coordinated with economic development and other state, local, and regional initiatives to ensure positive outcomes for workers with less duplication of effort.

Senate: In addition, States must use Statewide reserve funds for rapid response assistance to help workers affected by mass layoffs and plant closures. Also, States must use these funds to carry out additional statewide employment and training activities, such as providing technical assistance to certain low-performing local areas, evaluating State programs, and



## TRAINING AND EMPLOYMENT SERVICES

assisting with the operation of one-stop delivery systems, and may also use funds for implementing innovative incumbent and dislocated worker training programs.

**Response:** The Department agrees that Statewide reserve funds for Rapid Response and other state priorities should include both specific assistance for workers affected by layoffs and closures, as well as for innovative practices including incumbent worker training programs and other strategic efforts designed to assist workers get and retain good jobs.

**Senate:** The Committee recommends the Department give special attention to institutions located in counties with high unemployment that have lost a significant percentage of their job base, particularly in domestic automotive manufacturing, assembly facilities, and steel manufacturing.

**Response:** National Emergency Grant (NEG) funds normally go to areas with high unemployment rates, as these areas are typically the first to expend their dislocated worker formula resources and request additional funds through the NEG program. The Department has seen a significant number of NEG requests to serve workers affected by the issues surrounding the domestic automotive industry and will continue to consider requests for these and other workers in areas of high unemployment.

### **Workforce Data Quality Initiative**

**House:** The Committee supports the Administration's plan to bolster data-collection infrastructure that will provide high quality information for participants, practitioners and policymakers to more accurately evaluate current workforce training programs. The Committee directs the Department of Labor to collaborate with the Department of Education in designing the competitive grant competition and awarding grants

**Response:** The Department of Labor (DOL) is collaborating with the Department of Education (ED) to design the grant competition for the Workforce Data Quality Initiative (WDQI), and will continue this collaboration throughout the initiative's implementation.

The WDQI is a research initiative undertaken in partnership with ED. The initiative is providing grants to build state longitudinal data systems that merge education and workforce databases that can facilitate performance management and research. These longitudinal data systems provide the information needed to guide educational and workforce institutions as they plan learning and skill-building services that lead to high returns in the labor market.

DOL/ED collaboration on developing the WDQI began with policy-level discussions that addressed the knowledge development objectives of the initiative and how best to assure effective interdepartmental collaboration as the design of the WDQI proceeded. These discussions provided a framework for drafting the WDQI grant competition solicitation.

In July 2009, DOL convened a working group to assist in drafting the content of the WDQI's solicitation for grant applications (SGA). Membership on the working group

## TRAINING AND EMPLOYMENT SERVICES

includes representatives from the Department of Education's National Center for Education Statistics, the Office of Planning, Evaluation and Policy Development, the Office of Innovation and Improvement, and the Office of General Counsel. The working group made significant contributions to the content of the draft WDQI SGA and reviewed and commented on drafts of the document. Comments from ED representatives have strengthened the provisions in the draft SGA that refer to grant applicants demonstrating strong working partnerships with grantees administering the ED's Statewide Longitudinal Data System (SLDS) program.

ED will be invited to designate representatives for the evaluation panel reviewing proposals submitted for WDQI grants. ED's participation in the evaluation of proposals will ensure that WDQI grant recipients are coordinating the resources and know-how available for WDQI and the SLDS grant programs as they develop high quality education and workforce longitudinal data systems.

Additionally, the working group convened to contribute to the development of the draft WDQI SGA will continue as an advisory group during the WDQI's implementation. The advisory group will serve as a focal point for identifying and assisting to resolve any implementation issues that arise, including grantee coordination of WDQI and the SLDS resources.

### **Transitional Jobs Demonstration**

House: An analysis conducted for the State of New York by the Fiscal Policy Institute estimated that cost savings for the State equaled more than \$100,000,000 over three years after subtracting the State's initial funding investment in Transitional Jobs programs. The Committee also supports the Administration's intention to focus assistance on non-custodial parents and directs the Department of Labor to consult with the Department of Health and Human Services' Administration for Children and Families in designing the grant competition and awarding grants. In addition, the Committee stipulates that a sufficient portion of these funds shall be used for an evaluation of the program and directs the Secretary to consult with the Administration for Children and Families in designing and implementing the evaluation.

Response: The Transitional Jobs demonstration intends to model how services and resources available through the workforce system can be utilized to increase workforce participation of non-custodial parents. ETA will consult with the Department of Health and Human Services' Administration for Children and Families in designing the solicitation for grant application for the Transitional Jobs program and in designing and implementing the evaluation of the program to ensure the highest standard of rigor. In addition, ETA will ensure a sufficient portion of these funds are used for a rigorous evaluation of the program.

House: The Committee notes that Transitional Jobs programs have been successful in reducing recidivism and removing employment barriers for ex-offenders. A recent MDRC study in New York City found that re-incarceration rates decreased by 50 percent for parolees

## TRAINING AND EMPLOYMENT SERVICES

entering a Transitional Jobs program within 90 days of release from prison; and a separate study in Minnesota showed that homeless participants entering a Transitional Jobs program were 41 percent more likely to obtain unsubsidized employment than homeless people not entering a Transitional Jobs program. The Committee directs the Department of Labor to consult with the Department of Justice in awarding these competitive grants.

Response: ETA will consult, at a minimum, with the Department of Justice and the Department of Health and Human Services in designing the solicitation for grant application for the Transitional Jobs program. The Transitional Jobs program intends to combine short-term subsidized or supported employment with case management services to help individuals with significant barriers to employment obtain the skills needed to secure unsubsidized jobs. Gaining soft skills and an employment record through a transitional job can assist individuals with finding and retaining unsubsidized employment. ETA is familiar with the MDRC study in New York City and recently invited MDRC to conduct a briefing on transitional jobs and other programs for formerly incarcerated individuals.

Senate: Given that various Federal funding streams currently support transitional jobs programs around the United States, the Committee intends that the funds provided not simply replace existing resources for such programs, but leverage other resources to support program growth. The Committee requests advance notice of the solicitation for grant applications prior to its publication in the Federal Register.

Response: To the extent possible, ETA will leverage other resources that support transitional jobs programs growth. As with the Young Parents Demonstration Program, ETA will provide the committee a design paper delineating how the program will be implemented as well as the procurement timeline anticipated for the solicitation for grant applications.

### Youth Activities

House: The Recovery Act provided an additional \$1,200,000,000 for youth activities, including summer employment, in program years 2008 and 2009. WIA consolidated the Summer Youth Employment and Training Program and Youth Training Grants under the Job Training Partnership Act into a single youth training activity. The funds are allocated by formula to States and further distributed to local workforce investment areas in accordance with WIA. Youth funds are made available one quarter earlier than the adult and dislocated worker funds to allow for summer jobs programming.

Response: The additional \$1.2 billion in Recovery Act funds served over 300,000 youth, with the majority of such youth (89%) participating in summer employment during the summer of 2009. The majority of these funds were expended during the summer of 2009 to fund these summer employment opportunities.

## **TRAINING AND EMPLOYMENT SERVICES**

### **YouthBuild**

- House: YouthBuild grants are awarded on a competitive basis. However, the Committee believes continuity in funding is important for the long-term stability of the YouthBuild program and encourages the Department to consider three-year grants instead of the current policy of two-year grants.
- Response: During the transfer of the YouthBuild program from Housing and Urban Development (HUD), the Department hosted a number of public “listening sessions” with YouthBuild stakeholders. During these listening sessions, it was noted that while multi-year awards allowed for long-term planning, a move to three-year awards would jeopardize the financial health of YouthBuild programs that were not funded in the initial competition. The current policy decision for two-year grants was made to mitigate the impact of moving from one-year awards to multi-year awards. Given the increases in YouthBuild funding, the Department will consider the request to move to three-year grants.
- House: The Committee bill includes sufficient funding in fiscal year 2010 to provide continuation grants for each of the 183 grantees and also allows for the provision of additional YouthBuild awards, expanding the program to serve nearly 7,000 youth. The YouthBuild program is conducting a rigorous nationwide evaluation of program year 2009 grantees and the Committee looks forward to receiving the results of the evaluation.
- Response: An evaluation contract for a random assignment impact evaluation for the DOL YouthBuild grantees is expected to be awarded by June 2010.
- House: The Committee bill permanently extends a provision that allows YouthBuild grantees to serve youth who have dropped out of school and re-enrolled in an alternative school.
- Response: The Department issued Training and Employment Guidance Letter NO. 11-09 on December 4, 2009 to provide information to grantees about this expanded participant eligibility for the YouthBuild program.

### **Green Jobs**

- House: The Committee supports this new Administration initiative to fund pre-apprenticeship programs, career pathways, and other gateways for workers to enter careers in green industries and expects the Department of Labor to build on investments made with funds in the Recovery Act.
- Response: The Department agrees with the recommendation to build on investments made with funds in the Recovery Act. The Department will ensure that the competitive award process for the Green Jobs Innovation Fund rewards applicants that leverage previous investments.

## **TRAINING AND EMPLOYMENT SERVICES**

### **High Growth Training Grants**

House: The Committee bill continues a provision that requires the Secretary of Labor to award grants for training for employment in high-growth industries on a competitive basis. The bill also continues language that requires that funds available to the Department under the American Competitiveness and Workforce Improvement Act be available only for grants for training in the occupations and industries for which employers use the visas that generate these funds, and that related activities be limited to those necessary to support such training. The Committee does not apply this restriction to multi-year grants awarded prior to June 30, 2007. This permits the Department to fund the obligations made in three rounds of Workforce Innovation in Regional Economic Development (WIRED) grants to States.

Response: The Department of Labor will continue to award grants funded with H-1B visa fees competitively and require those grants to train for occupations and industries for which visas are used.

### **Career Pathways Innovation Fund**

House: The Career Pathways Innovation Fund replaces the Community-Based Job Training Grants program, which previously received funding under the Dislocated Worker Assistance National Reserve account. The Administration's fiscal year 2010 budget request proposed to establish the program as its own line item. The Committee adopts this recommendation.

Response: Career Pathways Innovation Fund is a competitive grant program that focuses on existing career pathway programs at community colleges. Career pathway programs help individuals of varying skill levels enter and pursue rewarding careers in high-demand and emerging industries. These programs have clear sequences of coursework and credentials, each leading to a better job in a particular field, such as health care, law enforcement, and clean energy. Tracking these funds separately focuses attention on the approach. The Department will continue to provide the Committee with information on forthcoming solicitations under this line item, particularly as it relates to ensuring that at least \$65,000,000 of grant funds are used to help prepare workers for careers in the health care sector. Further, we will keep the Committee apprised of an approach that includes a focus on training and placement for returning veterans, the underemployed, high school graduates, and traditional manufacturing employees in order to ensure they build skills necessary to fill jobs in growing sectors of the high skilled, high tech and precision manufacturing industry.

### **Reintegration of Ex-Offenders**

Senate: The Committee urges the Department to develop a competition that will award grants to organizations that will: (1) implement programs, practices, or strategies shown in well-designed randomized controlled trials to have sizable, sustained effects on important workforce and reintegration outcomes; (2) adhere closely to the specific elements of the

## TRAINING AND EMPLOYMENT SERVICES

proven program, practice, or strategy; and (3) obtain sizable matching funds for their project from other Federal or non-Federal sources, such as the Adult Training formula grant program authorized under the Workforce Investment Act of 1998, or State or local programs.

Response: The Department is beginning a random assignment impact evaluation of the Re-Integration of Ex-Offender Demonstration. The demonstration is designed to provide comprehensive job training and related services to better assist ex-offenders transition from incarceration back to their communities. The evaluation will measure the impact of these wrap-around services on job placement and wages as well as criminal recidivism. Current plans call for the final impact report to be submitted in late 2011.

ETA plans to ensure that those elements which have been proven to decrease the likelihood of ex-offenders recidivating are incorporated into program designs throughout the public workforce system. The Department will also consider incorporating a requirement that awardees of reintegration grants obtain matching funds from either federal or non-federal sources, including the Adult Training formula grant program authorized under the Workforce Investment Act of 1998, or State or local programs. In addition, the Department will submit a Fiscal Year 2010 operating plan for the Reintegration of Ex-offenders funds. This is in accordance with the request that an operating plan for the ex-offenders program be submitted to the Committees on Appropriations of the House and Senate not later than 45 days after the enactment of the FY 2010 Appropriations Bill.

### **Health Care Training Initiative**

House: DOL has awarded more than 30 percent of its grants under the High-Growth Job Training Initiative (HGJTI) and the Community-Based Job Training Grants (CBJTG) to programs that train workers for careers in the health care sector; within the total for HGJTI and CBJTG, approximately 60 percent of health care grants were directed to nurse training. Similarly, WIA formula grants for Adult Training and Dislocated Worker Training in program years 2006 and 2007 directed about 30 percent of their grants to careers in the health care sector; within the total for formula grants, approximately 60 percent of health care grants were awarded for nurse training. However, it is clear that DOL has not coordinated its grant programs with HRSA to comprehensively address the growing nationwide shortage of nurses and other health care professionals. For example, the primary recipient of DOL's CBJTG program is the nation's network of community colleges, which also compete for HRSA grants for their RN degree programs; and both DOL and HRSA support career ladder programs for nurses, but don't take advantage of each other's participating constituencies. The Committee feels it is important for DOL and HRSA to work together to build a framework of coordination with their efforts. The Committee directs DOL and HRSA to jointly establish a strategic plan for use of fiscal year 2010 resources and to extend that plan to future years to address emerging needs in the healthcare sector, particularly in the event of large-scale health care reform.

## TRAINING AND EMPLOYMENT SERVICES

This plan should be drafted by a DOL–HRSA interagency taskforce, to be established by October 1, 2009, with the strategic plan due to the Committees on Appropriations of the House of Representatives and the Senate by April 1, 2010. The taskforce should also include participants from the Departments of Education and Veterans Affairs. The Committee intends that the taskforce continue to meet regularly after the completion of the strategic plan to guide the two agencies' efforts to maximize the impact of their separate programs.

Response: The Department of Labor appreciates this recommendation, and is working with HRSA to identify members of the Task Force and begin drafting the strategic plan for the use of funds in FY 2010. We agree that enhanced coordination of our grant programs will better address workforce shortages in nursing and other health care professions. We are particularly interested in ensuring that there are clear career paths into allied health careers, including emerging occupations in health information technology and non-nursing fields. These fields serve as a good complement to the work that HRSA funding supports to increase the number of registered nurses and improve their skills. The Department will also comply with the conference agreement that not less than \$65,000,000 of the amount provided for the Career Pathways Innovation Fund be dedicated to activities that prepare workers for careers in the health care sector.

### **Migrant and Seasonal Farmworkers**

Senate: Finally, the Committee wishes to advise the Department regarding the requirements of the Workforce Investment Act in selecting an eligible entity to receive a State service area grant under section 167. Such an entity must have already demonstrated a capacity to administer effectively a diversified program of workforce training and related assistance for eligible migrant and seasonal farmworkers.

Response: The Workforce Investment Act (P.L. 105-220) states that to be eligible to receive a grant under section 167 of the Workforce Investment Act, the entity must have an understanding of the problems of eligible migrant and seasonal farmworkers, including dependents, a familiarity with the area to be served, and the ability to demonstrate a capacity to administer effectively a diversified program of workforce training and related assistance for eligible migrant and seasonal farmworkers. To ensure compliance with the spirit and letter of the statute, the requirements listed in the Act are included in the Solicitation for Grant Applications (SGA) for the biennial section 167 grants competition.

House: The Committee directs the Department of Labor to submit a summary report for the last complete program year, and quarterly reports thereafter, to the Committees on Appropriations of the House of Representatives and the Senate documenting the use of farmworker housing funds. In particular, the Department should provide information on the amount of funds used for permanent and temporary housing activities, respectively; a list of the communities served; a list of the grantees and the states in which they are located; the total number of individuals and families served; and a list of allowable temporary housing activities.

## TRAINING AND EMPLOYMENT SERVICES

Response: As requested, the Department will provide the Committee with a summary report for program year (PY) 2008 (the last complete PY for which information is available) and quarterly reports thereafter. These reports will document the use of farmworker housing activities and provide the information specifically requested by the Committee.

### **Technical Assistance to Individuals with Disabilities**

Senate: The Committee encourages the Department to focus a technical assistance program on services to individuals with disabilities available through State Employment Services and the One-Stop Career Center Network.

Response: The Department agrees with the recommendation encouraging it to focus a technical assistance program on services to individuals with disabilities available through State Employment Services and the One-Stop Career Center Network.

The Workforce Investment Act/Wagner-Peyser Act State Plan Guidance, under the Targeted Populations Section, encourages states to consider the needs of persons with disabilities in the Strategic Plan and includes outreach and service requirements under WIA and W-P. There is a possibility of using W-P funds for a state dedicated position on disability to facilitate increased employment and training opportunities of persons with disabilities, purchase assistive technology, and expand the capacity of the workforce investment system to serve this population, pursuant to Section 8 (b) of the W-P Act. The goals of this Section would allow for a technical assistance program to support the promotion and development of employment opportunities of persons with disabilities and placement of individuals with disabilities into employment.

The Department will encourage this focus not only through the State Plan process, but also through the new Disability and Employment Coordination initiative between the Employment and Training Administration (ETA) and the Office of Disability Employment Program (ODEP). ETA, in coordination with ODEP, will continue to disseminate and replicate the promising practices of the disability program navigators through the One-Stop Career Centers, provide training and technical assistance to front-line One-Stop Career Center staff, and expand the capacity of the One-Stop Career Center and State Employment Service systems to more effectively address education, training and employment needs of youth and adults with disabilities, including providing them with education and career pathways opportunities so that they can be economically self-sufficient.

The Department of Labor's Office of Congressional and Interagency Affairs will continue to provide the Committee on Appropriations of the House of Representatives and the Senate with information on this initiative.



## TRAINING AND EMPLOYMENT SERVICES

### Submission of Quarterly Reports

House: The Committee directs the Department of Labor to continue to submit quarterly reports to the House and Senate Appropriations Committees on the status of grants made from H-1B fees, National Emergency Grants (including grants made under the authority for dislocated worker demonstration and pilot project), High-Growth Job Training Initiative awards from all sources, and awards made for pilot, demonstration, multi-service, research, and multi-State projects. These reports shall be submitted to the House and Senate Committees on Appropriations no later than 15 days after the end of each quarter and shall summarize by funding source all grants awarded. Reports shall also include a list of all awards made during the quarter and, for each award, shall include: the grantee; the amount of the award; the funding source of the award; whether the award was made competitively or by sole source and, if sole sourced, the justification; the purpose of the award; the number of workers to be trained; and other expected outcomes.

Response: The Department will submit quarterly reports on the status of funding awarded in FY/PY 2010 under H-1B fees, National Emergency Grants, the High Growth Job Training Initiative, and pilot, demonstration, and research activities.

## TRAINING AND EMPLOYMENT SERVICES

<b>APPROPRIATION HISTORY</b>					
(Dollars in Thousands)					
	<b>Budget Estimates to Congress</b>	<b>House Allowance</b>	<b>Senate Allowance</b>	<b>Appropriations</b>	<b>FTE</b>
2001....1/	3,643,062	2,552,495	2,990,141	3,206,953	0
2000 Advance for 2001....	2,463,000	2,463,000	2,463,000	2,463,000	
2002....2/	5,128,521	3,485,147	3,070,281	3,199,314	0
2001 Advance for 2002....	0	2,098,000	2,463,000	2,463,000	
2003....3/	2,573,228	2,674,513	3,170,364	6,344,977	0
2002 Advance for 2003....3/	2,463,000	2,463,000	2,463,000	2,446,991	
2004....4/	2,488,986	2,614,039	2,677,588	6,272,149	0
2003 Advance for 2004....4/	2,463,000	2,463,000	2,463,000	2,448,468	
2005....5/6/7/8/	2,863,292	2,649,728	2,914,662	6,717,401	0
2004 Advance for 2005....5/	2,463,000	2,463,000	2,463,000	2,344,296	
2006....8/	3,404,949	2,658,792	2,787,806	6,199,642	0
2005 Advance for 2006....8/	2,438,000	2,463,000	2,463,000	2,439,620	
2007	1,949,405	2,504,209	996,832	6,416,275	0
2006 Advance for 2007....	2,463,000	2,463,000	2,463,000	2,438,000	
2008....10/11/	2,776,972	1,758,530	1,815,138	5,349,579	0
2007 Advance for 2008....	2,463,000	1,772,000	1,772,000	1,741,043	
2009....12/	1,288,923	0	1,846,556	5,482,896	0
2008 Advance for 2009....12/	1,772,000	0	1,772,000	1,772,000	
2010	5,883,526	0	0	3,495,320	0
2009 Advance for 2010....	1,772,000	0	0	0	
2011	3,637,159	0	0	0	0
2010 Advance for 2011....	0	0	0	0	

1/ Includes a reduction of \$852,000 pursuant to P.L. 106-554, enacted 12/21/00.

2/ Includes a reduction of \$448,000 pursuant to P.L. 107-116, enacted 1/10/02, and an increase of \$32,500,000 pursuant to P.L. 107-38 enacted 1/10/02 (Department of Defense and Emergency Supplemental Appropriations for Recovery from and Response to Terrorists Attacks on the United States Act, 2002). Additionally, includes a reduction of \$20,000 pursuant to P.L. 107-206, enacted 8/2/2002.

3/ Reflects a 0.65% across-the-board reduction pursuant to P.L. 108-7.

4/ Reflects a 0.59% across-the-board rescission pursuant to P.L. 108-199.

5/ Reflects a 0.80% across-the-board rescission pursuant to P.L. 108-447

6/ Reflects a portion of \$18,000,000 rescission to Labor/HHS/Educ pursuant to P.L. 108-447 and a transfer of \$4,410,413 from SUIESO.

7/ Excludes \$795,280 appropriated pursuant to DOD Appropriations Act P.L. 108-287 (Earmark)

8/ Reflects a 1.0% government-wide rescission pursuant to P.L. 109-148.

9/ Reflects a \$25,000,000 decrease in Job Corps Construction, Rehabilitation, and Acquisition

10/ Includes 1.747% Rescission.

11/ Excludes Job Corps beginning FY 2008

12/ This bill was only reported out of Subcommittee and was not passed by the Full House.

## ADULT EMPLOYMENT AND TRAINING ACTIVITIES

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>861,540</b>	<b>495,000</b>	<b>861,540</b>	<b>906,884</b>	<b>45,344</b>
FTE	0	0	0	0	0

### **Introduction**

The Adult Program under WIA Title I provides employment and workforce development services to adults, primarily low-income adults, to increase their incomes through increased occupational and related skills acquisition. Local workforce investment boards are charged with strategic planning and oversight activities in support of workforce development. Adults purchase training services with Individual Training Accounts from qualified training providers or through customized or On-the-Job training where they obtain the skills and knowledge that prepare them to succeed in a knowledge-based economy. Adults can also choose to participate in training provided by higher education institutions or other eligible providers under contract with local workforce investment boards.

WIA specifies that services for adults will be provided through One-Stop Career Centers. Services such as career guidance and workforce information may also be provided virtually. WIA authorizes a variety of service options depending on the needs of the customer. Those who are job ready may only need basic or core services, such as labor market information, initial assessment, and job search and placement assistance. Those who require additional services may access “intensive services,” which range from comprehensive assessments to individualized career guidance, or training services. Training services include occupational training, skills upgrading, on-the-job training, entrepreneurial training, job readiness training, adult education (such as basic skills, literacy GED attainment, or English as a Second Language classes), and technology literacy.

These services are particularly critical for disadvantaged populations, including low-income individuals, in search of the education and credentials needed to open up new pathways out of poverty. In an era of increasing income inequality, WIA services can be a catalyst for increasing a participant’s earning potential by putting them on the right career pathway and equipping them with the skills needed to succeed as they progress into middle class jobs.

All adults, 18 years of age and older, are eligible for core services. Priority for intensive and training services must be given to low-income and public assistance recipients when funds are limited in order to increase job placement opportunities to those most in need. Adults who are unable to obtain employment through core services and are determined by a One-Stop Career Center staff to be in need of additional services to obtain or retain employment that leads to self-sufficiency may receive intensive services. Training services may be made available to adults who have been determined unable to obtain or retain employment through intensive services. The provision of training or other needed services can be provided sequentially, concurrently, or in whatever order makes the most sense for the individual. Supportive services and needs-related payments also may be used to support individuals and their families as training occurs.

## ADULT EMPLOYMENT AND TRAINING ACTIVITIES

State and local areas are responsible for establishing procedures for applying priority and self-sufficiency requirements.

In addition to supporting service delivery through formula funds, the FY 2011 budget request includes the creation of the *Workforce Innovation Fund (WIF)* in the amount \$107,651,000. The fund is comprised of five percent contributions of \$45,344,000 from the WIA Adult program and \$62,307,000 from the WIA Dislocated Worker program. This fund is part of the new Partnership for Workforce Innovation, in which the departments of Labor and Education will cooperate with other federal agencies to award grants that encourage states and localities to work across program silos to improve outcomes for participants. Where needed to eliminate statutory barriers, States and localities would also be encouraged to apply for cross-program waivers.

*WIF* grants will be awarded competitively through Solicitations for Grant Applications (SGAs) to states or localities for the demonstration of new ideas and for the replication of proven practices. This fund will allow ETA to foster competition among Governors and workforce investment areas in the invention and evaluation of innovative means of providing improved job training and related services to a larger population of workers at low marginal cost. The federal-state-local partnership that exists under WIA to operate the workforce system has demonstrated enormous potential for exploring and testing alternative service strategies, but there are few regular resources available to fund the testing of these ideas, evaluate them, and provide incentives to encourage the public workforce system—at the state or local level—to replicate or adapt proven ideas on a larger scale. Therefore, this Fund will provide the opportunity to incentivize a system of continuous improvement within the formula-funded Adult and Dislocated Worker WIA programs, consistent with the Department’s larger strategic framework of “Innovation, Evaluation/Data-Driven Strategies, and Improved Implementation.”

The *WIF* proposes to provide competitive grants to states for two basic purposes:

- ***Demonstration.*** These funds will encourage states and local areas to test new ideas – practices and models – that expand and improve services and results for customers in the workforce system. These tests may occur in various workforce areas – e.g., localities or regions, multiple regions within a state, or using rigorous evaluations across states with integrated labor market/economic development regions.
- ***Replication.*** These funds will encourage the public workforce system to replicate or adapt promising or proven strategies, such as regional/sectoral collaboration and “learn and earn” models like apprenticeship and on-the-job training, and evaluate implementation success.

ETA will reserve not more than five percent of the funds to provide rigorous evaluations of all ideas that are tested in the demonstration phase, and also to provide technical assistance for the implementation or replication of the proven practices that have been demonstrated. It is anticipated that waivers, including cross-program waivers may need to be provided to the sites to facilitate cooperation across programs and funding streams. It is also anticipated that some projects may require matching funds or the involvement/engagement of a state legislature to authorize state funds or institutionalize the program through state law.

## ADULT EMPLOYMENT AND TRAINING ACTIVITIES

In an effort to respond to ongoing program improvement plan recommendations, several actions are being taken by ETA. Highlights include an ETA-funded independent Quick Impact evaluation using administrative data, which was completed in March of 2009. The results of the study for all participants in the WIA Adult program (regardless of services received) show that participating in the program is associated with an increase in quarterly earnings of several hundred dollars. The analysis of participants who receive only Core/Intensive Services suggests that their benefits may be as great as \$100 or \$200 per quarter over the period of study, which is substantial compared to the small costs of those services. Adult program participants who obtain Training Services have lower initial earnings than those who do not receive these services, but they catch up within 10 quarters, ultimately registering large total earnings gains per quarter. The marginal benefits of training may exceed \$400 in earnings each quarter for WIA Adult customers.

To measure performance, the program utilizes the three federal job training program common measures; Entered Employment Rate, Employment Retention Rate, and Average Earnings. These performance indicators measure whether participants entered the workforce after exiting the program, retained their employment, and were employed in well paying jobs; and facilitate comparison of outcomes to those programs with similar goals.

- *Entered Employment Rate* – Percent of participants employed in the first quarter after exit;
- *Employment Retention Rate* – Percent of participants employed in the first quarter after program exit still employed in the second and third quarters after exit; and
- *Average Earnings* – The average six-month earnings.

In PY 2008, the program achieved a 68.1 percent entered employment rate; 83.5 percent retention rate; and \$14,649 average earnings result. The program intends to meet its upcoming PY 2011 performance targets by promoting improved customer services to workers seeking employment and training opportunities and employers seeking workers, providing an array of technical assistance, and enhancing reemployment opportunities and strategies through continued innovations in service delivery.

Workload activities are based on actual participant levels achieved in PY 2008. The number of participants receiving training services is projected to increase in the short-term due to the addition of WIA Adult Recovery Act funds, but will return to standard levels in PY2010. Since PY 2008 targets for entered employment, retention and earnings are adjusted estimates based on regression analysis that accounts for the effects of participant characteristics, local labor market conditions, and the unemployment rates on program performance, projected targets for entered employment and retention are expected to drop in 2009, and then increase in 2010 and 2011. The projected target for average earnings increases 2009-2011.

### **Funding Mechanism**

WIA funding allotments for states are based on formula provisions defined in WIA. Under Title I of the WIA, formula funds are provided to states and outlying areas for the operation of both Adult and Dislocated Worker employment and training activities, in accordance with 29 USC 2861. States distribute resources by formula to local workforce investment areas. The WIA

## ADULT EMPLOYMENT AND TRAINING ACTIVITIES

allotments for outlying areas are based on a discretionary formula as authorized under WIA Title I. *Workforce Innovation Fund* grants will be awarded competitively through Solicitations for Grant Applications (SGAs) to states for the demonstration of new ideas and for the replication of proven practices. The funds are authorized for this purpose under Section 171 of WIA for “Pilots, Demonstrations and Research.” At least five percent of these funds will be reserved for evaluation and technical assistance.

### Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2006	857,079	0
2007	864,199	0
2008	849,101	0
2009	861,540	0
2010	861,540	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

### FY 2011

The Budget requests \$906,884,000 for the WIA Adult program. Of this amount, \$861,540,000 would be dedicated to the formula program and \$45,344,000 would be set aside for the *Workforce Innovation Fund (WIF)*.

The WIA Adult program remains a critical funding stream to the One-Stop Career Center system. Current trade and industry conditions have intensified the crucial role of the workforce system and the need for customers of the system to continue to receive the highest quality services that will lead to good jobs. While the WIA Adult program will continue to provide core services to all customers, the program is designed to equip low-wage and low-skill workers with the tools that will lead to enhanced employment opportunities. As basic and enhanced literacy tasks – ranging from writing and math, to problem-solving and computer literacy – have increased in importance in the labor market, adult literacy and skill remediation have become critical components of the WIA Adult program. Basic and occupational skills training help low-skilled adults increase their likelihood of obtaining middle class jobs that position them on the right career pathway to success. The Department of Labor will collaborate with the Department of Education to help leverage Adult Basic Education (ABE) and post-secondary education programs delivered through community colleges and other high-quality community organizations that provide such services. The system will also help direct individuals to available training funds beyond dedicated Department of Labor resources, such as Federal Pell grants. These need-based grants to low-income undergraduate and certain post-baccalaureate students promote access to postsecondary education and can be a critical resource to help individuals attain the educational foundation necessary to secure future employment.

Moving forward, the program is leveraging workforce development strategies, such as career pathway approaches, that more fully integrate basic skills and technical/occupational education, as well as pathways out of poverty. Central to these approaches is the integration of adult basic

## ADULT EMPLOYMENT AND TRAINING ACTIVITIES

education and English proficiency offerings with career specific technical skills training. This integration of basic education with technical and occupational education is one method for helping individuals secure all of the relevant skills necessary to succeed in emerging middle class jobs.

Training may also include new contextual learning models that address learning deficiencies while providing occupational skills training and credential attainment; earn and learn strategies, such as transitional jobs and on-the-job training; and “bridge” models that help workers bridge the gap to postsecondary education to achieve industry-recognized and transferable credentials or degrees. A host of supportive services including needs related-payments may be offered to make WIA Adult training more family-friendly.

Additionally, ETA will implement the *WIF* featuring competitive grants aimed at encouraging states and local areas to test new ideas that produce improved services and results for customers in the workforce system. During FY 2011, the initiative would offer a unique opportunity to highlight diverse practices and models from across the country; those areas at the forefront of activity and research, particularly in the fields of training and reemployment, have the opportunity to contribute new breakthroughs that will inform the national discussion occurring around improved education and workforce services that best meet the needs of participants. The grants create the necessary mechanism to harness the ingenuity available within the workforce system, but just as importantly, will allow for the expansion and replication of evidence-based practices. It is anticipated that grants will fund a variety of projects, including those that emphasize:

- ***Using “learn and earn” models.*** Apprenticeship and on-the-job training are promising strategies to help workers with diverse skill levels join the middle class, because they allow an opportunity to earn wages while building skills;
- ***Supporting regional/sectoral collaboration.*** Grant selection may place a priority on initiatives that strengthen the workforce system’s ties to economic development by encouraging regional and sectoral efforts;
- ***Encouraging cooperation across program silos.*** Workforce programs should work together to offer comprehensive services to participants and leverage money across funding streams. Cross-program waivers may facilitate this type of cooperation; and
- ***Reaching and better serving underserved populations.*** Innovative approaches are needed to identify, develop and disseminate service delivery plans for certain populations that have been underserved by WIA – e.g., young Hispanics, older workers, displaced homemakers, veterans, ex-offenders and out-of-school youth.

## **ADULT EMPLOYMENT AND TRAINING ACTIVITIES**

### **FY 2010**

The FY 2010 enacted level for the WIA Adult program was \$861,540,000, the same as the FY 2009 enacted level. ETA has reenergized its efforts to promote and support innovative service delivery strategies for targeted adult populations, including low-income and low-skill workers, public assistance recipients, transitioning veterans, older workers and other targeted populations. As states and local areas plan how their One-Stop systems will utilize FY 2010 WIA Adult formula funds, ETA strongly encourages them to take an expansive view of how the funds can be integrated into transformational efforts to improve the effectiveness of the public workforce system.

To meet the needs of under-skilled adults in advancing along career pathways to middle class jobs, ETA will continue to provide policy guidance and technical assistance to states and local boards to assist them in fully aligning adult education, job training, postsecondary education, Registered Apprenticeship, and supportive services to assist economic and community development strategies. This alignment should promote career pathways and ensure that support services, such as transportation and needs-based payments, are available. Supportive services make it far easier for adults, particularly those most in need, to advance through progressive levels of education and job training as quickly as possible and gain education and workforce skills.

ETA policy will ensure that education and training at every level are closely aligned with jobs and industries important to local and regional economies. Every level of education and training affords students, apprentices, and trainees the ability to advance in school or at work, with assessments and certifications that meet the requirements of the next level of education and employment.

### **FY 2009**

In FY 2009, the introduction of the Recovery Act supplemented state guidance and resources for the WIA Adult program. In state, regional and local economies where many industries are in the midst of downsizing, ETA will utilize WIA Adult program resources to assist communities in implementing proactive workforce strategies to ensure economic health in the transitioning economy. With the influx of Recovery Act funds, in addition to FY 2009 appropriated funds, ETA is strengthening its focus on providing more training opportunities to low-income and low-skill adults, life-long education opportunities to older workers, and assisting disconnected populations. In working with target groups, states should connect these populations to growing job opportunities, especially those related to new investments in promising industries, such as those in green sectors.

The WIA adult program will deliver critical skill development support to workers, employers and communities in a time of rapid change. To meet the needs of under-skilled adults, ETA encourages states and local boards to fully align adult education, job training, postsecondary education, Registered Apprenticeship, career advancement activities and supportive services in support of economic and community development strategies. Approaches should also promote career pathways and ensure that support services and needs-based payments are available,



## **ADULT EMPLOYMENT AND TRAINING ACTIVITIES**

making it far easier for adults, particularly those most in need, to advance through progressive levels of education and job training as quickly as possible, while gaining knowledge and skills of demonstrated value.

ETA has encouraged states to assess the skills, abilities, and career goals of its customers and to help them map their skills against current and anticipated jobs. As training needs are identified, ETA encourages states to consider using five methods of providing training in utilizing their WIA Adult program funds: 1) Individual Training Accounts, 2) customized training, 3) on-the-job training, 4) Registered Apprenticeship, and 5) contracts with community-based organizations for the provision of training. To the extent practicable, training should develop worker skills to meet the needs of specific industry sectors important to the region's economy.

ETA is also taking steps to develop stronger national, state, and local career guidance strategies for transitioning adults. The Department of Labor continues its work with the Department of Education, employer communities, the continuum of educational institutions, and other public workforce partners to develop models for exposure to career opportunities and delivery of comprehensive labor market information and career guidance services.

ETA is working with state and local partners to improve their strategic planning for Priority of Service for Veterans, including enhanced outreach efforts and targeted service delivery. Ensuring that targeted customer groups may access the full array of career development and advancement resources available in the One-Stop delivery system, and that workforce system services are responsive to their particular needs, is a priority for ETA in the current fiscal year.

To more effectively respond to current economic challenges, ETA has identified an array of technical assistance strategies. A national Reemployment Summit in January 2009, designed to work collaboratively with state and local workforce partners to redesign reemployment service delivery, was followed by regional Recovery and Reemployment Forums, a number of Webinars, and development of various tools and resources. The goal of upcoming collaborations will be to initiate a comprehensive workforce system response to reemploy the growing numbers of unemployed, with WIA and Wagner-Peyser Act resources leveraged as key components of this response effort. ETA is also revisiting the model for One-Stop service delivery, building on innovations in workforce development over the last decade while envisioning a service delivery design that will address workforce challenges moving forward. ETA is working collaboratively with state and local partners on these critical efforts which will be ready for roll-out later in PY 2009.

### **Recovery Act Update**

The Recovery Act provided \$500,000,000 in additional funding for the WIA Adult program, of which up to one percent may be used for administration, management, and oversight of the program. In Training and Employment Guidance Letter 14-08, Change 1, the Department provided policy guidance and direction regarding Recovery Act funding for activities authorized under WIA and the Wagner-Peyser Act and specific instructions regarding the requirement for states to modify their WIA and Wagner-Peyser Act Strategic State Plans. Under the discussion of WIA Adult program funds, the Department outlined strategies aimed at helping low-income

## **ADULT EMPLOYMENT AND TRAINING ACTIVITIES**

and low-skilled workers gain the skill upgrades to succeed in a rapidly changing economy that will offer new and different employment options. ETA encouraged states to assess the skills, abilities, and career goals of unemployed workers and to help them map their skills against current and anticipated jobs. Because of the nature of the nation's changing economy, many adults will need training to increase their skills and gain employment. ETA encouraged states to establish policies that ensure supportive services and needs-related payments (described in WIA section 134(e)(2) and (3) and in WIA regulations 20 CFR part 663, subpart H) are part of their service delivery strategy. Such policies may be necessary to allow for certain individuals to participate in job training. Guidance on the provision of needs-related payments to unemployed workers can be found in 20 CFR 663.820 and 663.825. To maximize the reach of these funds, One Stop Career Centers were instructed to help eligible customers take advantage of the significant increase in Pell Grant funds, also included in the Recovery Act, by coordinating with the Pell Grant program in accordance with 20 CFR 663.320. One Stop Career Center staff were advised about the additional weeks of Unemployment Insurance (UI) benefits available under the Emergency Unemployment Compensation and Extended Benefits that may help eligible customers complete longer-term training.

ETA guidance encouraged states to align their use of WIA Adult program formula funds with their spending strategies for other funding streams provided through the Recovery Act to ensure the most efficient and effective use of all funding. In particular, states were advised to integrate their implementation of WIA Adult services with Reemployment Services and UI programs, such that individuals have easy access to all programs, regardless of their point of entry into the system. Since significant Recovery Act investments targeted key industries such as construction, transportation, health care and other emerging industries in green sectors that traditionally utilize or draw heavily upon Registered Apprenticeship, states were also encouraged to leverage new and existing Registered Apprenticeship programs and assets.

ETA guidance encouraged states to align their WIA Adult formula activities with state and regional economic recovery plans, particularly those connected with the Recovery Act, to ensure that training and employment services support anticipated industry growth, and corresponding expected employment opportunities and required skill competencies for those most in need. States and local areas were encouraged to develop comprehensive regional partnerships to facilitate this alignment. Local workforce investment boards were encouraged to partner with each other regionally and across political jurisdictions, as necessary.

## ADULT EMPLOYMENT AND TRAINING ACTIVITIES

<b>WORKLOAD SUMMARY</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Adult Employment and Training Activities</b>				
Participants Served	2,697,041	5,171,158 (r)	5,171,158	5,443,323
Cost Per Participant	\$319.00	\$167.00 (r)	\$167.00	\$167.00

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined  
 Note:

- Since the WIA Adult program operates on Program Year basis, final PY 2009 data are not available until October 15, 2010. FY 2009 participants served data are based on quarterly report estimates; estimates were taken prior to the significant influx of Recovery Act resources to have a more accurate accounting of services based upon typical budget levels (minus Recovery Act funding).
- Cost per participant estimates are weighted heavily towards core services due to the high volume of self-service customers. Cost per training is considerably more expensive.
- The FY2010 and FY2011 targets are a significant increase over the FY2009 target due to the inclusion of individuals accessing self service leading to increases in the total participant counts.

The workload table provides estimates for the number of individuals served through the WIA Adult program. While the Department does not collect detailed cost information for different service levels, One-Stops provide a range of services from lower cost core and intensive services to higher cost training services. Cost per participant estimates in the workload table are weighted heavily towards core services due to the high volume of self-service customers. In FY 2011, a total of 5.443 million individuals are projected to receive WIA Adult services. The number of individuals trained will be a small subset of total participants, ranging from 105,000 to 115,000 depending on the service choices of those state and local areas.

In FY 2011, the Department estimates \$167 as the *average* cost per person receiving services, including those co-enrolled in the Employment Service. While the number of persons receiving training is largely driven by budget levels, the Department has encouraged the workforce system to enroll more individuals in training, as funding allows. In PY 2008, approximately 98,000 persons received training services through the WIA Adult program. States may use the menu of training services authorized under WIA as well as those income and supportive services which support training activities. Such services will allow American workers to upgrade their skills and position themselves for new and emerging sectors, including healthcare and green jobs, among others.

## ADULT EMPLOYMENT AND TRAINING ACTIVITIES

### PERFORMANCE INDICATORS

The WIA Adult Program contributes to the following Outcome Goals in support of the Department's Strategic Vision of <i>Good Jobs for Everyone</i> :										
1.1 Increasing workers' incomes and narrowing wage and income inequality.										
1.3 Helping workers who are in low-wage jobs or out of the labor market find a path into middle class jobs.										
1.4 Helping middle-class families remain in the middle class.										
		PY 2006		PY 2007		PY 2008		PY 2009	PY 2010	PY 2011
		Goal Not Achieved		Goal Not Achieved		Goal Achieved				Request
Strategic Goal	Performance Indicator	Target	Result	Target	Result	Target	Result	Target	Target	Target
1.3	Percent of participants employed in the first quarter after exit.	76%	70%	71%	70%	66%	68.1%	65.5%	65.8%	66.8%
1.4	Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.	82%	82%	83%	84%	82%	83.5%	81.9%	82.1%	82.7%
1.1	Average earnings in the second and third quarters after exit	\$11,000	\$11,870	\$12,045	\$13,575	\$12,862	\$14,649	\$13,741	\$13,848	\$14,205
<b>Baseline(s):</b> N/A										
<b>Data Source(s):</b> Quarterly and Annual State WIA Performance Reports (ETA-9090 and ETA-9091); Congressional Budget Justification; Annual Performance and Accountability Report. PY 2008 results are from the Program Year 2008 WIA Annual Report.										
<b>Comments:</b> Prior to PY2006, the earnings measure was established as follows: average earnings change for those employed in the first quarter after program exit and still employed in the third quarter after program exit. Targets for PY2009 are the same as stated in the President's 2010 budget. They are based on the 2010 Budget assumptions for unemployment rates and on WIA estimates which included 11 states. Targets for PY2010 and subsequent years are computed using the 2011 unemployment rate assumptions in the President's 2011 budget and estimates for WIA programs based on all states, DC, and Puerto Rico from the 2007 WIASRD data.										

## ADULT EMPLOYMENT AND TRAINING ACTIVITIES

<b>BUDGET ACTIVITY by OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>FY 11 Req. / FY 10 Enacted</b>
25.1	Advisory and assistance services	0	0	0	2,267	2,267
41.0	Grants, subsidies, and contributions	861,540	495,000	861,540	904,617	43,077
	<b>Total</b>	<b>861,540</b>	<b>495,000</b>	<b>861,540</b>	<b>906,884</b>	<b>45,344</b>

# ADULT EMPLOYMENT AND TRAINING ACTIVITIES

## CHANGES IN FY 2011

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

#### Built-Ins Subtotal

\$0

#### Net Program

45,344

	Estimate	FTE
Base	861,540	0
Program Increase	45,344	0

## DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>1,341,891</b>	<b>1,435,500</b>	<b>1,413,000</b>	<b>1,475,307</b>	<b>62,307</b>
FTE	0	0	0	0	0

### **Introduction**

The Dislocated Worker program under WIA Title I offers employment and training services to individuals who have lost their jobs, including those dislocated as a result of plant closings or mass layoffs and who are unlikely to return to employment in their previous industries; formerly self-employed individuals; and displaced homemakers who have been dependent on the income of another family member, but are no longer supported by that income.

The WIA Dislocated Worker program is assuming a critical role in developing locally and regionally-driven reemployment and training solutions at a time when there are many laid-off workers throughout the country. WIA authorizes a variety of service options depending on the needs of the customer. Those who are job ready may only need basic “core” services such as initial assessment, job search and placement assistance, and workforce information. Those persons requiring services above basic interventions can be guided to other “intensive” or training services. “Intensive” services range from comprehensive assessments to career guidance and planning. Training services may include occupational skills training; on-the-job training; programs that combine workplace training and related instruction including Registered Apprenticeship; training programs operated by the private sector; skills upgrading and retraining; entrepreneurship training; job readiness training; adult education and literacy training; and customized training. All services help participants gain skills and knowledge that prepare them to succeed in a knowledge-based economy, including high growth and emerging industries, such as those in green sectors.

To be eligible to receive core services as a dislocated worker, an individual 18 years and older must meet the statutory (WIA section 101(9)) definition of a dislocated worker. Dislocated workers, who are unable to obtain employment through core services and are determined by a One-Stop Career Center to be in need of intensive services to obtain or retain employment that leads to self-sufficiency, may receive intensive services. In addition, dislocated workers who are unable to obtain or retain employment through intensive services may receive training. The provision of training or other needed services can be provided sequentially, concurrently, or in whatever order makes the most sense for a given individual. Regardless of the services received, the overall goal is to help workers who find themselves out of the labor market find a path back into middle class jobs.

In addition to supporting service delivery through formula funds, the FY 2011 budget request includes the creation of the *Workforce Innovation Fund (WIF)* in the amount \$107,651,000. The fund is comprised of five percent contributions of \$45,344,000 from the WIA Adult program and \$62,307,000 from the WIA Dislocated Worker program. The five percent contribution from the Dislocated Worker program does not include any set-asides from the National Reserve, which is

## **DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES**

appropriated separately. *WIF* grants will be awarded competitively through Solicitations for Grant Applications (SGAs) to states for the demonstration of new ideas and for the replication of proven practices. A more detailed description is provided in the WIA Adult budget narrative.

To measure performance, the program utilizes the three federal job training program common measures: Entered Employment Rate, Employment Retention Rate, and Average Earnings. These performance indicators measure whether WIA Dislocated Worker program and National Emergency Grant participants entered the workforce after exiting the program, retained their employment, and were employed in well paying jobs; and facilitate comparison of outcomes to those programs with similar goals.

- *Entered Employment Rate* – Percent of participants employed in the first quarter after exit;
- *Employment Retention Rate* – Percent of participants employed in the first quarter after program exit still employed in the second and third quarters after exit; and
- *Average Earnings* – The average six-month earnings.

In Program Year 2008, the WIA Dislocated Worker program achieved a 67.6 percent entered employment rate; 86.0 percent retention rate; and \$16,167 average earnings result. The program intends to meet its upcoming PY 2011 performance targets by using improved customer service strategies for both job seekers and businesses; providing an array of technical assistance and training; and enhancing reemployment opportunities and strategies through continued innovations in service delivery.

Workload activities are based on actual participant levels achieved in PY 2008. The number of participants receiving training services is projected to increase in the short-term due to the addition of WIA Dislocated Worker Recovery Act funds, but will return to previous levels in PY 2010. Targets for entered employment, retention and earnings are based on regression analysis that accounts for the effects of participant characteristics, local labor market conditions, and the unemployment rates on program performance. Due to the recession, projected targets for entered employment and retention for PY2009 are below PY2008 targets; they increase from that level in PY2010 and again in PY2011. Average earnings targets increase in PY2009, PY2010 and PY2011.

### **Funding Mechanism**

WIA allotments for states are based on formula provisions defined in the Act. Under title I of WIA, formula funds are provided to states and outlying areas for the operation of both Adult and Dislocated Worker employment and training activities, in accordance with 29 USC 2861. States distribute resources by formula to local workforce investment areas. The WIA allotments for outlying areas are based on a discretionary formula as authorized under WIA title I. The National Reserve Account enables additional resources to be made available to temporarily expand service capacity at the state and local levels by providing time-limited funding assistance in response to significant economic events through National Emergency Grants (NEGs).

*Workforce Innovation Fund* grants will be awarded competitively through Solicitations for Grant Applications (SGAs) to states for the demonstration of new ideas and for the replication of



## DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES

proven practices. The funds are authorized for this purpose under Section 171 of WIA for “Pilots, Demonstrations and Research.” At least five percent of these funds will be reserved for evaluation and technical assistance.

### Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2006	1,337,553	0
2007	1,348,153	0
2008	1,323,373	0
2009	1,341,891	0
2010	1,413,000	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

### FY 2011

The Budget requests \$1,475,307,000 to fund the WIA Dislocated Worker program, of which \$1,183,840,000 would be dedicated to the formula program, \$229,160,000 to the National Reserve, and \$62,307,000 would be added to the *Workforce Innovation Fund (WIF)*. *WIF*, a new component of the WIA Dislocated Worker funding stream, will fund competitive grants aimed at encouraging states and local areas to test new ideas that produce improved services and results for customers in the workforce system. This initiative is described in greater detail in the WIA Adult section of the budget.

In FY 2011, the WIA Dislocated Worker program will continue to implement a more proactive model of pre- and post-layoff services to impacted workers. In this model, comprehensive skills assessments; improved workforce information and career guidance; and improved access to postsecondary education leading to industry-based credentials or degrees will provide opportunities for individuals to acquire the skills and knowledge needed to become employable in middle class jobs. This model will also enable regions to respond proactively to economic events and changing talent development needs.

While many dislocated workers may have transferable skills, many are challenged with low basic skills and lack of educational attainment. Dislocated workers can benefit from a variety of workforce training and education services. Program funds will allow dislocated workers to access instruction in various areas, including basic or English language education, as delivered through community colleges and other high-quality public programs and community organizations. This focus will facilitate the transition of dislocated worker from unstable, lower paying jobs to promising career pathways, helping the Department achieve its goal of “Good Jobs for Everyone”. Targeted training services including occupational skills training; skills upgrading and retraining; entrepreneurship training; job readiness training; and customized job training are also effective tools to help low-skilled dislocated workers acquire advanced skills to increase their likelihood of securing a middle class job, a living wage and self-sufficiency.

## **DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES**

To provide the most effective services possible, states are encouraged to assess the skills, abilities, and career goals of all eligible dislocated workers and to help them map their skills against current and anticipated high growth sectors, including green industry sectors. This approach will be particularly important as community-based industries reposition for growth in the aftermath of permanent layoffs and plant closures. As skills are mapped and honed to suit emerging sectors, on-the-job training (OJT) and other programs that combine workplace training and related instruction, including registered apprenticeship, may be an appealing option to those dislocated workers whose first option is to receive training at the jobsite. WIA also allows customers to receive supportive services and needs-related payments to remove common barriers to continuing education and job training. Supportive services may include transportation, child care, dependent care, housing, and other services that are necessary to enable an individual who is unable to obtain the services from other programs to participate in activities authorized under WIA. Needs-related payments may be provided to participants who are unemployed and do not qualify for or have ceased to qualify for unemployment compensation for the purpose of enabling such individuals to participate in programs or training services. One-Stop Career Centers have been encouraged to utilize these payments so that customers can pursue their career goals, rather than having their short-term income needs determine the length of their training.

This request includes \$229,160,000 for the Dislocated Worker National Reserve Account which funds National Emergency Grants (NEGs). NEGs are used to temporarily expand service capacity at the state and local levels in response to significant dislocation events, such as industry-wide layoffs and disasters. In FY 2011, we anticipate that there will still be a significant need for NEGs—especially in industries such as automotive and manufacturing that have retooled their operations to better compete—to enable workers to obtain the necessary skills to help middle class families remain in the middle class. NEGs will provide the additional resources necessary to assist states and their communities to offer targeted training leading to industry-based credentials or degrees, affordable health insurance, and income support to make it possible for dislocated workers to succeed in a knowledge-based economy. These strategies will result in increased entered employment, retention, and earnings for individuals enrolled in NEGs.

### **FY 2010**

The enacted level for the WIA Dislocated Workers program in FY 2010 is \$1,413,000,000, of which \$1,183,840,000 will be used for formula grants to states. In FY 2010, ETA intends that WIA Dislocated Worker funds be used to provide the necessary services to dislocated workers to support their reentry into the recovering job market. It is anticipated that due to the severe economic downturn, there will be a significant increase in the depth and breadth of the training needed to prepare dislocated workers for jobs in economic growth sectors. States are strongly encouraged to consider how assessment and data-driven career counseling can be integrated into their service strategies to support dislocated workers in successful training and job search activities that align with areas of anticipated economic and job growth.

ETA received an increase of \$71,109,000 (45 percent) for the National Reserve Account for a total of \$229,160,000 to fund National Emergency Grants (NEGs) in FY 2010. This will enable ETA to provide additional resources to the workforce investment system to aid in the recovery

## **DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES**

and reemployment of dislocated workers, as current projections indicate that there will continue to be high levels of unemployment during the period these funds would be available. These additional resources will be especially important to address this need, as the period for obligation of Recovery Act funds for NEGs ends on June 30, 2010, just as PY 2010 will begin. There will still be areas that will need additional resources to continue the recovery in the communities hardest hit by the economic downturn. While the funding made available for FY 2010 does not replicate the level of assistance available during Recovery Act implementation, this increase will enable a continued response to large-scale worker dislocations through NEGs, including areas affected by natural disasters, military base closures, and mass layoffs. ETA will review outcomes from the Recovery Act-funded NEGs, which provide states with greater flexibility in service provision, so the Department can decide on strategies that should be continued under regular NEG program operations.

### **FY 2009**

In FY 2009, the addition of Recovery Act funds and activities mandated additional guidance to states and provided additional resources for the WIA Dislocated Worker program. ETA continues its focus on fundamental workforce system transformation, including efforts to help states and local areas ensure that the majority of workforce system resources are devoted to job training in high growth industries. The WIA Dislocated Worker program will continue to leverage resources and strategies with other programs and funding streams for dislocated workers and affected employers, including NEGs, to ensure a coordinated and proactive approach to developing and advancing workers' skills to meet the workforce needs of communities and regional economies.

In FY 2009, NEGs continue to serve as a critical funding source for dislocated workers in need of training and employment services, in states where WIA Dislocated Worker formula funding reached extremely low levels. In the first half of FY 2009, 55 NEGs were awarded, compared to 34 during the same time period in FY 2008.

In the current economic environment, there is a significant opportunity to train and re-skill workers for new jobs that emerge with the economic recovery. ETA has encouraged states to assess the skills, abilities, and career goals of dislocated workers and to help them map their skills against current and anticipated jobs. As training needs are identified, ETA encourages states to consider using the following five methods of training provision in utilizing their Dislocated Worker funds: 1) Individual Training Accounts, 2) customized training, 3) on-the-job training, 4) Registered Apprenticeship, and 5) contracts with community-based organizations for the provision of training. To the extent practicable, training should develop worker skills to meet the needs of specific industry sectors important to the region's economy.

To more effectively respond to current economic challenges, ETA has identified an array of technical assistance strategies beginning with a national Reemployment Summit in January 2009 designed to work collaboratively with state and local workforce partners to re-design reemployment service delivery. Additionally, follow-up regional Recovery and Reemployment Forums, a series of Webinars, and the development of various tools and resources have

## **DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES**

supported this effort. The goal of these efforts is to initiate a comprehensive workforce system response to reemploy the growing numbers of unemployed workers. In addition, ETA, along with state and local partners, is revisiting the model for One-Stop service delivery, building on innovations in workforce development over the last decade while also envisioning a service delivery design that will address workforce challenges moving forward.

### **Recovery Act Update**

The Recovery Act made available \$1,250,000,000 to the Department of Labor to fund WIA Dislocated Worker programs. In Training and Employment Guidance Letter 14-08, ETA provided policy guidance and direction regarding the Recovery Act funding for activities authorized under the WIA and the Wagner-Peyser Act and specific instructions regarding the requirement for states to modify their WIA and Wagner-Peyser Strategic State Plans. Under the discussion of WIA Dislocated Worker funds, ETA outlined strategies aimed at adapting dislocated worker skills and career goals to the rapidly-changing economy and employment options. ETA encouraged states to assess the skills, abilities, and career goals of dislocated workers and to help them map their skills against current and anticipated jobs. Because of the nation's changing economy, many dislocated workers need training to increase their skills in order to gain employment. ETA encouraged states to establish policies that ensure supportive services and needs-related payments (described in WIA section 134(e)(2) and (3) and in WIA regulations 20 CFR part 663, subpart H) are part of their service strategy for dislocated workers. Such policies may be necessary to allow for certain individuals to participate in job training. Guidance on the provision of needs-related payments to dislocated workers can be found in 20 CFR 663.820 and 663.825. To maximize the reach of these funds, ETA encourages One-Stop Career Centers to help eligible customers take advantage of the significant increase in Pell Grant funds, also included in the Recovery Act, by coordinating with the Pell Grant program in accordance with 20 CFR 663.320. One-Stop Career Center staff members were advised about the additional weeks of Unemployment Insurance (UI) benefits available under the Emergency Unemployment Compensation and Extended Benefits that may help eligible customers complete longer-term training.

ETA encouraged states to align their use of WIA Dislocated Worker formula funds with their spending strategies for other funding streams provided through the Recovery Act to ensure the most efficient and effective use of all funding. In particular, states should integrate their implementation of WIA Dislocated Worker services with Reemployment Services and UI programs such that individuals have easy access to all programs, regardless of their point of entry into the system. Since significant Recovery Act investments were targeted to key industries, such as construction, transportation, health care and other emerging industries in green sectors, that traditionally utilize or draw heavily upon Registered Apprenticeship, states were also encouraged to leverage new and existing Registered Apprenticeship programs and assets.

States were also encouraged to align their WIA Dislocated Worker activities with state and regional economic recovery plans, particularly those connected with the Recovery Act, to ensure that training and employment services support anticipated industry growth, and corresponding expected employment opportunities and required skill competencies. States and local areas were

## **DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES**

encouraged to develop comprehensive regional partnerships to facilitate this alignment. Local workforce investment boards were encouraged to partner with each other regionally and across political jurisdictions, as necessary.

In addition, the Recovery Act provided \$200,000,000 for NEG's to respond to plant closings, mass layoffs, and other worker dislocations. These additional resources for NEG's enabled ETA to create two new types of NEG's, which provide states and local areas with additional options to address the impacts of the economic downturn in a manner that is appropriate to their specific economic situation and labor markets. One of the new types, the Regional Economic Impact NEG, supported the development of regional partnerships to address the impacts of multiple worker dislocations on economically interconnected communities.

## DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES

<b>WORKLOAD SUMMARY</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Dislocated Workers Employment and Training Activities</b>				
Participants Served	338,238	671,786 (r)	647,106	675,640
Cost Per Participant	\$3,967.00	\$2,184.00 (r)	\$2,184.00	\$2,184.00

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined  
Note:

- Since the WIA Dislocated Worker program operates on Program Year basis, final PY 2009 data are not available until October 15, 2010. FY 2009 participants served data are based on quarterly report estimates; estimates were taken prior to the significant influx of Recovery Act resources to have a more accurate accounting of services based upon typical budget levels (minus Recovery Act funding).
- Cost per participant estimates are weighted heavily towards core services due to the high volume of self-service customers. Cost per training is considerably more expensive.
- The FY2010 and FY2011 targets are a significant increase over the FY2009 target due to the inclusion of individuals accessing self service in the total participant counts.

The workload table provides estimates for the number of individuals served through the WIA Dislocated Worker program. While the Department does not collect detailed cost information for different service levels, One-Stops provide a range of services from lower cost core and intensive services to higher cost training services. Cost per participant estimates in the workload table are weighted heavily towards core services due to the high volume of self-service customers. In FY 2011, over 675,000 individuals are projected to receive WIA Dislocated Worker services. The number of individuals trained will be a small subset of total participants, ranging from 65,000 to 72,000 depending on the service choices of those state and local areas implementing these budget resources.

In FY 2011, the Department estimates \$2,184 as the *average* cost per person receiving services, including those co-enrolled in Employment Services. While the number of persons receiving training is largely driven by budget levels, the Department has encouraged the workforce system to enroll more individuals in training, as funding allows. In PY 2008, approximately 55,000 persons received training services through the WIA Dislocated Worker program. States may use the menu of training services authorized under WIA as well as those income and supportive services which support training activities. Such services will allow American workers to upgrade their skills and position themselves for new and emerging sectors, including healthcare and green jobs, among others.

## DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES

### PERFORMANCE INDICATORS

<p>The WIA Dislocated Workers Program contributes to the following Outcome Goals in support of the Department's Strategic Vision of <i>Good Jobs for Everyone</i>:</p> <p>1.1 Increasing workers' incomes and narrowing wage and income inequality.</p> <p>1.3 Helping workers who are in low-wage jobs or out of the labor market find a path into middle class jobs.</p> <p>1.4 Helping middle-class families remain in the middle class.</p>										
		PY 2006		PY 2007		PY 2008		PY 2009	PY 2010	PY 2011
		Goal Not Achieved		Goal Not Achieved		Goal Not Achieved				
Goal	Performance Indicator	Target	Result	Target	Result	Target	Result	Target	Target	Target
1.3	Percent of participants employed in the first quarter after exit.	84%	78%	79%	73%	71%	67.6%	66.3%	66.5%	67.0%
1.4	Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.	90%	88%	89%	87%	84.7%	86.0%	84%	84.2%	85.0%
1.1	Average earnings in the second and third quarters after exit	\$13,800	\$14,265	\$14,410	\$15,188	\$14,888	\$16,167	\$15,542	\$15,618	\$15,869
<b>Baseline(s):</b> N/A										
<b>Data Source(s):</b> Quarterly and Annual State WIA Performance Reports (ETA-9090 and ETA-9091). PY 2008 results are data reported as of June 30, 2009.										
<b>Comments:</b> Targets for PY2009 are based on the 2010 Budget assumptions for unemployment rates and on WIA participant data for 11 states. Targets for PY2010 and subsequent years are computed using the 2011 unemployment rate assumptions in the President's 2011 budget and WIA program data for all states, DC, and Puerto Rico and performance results from the PY2007 WIASRD data.										

## DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES

### PERFORMANCE INDICATORS

The WIA National Emergency Grant program contributes to the following Outcome Goals in support of the Department's Strategic Vision of <i>Good Jobs for Everyone</i> : 1.1 Increasing workers' incomes and narrowing wage and income inequality. 1.3 Helping workers who are in low-wage jobs or out of the labor market find a path into middle class jobs. 1.4 Helping middle-class families remain in the middle class.										
		PY 2006		PY 2007		PY 2008		PY 2009	PY 2010	PY 2011
		Goal Not Achieved		Goal Not Achieved		Goal Achieved				
Goal	Performance Indicator	Target	Result	Target	Result	Target	Result	Target	Target	Target
1.3	Percent of participants employed in the first quarter after exit.	84%	63%	64%	71%	67.1%	73.1%	67.1%	67.4%	68.5%
1.4	Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.	90%	81%	83%	83%	80.7%	85.7%	81.9%	82.1%	82.7%
1.1	Average earnings in the second and third quarters after exit.	Baseline	\$13,087	\$13,220	\$12,378	\$11,728	\$15,108	\$12,488	\$12,585	\$12,910
<b>Baseline(s):</b>										
<b>Data Source(s):</b> Workforce Investment Act Standardized Record Data (WIASRD) and Quarterly WIA Performance Reports (ETA-9090). Program Year (PY) 2007 results are from the PY 2007 WIASRD, rounded to the nearest whole number. PY 2008 results are from the Quarterly WIA Performance Reports.										
<b>Comments:</b> Dislocated Worker formula program targets were used for the National Emergency Grant (NEG) program in PY 2006. PY2008 results are significantly above the PY2008 targets. One possible explanation is that the performance is being driven by the few states with large exiter numbers. The total number of NEG exiters is relatively small, allowing a small number of states to exhibit a disproportionate effect on the overall results. Targets for PY2009 are based on the 2010 Budget assumptions for unemployment rates and on WIA participant data for 11 states. Targets for PY2010 and subsequent years are computed using the 2011 unemployment rate assumptions in the President's 2011 budget and WIA program data for all states, DC, and Puerto Rico and performance results from the PY2007 WIASRD data.										



**DISLOCATED WORKER EMPLOYMENT AND TRAINING  
ACTIVITIES**

<b>BUDGET ACTIVITY by OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>FY 11 Req. / FY 10 Enacted</b>
25.1	Advisory and assistance services	10,705	0	0	3,115	3,115
41.0	Grants, subsidies, and contributions	1,331,186	1,435,500	1,413,000	1,472,192	59,192
	<b>Total</b>	<b>1,341,891</b>	<b>1,435,500</b>	<b>1,413,000</b>	<b>1,475,307</b>	<b>62,307</b>

# DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES

## CHANGES IN FY 2011 (Dollars in Thousands)

<b>Activity Changes</b>		
<b>Built-In</b>		
To Provide For:		
<b>Built-Ins Subtotal</b>		<b>\$0</b>
<b>Net Program</b>		<b>62,307</b>
	<b>Estimate</b>	<b>FTE</b>
<b>Base</b>	<b>1,413,000</b>	<b>0</b>
<b>Program Increase</b>	<b>62,307</b>	<b>0</b>

## YOUTH ACTIVITIES

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>924,069</b>	<b>1,188,000</b>	<b>924,069</b>	<b>1,025,000</b>	<b>100,931</b>
FTE	0	0	0	0	0

### **Introduction**

Under Title I of the Workforce Investment Act of 1998 (WIA), Youth Activities funds are allocated by formula to state and local areas to deliver a comprehensive array of youth workforce investment activities. These activities help assure that youth obtain skills and knowledge to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like “green” jobs. WIA authorizes services to low-income youth (ages 14 through 21) with barriers to employment. Eligible youth are deficient in basic skills or are homeless, are runaways, are pregnant or parenting, or are offenders, school dropouts, or foster children. The program serves both in- and out-of-school youth, including youth with disabilities and other youth who may require additional assistance to complete an educational program or to secure and hold employment. Service providers prepare youth for employment and post-secondary education by stressing linkages between academic and occupational learning. They also assist youth by providing tutoring, alternative secondary school services, summer and year-round work experiences, occupational training, supportive services, leadership development opportunities, mentoring, counseling, and follow-up services.

In 2011, the WIA Youth program will focus on helping youth overcome a multitude of barriers to employment, provide additional opportunities for summer employment work experiences, and target assistance toward skills needed to secure good jobs - especially in high-growth industries.

The WIA Youth program strives to increase placements and educational attainments for youth served. ETA assesses its progress toward this goal by utilizing the youth job training common performance measures, which include placement in employment, post-secondary education or advanced training, attainment of a degree or certificate, and literacy and numeracy gains. The first two measures were implemented in program year (PY) 2005, while the literacy/numeracy measure was implemented over two years (PY 2006 and 2007). In the most recent program year (PY 2008), the WIA Youth program achieved its target against all three of the performance indicators. The strategies that contributed to achieving these targets include: creating multiple pathways to graduation, post-secondary education, and careers; matching the skills required by industry with quality skills training; collaborating across youth serving agencies; and improving program performance through the use of program performance data. Projected targets of placement in employment, post-secondary education or advanced training and attainment of a degree or certificate are expected to decrease in 2009 and 2010 and expected to increase in 2011. Expected levels of performance for literacy and numeracy gains increase in 2009, 2010 and 2011.

The 2011 budget request creates a new *Youth Innovation Fund*. Through this Fund—part of the Partnership for Workforce Innovation—the Department will collaborate with the Department of Education to test and rigorously evaluate innovative approaches to providing improved

## YOUTH ACTIVITIES

educational and employment services to at-risk youth, particularly out-of-school youth. Existing WIA Youth programs have demonstrated enormous potential for exploring and testing alternative service strategies, but ETA has not had regular resources available to fund the demonstration and evaluation of these ideas or to bring best practices to scale when they prove valuable. Therefore, this Fund will provide the opportunity to incentivize a system of continuous improvement within the formula-funded WIA Youth program and is consistent with the Department's larger strategic framework of "Innovation, Evaluation/Data-Driven Strategies, and Improved Implementation."

The *Youth Innovation Fund* will have two components: Summer and Year-Round Employment opportunities, and Work Experience Plus. The Work Experience Plus component will award competitive grants to local workforce investment boards in partnership with governors and state workforce boards. It will move disadvantaged, out-of-school youth ages 16 to 24 into post secondary education leading to degrees, industry-based credentials, and employment.

The Department will reserve up to five percent of the funds for rigorous evaluations of interventions tested in the demonstration phase and to provide technical assistance to states and local areas to promote the implementation or replication of program practices that are proven successful. Evaluations will assess program impacts on individual employment and educational outcomes. ETA may grant cross-program waivers, as appropriate, to allow programs to break down silos and more effectively leverage resources.

The Recovery Act appropriated \$1.2 billion for WIA Youth, providing strong encouragement for States to use it for summer employment opportunities. This budget request will build upon those activities carried out in FY 2009. Therefore, in addition to the youth common measures, ETA will continue to use the work readiness indicator to assess the effectiveness summer and year-round employment opportunities under the *Youth Innovation Fund* grants, as was authorized under the Recovery Act. Baseline data on the work readiness indicator was collected during the summer of 2009 during implementation of the Recovery Act.

In 2008, a program assessment was conducted for the WIA Youth program. The assessment highlighted improved oversight of grantees' use of Federal funds. The program is working toward an improvement plan that includes strengthening the quality of youth performance data through data validation. ETA is continuing to update its Data Reporting and Validation software and monitor states' data validation in order to strengthen the quality of the data.

### **Funding Mechanism**

Under Title I of the WIA, formula funds are provided to states and local areas for the operation of WIA Youth training programs, in accordance with 29 USC 2851 Chapter 4. Funds for youth services are allocated to state and local areas based on a formula distribution as defined in Sec.127(b)(1)(C)(ii) of the WIA. WIA *Youth Innovation Fund* grants, for both for Work Experience Plus grants and for Summer and Year-Round Employment grants, will be awarded competitively through Solicitations for Grant Applications (SGAs) to local workforce investment areas for the demonstration of new ideas and for the replication of proven practices. The funds are authorized for this purpose under Section 171 of WIA for "Pilots, Demonstrations and

## YOUTH ACTIVITIES

Research.” The FY 2011 request proposes a total increase of \$100,931,000 for the WIA Youth program. Fifteen percent of the total appropriation (\$153,750,000) will be set aside for the Youth Innovation Fund. Further, ETA may reserve up to five percent of these funds, approximately \$7.6 million, for evaluation and technical assistance.

### Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2006	940,500	0
2007	940,500	0
2008	924,069	0
2009	924,069	0
2010	924,069	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

### FY 2011

The budget requests \$1,025,000,000 for the WIA Youth program in FY 2011, which represents a program increase of \$100,931,000 over the FY 2010 appropriation level. Fifteen percent of these funds (\$153,750,000) would be reserved for a *Youth Innovation Fund*, which compared to FY 2010, would decrease funding for the WIA Youth formula grants by approximately \$52,800,000. The decrease will not have a significant impact on local resources as the recommendation includes a reduction in the set-aside for statewide activities. The *Youth Innovation Fund* would competitively fund and evaluate Summer and Year-Round Employment grants and support Work Experience Plus grants that test innovative approaches for serving out-of-school youth in a comprehensive manner, by combining work experience, education, and training. The Summer and Year-Round Employment grants will provide an estimated 20,124 youth with summer and year-round employment opportunities at an average cost-per-participant of \$2,292. (This estimate is based on an inflation-adjusted cost-per-participant for the Job Training Partnership Act summer employment program in 1999, the final year of a stand-alone summer employment program. Complete cost-per-participant data from Recovery Act summer youth employment activities is not yet available.) While ETA expects that participant costs will vary depending on grantees’ approaches to program design and service delivery, ETA expects the Work Experience Plus grants will serve an estimated 20,600 youth at an average cost-per-participant of \$5,000. In addition, based on the PY 2008 cost-per-participant, ETA expects to serve an estimated 266,274 participants through WIA Youth formula funding. In total, ETA expects to serve a 306,998 youth including those served under the Summer and Year-Round Employment grants, Work Experience Plus grants, and year-round WIA youth activities.

In FY 2011, ETA will continue the focus on summer employment opportunities initiated with Recovery Act funds during the summer of 2009. Building on the lessons learned from the previous two summers, ETA will award competitive grants to local workforce investment boards through the *Youth Innovation Fund* to support summer and year-round employment opportunities for in-school and out-of-school youth, ages 16 to 24. With these funds ETA expects to be able to award 30 to 50 grants.

## YOUTH ACTIVITIES

Summer and year-round employment opportunities allow young people to gain work experience and to learn about a wide range of career opportunities. Youth growing up in low-income families or low-income communities often do not have the same access to employment opportunities as middle-class youth. A key priority of the grants will be to help out-of-school youth prepare for and enter employment. The program will emphasize subsidized summer or year-round work experience in the private for-profit sector, where youth wages may be subsidized in part by program funds and in part by private sector employers. Private sector employers may be recruited in high growth/high demand/high wage industry sectors as defined in the local labor market. The program may encourage grantees to co-enroll older youth in the WIA adult formula program so that the youth have access to WIA training dollars.

Through the *Youth Innovation Fund*, ETA will also award approximately 20 Work Experience Plus competitive grants to local workforce investment boards in partnership with youth service provider (including community based organizations), governors and state workforce boards. The Work Experience Plus program will serve exclusively out-of-school youth ages 16 to 24. ETA will encourage the Work Experience Plus grantees to incorporate an “earn and learn” model where youth participate in education and training in conjunction with a paid work experience. Grantees may implement a range of service strategies, including basic skills remediation, GED instruction, credit retrieval opportunities, and other innovative models to help high school dropouts attain a high school diploma or GED. Programs may combine on-the-job learning with academic work toward an industry-recognized certificate programs, enabling youth to advance along a specific career pathway, such as in the allied health occupations. ETA will also encourage grantees to create innovative ways to help youth transition from work experiences into post-secondary education, long-term occupational skills training, or unsubsidized employment.

To measure the performance of *Youth Innovation Fund* grantees, ETA will continue to use the work readiness indicator and work experience completion rate (formerly called summer employment completion rate), which were used to assess the effectiveness of summer employment opportunities under the Recovery Act. In addition, ETA will employ an indicator measuring the percentage of youth, who transition into unsubsidized employment, secondary education, post-secondary education, or long term occupational skills training.

For the regular WIA Youth activities funds, ETA will continue its focus on developing collaborative partnerships at the Federal, state, and local levels for serving the youth most-in-need. These efforts will include participating in a Federal interagency working group focused on coordinating resources for serving disconnected youth, and participating in working groups with the Department of Education in order to better link workforce and education systems, and with the Department of Health and Human Services to explore ways to better connect the workforce system with Temporary Assistance for Needy Families (TANF) programs. In 2011, ETA will focus on coordinating with Federal programs that could create green jobs, such as investments in renewable energy infrastructure, energy-efficiency, and home retrofitting, in order to ensure that WIA Youth program participants have the opportunity to access the education and training necessary to move into these growing fields.

## YOUTH ACTIVITIES

ETA will continue to support innovative strategies to develop pathways that move young people from low-literacy to high school completion, post-secondary education enrollment, and self-sufficient employment. These efforts will include working with states and local areas to expand existing training programs, such as registered apprenticeship programs and dropout recovery programs that combine work experience with rigorous and relevant academics that have the potential to prepare workers for good jobs and achieve success in careers in high growth industries. In order to accomplish this, ETA will work collaboratively with the Department of Education to ensure that drop-out recovery and prevention strategies are aligned and coordinated.

ETA will continue to work with businesses and labor organizations to understand their workforce needs in order to ensure that WIA Youth participants, particularly those most in need, are able to gain education and workforce skills aligned with jobs and industries important to local and regional economies. In addition, ETA will work to develop sector strategies that enable disconnected youth to acquire the knowledge and skills for success in key industries including renewable energy, broadband and telecommunications, health care, advanced manufacturing, and other high demand industry sectors identified by local areas.

### **FY 2010**

FY 2010 funding for the WIA Youth program is \$924,069,000, which is the same as the FY 2009 enacted level. In PY 2010, the ETA expects to serve an estimated 282,426 youth participants in WIA Youth program activities. Given that states and local areas have spent a significant percentage of the WIA Youth funds provided through the Recovery Act on summer employment opportunities in the summer of 2009, and have gained experience with this program component, ETA expects a renewed focus on summer employment and other work experiences in FY 2010. ETA will also promote strategies that include project-based learning activities, pre-apprenticeship and registered apprenticeship pathways, internships, and work experiences designed to help youth attain both work-related skills and supports that help with educational attainment.

In 2010, ETA will continue its focus on developing collaborative systems at the Federal, state, and local level for serving the youth most in need. These efforts will include participating in a Federal interagency working group focused on coordinating resources for serving these disconnected youth, and participating in working groups with the Department of Education in order to better link workforce and education systems, and with the Department of Health and Human Services focused on connecting the workforce system with Temporary Assistance for Needy Families (TANF) programs. In 2010, ETA will focus on coordinating with Federal programs that could create green jobs, such as investments in renewable energy infrastructure, energy-efficiency, and home retrofitting, in order to ensure that WIA youth program participants have the opportunity to access the education and training necessary to move into these growing fields.

ETA will support innovative strategies to develop pathways that move young people from low-literacy to high school completion, post-secondary education enrollment, and self-sufficient employment. These efforts will include working with states and local areas to expand existing training programs, such as registered apprenticeship programs and dropout recovery programs

## YOUTH ACTIVITIES

that combine work experience with rigorous and relevant academics that have the potential to prepare workers for careers in green industries.

ETA will also encourage local areas to focus on services to youth with disabilities, including developing strategies to ensure this population successfully completes secondary and post-secondary degrees and occupational skills certificates. ETA will issue program guidance to assist local areas with this focus.

ETA will work with businesses and labor organizations to understand their workforce needs in order to ensure that WIA Youth participants, particularly those most in need, are able to gain education and workforce skills aligned with jobs and industries important to local and regional economies. In addition, ETA will work to develop sector strategies that enable disconnected youth to acquire the knowledge and skills for success in key industries including renewable energy, broadband and telecommunications, health care, advanced manufacturing, and other high demand industry sectors identified by local areas.

### **FY 2009**

In PY 2009, ETA expects to serve an estimated 282,426 participants in WIA Youth program activities. States and local areas are concurrently expending their WIA Youth resources in PY 2009 along with WIA Youth Recovery Act funds. Given the focus of the Recovery Act resources on summer employment, states and local areas will most likely use FY 2009 funds for non-summer employment activities such as tutoring, alternative secondary school offerings, year-round work experiences, occupational skill training, mentoring, and leadership development opportunities.

In 2009, ETA has focused on developing collaborative systems at the Federal, state, and local level for serving the youth most in need. These efforts include participating in a Federal interagency working group focused on coordinating resources for serving these disconnected youth. In 2009, the workgroup has focused on coordinating Federal resources and assisting states' with their integration of the additional resources provided through the Recovery Act.

ETA will also issue guidance to states and local areas on innovative contracting strategies designed to allow service providers that are under contract to local workforce investment boards to better serve the youth most in need. The strategies will include encouraging the use of multi-year service provider contracts that enable service providers to serve youth for more than a single year when necessary; using "real-time" benchmarks to assess provider performance in addition to WIA Youth common or statutory measures; and factoring participant characteristics and external factors into performance goal negotiations between local and state workforce partners.

ETA will also support the creation of innovative strategies to develop multiple pathways to graduation, to post-secondary education, and to successful careers.



## YOUTH ACTIVITIES

### Recovery Act Update

The Recovery Act appropriated \$1,200,000,000 for WIA Youth activities, of which up to one percent could be used for administration, management, and oversight of the program. These funds could be used for any allowable WIA Youth activities with a specific focus on creating summer employment opportunities for youth. Through October 31, 2009 a total of 355,497 youth have been served with WIA Youth Recovery Act funds, including a total of 314,732 in summer employment opportunities. In March 2009, ETA issued guidance detailing the allowable uses and limitations of the Recovery Act funds. The guidance encouraged states and local areas to use as much of these funds as possible to offer expanded, high-quality summer employment opportunities during the summer of 2009, as well as provide as many youth as possible with employment opportunities and work experiences throughout the year. In addition, ETA encouraged local areas to develop these work experiences and other activities in a manner that exposes youth to opportunities in green career pathways. The guidance provided the necessary flexibility for local areas to quickly implement expanded summer employment opportunities during the summer of 2009. Based on the data through October of 2009, states and local areas followed ETA guidance as 89% of all youth with served with Recovery Act WIA Youth funds participated in summer employment.

ETA provided technical assistance to ensure that Recovery Act funds were both quickly and effectively implemented. This technical assistance included: a series of Webinars to further explain the Recovery Act guidance; providing assistance to states and local areas in establishing summer employment worksites and serving youth ages 22 through 24, a new age group authorized under the Recovery Act; and distributing examples of various summer employment program models, including creating work experiences for younger youth and creating a green summer employment model. In addition, ETA created a library of tools and resources with relevant summer employment materials to assist states and local areas in implementing summer employment opportunities. ETA also hosted a series of regional Recovery and Reemployment Forums and included a youth track at each summit focusing on policy guidance, green jobs, performance and reporting, program operations, coordination of Recovery Act resources, and serving older and out-of-school youth. Finally, ETA contracted with an experienced technical assistance firm to help local areas with the implementation of summer employment under the Recovery Act. Through this technical assistance contract, ETA hosted two Recovering America's Youth Summits, attended by over 500 youth workforce officials from 42 states who shared lessons learned from implementing summer employment opportunities during 2009 and explored the applicability of such lessons learned on future programming.

ETA also conducted a process evaluation of youth activities supported by with Recovery Act funds, with a specific focus on summer employment. The evaluation incorporated both qualitative and quantitative analysis to examine the infusion of Recovery Act funds into programs for youth. The study was based on a selected sample of local workforce investment areas. The implementation study employed various data collection methods, such as telephone interviews, site visits, and focus groups. The quantitative analysis utilized data from a variety of sources, such as sites' monthly reports of aggregate information submitted to the ETA, and participant-level data from sites' local Management Information Systems. ETA expects the final evaluation report to be available in spring of 2010.

## YOUTH ACTIVITIES

<b>WORKLOAD SUMMARY</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Youth Activities</b>				
Formula Grant Participants	247,408	282,426 (r)	282,426	266,274
Formula Grant Cost Per Participant	\$3,735.00	\$3,272.00 (r)	\$3,272.00	\$3,272.00
Youth Innovation Fund Participants	--	(r)	--	40,724
Youth Innovation Fund Cost Per Participant	--	\$.00 (r)	--	\$3,775.00

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined

Note:

- No data available for Program Year (PY) 2009 results as PY 2009 is currently underway.
- Youth Innovation Fund is new in FY 2011 and did not exist in FY 2009 or 2010.
- Up to five percent of the funding for the Youth Innovation Fund will go toward evaluation and technical assistance. Cost per participant for the Youth Innovation Fund includes the funding for evaluation and technical assistance.
- Results for FY2009 are an estimate based on PY2008 final results
- The Youth Innovation Fund cost per participant includes a cost per participant of \$5000 for the Work Experience Plus grant and \$2292 for the Summer/Year Round Employment grants for an average cost per participant of \$3775.

## YOUTH ACTIVITIES

### PERFORMANCE INDICATORS

The WIA Youth program contributes to the following Outcome Goals in support of the Department's Strategic Vision of <i>Good Jobs for Everyone</i> :. 1.1 Increasing workers' incomes and narrowing wage and income inequality. 1.2 Assuring skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like "green" jobs.										
		PY 2006		PY 2007		PY 2008		PY 2009	PY 2010	PY 2011
		Goal Achieved		Goal Achieved		Goal Achieved				Request
Goal	Performance Indicator	Target	Result	Target	Result	Target	Result	Target	Target	Target
1.2	Percent of participants entering employment or enrolling in post-secondary education, the military or advanced training/ occupational skills training in the first quarter after exit.	60%	60%	61%	62%	59.4%	60.6%	58%	58.3%	59.3%
1.2	Percent of participants who earn a diploma, GED, or certificate by the end of the third quarter after exit.	40%	44%	45%	57%	50.90%	53.9%	47.9%	48.5%	50.8%
1.1	Percent of participants who achieve literacy or numeracy gains of one Adult Basic Education (ABE) level	Baseline	RNA	Baseline	30%	23.20%	37.5%	27.8%	29.5%	32.4%
1.1	Percentage of participants in the Youth Innovation program who achieve an increase in work readiness skills	N/A	N/A	N/A	N/A	N/A	NDA*	Baseline	N/A	TBD
1.2	Summer Employment Completion Rate	N/A	N/A	N/A	N/A	N/A	NDA*	Baseline	N/A	TBD
<b>Baseline(s):</b> PY 2007 is the baseline year for the literacy and numeracy gains indicator. Baseline data will continue to be collected for these measures from Recovery Act funded summer employment from the summer of 2009.										
<b>Data Source(s):</b> Quarterly and Annual State WIA Performance Reports (ETA-9090 and ETA 9091). Rounded to the nearest whole number, PY 2007 results are from the Program Year 2007 WIA Annual Report. Results for PY 2008 data based on final annual report data.										
<b>Comments:</b> : PY 2008-2009 targets are based on regression analysis that takes into account the conditions of the local labor markets using the unemployment rates collected by local workforce investment area. Direct estimates of the effect of unemployment on performance measures were obtained using the PY 2007 WISARD data to determine PY 2010-2011 targets. *Data will be available Q1 2010.										

## YOUTH ACTIVITIES

<b>BUDGET ACTIVITY by OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>FY 11 Req. / FY 10 Enacted</b>
25.1	Advisory and assistance services	0	0	0	5,381	5,381
41.0	Grants, subsidies, and contributions	924,069	1,188,000	924,069	1,019,619	95,550
	<b>Total</b>	<b>924,069</b>	<b>1,188,000</b>	<b>924,069</b>	<b>1,025,000</b>	<b>100,931</b>

# YOUTH ACTIVITIES

## CHANGES IN FY 2011

(Dollars in Thousands)

<b>Activity Changes</b>		
<b>Built-In</b>		
To Provide For:		
<b>Built-Ins Subtotal</b>		<b>\$0</b>
<b>Net Program</b>		<b>100,931</b>
	<b>Estimate</b>	<b>FTE</b>
<b>Base</b>	<b>924,069</b>	<b>0</b>
<b>Program Increase</b>	<b>153,750</b>	<b>0</b>
<b>Program Decrease</b>	<b>-52,819</b>	<b>0</b>



## GREEN JOBS INNOVATION FUND

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>0</b>	<b>0</b>	<b>40,000</b>	<b>85,000</b>	<b>45,000</b>
FTE	0	0	0	0	0

### **Introduction**

The Green Jobs Innovation Fund is part of the Department’s vision for ensuring that workers have the necessary skills, knowledge, and abilities to succeed in a knowledge-based economy that includes high growth and emerging industry sectors including green industries. Green industries are comprised of the energy efficiency and renewable energy industries as well as industries that impact our environment, such as transportation, green construction, environmental protection, sustainable agriculture, forestry, and recycling and waste reduction. Through competitive grant opportunities, the Fund will help workers receive job training in green industry sectors and occupations, and access green career pathways.

Funding for the Green Jobs Innovation Fund for FY 2011 will allow ETA to build upon the lessons learned from the Recovery Act’s green job investments. For example, due to the initial investment of \$500,000,000 in Recovery Act funds to develop workforce solutions supporting the green economy, there will be an opportunity in FY 2011 to identify innovative approaches and products that can be expanded nationally. Additionally, ETA will have an enhanced understanding of green industries and the skills needed for green careers as a result of the Recovery Act-funded State Labor Market Information and Improvement Grants. By working with other Federal agencies, employers, labor organizations, the workforce investment system, and educators, ETA will have more data and information to determine potential gaps in the development of green curriculum, competency models, and other training tools necessary to prepare people for green careers, and will be able to target these resources accordingly.

ETA has identified several strategies to help workers access green training and green career pathways, including: (1) enhanced pre-apprenticeship and registered apprenticeship programs in green industry sectors and occupations; (2) targeted sector strategy and partnership efforts; (3) connecting existing education opportunities in green industry sectors and occupations to green jobs; and, (4) incentivizing innovative partnerships that effectively connect community-based organizations in underserved communities with the workforce investment system to better serve targeted populations through a new focus on career advancement in green industry sectors. ETA expects to develop additional strategies, based on the lessons learned from the green investments funded by the Recovery Act.

In Program Year 2010, ETA will begin collecting baseline data on job training program common performance measures (entered employment rate, employment retention rate, and average earnings). These measures enable ETA to describe in a similar manner the core purposes and results across grantees and the workforce investment system – how many people got a job, how many stayed employed, and how much they earned. ETA anticipates setting baseline data in PY 2011 that can be used to establish targets.

# GREEN JOBS INNOVATION FUND

## Funding Mechanism

These funds will be awarded competitively through one or more Solicitations for Grant Applications and build on strategies that were funded through FY 2010 appropriations as well as the series of green job training grants funded by the Recovery Act.

## Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2006	0	0
2007	0	0
2008	0	0
2009	0	0
2010	40,000	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

## FY 2011

ETA is considering a range of approaches for the \$85,000,000 requested for the Green Jobs Innovation Fund that will build on the successful strategies and lessons learned from grant projects funded through FY 2010 appropriations as well as the series of green job training grants funded by the Recovery Act. Based on these initial investments, ETA will have a clearer understanding of the workforce needs associated with green jobs for FY 2011 and will target its efforts with a focus on further development of green curricula, competency models, career pathways, and other valuable training tools. In addition, other Federal agencies will be investing in complementary green industry activities and leveraging Department of Labor resources will be critical to developing the green workforce as jobs are emerging in state and regional economies. Strategies may include, but will not be limited to:

- ***Enhanced Green Apprenticeship Programs.*** Competitive grants could be awarded to expand and recognize green pre-apprenticeship programs and link these programs to Registered Apprenticeships, community colleges, and other qualified training programs. Existing green Registered Apprenticeships funded through the Recovery Act will be a strong foundation for developing pre-apprenticeships that would target underrepresented and disadvantaged populations.
- ***Targeted Sector Strategy and Partnership Efforts.*** Competitive grants could be awarded to further incentivize innovative sector strategies and partnerships that are leveraging a variety of green Federal investments. New green technologies will continue to emerge and combining the expertise and resources of the public workforce system with those of our Federal partners, such as the Department of Energy, will lead to projects that are meeting the real-time workforce needs for green employers beyond the initial Recovery Act investments in the energy efficiency and renewable energy industries.



## GREEN JOBS INNOVATION FUND

- ***Green Career Pathways.*** Competitive grants would help workers who are in low-wage jobs (or out of the labor market altogether) move along a green career pathway into middle class jobs through postsecondary education and training. These grants would be awarded to partnerships among community-based organizations, workforce investment boards, community colleges, employers, and adult education providers to provide training to students from entry-level through community college level training in green careers.
- ***Innovative Partnerships with Community-Based Organizations Connecting Targeted Populations to Green Jobs.*** This would be a new program targeting competitive grants to incentivize innovative partnerships that connect community-based organizations in underserved communities with the workforce system and employers to promote career advancement opportunities in green industry sectors and occupations. The grants would provide training in green job skills to targeted populations, including individuals with limited English proficiency, disconnected youth, high school drop-outs, and individuals with disabilities. This training will help ensure that disadvantaged populations are better connected to One Stop Services, including on-the-job training, Registered Apprenticeship programs, postsecondary-level training, and integrated earn and learn models.

ETA plans to use the requested funds to award approximately 40-50 grants and expects that 14,110 participants will receive training.

These are new initiatives that are not accompanied by legislative proposals.

### **FY 2010**

ETA is considering a range of approaches for the \$40 million enacted for the Green Jobs Innovation Fund. Options under consideration include:

- ***Enhanced Green Apprenticeship Programs.*** Competitive grants could be awarded to expand and recognize green pre-apprenticeship programs and link these programs to Registered Apprenticeships, community colleges, and other qualified training programs. Building on green Registered Apprenticeships funded through the Recovery Act, the pre-apprenticeships would target underrepresented and disadvantaged populations. The grants could facilitate agreements between pre-apprenticeship and Registered Apprenticeship program sponsors to transfer pre-apprenticeship experience and learning into credit towards the completion of a Registered Apprenticeship program—much like articulation agreements used between Registered Apprenticeship programs and institutions of higher learning. Recognizing this transfer of experience would facilitate entry into Registered Apprenticeship programs, particularly by underrepresented and disadvantaged populations. In conjunction with these grants, ETA is also examining ways to certify the pre-apprenticeship programs that meet the Registered Apprenticeship program sponsors' minimum requirements for participants to enter Registered Apprenticeship.
- ***Competitive Grants for Green Career Pathways.*** These competitive grants would promote green career pathways through postsecondary education and training to reach low-income communities, persons with limited English proficiency, and other under-skilled young adults

## GREEN JOBS INNOVATION FUND

and adults. These grants would be awarded to partnerships among community-based organizations, workforce investment boards, community colleges, employers, and adult education providers to provide training to students from entry-level through community college level training in green careers. Grantees would define the pathways to attain community college education for low-income, limited English proficient, and other under-skilled youth and adults. Additionally, grantees will provide participants with tuition assistance and additional supports, such as transportation and child care, that will allow these individuals to attend and complete training. The training could focus on community college and career and technical education training models, including on-the-job training and integrated earn and learn strategies that provide access to career pathways for low-income individuals.

- ***Innovative Partnerships with Community-Based Organizations Connecting Targeted Populations to Green Jobs.*** Competitive grants could incentivize innovative partnerships that connect community-based organizations in underserved communities, the workforce system, and employers to promote career advancement opportunities in green industry sectors and occupations. The grants would provide training in green job skills to targeted populations, including individuals with limited English proficiency, disconnected youth, high school drop-outs, and individuals with disabilities. This training will help ensure that disadvantaged populations are better connected to One Stop Services, including on-the-job training, Registered Apprenticeship programs, postsecondary-level training, and integrated earn and learn models.

ETA plans to use the requested funds to award to approximately 15-25 grants and expects that 6,640 participants will receive training.

These are new initiatives that are not accompanied by legislative proposals.

### **FY 2009**

This is a new initiative for FY 2010.

### **Recovery Act Update**

The Recovery Act provided \$750,000,000 for a program of competitive grants for worker training and placement in high growth and emerging sectors. Of this amount, \$500,000,000 was used prepare workers to enter into and to pursue careers in energy efficiency and renewable energy industries. ETA conducted five grant competitions soliciting grant applications to fund research, labor exchange and job training projects. Four of the competitions were designed to serve workers in need of training through various national, state and community outlets. The fifth competition funded state workforce agencies that will collect, analyze and disseminate labor market information and develop labor exchange infrastructure to direct individuals to careers in green industries. Grant announcements will be made and grant activities will begin under each of these competitions by the end of the 2<sup>nd</sup> Quarter of FY 2010.

## **GREEN JOBS INNOVATION FUND**

ETA has competed \$720 million in grants for career training and placement in energy efficiency and renewable energy, health care, and other high growth and emerging industry sectors. We received over 1,600 applications for the 6 competitions, recruited reviewers from other Federal agencies and local level operators across the country, evaluated the applications, and announced 5 out of 6 sets of award winners, with the sixth announcement imminent. ETA anticipates awarding over 220 grant awards (having already announced 191 grants).

## GREEN JOBS INNOVATION FUND

<b>WORKLOAD SUMMARY</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Green Jobs Innovation Fund</b>				
Participants	--	--	6,640	14,110
Cost Per Participant	--	--	\$6,024.00	\$6,024.00

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined  
 Note: For FY 2010 and FY 2011, the Green Jobs Innovation Fund grants may have two or three year periods of performance. As a result, the target for FY 2010 is for results that will be achieved during the entire period of performance of the grants awarded for that year, which may be two or three years after grants are awarded. Similarly, the target for FY 2011 is for results that will be achieved during the entire period of performance of the grants awarded for that year, which may be two or three years after grants are awarded.

The workload table provides estimates for the number of individuals served as well as the cost per participant through the Green Job Innovation Fund program.

In FY 2011, the Department estimates \$6,024 as the average cost per person receiving services, which is the same as the estimate of FY2010.

The projected cost per participant for the Green Jobs Innovation Fund was developed based on two primary factors. First, key grant activities will target individuals with barriers to employment, such as individuals with limited English proficiency, disconnected youth, and high school drop-outs. These individuals will require more intensive grant-fund services to both prepare for and retain employment. Further, grantees will be encouraged to provide longer term post-secondary education and training activities, which can often take more than a year to complete and require more resources than short-term education and training programs. The projected cost per participant for the Green Jobs Innovation Fund is on par with other programs serving similar populations.

At a funding level of \$85,000,000, approximately 14,110 individuals would receive services.

## GREEN JOBS INNOVATION FUND

### PERFORMANCE INDICATORS

<b>Green Jobs Innovation Fund contributes to the following Outcome Goals in support of the Department’s Strategic Vision of <i>Good Jobs for Everyone</i>:</b> <b>1.1 Increasing workers’ incomes and narrowing wage and income inequality.</b> <b>1.2 Assuring skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like “green” jobs.</b> <b>1.3 Helping workers who are in low-wage jobs or out of the labor market find a path into middle class jobs.</b> <b>1.4 Helping middle-class families remain in the middle class.</b>								
		PY 2007		PY 2008		PY 2009	PY 2010	PY 2011 Request
		N/A		N/A		N/A		
Goal	Performance Indicator	Target	Result	Target	Result	Target	Target	Target
1.2	Total Enrolled in Training	--	--	--	--	--	Baseline	TBD
1.2	Total Completed Training	--	--	--	--	--	Baseline	TBD
1.3	Percent of participants employed in the first quarter after exit.	--	--	--	--	--	Baseline	TBD
1.4	Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.	--	--	--	--	--	Baseline	TBD
1.1	Average earnings in the second and third quarters after exit.	--	--	--	--	--	Baseline	TBD
<b>Baseline(s):</b> Baseline year for completed training and Common Measure outcomes (the third through the fifth measure) is PY2010.								
<b>Data Source(s):</b> Grantee Reports to be submitted to DOL.								
<b>Comments:</b> The baseline year is PY2010 and the targets for PY2011 will be based on the funded projects.								

**GREEN JOBS INNOVATION FUND**

<b>BUDGET ACTIVITY by OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>FY 11 Req. / FY 10 Enacted</b>
41.0	Grants, subsidies, and contributions	0	0	40,000	85,000	45,000
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>40,000</b>	<b>85,000</b>	<b>45,000</b>

**GREEN JOBS INNOVATION FUND**

**CHANGES IN FY 2011**

(Dollars in Thousands)

<b>Activity Changes</b>		
<b>Built-In</b>		
To Provide For:		
<b>Built-Ins Subtotal</b>		<b>\$0</b>
<b>Net Program</b>		<b>45,000</b>
	<b>Estimate</b>	<b>FTE</b>
<b>Base</b>	<b>40,000</b>	<b>0</b>
<b>Program Increase</b>	<b>45,000</b>	<b>0</b>





## WORKFORCE DATA QUALITY INITIATIVE

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>0</b>	<b>0</b>	<b>12,500</b>	<b>13,750</b>	<b>1,250</b>
FTE	0	0	0	0	0

### **Introduction**

In FY 2010, ETA in partnership with the U.S. Department of Education launched the Workforce Data Quality Initiative (WDQI). The WDQI seeks to enable state workforce agencies to build longitudinal data systems that merge workforce with education data. The implementation of this initiative complements Education's State Longitudinal Data System (SLDS) Grants funded by the Recovery Act. Longitudinal data systems track individuals as they progress through the education system and into the workforce. Some states have developed comprehensive data systems that link individuals' demographic information, high school transcripts, college transcripts, and quarterly wage data. These data systems can provide valuable information to consumers, practitioners, policymakers, and researchers about the performance of education and workforce development programs and training providers.

Grants awarded help states improve the quality and accessibility of performance data reported by workforce programs and training providers, and allow this information to be matched through longitudinal data systems. Improving information available from training providers is crucial to helping consumers make informed decisions when choosing among training programs. Making this longitudinal information available also advances the practice of program evaluation, enabling stronger ties between program goals and performance outcomes.

Resources requested for the WDQI in FY 2011 will be used to expand the initiative to up to 12 additional states (or consortia of states).

### **Funding Mechanism**

In FY 2010, Congress appropriated \$12,500,000 for WDQI. These funds will be competitively awarded to up to 12 states or consortia of states through a Solicitation for Grant Applications (SGA). The states will be selected based on the quality of their applications and how well they meet the criteria set forth in the SGA.

Requested funding for FY 2011 will support the initiative for a second year under a three-year plan of action.

# WORKFORCE DATA QUALITY INITIATIVE

## Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2006	0	0
2007	0	0
2008	0	0
2009	0	0
2010	12,500	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

## FY 2011

The budget requests \$13,750,000 for the WDQI. This is a \$1,250,000 increase from the FY 2010 appropriated level. Funding for this initiative in FY2010 allows up to 12 states to implement workforce longitudinal administrative databases over a three-year grant period. The FY2011 budget request will be used to fund this project for a second year of the three-year plan of action for the WDQI. A third year of funding is planned for FY2012 in order to make these grants available to as many states as possible.

ETA will issue a second competitive SGA for state applicants. As in FY 2010, applicants in FY 2011 will be required to:

- Submit a detailed plan for use of the grant funds, including an estimated timetable for reaching project benchmarks;
- Demonstrate commitment to cooperation and data quality improvement by relevant parties, such as state and local workforce and education agencies, educational institutions, and training providers; and
- Clearly articulate measurable outcomes for data system development and improvement

## FY 2010

A total of \$12,500,000 enacted in FY 2010 will provide up to 12 states resources to implement the WDQI. The WDQI is an initiative undertaken in partnership with the U.S. Department of Education. Competitive grants will support the creation and expansion of state longitudinal data systems that match education and workforce databases. These longitudinal data systems provide the information needed to guide educational and workforce institutions as they plan learning and skill-building services that lead to high returns in the labor market.

ETA will issue a competitive SGA for state workforce agencies early in the second quarter of the 2010 fiscal year. Each grantee will be responsible for submitting regular reports on the current status of their longitudinal data systems, and will be expected to make significant progress on:

- Developing or improving longitudinal data systems of workforce data gathered by various agencies within the state linked at the individual-level.

## **WORKFORCE DATA QUALITY INITIATIVE**

- Matching individual-level, longitudinal workforce data to available education data.
- Improving the quality and breadth of the data in workforce longitudinal data systems.
- Utilizing longitudinal data to provide useful information about program operations and to analyze the performance of education and training programs.
- Providing user-friendly information to consumers to help them make informed employment, education and training choices.

To receive an award, WDQI grant recipients will be required to:

- Submit a detailed plan for use of the grant funds, including an estimated timetable for reaching project benchmarks;
- Demonstrate commitment to cooperation and data quality improvement by relevant parties, such as state and local workforce and education agencies, educational institutions, and training providers; and
- Articulate measurable outcomes for data system development and improvement.

### **FY 2009**

This is a new initiative for FY 2010.

## WORKFORCE DATA QUALITY INITIATIVE

<b>BUDGET ACTIVITY by OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>FY 11 Req. / FY 10 Enacted</b>
25.1	Advisory and assistance services	0	0	12,500	13,750	1,250
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>12,500</b>	<b>13,750</b>	<b>1,250</b>

# WORKFORCE DATA QUALITY INITIATIVE

## CHANGES IN FY 2011

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

#### Built-Ins Subtotal

\$0

#### Net Program

1,250

	Estimate	FTE
Base	12,500	0
Program Increase	1,250	0



## REINTEGRATION OF EX-OFFENDERS

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>108,493</b>	<b>0</b>	<b>108,493</b>	<b>98,000</b>	<b>-10,493</b>
FTE	0	0	0	0	0

### **Introduction**

The Reintegration of Ex-Offenders Program provides funding, authorized as Pilot and Demonstration Projects under WIA Section 171 for both Adult Ex-Offender grants and Youthful Offender grants, and Section 212 of the Second Chance Act of 2007 for adult offenders. The Adult Ex-Offender grants seek to strengthen urban communities characterized by large numbers of returning prisoners through an employment-centered program that incorporates mentoring, job training, and other comprehensive transitional services. Youthful Offender grants support a set of multi-site demonstrations, some aimed at juvenile offenders, others at young adult offenders, and still others at youth highly at risk of involvement in crime and violence. Both the adult and youth programs aim to assure that participants have the skills and knowledge to succeed in a knowledge-based economy, including in high-growth and emerging industries like green sectors.

There is a great need among both adult and juvenile offenders for programs directed at reducing their recidivism. According to the U.S. Department of Justice, almost three out of five returning inmates will be charged with new crimes within three years of their release from prison and two out of five will be re-incarcerated. Recidivism among youth released from juvenile correctional facilities is similarly very high. Data from the State of Virginia show that 79 percent of youth released from state juvenile correctional facilities are rearrested for a new offense within three years of their release.

Under the Reintegration of Ex-Offenders program, ETA has separate goals for the Adult Ex-Offender and Youthful Offender programs. For Adult Ex-Offenders, PY 2011 targets will be set at 58.9 percent for placement in employment in the first quarter after exit, 65.4 percent for retention in employment six months after leaving the program, \$9,712 for six months average earnings, and 22 percent or below for recidivism. For Youthful Offender grants, the PY 2011 targets will be 17 percent recidivism rate for young offenders ages 18 and above; a 16 percent recidivism rate for young offenders ages 14-17; and a 49.4 percent placement rate for out-of-school participants ages 18 and above.

### **Funding Mechanism**

ETA funds Reintegration of Ex-Offenders projects through a competitive solicitation process, with continuation grants providing additional years of funding to current and future grants. Grants for serving ex-offenders will be awarded to faith-based and community organizations, national intermediary organizations, state and local workforce boards, public school districts, and state and local juvenile and criminal justice agencies.

# REINTEGRATION OF EX-OFFENDERS

## Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2006	68,746	0
2007	68,944	0
2008	73,493	0
2009	108,493	0
2010	108,493	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

## FY 2011

ETA is requesting \$98,000,000 for the Reintegration of Ex-Offenders program. This amount will be used in support of ex-offender programming by awarding and continuing competitive grants. This is a \$10,493,000 decrease from the FY 2010 enacted level which reflects the funding of a unified Transitional Jobs initiative in the Pilots, Demonstrations and Research Account. With these funds, the Reintegration of Ex-Offender program will be able to serve 23,355 persons at a cost-per-participant of \$4,196

New and continuing grants that will be funded to serve ex-offenders will be employment-focused and may include occupational skills training, transitional job opportunities, mentoring, and case management. Grants and grant activity will be consistent with Section 212 of the Second Chance Act. ETA will also reserve funds for technical assistance to support new and continuing grantees. A key area for technical assistance will be directed towards supporting partnership development around necessary ancillary services, such as housing, substance abuse treatment, family reunification and responsible fatherhood programs, and other supportive services.

Within this request ETA proposes the termination of the Persistently Dangerous Schools initiative, given that this program is a demonstration and sufficient lessons will be learned from two rounds of grants without necessitating full-year awards. However, phase-out funding will be provided to the first round of grantees. ETA will also undertake a joint technical assistance strategy for this initiative with the Department of Education to ensure that lessons learned will be shared with the Department of Education in support of its mission of drop-out prevention, safe schools and school reform.. As funding for this initiative will not be made available in FY 2011, these funds will instead continue to support employment-focused services for ex-offenders which will ensure that the level of these activities will be maintained or increased during this year.

Reintegration of Ex-Offender activities will be coordinated with the Department of Justice as well as other Federal agencies whose mission is to support returning ex-offenders.



## **REINTEGRATION OF EX-OFFENDERS**

### **FY 2010**

The funding level for FY 2010 is \$108,493,000 for the Reintegration of Ex-Offenders program. With these funds, the Reintegration of Ex-Offender program expects to serve an estimated 24,725 individuals at a cost-per-participant of \$4,388. The Department is conducting a thorough review of all current offender-focused grants and several proposed ex-offender programs, that will lead to the development of a detailed plan in support of FY 2010 funded ex-offender projects. This review is being done in cooperation with the Department of Justice.

In FY 2010, ETA continues to support grants for employment-centered adult ex-offender programs. New programs in FY 2010 include \$15,000,000 for statutorily-required competitive grants to provide transitional job activities for ex-offenders. The transitional jobs model, which combines short-term subsidized employment with case management services, holds promise based on rigorous evaluations which suggest that this model reduces recidivism. In FY 2010, ETA will consider a new grant competition to fund programs for juvenile offenders based on the civic justice corps model. The civic justice model offer youth paid opportunities for service projects in their communities along with intensive case management, life skills development, and job training. The model is currently undergoing its first rigorous evaluation in New York City, but programs around the country show promising outcomes. The initial round of Persistently Dangerous Schools grants will receive \$17,346,685, which is the balance of their third year of funding.

### **FY 2009**

ETA received \$108,493,000 for the Reintegration of Ex-Offender program to support a combination of adult and youthful offender projects. With these funds, the Reintegration of Ex-Offender program is able to serve 24,725 persons at a cost-per-participant of \$4,388. Of the amount appropriated for the Reintegration of Ex-Offender program, \$19,993,000 was used for adult ex-offender projects, including \$12,000,000 to provide fifth-year funds for 24 first-generation projects, \$7,224,036 to provide second-year funds to 18 third-generation grants, and \$775,964 for technical assistance and management information support. The fifth-year funding to the first-generation of adult ex-offender projects was provided as part of a random assignment evaluation of these mature programs and expected to test if outcomes achieved by adult ex-offender program participants are the result of their participation in the project.

Of the amount available for youthful offender grants, \$34,000,000 was used for a second round of competitive grants to persistently dangerous schools which were fully funded for two years of program operations and will not receive additional funds; \$7,400,000 was provided as partial third-year funds for the initial set of grants awarded to persistently dangerous schools in FY 2007; and \$20,000,000 was used for new competitive grants to national or regional intermediary organizations to serve youthful offenders and high school dropouts in high-poverty, high-crime communities. All of these funded projects were included in the FY 2009 Department of Labor Appropriation. The remaining \$25,300,000 was used to provide continuation of funding to existing grantees and necessary technical assistance.

## REINTEGRATION OF EX-OFFENDERS

<b>WORKLOAD SUMMARY</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Reintegration of Ex-Offenders</b>				
Participants	24,725	24,725	24,725	23,355
Cost Per Participant	\$4,388.00	\$4,388.00	\$4,388.00	\$4,196.00

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined

At the FY2011 budget request of \$98 million and with the cost per participant of \$4,196, it is estimated that 23,355 participants can be served. In FY 2011 more funding will be allocated to adult portion of the Reintegration program which has a lower cost per participant, reducing the overall cost per participant from \$4,388 to \$4,196.

# REINTEGRATION OF EX-OFFENDERS

## PERFORMANCE INDICATORS

The Re-integration of Offenders program contributes to the following Outcome Goals in support of the Department's Strategic Vision of <i>Good Jobs for Everyone</i> :										
1.1 Increasing workers' incomes and narrowing wage and income inequality. 1.2 Assuring skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like "green" jobs. 1.3 Helping workers who are in low-wage jobs or out of the labor market find a path into middle class jobs. 1.4 Helping middle-class families remain in the middle class. 3.1 Breaking down barriers to fair and diverse work places so that every worker's contribution is respected.										
		PY 2006		PY 2007		PY 2008		PY 2009	PY 2010	PY 2011
		Goal Not Achieved		Goal Achieved		Goal Not Achieved				Request
Goal	Performance Indicator	Target	Result	Target	Result	Target	Result	Target	Target	Target
1.3	Percent of participants employed in the first quarter after exit.	Baseline	58%	57%	57%	53.9%	60%	57.7%	58%	58.9%
1.4	Percent of participants employed in the first quarter after program exit still employed in the second and third quarters after exit.	Baseline	52%	60%	69%	67.10%	66%	64.7%	64.9%	65.4%
1.1	Average earnings in the second and third quarters after exit	Baseline	\$9,395*	\$9,360	\$10,366	\$9,821	\$10,002	\$9,382	\$9,455	\$9,699
3.1	Percent of participants re-arrested for a new crime or re-incarcerated for revocation of a parole or probation violation within one year from release from prison.	Baseline	13%**	22%	15%	22%	13%	22%	22%	22%
1.2	Percentage of youth ages 18 and above entering employment or enrolling in post-secondary education, the military or advanced training/occupational skills training.	Baseline	54.10%	51%	51%	48.90%	50%	48.10%	48.50%	49.40%
3.1	Percentage of youth offenders ages 14-17 recidivating	Baseline	11.60%	Baseline	16%	16%	19%	16%	16%	16%

## REINTEGRATION OF EX-OFFENDERS

3.1	Percentage of youth offenders ages 18 and above recidivating	Baseline	11.50%	Baseline	17%	17%	9%	17%	17%	17%
<b>Baseline(s):</b> Baseline established in PY 2006 through data collected by grantees.										
<b>Data Source(s):</b> Program Grantees										
<p><b>Comments:</b> The rate of change for entered employment, retention, average earnings and placement rate for FY2009-2011 are based on estimates established for the WIA Adult Program by the W.E. Upjohn regression analysis.</p> <p>*Targets for PY2009 are the same as stated in the President's 2010 budget. They are based on the 2010 Budget assumptions for unemployment rates and on WIA estimates which included 11 states. Targets for PY2010 and subsequent years are computed using the 2011 unemployment rate assumptions in the President's 2011 budget and estimates for WIA programs based on all states, DC, and Puerto Rico.</p> <p>*The estimates of the effects on unemployment were obtained from using adjusted estimates from the WIA Adult program. The adjustments were made by computing the percentage change in the performance measure from a change in the unemployment rate and multiplying by the actual rate for PY2008.</p>										

## REINTEGRATION OF EX-OFFENDERS

<b>BUDGET ACTIVITY by OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>FY 11 Req. / FY 10 Enacted</b>
41.0	Grants, subsidies, and contributions	108,493	0	108,493	98,000	-10,493
	<b>Total</b>	<b>108,493</b>	<b>0</b>	<b>108,493</b>	<b>98,000</b>	<b>-10,493</b>

# REINTEGRATION OF EX-OFFENDERS

## CHANGES IN FY 2011

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

#### Built-Ins Subtotal

\$0

#### Net Program

-10,493

	Estimate	FTE
Base	108,493	0
Program Decrease	-10,493	0

## CAREER PATHWAYS INNOVATION FUND

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>125,000</b>	<b>0</b>	<b>125,000</b>	<b>0</b>	<b>-125,000</b>
FTE	0	0	0	0	0

### **Introduction**

The Budget does not contain a request for the Career Pathways Innovation Fund, which was funded in FY 2010 to focus on developing and expanding career pathway programs at community colleges. Career pathway programs have clear sequences of coursework and credentials, each leading to a better job in a particular field such as health care, law enforcement, and clean energy. These programs can have multiple entry and exit points and often include links to services such as basic adult education and English as a Second Language classes that make them accessible to individuals who are not yet prepared to enroll in college courses. Career pathways are a relatively new strategy for community colleges, but several existing programs have shown promising outcomes.

Instead of requesting money for the Career Pathways Innovation Fund in FY 2011, the Administration strongly supports enactment of the American Graduation Initiative (AGI), which is part of student aid legislation passed by the House and pending in the Senate. The AGI would provide significant resources for competitive grants to community colleges that could support career pathways and other innovative training and education programs. The Department of Labor would work with the Department of Education to administer these grants, continuing to support career pathway programs at community colleges that help individuals of varying skill levels enter and pursue rewarding careers in high-demand and emerging industries.

### **Funding Mechanism**

In FY 2010, the Career Pathways Innovation Fund replaced the Community-Based Job Training Grants, and funding was appropriated as a national activity under the authority of Section 171 of the Workforce Investment Act (WIA). FY 2010 funds will be awarded competitively through Solicitations for Grant Applications. Grants will be awarded to community colleges and consortia of community colleges, and also may be awarded to two-year colleges that have been designated as Hispanic-Serving Institutions or Historically Black Colleges, as well as Workforce Investment Boards.

# CAREER PATHWAYS INNOVATION FUND

## Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2006	123,750	0
2007	123,750	0
2008	122,816	0
2009	125,000	0
2010	125,000	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

## FY 2011

Instead of requesting money for the Career Pathways Innovation Fund in FY 2011, the Administration strongly supports enactment of the American Graduation Initiative (AGI), which is part of student aid legislation passed by the House and pending in the Senate. The AGI would provide significant resources for competitive grants to community colleges that could support career pathways and other innovative training and education programs. The Department of Labor would work with the Department of Education to administer these grants, continuing to support career pathway programs at community colleges that help individuals of varying skill levels enter and pursue rewarding careers in high-demand and emerging industries.

## FY 2010

The FY 2010 appropriation provided \$125,000,000 for the Career Pathways Innovation Fund. To implement the initiative, the ETA will issue competitive Solicitations for Grant Applications (SGAs).

Grants will be awarded to community colleges and consortia of community colleges that are developing or expanding career pathway programs in partnership with education and training providers, employers, and the workforce investment system. Grants may also be awarded to two-year colleges that meet these criteria and have been designated as Hispanic-Serving Institutions or Historically Black Colleges. At least \$65,000,000 of the funds awarded will prepare workers for careers in the health care sector. Given the projected employment growth in fields across health care, including nursing, allied health, long term care and health information technology, funds will support efforts to train new entrants to these careers, as well as to ensure that incumbent workers continually upgrade their skills. Beyond the proportion of grants that will support health care training, future grant awards will encourage the training and placement of returning veterans, the underemployed, high school graduates, and traditional manufacturing employees to gain skills that are required for growing sectors of the high skilled, high tech and precision manufacturing industry. Attainment of employer-recognized or accredited credentials will be a key goal of the programs, helping to ensure skill transferability and recognition as workers advance along career paths into higher paying jobs.



## CAREER PATHWAYS INNOVATION FUND

ETA will work with the Department of Education as it develops and implements this new initiative, especially to gain insight into curriculum development, the importance of credit transferability, and linkages between community colleges and K-12 education.

Applicants will be required to:

- Demonstrate that the career pathway program prepares individuals for careers that have current or projected job openings in the region
- Explain how the program will recruit and retain students
- Describe the types of students the program aims to serve and how the program is targeted to meet their needs
- Submit a detailed spending plan and timetable for achieving measurable benchmarks
- Set a reasonable time limit for development of new programs, after which grantees will promptly begin delivering training services
- Explain how supportive services will contribute to positive outcomes for program participants

In awarding the grants, ETA will give priority to programs that can clearly demonstrate positive academic and employment outcomes and to new programs that are based on models which have shown strong outcomes for participants. ETA will also give a priority to programs with specific strategies for serving individuals who may not otherwise participate fully in job training programs, such as English Language Learners, for example, by integrating basic education with occupational training. Applicants also will be asked to detail proposed linkages with the local WIA system, particularly in regards to outreach and recruitment of participants, job placement services, and leveraging of other resources.

ETA plans to hold grantees accountable for results, but recognizes the challenges of measuring success in career pathways, which are made up of small programs with varied goals, including degree completion, an industry-recognized credential, and employment. ETA will develop a set of key outcomes that must be tracked by grantees, such as percentage of enrollees completing each portion of the pathway program, percentage of participants obtaining a credential or degree, and percentage of participants obtaining employment.

### **FY 2009**

For FY 2009, \$125,000,000 was appropriated for CBJTG grants. This funding level will allow ETA to make approximately 70 to 75 new grant awards of between \$500,000 and \$2,000,000. This is similar to the amount of grants that ETA awarded in FY 2008.

An analysis of available CBJTG grantee reporting of training outputs indicates that, since 2005:

- 118,724 individuals have enrolled in training;
- 43,144 individuals have completed training; and
- 33,265 individuals have received certifications

Last year, the number of participants that enrolled in training and completing training was 15,296. In PY 2008, baseline data are being collected for the common measures (listed below).

## CAREER PATHWAYS INNOVATION FUND

The use of the common measures enables ETA to describe in a similar manner the core purposes and results of the workforce investment system— how many people got a job, how many stayed employed, and what were their earnings. The definitions of the measures are as follows:

- *Entered Employment Rate* - Percent of participants employed in the first quarter after exit;
- *Employment Retention Rate* - Percent of participants employed in the first quarter after program exit still employed in the second and third quarters after exit;
- *Average Earnings* - The average six-month earnings.

Outcome data for these measures will be available in September 2009.

## CAREER PATHWAYS INNOVATION FUND

<b>WORKLOAD SUMMARY</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Career Pathways Innovation Fund</b>				
Individuals Enrolled in Training	54,745	--	54,745	54,745
Individuals Completing Training	34,728	--	34,728	34,728
Total Participants	60,130	--	60,130	60,130
Cost per Participant	\$2,078.00	--	\$2,078.00	\$2,078.00

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined

Note:

- PY 2008 results have been used to set targets for the second, third and fourth cohorts of grantees which were awarded in prior years and for which results will be available in PY 2009, 2010 and 2011.
- While there is no funding requested for PY 2011, these targets represent goals for the fourth round of previously awarded grants.

# CAREER PATHWAYS INNOVATION FUND

## PERFORMANCE INDICATORS

**This Budget Activity for Career Pathways Innovation Fund contributes to the following Outcome Goals in support of the Department’s Strategic Vision of Good Jobs for Everyone:**

- 1.1 Increasing workers’ incomes and narrowing wage and income inequality.**
- 1.2 Assuring skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like “green” jobs.**
- 1.3 Helping workers who are in low-wage jobs or out of the labor market find a path into middle class jobs.**
- 1.4 Helping middle-class families remain in the middle class.**

		PY 2006		PY 2007		PY 2008		PY 2009	PY 2010	PY 2011 Request
Goals	Performance Indicator	Target	Result	Target	Result	Target	Result <sup>2</sup>	Target <sup>3</sup>	Target <sup>3</sup>	Target <sup>3</sup>
1.2	Number of participants enrolled in training	--	26,000 <sup>1</sup>		31,225 <sup>1</sup>	25,700	54,745	54,745	54,745	54,745
1.2	Number of participants completing training	--	10,400 <sup>1</sup>		15,296 <sup>1</sup>	5,600	34,728	34,728	34,728	34,728
1.2	Number of participants receiving certifications	--	7,800 <sup>1</sup>		11,862 <sup>1</sup>	4,300	26,938	26,938	26,938	26,938
1.3	Percent of participants employed in the first quarter after exit.	--	--	--	--	Baseline	72.3%	72.3%	72.3%	72.3%
1.4	Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.	--	-	--	-	Baseline	90.9%	90.9%	90.9%	90.9%
1.1	Average earnings in the second and third quarters after exit.	--	-	--	--	Baseline	\$20,631	\$20,631	\$20,631	\$20,631

**Baseline(s):** Baseline year for Common Measures (#’s 4, 5, and 6 from Goal 2D) moved from PY 2006 to PY 2008 due to a delay in the reporting system. The baseline year for number of participants enrolled in training, completing training, and receiving certificates (#’s 1, 2, and 3 from Goal 2D) is 2006 which allowed DOL to analyze the data reported for the first full program year of this initiative.

**Data Source(s):** Grantee Reports to be submitted to DOL. ETA transitioned to an OMB-approved reporting format in June 2008, providing grantees with an approved, standardized performance reporting form. Grantees are now able to report on outcomes based on standardized definitions.

**Comments:**

<sup>1</sup> Results for PY 2006 and PY 2007 are interim results based on data available for the first round of grantees; final results are available upon grant expiration, PY 2008.

<sup>2</sup> Beginning in PY 2008 results are based on data available for a single round of CBJT grantees (the first round of grantees, with grants awarded PY 2005). Prior to PY 2008, none of the cohorts of CBJT grantees had completed their periods of performance since they are typically three years long. In PY 2008, the periods of performance for the first cohort of CBJT grantees are nearly complete, so ETA can now report on the performance of these grantees through the life of their grants. Since grant periods of performance span multiple program years, the data available for that first cohort of grantees is used as a basis for goals going forward.

<sup>3</sup> PY 2008 results have been used to set targets for the second, third and fourth cohorts of grantees which were awarded in prior years and for which results will be available in PY 2009, 2010 and 2011. While there is no funding requested for PY 2011, these targets represent goals for the fourth round of previously awarded grants.

## CAREER PATHWAYS INNOVATION FUND

<b>BUDGET ACTIVITY by OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>FY 11 Req. / FY 10 Enacted</b>
41.0	Grants, subsidies, and contributions	125,000	0	125,000	0	-125,000
	<b>Total</b>	<b>125,000</b>	<b>0</b>	<b>125,000</b>	<b>0</b>	<b>-125,000</b>

# CAREER PATHWAYS INNOVATION FUND

## CHANGES IN FY 2011

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

#### Built-Ins Subtotal

\$0

#### Net Program

-125,000

	Estimate	FTE
Base	125,000	0
Program Decrease	-125,000	0

## PILOTS, DEMONSTRATIONS AND RESEARCH

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>48,781</b>	<b>0</b>	<b>93,450</b>	<b>46,556</b>	<b>-46,894</b>
FTE	0	0	0	0	0

### **Introduction**

Pilots, Demonstrations, and Research (PD&R) activities are authorized under Section 171 of the Workforce Investment Act (WIA) of 1998. Under Section 171, the Employment and Training Administration (ETA) conducts pilot, demonstration, and research activities that support key areas of program and policy emphasis, inform workforce investment policies and investment decisions, and support continuous improvement of the workforce investment system.

Section 171(a)(1) of WIA directs the Secretary of Labor to publish "...a plan that describes the demonstration and pilot (including dislocated worker demonstration and pilot), multi-service, research, and multistate project priorities of the Department of Labor concerning employment and training for the 5-year period following the submission of the plan." This plan is to be revised every two years. Section 171(b)(1) continues "...the Secretary shall... carry out demonstration and pilot projects for the purpose of developing and implementing techniques and approaches, and demonstrating the effectiveness of specialized methods, in addressing employment and training needs." Section 171(c)(2)(A) calls for the Secretary to "carry out research projects that will contribute to the solution of employment and training problems in the United States." Thus, pilots, demonstrations, and applied research contribute to each of the new six outcome goals applicable to ETA programs by identifying the best strategies and approaches for achieving these goals. ETA will emphasize PD&R projects that increase the understanding of what program models and specific interventions best prepare different populations of workers to compete in the changing economy.

In the summer of 2007, ETA transmitted to Congress the Five-Year Research, Demonstration, and Evaluation Strategic Plan for 2007 – 2012. Priority areas for the Five-Year Strategic Plan for 2007 – 2012 include using state-level administrative data to measure progress and outcomes, post-secondary education and training, Unemployment Insurance, among others.

During FY 2009, ETA reassessed the performance indicators currently in use and developed new performance indicators to improve the effectiveness of the programs. The new performance indicators are as follows:

- Percent of PD&R and Evaluation funds Federally obligated in accordance with the ETA Five-Year Strategic Research Plan;
- The percent of PD&R and Evaluation products that are peer reviewed;
- Number of instances where published PD&R and Evaluation reports have been used to inform policy and research;
- Percent of requested in-house analysis completed on time;
- The percent of PD&R and Evaluation reports that will be published within six months of receipt by ETA; and

## PILOTS, DEMONSTRATIONS AND RESEARCH

- The percent of non-earmarked PD&R and Evaluation funds that are awarded competitively.

In FY 2011, ETA plans to continue to work on the following activities and strategies:

- Fund another round of the Transitional Jobs Demonstration Grants to demonstrate and evaluate the transitional jobs efforts that will be implemented and determine which strategies yield best results for program participants.
- The Transitional Jobs Demonstration Technical Assistance project will provide information and training to help grantees successfully implement their projects through training, workshops, meetings, direct assistance, facilitation activities, and expert consultants, as appropriate, to enhance the overall project effectiveness and increase the programs' opportunities to achieve their established goals.
- The WIA Gold Standard Evaluation (WGSE) will examine the WIA Adult and Dislocated Worker formula programs' impacts on participants' post-program employment and earnings and their cost effectiveness. PD&R resources will complement a request for FY 2011 Evaluation funds, and supports conducting on-site implementation activities.
- Printing, publications and dissemination activities, including the Employment and Training Occasional Paper Series, conferences and forums.
- ETA Five-Year Research Plan for 2011-2016 to propose an agenda for PD&R and Evaluation studies in areas related to workforce investment programs and policies through 2016.

Details about each of these activities are further explained in the next section of this narrative.

### **Funding Mechanism**

ETA funds pilot, demonstration, and research projects through grants or contracts.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2006	29,700	0
2007	14,700	0
2008	48,508	0
2009	48,781	0
2010	93,450	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.



# PILOTS, DEMONSTRATIONS AND RESEARCH

## FY 2011

A total of \$46,556,000 is requested for PD&R in FY 2011, a decrease of \$46,894,000 (50 percent) from FY 2010.

The overall purpose of ETA's PD&R activities, through applied research, is to: 1) "seed" promising practices for national policy application; and 2) rigorously evaluate pilot projects so effective practices can be launched on a larger scale.

The FY 2011 request level will provide adequate funding for the following activities:

1. A total of \$40,000,000 of FY 2011 PD&R-Transitional Jobs funds, an increase of \$10,000,000 over 2010 enacted, will be used to further demonstrate and evaluate transitional jobs. Transitional Jobs combine short-term subsidized or supported employment with case management services to help individuals with significant barriers to employment obtain the skills needed to secure unsubsidized jobs. Begun in FY 2010, the Department will continue to collaborate with other Federal agencies in making grants to carry out this demonstration. The Transitional Jobs Demonstration Technical Assistance project will provide information and training to help grantees successfully implement their projects. Grantees will be supported through training, workshops, meetings, direct assistance, facilitation activities, and expert consultants, as appropriate, to enhance the overall project effectiveness and increase the programs' opportunities to achieve their established goals. In FY 2011, \$1,000,000 will be needed to provide technical assistance. These resources will support: 1) establishing a management information system that allows grantees to collect and report required data; 2) reporting on a quarterly basis (including core data elements); 3) providing assistance to grantees in implementing random assignment procedures and/or project interventions; and 4) using the above mentioned data and information to monitor project progress and improve site operations. In FY 2008, ETA assisted the Department of Health and Human Services with funding its Transitional Jobs Reentry Research Demonstration, which is examining the Center for Employment Opportunities – a highly regarded employment program for former prisoners in New York City. Participant tracking will continue until 2011 and a report will be prepared when the final analysis is completed.
2. ETA will continue its work on several multi-year projects initiated in previous years. The WIA Gold Standard Evaluation (WGSE) is a rigorous random assignment evaluation of the formula programs established under Title I of WIA. The evaluation will examine the impacts of specific service interventions for Adult and Dislocated Workers on participants' post-program employment and earnings, and will assess the cost effectiveness of these services. The evaluation will compare the outcomes of WIA participants to the outcomes of similar individuals who do not receive WIA services. PD&R resources of \$5,000,000 will complement a request for FY 2011 Evaluation funds, and supports conducting on-site implementation activities. (The FY 2011 Evaluation request supports a process evaluation of these implementation efforts.) These funds will support entry into steady-state operations and the most intensive phase under the evaluation design. Numerous data collection activities, site visits, technical assistance, and interim report preparation activities are planned.

## PILOTS, DEMONSTRATIONS AND RESEARCH

3. Printing and Publications support dissemination activities. A total of \$206,000 will be invested in FY 2011 to support the publication and dissemination of the Employment and Training Occasional Paper Series (issue papers and research and evaluation reports) through the Government Printing Office (GPO). Activities include: 1) securing exhibit booth space and peripherals at conferences and forums to disseminate information about ETA research and evaluation projects; 2) procuring material handling at conferences and forums; 3) procuring GPO printing services; 4) procuring updated exhibit booth panels; 5) procuring other dissemination materials as needed and; 6) securing task order contract support for the dissemination of materials and other dissemination related activities.
4. In FY 2011, ETA will initiate development of the ETA Five-Year Research Plan for 2012-2017. The research plan will propose an agenda for PD&R and Evaluation studies in areas related to workforce investment programs and policies through 2016. The purpose of the research plan is to serve as a reference tool for ETA in planning projects for pilots, demonstrations, research, and evaluation. A total of \$350,000 will be invested in this activity in FY 2011. Funds will be used to obtain logistical support and other services necessary to facilitate the solicitation of stakeholder input, as well as receipt, and final reporting of public/private national and local stakeholder input. The process for developing the research plan is intended to elicit feedback from a wide range of sources. It includes an Expert Panel, a Research Symposium, Federal Register notices, and relevant internal and external entities (including the Department of Labor Assistant Secretary for Policy, HHS, U.S. Department of Education, the Office of Management and Budget, the U.S. Government Accountability Office, and Congressional committees).

### **FY 2010**

A total of \$93,450,000 was appropriated for PD&R for FY 2010.

Within the amount provided for FY 2010, \$30,000,000 of available Pilots, Demonstrations, and Research funds were designated to implement a demonstration and conduct an evaluation on Transitional Jobs program models. These funds will be combined with the \$15,000,000 provided under the Reintegration of Ex-offenders for transitional jobs and used to support a competitive grant opportunity as well as the evaluation of the transitional jobs demonstration effort. The Transitional Jobs program combines short-term subsidized or supported employment with case management services to help individuals with significant barriers to employment obtain the skills needed to secure unsubsidized jobs. Gaining soft skills and an employment record through a transitional job can assist individuals with finding and retaining unsubsidized employment. The case management portion of transitional job programs may include career counseling, job search assistance, and supportive activities to help participants overcome personal barriers to employment.

The Transitional Jobs demonstration will provide supports targeted to different individuals' needs. A population that the initiative will target for support is noncustodial parents, including young parents as well as ex-offenders. Approximately 3.5 million, or 20-25 percent of all non-custodial parents, have reported incomes below the Federal poverty level. Many of these

## **PILOTS, DEMONSTRATIONS AND RESEARCH**

parents, particularly young parents, have limited workforce skills and experience. Furthermore, research shows that noncompliance with child support orders often results from a non-custodial parent's limited participation in the workforce. Connecting non-custodial parents to employment through transitional job programs would help not only these individuals, but also the children who rely on them for support. Given that other Federal agencies (such as the Departments of Health and Human Services and Justice) have experience conducting programs for transitional job target populations, the Department of Labor will carry out this demonstration collaboratively with other Federal agencies. The Transitional Jobs demonstration will model how services and resources available through the workforce investment system can be utilized to increase workforce participation of noncustodial parents.

Previous evaluations of transitional jobs programs show that this is a promising intervention, but more rigorous evaluation is needed to determine which program models have the greatest impact on participants' employment outcomes and are the most cost-effective. The Department of Labor will work with partner agencies to develop and implement a rigorous evaluation strategy for the Transitional Jobs demonstration.

Within the amount provided for FY 2010, \$5,500,000 is available for a competitive grant opportunity to address the employment and training needs of young parents. These funds will build on the funds previously provided and will support a third round of the Young Parents demonstration. These funds will be used for a competitive grant opportunity for a new round of grantees designed to implement the existing Young Parent's demonstration model. While the same Young Parent's model for previous rounds of the demonstration will be used for the FY 2010 grant opportunity, this would not preclude providers of young parents' services from also applying under the Transitional Jobs/Reintegration of Ex-offenders SGA proposed above.

Finally, from the total amount provided for FY 2010, \$48,889,000 is available to fund 145 specific employment and training projects ranging from \$100,000 to \$3,200,000.

In FY 2010, ETA will conduct multi-year demonstrations, utilizing random assignment methodology, and is considering research on labor market experiences related to UI and workforce system programming. ETA is exploring approaches for demonstrating the effectiveness of short-time compensation, wage insurance for dislocated workers and the impact of the worker-profiling and reemployment services program on outcomes such as employment, earnings, and retention of unemployment insurance recipients profiled as likely to exhaust their benefits, as well as conducting research to assess the impact of the Emergency Unemployment Compensation Act of 2008 on the labor market experiences of UI claimants, and on the stability of the economy and the solvency of UI trust funds.

### **FY 2009**

In FY 2009, ETA continued to administer grants under the Young Parents Demonstration program, which started in FY 2008. ETA awarded \$5,000,000 in grants to applicants reviewed under the first round of the Young Parents Demonstration program, because sufficient responses to the initial solicitation were received to award FY 2008 and FY 2009 grants from the same applicant pool. The Young Parents Demonstration program provides educational and

## **PILOTS, DEMONSTRATIONS AND RESEARCH**

occupational skills training leading to family economic self-sufficiency to both mothers and fathers, and expectant mothers and fathers, ages 16 to 24. Projects are encouraged to serve young parents in high-risk categories, including those who are court-involved, in the child welfare or foster care system, homeless, or victims of child abuse. The project will be run as a random assignment evaluation, providing valuable information about the effectiveness of a range of service strategies for this population.

Also in FY 2009, ETA completed the New American Centers Demonstration, which transitioned new Americans into local communities in Arkansas and Iowa by providing employment and civic services, and posted the interim report on its web site. The final report is still in development and will be posted on the ETA web site in FY 2010. The Limited English Proficiency and Hispanic Worker Initiative Grants, which emphasized the use of innovative contextualized learning strategies that simultaneously provide language and occupational skills training, concluded. The final report is still in development and will be posted on the ETA web site in FY 2010. The Workforce Investment Act Non-Experimental Net-Impact Study was completed and the final report was posted to the ETA web site. The Lifelong Learning Account Demonstration in Maine, which provided employer-matched savings accounts targeted to pay for employee education and training, concluded and the final report is in development. It too will be posted on the ETA web site in FY 2010.

### **Recovery Act Update**

The Recovery Act includes funds to support competitive grants for worker training and placement in High Growth Healthcare and Green Job sectors. ETA is using a limited amount of these funds, as authorized by the Recovery Act, for related research. This work will examine the implementation and impacts of these grants for required reporting under the Recovery Act.

Additionally, ETA plans a detailed analysis of special UI provisions under the Recovery Act. As part of the Recovery Act, there will be an increase in UI benefits and a temporary suspension of taxation of unemployment benefits. In order to understand the impact and effectiveness of these measures, an impact evaluation is being undertaken. In addition to understanding the impact and effectiveness of these changes, this study will also evaluate how they affected claimant behavior. Since these changes to the UI program are unforeseen, this constitutes a natural experiment allowing impacts to be estimated using a pre-post change methodology.

A process study of the special transfers for unemployment compensation modernization will examine how these funds are used; the preference at the state level to modernize their UI system and the variability of the specific reforms instituted; and states' implementation, policies, institutional outcomes, and individual state outcomes. In addition, the plethora of projects states may use this money for, which could include an alternative base period and unemployment compensation for part-time workers and/or dependents, will produce different policy questions that can be examined and resolutions explored.

ETA also will undertake a study of the impact of the State Unemployment Insurance and Employment Service Operations grants given to states. This process study will analyze states'

## **PILOTS, DEMONSTRATIONS AND RESEARCH**

implementation, policies, institutional outcomes, and individual state outcomes. Also, states' uses of these funds will provide different, additional policy questions to be answered.

## PILOTS, DEMONSTRATIONS AND RESEARCH

<b>WORKLOAD SUMMARY</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Pilots, Demonstrations and Research</b>				
<b>Pilots and Demonstrations</b>				
Projects	18	18	18	19
Reports	9	9	9	10
<b>Research</b>				
Projects	15	15	15	16
Reports	10	10	10	11
<b>Transitional Jobs</b>				
Projects	1	1	2	2
Reports	1	1	1	1

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined  
 Note: Performance reflects non-earmarked projects.

The workload summary table contains the number of projects and reports for Pilots and Demonstrations, Research, and Transitional Jobs. The FY2011 budget has appropriated \$46,556,000 for this program.

The workload summary table shows an increase in the amount of projects and reports for the FY2011 targets compared to the FY2010 targets except for transitional jobs, which remains the same.

## PILOTS, DEMONSTRATIONS AND RESEARCH

### PERFORMANCE INDICATORS

The budget activity for Pilots, Demonstrations, Evaluations and Research contributes to the following Outcome Goals in support of the Department's Strategic Vision of <i>Good Jobs for Everyone</i> : 1.2 Assuring skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like "green" jobs.										
		FY 2006		FY 2007		FY 2008		FY 2009	FY 2010	FY 2011
		Goal Achieved		Goal Achieved		Goal Not Achieved				Request
Goal	Performance Indicator	Target	Result	Target	Result	Target	Result	Target	Target	Target
1.2	Percentage of all scheduled research, pilot, demonstration, and evaluation reports from current studies that are submitted within 3 months of completion for approval and public dissemination.	90%	99%	100%	100%	100%		100%	100%	100%
1.2	Upon approval, the percentage of research, pilot, demonstration, and evaluation reports that will be published within 3 months, with briefings and summaries of studies prepared for the Assistant Secretary.	90%	100%	100%	100%	100%		100%	100%	100%
1.2	Percent of Pilots, Demonstrations, Research and Evaluation funds Federally obligated in accordance with the Employment and Training Administration Five Year Strategic Research Plan						100%	80%	80%	90%
1.2	Number of instances where published Pilots, Demonstrations, and Research and Evaluation reports have been used to inform policy and research						NDA	Baseline	TBD	TBD
1.2	Program assessment by an independent review panel						NDA	Baseline	TBD	TBD

## PILOTS, DEMONSTRATIONS AND RESEARCH

1.2	The percent of Pilot, Demonstration, Research, and Evaluation reports identified for external publication that will be published within six months of receipt by the Employment and Training Administration						100%	90%	95%	100%
1.2	The percent of non-earmarked Pilot, Demonstration, Research and Evaluation funds that are awarded competitively						80.22%	75%	80%	85%
<p><b>Baseline(s):</b> Baselines will be developed in program year 2009 (July 2009 through June 2010) for the following newly implemented measures: percent of Pilots, Demonstrations, and Research and/or Evaluation products that are peer reviewed; number of instances where published Pilots, Demonstrations, and Research and Evaluation reports have been used to inform policy and research; percent of requested in-house analysis completed on time; and program assessment by an independent review panel.</p>										
<p><b>Data Source(s):</b> Five-year strategic research plan; research and evaluation schedules; FY 2009 First Quarter Budget and Performance Management Review</p>										
<p><b>Comments:</b> The first two measures, used in PY 2005-2008, were replaced due to a Congressional comment described as "...process goals that don't address how such funds are used to improve the effectiveness of Department programs." The new measures (#3-9 above) will be pilot tested in PY 2009.</p>										
<p><b>Goal Statement:</b> Pilots, demonstrations, applied research, and evaluations contribute to each of the six outcome goals applicable to ETA programs by identifying the best strategies/approaches for achieving these goals.</p>										



## PILOTS, DEMONSTRATIONS AND RESEARCH

<b>BUDGET ACTIVITY by OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>FY 11 Req. / FY 10 Enacted</b>
25.1	Advisory and assistance services	13,198	0	12,148	6,052	-6,096
41.0	Grants, subsidies, and contributions	35,583	0	81,302	40,504	-40,798
	<b>Total</b>	<b>48,781</b>	<b>0</b>	<b>93,450</b>	<b>46,556</b>	<b>-46,894</b>

# PILOTS, DEMONSTRATIONS AND RESEARCH

## CHANGES IN FY 2011

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

#### Built-Ins Subtotal

\$0

#### Net Program

-46,894

	Estimate	FTE
Base	93,450	0
Program Increase	10,000	0
Program Decrease	-56,894	0

## EVALUATION

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>6,918</b>	<b>0</b>	<b>9,600</b>	<b>11,600</b>	<b>2,000</b>
FTE	0	0	0	0	0

### **Introduction**

Under WIA Section 172, ETA carries out rigorous evaluations of programs and activities authorized by Title I of WIA. ETA program evaluations contribute to the improvement of service delivery interventions by state and local WIA programs, and ultimately contribute to improved outcomes. Thus, evaluations contribute to each of the new six outcome goals applicable to ETA programs by identifying the best strategies/approaches for achieving these goals. Results from evaluation studies support continuous improvement and inform policy and investment decisions.

During FY 2009, ETA reassessed the performance indicators currently in use to examine ways to improve the effectiveness of evaluations. Additional measures and metrics examined are similar to those used by other research and evaluation organizations. These measures and metrics are outcome-oriented and generally assess the quality of evaluation products, measure the level of consistency between evaluation investments and the strategic research plan, and assess the depth and impact of evaluations. These metrics are the same as those for Pilots, Demonstrations and Research and include the following:

- Percent of PD&R and Evaluation funds Federally obligated in accordance with the ETA Five-Year Strategic Research Plan;
- The percent of PD&R and Evaluation products that are peer reviewed;
- Number of instances where published PD&R and Evaluation reports have been used to inform policy and research;
- Percent of requested in-house analysis completed on time;
- Program assessment by an independent review panel;
- The percent of PD&R and Evaluation reports that will be published within six months of receipt by ETA; and
- The percent of non-earmarked PD&R and Evaluation funds that are awarded competitively.

Evaluation has one additional metric not used for P,D&R program assessment by an independent review panel. This assessment of ETA's evaluation activities will focus on three primary components: internal procedures for identifying topics and the associated methodology for evaluation, the development and implementation process for independent evaluations, and the value of past evaluation findings and conclusions to both the research community and internal agency policy development.

## EVALUATION

In FY 2011, ETA plans to continue the following evaluations with the requested funds:

1. The Recovery Act-funded High Growth Healthcare initiative evaluation.
2. The random assignment evaluation of the YouthBuild program which will measure the program's impacts on participants' employment and earnings compared to receiving traditional WIA services.
3. The Prisoner Reentry Initiative (PRI) Impact Evaluation, a rigorous, random assignment evaluation of a demonstration serving formerly incarcerated individuals through employment-centered programs.
4. The WIA Gold Standard Evaluation of the Adult and Dislocated Worker Programs, a random assignment evaluation of the specific service interventions provided by these programs.
5. The evaluation of the \$500,000,000 Recovery Act Green Jobs Innovation Fund, which will seek to identify effective practices in green job training.
6. In FY 2011, ETA also plans to continue the Transitional Jobs Demonstration random assignment impact evaluation with funds appropriated specifically for the Transitional Jobs program.

Details about each of these activities are further explained in the below FY 2011 section.

### **Funding Mechanism**

Evaluation funds are distributed through contracts and grants to independent research and evaluation firms.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2006	7,857	0
2007	4,921	0
2008	4,835	0
2009	6,918	0
2010	9,600	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

# EVALUATION

## **FY 2011**

A total of \$11,600,000 is requested for Evaluation in FY 2011, an increase of 2,000,000 above the FY 2010 appropriation.

The Department invests over \$6 billion in training and employment programs each year, and is committed to rigorous evaluations to determine what interventions have a positive impact on employment and other outcomes and, thereby, contribute to each of the eight outcome goals applicable to ETA programs by identifying the best strategies/approaches for achieving these goals<sup>1</sup>. The amount requested for Evaluation in FY 2011 will provide sufficient resources to sustain and support the Department's evaluation activities. In prior years, ETA has initiated efforts focusing on evaluating key agency programs and initiatives. The FY 2011 request level will provide sufficient funds to continue these ongoing evaluations as planned.

The Recovery Act-funded High Growth Healthcare initiative is a \$250,000,000 competitive grant program designed to prepare workers for high growth careers in the healthcare sector. The evaluation will begin in FY 2010 and may include an intensive process study of grantee operations, analysis of project data, and an experimental impact analysis. While some Recovery Act funds will be used to support this evaluation, the Department anticipates the need to invest \$1,000,000 of Evaluation funds in FY 2011 to support the study.

A random assignment evaluation of the YouthBuild program will begin in FY 2010. The evaluation will measure the program's impacts on employment and earnings compared to receiving traditional WIA services. The evaluation will last seven years, and the final report will be available in late 2017. The Department will invest \$4,000,000 in FY 2011 to support the completion of random assignment, follow-up interviewing, and preparation of a short-term impact report.

The Prisoner Reentry Initiative (PRI) Impact Evaluation is a rigorous, random assignment evaluation of a demonstration serving formerly incarcerated individuals through employment-centered programs. The evaluation began in FY 2008 and examines impacts on participants' post-program labor market outcomes and rates of criminal recidivism by comparing outcomes of PRI participants to the outcomes of randomly assigned individuals who are eligible for but do not receive PRI services. The Department will invest \$1,000,000 in FY 2011 to support the continuation of the first follow-up interviews.

The WIA Gold Standard Evaluation of the Adult and Dislocated Worker programs is a random assignment evaluation of the specific service interventions provided by these programs. The evaluation is commonly known as the WIA Gold Standard Evaluation. The evaluation measures the post-program involvement impacts on employment and earnings of receiving specific services funded through WIA, as compared to those receiving services funded through other sources or those who received no services. The complete evaluation is being conducted over the course of seven years and represents a major improvement in the specificity and quality of WIA

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<sup>1</sup> Performance indicators supporting these DOL Outcome Goals can be seen on the Performance Indicator Table Under Pilots, Demonstrations and Research (PDR) budget activity section.

## EVALUATION

evaluations. The Department will invest \$3,100,000 in FY 2011 funds to support continuation of the implementation study and to begin collection of survey and administrative data for the impact evaluation.

The evaluation of the \$500,000,000 Recovery Act Green Jobs Innovation Fund will begin in FY 2010. ETA has issued five Solicitations for Grant Applications under the Green Jobs portion of the Recovery Act. These include: State Labor Market Information Improvement Grants, Energy Training Partnership Grants, Pathways Out of Poverty Grants, State Energy Sector Partnership and Training Grants, and Green Capacity Building Grants. The evaluation will seek to identify effective practices to train a variety of workers for green jobs. While some Recovery Act funds will be used to support this evaluation, the Department anticipates the need to invest \$2,500,000 of Evaluations funds in FY 2011 to support the study.

The Transitional Jobs Demonstration will test different program models combining short-term subsidized or supported employment with case management services to help individuals with significant barriers to employment obtain the skills needed to secure unsubsidized jobs. The random assignment impact evaluation will begin in FY 2010 and will measure the post-program impacts on employment and earnings of participants in different types of transitional jobs programs, and similar individuals receiving traditional WIA services. In FY 2011, the Department will invest \$2,000,000 from appropriated Transitional Jobs program funds to implement and begin random assignment.

### **FY 2010**

A total of \$9,600,000 was appropriated for Evaluation in FY 2010, an increase of \$2,682,000 (39 percent) from FY 2009. The increase will provide sufficient resources to fully sustain and support the Department's evaluation activities.

In FY 2010, a significant portion of the evaluation budget will be used to conduct a rigorous, random assignment evaluation of the YouthBuild program. A few studies of YouthBuild demonstrate promising results, but are not of adequate scope and rigor. The research questions are still being developed, but could include questions about impacts of different program models and delivery systems on participants (such as degree attainment, earnings, and incarceration) and differences in these impacts across different sub-populations. The evaluation would be conducted by an established and highly qualified research entity with an established record of doing successful and well-designed random assignment evaluations of this scope.

The FY 2010 funds will also continue to fund the Prisoner Reentry Initiative Random Assignment Impact Study and the WIA Gold Standard Evaluation.

Given the availability of Recovery Act funds for recovery-related research and evaluations, a new proposed methodology for the Senior Community Service Employment Program (SCSEP) evaluation, and the continued funding of the Young Parents Demonstration, the Department is also considering supporting these evaluations.

# EVALUATION

## FY 2009

Efforts in FY 2009 focus on evaluating key agency programs and initiatives, including SCSEP and the Trade Adjustment Assistance Program. The Department is also looking to continue and complete ongoing evaluations of several programs, including Community-Based Job Training Grants and the Workforce Innovation in Regional Economic Development (WIRED) initiative.

## Recovery Act Update

In FY 2011, the Department will begin or continue evaluations of the following Recovery Act programs:

1. ***Recovery Act Reemployment and Training and Employment Services Study.*** In order to answer questions regarding the implementation and effectiveness of the reemployment services resources funded under the Recovery Act, a contractor is performing an environmental scan and process evaluation of the activities conducted using state Unemployment Insurance and Employment Service Operations and Training and Employment Services funds appropriated for Recovery Act. The study was fully funded with \$1,500,000 of FY 2008 funds.
2. ***Evaluation of the Summer Jobs Program.*** An intensive process and outcomes study of the summer jobs program was initiated with FY 2008 evaluation funds. The study includes discussion of outcomes related to work readiness and involves visits to at least twenty sites, collection and analysis of administrative data from sites, and preparation of multiple reports. The study began with \$400,000 of FY 2008 funds, and funding was completed with \$100,000 of FY 2009 funds.
3. ***Innovating Under Pressure: The Story of Summer Stimulus in Three Cities.*** A study of “best practices,” challenges, and innovations in summer youth employment programs in at least three communities in the summer of 2009. This study explores the value of summer youth programs and gives examples of implementation “best practices” and challenges faced under compressed time constraints. The study was fully funded with \$100,000 in FY 2008.
4. ***Evaluation of the Recovery Act High Growth Healthcare Initiative.*** A \$250,000,000 competitive grant program designed to prepare workers for careers in the high growth healthcare sector. The evaluation will begin in late FY 2010 and may include an intensive process study of grantee operations, analysis of project data and an experimental impact analysis.
5. ***Evaluation of the \$500,000,000 Recovery Act Green Jobs Innovation Fund.*** The evaluation of the Green Jobs Innovation Fund began in FY 2009 with \$500,000 in Recovery Act funds. ETA has issued five Solicitations for Grant Application under the Green Jobs portion of the Recovery Act. The evaluation will seek to identify effective strategies for training workers in green industries.

## EVALUATION

<b>WORKLOAD SUMMARY</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Evaluation</b>				
Evaluation Projects	18	18	15	15
Evaluation Reports	17	17	14	14

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined

Note: Performance reflects non-earmarked projects.

The workload summary table contains the number of projects and reports for Evaluation. The FY2011 budget has appropriated \$11,600,000 for this program.

The workload summary table shows that the targets for FY2011 match the FY2010 targets. In both cases, there are 15 evaluation targets and 14 evaluation reports.



# EVALUATION

## CHANGES IN FY 2011

(Dollars in Thousands)

<b>Activity Changes</b>		
<b>Built-In</b>		
To Provide For:		
<b>Built-Ins Subtotal</b>		<b>\$0</b>
<b>Net Program</b>		<b>2,000</b>
	<b>Estimate</b>	<b>FTE</b>
<b>Base</b>	<b>9,600</b>	<b>0</b>
<b>Program Increase</b>	<b>2,000</b>	<b>0</b>



## WOMEN in APPRENTICESHIP

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>1,000</b>	<b>0</b>	<b>1,000</b>	<b>1,000</b>	<b>0</b>
FTE	0	0	0	0	0

### **Introduction**

Over the past few years, Congress has appropriated approximately \$1 million dollars annually for the Women in Apprenticeship and Non-Traditional Occupations Act (WANTO) of 1992 (Public Law 102-530). DOL's Women's Bureau and ETA have jointly administered the program, which awards competitive grants to recruit, hire, train, and retain women in apprenticeships and nontraditional occupations.

The goal of these grants is to fund innovative projects that improve the recruitment, selection, training, employment, and retention of women in the construction industry, and most recently in the emerging green industries and occupations. These projects provide women with opportunities to find paths into middle class jobs because many construction and green-related occupations often provide good wages in this high growth industry. Additionally, these projects help address long-standing barriers that women have traditionally experienced as they seek entry into construction jobs. Using comprehensive and collaborative approaches, WANTO projects help create fair and diverse workplaces in the construction industry and support the Secretary's vision of *Good Jobs for Everyone*.

WANTO grants are awarded to community-based organizations, which form partnerships with labor organizations, apprenticeship program sponsors, community colleges, and employer-related non-profit organizations. Performance of current projects is being measured through wage gains and nine month retention of participants. Additional outcome information includes success in meeting recruitment and placement goals as well as achievement of education and outreach efforts.

### **Funding Mechanism**

WANTO grants are awarded annually to community-based organizations through a competitive Solicitation for Grant Applications process.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2006	0	0
2007	1,000	0
2008	983	0
2009	1,000	0
2010	1,000	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

## **WOMEN in APPRENTICESHIP**

### **FY 2011**

A total of \$1,000,000 is requested in FY 2011 for WANTO grants. This request is the same amount as the FY 2010 enacted funding level. ETA will continue to jointly administer the grants with the Women's Bureau, and will work with community-based organizations, education institutions, and Registered Apprenticeship program sponsors to expand the placement and retention of women in apprenticeship programs in green industries, which include green construction, transportation, environmental protection, sustainable agriculture, recycling and waste reduction, and energy efficiency and renewable energy. A competitive Solicitation for Grant Applications (SGA) will be used to award the grants to consortia of community-based organizations and Registered Apprenticeship program sponsors.

### **FY 2010**

A total of \$1,000,000 was appropriated in FY 2010 for WANTO grants, which is the same amount as the FY 2009 enacted level. ETA will continue to jointly administer the grants with the Women's Bureau, and will work with community-based organizations, education institutions, and registered apprenticeship program sponsors to expand the placement and retention of women in apprenticeship programs in the green industries, which include green construction, transportation, environmental protection, sustainable agriculture, recycling and waste reduction, and energy efficiency and renewable energy. A competitive SGA will be used to award the grants to consortia of Registered Apprenticeship program sponsors and community-based organizations.

### **FY 2009**

For 2009, Congress appropriated \$1,000,000 to DOL for WANTO grants. ETA and the Women's Bureau are coordinating to issue a competitive SGA to award grants to consortia of Registered Apprenticeship program sponsors and community-based organizations. Targeted industries and occupations will expand beyond construction to include green industries of which occupations demonstrate growth, enhancement, or emergence, such as transportation, green construction, environmental protection, sustainable agriculture, recycling and waste reduction, and energy efficiency and renewable energy.

## WOMEN in APPRENTICESHIP

<b>WORKLOAD SUMMARY</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Women in Apprenticeship</b>				
Participants served	--	(r)	TBD	TBD
Cost per participant	--	\$.00 (r)	TBD	TBD

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined

Note:

- Participants served and cost per participants measures are determined over a two year period.
- Participants served measure includes apprenticeship and pre-apprenticeship.

ETA intends to competitively award WANTO grants using the PY 2009 and PY 2010 appropriations. The Solicitation for Grant Applications (SGA) for these grants will be published and grant awards will be made by the end of PY 2009. Therefore, targets results for participants served and cost per participant for FY 2009, FY 2010, and FY 2011 are “to be determined” (TBD).

WANTO grants are awarded with a two-year period of performance. Therefore targets and results are available for grants awarded with PY 2006 and PY 2007 WANTO appropriations. In PY 2006, WANTO programs served 693 participants exceeding their target of 300 participants. The target remained the same for PY 2007, however due to the result being calculated on only one year of the two year grant period, at 181 participants, the goal was not met. PY 2008 WANTO appropriations were awarded as extensions to current grantees, and targets were lowered from the FY 2006 and FY 2007 period of performance because these grants coincided with the economic downturn and lack of hiring in the construction industry. Placements of participants by these grantees have become much more difficult to achieve and require the provision of more intensive services, including greater outreach and support.

## WOMEN in APPRENTICESHIP

<b>BUDGET ACTIVITY by OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>FY 11 Req. / FY 10 Enacted</b>
25.1	Advisory and assistance services	102	0	0	0	0
41.0	Grants, subsidies, and contributions	898	0	1,000	1,000	0
	<b>Total</b>	<b>1,000</b>	<b>0</b>	<b>1,000</b>	<b>1,000</b>	<b>0</b>

# WOMEN in APPRENTICESHIP

## CHANGES IN FY 2011

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

#### Built-Ins Subtotal

\$0

Estimate

FTE

Base

1,000

0





## DENALI COMMISSION

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>3,378</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
FTE	0	0	0	0	0

### **Introduction**

The Denali Commission is a Federal and state partnership that provides critical utilities and infrastructure throughout Alaska, particularly in distressed communities. The authorizing legislation for this program is the Denali Commission Act of 1998, Public Law 105-227, 42 U.S.C. 3121.

Through FY 2009, the Department of Labor Appropriation Acts contained a General Provision authorizing that such sums be appropriated as may be necessary to the Denali Commission through the Department to conduct job training of the local workforce where Denali Commission projects will be constructed. This authorization was dropped in FY 2010, and no money was appropriated for this purpose. Alaska already receives significant funding for job training and employment programs through WIA and Employment Service formula grants.

### **Funding Mechanism**

Through FY 2009, funds were provided to the Denali Commission, which has its own authority, process, and criteria for making grant awards.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2006	6,875	0
2007	6,875	0
2008	6,755	0
2009	3,378	0
2010	0	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

## **DENALI COMMISSION**

### **FY 2011**

As with the FY 2008, FY 2009, and FY 2010 Budget requests, the 2011 Budget proposes no direct funding for the Denali Commission because it is unnecessary and redundant. This funding duplicates the millions of dollars that Alaska receives through other federal workforce development programs. In addition, there is little accountability for job training programs funded through this account. Unlike other ETA programs, Denali Commission job training initiatives are not required to report on the employment outcomes of participants, so there is little ability for the Federal government to determine whether this funding is producing positive results.

### **FY 2010**

No funding was included for the Denali Commission in ETA's FY 2010 appropriation.

### **FY 2009**

The Denali Commission received \$3,378,000 for FY 2009. Funds appropriated for the Denali Commission continued to support construction, operations and maintenance training in communities statewide.

# DENALI COMMISSION

<b>BUDGET ACTIVITY by OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>FY 11 Req. / FY 10 Enacted</b>
41.0	Grants, subsidies, and contributions	3,378	0	0	0	0
	<b>Total</b>	<b>3,378</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**DENALI COMMISSION**

**CHANGES IN FY 2011**

(Dollars in Thousands)

<b>Activity Changes</b>	
<b>Built-In</b>	
To Provide For:	
<b>Built-Ins Subtotal</b>	<b>\$0</b>

## INDIAN AND NATIVE AMERICANS PROGRAM

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>52,758</b>	<b>0</b>	<b>52,758</b>	<b>55,000</b>	<b>2,242</b>
FTE	0	0	0	0	0

### **Introduction**

The 2000 U.S. Census indicated that approximately 1.5 percent of the U.S. population is Native American. While Native Americans represent the smallest ethnic minority group in the United States, they are also the poorest. The 2000 Census revealed that American Indians and Alaskan Natives were two times more likely to live below the poverty line and nearly three times as likely to receive public assistance compared to the total population. According the 2000 census there were 628,005 Native Americans living in poverty and 137,053 that were unemployed. The Bureau of Labor Statics (BLS) estimates that on or near rural Indian reservations there is a 50 to 80 percent unemployment rate. Native Americans also have lower levels of educational attainment, with 22.8 percent of this population ages 25 and over not completing high school.

WIA Section 166 the Indian and Native American Program (INA), makes funds available to Indian tribes, tribal organizations, Alaska Native entities, Indian controlled organizations serving Indians, and Native Hawaiian organizations to support employment and training activities. Goals for those receiving services include helping them develop more fully their academic, occupational, and literacy skills to make them more competitive in the workforce and promoting their economic and social development in accordance with the goals and values of their communities. The INA program serves Indian and Native Americans through a network of 178 grantees through the WIA Section 166 Comprehensive Services Program (Adult) and Supplemental Youth Services Programs (Youth) and the Indian Employment, Training and Related Services Demonstration Act of 1992, Public Law 102-477.

American Indians and Alaska Natives are the most impoverished single group in the nation, with astonishingly high unemployment rates on or near rural or isolated reservations. The disparity between Native Americans and other groups requires a concentrated effort that targets Native Americans, by providing assistance that increases household income and creates pathways to the high growth career sectors, including green industries. Barriers to employment and training must be removed to produce fair and diverse work places for Native Americans, thereby helping this indigenous community become and remain a part of the middle class. Barriers to employment and career pathways include lack of economic development and remoteness of Indian reservations and Alaskan villages. Illiteracy and socioeconomic conditions continue to hinder this population's ability to compete in a competitive labor market.

To improve performance and provide quality service, the INA program will implement a Community of Practice site that promotes knowledge sharing and social networking among Section 166 grantees. Among the key technical assistance areas will be the program's ability to better assist underemployed low-income Native American adults and at-risk youth enter or re-enter the workforce. The INA program will assist grantees to place individuals in high growth demand jobs, such as health care and construction. The INA program intends to partner with

## INDIAN AND NATIVE AMERICANS PROGRAM

other Federal agencies, Tribal Colleges, and the Native American community to help participants gain access to education and career pathways in green sectors of the economy.

The Recovery Act allocated \$17,820,000 in funding to support summer employment and training opportunities for disconnected youth and veterans. These activities increase the pipeline of available skilled labor in local Indian, Alaska Native, and Native Hawaiian communities and urban areas.

ETA and the Native American Employment and Training Advisory Council (NAETC) will continue to encourage respect and appreciation for INA workers' contributions to Native people. Yearly, the NAETAC presents awards and conducts traditional ceremonies that recognize the accomplishments of WIA Section 166 participants and employees. Additionally, the Department partners with the NAETAC and participates in the annual and regional Indian and Native American employment and training conferences. The collaborative efforts between ETA and NAETC afford the Federal government the opportunity to develop and implement policy in accordance with the goals and values of the Native American community.

To measure performance, the program utilizes the set of common performance measures for employment and training programs. The use of common measures enables ETA to describe in a similar manner the core purposes and results of the workforce investment system – how many people obtained employment, how many stayed employed, and what were their earnings. The definitions of measures are as follows:

- *Entered Employment Rate* - Percent of participants employed in the first quarter after program exit;
- *Employment Retention Rate* - Percent of participants employed in the first quarter after program exit and still employed in the second and third quarters after exit;
- *Average Earnings* - The average six-month earnings.

In Program Year 2008, the program achieved a 62.6 percent entered employment rate; 76.2 percent retention rate; and \$9,780 average earnings result. The program intends to meet its upcoming PY 2010 performance targets, in part, through improved dual customer service strategies, strengthened partnerships with local One-Stop Career Centers, and the transition of qualified INA youth to INA adult programs. Common measure performance targets for the adult program from 2008 are adjusted through a regression model that accounts for the increase in unemployment, decline in jobs, and changes in personal characteristics. Projected targets for retention and earnings are expected to increase 2009, 2010 and 2011 while the targets for entered employment are expected to decline in 2009 and then increase in 2010 and 2011.

### **Funding Mechanism**

Section 166 (c) (1) of WIA authorizes grant funding to Native American tribes and Native American non-profits on a competitive basis; however, grantees selected from this process are funded on a formula basis. A grant competition is conducted every two years to select Native American entities to administer and manage WIA section 166 grants to provide employment and training services to unemployed and low-income Native Americans. ETA uses the following

## INDIAN AND NATIVE AMERICANS PROGRAM

funding formula to award grants to Native American, Alaska Natives and Native Hawaiian organizations:

- 25 percent of the funds appropriated for the program will be allocated on the basis of the relative number of unemployed Native Americans in a grantee's designated service area compared to all such Native Americans in the United States; and
- 75 percent of funds appropriated for the program will be allocated on the basis of the relative number of Native Americans in poverty in the grantee's designated service area compared to all such Native Americans in the United States.

The data and definitions used to implement the formula described above are provided by the U.S. Bureau of the Census.

### Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2006	53,696	0
2007	53,696	0
2008	52,758	0
2009	52,758	0
2010	52,758	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

### FY 2011

ETA requests a total of \$55,000,000 for the Native American Section 166 Program for FY2011. The FY 2011 request is an increase of \$2,242,000 over the FY 2010 enacted level. Intensive training and support services are needed to enhance worker preparation and help Native Americans succeed in a high growth and knowledge-based economy. ETA will fund grantees to support employment and training services to Native American adults and disconnected youth.

Included in the FY 2011 request is a one percent set-aside of funding for training and technical assistance (TAT) and other discretionary spending. TAT will continue to be provided to grantees to assist them in helping participants achieve academic and occupational goals, increase literacy skills, and promote economic and social development of Native Americans in accordance with community goals and values. TAT funding will be made available for projects such as, but not limited to: 1) partnerships and collaborative efforts with other Federal agencies and state One-Stop Career Center systems; 2) the maintenance of the Native American Community of Practice; 3) the increase of services to disconnected youth and veterans; 4) peer-to-peer technical assistance; and 5) the development of training and curricula for green jobs. Strategic program planning will support solutions to these barriers as will the advice provided by the Native American Employment and Training Council (NAETC).

## INDIAN AND NATIVE AMERICANS PROGRAM

For ETA, the overall priorities for the Native American Section 166 Program in FY 2011 will be to:

- Increase opportunities for disconnected Indian and Native American youth and veterans;
- Increase employment and training opportunities;
- Support green economies in Indian and Native American communities; and
- Increase program effectiveness, including through the use of information technology.

### **FY 2010**

In FY 2010, a total of \$52,758,000 was enacted for the INA program. This is the same amount provided in FY 2009. ETA will use these funds to support the continued administration of INA programs for adults and youth.

One percent of Section 166 funds can be set-aside to fund TAT efforts, and other discretionary spending. In PY 2010, the INA program will devote this TAT funding for projects such as, but not limited to: 1) partnerships and collaborative efforts with other Federal agencies and local workforce boards and the One-Stop Career Center system; 2) establishment and maintenance of technology reporting systems; 3) Veteran's Priority of Service; and 4) peer-to-peer technical assistance. Additionally, ETA will provide green jobs related technical assistance to INA program grantees in PY 2010.

ETA's overall priorities for the INA program in FY 2010 include:

- Increase program effectiveness;
- Improve performance outcomes;
- Coordinate with the local workforce investment boards and One-Stop Career Centers; and
- Implement Veteran Priority of Service.

### **FY 2009**

In FY 2009, ETA continues its efforts to improve transparency and accountability within the INA program through the improvement of program reporting and enhanced oversight of grantees' financial management. ETA continues to use the common measures to assess INA program performance, which includes meeting performance targets established in PY 2008. ETA continues to use the menu of 13 measures for collection of youth data and is modifying its reporting system to comply with Recovery Act requirements. Also ETA continues to partner with the National Indian and Native American Employment and Training Council on improving data collection methods and program policy.

In FY 2009, a total of \$52,758,000 was appropriated for the INA program. This is the same amount as appropriated in FY 2008. ETA believes that by emphasizing training for Indian and Native Americans in sectors that are growing in the economy while ensuring they receive the necessary remedial education and support services, the individuals being served will have better opportunities to succeed in a competitive workforce.



## INDIAN AND NATIVE AMERICANS PROGRAM

ETA's FY 2009 priorities for the INA program include:

- Increase program effectiveness;
- Increase the amount of program funds spent on training participants and reduce overhead costs;
- Improve performance outcomes;
- Emphasize training in sectors of the economy with the most potential for growth; and,
- Coordinate service delivery strategies with the local workforce investment boards and One-Stop Career Centers.

To help achieve these priorities, ETA recently provided new program software to grantees to help improve the quality and validity of the data reported to ETA.

### **Recovery Act Update**

As authorized by WIA section 127(b) (1) (C) (i) (I), ETA allocated 1.5 percent (\$17,820,000) of the Recovery Act funds to the Native American Supplemental Youth Service Program.

In Training and Employment Guidance Letter 16-08, ETA provided policy guidance and direction regarding Recovery Act funding for activities authorized under WIA Section 166 and specific instructions regarding the requirement for grantees to modify their strategic two-year plans. With program guidance, ETA revised and implemented data tracking systems to effectively monitor Recovery Act youth activities and expenditures.

The Indian and Native American grantees moved quickly to use the Recovery Act funding to provide Indian and Native American youth access to education and job training services. The Recovery Act funds supported the development of work-related activities to assist youth transition between education and work. Education and training programs were closely aligned with jobs and employment opportunities available on or near reservations, and in Indian and Native American communities in Oklahoma, Alaska, and Hawaii. Enhancing the level of education and training for disconnected Indian and Native American youth increased their ability to advance in school or at work. Recovery Act funding provided the Indian and Native American youth training in green jobs, construction, and health care, resulting in credentials and certifications. The grantees utilized the Recovery Act funding to substantially increase the number of youth served and expand summer employment or training services. Due to these efforts, over 3,700 Indian and Native American youth were able to participate in summer employment.

## INDIAN AND NATIVE AMERICANS PROGRAM

<b>WORKLOAD SUMMARY</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Indian and Native American Programs</b>				
Participants Served	11,800	25,000 (e)	25,000	26,196
Cost Per Participant	\$4,471.00	\$1,717.00 (e)	\$1,717.00	\$1,717.00

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined  
 Note:

- FY 2009 participant estimates are based on recent estimates from the PY 2008 INA Quarterly Report. The INA program currently operates on Program Year (PY) basis.
- FY2009 results are estimates based on FY2008 final results. Final PY 2009 data are not available until 45 days after June 30, 2010.

The Department of Labor's, Indian and Native American program transfers approximately \$10 million dollars to the Department of Interior as part of a demonstration project authorized under Public Law 102-477. These funds are deducted from the total appropriation when calculating workload data as the Department of Labor does not receive the number of participants served from Interior.

# INDIAN AND NATIVE AMERICANS PROGRAM

## PERFORMANCE INDICATORS

<p><b>The Indian and Native Americans program contributes to the following Outcome Goals in support of the Department's Strategic Vision of <i>Good Jobs for Everyone</i>:</b></p> <ul style="list-style-type: none"> <li><b>1.1 Increasing workers' incomes and narrowing wage and income inequality.</b></li> <li><b>1.3 Helping workers who are in low-wage jobs or out of the labor market find a path into middle class jobs.</b></li> <li><b>1.4 Helping middle-class families remain in the middle class.</b></li> </ul>										
		<b>PY 2006</b>		<b>PY 2007</b>		<b>PY 2008</b>		<b>PY 2009</b>	<b>PY 2010</b>	<b>PY 2011</b>
		<b>Goal Not Achieved</b>		<b>Goal Not Achieved</b>		<b>Substantially Achieved</b>				
Goals	Performance Indicator	Target	Result	Target	Result	Target	Result*	Target	Target	Target
1.3	Percent of participants employed in the first quarter after exit.	54.50%	60.00%	61%	68%	64.3%	62.6%	60.2%	60.5%	61.4%
1.4	Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.	Baseline	71.50%	72%	76%	73.90%	76.2%	74.7%	74.9%	75.5%
1.1	Average earnings in the second and third quarters after exit.	--	--	Baseline	\$9,665	\$9,157	\$9,780	\$9,174	\$9,245	\$9,484
<b>Baseline(s):</b>										
<b>Data Source(s):</b> Grantee records included in EBSS; Workforce System Results Quarterly Reports.										
<b>Comments:</b>										

## INDIAN AND NATIVE AMERICANS PROGRAM

<b>BUDGET ACTIVITY by OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>FY 11 Req. / FY 10 Enacted</b>
41.0	Grants, subsidies, and contributions	52,758	0	52,758	55,000	2,242
	<b>Total</b>	<b>52,758</b>	<b>0</b>	<b>52,758</b>	<b>55,000</b>	<b>2,242</b>

**INDIAN AND NATIVE AMERICANS PROGRAM**

**CHANGES IN FY 2011**  
(Dollars in Thousands)

<b>Activity Changes</b>		
<b>Built-In</b>		
To Provide For:		
<b>Built-Ins Subtotal</b>		<b>\$0</b>
<b>Net Program</b>		<b>2,242</b>
	<b>Estimate</b>	<b>FTE</b>
<b>Base</b>	<b>52,758</b>	<b>0</b>
<b>Program Increase</b>	<b>2,242</b>	<b>0</b>



## MIGRANT AND SEASONAL FARMWORKERS

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>82,620</b>	<b>0</b>	<b>84,620</b>	<b>87,378</b>	<b>2,758</b>
FTE	0	0	0	0	0

### **Introduction**

The National Farmworker Jobs Program (NFJP) is a nationally-directed program of job training and employment assistance for migrant and seasonal farmworkers (MSFWs). It is authorized in WIA Section 167 to counter the impact of the chronic unemployment and underemployment experienced by MSFWs who primarily depend on jobs in agricultural labor. MSFWs access the NFJP and other employment assistance through the One-Stop Career Center network of the workforce investment system.

The NFJP provides funding through biennial competitive grants to community-based organizations and public agencies that assist MSFWs and their families attain greater economic stability. Through training and other workforce development services, the program is intended to assist eligible migrants and seasonal farmworkers and their families to prepare for jobs in high growth and emerging industry sectors, particularly jobs that provide stable, year-round employment both within and outside agriculture. Services are targeted to enable MSFWs to gain access to education and career pathways, and increasing their incomes by providing access to middle class jobs.

Agricultural employment is cyclical in nature, and MSFWs typically work much fewer than 52 weeks a year. For this population, the training offered through the NFJP provides the means to attain basic educational remediation, English proficiency skills, and other educational opportunities that, in turn, allow them to acquire new job skills in occupations offering career pathways to middle class jobs and a more stable employment outlook. In addition to education and skills training, the program provides supportive services that help farmworkers enter into and remain in training and/or stabilize their employment in agriculture.

The NFJP serves the MSFW population through two grant vehicles: training grants and housing grants. Training grants are usually competed every two years and operated through 52 grantees. Every state with the exception of Alaska and the District of Columbia is represented by one grantee, except California, which has a total of five grantees. California has more grantees because of the scale of the agricultural economy in the state and the resultant allocation of grant dollars. Housing grants, also usually competed every two years, offer either permanent and/or temporary housing services, or a combination of both permanent and temporary. Currently, these services are provided through 15 grantees, four of which are in California. Some housing grants serve multiple state service delivery areas, while others serve one; some training grantees also operate housing assistance programs; and others do not.

The NFJP measures performance using the three common performance measures for employment and training programs (entered employment, employment retention and average earnings). The use of common measures enables ETA to describe in a similar manner the core

## MIGRANT AND SEASONAL FARMWORKERS

purposes and results of the workforce investment system – how many people obtained a job, how many stayed employed, and their average earnings. The definitions of the measures are:

- *Entered Employment Rate* – Percent of participants employed in the first quarter after exit;
- *Employment Retention Rate* – Percent of participants employed in the first quarter after program exit and still employed in the second and third quarters after exit; and
- *Average Earnings* – Reported as the average six-month earnings.

In PY 2008, ETA-administered NFJP program achieved an 80.3 percent entered employment rate; 71.1 percent employment retention rate; and, \$9,427 average earnings result. Performance targets are adjusted through a regression model that accounts for the increase in unemployment, decline in jobs, and changes in personal characteristics.

Projected targets for entered employment are expected to increase in 2009, 2010 and 20100 while targets for retention, and earnings are expected to decrease in PY 2009, then increase in 2010 and 2011. The program intends to meet its PY 2011 performance goals by increasing technical assistance to grantees and continuing to improve access to other training opportunities offered through One-Stop Career Centers. Because outreach and recruitment are critical to getting eligible MSFWs into the program, particular emphasis will be placed on assisting grantees to conduct more effective outreach and recruitment strategies. A second area of emphasis will be better coordination between adult learning strategies and the training services being offered to MSFWs.

### **Funding Mechanism**

WIA requires the Department to conduct a grant competition every two years to select the entities that will operate the NFJP; however, WIA provides for an exception to this requirement, as noted below. The grant competition is open to state agencies, local workforce investment boards, faith-based and community organizations, institutions of higher learning, and other entities capable of delivering services on a statewide basis. The total awarded dollars are distributed to the grantees based on an allocation formula that estimates the relative proportion of eligible farmworkers in each state.

In non-competition program years, each grantee is required to submit an annual grant plan for the coming program year. Minimum criteria for the content of the “off year” grant plans are defined in an ETA Training and Employment Guidance Letter issued to all grantees. Awards are given in “off years” based on the availability of funds.

The most recent grant competition was held in April 2007, for the program year that began on July 1, 2007. The next grant competition was scheduled for PY 2009. However, WIA provides the Secretary of Labor the authority to waive the competition not more than once every four years, as long as grantee performance is satisfactory and upon receipt of a satisfactory annual grant plan describing the services to be provided. The Secretary of Labor exercised the waiver authority for PY 2009 for all grantees with the exceptions of Nebraska, Indiana, Arkansas, and Hawaii. These four areas did not meet minimum performance criteria and subsequently were not eligible for a competition waiver. A limited competition was held for these four areas in addition



## MIGRANT AND SEASONAL FARMWORKERS

to the Maine service delivery area after the Penobscot Consortium Training and Development Corporation of Maine ceased operations on June 30, 2009.

### Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2006	79,252	0
2007	79,752	0
2008	79,668	0
2009	82,620	0
2010	84,620	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

### FY 2011

ETA is requesting \$87,378,000 for FY 2011, to fund WIA Section 167 MSFW program. The FY 2011 request is an increase of \$2,758,000 above the FY 2010 appropriated level. Due to the migratory nature of the MSFW population, special outreach and recruitment efforts are needed to ensure that farmworkers are aware of the education and training services available to them, as well as to ensure that they are connected to the full suite of these workforce resources. Since the need for services is greater than the resources available, it is estimated that only about 2.8 percent of eligible farmworkers and their families are served through this program. For that reason, NFJP grantees often focus their service delivery strategies on serving farmworkers where they live and work. Current and projected economic conditions have increased the demand for these services.

Technical assistance will also continue to be provided to enhance grantee outreach and recruitment strategies. Outreach and recruitment is intended to help MSFWs -- who by definition are employed in low-wage jobs and experience recurring bouts of unemployment -- access career pathways leading to higher wages and stable year-round employment. MSFWs typically experience multiple employment barriers, such as lack of English language skills, low educational attainment, soft-skill limitations, and routine lack of access to resources and services. Other logistical barriers exist that include child care, transportation, and the migrant and seasonal nature of work. Program strategic planning will support solutions to these barriers and reconnect the MSFW population to jobs in the recovering economy. For example, the NFJP's Green Centers Project demonstration, funded in PY 2009, is intended to offer the MSFW population another vehicle to overcome barriers, pursue employment opportunities in high growth and emerging sectors, and contribute to the growth of the new economy.

In addition, grantees will be expected to develop outreach and recruitment strategies that target new employers and emerging industry sectors that can provide improved job placement opportunities for farmworkers, both within and outside of the agriculture sector.

## **MIGRANT AND SEASONAL FARMWORKERS**

Using the authority provided through WIA Section 167, the Secretary of Labor waived the biannual grants competition scheduled for PY 2009 for those grantees identified as meeting minimum performance criteria based on the common measures of performance. Grantees in four state service delivery areas were identified as underperforming. In addition, one grantee ceased business operations as of July 1, 2009, necessitating the need for competition in a total of five service delivery areas in PY 2009. Due to the biannual nature of NFJP grants, ETA will formula-fund existing grantees in the PY 2010 non-competition year. These individual grantees are deemed to be best positioned to communicate with, assess the needs of, and provide services to the MSFW population. The next scheduled grants competition is scheduled for PY 2011. ETA expects to fund 52 grantees through the training program, and 15 grantees through the housing program.

Through WIA Section 167, training and housing assistance services are provided to MSFWs. The annual appropriations process defines the total allocation to the NFJP for training and for housing assistance. Also included in this allocation are funds identified for training and technical assistance.

In FY 2011 the NFJP will also begin to identify adult learning strategies effective in serving hard-to-serve populations, in an effort to provide limited assistance to grantees in this area. NFJP grantees currently provide basic reading, writing, and math to those farmworkers seeking a GED or seeking employment in occupations with higher levels of required education as well as more advanced technical skills. While the migratory nature of the population often hinders their efforts, ETA will offer technical assistance to help grantees put more at-risk, low-skill, and low-income workers on a path towards self-sufficiency.

ETA will also encourage the expanded use of supportive services, including housing assistance and needs-related payments to help more farmworkers enter into or remain in training.

### **FY 2010**

ETA received \$84,620,000 in FY 2010 for the NFJP, which is an increase of \$2,000,000 above the amount that was appropriated in FY 2009. The Consolidated Appropriations Act of 2010 stated that of the amount appropriated, \$78,410,000 was for formula grants (of which not less than 70 percent shall be for employment and training services), \$5,700,000 for migrant and seasonal housing (of which not less than 70 percent shall be for permanent housing), and \$510,000 for other discretionary purposes, which shall be available for the period July 1, 2010 through June 30, 2011. The Act states that “notwithstanding any other provision of law or related regulation, the Department of Labor shall take no action limiting the number or proportion of eligible participants receiving related assistance services or discouraging grantees from providing such services.”

In PY 2010, technical assistance will continue to be provided with the goal of connecting farmworkers to the services that they need. Due to the migratory nature of the MSFW population, special outreach efforts are needed to ensure connections are made to the full suite of employment and training resources. Service delivery strategies are often focused on serving farmworkers where they live and work. Barriers to new employment and career advancement

## **MIGRANT AND SEASONAL FARMWORKERS**

can include lack of English language skills, lack of education, and soft skill limitations. Other logistical barriers include child care, transportation, and the seasonal nature of agricultural work. The individual grantees are best positioned to communicate with, assess the needs of, and provide services to the MSFW population. Program strategic planning will support solutions to these barriers and reconnect the MSFW population to the recovering economy. This will be done through new and improved training opportunities and necessary supportive services. In PY 2010, the MSFW program will coordinate with other green jobs efforts to offer the MSFW population another vehicle to pursue economic security and contribute to the growth of the new economy.

### **FY 2009**

In PY 2009, NFJP grants were awarded to the existing 52 state service delivery areas through the training program and 15 multiple state service delivery areas through the housing program via formula allocation to existing grantees, with the exception of four grantees identified as underperforming.

In PY 2009, NFJP staff devoted a small portion of technical assistance funds to green jobs activities. A planning grant will be awarded to an NFJP grantee in California to establish Green Centers for MSFW training and job placement consistent with the Administration's vision for a green economy.

### **Recovery Act Update**

The NFJP did not receive funding through the Recovery Act. However, grantees were encouraged to work with One-Stop Career Centers to take advantage of WIA and Wagner-Peyser funded Recovery Act programs and services, especially migrant youth participating in the summer youth program. Grantees were also encouraged to apply, when appropriate, for National Emergency Grants (NEGs) funded through the Recovery Act.

## MIGRANT AND SEASONAL FARMWORKERS

<b>WORKLOAD SUMMARY</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Migrant and Seasonal Farmworkers</b>				
Participants	17,977	17,977 (e)	17,833	18,860
Cost Per Participant	\$4,596.00	\$4,596.00 (e)	\$4,633.00	\$4,633.00

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined

Note:

- Since the MSFW program operates on a Program Year basis, final PY 2009 data are not available until October 15, 2010.
- FY 2009 participants served data are based on quarterly report estimates.

The Migrant and Seasonal Farmworker program workload table provides estimates for the number of individuals served as well as the cost per participant. In FY 2011, the Department estimates \$4,633 as the average cost per person receiving services, which is the same as the estimate of FY2010. The FY2011 budget requests \$87,378,000; based on this funding level the program projects serving 18,860 individuals.

## MIGRANT AND SEASONAL FARMWORKERS

### PERFORMANCE INDICATORS

The Migrant and Seasonal Farmworker program contributes to the following Outcome Goals in support of the Department's Strategic Vision of <i>Good Jobs for Everyone</i> :										
1.1 Increasing workers' incomes and narrowing wage and income inequality. 1.3 Helping workers who are in low-wage jobs or out of the labor market find a path into middle-class jobs. 1.4 Helping middle-class families remain in the middle class.										
		PY 2006		PY 2007		PY 2008		PY 2009	PY 2010	PY 2011 Request
		Goal Not Achieved		Goal Not Achieved		Substantially Achieved				
Goal	Performance Indicator	Target	Result	Target	Result	Target	Result	Target	Target	Target
1.3	Percent of participants employed in the first quarter after program exit.	85%	80%	77%	78%	73.8%	80.3%	77.2%	77.6%	78.8%
1.4	Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.	80%	74%	75%	74%	72%	71.1%	69.7%	69.9%	70.40%
1.1	Average earnings in the second and third quarters after exit.	Baseline	\$9,625	\$7,500	\$9,531	\$9,030	\$9,427	\$8,843	\$8,911	\$9,141
<b>Baseline(s):</b>										
<b>Data Source(s):</b> Grantee reports submitted to DOL via the Enterprise Business Support System (EBSS); <i>Workforce System Results Quarterly Reports</i> .										
<b>Comments:</b> Targets for PY2009 are based on the 2010 budget assumptions for unemployment rates and WIA data for 11 states. Targets for PY2010 and subsequent years are computed using the 2011 unemployment rate assumptions in the President's 2011 budget and WIA program data for all states, DC, and Puerto Rico.										

## MIGRANT AND SEASONAL FARMWORKERS

<b>BUDGET ACTIVITY by OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>FY 11 Req. / FY 10 Enacted</b>
41.0	Grants, subsidies, and contributions	82,620	0	84,620	87,378	2,758
	<b>Total</b>	<b>82,620</b>	<b>0</b>	<b>84,620</b>	<b>87,378</b>	<b>2,758</b>

# MIGRANT AND SEASONAL FARMWORKERS

## CHANGES IN FY 2011

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

#### Built-Ins Subtotal

\$0

#### Net Program

2,758

	Estimate	FTE
Base	84,620	0
Program Increase	2,758	0





# YOUTHBUILD

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>70,000</b>	<b>49,500</b>	<b>102,500</b>	<b>120,000</b>	<b>17,500</b>
FTE	0	0	0	0	0

## **Introduction**

YouthBuild is a youth workforce development program that helps disadvantaged youth gain high school credentials and skill training that leads to employment. YouthBuild provides at-risk and out-of-school youth ages 16 through 24 with the opportunity to earn their diploma or GED and develop job skills, while constructing or rehabilitating affordable housing for low-income or homeless families in poor communities. While enrolled in a YouthBuild program, participants split their time between a construction site and a classroom, where they prepare for college and other postsecondary training opportunities and learn to be community leaders.

The YouthBuild Transfer Act of September 2006 transferred the YouthBuild program from the U.S. Department of Housing and Urban Development (HUD) to the U.S. Department of Labor (DOL) and amended WIA by adding a new section 173A to subtitle D of Title I of WIA. ETA has administered two full cycles of the YouthBuild program (four years of program operation) since the transfer and will hold its third competition in PY 2011.

For the past four years, ETA has provided leadership through the workforce investment system in developing dropout recovery strategies that prepare low-income youth to enter career pathways and employment. With graduation rates in the poorest urban communities hovering around 50 percent, providing high quality drop-out recovery, education and training programs remains a critical role for ETA. The YouthBuild program is a re-engagement strategy for out-of-school youth and is increasingly a key component of community plans to develop multiple education pathway strategies for disconnected youth. The funding level requested for FY 2011 will support approximately 7,450 out-of-school youth.

The Recovery Act provided additional funds for the YouthBuild program in FY 2009. To obligate these funds expediently, ETA increased the number of grantees by utilizing the YouthBuild competition that closed in January 2009 and awarded Recovery Act YouthBuild grants in June 2009. These funds helped to expand green curricula and training for grantees in FY 2010 and supported 75 grants and 3,100 participants at a cost-per-participant of \$15,300.

In order to assess the YouthBuild program, ETA utilizes the youth common performance measures which include placement in employment, post secondary education or advanced training, attainment of a degree or certificate, and literacy and numeracy gains. These measures were implemented in 2007 with the first round of YouthBuild grants. For PY 2009, there was sufficient data to set baseline goals for the placement in education and employment, and literacy and numeracy measures, and ETA is now tracking outcomes against these targets.

Because YouthBuild participants receive occupational skills training focused on construction-related jobs, the decline in the construction industry and available job opportunities has had a

# YOUTHBUILD

disproportionately negative impact on YouthBuild's placement in education and employment rate compared to other youth training programs that prepare youth in a variety of industry sectors. In addition, YouthBuild grantees are still learning to use the program's new data collection system in order to provide the most accurate data and performance results. ETA has employed a variety of technical assistance strategies to assist grantees in focusing on post-program outcomes and improved data input. It is projected, therefore, that the targets based on placement in employment, education or long-term training and literacy and numeracy gains are expected to increase in PY 2010 and PY 2011 beyond the baseline level in PY 2009.

Activities that assist with meeting performance measures include: creating multiple pathways to graduation, postsecondary education, and careers; training in green construction and weatherization techniques; collaborating with labor unions and employers to create increased pathways to apprenticeship; intensive technical assistance across program components; and the use of program data to analyze and improve program management.

In order to meet performance targets in FY 2011, ETA will continue to promote training in green construction with an emphasis on industry-recognized credentials and encouraging connections with other Federal agencies involved in creating green jobs, such as the Departments of Housing and Urban Development and Energy.

Finally, an evaluation contract for a random assignment impact evaluation is expected to be awarded by June 2010 with random assignment of participants beginning in PY 2011.

## **Funding Mechanism**

The funds appropriated for YouthBuild are authorized by the YouthBuild Transfer Act of 2006 and are awarded through grant competition. Competitions are generally held every two years. Grantees receive three-year grants with the expectation that most funds will be used in years one and two, with a small portion reserved for year three to support follow-up activities for youth who have successfully exited the program in year two.

## **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2006	0	0
2007	49,500	0
2008	58,952	0
2009	70,000	0
2010	102,500	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

# YOUTHBUILD

## **FY 2011**

The budget requests \$120,000,000 for YouthBuild in FY 2011, which is an increase of \$17,500,000 over the FY 2010 appropriation. In FY 2011, ETA will hold its third competition for YouthBuild funds, with grants anticipated to be awarded in the spring of 2011. These funds will allow ETA to support approximately 230 grants and an estimated 7,450 participants at a cost-per-participant of \$15,300. In FY 2011, the program will continue to promote training in green construction with an emphasis on industry-recognized credentials and encourage connections with other Federal agencies involved in creating green jobs, such as the U.S. Departments of Housing and Urban Development and Energy.

In 2011, ETA will continue to strengthen connections to Registered Apprenticeship programs begun in FY 2009 through the YouthBuild Registered Apprenticeship Pilot program. ETA will also continue to implement the YouthBuild Trainee Apprenticeship Preparation (YB TAP) standards that provide credentials for YouthBuild participants as certified apprenticeship preparation trainees. These standards build portable credentials that lead to entry into apprenticeship programs for YouthBuild participants. This will include partnerships with labor and employer sponsors. In response to the economic downturn in the traditional construction industry, ETA will continue to provide technical assistance to YouthBuild programs to help participants make successful transitions to post-secondary education and training opportunities including community colleges, registered apprenticeships, and certificate programs that may lead to employment in other high-growth industries.

Finally, an evaluation contract for a random assignment impact evaluation is expected to be awarded by June 2010 with random assignment of participants beginning in PY 2011.

## **FY 2010**

In FY 2010, ETA received an appropriation of \$102,500,000 for the YouthBuild program. After funding the five percent required technical assistance set-aside or \$5,125,000 and second-year continuation funding to FY 2009 grantees of \$66,678,354, the remaining balance is \$30,696,646. ETA may combine the balance of the FY 2010 funds with FY 2011 and hold a single competition or ETA may pursue a separate funding strategy with the remaining balance of FY 2010 funds.

## **FY 2009**

In FY 2009, ETA held its second YouthBuild grant competition. This competition combined funding from the Recovery Act and the FY 2009 YouthBuild appropriation. Because of the infusion of Recovery Act funds, ETA funded 183 YouthBuild programs. Approximately 5,889 participants will be served and about half of the programs will provide some form of green construction training.

While some existing DOL YouthBuild programs received funds through the 2009 competition, the increase in the funds available for this competition resulted in 121 grants awarded to programs that had never received DOL YouthBuild funding. Of these, 51 grants were awarded

## **YOUTHBUILD**

to organizations that had never run YouthBuild programs. To support these new grantees, ETA provided in-depth training on ETA's administrative procedures, regulations, and performance expectations to the new YouthBuild grantees from the 2009 competition. ETA developed an integrated technical assistance plan that consisted of a new grantee orientation in July 2009, followed by a series of six Webinars that were linked to the Fundamentals of YouthBuild conference held in September. Each new grantee was also provided with on-site and phone coaching to support successful program implementation.

ETA continued to provide technical assistance to YouthBuild grantees using a variety of methods including Webinars, on-site technical assistance, regional trainings in particular subject areas, regional trainings offered by ETA's Regional Offices, and site visits to mature YouthBuild programs. All of the technical assistance provided places an emphasis on peer-to-peer learning. In particular, a Web-based YouthBuild Community of Practice was established which allows YouthBuild grantees, their Federal Project Officers, and other stakeholders to exchange and share knowledge and information. To help YouthBuild grantees prepare participants for the green economy and high-wage careers associated with this industry. ETA provided technical assistance in green construction techniques, knowledge of and ability to work with sustainable building products, weatherization techniques at a "green" YouthBuild conference in October 2009 held in Seattle, WA. YouthBuild performance outcomes and data driven decision-making were also emphasized through on-going training in the web-based YouthBuild Case Management and Performance System.

Finally, ETA maintained its emphasis on improved academic programming, provision of industry-recognized skill training, project based learning that connects education and skill training, collaboration with a broad range of business and community partners, and seamless transitions to post-secondary education and training to ensure that YouthBuild programs are providing high-quality services.

### **Recovery Act Update**

The Recovery Act provided an additional \$50,000,000 for the YouthBuild program in FY 2009. To obligate these funds expeditiously, ETA increased the amount of funding available for the YouthBuild competition that closed in January 2009, thereby awarding grants funded by regular and Recovery Act appropriations through the same competition. ETA announced Recovery Act YouthBuild grants in June 2009. The majority of these funds were obligated in PY 2009 and helped to expand green curricula and training for grantees in FY 2010. These funds supported 75 grants and 3,100 participants at a cost-per-participant of \$15,300. The remainder of the Recovery Act funds is allocated for technical assistance and will be obligated in PY 2010.

# YOUTHBUILD

<b>WORKLOAD SUMMARY</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Youthbuild</b>				
Participants	4,340	5,889	7,890	7,450
Cost Per Participant	\$16,129.00	\$15,300.00	\$15,300.00	\$15,300.00

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined

**Note:**

- The cost per participant target for FY 2009 is higher in FY 2010 and FY2011 due to an estimate based on PY 2008 preliminary results data which were affected by the decline in the industries most relevant to these grantees and available job opportunities compounded by grantees needing to learn a new data collection system.
- The participant level is an estimate based on the total appropriation minus the mandatory five percent technical assistance allocation taken from the total request as required under the YouthBuild statute.

Please note the revised estimates for participants served for FY 2009 and FY 2010. Grantees received more than 50 percent of their two-year award in FY 2009 so that additional YouthBuild Recovery Act funds could be obligated in a timely manner. Although grantees received approximately 63 percent of their total two-year award amount in FY 2009, they are expected to serve half of their total enrollment goal in FY 2009 and half in FY 2010. ETA's FY 2010 appropriation for YouthBuild represents an increase of \$32,500,000 over the FY 2009 appropriation. Once ETA allocates second year funds to FY 2009 grantees \$30,696,646 will still be available after the required 5 percent technical assistance set-aside is taken out. ETA will use these funds to award additional grants and will serve more participants. At the current level of funding, an additional 2,000 participants will be served in FY 2010, which is reflected in the 7,890 number above.

In the FY 2010 Congressional Justification, the Workload Summary for YouthBuild utilized a cost per participant of \$16,129 in FY 2009 and \$16,123 in FY 2010. This figure is now adjusted to \$15,300 for both years, which is considered a more accurate estimate of the actual cost per participant and is based on discussions between ETA, OCIA and OMB, during which the \$15,300 was the figure agreed upon to use until actual data on the participants served becomes available.

In FY 2011, the Department estimates \$15,300 as the average cost per person receiving services, which is the same as the estimate for FY2010. The administration has requested \$120 million for FY2011 which will provide services to approximately 7,450 participants.

# YOUTHBUILD

## PERFORMANCE INDICATORS

<p><b>The YouthBuild program contributes to the following Outcome Goals in support of the Department’s Strategic Vision of <i>Good Jobs for Everyone</i>:</b></p> <p><b>1.1 Increasing workers’ incomes and narrowing wage and income inequality.</b></p> <p><b>1.2 Assuring skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like “green” jobs.</b></p>										
		PY 2006		PY 2007		PY 2008		PY 2009	PY 2010	PY 2011
		Goal Not Achieved		Goal Not Achieved						Request
<b>Goal</b>	<b>Performance Indicator</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>	<b>Target</b>
1.2	Percent of participants entering employment or enrolling in post-secondary education, the military or advanced training/occupational skills training in the first quarter after exit.	--	--	N/A	N/A	Baseline	31.4%	36%	38%	40%
1.2	Percent of youth who attain a diploma, GED, or certificate by the end of the third quarter after exit.	--	--	N/A	N/A	N/A	41%	Baseline	TBD	TBD
1.1	Percent of participants deficient in basic skills who achieve literacy or numeracy gains of one Adult Basic Education (ABE) level	--	--	N/A	N/A	N/A	28%	30%	32%	34%
<p><b>Baseline(s):</b> Due to grant award schedule and projected timeframes for participants to exit program, baseline information for the second measure will not be established until PY2009.</p>										
<p><b>Data Source(s):</b> Grantee reports</p>										
<p><b>Comments:</b> N/A = Not Available; TBD = To Be Determined. The targets set are based on preliminary data from the 2007 ‘class’ of grantees, which were awarded in October 2007. Data from PY 2008 and 2009 classes of grantees will not be included in these measures until the end of their second year of performance. For example, the 2008 class of YouthBuild grantees were awarded in July 2008; data from these grants will be included in these measures in June 2010. Data for the most recent YouthBuild grantees, the 2009 class, will not be included in these measures until June 2011.</p>										

# YOUTHBUILD

<b>BUDGET ACTIVITY by OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>FY 11 Req. / FY 10 Enacted</b>
41.0	Grants, subsidies, and contributions	70,000	49,500	102,500	120,000	17,500
	<b>Total</b>	<b>70,000</b>	<b>49,500</b>	<b>102,500</b>	<b>120,000</b>	<b>17,500</b>

# YOUTHBUILD

## CHANGES IN FY 2011

(Dollars in Thousands)

<b>Activity Changes</b>		
<b>Built-In</b>		
To Provide For:		
<b>Built-Ins Subtotal</b>		<b>\$0</b>
<b>Net Program</b>		<b>17,500</b>
	<b>Estimate</b>	<b>FTE</b>
<b>Base</b>	<b>102,500</b>	<b>0</b>
<b>Program Increase</b>	<b>17,500</b>	<b>0</b>



## JOB TRAINING FOR EMPLOYMENT IN HIGH GROWTH INDUSTRIES

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>					
(Dollars in Thousands)					
	<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>Diff. FY 11 Req. / FY 10 Enacted</b>
<b>Activity Appropriation</b>	<b>0</b>	<b>742,500</b>	<b>0</b>	<b>0</b>	<b>0</b>
FTE	0	0	0	0	0

### **Introduction**

H-1B fees are authorized under Section 414(c) of the American Competitiveness and Workforce Improvement Act of 1998 (P.L. 105-277, Title IV), as amended by P.L. 108-447 (codified at 29 U.S.C. 2916a). The fees are collected from employers when they file applications seeking to hire temporary foreign workers, as needed, in specialty occupations that require highly specialized knowledge. These authorized fees are available to the U.S. Department of Labor without appropriations action by Congress and are primarily used to provide job training and related activities for workers to help them obtain or upgrade employment in occupations and industries that employ foreign workers with H-1B visas. The Secretary of Labor has discretion to make decisions regarding the types of grants that will be made with these funds, with flexibility around who the applicants for funds will be, who recipients of training may be, and what types of training strategies will be encouraged. Participants are trained in growth occupations and industries.

These programs utilize the set of common performance measures for employment and training programs, and ETA is working to set targets for these types of grants. The use of common measures (entered employment rate, employment retention rate, and average earnings) enables ETA to describe in a similar manner the core purposes and results across grantees and the workforce investment system – how many people obtained a job, how many stayed employed, and their average earnings. H-1B funds always have a focus on providing training and related activities in high growth industry sectors, but are used in different initiatives that may target varying strategies, types of training, and populations, making it difficult to translate potential performance across initiatives. Therefore, other grant specific metrics and outcomes may be identified based on the nature of the grant.

The Department established targets for the common measures in program year (PY) 2009, after results from PY 2008 were received. However, future targets should take into consideration the design and implementation approach of grant programs developed at the discretion of the Secretary and should reflect any program-specific measures that improve the quality of information available on the performance of such programs. Since PY 2008 targets for entered employment, retention and earnings are adjusted estimates based on regression analysis that accounts for the effects of participant characteristics, local labor market conditions, and the unemployment rates on program performance, projected targets are expected to drop in 2009 and 2010 and expected to increase in 2011.

# JOB TRAINING FOR EMPLOYMENT IN HIGH GROWTH INDUSTRIES

## Funding Mechanism

These funds will be awarded competitively through one or more Solicitations for Grant Applications (SGAs). Decisions have not been made with respect to the eligible applicant pools, eligible participants, and strategies that may be the focus of these SGAs.

## Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2006	131,653	0
2007	134,199	0
2008	130,537	0
2009	111,000	0
2010	120,000	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

## FY 2011

The revenues from H-1B fees authorized for use by the U.S. Department of Labor are not subject to the Congressional appropriations process. During FY 2011, ETA will provide competitive grant opportunities to provide training and related activities to workers to assist them in gaining the skills and competencies needed to obtain or upgrade employment in the health care sector, which remains a growth sector. The Health Care Training Initiative will work to define career pathways across the health care sector, with a focus on assisting low-skill and low-wage workers into middle class jobs. In addition, in order to improve workers' incomes and narrow income inequalities, the Initiative will target workers who have not traditionally advanced along health care career pathways.

The BLS projects that health care employers will generate 3 million new wage and salary jobs between 2006 and 2016, with the education and health services sector projected to grow by 18.8 percent, adding more jobs (nearly 5.5 million) than any other industry sector. Employment growth in the health care sector will be driven by significant increases in demand for health care and assistance because of an aging population and longer life expectancies. In addition, projected retirements for current health care workers will necessitate a pipeline of skilled individuals ready to enter health care occupations. The absence of qualified workers in this diverse sector threatens the quality and availability of medical care, and the economic stability and growth potential of local communities in rural, urban, and suburban areas. Moreover, the growing complexity of health care delivery, including changing technologies and the introduction of advanced medical devices, will require both incumbent workers and new entrants to continuously upgrade their skills. Although job opportunities exist for workers without extensive specialized training, most health care occupations require training leading to a vocational license, certificate, or degree.

## **JOB TRAINING FOR EMPLOYMENT IN HIGH GROWTH INDUSTRIES**

Shortages of Registered Nurses (RNs), Licensed Practical Nurses (LPNs), Vocational Nurses, and Certified Nursing Assistants (CNAs), threaten the provision of quality care. The BLS projects that employment for RNs will grow faster than any other occupation through 2012. Acute workforce shortages and projected growth exist for allied health occupations, such as medical assistants, respiratory therapists, pharmacy technicians, diagnostic medical sonographers, paramedics, and radiological and other technicians. The BLS projects that by 2016, medical assistant occupations are expected to grow 35 percent, paramedic occupations are expected to grow by 19 percent, and radiological technicians by 15 percent. Finally, the demand for long-term health care services has begun to increase dramatically as regions across the country have started to experience significant demographic shifts. Currently, the American Health Care Association estimates that long-term care occupations represent 4.5 million workers. By the end of 2010, BLS projects that this workforce will expand by 800,000 jobs for direct care workers alone in long-term care settings.

In order to support the implementation of the Initiative and the ongoing grants previously awarded through this funding stream, a portion of the available funds may be used to evaluate the grants, to provide technical assistance to grantees, and to distribute best practices and lessons learned by grantees to other stakeholders, including the workforce system.

### **FY 2010**

ETA will continue providing competitive grant opportunities to provide training and related activities to workers to assist them in gaining the skills and competencies needed to obtain or upgrade employment in high-growth industries and economic sectors. Participants will be trained in occupations and industries for which employers are using H-1B visas to hire foreign workers. In addition, funds will be utilized to continue monitoring ETA's ongoing investments under the High Growth Job Training Initiative and the Workforce Innovations in Regional Economic Development (WIRED) initiatives, and to capture any lessons or best practices from these initiatives through the completion of an ongoing evaluation.

### **FY 2009**

In FY 2009, H-1B fees continued to fund grants to 39 regional economies as part of the WIRED initiative, which identifies strategies to integrate workforce education, talent development, and economic development to ensure workers have the skills they need to compete in the global marketplace. In addition, ETA announced grant awards in technology-based learning (TBL), Science, Technology, Engineering, and Mathematics (STEM), and the Aging Worker Initiative (AWI), which provides training for older workers in high growth industry sectors as part of a regional economic talent development strategy, which included the development of registered apprenticeship programs and training workers in those programs.

# **JOB TRAINING FOR EMPLOYMENT IN HIGH GROWTH INDUSTRIES**

## **Recovery Act Update**

The Recovery Act provided \$750,000,000 for a program of competitive grants for worker training and placement in high growth and emerging sectors such as green industries and healthcare. In addition to a series of green jobs solicitations announced in June 2009, in July, \$220,000,000 was announced for grants to train individuals for health care careers and other high growth sectors. While these funds are not H-1B funds generated from fees, the investment is referenced here because of its focus on training in health care, and the Initiative proposed here will build on the experience of these grants.

# JOB TRAINING FOR EMPLOYMENT IN HIGH GROWTH INDUSTRIES

<b>WORKLOAD SUMMARY</b>				
	<b>FY 2009</b>		<b>FY 2010</b>	<b>FY 2011</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Job Training for Employment in High Growth Industries</b>				
Total Enrolled in Training	19,593	--	19,593	19,593
Total Completed Training	15,495	--	15,495	15,495

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined

Note:

- The HGJTI grants do not run on a program year or fiscal year cycle, but are awarded in rounds of grants throughout the year. The data collected on these grants allows ETA to review the results in 12 month cycles. PY 2009, 2010, and 2011 performance targets reflect results for a single year's worth of data from July 1, 2008 – June 30, 2009 for 58 grants. While future awards depend on fee availability, we have set targets for future based on these results. Targets will need to be adjusted as fees become available and decisions are made regarding the grant programs put into place with these fees.
- PY 2009 results are estimates based on PY 2008 actual results

# JOB TRAINING FOR EMPLOYMENT IN HIGH GROWTH INDUSTRIES

## PERFORMANCE INDICATORS

**Job Training for Employment in High Growth Industries contributes to the following Outcome Goals in support of the Department’s Strategic Vision of *Good Jobs for Everyone*:**

- 1.1 Increasing workers’ incomes and narrowing wage and income inequality.**
- 1.2 Assuring skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like “green” jobs.**
- 1.3 Helping workers who are in low-wage jobs or out of the labor market find a path into middle class jobs.**
- 1.4 Helping middle-class families remain in the middle class.**

Goal	Performance Indicators	PY 2006		PY 2007		PY 2008		PY 2009	PY 2010	PY 2011 Request
		Target	Result <sup>1</sup>	Target	Result <sup>2</sup>	Target	Result <sup>3</sup>	Target+	Target+	Target+
1.2	Total Enrolled in Training	--	15,300	--	42,282	63,640	64,374	19,593	19,593	19,593
1.2	Total Completed Training	--	14,680	--	34,489	51,548	51,247	15,495	15,495	15,495
1.3	Percent of participants employed in the first quarter after exit.	--	RNA	--	RNA	Baseline	53.2%	53.2%	53.2%	53.2%
1.4	Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.	--	RNA	--	RNA	Baseline	92.7%	92.7%	92.7%	92.7%
1.1	Average earnings in the second and third quarters after exit.	--	RNA	--	RNA	Baseline	\$27,747	\$27,747	\$27,747	\$27,747

**Baseline(s):** Baseline year for enrolled and completed training moved from PY 2006 to PY 2007 due to implementation of the performance reporting system.

**Data Source(s):** Grantee Reports to be submitted to DOL. ETA transitioned to an OMB-approved reporting format in June 2008, providing grantees with an approved, standardized performance reporting form. Grantees are now able to report on outcomes based on standardized definitions.

**Comments:** RNA=Results Not Available

<sup>1</sup> The Program Year (PY) 2006 estimate is based on the average of the results attained annually for each of the first five years the grants were in operation.

<sup>2</sup> With the implementation of an OMB approved reporting format in June 2008, ETA can report on actual cumulative results for grants at the end of each program year, rather than an average of results from previous years. The “enrolled in training” and “completed training” results are cumulative results for all HGJTI grants as reported by active grantees using the OMB-approved reporting system at the end of PY 2007. Employment-related outcome data relies on the availability of unemployment insurance wage records, which were not available until PY 2008.

<sup>3</sup> PY 2008 Results reflect cumulative data through June 30, 2009.

+ Beginning with PY 2009 and going forward, targets are set based on results for a single year’s worth of data reflecting 58 active grantees between July 1, 2008 and June 30, 2009. While future awards depend on fee availability, targets have been set for FY 2010 and FY 2011 based on these results. Targets will need to be adjusted as fees become available and decisions are made regarding the grant programs put into place with these fees.

**JOB TRAINING FOR EMPLOYMENT IN HIGH GROWTH  
INDUSTRIES**

<b>BUDGET ACTIVITY by OBJECT CLASS</b>						
(Dollars in Thousands)						
		<b>FY 2009 Enacted</b>	<b>Recovery Act</b>	<b>FY 2010 Enacted</b>	<b>FY 2011 Request</b>	<b>FY 11 Req. / FY 10 Enacted</b>
41.0	Grants, subsidies, and contributions	0	742,500	0	0	0
	<b>Total</b>	<b>0</b>	<b>742,500</b>	<b>0</b>	<b>0</b>	<b>0</b>

**JOB TRAINING FOR EMPLOYMENT IN HIGH GROWTH  
INDUSTRIES**

**CHANGES IN FY 2011**  
(Dollars in Thousands)

<b>Activity Changes</b>	
<b>Built-In</b>	
To Provide For:	
<b>Built-Ins Subtotal</b>	<b>\$0</b>