

FY 2018

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

Program Administration

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PROGRAM ADMINISTRATION

TABLE OF CONTENTS

Appropriation Language	1
Amounts Available for Obligation.....	2
Summary of Changes	3
Summary Budget Authority and FTE by Activity	5
Budget Authority by Object Class	6
Appropriation History	7
Overview	8
Training and Employment	11
Workforce Security	17
Apprenticeship	23
Executive Direction	33

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PROGRAM ADMINISTRATION

APPROPRIATION LANGUAGE

For expenses of administering employment and training programs, \$104,378,000, together with not to exceed \$49,887,000 which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund.

Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114–254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

PROGRAM ADMINISTRATION

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2016 Enacted		FY 2017 Full Year C.R.		FY 2018 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	499	\$104,577	487	\$104,378	475	\$104,378
<i>Subtotal Appropriation</i>	499	\$104,577	487	\$104,378	475	\$104,378
Offsetting Collections From:						
Reimbursements	14	\$2,745	11	\$3,621	11	\$3,621
Trust Funds	255	\$49,982	255	\$49,887	255	\$49,887
<i>Subtotal Offsetting Collections</i>	269	\$52,727	266	\$53,508	266	\$53,508
B. Gross Budget Authority	768	\$157,304	753	\$157,886	741	\$157,886
Offsetting Collections						
Reimbursements	-14	-\$2,745	-11	-\$3,621	-11	-\$3,621
<i>Subtotal Deduction</i>	-14	-\$2,745	-11	-\$3,621	-11	-\$3,621
C. Budget Authority Before Committee	754	\$154,559	742	\$154,265	730	\$154,265
Offsetting Collections From:						
Reimbursements	14	\$2,745	11	\$3,621	11	\$3,621
<i>Subtotal Offsetting Collections</i>	14	\$2,745	11	\$3,621	11	\$3,621
D. Total Budgetary Resources	768	\$157,304	753	\$157,886	741	\$157,886
Other Unobligated Balances	0	\$0	0	\$0	0	\$0
IT Consolidation	0	\$0	0	\$0	0	\$0
Unobligated Balance Expiring	0	-\$395	0	\$0	0	\$0
E. Total, Estimated Obligations	768	\$157,699	753	\$157,886	741	\$157,886

PROGRAM ADMINISTRATION

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2017 Full Year C.R.	FY 2018 Request	Net Change
Budget Authority			
General Funds	\$104,378	\$104,378	\$0
Trust Funds	\$49,887	\$49,887	\$0
Total	\$154,265	\$154,265	\$0
Full Time Equivalents			
General Funds	487	475	-12
Trust Funds	255	255	0
Total	742	730	-12

Explanation of Change	FY 2018 Change							
	FY 2017 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	742	\$77,266	0	\$466	0	\$974	0	\$1,440
Personnel benefits	0	\$25,117	0	\$158	0	\$331	0	\$489
Two days less of Pay	0	\$0	0	\$0	0	\$0	0	\$0
Federal Employees' Compensation Act (FECA)	0	\$286	0	\$0	0	\$0	0	\$0
Benefits for former personnel	0	\$0	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$1,731	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$3	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$9,004	0	\$0	0	\$0	0	\$0
Rental payments to others	0	\$1	0	\$0	0	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$1,163	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$409	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$715	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$1,790	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$21,542	0	\$0	0	\$0	0	\$0
Other Federal sources (Census Bureau)	0	\$0	0	\$0	0	\$0	0	\$0
Other Federal sources (DHS Charges)	0	\$293	0	\$0	0	\$0	0	\$0
Other goods and services from Federal sources	0	\$325	0	\$0	0	\$0	0	\$0
Research & Development Contracts	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$500	0	\$0	0	\$0	0	\$0

PROGRAM ADMINISTRATION

FY 2018 Change

Explanation of Change	FY 2017 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Operation and maintenance of equipment	0	\$13,608	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$486	0	\$0	0	\$0	0	\$0
Equipment	0	\$11	0	\$0	0	\$0	0	\$0
Insurance claims and indemnities	0	\$15	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	742	+\$153,979	0	+\$624	0	+\$1,305	0	+\$1,929
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Increase	742	+\$153,979	0	+\$624	0	+\$1,305	0	+\$1,929
Decreases:								
A. Built-Ins:								
To Provide For:								
Federal Employees' Compensation Act (FECA)	0	\$286	0	-\$60	0	-\$126	0	-\$186
Built-Ins Subtotal	0	+\$286	0	-\$60	0	-\$126	0	-\$186
B. Programs:								
FTE Reduction to Absorb Inflationary Costs	0	\$0	0	-\$564	-12	-\$1,179	-12	-\$1,743
Programs Subtotal			0	-\$564	-12	-\$1,179	-12	-\$1,743
Total Decrease	0	+\$286	0	-\$624	-12	-\$1,305	-12	-\$1,929
Total Change	742	+\$154,265	0	\$0	-12	\$0	-12	\$0

PROGRAM ADMINISTRATION

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2016 Enacted		FY 2017 Full Year C.R.		FY 2018 Request		Diff. FY18 Request / FY17 Full Year C.R.	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Training and Employment	336	68,713	324	68,583	317	68,583	-7	0
General Funds	292	60,074	282	59,960	275	59,960	-7	0
Unemployment Trust Funds	44	8,639	42	8,623	42	8,623	0	0
Workforce Security	217	42,733	217	42,651	217	42,651	0	0
General Funds	17	3,469	15	3,462	15	3,462	0	0
Unemployment Trust Funds	200	39,264	202	39,189	202	39,189	0	0
Apprenticeship	154	34,000	154	33,935	150	33,935	-4	0
General Funds	154	34,000	154	33,935	150	33,935	-4	0
Executive Direction	47	9,113	47	9,096	46	9,096	-1	0
General Funds	36	7,034	36	7,021	35	7,021	-1	0
Unemployment Trust Funds	11	2,079	11	2,075	11	2,075	0	0
Total	754	154,559	742	154,265	730	154,265	-12	0
General Funds	499	104,577	487	104,378	475	104,378	-12	0
Unemployment Trust Funds	255	49,982	255	49,887	255	49,887	0	0

NOTE: 2016 reflects actual FTE.

PROGRAM ADMINISTRATION

BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
	Full-Time Equivalent				
	Full-time Permanent	750	742	730	-12
	Reimbursable	19	11	11	0
	Total	769	753	741	-12
	Average ES Salary	\$164,680	\$166,325	\$169,485	\$3,160
	Average GM/GS Grade	13	13	13	0
	Average GM/GS Salary	\$104,888	\$105,200	\$107,199	\$1,999
11.1	Full-time permanent	73,547	75,597	76,593	996
11.3	Other than full-time permanent	1,089	280	280	0
11.5	Other personnel compensation	813	1,389	1,282	-107
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	75,449	77,266	78,155	889
12.1	Civilian personnel benefits	22,269	25,403	25,942	539
13.0	Benefits for former personnel	12	0	0	0
21.0	Travel and transportation of persons	1,983	1,731	1,729	-2
22.0	Transportation of things	0	3	3	0
23.0	Rent, Communications, and Utilities	0	0	0	0
23.1	Rental payments to GSA	9,094	9,004	9,304	300
23.2	Rental payments to others	4	1	1	0
23.3	Communications, utilities, and miscellaneous charges	920	1,163	1,163	0
24.0	Printing and reproduction	420	409	410	1
25.1	Advisory and assistance services	1,951	715	715	0
25.2	Other services from non-Federal sources	1,826	1,790	1,563	-227
25.3	Other goods and services from Federal sources 1/	19,955	22,160	22,160	0
25.4	Operation and maintenance of facilities	150	500	200	-300
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	19,993	13,608	12,408	-1,200
26.0	Supplies and materials	120	486	486	0
31.0	Equipment	388	11	11	0
42.0	Insurance claims and indemnities	25	15	15	0
	Total	154,559	154,265	154,265	0
	1/Other goods and services from Federal sources				
	Working Capital Fund	18,743	21,542	21,542	0
	DHS Services	532	293	293	0

PROGRAM ADMINISTRATION

APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2008					
Base Appropriation...1/2/	\$216,162	\$170,500	\$185,505	\$172,323	896
2009					
Base Appropriation...3/	\$144,012		\$131,153	\$130,463	766
2010					
Base Appropriation	\$147,906	\$146,406	\$148,906	\$147,656	774
2011					
Base Appropriation...4/	\$162,042			\$147,360	774
2012					
Base Appropriation...5/	\$159,882			\$147,081	784
2013					
Base Appropriation...6/	\$147,613			\$139,388	766
2014					
Base Appropriation	\$149,617			\$150,559	758
2015					
Base Appropriation	\$155,563			\$154,559	765
2016					
Base Appropriation	\$176,564	\$158,368	\$144,017	\$154,559	750
2017					
Base Appropriation...7/	\$180,826				
2018					
Base Appropriation	\$154,265				730

1/ Reflects a 1.747% rescission.

2/ Includes Foreign Labor Certification (\$ 41,487).

3/ FTE numbers are ceilings.

4/ Reflects a 0.2% across-the-board rescission pursuant to P.L. 112-10.

5/ Reflects a 0.189% across-the-board rescission pursuant to P.L. 112-74.

6/ Reflects a 0.2% across the board rescission pursuant to P.L. 113-6 and the sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985.

7/A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

PROGRAM ADMINISTRATION

Overview

The Program Administration (PA) appropriation provides for the Federal administration of most Employment and Training Administration (ETA) programs. The FY 2018 request is \$154,265,000 and an estimated 730 full time equivalent (FTE) positions. The FY 2018 request will absorb inflationary cost increases related to compensation and benefits.

ETA staff in the national office and six regional offices provide leadership and policy direction, oversight and performance management, the provision of technical assistance to grantees, administrative infrastructure and customer facing workforce tools, funds management, and administration for programs under the Workforce Innovation and Opportunity Act (WIOA), the National Apprenticeship Act, the Trade Adjustment Assistance Community College and Career Training (TAACCCT) program under the Health Care and Education Reconciliation Act of 2010, and the Trade Act of 1974. The PA appropriation also finances staff to carry out similar responsibilities for Unemployment Insurance (UI), Employment Service (ES), Work Opportunity Tax Credits (WOTC) and foreign Labor Certification. Even as funding levels are reduced and programs expire or are eliminated, staff remain responsible for oversight of grants, both monitoring program activities and financial administration through close-out.

ETA staff also provide administrative support for financial management, procurement, human resources, and administrative services, as well as IT support to ETA and the Department's Office of the Chief Information Officer (OCIO). ETA is accountable to the President, Secretary, Congress, and the American taxpayer for the effective and efficient stewardship of appropriated funds.

The bulk of ETA's appropriation is expended through grants that implement the various workforce programs administered and managed by ETA. As of March 31, 2017, the total number of ETA active grants was 2,503 with 2,207 of those assigned to approximately 136 Federal Project Officers (FPOs) in the regions. Currently, the total funding portfolio for all active grants is nearly \$24 billion. ETA regional offices monitor grant activity and assess performance progress through a variety of processes, which include risk assessments of all new grants, quarterly desk reviews of all grants, and on-site monitoring reviews or an enhanced desk monitoring reviews (EDMR) – 26 percent of all active grants are monitored annually both on and off-site. Federal staff work closely with grantees to maximize program effectiveness, document innovations and disseminate those best practices, document issues and improvements, develop and deliver training curricula about federal policies and priorities, and support the activity of the Department in the field.

As ETA continues to address the growing challenge of equipping Americans with the skills and tools to obtain good jobs and build their careers, it will focus on the expansion and enhancement of Registered Apprenticeship programs. ETA's Office of Apprenticeship will continue to build upon VOW to Hire Heroes Act efforts, coordinating with military service branches on the U.S. Military Apprentice Program and the Transition Assistance Program to successfully connect transitioning service members and other veterans to civilian career paths.

PROGRAM ADMINISTRATION

Federal staff provide oversight, monitoring, and technical assistance to mitigate any potential risks of fraud and abuse in all Federal investments managed by ETA. Each FTE directly impacts the ability of ETA to provide effective grant management and oversight of Federal investments, mitigate risk of fraud and abuse through activities such as Unemployment Insurance Integrity Reform, and decrease disallowed costs that divert scarce resources needed to accomplish outcome goals. In FY 2018, the Department continues to request the authority to transfer up to 0.5 percent of program resources for program integrity activities. Taking this small amount from program funding to address the integrity of the programs for users and taxpayers will allow for improved stewardship of ETA programs.

In FY 2018, ETA will continue its examination of agency activities and their alignment with ETA's mission with the goal of improving organizational efficiency. One key component of improving efficiency is to invest in ETA's IT system to better leverage ETA's IT resources, automate processes, and increase productivity of existing Federal staff. As ETA's technical assistance (TA) funding is reduced, PA resources must be relied upon to continue IT system improvements. These critical improvements include the modernization of ETA legacy systems, which includes E-Grants, an ETA managed system used by grant-making agencies across DOL to better process and manage more than 4,000 active DOL grants, as well as consolidating ETA's disparate case management systems. It also includes building better systems that will streamline business processes and providing staff with improved IT equipment to automate certain processes and heighten service delivery efficiency.

ETA, in partnership with states, will continue to strategically and effectively target its resources to maintain a viable and strong safety net that provides timely and accurate temporary income support to eligible workers, with greater emphasis on reducing risk for improper payments. It maintains its focus on improving the integrity of the Unemployment Insurance System, working with states to improve their prevention, detection, and recovery of improper payments, and strengthening performance overall.

PROGRAM ADMINISTRATION

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2016 Enacted		FY 2017 Full Year C.R.	FY 2018 Request
		Target	Result	Target	Target
OGM/Grants Management					
ETA-ORM-01	Percent of active grant projects that receive desk review within 45 days after the end of the quarter (reported quarterly for R1-R6)	95.00%	99.92%	95.00%	95.00%
ETA-ORM-02	Percent of grants monitored by regional offices annually (number of grants monitored reported quarterly for R1-R6)	26.00%	26.61%	26.00%	26.00%
ETA-OGM-01	Percent of Competitive Discretionary Grant Funds Awarded Each Quarter	90.00%	100.00%	90.00%	90.00%
ETA-OGM-02	Percent Grants Closeouts Completed that Met the 12 Month Standard	90.00%	95.00%	90.00%	90.00%
ETA-OCM-02	Percent of Contractor Performance Assessment Reporting System (CPARS) conducted on eligible Contracts by the end of the Rating Period	100.00%	95.00%	95.00%	95.00%

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

TRAINING AND EMPLOYMENT

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
Activity Appropriation	68,713	68,583	68,583	0
FTE	336	324	317	-7

NOTE: FY 2016 reflects actual FTE. Authorized FTE for FY 2016 was 332.

Introduction

This budget activity provides for the Federal administration of Training and Employment programs including: Workforce Innovation and Opportunity Act (WIOA) Adult, Youth and Dislocated Worker employment and training activities; the Indian and Native American program; the Migrant and Seasonal Farmworker program; the YouthBuild program; the Reintegration of Ex-Offenders program; the Community Service Employment for Older Americans program; the Trade Adjustment Assistance program; and indirect staff support. Although some of the aforementioned programs are proposed for elimination in the FY 2018 President's Budget, there will still be oversight activities on grants, such as monitoring and site visits, that will have to be performed over the lifecycle of the grant.

Federal staff work in the national and regional offices, and include numerous Federal Project Officers (FPOs) who are trained to oversee the use of government resources. These FPOs provide oversight of grant implementation throughout the period of performance, including conducting compliance monitoring and ensuring that grantees are operating under the law and the guidance of their statements of work.

In addition to grant oversight and monitoring, Federal staff provides technical assistance and policy development for the workforce system. The combination of grant oversight, support, and direction staff provide to grantees contributes to the more efficient operation of the workforce system and helps to ensure better service delivery to customers to improve their chances of obtaining and retaining employment, and earning good wages.

WIOA Formula Grant Programs

Federal staff negotiate and administer grants, prepare program guidance, monitor program implementation, oversee the reporting system, track grantee performance, provide technical assistance to grantees, and oversee distribution of program resources. Staff also develops and operates web tools that provide job, career, and workforce services information to workers, job seekers, and employers.

Indian and Native American Programs

Federal staff who administer the Indian and Native American Programs conduct a variety of activities including: administering and negotiating grants, preparing program guidance,

TRAINING AND EMPLOYMENT

monitoring program implementation, overseeing the reporting system, tracking grantee performance versus program measures, providing technical assistance to grantees, reviewing grant plans, and overseeing the distribution of program resources.

Migrant and Seasonal Farmworker Program

This program is proposed for elimination in the FY 2018 President's Budget; however staff will continue monitoring active grants to ensure grantees are using funds properly until all active grants are closed out.

YouthBuild Program

Federal staff who oversee the YouthBuild program write grant solicitations, negotiate and administer grants, prepare program guidance, set policy direction, monitor program implementation, oversee the reporting system, track grantee performance, provide technical assistance to grantees, and oversee distribution of program resources.

Reentry Employment Opportunities

Federal staff lead the policy and procurement development process for all REO funded activities, including researching program models and developing Funding Opportunity Announcements (FOAs), providing grantee monitoring and technical assistance, and overseeing program and performance reporting for all REO grants.

Community Service Employment for Older Americans Program

This program is proposed for elimination in the FY 2018 President's Budget; however, staff will continue monitoring active grants to ensure grantees are using funds properly until all active grants are closed out.

Trade Adjustment Assistance

Federal staff administering TAA conduct worker group eligibility determinations for workers laid off as a result of foreign trade. The primary responsibilities of Federal investigators and program development staff are to petition investigations and determinations, program policy technical assistance, and guidance, and grant awards.

TRAINING AND EMPLOYMENT

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2013	\$63,928	334
2014	\$68,713	327
2015	\$68,713	331
2016	\$68,713	332
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

FY 2018

A total of \$68,583,000 and 317 FTE are requested for Training and Employment in FY 2018.

A key focus of ETA in FY 2018 will be the modernization of IT systems and expansion of IT tools to increase efficiency. ETA will continue to explore and develop IT tools to streamline processes and leverage existing resources. One key investment is the continued modernization of the E-Grants system, which was initiated in FY 2016. The E-Grants system is serviced and managed by ETA, but used on a reimbursement basis by grant-making agencies across DOL. Improvements will allow stakeholders across DOL to better process and manage more than 4,000 active DOL grants totaling approximately \$9.6 billion. The modernization effort aims to address issues of limited functionality, high operating and maintenance costs, poor data quality, inadequate reporting capabilities, fragmented architecture, and vulnerable system security through the acquisition of an enterprise cloud-hosted, commercial off-the-shelf (COTS) Grant and Performance Management solution capable of supporting DOL's grant-making agencies. The new E-Grants system will use core capabilities of the ETA architectural platform and will replace the current E-Grants solution and provide full lifecycle grants management that will ultimately consolidate E-Grants Core, National Emergency Grants (NEG) and Grants e-Management System (GEMS).

ETA will continue to invest in building an integrated performance reporting system that brings ETA's IT profile towards conformity with new WIOA performance reporting requirements starting in FY 2016. Investments in FY 2018 will focus on system updates based on data validation activities. Development will also continue for an ETA-wide case management system. Modernization was initiated in FY 2016, and will provide a common platform to consolidate ETA's many and disparate case management systems.

Staff will continue to focus on the implementation of WIOA, the regulations and requirements of which began in program year (PY) 2015. Among these activities are providing guidance to the workforce system that aligns with the principles in WIOA, integrating service delivery across WIOA programs, collaborating with the Department of Education on implementation, assisting stakeholders in WIOA implementation, and developing internal capabilities to handle new WIOA requirements. Activities also include assisting states in implementation of their unified plans and performance accountability requirements. One key aspect of WIOA implementation is the ETA-led development of an Eligible Training Provider List (ETPL) Scorecard, which will

TRAINING AND EMPLOYMENT

allow job seekers to view training provider outcomes at the program of study level. This information will help them make informed training decisions, while driving continuous system improvement. ETA staff will roll out the ETPL scorecard to the workforce system in FY 2018.

In addition to administering ETA programs, staff will continue to provide Congress with requested information, including policy options, clarifications of current practices, and examples of state implementation of current law.

FY 2017

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

TRAINING AND EMPLOYMENT

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
11.1	Full-time permanent	33,071	32,612	32,790	178
11.3	Other than full-time permanent	817	227	227	0
11.5	Other personnel compensation	366	716	650	-66
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	34,254	33,555	33,667	112
12.1	Civilian personnel benefits	10,012	10,960	11,167	207
13.0	Benefits for former personnel	6	0	0	0
21.0	Travel and transportation of persons	892	674	672	-2
22.0	Transportation of things	0	0	0	0
23.0	Rent, Communications, and Utilities	0	0	0	0
23.1	Rental payments to GSA	4,043	4,661	4,961	300
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	285	361	541	180
24.0	Printing and reproduction	120	256	256	0
25.1	Advisory and assistance services	451	215	215	0
25.2	Other services from non-Federal sources	500	256	29	-227
25.3	Other goods and services from Federal sources 1/	9,073	11,811	11,811	0
25.4	Operation and maintenance of facilities	75	500	200	-300
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	8,888	4,962	4,692	-270
26.0	Supplies and materials	41	355	355	0
31.0	Equipment	63	11	11	0
42.0	Insurance claims and indemnities	10	6	6	0
	Total	68,713	68,583	68,583	0
	1/Other goods and services from Federal sources				
	Working Capital Fund	8,417	11,595	11,595	0
	DHS Services	242	81	81	0

TRAINING AND EMPLOYMENT

CHANGES IN FY 2018

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$641
Personnel benefits	217
Two days less of Pay	0
Federal Employees' Compensation Act (FECA)	-82
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	0
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$776**

Net Program **-\$776**

Direct FTE **-7**

	Estimate	FTE
Base	\$69,359	324
Program Increase	\$0	0
Program Decrease	-\$776	-7

WORKFORCE SECURITY

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
Activity Appropriation	42,733	42,651	42,651	0
FTE	217	217	217	0

NOTE: FY 2016 reflects actual FTE. Authorized FTE for FY 2016 was 217.

Introduction

The budget activity provides for the Federal administration of Workforce Security programs, which include Unemployment Insurance, Employment Service (ES), Workforce Information/National Electronic Tools/System Building activities, and indirect staff support.

Federal staff in the National and Regional offices provide oversight of grant implementation throughout the period of performance, including conducting compliance monitoring and ensuring that grantees are operating in compliance with the law and under the guidance of their Statements of Work (SOWs).

In addition to grant oversight and monitoring, Federal staff provide technical assistance and policy development for the workforce system. The combination of grant oversight, support, and direction that staff provide to grantees contributes to the more efficient operation of the workforce system and helps to ensure better service delivery to customers.

Unemployment Insurance

Federal staff provide leadership, legislative and performance oversight, policy guidance, technical assistance, and legislative support to states in operation of their Unemployment Compensation (UC) programs. Resources also are used for Federal budget and policy development and to collect, analyze, and publish data related to state UC programs which are used for economic analysis and program oversight. Staff attention and resources will also be applied to measuring, evaluating, and improving performance in the UI program.

Employment Service

Federal staff provide leadership, policy guidance and direction, technical assistance, training, and oversight for the operation of the national public ES system through state offices and local American Job Centers. Regional office staff provide oversight and technical assistance at the state and local levels. This budget request includes administrative funding for Technical Assistance and Training activities.

Workforce Information/Electronic Tools/System Building

Workforce Information/National Electronic Tools/System Building supports the operation and management of information and tools for the workforce investment system. Federal staff

WORKFORCE SECURITY

develop workforce information policy guidance and provide and manage grants to states for national, state, regional, and local workforce information that promote informed decision making. Staff update and support national electronic tools to provide career guidance, information, tools, and products for use by workforce system partners, career counselors, job seekers, employers, veterans, students, and the public, including assessment guidance, O*NET, the Competency Model Initiative, mySkills myFuture, My Next Move and the suite of electronic tools found at www.careeronestop.org. Staff also make strategic investments and collaborate in the development of interactive Web-based tools that capture information from a variety of databases and support regional and community analysis to underpin strategic planning, cluster analysis, benchmarking, and assessment of interventions.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2013	\$40,579	235
2014	\$42,733	228
2015	\$42,733	231
2016	\$42,733	217
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

FY 2018

The FY 2018 request for Workforce Security is \$42,651,000 and 217 FTE.

A key focus of ETA in FY 2018 will be the modernization of IT systems and expansion of IT tools to increase efficiency. ETA will continue to explore and develop IT tools to streamline processes and leverage existing resources. Specific development will continue on an ETA-wide case management system. Modernization was initiated in FY 2016, and will provide a common platform to consolidate ETA's many and disparate case management systems.

Federal staff lead the administration of the UI program by formulating, communicating, and analyzing program policies, developing and analyzing critical economic and employment data, measuring performance and encouraging continuous improvement throughout the UI system, providing technical assistance to state workforce agencies and other partners, and working with states to develop state laws and operating procedures and ensuring their compliance with Federal regulations.

ETA continues its implementation of an aggressive strategic plan to work with State Workforce Agencies (SWAs) to control UI improper payments. The plan includes a number of robust strategies already under way as well as newly identified strategies that ETA is currently rolling out as quickly as feasible - strategies focused on prevention, detection and recovery of overpayments. These strategies target the four largest root causes of UI improper payments:

- Payments to individuals who continue to claim benefits after they have returned to work (Benefit Year Earnings);

WORKFORCE SECURITY

- Failure of claimants to comply with the SWAs' work search requirements (Work Search);
- Failure of employers or their third party administrators to provide timely and adequate information on the reason for an individual's separation from employment (Separation); and
- Failure to register the claimant with the SWAs' Employment Service (ES) pursuant to state law (ES Registration).

One key to preventing UI improper payments is promoting the implementation of State Information Data Exchange System (SIDES). SIDES is a web-based system that allows electronic transmission of UI information requests from UI agencies to multi-state employers and/or Third Party Administrators, as well as transmission of replies containing the requested information back to the UI agencies. It allows for the exchange of separation, earnings verification, and monetary and potential charges information between states and employers.

ETA also will oversee and provide technical assistance for state implementation of the Reemployment Services and Eligibility Assessment (RESEA) initiative, focusing on strategies to ensure the integrity of the UI program and that UI claimants are fully connected to the services offered through the workforce investment system. RESEA provides funds to states to focus on bringing UI claimants into American Job Centers to conduct an eligibility review and develop a reemployment plan that connects them to job center services. ETA will continue to work with the Department's Chief Evaluation Office to implement findings of an evaluation of the RESEA program that began in FY 2014.

FY 2017

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

WORKFORCE SECURITY

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
11.1	Full-time permanent	20,349	22,125	22,862	737
11.3	Other than full-time permanent	272	53	53	0
11.5	Other personnel compensation	225	233	233	0
11.9	Total personnel compensation	20,846	22,411	23,148	737
12.1	Civilian personnel benefits	6,162	7,458	7,721	263
13.0	Benefits for former personnel	3	0	0	0
21.0	Travel and transportation of persons	528	510	510	0
22.0	Transportation of things	0	0	0	0
23.0	Rent, Communications, and Utilities	0	0	0	0
23.1	Rental payments to GSA	2,514	2,345	2,345	0
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	289	443	443	0
24.0	Printing and reproduction	100	100	100	0
25.1	Advisory and assistance services	500	250	250	0
25.2	Other services from non-Federal sources	590	340	340	0
25.3	Other goods and services from Federal sources 1/	5,559	5,065	5,065	0
25.4	Operation and maintenance of facilities	50	0	0	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	5,528	3,700	2,700	-1,000
26.0	Supplies and materials	30	20	20	0
31.0	Equipment	25	0	0	0
42.0	Insurance claims and indemnities	9	9	9	0
	Total	42,733	42,651	42,651	0
	1/Other goods and services from Federal sources				
	Working Capital Fund	5,096	4,695	4,695	0
	DHS Services	197	180	180	0

WORKFORCE SECURITY

CHANGES IN FY 2018

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$398
Personnel benefits	135
Two days less of Pay	0
Federal Employees' Compensation Act (FECA)	-51
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	0
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$482**

Net Program **-\$482**

Direct FTE **0**

	Estimate	FTE
Base	\$43,133	217
Program Increase	\$0	0
Program Decrease	-\$482	0

APPRENTICESHIP

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
Activity Appropriation	34,000	33,935	33,935	0
FTE	154	154	150	-4

NOTE: FY 2016 reflects actual FTE. Authorized FTE for FY 2016 was 154.

Introduction

The Department aims to increase registered apprenticeships through a combination of increased marketing, reengineered business processes, and most importantly, programmatic funding to build a stronger national ApprenticeshipUSA program (see Apprenticeship Program Funding request under the Training and Employment Services appropriation).

Registered Apprenticeship is a key strategy to develop the Nation’s workforce in areas including manufacturing, transportation, information technology, health care, and the skilled trades. According to the Bureau of Labor Statistics (BLS) employment projections for 2012-2022, occupations that typically incorporate apprenticeships are projected to grow by 22.2 percent, significantly faster than any other category of on-the-job-training.¹

Apprentices receive wages that increase as their knowledge, skills, and abilities progress. Apprenticeships (which can last from one to six years) also connect education and work simultaneously: apprentices gain industry-recognized credentials, and in many cases college credits, that can lead to an associate or bachelor’s degree. Those credentials in turn lead to a long-term, well-paying career.

An individual employer, employers, or an industry association usually sponsors a Registered Apprenticeship, sometimes in partnership with a labor organization. These “industry sponsors” of apprenticeships also may include larger employers, labor-management organizations or the military. All of these organizations that meet national standards of registration with the U.S. Department of Labor become part of the ApprenticeshipUSA program. Industry sponsors within this network make significant investments to design and execute Registered Apprenticeship programs, provide jobs to apprentices, oversee training development, and provide hands-on learning and technical instruction for apprentices. For this reason, Registered Apprenticeship continues to be one of the best Federal workforce investments leveraging limited public money to secure significant private investment. The Department of Labor administers the National Apprenticeship Act of 1937 through the Office of Apprenticeship (OA) within ETA.

In addition to Program Administration resources, which provide essential resources for the basic maintenance of the Federal Registered Apprenticeship system, the FY 2018 President’s Budget

¹ See Occupational Outlook Handbook (OOH) “Apprenticeship: Earn while you learn” by Elka Torpey Summer 2013 <http://www.bls.gov/ooq/2013/summer/art01.pdf>

APPRENTICESHIP

includes an \$89.8 million budget request. The request, which can be found in Training and Employment Services (TES), supports state and industry efforts to expand apprenticeship.

Federal staff continue to provide leadership and critical oversight functions for the National Registered Apprenticeship system. In cooperation with State Apprenticeship Agencies, Federal staff administer apprenticeship at the state and local levels by:

- Promoting the development and recognition of new programs and occupations;
- Registering apprenticeship programs that meet Federal standards;
- Issuing apprentices nationally-recognized and portable certificates of completion;
- Assuring that all programs provide high-quality learning;
- Ensuring equal employment opportunity (EEO) in Registered Apprenticeship programs.
- Promoting partnerships of Registered Apprenticeship with the workforce system and other Federal programs and agencies including the Department of Education; and
- Providing oversight and technical assistance to State Apprenticeship Agencies in 25 states, the District of Columbia, Virgin Islands, and Guam.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2013	\$26,228	150
2014	\$30,000	156
2015	\$34,000	156
2016	\$34,000	154
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

FY 2018

The FY 2018 request for Apprenticeship is \$33,395,000 and 150 FTE.

New Programmatic Approaches

Advance the ApprenticeshipUSA Program to Expand Apprenticeship

The Budget includes continued discretionary funding to support State-led apprenticeship expansion efforts. Resources will enable Governors to support strategic apprenticeship functions, such as State outreach to employers, expansion of programs into new sectors, and development of new opportunities that serve as pathways to apprenticeship. Funds will also support industry efforts to expand or launch multi-employer apprenticeship models that can scale apprenticeships in existing, new, and emerging high-growth industries/sectors; develop and coordinate occupational standards for apprenticeship programs and common curricula; and align apprenticeships to pathways for further learning, credit and career advancement.

Support American Apprenticeship Grantees

APPRENTICESHIP

The Department will continue to provide ongoing support for American Apprenticeship grantees (awarded in FY 2015) by providing technical assistance and oversight. The grants will promote high-quality registered apprenticeship models by supporting innovative approaches to the design and delivery of training that produce better outcomes for employers and workers. The technical assistance activities in FY 2018 will focus on implementing best practices and expanding opportunities for a future generation of workers to enter and thrive in modern apprenticeships.

Apprenticeship Expansion and Partnerships

The Department will continue to work across Federal agencies to leverage policies, procurement, and personnel practices to support the expansion of registered apprenticeship. The Department will continue to place an emphasis on expanding registered apprenticeship through innovative approaches and targeted outreach to youth and underrepresented populations both at the national and local levels to create a future pipeline of apprentices.

Process Improvement and Reengineering

Advance Sectors of Excellence in Apprenticeship and Apprenticeship Accelerators

The Department aims to focus regional operations through the advancement of Sectors of Excellence in Apprenticeship (SEAs) that provide sector based technical assistance in support of the expansion of registered apprenticeship into new industries and occupations. These efforts bring together employers from a specific industry sector and location to quickly identify skills gaps and skilled-training needs in that sector and region. An important role of the SEAs is to develop publicly available national standards for new occupations that are used to accelerate the adoption of program standards by new employers.

Accelerate Program Development

While much of the development time to register an apprenticeship program will be driven by the sponsor of an apprenticeship program, the Department recognizes that modernizing the registration process and being responsive to employer's needs is critical to our goal to double the number of apprentices. Specific actions we are taking include the following:

- ***Revised and Streamlined Program Templates.*** DOL will leverage revised and streamlined template standards that can be utilized to quickly pull together the major portions of a set of standards. Templates will allow employers to cover administrative sections quickly, while at the same time offering additional flexibility in the design of the on-the-job learning and related instruction portion of the standards.
- ***On-Line Standards Builder.*** Taking the boilerplate standards to the next level, DOL will advance implementation of an on-line standards builder which automates the standards development process (explained more fully below).

Office of Apprenticeship Process Improvement

ETA and OA will continue to find ways to implement findings of the OPM Human Capital assessment to support the mission-critical work of the program. The assessment has highlighted ways for the office to better dedicate resources in order to improve processes and service delivery.

New Technological Approaches, Process Improvement and Reengineering

APPRENTICESHIP

Integrate Customer Relationship Management (CRM) Tool

To advance into the 21st Century and implement an ambitious expansion plan, the registered apprenticeship system must continue to upgrade IT tools and infrastructure to increase program efficiency and enhance accountability. In FY 2018, ETA will continue efforts to integrate a CRM tool into the program's case management system to support the establishment of new programs and allow for tracking of the entire life-cycle of a program from the initial outreach effort through the employment of the first apprentice.

Expand Capabilities of an On-line Standards Builder and Apprentice Tracking Tools

Program registration tools, such as a program standards builder, will help automate portions of the registration process for new sponsors, freeing up Federal staff to focus on program expansion and oversight. The current process to establish program standards causes a significant bottleneck to the creation of new Apprenticeship programs. While still maintaining all regulatory requirements for registration, ETA will continue efforts to make this process much easier and faster for new sponsors by creating an on-line process and tools for program sponsors to begin the program development and design phase of the process.

FY 2017

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

APPRENTICESHIP

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2016 Enacted		FY 2017 Full Year C.R.	FY 2018 Request
		Target	Result	Target	Target
Apprenticeship					
ETA-APG-01 (ETA-OA-01)	Number of Active Registered Apprentices Nationally	500,000[p]	505,371	600,000[p]	750,000
ETA-WIOA RA-01	Employment Rate – 2nd Quarter After Exit (WIOA Registered Apprenticeship)	--	--	[base]	TBD
ETA-WIOA RA-02	Employment Rate – 4th Quarter After Exit (WIOA Registered Apprenticeship)	--	--	[base]	TBD
ETA-WIOA RA-03	Median Earning – 2nd Quarter After Exit (WIOA Registered Apprenticeship)	--	--	[base]	[base]
Cost Per Apprentice (Registered Apprenticeship)		\$120[p]	\$114	\$110[p]	\$110[p]
ETA-WIA RA- 01	Entered Employment Rate (WIA Registered Apprenticeship)	76.3%	75.1%	--	--
ETA-WIA RA- 02	Employment Retention Rate (WIA Registered Apprenticeship)	87.7%	88.4%	--	--
ETA-WIA RA- 03	Six Months Average Earnings (WIA Registered Apprenticeship)	\$25,642	\$24,590	--	--
ETA-OA-02	Number of NEW Apprentices Registered Nationally	--	--	240,000	275,000
ETA-OA-03	Number of Registered Apprentices that Complete their Apprenticeship Program Nationally	0	0	60,000	70,000
ETA-OA-04	Apprenticeship National Completion Rate	48.0%	44.1%	48.0%	48.5%

APPRENTICESHIP

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2016 Enacted		FY 2017 Full Year C.R.	FY 2018 Request
		Target	Result	Target	Target
ETA-OA-07	Number of Quality Reviews Conducted on Existing and New Programs (Provisional Reviews)	--	--	925	950
ETA-OA-08	Number of EEO Compliance Reviews of Programs Employing Five or More Apprentices	--	425	--	350

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

APPRENTICESHIP

Workload and Performance Summary

The National Apprenticeship System's *critical input* is the FTE allocated to OA; however, other resources for outreach, analysis, information technology, and support for the Secretary's Advisory Committee on Apprenticeship also are critically important. OA's *critical outputs* include: (1) the number of active and new apprentices registered; (2) the number of EEO compliance reviews conducted; (3) the number of quality assurance assessments conducted; (4) the number of new apprenticeship programs registered; and, (5) the number of quality assurance assessment reviews for new programs conducted one year after provisional registration, as required by revised regulations. These outputs translate into measures of workload for OA's staff.

Under the \$90 million appropriated for apprenticeship activities in FY 2016, apprenticeship partnerships around the US are receiving support to hire apprentices. The number of active registered apprenticeships will increase with the continuation of the program.²

In addition to the outputs mentioned above, the Department measures *outcomes* for registered apprenticeship through calculation of completion rates and indicators of employment rate and median earnings. The completion rate is the percentage of an apprenticeship cohort (group of individual apprentices registered to a specific program during a one year time frame) that receives a certificate of apprenticeship completion within one year of the expected completion date. These indicators demonstrate how the *outputs* of registering new apprentices and quality apprenticeship programs translate into the *apprentices' outcomes* for getting a good job and earning increased wages.

Over several years, the Department has found that the cost to the Department per apprentice ranges between \$100 and \$130, depending on sponsor demand for new apprentices. This measure is derived by dividing the budget request amount by the projected number of active apprentices in programs managed by OA staff for a given year (FY 2015 = \$34M divided by 277,946 apprentices). The cost per apprentice is only for the Federal functions of oversight and registration of apprenticeship programs and apprentices; it does not reflect the cost of the registered apprenticeship programs themselves, which generally are borne by the sponsor.

² Programmatic funds for grants to states and industries are projected to have a noticeable impact on program expansion and performance measures starting in FY 2018.

APPRENTICESHIP

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
11.1	Full-time permanent	15,482	16,024	16,174	150
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	171	291	264	-27
11.9	Total personnel compensation	15,653	16,315	16,438	123
12.1	Civilian personnel benefits	4,688	5,368	5,461	93
13.0	Benefits for former personnel	3	0	0	0
21.0	Travel and transportation of persons	495	480	480	0
22.0	Transportation of things	0	3	3	0
23.0	Rent, Communications, and Utilities	0	0	0	0
23.1	Rental payments to GSA	2,001	1,161	1,161	0
23.2	Rental payments to others	4	1	1	0
23.3	Communications, utilities, and miscellaneous charges	100	287	0	-287
24.0	Printing and reproduction	100	32	33	1
25.1	Advisory and assistance services	1,000	250	250	0
25.2	Other services from non-Federal sources	236	1,190	1,190	0
25.3	Other goods and services from Federal sources 1/	4,261	4,018	4,018	0
25.4	Operation and maintenance of facilities	25	0	0	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	5,308	4,744	4,814	70
26.0	Supplies and materials	20	86	86	0
31.0	Equipment	100	0	0	0
42.0	Insurance claims and indemnities	6	0	0	0
	Total	34,000	33,935	33,935	0
	1/Other goods and services from Federal sources				
	Working Capital Fund	4,194	3,986	3,986	0
	DHS Services	67	32	32	0

APPRENTICESHIP

CHANGES IN FY 2018

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$316
Personnel benefits	108
Two days less of Pay	0
Federal Employees' Compensation Act (FECA)	-41
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	0
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$383**

Net Program **-\$383**

Direct FTE **-4**

	Estimate	FTE
Base	\$34,318	154
Program Increase	\$0	0
Program Decrease	-\$383	-4

EXECUTIVE DIRECTION

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
Activity Appropriation	9,113	9,096	9,096	0
FTE	47	47	46	-1

NOTE: FY 2016 reflects actual FTE. Authorized FTE for FY 2016 was 47.

Introduction

Executive Direction activities provide leadership and policy for all training and employment service programs and activities and provide for related program operations support, including research, evaluations, and demonstrations. The budget request provides for the Federal administration of Executive Direction. Efforts under Executive Direction include program research, evaluation, pilot projects and demonstrations, as well as program and performance management and legislative relations. These activities are administered through ETA's Office of the Assistant Secretary (OASET) and the Office of Policy Development and Research (OPDR). Performance measures for these activities are discussed in the relevant program activity sections of the budget request.

Through the active engagement of OASET and OPDR, the following strategies support program management and results throughout ETA:

- Developing and managing pilot, demonstration, research, and evaluation activities, and analyzing and disseminating results of these activities, both to internal and external audiences;
- Collecting, analyzing, reporting and validating performance data on a regular basis from a variety of sources to create consolidated performance reports critical for agency decision-makers and to inform workforce system partners;
- Developing and refining performance measures in alignment with Federal priorities and creating short- and long-term performance goals;
- Setting national performance targets to effectively set the agenda for program performance in accordance with national priorities; and
- Providing legislative support and coordinating the alignment of technical expertise with agency priorities, resources and capacity to improve the effectiveness and efficiency of existing programs, initiatives and policies and to respond to requests for technical assistance.

EXECUTIVE DIRECTION

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2013	\$8,653	47
2014	\$9,113	47
2015	\$9,113	47
2016	\$9,113	47
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

FY 2018

The FY 2018 request of \$9,096,000 supports 46 FTE.

Staff will continue work on ETA and Departmental initiatives including policy and legislative functions as well as analyzing and disseminating key performance data associated with implementation of the Workforce Innovation and Opportunity Act (WIOA), provide critical leadership to the agency on policy issues including support for execution of the agency's regulatory agenda, and provide project management for continuing research and evaluation efforts. This leadership and support is critical to the program offices as they implement their strategies to achieve the Department's performance goals. In FY 2018, these staff will continue to modernize ETA's performance systems, make data entry simpler for stakeholders, and improve data analysis capabilities.

Through the active engagement of OASET and OPDR, ETA leadership, office administrators and program officials are given actionable intelligence to help assist them in assessing and improving the operation, effectiveness, and efficiency of the public workforce system.

Staff in OPDR conduct pilots, demonstrations, research and evaluations in cooperation with the Department's Chief Evaluation Office (CEO); interpret the findings, conclusions and recommendations into usable information; and disseminate reports and summaries to inform policy and program decision-making. Pilots and demonstrations of promising workforce development interventions and strategies enable ETA to determine if they are effective means of providing workforce system customers with temporary income support while unemployed, reemployment services, and job training and can be replicated and brought to scale. Rigorous evaluations enable ETA to measure the impact of existing workforce development strategies.

OPDR also manages ETA program performance reporting and analysis; publishes performance data and provides the tools that grantees use for data collection, validation, and performance reporting; and develops and publishes guidance letters and notices to inform the workforce system of new or revised reporting requirements. These activities lead to better information that ETA leadership and stakeholders use for decision making.

In FY 2018, OPDR will continue to serve as the liaison to the Government Accountability Office (GAO) and coordinate ETA's participation in GAO audits.

EXECUTIVE DIRECTION

FY 2017

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

EXECUTIVE DIRECTION

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
11.1	Full-time permanent	4,645	4,836	4,767	-69
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	51	149	135	-14
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	4,696	4,985	4,902	-83
12.1	Civilian personnel benefits	1,407	1,617	1,593	-24
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	68	67	67	0
22.0	Transportation of things	0	0	0	0
23.0	Rent, Communications, and Utilities	0	0	0	0
23.1	Rental payments to GSA	536	837	837	0
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	246	72	179	107
24.0	Printing and reproduction	100	21	21	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	500	4	4	0
25.3	Other goods and services from Federal sources 1/	1,062	1,266	1,266	0
25.4	Operation and maintenance of facilities	0	0	0	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	269	202	202	0
26.0	Supplies and materials	29	25	25	0
31.0	Equipment	200	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	9,113	9,096	9,096	0
	1/Other goods and services from Federal sources				
	Working Capital Fund	1,036	1,266	1,266	0
	DHS Services	26	0	0	0

EXECUTIVE DIRECTION

CHANGES IN FY 2018

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$85
Personnel benefits	29
Two days less of Pay	0
Federal Employees' Compensation Act (FECA)	-12
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	0
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$102**

Net Program **-\$102**

Direct FTE **-1**

	Estimate	FTE
Base	\$9,198	47
Program Increase	\$0	0
Program Decrease	-\$102	-1