STATE OF VERMONT

ANNUAL REPORT
WORKFORCE INVESTMENT ACT
TITLE 1-B
Program Year 2008
JULY 1, 2008—JUNE 30, 2009

SUBMITTED BY:

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I. Workforce System Accomplishments

Health Care Workforce Development Partnership- The shortage of health care workers continues to be a critical challenge for a wide range of health care providers. This Workforce Development Council Committee has continued to quantify these shortages while identifying training needs/venues and resources and creating ways to feed the pipeline. Efforts related to attracting new workers into health care professional areas included presentations in schools on various health care opportunities and the provision of transition counseling to the mature health care worker. The Governor has declared October as Health Care Career Awareness Month and this has been followed by monthly presentations in high schools and middle schools. The committee also served as a way of sharing promising practices for recruitment, retention and re-training strategies.

Innovative Training Programs – Two federal grants continued: one for $1.5 million entitled the Governor's IT Training Initiative. This 3-year grant is providing training in over 21 college-based IT certificate programs resulting in 9 to 24 hours of college credit and training in IT apprenticeship readiness programs for an area employer. Internships are also being provided for high school and college students interested in information technology. A second grant for $446,000 is focused on developing a web-based portal that will be used to facilitate career decision making by middle and high school aged youth. It can also be used by adults either entering the labor market for the first time or for making career changes. The Vermont Student Assistance Corporation, the Department of Education and the School Guidance Counselors' Association are key partners in this project. Extensive training of school personnel on how to maximize the use of this portal with their students while integrating it into curriculum occurred in late 2007 and early 2008. Both grants recently received one year no-cost extensions.

A third innovative grant was awarded to provide re-entry support to female offenders. The $574,780 grant provides support for occupational skills training including a transitional job component. Key partners include VDOL, Vocational Rehabilitation, Vermont Student Assistance Corporation, the Vermont Department of Corrections, the Community High School of Vermont, and Vermont Works for Women.

Youth Vision – The U.S. Department of Labor in partnership with multiple federal agencies including Education, Justice, and Health & Human Services has encouraged states to develop a multi-agency youth vision strategy especially for youth in transition. Of special focus are youth facing serious barriers including out-of-school youth, homeless and runaway youth, high school dropouts, youth with disabilities, native American youth, migrant youth, court involved youth or

those at-risk of involvement, children of incarcerated parents and youth in foster care or those aging out of foster care. Vermont's Department of Labor is working with its sister departments and agencies as part of the Youth In Transition Team (YIT) to develop a statewide youth vision.

Two grants have facilitated the development of a Vermont Youth Vision. One is a $9 million grant, over 6 years to develop a system of care for emotionally disturbed youth. Vermont's Department of Mental Health received the grant, but VDOL is an active partner, both at the state and local levels.

Another, although much smaller, is a mentoring grant Vermont DOL is receiving to be a pilot site for the Institute for Educational Leadership. The grant provides mentoring services to youth with disabilities who have had, or are at risk of having, a run-in with the law. Essentially, the youth vision will involve strategies to collaborate and articulate services provided to youth.

SUMMER EMPLOYMENT OPPORTUNITIES

The Vermont Department of Labor issued a competitive request for proposal (RFP) for programs that would provide paid employment experiences for WIA-eligible youth during the summer of 08. Both in and out of school youth were served. All youth were connected with year-round services and, once their summer work experience ended, they were transferred to VDOL youth specialists for continued case management and WIA services. Additional youth were served during this period by VDOL's Career Center youth specialists. Another RFP for summer of '09 was issued late in 2008 and seven (7) grants were awarded for a total of $125,000 under the formula funds. Of those received and reviewed by the review panel, it was decided that if we received ARRA funds and if the proposals met the requirements of ARRA they would be awarded for summer 2009, this was approved by the WDC as well.

Once we were notified of the ARRA funds for Vermont, an RFP was sent out mid March. We received 80+ proposals in response to the RFP. All were reviewed and there were approximately 26 awards to organizations, with programs beginning as early as May 1, 2009 and ending September 30, 2009. VDOL career centers were working with all grantees to determine eligibility and assist with selection of youth if appropriate. At the same time the youth specialists were starting up their own SEO-ARRA & Formula SEO to be run out of the local areas in Vermont.

NORTHLANDS JOB CORPS TASK FORCE

The overall goal of the task force, which includes members from the Department of Education, Department of Children and Families, Vocational Rehabilitation, the Department of Labor, the Department of Corrections, and the Agency of Human Services continues to work towards increasing the successful referrals of Vermont youth, to increase the percentage of Vermont students attending Job Corps programs at any given time. Although the numbers are slowly improving, this task force is dedicated to continue working with Northlands Job Corps staff to accomplish this goal.

Under new management, and with many changes occurring at Northlands there have been significant positive improvements. There have been changes in occupational training relating to labor market needs and an increase in the numbers of Vermont youth enrolling in programs at Northlands!

Workforce Development Initiatives:
Workforce Development Academy – Although no additional sessions of the Workforce Development Academy were offered this year, Vermont Technical College hosted two one-day events for all former graduates, to reinforce or re-establish the relationships that were developed in the original academy sessions. Each event featured a panel of Vermont's workforce development leaders to provide updates on new initiatives, and also provided an open forum for discussion of workforce issues and solutions in a challenging economy. Overall, the Academy has proven effective in creating ongoing connections among workforce development professionals. One direct result has been better communication among VDOL, the state's regional technical centers and employers, resulting in training courses that are more accessible statewide and more reflective of current business needs.

Career Readiness Certificate Training: In the summer of 2008, driven by long standing employer demand, VDOL began discussions with the Vermont State College System, specifically Community College of Vermont (CCV), to develop a training program for work/career readiness, to include general "soft skills" as well as entry level skills in applied mathematics, literacy and basic computer proficiency. As a result, CCV created a curriculum of six modules that combines the WorkKeys job skill assessment system with customized modules developed by CCV. The final product is the CCV Career Readiness Certificate Training that consists of six modules: Applied Mathematics, Reading for Information, Locating Information, Teamwork & Interpersonal Skills, Work Ethics & Life Skills, and Basic Computer Skills. Successful graduates earn the CCV Career Readiness Certificate that includes the nationally recognized WorkKeys Certification. Under a funding partnership that includes WIA, the Workforce Education & Training Fund (WETF), and the Vermont Training Program, VDOL

entered into an agreement with CCV to deliver 30 sessions statewide over eighteen months, beginning in January 2009 with a pilot session in Burlington. In total, approximately 450 unemployed and underemployed individuals will be trained. What makes this a workforce development initiative is its direct response to employer demand for better prepared entry level workers. Enrollment is not limited to unemployed workers. Employers are encouraged to send current workers who are at risk of losing their jobs due to poor skills, or workers who might advance with better "soft" or work related skills. Through June 30, 2009, seven sessions have been offered in seven different locations, including two sessions that were offered on-site at well-respected businesses with little prior connection to VDOL services. One of the "business" sessions also included unemployed students, while the other was filled by incumbent workers who needed this training to ensure retention and/or advancement. Over time, we expect that the Career Readiness Certificate will become well-respected by employers, be regarded as validation of an individual's work readiness and give unemployed individuals a competitive edge in securing employment.

Workforce Education and Training Fund – The Workforce Education and Training Fund (WETF) supports occupational training to enhance the quality of the Vermont workforce, and increase the number of highly skilled workers. The WETF is funded exclusively with an appropriation from the state general fund, and awards grants to employers and training providers in partnership with employers. VDOL establishes criteria for eligibility and awards grants on a continuous basis. During the program year ending June 30, 2009, thirty seven (37) projects were funded for a total of $1,524,843. For the first time in WETF history, two awards were returned by the grantee as a direct result of the economic downturn, one in the manufacturing (automotive parts) sector, and the other in agriculture. They are not included in the above totals.

Training was funded in several sectors including Manufacturing, Health Care, Information Technology, Construction, Hospitality/Tourism, Services, Agriculture and Financial. More than 100 employers and over 2,500 workers benefited directly from WETF training that was funded during this program year. As in past years, for several of the WETF projects, VDOL partnered with other training resources including WIA and the Vermont Training Program, to maximize efficient use of state resources.

Other Next Generation Training Initiatives for 2009 – The FY 2008 legislation that dramatically increased workforce development resources, was continued in FY 2009, and after several state rescissions amounted to approximately $1.26 million. This continues to be part of a comprehensive strategy to expand the number of high quality jobs, and prepare young Vermonters to pursue successful careers in Vermont. Although the recession has reduced immediate pressures on the labor market, we realize that eventually

that trend will reverse itself, and it is crucial that we maintain a workforce development system that will help us to retain our high school and college graduates, and retrain incumbent workers for greater job security and upgrades. In addition to the WETF training described above, the legislature appropriated funding for the following programs for FY 2009. Internship programs totaled approximately $530,000, Career Exploration- $191,000, Alternative and Intensive Education- $168,772, and Adult Technical Education - $374,265.

Approximately 484 high school and college students were planned to be served through Internships with approximately 265 employers. Another 7014 students in grades 7-12 were planned to participate in Career Exploration activities. One hundred fifty (150) youth were to be engaged in Alternative and Intensive Education programs. Funds for Adult Technical Education supported evening and late daytime classes for adults in Vermont's 16 Technical Education Centers and Comprehensive High Schools and the development of a statewide, web-based course registration system.

VSC Technology Extension Division - TED at Vermont Technical College continues to expand its services. TED provided credit, non-credit and on-line programs to more than 70 employers, and more than 5,200 workers throughout Vermont. Topic areas included: supervision, applied mechanics; leadership and managerial skills; customer service; team building; blue print interpretation; telecommunications; general electronics; semiconductor processing, medical coding and transcription, pharmacy tech, paralegal, records management, six sigma, home inspection, AutoCAD, and a new program which will open this winter in precision machining and production.

Vermont Apprenticeship Program -- The Vermont Department of Labor administers all registered apprenticeship programs in the state. VDOL is responsible for registering, monitoring and completing apprentices; tracking all performance data such as grades, wages, and hours; arranging classroom instruction; ensuring compliance with Affirmative Action requirements; and developing new apprenticeship programs.

The apprenticeship program has not escaped the impact of the current recession, particularly in the plumbing and electrical programs. Some sponsors have gone out of business altogether, while others have experienced their first layoffs. However, this year VDOL still served more than 300 employer sponsors. In total, there were over 800 registered apprentices in more than 30 occupations. New programs were developed in response to employer needs and always with strong employer involvement in training content. In FY 2009, a new program was developed for Phlebotomist. Also, the first apprentices were registered as Medical Coders and Utility Workers. Another occupation, Water and Heating System Specialist, was developed in concert with the VT Plumbers'

Examining Board and will be presented to the State Apprenticeship Council for approval in the new fiscal year. Green technology practices were incorporated into the related instruction curricula for both union and non-union programs in the plumbing and electrical trades. There were 157 individuals who completed apprenticeship, received certificates, and were employed full-time at the time of completion. Certificates were issued to apprentices in 14 different occupations.

II. Cost Benefit and Evaluations

A. Cost Benefit Analysis

Vermont is a single workforce investment area state and all 85% monies are allocated to the local area. Each Resource Center is given an annual allocation, which is used in accordance with customers' identified needs rather than through a pre-selected mix of activities.

In Program Year 2008, the number of total individuals served increased by seventeen per cent over Program Year 2007. The number of adults and dislocated workers served increased dramatically while the number of youth served decreased. The cost per individual served decreased for all three funding streams.

	PY 2007		**PY 2008**	
	Number Served	Average Cost	Number Served	Average Cost
Adult	256	$7,075	355	$5,977
Youth	587	$4,045	501	$3,668
Dislocated Worker	203	$4,171	369	$3,580
Total	**1046**	**$4,811**	**1225**	**$4,345**

B. Evaluation of workforce investment activities

For the past six years annual evaluations of Vermont's title 1B WIA program have been conducted by the Center for Social Science Research at Saint Michael's College in Colchester, Vermont. The latest study, posted at http://www.labor.vermont.gov examines the labor market experiences of both the 2,805 participants who exited from WIA between 2001 and 2007 and a subset of 437 participants who left the program between July 1, 2006 and June 30, 2007. The study can be under Businesses, Workforce Development/Training Programs, Related Links – WIA Performance Evaluation PY 2007.

The evaluation serves the dual purposes of 1) conducting the American Customer's Satisfaction Index (ACSI) participant satisfaction survey and 2) further evaluation of the WIA program's success through an expanded participant questionnaire and the analysis of training program outcomes. The telephone surveys are conducted by work study students under the supervision and direction of Dr. Herbert Kessel, Director of the Center for Social Science Research.

The study is designed to answer the following three questions:

1) Are the services offered through WIA seen as useful and effective by its participant?
2) What types of employment outcomes emerge after WIA?
3) What are some of the policy issues and unanswered questions that need to be addressed in light of the study's findings?

Key data findings, unanswered questions, and policy issues that follow from this study include:

- Attempts to document the employment experiences of participants following their exit from WIA services are constrained by three factors. First, not all exited WIA participants are included in the study due to delayed (late) reporting which results in the exclusion of many individuals from the sample. Secondly, a low contact rate of 55% for those participants in the sample seems to reflect the need for the collection of cell phone numbers in addition to land line numbers. It may also reflect the increased use of caller id which allows for the screening of incoming calls. Third, without control groups it is difficult to determine what would happen to participants in the absence of WIA. One suggested possibility is to include in the follow-up study a matched sample of people who receive Wagner-Peyser labor market services only.
- As in the past, participants rated their WIA experience quite favorably with an ASCI scale around 82. Another perspective of client satisfaction is derived from a survey question in which adult participants are asked to give an overall rating of their specific WIA training experience. As has been the case in the past, the majority of WIA participants rate their experience positively with approval ratings averaging 86%. To gain further insights, respondents were also asked to rate the various non-training components such as assessment and job search assistance. While all participants would have participated in an assessment

process when they first entered the program, only 66% remembered doing so and of those only 73% felt that service had been helpful. It is difficult to know whether the assessment process is so seamless that it fails to stand out as a separate component, or if it lacks sufficient thoroughness to create a lasting impression in people's minds.

- The percentage of participants who felt that they needed the WIA program to help them obtain their first job after WIA has steadily increased since 2001 (from 41% in 2001 to 52% in 2007). Whether participants are failing to give the program its due credit is impossible to determine but the steady increase in response to this question is encouraging. The perceived value of WIA training is further supported by general increases in training related employment. The percentage (72%) of training related jobs held after WIA is lower than the 81% level reported in last year's study but still remains higher than all other previous years. Of those respondents who were not in training related employment, 26% indicated they had been unable to find employment in the area for which they had been trained. This too raises questions about the effectiveness of the assessment process and its role in helping participants with their training choices.
- Short run employment rates, based on three quarters after exit, averaged about 86% in the most recent follow-up year. This rate is approximately 10% higher than rates recorded in earlier years. However, over the longer term at 9 quarters past training, this rate fell to 60% for the adult population and 76% for dislocated workers. Is it possible that the positive boost provided by WIA diminishes over time? Or perhaps these declines reflect the current downturn in the economy.
- Increasingly, WIA training in Vermont focuses on occupational skills training. However, while meeting some important industry labor needs the range of training opportunities seems narrow. For men, CDL training is predominant. For women, WIA training tends toward preparation for entry into one of the medical assistance areas. An unanswered question is to what extent is WIA simply fulfilling an unmet industry need? Are there other occupational areas that have similar unmet industry needs? Has an industry emerged, CDL training for example, at least in part, to fulfill the need of government agencies to find suitable training areas? Are there potential pitfalls

associated with spending a high percent of scarce training dollars in just a few areas?

Participant Comments

Perhaps the most satisfying part of any program evaluation comes from the grateful comments of so many respondents. The following quotes represent a sampling of those comments.

"My case manager was extraordinary. She didn't treat her job like a job. She went fully out of her way to help me out."

"It was the nicest presentation of our government that I have seen in a long time"

"I think that it was a fabulous program even though I didn't end up with a job. I think I've managed to grow a lot through it."

"I think it's a really valuable program and a way for kids. Some kids don't do it because they are just not pushed into it and they just need some encouragement."

Tables 2008

TABLE A - Workforce Investment Act Customer Satisfaction Results

Customer Satisfaction	Negotiated Performance Level	Actual Performance Level-ACSI	Number of Completed Surveys	Number of Customers Eligible for The Survey	Number of Customers Included in The Sample	Response Rate
Participants	80	82	205	442	306	67.0%
Employers	80	88	813	1662	1068	76.1%

TABLE B - Adult Program Results At-A-Glance

	Negotiated Performance Level	Actual Performance Level	Numerator/ Denominator
Entered Employment Rate	82%	77.2	N=88 D=114
Employment Retention Rate	80%	80.8%	N=101 D=125
Average Earnings in Six Months	$11500	$11829	N=$1194728 D=101
Employment & Credential Rate	65%	59.1%	N=68 D=115

TABLE C - Outcomes for Adult Special Populations

	Public Assistance Recipients Receiving Intensive or Training Services		Veterans		Individuals With Disabilities		Older Individuals	
Entered Employment Rate	76.9%	N=20 D=26	83.3%	N=10 D=12	42.3%	N=11 D=26	66.7%	N=2 D=3
Employment Retention Rate	70.0%	N=21 D=30	90.0%	N=9 D=10	69.2%	N=18 D=26	62.5%	N=5 D=8
Average Earnings in Six Months	$8640	N=$181430 D=21	$15652	N=$140869 D=9	$9151	N=$164716 D=18	$5751	N=$28754 D=5
Employment & Credential Rate	40.9%	N=9 D=22	75.0%	N=9 D=12	26.3%	N=5 D=19	40.0%	N=2 D=5

TABLE D - Other Outcome Information for the Adult Program

	Individuals Who Received Training Services		Individuals Who Received Only Core and Intensive Services	
Entered Employment Rate	78.4%	N=76 D=97	70.6%	N=12 D=17
Employment Retention Rate	86.1%	N=93 D=108	47.1%	N=8 D=17
Average Earnings in Six Months	$12195	N=$1134167 D=93	$7570	N=$60561 D=8

TABLE E - Dislocated Worker Program Results At-A-Glance

	Negotiated Performance Level	Actual Performance Level	Numerator/ Denominator
Entered Employment Rate	85%	86.1%	N=93 D=108
Employment Retention Rate	92%	93.8%	N=76 D=81
Average Earnings in Six Months	$15000	$13500	N=$1026007 D=76
Employment & Credential Rate	61%	63.6%	N=70 D=110

TABLE F - Outcomes for Dislocated Worker Special Populations

	Veterans		Individuals With Disabilities		Older Individuals		Displaced Homemakers	
Entered Employment Rate	100%	N=7 D=7	71.4%	N=5 D=7	81.0%	N=17 D=21	0%	N=0 D=0
Employment Retention Rate	88.9%	N=8 D=9	75.0%	N=6 D=8	100%	N=13 D=13	100%	N=1 D=1

Average Earnings in Six Months	$15021	N=120170 D=8	$13767	N=82602 D=6	$11526	N=$149840 D=13	$11652	N=11652 D=1
Employment & Credential Rate	80%	N=8 D=10	50%	N=3 D=6	62.5%	N=15 D=24	0%	N=0 D=0

TABLE G - Other Outcome Information for the Dislocated Worker Program

	Individuals Who Received Training Services		Individuals Who Received Only Core and Intensive Services	
Entered Employment Rate	86.6%	N=84 D=97	81.8%	N=9 D=11
Employment Retention Rate	98.5%	N=66 D=67	71.4%	N=10 D=14
Average Earnings in Six Months	$13675	N=$902588 D=66	$12342	N=$123419 D=10

TABLE H.1 - Youth (14 – 21) Program Results

	Negotiated Performance Level	Actual Performance Level	Numerator/ Denominator
Placement in Employment of Education	0%	42.0%	N=87 D=207
Attained Degree or Certification	0%	12.9%	N=21 D=163
Literacy or Numeracy Gains	0%	0	N=0 D=52

TABLE H.2 - Older Youth Program Results At-A-Glance

	Negotiated Performance Level	Actual Performance Level	Numerator/ Denominator
Entered Employment Rate	73%	61.5%	N=16 D=26
Employment Retention Rate	85%	70%	N=7 D=10
Earnings Change in Six Months	$4500	$74	N=$738 D=10
Employment & Credential Rate	56%	40.7%	N=11 D=27

TABLE I - Outcomes for Older Youth Special Populations

	Public Assistance Recipients Receiving Intensive or Training Services		Veterans		Individuals With Disabilities		Out-of-School Youth	
Entered Employment Rate	100%	N=4 D=4	0.0%	N=0 D=0	57.1%	N=12 D=21	61.1%	N=11 D=18
Employment Retention Rate	100.0%	N=2 D=2	0.0%	N=0 D=0	75.0%	N=6 D=8	62.5%	N=5 D=8

Earnings Change in Six Months	$4495	N=$8990 D=2	$0	N=0 D=0	$-351	N=$-2811 D=8	$94	N=$748 D=8
Employment & Credential Rate	20%	N=1 D=5	0.0%	N=0 D=0	40.9%	N=9 D=22	33.3%	N=6 D=18

TABLE J - Younger Youth Results At-A-Glance

	Negotiated Performance Level	Actual Performance Level	Numerator/ Denominator
Skill Attainment Rate	83%	75.3%	N=235 D=312
Diploma or Equivalent Attainment Rate	53%	52.6%	N=20 D=38
Retention Rate	63%	50.9%	N=27 D=53

TABLE K - Outcomes for Younger Youth Special Populations

	Public Assistance Recipients Receiving Intensive or Training Services		Individuals With Disabilities		Out-of-School Youth	
Skill Attainment Rate	69.0%	N=40 D=58	70.4%	N=164 D=233	73.6%	N=39 D=53
Diploma or Equivalent Attainment Rate	50.0%	N=2 D=4	53.8%	N=14 D=26	56.3%	N=9 D=16
Retention Rate	80.0%	N=4 D=5	51.4%	N=18 D=35	50.0%	N=20 D=40

TABLE L - Other Reported Information

	12 Month Employment Retention Rate		12 Mo. Earnings Change (Adults and Older Youth) **or** 12 Mo. Earnings Replacement (Dislocated Workers)		Placements for Participants in Nontraditional Employment		Wages at Entry Into Employment for Those Individuals Who Entered Unsubsidized Employment		Entry Into Unsubsidized Employment Related to the Training Received of Those Who Completed Training Services	
Adults	79.2%	N=84 D=106	$4287	N=$454411 D=106	2.3%	N=2 D=88	$5585	N=491437 D= 88	72.4%	N=55 D=76
Dislocated Workers	96.8%	N=61 D=63	98.5%	N=$818065 D=$830144	1.1%	N=1 D=93	$6122	N=569334 D=93	60.7%	N=51 D=84
Older Youth	57.1%	N=4 D=7	$-814	N=$-5696 D=7	6.3%	N=1 D=16	$1713	N=27406 D=16	0%	N=0 D=0

TABLE M - Participation Levels

	Total Participants Served	Total Exiters
Total Adult Customers	724	232
Total Adults (Self-Service Only)	5	1
WIA Adults	355	117
WIA Dislocated Workers	369	115

Total Youth (14-21)	501	210
Younger Youth (14-18)	392	172
Older Youth (19-21)	109	38
Out-of-School Youth	240	65
In-School Youth	261	145

TABLE N - Cost of Program Activities

Program Activity			Total Federal Spending
Local Adults			$ 2,193,881
Local Dislocated Workers			$ 1,394,442
Local Youth			$ 2,110,477
Rapid Response (up to 25%) 134 (a) (2) (A)			$ 39,628
Statewide Required Activities (up to 25%) 134 (a) (2) (B)			$ 698,866
Statewide Allowable Activities 134 (a) (3)	Program Activity Description		
Total of All Federal Spending Listed Above			$ 6,437,294

Waivers and Performance Outcomes.

Vermont operated with two waivers in Program Year 2008. They were:

- Waiver of the provision at 20CFR663.530 that prescribes a time limit on the period of initial eligibility for training providers, and
- Waiver of WIA Section 123 that requires that providers of three youth program elements be selected on a competitive basis.

These waivers have been in place since January of 2002 so it is not feasible to measure their impact on performance outcomes through a before and after comparison. We would be very interested in knowing any recommendations that you might have for measuring the impact of these waivers.