

FY 2014

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

TAA Community College and Career Training Grant Fund

**TAA COMMUNITY COLLEGE AND CAREER TRAINING GRANT
FUND**

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AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2012 Revised Enacted		FY 2013 Full Year C.R.		FY 2014 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	\$500,000	0	\$500,000	0	\$500,000
Other Supplementals and Rescissions	0	\$0	0	\$0	0	\$0
Appropriation, Revised	0	\$500,000	0	\$500,000	0	\$500,000
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$500,000</i>	<i>0</i>	<i>\$500,000</i>	<i>0</i>	<i>\$500,000</i>
Comparative Transfer To:	0	\$0	0	\$0	0	\$0
Comparative Transfer From:	0	\$0	0	\$0	0	\$0
Offsetting Collections From:						
Reimbursements	0	\$0	0	\$0	0	\$0
Advances	0	\$0	0	\$0	0	\$0
Fees	0	\$0	0	\$0	0	\$0
<i>Subtotal Offsetting Collections From:</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
B. Gross Budget Authority	0	\$500,000	0	\$500,000	0	\$500,000
Offsetting Collections						
Deduction	0	\$0	0	\$0	0	\$0
Reimbursements	0	\$0	0	\$0	0	\$0
Advances	0	\$0	0	\$0	0	\$0
<i>Subtotal Offsetting Collections</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
C. Budget Authority Before Committee	0	\$500,000	0	\$500,000	0	\$500,000
Legislative Proposal	0	\$0	0	\$0	0	\$0
Offsetting Collections From:						
Reimbursements	0	\$0	0	\$0	0	\$0
Advances	0	\$0	0	\$0	0	\$0
Adjustment for Appropriated	0	\$0	0	\$0	0	\$0
<i>Subtotal Budget Authority</i>	<i>0</i>	<i>\$500,000</i>	<i>0</i>	<i>\$500,000</i>	<i>0</i>	<i>\$500,000</i>
D. Total Budgetary Resources	0	\$500,000	0	\$500,000	0	\$500,000
Other Unobligated Balances	0	\$0	0	\$0	0	\$0
Unobligated Balance Expiring	0	\$0	0	\$0	0	\$0
E. Total, Estimated Obligations	0	\$500,000	0	\$500,000	0	\$500,000

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SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2012 Revised Enacted	FY 2014 Request	Net Change
Budget Authority			
General Funds	\$500,000	\$500,000	\$0
Total	\$500,000	\$500,000	\$0
Full Time Equivalents			
General Funds	0	0	0
Total	0	0	0

Explanation of Change	FY 2012 Base		Trust Funds		FY 2014 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	0	\$0	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$500,000	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	0	+\$500,000	0	\$0	0	+\$0	0	\$0
B. Programs:								
Programs Subtotal			0	\$0	0		0	\$0
Total Increase	0	+\$500,000	0	\$0	0	0	0	\$0
Decreases:								
A. Built-Ins:								
To Provide For:								
Built-Ins Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
B. Programs:								
Programs Subtotal			0	\$0	0		0	\$0
Total Decrease	0	\$0	0	\$0	0	\$0	0	\$0
Total Change	0	+\$500,000	0	\$0	0	+\$0	0	\$0

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SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2012 Revised Enacted		FY 2013 Full Year C.R.		FY 2014 Request		Diff. FY 14 Request / FY 12 Rev. Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
TAA Community College and Career Training Grant Fund	0	500,000	0	500,000	0	500,000	0	0
General Funds	0	500,000	0	500,000	0	500,000	0	0
Total	0	500,000	0	500,000	0	500,000	0	0
General Funds	0	500,000	0	500,000	0	500,000	0	0

NOTE: The Department is not requesting an additional \$500,000,000 for TAA Community College and Career Training Grant Funds in FY 2014. These funds were appropriated by the Health Care and Education Affordability reconciliation Act of 2010. This table is intended to display budgetary resources only.

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BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2012 Revised Enacted	FY 2013 Full Year C.R.	FY 2014 Request	Diff. FY14 Request / FY 12 Rev. Enacted
	Full-Time Equivalent				
	Total	0	0	0	0
	Average ES Salary	\$0	\$0	\$0	\$0
	Average GM/GS Grade	0	0	0	0
	Average GM/GS Salary	\$0	\$0	\$0	\$0
	Average Salary of Ungraded Positions	0	0	0	0
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
41.0	Grants, subsidies, and contributions	500,000	500,000	500,000	0
	Total	500,000	500,000	500,000	0

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APPROPRIATION HISTORY (Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2004					
2005					
2006					
2007					
2008					
2009					
2010					
2011					
Base Appropriation...1/	\$500,000	\$0	\$0	\$500,000	0
2012					
Base Appropriation...1/	\$500,000	\$0	\$0	\$500,000	0
2013					
Base Appropriation...1/	\$500,000	\$0	\$0	\$500,000	0
2014					

1/ These funds were a mandatory appropriation in the Health Care and Education Affordability Reconciliation Act of 2010 for FY 2011- FY 2014.

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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2012 Revised Enacted	FY 2013 Full Year C.R.	FY 2014 Request	Diff. FY 14 Request / FY 12 Rev. Enacted
Activity Appropriation	500,000	500,000	500,000	0
FTE	0	0	0	0

Note: The Department is not requesting an additional \$500,000,000 for TAA Community College and Career Training Grant Funds in FY 2014. These funds were appropriated by the Health Care and Education Affordability Reconciliation Act of 2010. This table is intended to display budgetary resources only.

Introduction

The Trade Adjustment Assistance Community College and Career Training (TAACCCT) grant program is authorized by the Trade Act of 1974 under Chapter 4 of Title II. It is funded through a mandatory appropriation in the Health Care and Education Reconciliation Act of 2010 (P.L. 111-152), which provides \$500,000,000 annually in each of Fiscal Years 2011–2014 for competitive grants to eligible institutions of higher education in each State, the District of Columbia, and Puerto Rico.

TAACCCT addresses the college graduation goals set by the Administration and the need to increase the number of workers who attain degrees, certificates, and other industry-recognized credentials. In an increasingly competitive world economy, America’s economic strength depends upon the education and skills of its workers. The most recent data available from the Bureau of Labor Statistics (BLS) indicate that occupations that usually require a post-secondary award or associate’s degree are expected to account for over one third of all new jobs from 2010 to 2020 and over one third of total job openings.¹ Community colleges are significant and rapidly growing contributors to the nation’s higher education system, enrolling more than 7 million students each year, and roughly 40 percent of all post-secondary students. These schools create tailored education and training programs to meet employers’ needs and give students the skills required to obtain good jobs, earn family-sustaining wages, and advance along a career pathway. These grants will allow community colleges and other eligible institutions of higher education to expand and improve education and training programs that can be completed in two years or less, result in skills and credentials necessary for high-wage, in-demand jobs, and are suited for workers who are eligible for training under the Trade Adjustment Assistance (TAA) for Workers program.

The TAACCCT grant program, implemented in coordination with the Department of Education, is one of several Federal grant programs that fund evidence-based projects. TAACCCT grants are awarded to eligible institutions that establish an evidence-based framework for design of program strategies, continuously monitor and improve the outcomes of their strategies, and participate in evaluations that determine long-term program impacts. TAACCCT grants also encourage the development of innovative methods for online and technology-enabled learning

¹ <http://www.bls.gov/news.release/ecopro.nr0.htm>

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and knowledge sharing. Finally, TAACCCT encourages collaborations between grantees and key stakeholders such as local employers, the workforce system, and other community organizations in order to coordinate services, reach out to potential students, and ease the transition into the workforce. These partnerships are especially important to provide comprehensive outreach and services for TAA-eligible workers. In addition, collaboration with employers is essential to ensure that curricula developed meet industry needs, result in industry-recognized credentials, and improve the employment prospects of program graduates.

In order for the Department to monitor the progress of the projects funded through TAACCCT, all TAACCCT grantees are required to submit quarterly and annual program reports. Each grantee must submit a Quarterly Narrative Progress Report containing updates on grant activities such as capacity building, best practices, and key challenges and issues. In addition, first round grantees will report quarterly on the progress and implementation measures specified in their statements of work. Each grantee must also submit an Annual Performance Report that reflects the longer-term outcomes of program participants and a comparison cohort.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2009	\$0	0
2010	\$0	0
2011	\$500,000	0
2012	\$500,000	0
2013	\$500,000	0

Funding Mechanism

Funds are awarded competitively through Solicitations for Grant Application (SGAs). The Health Care and Education Affordability Reconciliation Act of 2010 included a requirement that every State, as well as the District of Columbia and the Commonwealth of Puerto Rico, receive no less than 0.5 percent of the amount of funds appropriated for grant awards, with grants awarded to eligible institutions in those jurisdictions. Eligible institutions are institutions of higher education as defined in Section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002) which offer programs that can be completed in not more than two years. They include public, proprietary, or other nonprofit educational institutions.

FY 2014

The Department will update, improve, and adjust the fourth round TAACCCT grant competition, taking place in FY 2014, based on experience gained during the first-, second-, and third round grant competitions, which occurred in FY 2011, 2012, and 2013, respectively. Awards for the fourth round competition will be made no later than September 30, 2014.

In addition, the 2014 Budget proposes legislative language authorizing the Secretary of Labor to reserve no more than three percent of the funds that have been appropriated to carry out the

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TAACCCT program for the purposes of program evaluation and technical assistance. This set-aside will allow the Department to more rigorously evaluate funded projects to build knowledge about strategies that help students to complete training and obtain good jobs. The Budget also proposes new language to extend sub-grant authority to TAACCCT grants.

FY 2013

FY 2013 is the third year of TAACCCT program funding. ETA will award TAACCCT funds through one SGA. The Department will update, improve, and adjust the third-round TAACCCT grant competition, taking place in FY 2013, based on experience gained during the first- and second round grant competitions in FY 2011 and FY 2012. Awards will be made no later than September 30, 2013.

FY 2012

TAACCCT program was funded for the second year in 2012. The Department published the solicitation for the 2012 grant competition on February 24, 2012, and winning grants were announced on September 19, 2012. The grant awards in the 2012 competition included 27 grants ranging from \$2,500,000 to \$3,000,000 million each for individual applicants, 27 grants ranging from \$5,000,000 to \$15,000,000 million each for single and multi-state consortium applicants, and 25 state-designated grants of \$2,500,000 million each. In total, 79 grants, representing close to 300 institutions of higher education, were awarded funds either as single institution or as single or multi-state consortia grants.

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DETAILED WORKLOAD AND PERFORMANCE				
	FY 2012 Revised Enacted		FY 2013 Full Year C.R.	FY 2014 Request
	Target	Result	Target	Target
TAA Community College and Career Training Grant Fund				
Strategic Goal 1 - Prepare workers for good jobs and ensure fair compensation.				
Outcome Goal 1.1 - Increase workers' incomes and narrow wage and income inequality.				
Six Months Average Earnings	[base]	TBD	TBD	TBD
Outcome Goal 1.2 - Assure skills and knowledge that prepare workers to succeed in a knowledge-based economy, including high-growth and emerging industries like "green" jobs.				
Total Participants that Attain Industry-Recognized Credential	[base]	1,463	TBD	TBD
Total Completed Training	[base]	1,470	TBD	TBD
Total Participants	[base]	17,741	TBD	TBD
Total Enrolled in Training	11,404	17,741	55,368 [p] ²	TBD
Outcome Goal 1.3 - Help workers in low-wage jobs or out of the labor market find a path into middle class jobs.				
Outcome Goal 1.4 - Help middle-class families remain in the middle class.				

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

² Projection based on the sum of the projected number of participants served by TAACCCT round one grantees in the second year and the projected number of participants served by TAACCCT round two grantees in the first year of the period of performance.

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Workload and Performance Narrative

The first TAACCCT Solicitation for Grant Applications was released on January 20, 2011 and grants were awarded in September 2011. This SGA outlined a series of participant characteristics, progress measures, and performance outcomes that would be collected by the Department quarterly and at the close of each year during the period of performance for grants awarded under this first round solicitation. This data is used by the Department and grantees to continuously monitor and improve program performance. ETA expects to use a similar approach in subsequent solicitations. Data from activities which occurred during FY 2012 for grants awarded in this first round are provided in the table above.

FY 2012 was the first year of the period of performance for grants awarded under the first round SGA. Institutions focused on building capacity and completing start-up activities, such as building technological infrastructure necessary to meet reporting requirements, hiring and training staff, and initiating necessary procurement actions. Institutions also focused on expanding and improving their educational infrastructure by redesigning and developing new academic programs, creating innovative technological learning components, and solidifying critical partnerships between their institutions and the public workforce system, employers, and community organizations.

Due to the importance of such critical capacity-building activities, it was not anticipated that there would be a large number of students enrolled in programs during the first year of these grants. Some grantees did begin to offer new courses during FY 2012 and a total of 17,741 individual participants enrolled in these new or redesigned programs. These participants completed a combined total of 66,833 credit hours and have earned 1,199 credentials (less than one year in length). Since participants in FY 2011 programs have just begun training, most of those participants have not yet had time to complete these programs. The Department estimates that data on completion and post-completion outcomes will be available in FY 2014.

The second round TAACCCT SGA was released in February, 2012, and grants were awarded in September 2012. As with the first round, the second round SGA outlined required reporting elements that would be collected by the Department quarterly and at the close of each year during the period of performance. There was no activity on these grants in FY 2012 and data from activities which occurred during the first year of the period of performance will be available at the close of FY 2013. As with the first round grantees, the second round grantees will focus on capacity building activities during the first year of the grant period.

In the long-term, these TAACCCT-funded capacity building projects will lead to improvements in the quality and effectiveness of education and training programs provided to trade-impacted workers and others. In each round, grantees will track participant outcomes annually for all grant participants including employment, retention, total number of students earning certificates and degrees including industry-recognized credentials, and completion rates for TAACCCT program participants. The data in the table above provides these outcomes produced by grantees in the first round.

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The Department monitors grantee performance regularly through Federal Project Officers in ETA regional offices to ensure that they are on target to meet performance goals. Such monitoring informs the design and delivery of technical assistance to help improve grantee performance over time. In addition, the Department provides grantees the opportunity to share information and learning with one another while providing them with ongoing support and technical assistance.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2012 Revised Enacted	FY 2013 Full Year C.R.	FY 2014 Request	Diff. FY14 Request / FY 12 Rev. Enacted
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
41.0	Grants, subsidies, and contributions	500,000	500,000	500,000	0
	Total	500,000	500,000	500,000	0

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CHANGES IN FY 2014
(Dollars in Thousands)

Activity Changes		
Built-In		
To Provide For:		
Costs of pay adjustments		\$0
Grants, subsidies, and contributions		0
Built-Ins Subtotal		\$0
Net Program		\$0
Direct FTE		0
	Estimate	FTE
Base	\$500,000	0