



Program Year 2009 Annual Report

Adult, Dislocated Worker and Youth Activities Workforce Investment Act of 1998, Title I-B

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submitted by the
Commonwealth of Massachusetts

to the United States Department of Labor
Employment and Training Administration

Commonwealth of Massachusetts

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Introduction

The Massachusetts Executive Office of Labor and Workforce Development (EOLWD) is the state level agency responsible for the oversight of the workforce investment funding received through the U.S. Department of Labor’s Employment and Training Administration. The Department of Workforce Development, the Division of Career Services and the Commonwealth Corporation are designated by EOLWD to implement specific initiatives related to the workforce development system.

Since the inception of the federal Workforce Investment Act (WIA) in 1998, Massachusetts has adopted a statewide strategy to maximize and leverage workforce development resources through our 16 local Workforce Investment Boards and 37 One-Stop Career Centers. In Massachusetts, the One-Stop Career Center system is the cornerstone of service delivery for job development and job search assistance, training referrals and placements, and employer outreach for workforce development services. Our goal is to ensure coordinated delivery of information and services throughout the system.

A. PY09 Review of Massachusetts’ Statewide WIA Title I Performance Measures

State performance goals for Program Year 2009 (PY09 or FY2010: July 1, 2009 to June 30, 2010) were established with the U.S. Department of Labor’s Employment and Training Administration (DOLETA). This report covers performance for adults, dislocated workers and older youth who exited programs during the period between April 2008 and September 2009, and for younger youth who exited programs during the period from April 2008 and March 2009. Funds supporting program services during this period were regular WIA Title I Adult program, Dislocated Worker program, and Youth program grant funds provided through an annual allotment from DOLETA and funds provided through the American Recovery and Reinvestment Act (ARRA).

DOLETA classifies a performance measure/goal as **met** if the percent of goal is between 80% and 100%. A performance measure/goal is **exceeded** if the percent of goal is 100% or higher. All performance goals were met or exceeded. The following is an overview of the performance on each of the seventeen measures. The required statewide Annual Report tables are included in the Appendix to this narrative. They are submitted to USDOL via the on-line reporting system.

Customer Satisfaction: Results from the telephone surveys demonstrate that participants continue to be very satisfied with services provided by our One-Stop Career Centers and local workforce partners, with responses resulting in an American Customer Satisfaction Index (ACSI) score of 81.0, down from 83.6 for PY08. Results for employers were about the same with 76.0 in PY09 compared to 76.1 in PY08, and exceeding the goal of 75.0.

Measure	Negotiated Goal	Actual Performance	Percent of Goal	Performance versus Goal
Participants ACSI	82.0	81.0	98.8%	Met
Employers ACSI	75.0	76.0	101.3%	Exceeded

Adult Program: All four goals were met and three of the four adult goals were exceeded. However, the impact of the recession is evident in over-the-year comparisons. The entered employment rate (74.8%) decreased from the PY08 performance of 81.9% but exceeded the goal of 72%. The adult average six-month earnings of \$10,760 exceeded the \$9,750 goal, but fell short of the \$11,122 level in PY08. The employed-with-credential measure dropped from 76.3% to 72.2%, still exceeding the goal for the fourth consecutive year. The 77.7% retention rate at six months was below the previous year's level of 83.3%.

Measure	Negotiated Goal	Actual Performance	Percent of Goal	Performance versus Goal
Entered Employment Rate	72.0%	74.8%	103.9%	Exceeded
Employment Retention Rate	81.0%	77.0%	95.1%	Met
Average Six-Month Earnings	\$9,750.00	\$10,760.00	110.4%	Exceeded
Employment and Credential Rate	71.0%	72.2%	101.7%	Exceeded

Dislocated Worker Program: The results for dislocated worker programs exceeded three of the four performance goals for PY09. The entered employment rate decreased from 90.2% in PY08 to 79.0% in PY09 in response to recessionary pressures. The retention rate also declined over the year from 91.3% to 84.7% in PY09. Average six-month earnings of \$16,653.30 was below the \$17,292.90 seen in PY08, but exceeded the goal of \$16,000.00. The employed-with-credential measure at 76.7% from 82.5% in PY08 exceeded the goal of 76%.

Measure	Negotiated Goal	Actual Performance	Percent of Goal	Performance versus Goal
Entered Employment Rate	75.0%	79.0%	105.3%	Exceeded
Employment Retention Rate	90.0%	84.7%	94.1%	Met
Average Six-Month Earnings	\$16,000.00	\$16,653.30	104.1%	Exceeded
Employment and Credential Rate	76.0%	76.7%	100.9%	Exceeded

Older Youth: Performance for older youth for PY09 also reflected the impact of the poor economic climate during the performance period. The entered employment rate for older youth (age 19-21) was 75.9%, down from 88.7% in PY08. The retention rate increased slightly from 81.1% in PY08 to 81.5% in PY09. The employed-with-credential rate dropped from 63.4% in PY08 to 50.9% in PY09. The six month average earnings increase substantially exceeded the goal of \$3,800 with a gain from \$4,565.60 in PY08 to \$4,784.50 in PY09.

Measure	Negotiated Goal	Actual Performance	Percent of Goal	Performance versus Goal
Entered Employment Rate	76.0%	75.9%	99.9%	Met
Employment Retention Rate	80.0%	81.5%	101.9%	Exceeded
Six Months Earnings Increase	\$3,800	\$4,784.50	125.9%	Exceeded
Employment/Education and Credential Rate	54.0%	50.9%	94.3%	Met

Younger Youth: Actual performance for younger youth declined in PY09 on all three measures. The skill attainment rate for younger youth (14-18) was 83.8%, down from 86.9% in PY08. The diploma attainment rate of 69.2% was a decline from 72.6% in PY08 but exceeded the goal of 63%. The retention rate (for post-program retention in employment and/or post-secondary education) dropped from 76.2% in PY08 to 67.8% in PY09.

Measure	Negotiated Goal	Actual Performance	Percent of Goal	Performance versus Goal
Skill Attainment Rate	88.0%	83.8%	95.2%	Met
Diploma or Equivalent Rate	63.0%	69.2%	109.8%	Exceeded
Retention in Employment/Education	69.0%	67.8%	98.3%	Met

Performance Summary: Participants covered in this report exited programs into a worsening economic climate than those from the prior year and the impact is evident in declines in over-the-year performance on many of the measures. In PY09, the Commonwealth improved actual performance over the year on 6 of the 17 measures, compared to PY08 where performance improved from the prior year on 10 of 17 goals. Nevertheless, all performance goals were met or exceeded, and the percent-of-goal for 10 measures was 100% or higher. At the local level, all of the Commonwealth's 16 workforce areas met or exceeded their overall goals for the Adult and Dislocated Workers program groups, and fifteen met or exceeded overall goals for the Youth group.

B. Cost of Workforce Investment Activities

The Commonwealth of Massachusetts received a WIA Title I-B allotment of approximately \$57.2 million for Program Year 2009, a decline of 17.7% from the prior year's allotment of \$69.5 million. Of the annual allotment for PY09, \$43.5 million was available for local programs.

Additional funds were made available through the American Recovery and Reinvestment Act (ARRA) for use during the period from February 17, 2009 to June 30, 2011 to supplement the annual WIA Title I-B allotment. The state of Massachusetts received approximately \$56.1 million in ARRA funding, of which local areas received an allocation of \$42.4 million.

Including carry-in funds across all categories and fund sources, the total funds available for PY09 WIA Title I-B activities was around \$100 million. The data presented on Tables 6 and 7 include both regular WIA Title I-B funds and ARRA funds that were available in PY09.

Approximately 85% of available Adult funds were spent with an additional 3% obligated, and 94% of available Dislocated Worker funds were expended and 2% obligated. Ninety-four percent (94%) of Local Youth funds were expended and obligated. Expenditures for out-of-school youth accounted for 47%, less than the 56% spent in PY08. These rates of expenditure demonstrate an effective utilization of these funds by the Commonwealth.

Total All Fund Sources	Available	Expended	Pct Spent	Additional Obligations	Pct Spent or Obligated
Adult Local Program	\$24,437,074	\$20,761,006	85%	\$639,182	88%
Dislocated Worker Local Program	\$23,116,281	\$21,808,331	94%	\$478,439	96%
Youth Local Program*	\$26,507,944	\$23,876,154	90%	\$2,386,530	94%
Out-of-School Youth (non-add)	NA	\$11,326,847	(47% of youth expenditures)		
Statewide Rapid Response Funds	\$11,047,921	\$6,417,448	58%	\$2,289,445	79%
Statewide 15% Activity Funds	\$14,993,695	\$7,409,255	49%	\$5,859,769	88%
Combined Totals	\$100,102,915	\$80,272,194	80%	\$11,653,365	92%

* Does not include ARRA Summer Youth.

Statewide Rapid Response funds, including funds made available for additional assistance to local areas, were expended at the rate of 58% of availability, the percent expended in PY08. The Governor's 15% Reserve for statewide activities and state oversight expended 49% of availability. As in past years, both of these statewide funding types were spent at a slower rate than local allocations as they can be expended over a period of three years and some funds are used for multi-year contracts.

Of the total \$100.1 million available, approximately 80%, or \$80.2 million had been expended by June 30, 2010. An additional \$11.6 million in obligations brought the Commonwealth's end-of-year total of expenditures and obligations to \$91.9 million, representing 92% of total PY09 available funds. This compares to PY08, with \$68.4 million end-of-year total expenditures and obligations, representing 85% of total available PY08 funds (\$80.4 million).

There were 4,450 adult participants and 9,660 dislocated worker participants in PY09 Title I local programs. Overall, adult enrollments were 31% higher than the PY08 level (3,400) and dislocated worker enrollments were 27% above PY08 (7,600). Investment in training services remained strong with 78% (3,490) of WIA Title I adult participants receiving training services. The percent of dislocated worker participants receiving training services (6,790) was 69%. There were 3,910 youth participants in year-round programs, more than half of whom (55%) were out-of-school youth.

Estimates of per participant costs for adults increased in PY09 with an average cost of \$4,665 versus \$4,560 in PY08. The estimated cost per adult who received training services was \$5,252, about \$2,719 more than the cost for an individual receiving only core and intensive services.

Program Strategies	PY2009		PY2008	
	Total Participants	Cost per Participant	Total Participants	Cost per Participant
Adult Program	4,450	\$4,665	3,400	\$4,560
<i>Training/Education Services</i>	3,490	\$5,252	2,460	\$5,260
<i>Core/Intensive Services Only</i>	960	\$2,533	940	\$2,730
Dislocated Worker Program	9,660	\$2,879	7,600	\$3,070
<i>Training/Education Services</i>	6,710	\$3,412	4,760	\$3,980
<i>Core/Intensive Services Only</i>	2,950	\$1,667	2,840	\$1,530
Youth Program*	3,910	\$6,106	3,720	\$4,230
<i>Out-of-School Youth</i>	2,155	\$5,256	2,140	\$4,140
<i>In-School Youth</i>	1,750	\$7,171	1,580	\$4,360

* Does not include ARRA funded Summer Youth participants.

The cost per dislocated worker participant went down in PY09, with an average cost of \$2,879 compared to \$3,070 in PY08. The cost for training participants in PY09 was \$3,412, about \$1,745 more than the average for dislocated workers receiving core and intensive services only (\$1,667). In calculating the costs for dislocated worker programs, funding from partner programs that co-enrolled participants was added to the WIA and ARRA funds. These programs include Rapid Response additional assistance, and TAA/NAFTA/NEG training.

The average cost per year-round youth participant increased to \$6,106 from the PY08 level of \$4,230. The per youth cost for the out-of-school population rose to \$5,256 from \$4,140 in PY08, while for in-school youth the per participant cost increased to \$7,171 from the PY08 level of \$4,360. The percentage of out-of-school youth served was 55% of total youth participants, less than the 58% in PY08. Expenditures on out-of-school youth were 47% of PY09 local youth

expenditures. These levels far exceed the DOL requirement of spending at least 30% of funds on out-of-school youth.

C. Evaluation and Research

The Commonwealth has undertaken evaluation and research projects that reflect a commitment to promoting research and evaluation as integral parts of the design and delivery of workforce development services, and as the foundations of well-informed, evidence-based policy. Research and evaluation activities include:

1. Conduct and disseminate analyses of state and regional labor market information

Regional Workforce Investment Profiles (www.commcorp.org/researchandevaluation/workforce.html) are produced on an annual basis by Commonwealth Corporation, with the guidance of an interagency workgroup. The report details the federal and state resources available in Massachusetts for local services delivery, from each of the major workforce development programs. The funding is broken down by program, by workforce area and by major initiatives such as youth, dislocated workers, incumbent workers, etc. The information presented for each program or resource includes the program name, the amount of resources available during the program year, and the number of people served during the same year. Funding notes for each table provide additional information about programs such as their source of funding, target population, services provided, and distribution of funds.

The *Regional LMI Profiles* (<http://lmi2.detma.org/Lmi/FPlmiforms1.asp>) are produced by the Massachusetts Department of Workforce Development, Division of Career Services. These regional profiles are designed to give state and local policymakers the tools they need to assess the dynamics of Massachusetts' local economies, and to compare and contrast the economic performance of the state's regions. The state and local profiles include data on the labor force, employment, unemployment, industry structure, wages, population trends, and job vacancies.

The *Job Vacancy Survey* (<http://lmi2.detma.org/Lmi/LMIjobvacancy.asp>) is a semiannual survey conducted by the Massachusetts Department of Workforce Development, Division of Career Services. During the 2nd and 4th quarters of each year, nearly 10,000 companies are selected at random by industry, size and region. These employers provide information on the number and types of positions for which they are currently recruiting, the expected education and training requirements for applicants, and the pay and benefits offered to job applicants. Results from the Job Vacancy Survey data are used to identify imbalances between the supply and demand for labor, to help business managers develop effective recruiting strategies, to identify industries and occupations in which jobs are available, and to detect emerging labor and skill shortages.

The *Skills Gap Project* led by Commonwealth Corporation has explored the current and future status of the state's labor market to determine where gaps are between the labor needs of employers and the available supply, the implications of such skills gaps, and what can be done to address these issues. The research shows that while large numbers of people are available to work, employers in selected occupations are experiencing persistent vacancies, due to a skills mismatch. The project takes a closer look at what these jobs are and what skills workers need to get these jobs. The findings have helped to inform local workforce development planning.

As part of this broader effort to understand and explain the “Skills Gap” in Massachusetts, Commonwealth Corporation uses the twice-a-year Job Vacancy Survey to develop and prepare “critical vacancies” reports at the state and regional level to help workforce development practitioners and policy makers gain a better understanding of the specific occupations that are in demand. (www.commcorp.org/researchandevaluation/vacancy-critical.html)

In addition, Commonwealth Corporation has developed and published industry chartbooks which provide a snapshot of a particular industry, including employment, occupational distribution, salary, regional and other data. The first two reports in the series are the *Massachusetts Healthcare Chartbook* and the *Massachusetts Manufacturing Chartbook*. (www.commcorp.org/researchandevaluation/publications.html)

2. Gather baseline study for all workforce development programs and update annually

The Commonwealth’s efforts towards the development of a “Report Card” that could answer basic questions about publicly funded workforce development programs has resulted in the establishment of an *Annual Performance Report of Massachusetts Workforce Development Programs*. The report includes all major workforce programs in Massachusetts, including WIA programs as well as programs operated by WIA partners. The information provided for each program includes the number of individuals served, sources of funding, the level and type of services and activities, and key results and outcomes. The development of this report was supported by the *Performance Standards and Workforce Accountability Task Force* established by state legislation to focus on cross-program performance outcomes, as well as on the enhancement of interagency coordination and the alignment of program resources. The *Annual Performance Report* is coordinated by Commonwealth Corporation, under the leadership of the Performance Committee of the Massachusetts Workforce Investment Board. (<http://www.commcorp.org/researchandevaluation/perfaccountability.html>)

The Commonwealth also published the *Massachusetts 2009 Summer Youth Employment Report*, (<http://www.massworkforce.org/uploads/iss/1060A.pdf>) documenting the Summer Youth Employment Program (SYEP) operated during the summer of 2009 in Massachusetts with WIA, ARRA and state funds. The infusion of additional Recovery Act funds specifically targeted for youth employment resulted in a significant increase in the number of youth who were able to benefit from summer employment. Highlights of the report prepared by Commonwealth Corporation include:

- 85% of participants achieved the work readiness measure under the Recovery Act
- Surveys of youth participants demonstrate a high level of satisfaction with the program (greater than 90%)
- The report summarizes the terms and types of employment options in Massachusetts during the 2009 SYEP
- A “2009 at-a-Glance” review summarizes outcomes and suggested improvements
- A readiness checklist is provided for consideration in developing the local FY 2010 SYEP
- Several local vendor programs are specifically featured

3. Conduct Program Evaluations and Benefit-Cost Analyses

Given scarce public resources for workforce development, the Commonwealth needs recent information on the outcomes of, and public returns to, its investments in workforce development. To this end, the Commonwealth evaluates current and new sectoral and career ladder initiatives focusing on both worker outcomes (e.g., skill gains, mobility, and earnings) and the impact on business/industry (e.g., recruitment cost, quality of care). Studies being conducted include:

- An Evaluation of the *Workforce Competitiveness Trust Fund (WCTF)*: WCTF is an initiative funded by the state legislature that focuses on several critical industry sectors. It is designed to enable a broad range of residents—including older workers, low-wage workers, low-income individuals, disabled citizens, vulnerable youth, incumbent workers and the unemployed—to gain access to employment, education and the skills necessary to move forward along a career path leading to economic self-sufficiency. The ongoing evaluation focuses on how the program affects worker employment, wages, and acquisition of skill credentials.

Commonwealth Corporation staff has also implemented participant and project partner satisfaction surveys, and WCTF projects are each developing and implementing plans to measure business impact. Learning from the business impact measurement process will inform the development of an on-line toolkit to support future projects in this area. In addition, staff has surveyed WCTF project partners to understand the benefits to partner organizations of their involvement in sector partnerships. WCTF evaluation will also include a post-program longitudinal study using wage record data. Presentations on the results of initial research on business impact and partnerships were made at the 4th Annual New England Workforce Development Professionals Conference in June 2010.

- An Evaluation of the *Extended Care Career Ladder Initiative (ECCLI)*: ECCLI provides funds to long-term care facilities and home care agencies to establish career ladders for its entry-level workers. Workers attain both the basic and occupational skills that they need to take advantage of career mobility opportunities. The evaluation examines program outcomes for workers and businesses through a range of methods, including participant surveys on skill gains and program satisfaction, case studies and quantitative analysis to explore business impacts on employers, and comparison of workers' wages before, during and after the program.

Plans are underway to continue the longitudinal analysis of ECCLI program graduates using Massachusetts unemployment insurance wage records. Initial findings from *Nursing Assistants' Earning Gains after Career Ladder Training* were presented at the Annual Scientific Meeting of the Gerontological Society of America in November 2008. The study found that the participants' wages increased at a higher rate after ECCLI training as compared to the rate of change in the years before participation, for both home care aides as well as for facility-based certified nursing assistants. This non-experimental analysis suggested that ECCLI participation boosted earnings for direct care workers.

D. Waivers

The following waivers were in effect in the Commonwealth of Massachusetts during Program Year 2009.

1. Use of Formula Funds for Incumbent Worker Training

Waiver to enable local workforce investment regions to expand training activities for individuals, including incumbent workers, to better meet the needs of a regional economy. Waives language limiting use of local formula funding for adults and dislocated workers in order to allow local areas to utilize up to 10% of these resources for allowable statewide employment and training activities, including flexible training design for unemployed and incumbent worker training activities, as described by WIA Section 134(a)(3)(A). Funds are tracked by funding stream. Under this waiver:

- use of adult funds must be restricted to serving low-income adults;
- incumbent worker training must be a part of a layoff aversion strategy;
- all training delivered in conjunction with the waiver is restricted to skill attainment activities; and
- performance outcomes for individuals served under this waiver are reported in WIASRD.

In accordance with its implementation of the waiver, the Commonwealth issued MassWorkforce Issuance No. 10-05, WIA Waivers Profile for FY 2010 providing instruction to the One-Stop Career Center system.

To date, this waiver has not been utilized.

2. Use of Rapid Response Funds for Incumbent Worker Training

Waiver to allow the use of up to a 10% portion of rapid response funding described in WIA Sec. 133(a)(2) funding for incumbent worker training as part of the state resources to assist regions, workers and companies anticipating layoffs to retain workers or retrain workers for new companies for layoff aversion and skill development purposes. Under the waiver:

- all incumbent worker training delivered under the waiver must be part of a layoff aversion strategy;
- all training delivered under the waiver is restricted to skill attainment activities;
- performance outcomes for individuals served under this waiver are reported in WIASRD; and
- The waiver does not apply to funds made available through ARRA.

In accordance with its implementation of the waiver, the Commonwealth issued MassWorkforce Issuance No. 10-05, WIA Waivers Profile for FY 2010 providing instruction to the One-Stop Career Center system.

To date, this waiver has not been utilized.

3. Expanded Transfer Authority – Adult and Dislocated Worker Funds

Waiver to enable local workforce investment regions to transfer up to 50% of Adult and Dislocated Worker funds between the two programs. The waiver provides local boards with greater flexibility to respond to changes in their local labor markets, and helps ensure that WIA funds allocated to each local area are being utilized in a way that maximizes customer service.

This waiver was initially authorized for Massachusetts in 2005. For those workforce investment areas that have chosen to utilize the waiver, the expanded transfer authority has provided the added flexibility necessary to enable these local areas to more effectively meet training service demand levels resulting from the increased numbers of dislocated workers. As the economy continues to recover, it is important that the Commonwealth retain the increased flexibility in order to assure the most effective response to changes in local labor market conditions and ensure that funds allocated to each local area are utilized in a manner that best meets customer service needs.

In accordance with continued implementation of the waiver, the Commonwealth issued MassWorkforce Issuance No. 10-05, WIA Waivers Profile for FY 2010 providing instruction to the One-Stop Career Center system.

Use of this waiver by local areas has been limited; those areas that have requested to transfer funds from the Adult fund stream to the Dislocated Worker fund stream have done so in order to provide additional training opportunities to Dislocated Workers. There isn't evidence that indicates that use of this waiver has impacted either state or local performance outcomes.

4. Waiver of Competitive Procurement Requirement for Youth Follow-Up Services

Waiver to allow follow-up services to be combined with youth program design framework services, without a need for a competitive procurement process.

Under the regulations, all ten elements of youth services, including follow-up services, must be provided by youth service providers that have been procured in separate competitive bidding processes. Framework services may be provided either by the fiscal agent without a competitive procurement, or by another organization subsequent to a competitive award. Providers of framework services are in a better position to provide follow-up services to youth, and the requirement of an additional competitive bidding process for follow-up services is duplicative and burdensome.

This waiver, initially authorized for implementation by the Commonwealth in 2005, enables a more streamlined approach to case management by allowing providers of youth framework services to provide personal attention on a consistent basis to each youth as they access many different programs available for education and training.

In accordance with implementing the waiver, the Commonwealth issued WIA Communication No. 05-69, WIA Title I Youth-Related Waiver Authority and MassWorkforce Issuance No. 07-26, Implementing the Waiver for Youth Framework and Follow-up Services providing instruction to the One-Stop Career Center system.

5. Allowance of Companion Contracts for Summer Youth Employment Activities

This waiver relates to procurement requirements for youth services in WIA section 123. Pursuant to WIA Section 189(i)(4)(B); regulations at 20 CFR 661.420; and Recovery Act guidance in TEGL 14-08, the Commonwealth of Massachusetts requested this waiver to: 1) expand existing competitively procured contracts by a certain percentage and; 2) conduct expedited, limited competition to select service providers for the summer employment service element during the summer of 2010.

This waiver applied only to contracts providing services to youth participants served through WIA Youth program funds made available through the American Recovery and Reinvestment Act of 2009 and was effective through September 30, 2010. The waiver allowed local areas to move forward with existing vendors who previously qualified for awards, resulting in significantly reduced time frames between funding announcements and actual local program implementation. This led to expedited eligibility/assessment/job matching processes at the local level.

In accordance with implementing the waiver, the Commonwealth issued MassWorkforce Policy Issuance No. 09-52, ARRA Related Youth Waivers providing instruction to the One-Stop Career Center system.

6. Youth Performance Measures Waiver for Work Experience Only

Waiver relating to performance accountability requirements for youth services in WIA section 136. Pursuant to WIA Section 189(i) (4) (B); WIA Federal regulations at 20 CFR 661.420; and Recovery Act guidance in TEGL No. 14-08 the Commonwealth requested a waiver affecting services to out-of-school youth ages 18 – 24 during non-summer months including: 1) waiver of the statutory performance measures for out-of-school youth served beyond the summer months who participate in work experience only; 2) use of the work readiness indicator as the only indicator of performance; 3) program design flexibility as articulated in section 16.A of TEGL No. 14-08 including: flexibility to determine which program elements are provided with Recovery Act funds; appropriateness of 12 month follow up; type of assessment and individual service strategy; and appropriateness of academic learning connected to summer employment.

This waiver applied only to youth participants served through WIA Youth program funds made available through the American Recovery and Reinvestment Act of 2009 and was applicable only from October 1, 2009 through March 31, 2010.

Through use of this waiver, local areas were able to allot additional funding and other resources to the summer jobs program resulting in a more streamlined focus for providers and increased youth participation.

In accordance with implementing the waiver, the Commonwealth issued MassWorkforce Policy Issuance No. 09-52, ARRA Related Youth Waivers providing instruction to the One-Stop Career Center system.

7. Program Design Flexibility in Serving Youth Who Participate in Work Experience Only

Through this waiver, Massachusetts provides program design flexibility in serving out-of-school youth ages 18 to 24 who only participate in work experience that occurs outside of the summer months.

For areas that implemented this waiver, vendors were able to focus the program design on Work Readiness, permitting a more streamlined approach, enabling increased youth participation and resulting in an enhanced focus on providing the most meaningful work readiness experience possible.

This waiver applied only to youth participants served through WIA Youth program funds made available through the American Recovery and Reinvestment Act of 2009 and was applicable only from October 1, 2009 through March 31, 2010.

In accordance with implementing the waiver, the Commonwealth issued MassWorkforce Policy Issuance No. 09-52, ARRA Related Youth Waivers providing instruction to the One-Stop Career Center system.

8. Waiver of Required 50 Percent Employer Contribution for Customized Training

The waiver allows for a sliding scale for a participating employer contribution based on the size of the employer. For employers with 50 or fewer employees, no less than a 10 percent match is required. No less than a 25 percent match is required for employers of 51 to 250 employees. For employers with more than 250 employees the 50 percent contribution will continue to apply.

The sliding scale provides an incentive for increased employer participation in customized training and expands employer involvement with the State's workforce system, particularly among small and medium-sized businesses. The waiver also encourages enhanced capacity and relationship building among a region's business, education and workforce development communities as a means of focusing resources on emerging skill acquisition and sustainability.

The Commonwealth is currently in the process of finalizing a formal implementation policy for use of this waiver; however, local areas are aware of the availability of this waiver and have been instructed to contact the Division of Career Services for assistance with waiver implementation. To date, the waiver has not been utilized.

9. Waiver to Permit Use of ITAs for Older and Out-of-School Youth

The approval allows local areas to expand training opportunities for youth through the use of Title I Youth funds to establish Individual Training Accounts (ITAs) while retaining limited adult funds to be used on adult training services. This waiver was granted without the need for a formal request as USDOL has determined that it has become a fundamental aspect of the operation of the workforce system.

The waiver broadens access to training services for youth, allowing eligible youth to select from the statewide list of pre-qualified providers of occupational skill training and provides relief to local workforce boards from the requirement to conduct a separate competitive procurement for

youth training services. The ITA provider eligibility process satisfies federal and state competitive procurement criteria.

In accordance with implementing the waiver, the Commonwealth issued WIA Communication No. 05-69, WIA Title I Youth-Related Waiver Authority.

To date, there have been a small number of youth ITAs. There isn't evidence that indicates that use of this waiver has impacted either state or local performance outcomes.

APPENDIX

Commonwealth of Massachusetts

WIA Title I-B PY09 Annual Report Form (ETA 9091)

Table A - Workforce Investment Act Customer Satisfaction Results

Customer Satisfaction	Negotiated Performance Level	Actual Performance Level - American Customer Satisfaction Index	Number of Completed Surveys	Number of Customers Eligible for the Survey	Number of Customers Included in the Sample	Response Rate
Participants	82.0	81.0	747	6,845	1,200	62.3%
Employers	75.0	76.0	654	11,053	1,200	54.5%

NOTE ON TABLES B – L ON PAGES 16 - 20

Next to the actual performance levels and outcomes data displayed on Tables B - L are the data used in the calculations. The bottom number (denominator) is the total number of individuals in the cohort and the top number (numerator) is the number of individuals or earnings for individuals in the cohort with a positive outcome. Earnings data are derived from wage records. Data are rounded to the nearest tenth.

Table B - Adult Program Results At-A-Glance

Reported Information	Negotiated Performance Level	Actual Performance Level	
Entered Employment Rate	72.0%	74.8%	1127
			1507
Employment Retention Rate	81.0%	77.0%	1074
			1394
Six Months Average Earnings	\$9,750.00	\$10,760.00	\$9,770,215
			908
Employment And Credential Rate	71.0%	72.2%	854
			1183

Table C - Outcomes for Adult Special Populations

Reported Information	Public Assistance Recipients Receiving Intensive or Training Services		Veterans		Individuals With Disabilities		Older Individuals	
Entered Employment Rate	72.5%	637	76.5%	39	62.1%	59	68.8%	75
		879		51		95		109
Employment Retention Rate	75.1%	564	72.3%	34	75.0%	51	73.0%	65
		751		47		68		89
Six Months Average Earnings	\$9,670.00	\$4,525,486	\$13,251.00	\$344,530	\$9,034.00	\$388,465	\$11,851.00	\$651,820
		468		26		43		55
Employment And Credential Rate	69.4%	482	83.3%	30	60.9%	42	66.1%	37
		695		36		69		56

Table D - Other Outcome Information for the Adult Program

Reported Information	Individuals Who Received Training Services		Individuals Who Received Only Core and Intensive Services	
Entered Employment Rate	77.0%	745	70.7%	382
		967		540
Employment Retention Rate	80.0%	758	70.9%	316
		948		446
Six Months Average Earnings	\$10,658.00	\$6,746,788	\$10,994.00	\$3,023,427
		633		275

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

Reported Information	Negotiated Performance Level	Actual Performance Level	
Entered Employment Rate	75.0%	79.0%	2411
			3051
Employment Retention Rate	90.0%	84.7%	2168
			2559
Six Months Average Earnings	\$16,000.00	\$16,653.30	\$30,592,160
			1837
Employment And Credential Rate	76.0%	76.7%	1426
			1858

Table F - Outcomes for Dislocated Worker Special Populations

Reported Information	Veterans		Individuals With Disabilities		Older Individuals		Displaced Homemakers	
Entered Employment Rate	77.5%	189	70.4%	57	65.6%	470	100.0%	1
		244		81		716		1
Employment Retention Rate	83.1%	187	88.2%	60	81.4%	415	100.0%	2
		225		68		510		2
Six Months Average Earnings	\$18,906.10	\$2,835,911	\$12,120.90	\$569,682	\$15,654.70	\$5,385,227	\$11,543.40	\$23,087
		150		47		344		2
Employment And Credential Rate	82.7%	105	77.1%	37	73.8%	240	0.0%	0
		127		48		325		0

Table G - Other Outcome Information for the Dislocated Worker Program

Reported Information	Individuals Who Received Training Services		Individuals Who Received Only Core and Intensive Services	
Entered Employment Rate	83.1%	1502	73.1%	909
		1807		1244
Employment Retention Rate	86.3%	1477	81.6%	691
		1712		847
Six Months Average Earnings	\$15,955.50	\$19,736,926	\$18,092.10	\$10,855,234
		1237		600

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

Reported Information	Negotiated Performance Level	Actual Performance Level	
Placement in Employment or Education	N/A	72.6%	1062
			1462
Attained Degree or Certificate	N/A	57.6%	739
			1282
Literacy or Numeracy Gains	N/A	26.0%	197
			769

Table H.2 - Older Youth Results At-A-Glance

Reported Information	Negotiated Performance Level	Actual Performance Level	
Entered Employment Rate	76.0%	75.9%	227
			299
Employment Retention Rate	80.0%	81.5%	260
			319
Six Months Earnings Gain	\$3,800.00	\$4,784.50	\$1,062,160
			222
Credential Rate	54.0%	50.9%	201
			395

Table I - Outcomes for Older Youth Special Populations

Reported Information	Public Assistance Recipients		Veterans		Individuals With Disabilities		Out-of-School Youth	
Entered Employment Rate	72.6%	82	0%	0	77.3%	34	76.1%	201
		113		0		44		264
Employment Retention Rate	81.7%	103	0%	0	73.9%	34	81.3%	235
		126		0		46		289
Six Months Earnings Gain	\$5,365.40	\$466,791	\$0	0	\$3,926.00	\$121,705	\$4,782.90	\$956,587
		87		0		31		200
Credential Rate	50.7%	72	0%	0	54.8%	34	50.7%	173
		142		0		62		341

Table J - Younger Youth (14-18) Results At-A-Glance

Reported Information	Negotiated Performance Level	Actual Performance Level	
Skill Attainment Rate	88.0%	83.8%	2815
			3358
Diploma or Equivalent Attainment Rate	63.0%	69.2%	700
			1011
Retention Rate	69.0%	67.8%	667
			984

Table K - Outcomes for Younger Youth Special Populations

Reported Information	Public Assistance Recipients		Individuals With Disabilities		Out-of-School Youth	
Skill Attainment Rate	85.6%	962	83.7%	969	80.4%	1234
		1124		1158		1535
Diploma or Equivalent Attainment Rate	71.5%	206	69.6%	229	61.6%	299
		288		329		485
Retention Rate	64.8%	225	65.7%	201	61.9%	374
		347		306		604

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	73.6%	1058	\$3,003.00	\$3,751,066	2.7%	30	\$4,586.00	\$4,513,107	64.7%	482
		1437		1249		1127		984		745
Dislocated Workers	79.4%	2186	80.2%	\$34,332,055	3.8%	91	\$7,960.00	\$17,312,695	70.0%	1051
		2754		\$42,818,678		2411		2175		1502
Older Youth	70.6%	228	\$4,864.00	\$1,079,724	6.6%	15	\$2,625.00	\$451,446	N/A	N/A
		323		222		227		172		N/A

Table M - Participation Levels

	Total Participants Served	Total Exiters
Total Adults	23,262	13,851
Adults Self-Service Only	9,424	7,844
WIA Adults (includes self-service)	13,877	10,038
WIA Dislocated Workers	9,662	3,890
Total Youth (14-21)	3,906	1,922
Younger Youth (14-18)	2,810	1,446
Older Youth (19-21)	1,096	476
Out-of-School Youth	2,155	1,082
In-School Youth	1,751	840

Table N - Cost of Program Activities

Program Activity (PY09 WIA, ARRA & Carry-Over)		Total Federal Spending
Local Adults		\$20,761,006
Local Dislocated Workers		\$21,808,331
Local Youth		\$23,876,154
Rapid Response (up to 25%) §134 (a) (2) (A)		\$6,417,448
Statewide Required Activities (Up to 15%) §134 (a) (2) (B)		\$4,573,551
Statewide Allowable Activities §134 (a) (3) [excludes administration]	Providing capacity building to local areas.	\$320,000
	Conducting research and/or demonstration projects.	\$2,515,704
Total of All Federal Spending Listed Above		\$80,272,194



Commonwealth of Massachusetts

Deval L. Patrick, Governor
Timothy P. Murray, Lt. Governor

Executive Office of Labor and Workforce Development
Joanne F. Goldstein, Secretary

Department of Workforce Development
Michael Taylor, Director

Nancy Snyder, President
Commonwealth Corporation