

State of New Hampshire

Workforce Investment Act – Title I-B

Annual Report

*For the period July 1, 2009 through June 30, 2010
(Includes Related Grant Activities)*

Name and title of authorized official of the Governor:

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Introduction

The Office of Workforce Opportunity within the New Hampshire Department of Resources and Economic Development serves as the administrative entity for all Workforce Investment Act funds received by the State of New Hampshire. In New Hampshire the state's primary service delivery system is managed by a consortium of key stakeholders under the umbrella trade mark of NH Works. NH Works partner organizations include: New Hampshire Department of Resources & Economic Development; New Hampshire Employment Security; New Hampshire Department of Education; New Hampshire Department of Health and Human Services; New Hampshire Department of Labor; New Hampshire Community College System; and the Community Action Association. On behalf of all our partners, the Office of Workforce Opportunity takes this annual opportunity to acknowledge the dedication and hard work of all the individuals involved in providing services throughout the NH Works system.

Year-at-a-Glance

The Office of Workforce Development (OWO) was established within the Department of Resources and Economic Development (DRED) on October 1, 2009, changing the administration of the WIA system from the NH Department of Labor to DRED. Under DRED the goals for the statewide workforce system remain constant. Working closely with the Governor, our economic development staff and NH Works system partners, we remain committed to continuing to build a workforce development system that is integrated, comprehensive, customer focused, performance based, innovative, and responsive to local and regional economies.

Workforce Investment Act (WIA) American Recovery and Reinvestment Act (ARRA) funds received in Program Year 2008 continued to provide much needed financial relief in a struggling economic environment throughout Program Year 2009. In total, New Hampshire received \$6,654,415 in WIA ARRA funds to expand access to re-employment and training services throughout the state. This infusion of funding resulted in the enrollment of 1,321 additional adult and dislocated workers in the WIA program, of which approximately 800 entered occupational skills training. To date, 438 of ARRA program participants have completed program services and an estimated 79% of these participants are currently re-employed. (It is worthy to note that the percentage jumps to 85% for participants who completed occupational skills training programs.)

The availability of ARRA funds for youth programs, made it possible to offer a summer youth employment program (last available ten years ago) from June 2009 – August 2009. Summer youth employment projects had a significant impact on youth ages 14-21 from low-income families by creating “earn-while-you-learn” community projects. ARRA WIA Youth funds were used to enroll 601 youth in fourteen different summer youth programs, with four programs continuing year round. A primary goal of the summer youth program was to ensure that youth learned work readiness skills; 93.1% of program participants received a work readiness credential, one of the highest attainment rates in the country.

In August 2009, the Office of Workforce Opportunity was awarded an ARRA funded WIA National Emergency Grant (NEG) in the amount of \$278,591.00 to serve 84 workers laid-off from eight different manufacturing companies, predominately located in the eastern seacoast area of the State. This grant provided re-employment, training and support to workers who were finding it difficult to adjust to job loss in a changing economy. About this same time, the State of Maine received an NEG to assist workers laid off from the Prime Tanning Company, located on the Maine-New Hampshire border. Through a partnership agreement with the State of Maine, the Office of Workforce Opportunity was able to provide access to re-employment services for 65 New Hampshire residents formally employed at the company.

The Office of Workforce Opportunity also received \$126,306.00 in ARRA funds to expand the Senior Community Services Employment Program (SCSEP). Funds were used to place an additional 28 low-income mature workers in community service jobs in Merrimack, Belknap and Hillsborough County. In PY09 there was an increased demand for this program, most likely in response to the affect the weakened economy has had on the loss of jobs among older workers. These additional funds combined with the State PY09 formula funds provided subsidized job placements for 91 mature workers.

The New Hampshire Job Training Fund (NHJTF) continued its success, providing skill upgrades to over 7,100 incumbent workers. Members of the NHJTF Review Committee are designated by legislation. The Committee accepts and reviews the formal applications submitted by New Hampshire companies, and meets on the third Friday of every month with the applicants to fully review the proposed training programs. The Committee makes funding recommendations to the Commissioner of DRED, who is tasked with approving or disapproving those recommendations. The program requires a minimum 1:1 match of funds by businesses.

By December 19, 2008, a total of \$1,462,798 in grant funds was committed, leveraged against funds of close to \$2.25 million provided by the 66 grant recipients. As of May 30, 2010, the total grant funds committed to NH companies has increased to \$2,509,014 leveraged against company matching funds of over \$4.6 million. A total of 135 grants have been awarded since the inception of this program, and over 7,100 workers have received training, increasing their skills and market value in today's economy.

The Shared Youth Vision initiative continues to grow in membership and scope as the group works to identify ongoing needs of youth related to workforce issues, and strategies for streamlining services to youth in an effort to maximize limited resources. In PY09 the group focused their work on the evaluation of the business outreach pilot project. An assessment of this project was presented to the Youth Council. Team members shared an overview of best practices and lessons learned over the last year. The results of this effort will be used to inform best practices in other areas of the state as local teams engage in more business outreach activities.

New Hampshire received a \$1.8 million grant to train CNC machinists using a new model that involves an 8-week concentrated course of academics followed by a U.S. DOL-approved accelerated 2-year apprenticeship. Grant funding is available through June 2011. The project has experienced set backs due to economy, but it appears that the manufacturing environment in New Hampshire is stabilizing, as New Hampshire employers in this sector have completed most of the layoffs anticipated for the year. Many, however, still have hiring freezes, and work week hour reductions remain in place. The impact of this struggle slowed the progress of the STAR (Skills Through Apprenticeship Retraining) program in PY09, but there is some momentum going into PY10, as the program is re-energized. One of the region's largest manufacturers, Hypertherm, Inc. is once again hiring for their facility in Lebanon. Specially, activity has increased with STAR programs running in two different program areas, one in welding, and one in Advanced Machine Tool Technology. In addition, there are active conversations ongoing with regard to introducing the STAR program in Keene NH, but that will likely not develop before late 2010. With the advent of welder/fitter training being added to the STAR program, River Valley Community College has begun training new workers at Structal Bridge, an employer in Claremont, NH. Structal Bridge has plans to hire and train 40 new welders and fitters over the course of the next year.

New Hampshire remains optimistic that a Job Corps Center, scheduled for development in Manchester, NH, will be fully operational within the next year, or two. While the construction of the Center is currently on hold as federal procurement rules are finalized, once the Center is built, it is anticipated that 300 resident youth will have access to education and training opportunities in the areas of healthcare, advanced manufacturing, computer science, food service/hospitality, and homeland security.

Thoughts on Performance

In PY 2009 the number of people served by a WIA funded program doubled compared to PY2008, a direct result of the infusion of ARRA funding, which was used to significantly expand access to WIA re-employment and training services throughout the state to meet the increase in demand brought on by the recession. Over the course of the year approximately 25,453 individuals accessed self-service resources at one of the 13 local NH Works centers located throughout the State. Staff assisted services (i.e. enrolled in a WIA program) totaled 976 WIA Adult participants, 1,354 WIA Dislocated Worker participants and 715 Youth participants.

New Hampshire met 15 out of 17 performance goals for Program Year 2009. The U.S. Department of Labor considers performance to be met, if 80% of the goal is reached. Of the 15 goals met, 7 were exceeded, twice as many as the previous year.

The two goals not met were the older youth “entered employment” rate and older youth “credential and/or diploma” rate. These results are consistent with the economic indicators that point to youth being the group most affected during the recession. As indicated in previous years, the number of older youth who fell into this calculation was small, thus a poor result with even one or two individuals significantly affects the outcome. The Youth Council continues to monitor program effectiveness, and the unique needs of the older youth population.

The State Workforce Investment Board (SWIB) submitted a petition before to the US Department of Labor to waive the current WIA requirement to collect performance information for 17 measures. If approved, this waiver will allow the State to collect only those measures common to the workforce system as a whole; i.e., entered employment, retained employment and average wage gain; reducing the number of performance measures from 17 to 9 for federal reporting purposes. The proposed effective date for this change is July 1, 2010. In addition, NH will be submitting a waiver to the Eligible Training Provider rule to extend the period of initial eligibility for training providers. This delay will give New Hampshire more time to develop consistent data for all training providers on which to base an effective subsequent eligibility process. No other waivers are currently in place and/or planned for the near future.

Finally, New Hampshire continued its ongoing evaluation of programs for efficiency and effectiveness. In addition to the ongoing desk and on-site monitoring of contractors, the Office of Workforce Opportunity was monitored by numerous entities in PY09. In February 2010, the US Department of Labor, Region I staff conducted a comprehensive review of the WIA system in New Hampshire, including a full review of the WIA data validation process and ARRA programming. On the state level, several formal audits were conducted on the Workforce Opportunity Council, Inc. (former WIA administrative entity), the NH Department of Labor (former WIA grant recipient) and DRED (current grant recipient and administrative entity). The Governor’s Office of Stimulus Funds also monitored ARRA program activities and federal reporting on a monthly basis. In addition, working with a graduate program student with experience specific to the field of workforce development, plans were put in place to conduct an evaluation of the impact of career counseling on dislocated workers. The purpose of this study is to examine the job loss experience and the factors that facilitate career growth of mid-life dislocated workers who become reemployed. This study will explore the activities that facilitate career growth from job loss using the Latack and Dozier (1986) conceptual framework. The research question of interest is: what factors contribute to career growth for mid-life boomers who experience job loss and reemployment. Participants for this study will be baby boomers who have been solicited from the program clientele of the New Hampshire Workforce Investment Act (WIA) Dislocated Worker Program.

Thoughts on Cost Effectiveness

For PY2009, the total WIA allocation to New Hampshire equaled \$6,811,703. That amount is broken down into essentially four categories: Youth, Adult, Dislocated Worker, and Statewide Activities. Actual expenditure rates for these four categories were: Youth at 88%; Adult at 71%; Dislocated Worker at 70%; and Statewide Activities at 35%. The overall expenditure rate for formula funds was 65%. While this may appear lower compared to expenditure rates in previous years, in actuality it presents a strong performance for the timely expenditure of funds when taking into consideration the emphasis to fully expend ARRA funds received at the same time. New Hampshire effectively created greater access to re-employment and training services throughout the state ensuring available funds were fully utilized to address the re-employment and training services for the unemployed worker, and other groups affected by the recession, consistent with WIA Formula and ARRA program guidelines. WIA ARRA funds must be fully expended by no later than June 30, 2011. WIA PY09 formula funds are available through June 30, 2012.

In terms of the Recovery Act funds, New Hampshire received \$6,654,415 for its workforce development activities. The same categories apply to these funds, and expenditures between February 17, 2008 and June 30, 2009 were: Youth at 77%; Adult at 72%; Dislocated Worker at 83%; and Statewide Activities at 23%, for an overall expenditure rate of 70%. It should be noted that the expenditure of Statewide Activities is low because ARRA Discretionary funds were held in reserve to support ongoing services to ARRA program participants in PY10 to ensure adequate funding remained available on the local level. These funds have since been disbursed to the local level for this purpose. As noted above, the state has until June 30, 2011 to fully expend ARRA funds; however it is anticipated that ARRA funds will be fully expended by March 2011.

Cost-per-participant numbers are at a modest level. New Hampshire continues to operate a cost effective service delivery system. Local service providers operate programs at a less than 10% administration cost, staffing is maintained at a level sufficient to provide adequate and timely services without diverting a disproportionate share of funds to personnel costs, an emphasis is placed on reserving no less than 50% of available funds to support participant training costs, and individual training accounts are capped at a maximum of \$4,000 per participant to maximize enrollments in training. All of these factors contribute to an efficient system for delivering the most services to eligible New Hampshire citizens in a state that receives the minimum in workforce development funding.

Success Stories from the Field

Adam

Adam is a 25 year old supporting a family of three. He worked as a water pump technician and in landscaping. With the severe turn in the economy Adam was unable to find employment. He needed to find full time year-round employment to support his family. Adam went to the Adult Learning Center to finish his GED. He then worked with an employment counselor at the local NH Works Office. Adam's father is a truck driver and Adam wanted to do the same. He enrolled in a CDL training course funded by WIA. He successfully completed the course in March 2009 and is now working full-time, year round as a driver for a local company, earning \$15.00 per hour, plus benefits.

Kevin

Kevin is a dislocated worker from Prime Tanning, a leather manufacturing company that closed in October 2008. Kevin worked for Prime Tanning for 13 years as a color wheel operator, earning \$15.12 an hour. This was a very specific position for which there was not an immediate labor market need in the Seacoast area where Kevin lives. Kevin enrolled in the Prime Tanning NEG project at the local NH Works office, where he received career counseling, resume assistance and job search advice. He was consequently able to secure a position with National Gypsum Company in Portsmouth NH for 40 hours a week earning \$18.79 an hour, a considerable achievement given the current state of the economy and the lack of manufacturing jobs in the area.

Janet

Janet is a single mother of three laid off from the Wausau Paper Mill. Her new employment goal was to work in an office management position. Janet realized that after many years of working in a manufacturing environment she would need new skills to compete in a very tight labor market such as exists in the North Country of New Hampshire. Jane enrolled in the NEG Wausau Paper project and working with her WIA and Trade Act counselors, Janet was able to enroll in an Office Assistant Certificate program at White Mountain Community College. While maintaining a home for her children, she made time for study, attending classes and completing home work assignments, all along remaining upbeat and focused on her goal. Janet completed her training in May 2009. She updated her resume and in a short time was able to secure a position with a local hardware store as a full-time office manager earning \$9.50 per hour. The money is less than what she was making in the factory, but Jane is happy to finally have a job that she truly enjoys and grateful that she was able to find a local job when there are so few jobs available in the area.

Karen

Karen is 56 years old, single, and self-supporting with only one year of college. She had been out of work for two years. Her previous job was Director of Marketing earning \$65,000 a year. When she walked into the NH Works office in July 2009, Karen had used up all available unemployment, her 401K, and most of her savings. She did not have medical insurance, felt like the world no longer needed her, and that she was no longer of value. She could not stop crying, let alone get out of bed and perform basic activities of daily living. Somehow she had the strength to reach out one more time. When she came to the office, it was clear she needed attention beyond WIA. The WIA Counselor called the local health clinic and got her in to see a health professional immediately. The WIA Counselor worked with Karen providing career counseling, including the development of a new employment plan. Karen followed the plan, continued with her medical counseling, and in two months was ready to tackle an intense training program to upgrade her skills and make her marketable again. Karen attended and completed the ARRA funded Web Design track at Blended Solutions in Manchester. She is now employed at Prospect Hill Leads for Technology, in Nashua, NH, as their Marketing Director. This company is a start-up company, and Karen is earning \$20 per hour.

WIA Performance at a Glance (July 1, 2009 – June 30, 2010)

Local Area Name New Hampshire	Total Participants Served	Adults	25,453	
		Dislocated Workers	1,568	
		Older Youth	149	
		Younger Youth	567	
ETA Assigned # 33015	Total Exiters	Adults	30,086	
		Dislocated Workers	781	
		Older Youth	77	
		Younger Youth	263	
		Negotiated Performance Level	Actual Performance Level	
Customer Satisfaction	Program Participants	78	75.6	
	Employers	76	71.1	
Entered Employment Rate	Adults	74%	74.7%	
	Dislocated Workers	80%	77.3%	
	Older Youth	75%	55.2%	
Retention Rate	Adults	84%	79.7%	
	Dislocated Workers	87%	83.9%	
	Older Youth	76%	75.0%	
	Younger Youth	72%	64.0%	
Six Months Average Earnings (Adults and DW) / Earnings Increase (Yth)	Adults	\$9,200	\$9,231	
	Dislocated Workers	\$15,000	\$15,018	
	Older Youth	\$2,500	\$2,059	
Credential/Diploma Rate	Adults	68%	77.3%	
	Dislocated Workers	73%	75.9%	
	Older Youth	57%	41.9%	
Youth Diploma or Equivalent	Younger Youth	68%	84.8%	
Skill Attainment Rate	Younger Youth	78%	81.9%	
Overall Status of Local Performance USDOL considers performance met if 80% of goal is achieved		Not Met	Met	Exceeded
		2	15	7

WIA Financial Statement

July 1, 2009 – June 30, 2010

<u>Operating Results</u>	Available	Expended	Pct.	Balance Remaining
Total All Funds Sources	\$6,811,703	\$4,436,303	65%	\$2,375,400
Adult Program Funds**	\$1,726,195	\$1,234,198	71%	\$491,997
Dislocated Worker Program Funds	\$1,639,470	\$1,144,208	70%	\$495,262
Youth Program Funds	\$1,769,220	\$1,555,265	88%	\$213,955
Out-of-school Youth	\$707,688	\$622,109	88%	\$85,579
In-school Youth	\$1,061,532	\$933,159	88%	\$128,373
Local Administration Funds	\$429,062	\$297,755	69%	\$131,307
Rapid Response Funds	\$226,000	\$52,418	23%	\$173,582
Statewide Activities Funds	\$1,021,756	\$152,460	15%	\$869,296

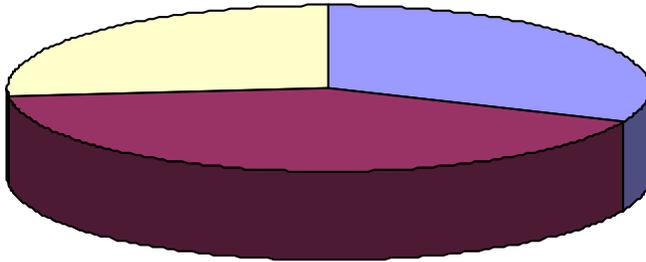
****NOTE: Adult fund expenditures include \$525,000 transferred to serve DW participants.**

<i>Cost-Effectiveness*</i>	C-E Ratio	Financial Positions	Amount
Overall, All Program Strategies	\$2,142	Total Assets	\$1,898,305
Adult Program	\$2,398	Current Assets	\$1,883,070
Dislocated Worker Program	\$1,751	Property, Equipment, Net	\$15,235
Youth Program	\$3,170	Operating and Other Assets	
		Current Liabilities	\$1,898,305
		Liabilities Less Long-Term Debt	\$1,898,305
		Long Term Debt	\$ -0-

*Calculated by dividing the cumulative staff-assisted WIA populations against total allocation (funds available)

Characteristics of Population Served

**Cumulative (Formula & ARRA)
WIA Population: 3,045
(staff-assisted)**



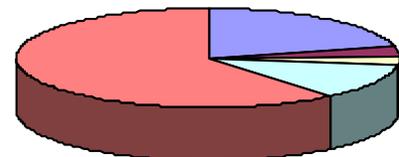
- Adult 976 (33%)
- Dislocated Workers 1,354 (44%)
- Youth 715 (23%)

Population Served by Gender				
	Adults	DW	YY	OY
Male	27%	44%	50%	32%
Female	73%	56%	50%	68%

Total Participant Counts by Ethnicity				
	Adults	DW	YY	OY
White	88%	94%	74%	67%
Hispanic or Latino	4%	1%	12%	14%
Black or African American	6%	2%	5%	12%
American Indian or Alaska Native	<1%	<1%	<1%	0%
Asian	2%	1%	<1%	4%
Hawaiian Native or Pacific Islander	<1%	0%	<1%	0%
More than one race	<1%	<1%	0%	<2%
Did not self identify	3%	2%	8%	5%

Average Age of Participants		
Program	Male	Female
Adults	37.4	31.4
Dislocated Workers	46.1	45.6
Adults & Dislocated Workers	43.3	38.4

Population by Category (Adult and DW)



- Public Assistance 35%
- Veterans 6%
- Individuals With Disabilities 6%
- Older Individuals 12%
- Displaced Homemakers <1%
- Other 41%

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