

CAREER CENTERS

BROADWAY

915 Broadway
Sacramento, CA 95818
(916) 324-6202

CITRUS HEIGHTS

7640 Greenback Lane
Citrus Heights, CA 95610
(916) 676-2540

FRANKLIN

7000 Franklin Blvd., Suite 540
Sacramento, CA 95823
(916) 262-3200

GALT

1000 C Street, Suite 100
Galt, CA 95632
(209) 744-7702

GREATER SACRAMENTO URBAN LEAGUE

3725 Marysville Blvd.
Sacramento, CA 95838
(916) 286-8600

HILLSDALE

5655 Hillsdale Blvd., Suite 8
Sacramento, CA 95842
(916) 263-4100

LA FAMILIA COUNSELING CENTER

5523 34th Street
Sacramento, CA 95820
(916) 227-2577

LEMON HILL

5451 Lemon Hill Avenue
Sacramento, CA 95824
(916) 433-2620

MARK SANDERS COMPLEX

2901 50th Street
Sacramento, CA 95817
(916) 227-1395

MATHER

10638 Schirra Avenue
Mather, CA 95655
(916) 228-3127

RANCHO CORDOVA

10665 Coloma Rd., Suite 200
Rancho Cordova, CA 95670
(916) 942-2165

SOUTH COUNTY

8401 - A Gerber Road
Sacramento, CA 95828
(916) 689-3560

Administrative Offices & Employer Services

925 Del Paso Blvd.
Sacramento, CA 95815
(916) 263-3800

Website: <http://www.seta.net>



SACRAMENTO WORKS, INC. PLANNING/OVERSIGHT COMMITTEE

Date: Tuesday, February 15, 2005

Time: 3:30 p.m.

Location: SETA
Shasta Room
925 Del Paso Blvd.
Sacramento, CA 95815

AGENDA

1. Call to Order/Roll Call
2. **ACTION ITEM:** Approval of Minutes of the December 14, 2004 Meeting
3. **ACTION ITEM:** Sacramento Works Board Retreat (Robin Purdy/Kathy Kossick)
4. **DISCUSSION ITEM:** WIA/One Stop Career Center Evaluation (core and intensive services) (Robin Purdy)
5. **ACTION ITEM:** Approval of Resource Allocation Plan for 2005-2006 (Roy Kim)
6. **ACTION ITEM:** Approval of Performance Incentive Policy (Bette Blanchard)
7. **INFORMATION ITEM:** Workforce Investment Act Legislative Update (Robin Purdy)
8. **INFORMATION ITEM:** Update on WIA Governor's Discretionary Grant Applications - oral report (Robin Purdy)
9. **INFORMATION ITEM:** Update on Sacramento Construction and Design Consortium Business Plan (Rick Larkey)
10. Input from the public

11. **Next Meeting:** Tuesday, March 15, 2005, 3:30 p.m. Shasta Room
12. Adjournment

Committee Members: Larry Suddjian (Chair), Joan Dailey Polster, Rick Dibble, Matt Kelly, Kathy Kossick, Jim Lambert, Jack Padley, James Pardun.

DISTRIBUTION DATE: THURSDAY, FEBRUARY 10, 2005

Sacramento Works, Inc.
Planning Oversight Committee
Minutes/Synopsis

SETA Board Room
925 Del Paso Blvd.
Sacramento, CA 95815

December 14, 2004
3:30 p.m.

1. **Call to Order/Roll Call:** Mr. Suddjian called the meeting to order at 3:32 p.m.

Members Present: Larry Suddjian (Chair), Joan Dailey Polster, Rick Dibble, Kathy Kossick, Jim Lambert, James Pardun

Members Absent: Matt Kelly, Jack Padley

Others Present: Phil Cunningham, Christine Welsch, Robin Purdy, Bill Walker, Roy Kim, Cindy Sherwood Green.

2. **ACTION ITEM:** Approval of Minutes of the November 8, 2004 Meeting

Moved/Kossick, second/Lambert, to approve the minutes of the November 8, 2004 meeting as distributed.

Voice Vote: Unanimous approval.

3. **ACTION ITEM:** Review and Approve Governor's 15% WIA Proposals from Sacramento County

Ms. Robin Purdy reviewed this item and distributed a chart providing an overview of the proposals requesting endorsement. A maximum of \$800,000 can be requested.

There are three funding categories included in the RFP: 1) growth industries, 2) removing barriers for Special Populations, and 3) Industries with a Statewide Need: Nurses and Healthcare. The following proposals were reviewed by the committee:

1. California Association of Health Facilities: No action will be taken on this proposal. A proposal summary was not submitted to staff.
2. Center for Employment Training. Mr. Carlos Lopez addressed the committee and spoke about the proposal. CET has worked several years as a partner in four of the career centers. If they received the full \$800,000, about 1/3 of the money would be spent in Sacramento County.
3. Crossroads Employment Services: Mr. Danny Marquez addressed the committee. This proposal will work with young adults that have barriers to employment. If they receive the maximum amount, approximately 200-250

customers will be served. This particular grant will be working closely with the construction industry.

4. Elk Grove Adult Education: Juanita Sendejas Lopez, Christina Chavez, and Sherry Reese addressed the committee. This proposal requests \$142,000 to train 40 customers as short order cooks. This proposal will be targeting ex-offenders and troubled youth. They already have a training program in the culinary field. The program would be 21 weeks in length.
5. Linking Education and Economic Development: Ms. Christine Welsch stated that this proposal continues the work of the LEED Building Construction Consortium. This proposal is requesting \$800,000 and will serve 1,000 customers.
6. Sacramento Chinese Community Service Center. Kevin Thai spoke before the Committee. This proposal will be working with students at Luther Burbank that are foster youth, offenders or youth at high risk of gang involvement. The younger youth will be involved in doing community projects until they are older.
7. SETA, Cindy Sherwood Green spoke to the committee regarding this proposal to increase nursing instructors in the region. This proposal will request \$800,000 for a 24-month project.

Veterans Employment-Related Assistance Program Funds

Mr. Rick Dibble stated that he would not be participating in the discussion or voting on this particular proposal.

8. Sacramento Veterans Resource Center: Mr. Gary Colgan and Ms. Su Kalua stated that this proposal is requesting \$500,000 to provide assistance to 283 eligible veterans. They have a close working relationship with the career centers. They also have their own on-site resource center.

The grants are due December 29 and it is hoped that the funds will be allocated by April or May. State staff is available to answer the questions regarding the paperwork on this proposal.

Moved/Lambert, second/Dibble, to make a finding that these proposals are consistent with the goals of Sacramento Works, and endorse these proposals for funding.

Voice Vote: Unanimous approval with the following abstentions:

Joan Dailey Polster on Sacramento Chinese Community Center

Rick Dibble on VEAP

Kathy Kossick on SETA

4. Input from the public
5. Adjournment: Meeting adjourned at 4:50 p.m.

ITEM 3 - ACTION

SACRAMENTO WORKS, INC. BOARD RETREAT

BACKGROUND:

Sacramento Works, Inc., the local workforce investment board for Sacramento County has held bi-annual strategic planning retreats since it 's inception to

- ➔ Define who and what we are
- ➔ Analyze our strengths, weaknesses, threats, and opportunities
- ➔ Identify our strategic direction
- ➔ Develop the business plan

At the last meeting, the board requested that the Planning Committee take on the task of developing the theme and agenda for the next board retreat, to be held in April, 2005. The retreat facilitator is expected to be Virginia Hamilton from the California Workforce Association.

Nancy Hogan, Clerk of the Boards, has contacted the board members to identify their availability in April and staff will be contacting various retreat centers and hotels to identify a site for the retreat. An oral report will be presented.

RECOMMENDATION:

Discuss and develop the theme and agenda for the April Board retreat.

ITEM 4 – DISCUSSION

WIA/ONE STOP CAREER CENTER EVALUATION

BACKGROUND:

Attached for your review are copies of reports from the Sacramento Works, Inc. Career Centers indicating Core and Intensive services.

Staff will be available to review these reports with committee members.



Sacramento Works Career Center
CORE SERVICE REPORTS
July 2004 - December 2004

Core Service Activity
Career Center Customer Visits
Customer Age
Customer Education Status
Customer Employment Characteristics
Customer Ethnicity

Core Service Activity Report 7-1-04 to 12-31-04

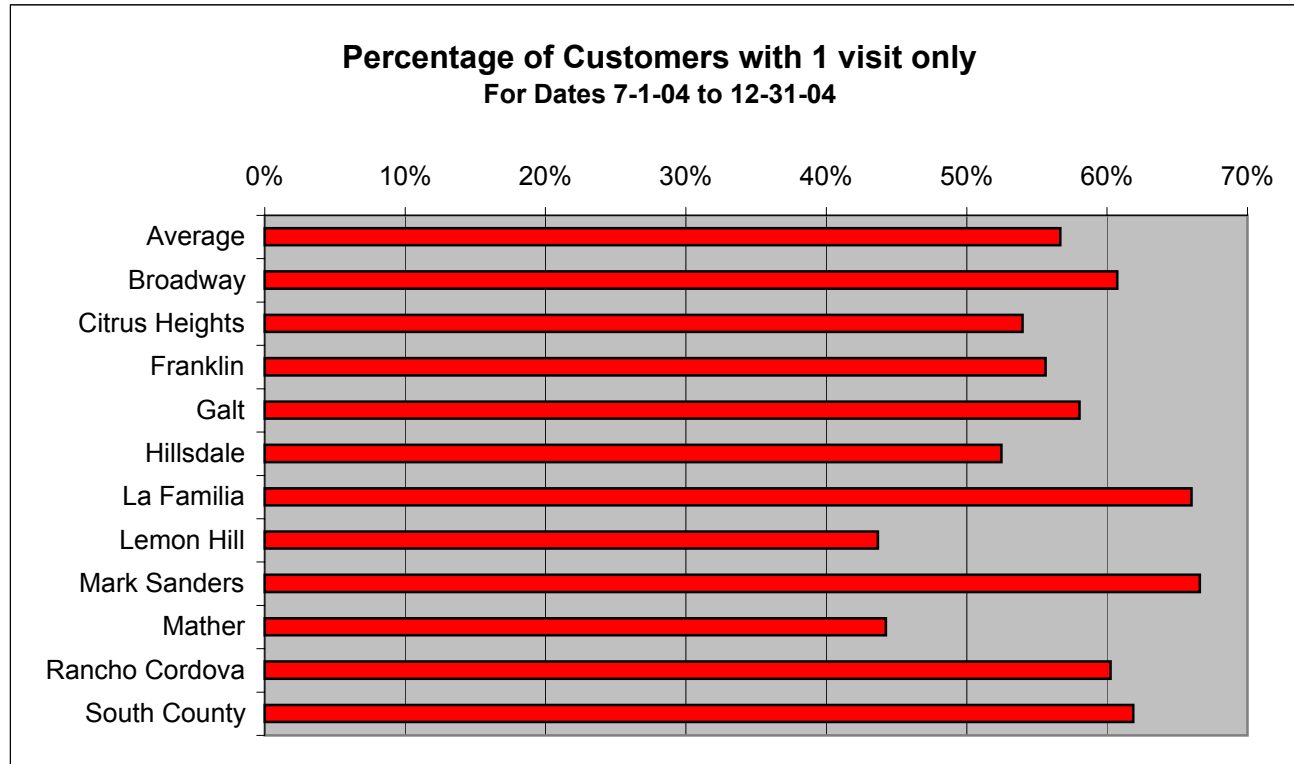
Number of Core Service Visits by SWCC

Career Center Name	Broadway	Citrus Heights	Franklin	Galt	Hillsdale	La Familia	Lemon Hill	Mark Sanders	Mather	Rancho Cordova	South County	Urban League	Totals
One-on-One Orientation	56	292	139	147	739	681	223	151	136	514	1075	4	4157
Group Orientation	113	161	218	3	147	330	158	496	16	35	285	0	1962
Spanish Orientation	0	0	0	0	0	0	0	0	0	0	4	0	4
Resume	421	264	1393	395	2352	479	646	1394	371	702	359	4	8780
Posted Job Listings	832	2768	668	358	1438	1209	2931	4409	1443	1269	1276	3	18604
Internet Job Search	1439	989	1919	455	2225	761	2372	6032	3520	1209	1354	6	22281
CalJOBS	2311	58	498	54	33	254	348	13	0	147	818	3	4537
CalJOBS Resume	159	11	46	10	3	71	96	37	6	54	32	3	528
Info & Referral (Child care, Transportation, Health, Housing, Food, Advocacy, Crisis Intervention, Financial Assisatnce	40	0	37	8	53	189	561	3	16	0	4	2	913
Unemployment Insurance Info and Referral	4	13	6	9	0	3	1	54	0	31	2	0	123
Staff Assessments	995	110	209	71	653	55	495	27	110	235	69	0	3029
Computer Assessments	18	127	52	27	107	90	448	51	73	44	146	0	1183
Self Assessments	173	11	22	4	14	51	47	9	16	13	9	0	369
Plato	1	0	6	0	0	0	0	0	0	18	0	0	25
WIA Eligibility Appointment	62	4	41	12	109	139	28	13	23	9	51	0	491
CalWORKs-Summer Youth Eligibility Appointment	0	1	2	2	0	3	1	3	0	0	1	0	13
Labor Market Information	16	3	9	11	5	23	78	63	1	11	0	2	222
Program Performance Information	28	0	26	1	425	3	0	5	0	13	0	0	501
Employer Presentation	370	5	151	40	120	87	259	674	30	121	260	0	2117
Youth Specialist Referral	3	8	21	74	29	523	5	4	0	47	3	0	717
Foster Youth Services Referral	21	0	66	2	44	5	1	4	0	0	2	0	145
Youth Specialist School & Community Linkages	4	180	0	2	0	0	5	0	0	13	19	0	223
Youth Specialist Orientation & Assessment	19	8	14	4	6	1	5	0	0	22	28	0	107
Core Workshop Services	1347	86	236	87	233	537	753	405	0	192	972	0	4848
Total Services	8432	5099	5779	1776	8735	5494	9461	13847	5761	4699	6769	27	75879

Total Clients	3450	1863	2129	641	2864	1121	1974	6346	1114	1568	2728	12
Total Visits	8058	5049	5079	1596	8418	2078	7769	12975	5627	3632	6294	13

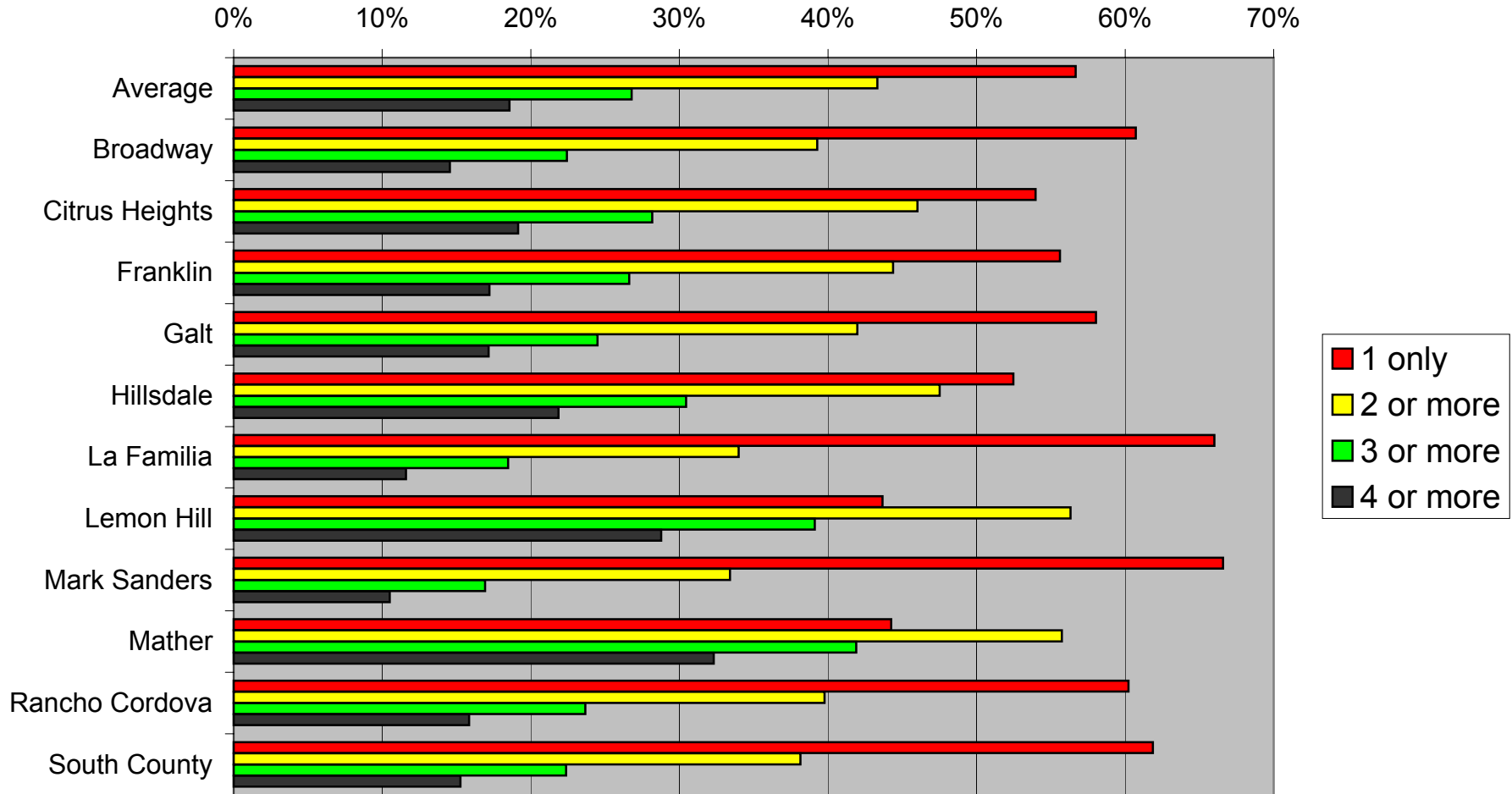
Customer Visit Breakdown 7-1-04 to 12-31-04

Visits	Average	Broadway	Citrus Heights	Franklin	Galt	Hillsdale	La Familia	Lemon Hill	Mark Sanders	Mather	Rancho Cordova	South County
1 only	56.68%	60.72%	53.97%	55.61%	58.03%	52.48%	66.01%	43.67%	66.59%	44.25%	60.23%	61.86%
2 or more	43.32%	39.28%	46.03%	44.39%	41.97%	47.52%	33.99%	56.33%	33.41%	55.75%	39.77%	38.14%
3 or more	26.78%	22.43%	28.17%	26.61%	24.49%	30.45%	18.47%	39.11%	16.92%	41.90%	23.67%	22.37%
4 or more	18.57%	14.55%	19.15%	17.21%	17.16%	21.86%	11.60%	28.77%	10.51%	32.31%	15.84%	15.26%



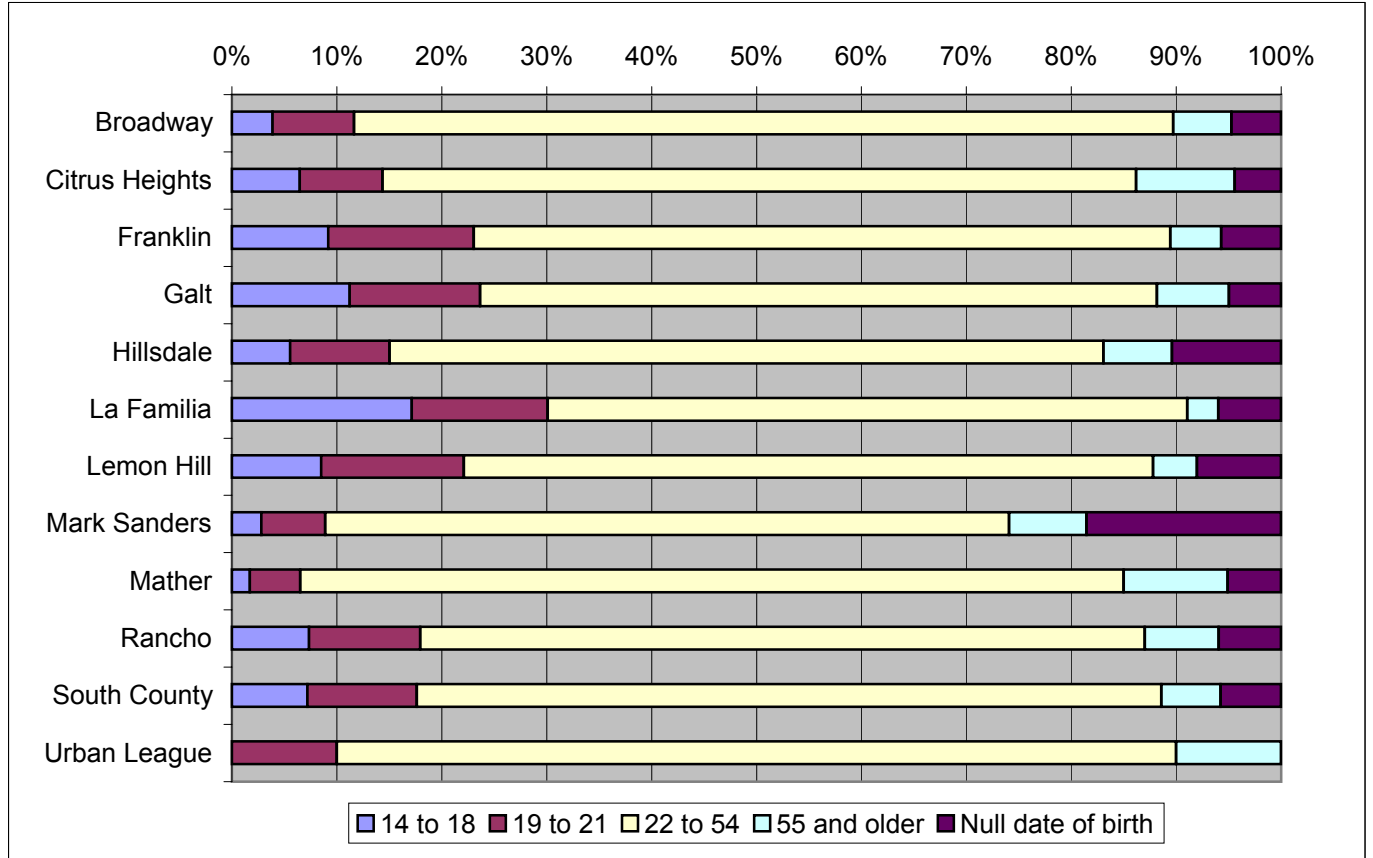
Number of Visits Comparison Chart

For Dates 7-1-04 to 12-31-04



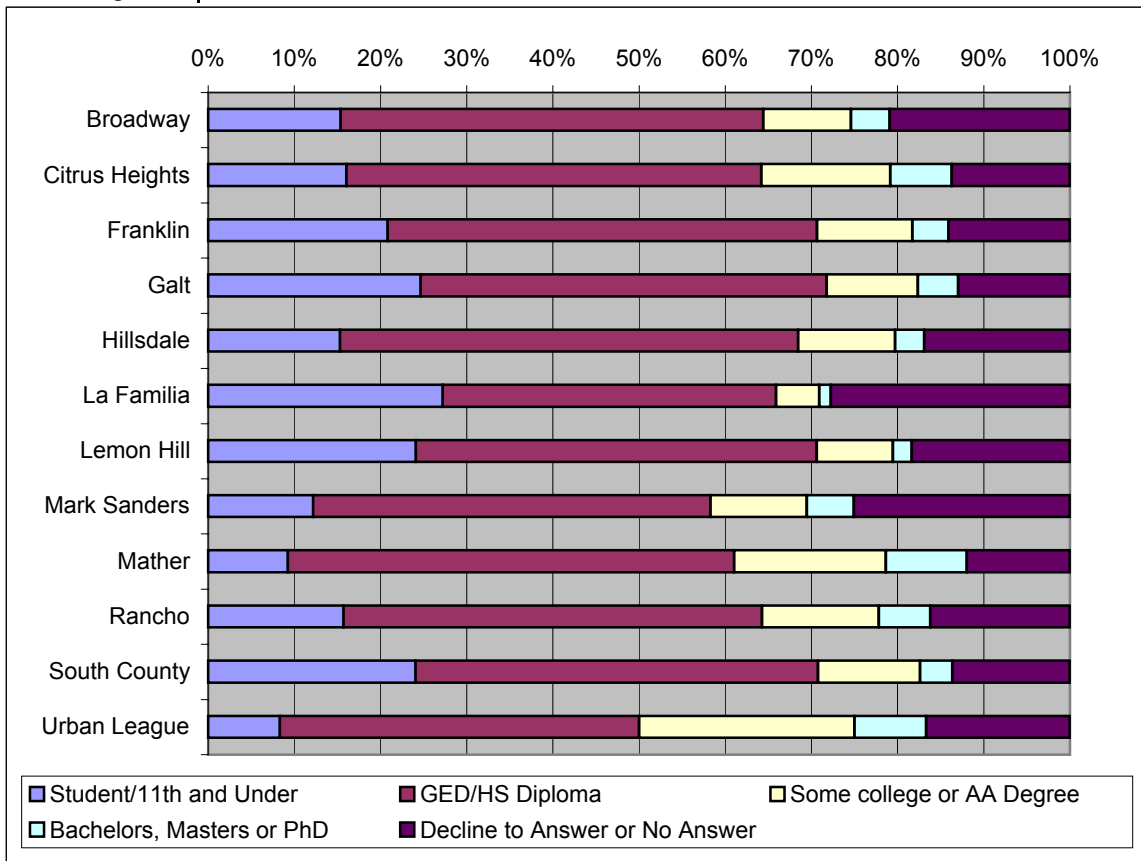
Age Breakdown for 7-1-04 to 12-31-04 from Bar Coded Core Services

ONESTOP	14 to 18	19 to 21	22 to 54	55 and older	Null date of birth
Average	5.99%	9.16%	69.16%	6.43%	9.26%
Broadway	3.89%	7.75%	78.08%	5.54%	4.74%
Citrus Heights	6.46%	7.91%	71.81%	9.41%	4.41%
Franklin	9.19%	13.86%	66.40%	4.85%	5.69%
Galt	11.21%	12.46%	64.49%	6.85%	4.98%
Hillsdale	5.54%	9.48%	68.04%	6.55%	10.39%
La Familia	17.14%	12.95%	60.98%	2.95%	5.98%
Lemon Hill	8.51%	13.60%	65.71%	4.18%	8.01%
Mark Sanders	2.82%	6.09%	65.17%	7.38%	18.54%
Mather	1.70%	4.83%	78.46%	9.92%	5.09%
Rancho	7.36%	10.61%	69.02%	7.06%	5.95%
South County	7.19%	10.43%	70.96%	5.65%	5.76%
Urban League	0.00%	10.00%	80.00%	10.00%	0.00%



Education Status Breakdown 7-1-04 to 12-31-04 from Bar Coded Core Services

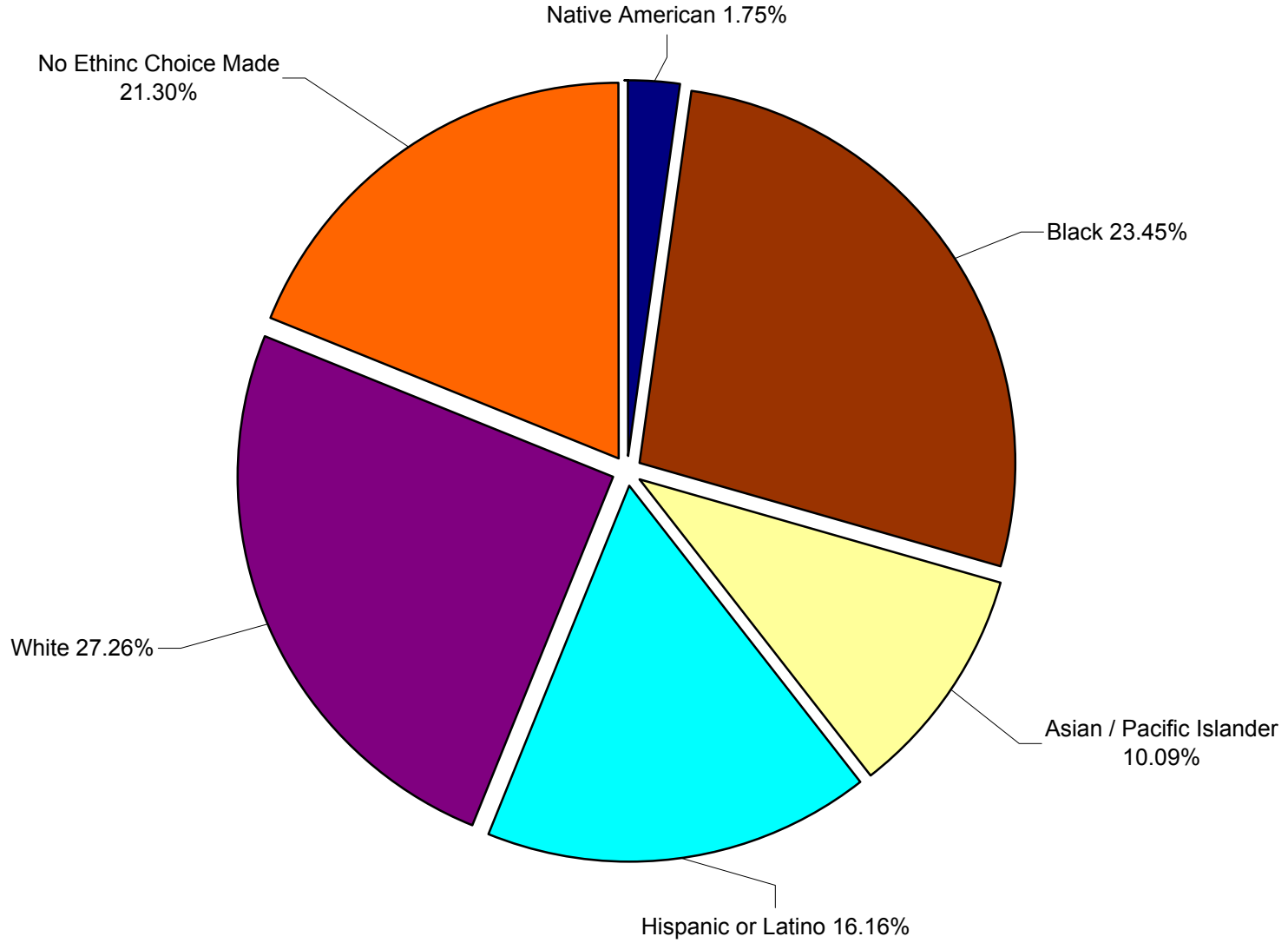
Onestop Name	Student/11th and Under	GED/HS Diploma	Some college or AA Degree	Bachelors, Masters or PhD	Decline to Answer or No Answer
Average	18.6%	47.8%	11.5%	4.7%	17.4%
Broadway	15.4%	49.0%	10.2%	4.5%	20.9%
Citrus Heights	16.0%	48.1%	15.0%	7.1%	13.7%
Franklin	20.8%	49.9%	11.0%	4.2%	14.1%
Galt	24.6%	47.1%	10.6%	4.7%	12.9%
Hillsdale	15.3%	53.2%	11.2%	3.4%	16.9%
La Familia	27.2%	38.7%	5.0%	1.3%	27.7%
Lemon Hill	24.1%	46.5%	8.9%	2.2%	18.3%
Mark Sanders	12.2%	46.1%	11.2%	5.5%	25.1%
Mather	9.2%	51.8%	17.6%	9.4%	11.9%
Rancho	15.7%	48.6%	13.6%	6.0%	16.2%
South County	24.1%	46.7%	11.8%	3.8%	13.6%
Urban League	8.3%	41.7%	25.0%	8.3%	16.7%



Employment Characteristics 7-1-04 to 12-31-04 from Bar Coded Core Services

Onestop	Disabled	Veterans	Felons	Seasonal Farm Workers	Laid Off
Average	8.46%	8.68%	10.41%	1.25%	37.52%
Broadway	10.04%	8.62%	18.25%	0.82%	31.00%
Citrus Heights	10.00%	7.29%	5.41%	0.72%	32.43%
Franklin	12.48%	8.37%	7.55%	1.23%	43.43%
Galt	3.04%	4.65%	3.04%	6.73%	26.28%
Hillsdale	5.21%	3.80%	4.08%	0.64%	26.89%
La Familia	3.50%	1.97%	7.89%	2.42%	18.12%
Lemon Hill	5.37%	4.25%	7.22%	0.77%	22.98%
Mark Sanders	7.61%	13.85%	7.30%	1.18%	54.88%
Mather	10.36%	25.57%	11.17%	0.54%	43.34%
Rancho	9.77%	8.49%	6.26%	1.49%	45.54%
South County	18.26%	10.91%	39.47%	1.82%	58.03%
Urban League	16.67%	8.33%	8.33%	0.00%	25.00%

Ethnic Breakdown for 7-1-04 to 12-31-04



Sacramento Works Career Center Utilization Report

July 1, 2004 - December 31, 2004

City of Sacramento			
Broadway Career Center Utilization		Sacramento Works Career Center: La Familia	
Total Customers: 3,450		Total Customers: 1,121	
Career Center: Broadway		Career Center: La Familia	
Total Visits: 8,058		Total Visits: 2,078	
% Customers Using other Career Centers: 36%		% Customers Using other Career Centers: 29%	
Other Career Centers frequently visited by customers:		Other Career Centers frequently visited by customers:	
Mark Sanders	552	Lemon Hill	198
Franklin	303	South County	173
Zip codes with highest numbers of customers:		Zip codes with highest numbers of customers:	
95823	344	95823	182
95818	307	95820	156
95814	229	95824	137
95822	184	95822	113
95820	165	No Zipcode	44
Sacramento Works Career Center: Franklin		Sacramento Works Career Center: Mark Sanders	
Total Customers: 2,129		Total Customers: 6,346	
Career Center: Franklin		Career Center: Mark Sanders	
Total Visits: 5,079		Total Visits: 12,975	
% Customers Using other Career Centers: 41%		% Customers Using other Career Centers: 25%	
Other Career Centers frequently visited by customers:		Other Career Centers frequently visited by customers:	
Broadway	303	South County	223
Mark Sanders	293	Lemon Hill	163
Zip codes with highest numbers of customers:		Zip codes with highest numbers of customers:	
95823	652	No Zipcode	1111
95822	234	95823	521
95828	171	95820	404
95832	146	95828	354
95824	119	95822	277
Sacramento Works Career Center: Lemon Hill		Sacramento Works Career Center: Urban League	
Total Customers: 1,974		Total Customers: 12	
Career Center: Lemon Hill		Career Center: Urban League	
Total Visits: 7,769		Total Visits: 13	
% Customers Using other Career Centers: 33%		% Customers Using other Career Centers: 58%	
Other Career Centers frequently visited by customers:		Other Career Centers frequently visited by customers:	
Mark Sanders	239	Franklin	163
Broadway	198	South County	115
Zip codes with highest numbers of customers:		Zip codes with highest numbers of customers:	
95823	319	95838	5
95824	246		
95828	165		
95822	143		
95820	124		

Sacramento Works Career Center Utilization Report

July 1, 2004 - December 31, 2004

South Sacramento County			
Sacramento Works Career Center: South County		Sacramento Works Career Center: Galt	
Career Center: South County	Total Customers: 2,728 Total Visits: 6,294	Career Center: Galt	Total Customers: 641 Total Visits: 1,596
% Customers Using other Career Centers: 27%		% Customers Using other Career Centers: 12%	
Other Career Centers frequently visited by customers:		Other Career Centers frequently visited by customers:	
Mark Sanders 279	Broadway 173	South County 30	Mark Sanders 23
Franklin 223	Lemon Hill 115	Franklin 25	Lemon Hill 16
Zip codes with highest numbers of customers:		Zip codes with highest numbers of customers:	
95828	577	95632	431
95823	439	95220	21
No Zipcode	163	No Zipcode	21
95758	187	65758	17
95624	171	95823	17
East Sacramento County			
Sacramento Works Career Center: Mather		Sacramento Works Career Center: Rancho Cordova	
Career Center: Mather	Total Customers: 1,114 Total Visits: 5,627	Career Center: Rancho Cordova	Total Customers: 1,568 Total Visits: 3,632
% Customers Using other Career Centers: 40%		% Customers Using other Career Centers: 29%	
Other Career Centers frequently visited by customers:		Other Career Centers frequently visited by customers:	
Rancho Cordova 163	Broadway 104	Mather 163	Broadway 85
Mark Sanders 148	Lemon Hill 60	Mark Sanders 135	Hillsdale 67
Zip codes with highest numbers of customers:		Zip codes with highest numbers of customers:	
95670	239	95670	623
95655	169	No Zipcode	58
95827	99	95827	109
95826	79	95826	106
No Zipcode	47	95608	47
North Sacramento City and County			
Sacramento Works Career Center: Citrus Heights		Sacramento Works Career Center: Hillsdale	
Career Center: Citrus Heights	Total Customers: 1,863 Total Visits: 5,049	Career Center: Hillsdale	Total Customers: 2,864 Total Visits: 8,418
% Customers Using other Career Centers: 31%		% Customers Using other Career Centers: 23%	
Other Career Centers frequently visited by customers:		Other Career Centers frequently visited by customers:	
Hillsdale 206	Broadway 91	Mark Sanders 238	Broadway 161
Mark Sanders 128	Rancho Cordova 65	Citrus Heights 206	Rancho 67
Zip codes with highest numbers of customers:		Zip codes with highest numbers of customers:	
95610	387	95660	473
95621	196	95842	433
95608	153	95843	188
95628	132	No Zipcode	185
95662	94	95841	166

**Sacramento Works Career Center
Intensive Services Report
July 2004 – December, 2004
WIA/ADULT
Plan vs. Actual MIS Review/Analysis
07/01/03-12/31/04**

Region: North City/County

One-Stop Services				Entered Employment Rate	Employment Credential Rate	Average Earnings Change	
Performance Goal (+ or - 15% of goal is allowable)				71.3%	50.0%	\$3,600	
	<i>04/01/04-12/31/04 New Enrollments</i>		07/01/03-12/31/04 Grant 201		Below reflects real-time actual performance calculated on Grant 201. 2 nd quarter State performance data should be available in February. If concerns are identified in February, an updated report will be developed.		
SWCC	Plan	Actual	Enrollments	Exits			
Citrus Heights	31	35	88	52	55.77%*	100%	\$3,409.77
Hillsdale	20	30	120	66	74.24%	86.67%	\$2,493.88*

*Citrus Heights - Real-Time Average Entered Employment Rate remains low. The above calculation is 78% of contracted plan. Corrective action is required.

*Hillsdale - Real-Time Average Earnings Change has not significantly increased since the 1st quarter. The above calculation is 69% of the required state performance. Corrective action is required.

Region: South City

One-Stop Services					Entered Employment Rate	Employment Credential Rate	Average Earnings Change
Performance Goal (+ or - 15% of goal is allowable)					71.3%	50.0%	\$3,600
	<i>04/01/04-12/31/04 New Enrollments</i>		07/01/03-12/31/04 Grant 201		Below reflects real-time actual performance calculated on Grant 201. 2 nd quarter State performance data should be available in February. If concerns are identified in February, an updated report will be developed.		
SWCC	Plan	Actual	Enrollments	Exits			
Broadway	24	84	214	132	61.36%*	93.75%	\$7,170.99
Franklin	20	68	161	98	66.33%*	91.39%	\$5,672.16
Mark Sanders	34	43	126	65	80.00%	88.00%	\$5,089.40
South County	19	16	171	117	41.88%*	76%	\$4,516.57

*Broadway - 1st quarter Adult Entered Employment Rate was 59.04%. The Career Center's 2nd quarter AEER remains low. Corrective action is required.

*Franklin - Adult Entered Employment Rate is low. Corrective action is required

*South County - 1st quarter Adult Entered Employment Rate was 40.07%. This was due to many negative exits. The Career Center's 2nd quarter EER remains significantly low. South County appears to have several case management deficiencies that are affecting their performance. Corrective action is required.

Region: South/East County

One-Stop Services					Entered Employment Rate	Employment Credential Rate	Average Earnings Change
Performance Goal (+ or - 15% of goal is allowable)					71.3%	50.0%	\$3,600
	<i>04/01/04-12/31/04 New Enrollments</i>		07/01/03-12/31/04 Grant 201		Below reflects real-time actual performance calculated on Grant 201. 2nd quarter State performance data should be available in February. If concerns are identified in February, an updated report will be developed.		
SWCC	Plan	Actual	Enrollments	Exits			
Galt	10	7*	45	33	81.82%	100.00%	\$4,919.59
La Familia	27	41	122	94	74.47%	84.31%	\$5,989.06
Lemon Hill	42	62	159	89	59.55%*	95.00%	\$5,722.55
Mather	23	9*	44	36	38.89%*	100%	\$8,860.80
Rancho Cordova	17	51	110	74	75.68%	92.00%	\$3,419.19

*Galt - Career Center is under enrolled for the 2nd quarter. Corrective action is required.

*Lemon Hill - Career Center implemented a corrective action plan to improve Entered Employment Rate. During this quarter, the real-time entered employment rate has improved from 55.26% to 59.55%. Corrective action needs to continue.

*Lemon Hill - Career Center implemented a corrective action plan to improve Entered Employment Rate. During this quarter, the real-time entered employment rate has improved from 55.26% to 59.55%. Corrective action needs to continue.

*Mather - Career Center continues to be under enrolled. Five new participants have been enrolled during the 2nd quarter. Corrective action needs to continue. Corrective action has been implemented to improve entered employment rate, but only one additional exit occurred in the 2nd quarter. Career Center continues to be well below allowable 15% deviation from plan in these two performance areas.

*Rancho Cordova - Corrective action plan to improve Adult Average Earnings Change has been accomplished.

WIA/DISLOCATED WORKER
Plan vs. Actual MIS Review/Analysis
07/01/03-12/31/04

Region: North City/County

One-Stop Services					Entered Employment Rate	Employment Credential Rate	Wage Replacement Rate
Performance Goal (+ or - 15% of goal is allowable)					78.8%	58%	91.7%
	<i>04/01/04-12/31/04 New Enrollments</i>		07/01/03-12/31/04 Grant 501		Below reflects real-time actual performance calculated on Grant 501. 2 nd quarter State performance data should be available in February. If concerns are identified in February, an updated report will be developed.		
SWCC	Plan	Actual (Grant 501 and 744 unduplicated count)	Enrollments	Exits			
Citrus Heights	35	Grant 501: 24 Grant 501 and 744: 29*	68	30			
Hillsdale	20	Grant 501: 24 Grant 501 and 744: 24	90	36	94.44%	93.33%	93.63%

*Citrus Heights - New enrollments are slightly below contracted plan (83% of plan). Corrective action is required.

Region: South City

One-Stop Services					Entered Employment Rate	Employment Credential Rate	Wage Replacement Rate
Performance Goal (+ or - 15% of goal is allowable)					78.8%	58%	91.7%
	<i>04/01/04-12/31/04 New Enrollments</i>		07/01/03-12/31/04 Grant 501		Below reflects real-time actual performance calculated on Grant 501. 2 nd quarter State performance data should be available in February. If concerns are identified in February, an updated report will be developed.		
SWCC	Plan	Actual (Grant 501 and 744 unduplicated count)	Enrollments	Exits			
Broadway	20	Grant 501: 25 Grant 501 and 744: 25	71	31	64.52%*	91.67%	102.91%
Franklin	20	Grant 501: 9* Grant 501 and 744: 9	33	15	86.67%	80%	189%
Mark Sanders	22	Grant 501: 38 Grant 501 and 744: 38	95	35	80.00%	87.50%	94.19%
South County	20	Grant 501: 18 Grant 501 and 744: 32	63	30	66.67%*	57.14%	123.52%

*Broadway - The Career Center's 1st quarter Dislocated Worker Entered Employment Rate was 64.29%. The Career Center's 2nd quarter EER remains low. Corrective action is required.

*Franklin - The Career Center was under enrolled for the 1st quarter. The Site Supervisor reported that she would be working with SETA staff to obtain a current list of people affected by layoffs and invite them to the SWCC. The Career Center remains under enrolled for the 2nd quarter. Corrective action is required.

*South County - The Career Center's 1st quarter Dislocated Worker Entered Employment Rate was 66.67%. This was due to the submission of many negative exits. The Career Center's 2nd quarter DEER remains low. South County appears to have several case management deficiencies that are affecting their performance. Corrective action is required.

Region: South/East County

One-Stop Services					Entered Employment Rate	Employment Credential Rate	Wage Replacement Rate
Performance Goal (+ or - 15% of goal is allowable)					78.8%	58%	91.7%
	<i>04/01/04-12/31/04 New Enrollments</i>		07/01/03-12/31/04 Grant 501		Below reflects real-time actual performance calculated on Grant 501. 2nd quarter State performance data should be available in February. If concerns are identified in February, an updated report will be developed.		
SWCC	Plan	Actual (Grant 501 and 744 unduplicated count)	Enrollments	Exits			
Galt	8	Grant 501: 16 Grant 501 and 744: 17	35	21	95.24%	100.00%	99.74%
La Familia	6	Grant 501: 5 Grant 501 and 744: 5	15	7	85.71%	100.00%	86.16%
Lemon Hill	23	Grant 501: 24 Grant 501 and 744: 24	91	61	81.97%	100.00%	82.19%
Mather	6	Grant 501: 4* Grant 501 and 744: 4	23	18	72.22%	100.00%	80.64%
Rancho Cordova	17	Grant 501: 14* Grant 501 and 744: 14	44	26	84.62%	93.75%	98.27%

Lemon Hill - Corrective action plan to improve wage replacement rate has been accomplished.

*Mather - Career Center is under enrolled for the 2nd quarter. Corrective action is required. Corrective action to improve wage entered employment rate has been accomplished.

*Rancho Cordova - Career Center is at 83% of enrollment goals for 2nd quarter of '04/'05 program year. Corrective action is required.

**WIA/ADULT/OJT
Plan vs. Actual MIS Review/Analysis
07/01/03-12/31/04**

On-the-Job Training				Entered Employment Rate	Employment Credential Rate	Average Earnings Change	
Performance Goal (+ or - 15% of goal is allowable)				71.3%	50.0%	\$3,600	
	<i>07/01/04-12/31/04 New Enrollments</i>		07/01/03-12/31/04 Grant 201				
Subgrantee	Plan	Actual	Enrollments	Exits			
Asian Resources	28	32	82	62	80.65%	82.61%	\$7,551.44
Urban League	20	15*	47	26	88.46%	73.08%	\$4,038.37
La Familia	24	23	68	58	82.76%	75.56%	\$5,301.83
Sac. Chinese	25	38	73	41	92.68%	87.80%	\$5,780.76
Sac. Lao	16	24	60	37	94.59%	89.19%	\$6,281.30

*Urban League - New enrollments are below contracted plan (75% of plan). Corrective action is required.

ITEM 5 - ACTION

APPROVAL OF RESOURCE ALLOCATION PLAN FOR FISCAL YEAR 2005/2006

BACKGROUND:

It is the responsibility of the Planning/Oversight Committee to determine the types of services and activities that should be funded with the Workforce Investment Act formula funds and to make a "resource allocation" recommendation to both the Sacramento Works, Inc. Board and the SETA Governing Board. The resource allocation recommendation is a determination of what activities and services should be offered through the one stop career center system and how much money, or what percent of next year's funds, should be allocated to each activity.

The following items have been included in this report to assist the Planning Committee to develop a recommendation on resource allocation to present to the Sacramento Works, Inc. board for approval:

1. Infrastructure needs for FY2006
2. Performance Report for One Stop Career Centers and Training Providers
3. Report on Scholarships Approved by Critical Industry

For the current fiscal year (July 1, 2004 through June 30, 2005), the Planning Committee approved the following Workforce Investment Act activities and resource allocation plan for the Sacramento Works One Stop Career Center system:

ACTIVITIES:

One-Stop Services (39% of funds): This activity includes the infrastructure, operating and staffing costs for 11 Sacramento Works One Stop Career Centers which provide:

- Access to information, computers, faxes, copiers, and telephones to assist customers with core job search activities;
- Intensive case management services for all customers who are enrolled or receive scholarship funds;
- Job development, job placement, job retention and follow-up services to customers seeking employment after training.

On-the-Job Training (OJT) (13% of funds): This activity provides wage subsidies to employers willing to train workers on-the-job. OJT is an effective workplace activity because it provides a commitment to hire by the employer, reimburses wages at 50% or less, and results in wage gain and job retention.

Scholarships/Workforce Skills Preparation (26% of funds): This activity can be used for tuition or for supportive services while a customer receives training or to provide workforce skills preparation services on-site at career centers.

Scholarships are the costs associated with training customers in critical industries selected by Sacramento Works, Inc. (Tuition, supportive services, and incentive payments).

Workforce Skills Preparation are individualized services purchased “off-the-shelf” from approved vendors. Workforce Skills Preparation services include Vocational Assessment, Small Business Development, Financial Literacy, Interpretation/Translation and Job Retention/Life Skills Workshops.

Board Initiatives (3% of funds): This activity sets aside funding for Initiatives developed by Sacramento Works, Inc. The Current Board initiatives include collaborative business outreach, marketing services to the employer community, researching newly emerging industry clusters and critical industries in the region, developing Workforce Skills Certification systems for the critical industries selected by the Board, and training staff and providers.

One Stop Support (11.4% of funds): This activity is provided by SETA staff and includes program monitoring, technical assistance and training; SMARTware automated case management system support, client tracking, client follow-up, and developing monthly and quarterly performance reports.

Administration (7.6% of funds): This activity is provided by SETA staff and includes personnel, payroll, fiscal monitoring, purchasing, contracting, board staffing and support, and information technology.

FY2005 RESOURCE ALLOCATION PLAN

Last year, the allocation for the adult and dislocated worker programs of the Workforce Investment Act was \$5,711,405. The following resource allocation plan was approved by the Board:

Activity	% of Total Allocated to Activity	WIA Formula Funds
One Stop Services	39%	\$2,227,448
On-the-Job Training	13%	742,483
Scholarships/Workforce Skills Preparation	26%	1,484,965
One Stop Support: Program Monitoring, SmartWare support, Client tracking, reporting and follow-up	11.4%	652,692
Administration: General Administration, Personnel, Payroll, Information Systems, Fiscal and Contracts staff	7.6%	432,475
Board Initiatives	3%	171,342
	100.00%	\$5,711,405

IMPACT OF RESOURCE ALLOCATION PLAN ON SYSTEM: HIGH PRIORITIES FOR FISCAL YEAR 2005-2006

Career center managers, supervisors, staff and partners were surveyed about the workload, the needs of the customers, and what needed to be done to improve services to customers. The results of the surveys indicate that the priorities which offer the greatest promise of achieving success in the next year are:

- **Emphasis on high quality Customer services.** The Centers must have staff who are customer friendly and all customers, including special populations (disabled, limited-English speaking, offenders, veterans, etc.) must have access to the services they need.
- **Investment in Technology.** The Centers must have the latest technology and software for job seekers and the equipment must be kept up to date and working properly.
- **Emphasis on meeting the needs of Employers.** The Centers must be able to meet the needs of employers by providing recruiting, screening and referral services, serving small business through the Business Information Centers, providing upward mobility and job retention services, and integrating employers as career center system partners.
- **Incentives for exceeding performance measures.** Each year, the State of California sets aside funds to provide an incentive to local areas that exceed their performance measures. A financial reward for meeting performance goals has the effect of focusing efforts on meeting goals. Including language in the WIA contracts that allows providers to earn an incentive award for exceptional performance would result in more people entering employment, retaining their jobs and increasing their wages.

ONE STOP CAREER CENTER PERFORMANCE

Core Services Outcomes:

In the first six months of Fiscal Year 2005 (July to December, 2004) 25,810 job seekers received 75,879 services. This represents an overall increase in activity from last year (26% increase in job seekers and 5.2% decrease in number of services). More individuals are being served, but the number of services per individual has decreased. The core services cost per job seeker decreased by 9.7% (from \$122.50 per job seeker in 2004 to \$110.64 in 2005) and the cost per core service increased by 20% (from \$31.33 per core service in 2004 to \$37.64 in 2005).

Intensive and Training Services Outcomes:

For the first six months of Fiscal Year 2005, 84% of adults and 91% of dislocated workers exited from intensive training were employed in the quarter after they exited services. 83% of adults and 91% of dislocated workers retained their jobs after completing intensive and training services and the wage gain and wage replacement averages were \$5,689 at six months retention for adults and 107% for dislocated workers. Customers taking part in the intensive and training programs remain employed longer and earn higher wages.

Programmatic Changes that affect the Resource Allocation Plan:

Sacramento Works and SETA invested in computer technology when the Sacramento Works One Stop Career Center system was developed in Fiscal Year 1999-2000. In the Resource Allocation Plan approved in 2005, funding was approved to replace 100 obsolete computers. SETA invested in a Citrix/Metaframe system which will extend the life of the computers from 5 to 8 years and has installed this at each of the career centers. This year, staff is recommending that the servers in 10 of the one stop career centers be replaced, which is the final step in upgrading the information technology equipment. The amount requested for this upgrade is \$60,000.

Sacramento Works, Inc. implemented a cap on scholarships and tuition at the following levels:

High Tech: \$7,000
Construction: \$6,000
Call Center/Customer Service: \$5,000
Hospitality/Tourism: \$3,000
Healthcare: \$10,000
Manufacturing: \$5,000
Mechanic: \$5,000
Other Industries: \$5,000

A maximum supportive service allowance of \$2,500 per job seeker was approved by Sacramento Works, Inc.

By the end of January 2005, over 75% of the ITA/Scholarship funds had been obligated. To increase the amount of funds available for training and scholarships, SETA is negotiating with the County Department of Human Assistance (DHA) to provide funding to the one-stop career center system to increase training in the health care and construction industries.

The Board Initiative set aside for FY2005 included the following components:

- ✓ Marketing of Sacramento Works, Inc.,
- ✓ Economic Reports and LMI Research
- ✓ Staff support for the Youth Service Provider Network
- ✓ Development of a Construction Business Plan for the region
- ✓ Sponsorship of Partnership for Prosperity

RECOMMENDATION:

Staff is recommending the following Resource Allocation Plan for FY2006. Final allocations for next year have not yet been determined. Using last year's funding level, the amount available for each activity would be:

Activity	Recommendation for FY2006 % of Total Allocation	FY2005 Resource Allocation Approved Plan	\$ Based on FY2005 Allocation	\$ Increase/ Decrease based on FY 2005 Allocation
One Stop Services	39%	39%	\$2,227,448	0
On-the-Job Training	13%	13%	742,483	0
Scholarships/Workforce Skills Preparation	26%	26%	1,484,965	0
One Stop Support: Program Monitoring, SmartWare support, Client tracking, reporting and follow-up	11.4%	11.4%	652,692	0
Administration: General Administration, Personnel, Payroll, Information Systems, Fiscal and Contracts staff	7.6%	7.6%	432,475	0
Board Initiatives	3%	3%	171,342	0
	100%	100%	\$5,711,405	0

Training Provider Performance Report 7/1/03 – 12/31/04

Provider	Total	Exits	Jobs	EER	AWP	Positive Completions	Total Completions	Completion Rate
ABC School/Tech Skills	108	30	23	77%	\$20.00	25	28	89%
Alameda Computer Center	3	0	0	0%	\$0.00	1	1	100%
Allied Business Schools, Inc.	14	7	4	57%	\$17.00	9	11	82%
California Alarm & Lock Institute	3	2	1	50%	\$10.00	1	1	100%
California Institute of Jewelry Training	5	3	1	33%	\$10.00	2	2	100%
California State University	15	8	5	63%	\$18.00	7	8	88%
Center for Employment Training	22	12	9	75%	\$11.00	8	9	89%
Contractors State License Schools	1	0	0	0%	\$0.00	0	0	0%
Federico College of Hairstyling	7	2	2	100%	\$13.00	3	3	100%
Global Travel Academy	0	0	0	0%	\$0.00	0	0	0%
High-Tech Institute	13	4	4	100%	\$14.00	5	5	100%
Institute of Technology	11	3	3	100%	\$14.00	2	3	67%
M.T.I. College	20	9	8	89%	\$13.00	8	10	80%
Modoc Railroad Academy	6	1	1	100%	\$22.00	3	3	100%
National Career Education	29	11	8	73%	\$11.00	14	15	93%
National Training Institute	0	0	0	0.00%	\$0.00	0	0	0.00%
New Horizons Computer Learning Center, Inc.	6	5	4	80%	\$19.00	3	3	100%
No. Ca. Barber & Cosmetologist Apprenticeship Program	7	3	2	67%	\$9.00	1	1	100%
Northern California Teamsters	1	0	0	0%	\$0.00	0	0	0%
Northwestern Technical College	7	7	2	29%	\$23.00	1	1	100%
Oxman College	0	0	0	0%	\$0.00	0	0	0%
Sacramento City USD-Old Marshall Adult Education Center	73	15	12	80%	\$11.00	21	25	84%
Sacramento Office Skills Center	4	3	3	100%	\$13.00	2	2	100%
SATI	50	32	27	84%	\$15.00	23	23	100%

Truck Driving Academy	16	12	8	67%	\$12.00	9	11	82%
Vocational Evaluation Services	0	0	0	0%	0.00	0	0	0%
Western Career College	6	1	0	0%	\$0.00	0	0	0%
Western Pacific Truck School	24	9	6	67%	\$13.00	14	17	82%
Western Truck School	19	5	5	100%	\$18.00	15	15	100%
Williams Hair Academy	0	0	0	0%	0.00	0	0	0%
TOTALS	523	209	158	76%	14.54	201	223	90%

Scholarships Approved for Critical Industries
2004-2005
7/1/04 - present

	Critical Industry	Scholarships	Total Amount Authorized
1	High Technology	31	\$174,917
2	Construction	16	18,773
3	Financial Services/Customer Service	12	47,396
4	Hospitality/Tourism	1	3,000
5	Health Care	74	372,478
6	Maintenance and Repair	5	7,816
7	Advanced Manufacturing & Production	46	149,574
8	Other	35	112,777
	TOTALS	220	\$886,731

ITEM 6 - ACTION

APPROVAL OF PERFORMANCE INCENTIVE POLICY

BACKGROUND:

Each year, the State of California sets aside funds to provide incentives to local areas that exceed performance benchmarks. A financial incentive for exceeding performance goals has the effect of focusing efforts on outcomes and program performance. Including language in the WIA contracts that allows providers to earn an incentive award for exceptional performance would encourage programs to move more customers into high-wage jobs with benefits that offer career ladders and advancement opportunities.

- Why institute a performance incentive policy?
 - Encourages/Rewards successful performance
 - Formalize our emphasis on performance

- What is the basis for the incentive policy?
 - Based on measurable outcomes/benchmarks
 - Measures are Concrete, Clear, and Visual

Performance Targets

	Corrective Action Level	Performance Target	Incentive Target
Adult			
New enrollments	Below 85% of target		Above 110% of target
Entered Employment Rate	59.8%	71.3%	78.4%
Employment Credential Rate	42%	50%	55%
Adult Earnings Change	\$3,024	\$3,600	\$3,960
Dislocated Worker			
New Enrollments	Below 85% of target		Above 110% of target
Entered Employment Rate	67%	78.8%	87%
Employment Credential Rate	48%	58%	64%
Wage Replacement Rate	77%	91.7%	101%

Determining Incentives/Corrective Action

- At the end of each quarter, performance on each measure is assessed
- Performance is cumulative throughout the year.
- Performing at or below the corrective action level on any measure will result in corrective action.

Determining Incentives

- Performing at or above the incentive level on all measures will result in an incentive for that quarter.

Consecutive Quarters of Incentive Level Performance	Incentive for each measure (amount increases each quarter)	Consecutive Quarters of Incentive Level Performance	Incentive for each measure (amount increases each quarter)
ADULT		DISLOCATED WORKER	
1 st Quarter	\$100	1 st Quarter	\$100
2 nd Quarter	\$250	2 nd Quarter	\$250
3 rd Quarter	\$400	3 rd Quarter	\$400
4 th Quarter	\$500	4 th Quarter	\$500

Awarding Incentives

- Awards for Centers/Program Operators determined eligible for an incentive would be set aside at the end of each quarter.
- The incentive funds will be awarded at the end of the program year.
- Operators may accept and use incentive funds in different ways as long as they meet WIA requirements
- Awards will be presented by the WIB in a special ceremony

Ways Incentives can be lost

- Falling at or below the Corrective Action level on ANY single measure for the program year will result in being deemed ineligible for ALL incentive awards.
- Failure to comply with the required use of SMARTware (case management system) will result in the Center being determined ineligible for incentive awards.

Other Possible Important Measures

- Planned # of Scholarships/Individual Training Accounts quarterly and annual targets
- Number of core participants
- Cost per participant/placement
- Full use of SMARTware
- Customer Satisfaction

Cost of Incentive Policy

Currently there are 10 career centers providing intensive and training services and five on-the-job training providers. If all career centers and OJT providers exceeded the benchmarks that are proposed, the incentive award would be \$2,500 for each career center and \$1,250 for each OJT provider, for a total of \$31,250.

RECOMMENDATION:

Review Performance Incentive Policy, hear oral report and take appropriate action.

ITEM 7 - INFORMATION

WIA LEGISLATIVE UPDATE

BACKGROUND:

Federal Update Prepared by California Workforce Association

House Reintroduces WIA Reauthorization Bill

Rep. Buck McKeon (R-CA) and the House Workforce and Education Committee got the 109th Congress off to a quick start by reintroducing legislation to reauthorize the Workforce Investment Act on the first day the new Congress. HR 27, "The Job Training Improvement Act," is essentially the same as HR 1261, the reauthorization bill passed by the full House back in May of 2003.

The early move by McKeon, contrary to the Bush Administration's request for delay, prompted the Senate to vow early progress as well. It's not clear how soon the Senate will introduce its own measure, though Senator Mike Enzi (R-WY), the new H.E.L.P. Committee Chair, is expected to elevate WIA reauthorization immediately to the full Committee and schedule early hearings. This and McKeon's fast filing of the House WIA bill signal that WIA Reauthorization is a high priority for the 109th Congress. We understand that McKeon will hold hearings this winter on his bill and will work closely with the National Workforce Association and other representatives of local WIBs on refining the measure. It's not certain how the Bush Administration will weigh in, though many expect it to set forth its workforce program priorities in its FY 2006 budget proposal scheduled for release on February 7.

HR 27, the new House bill, is nearly identical to HR 1261, but with a few technical changes and the inclusion of language to establish Personal Reemployment Accounts (PRAs) -- a Bush Administration priority which failed to achieve Congressional support over the last two years. (Separate PRA legislation was also reintroduced). HR 27 does not include language to incorporate President Bush's proposal to expand the role of community colleges in job training efforts, but it is likely that language will be proposed later in the legislative process. The bill does consolidate the WIA Adult, Dislocated Worker, and Employment Service funding streams into a single grant, distributed by formula to states and localities. This combined grant and the faith-based provisions also present in the new bill will continue to be points of partisan contention in both the House and Senate. Advocates for system reauthorization and Hill staff are hopeful that both Enzi and McKeon will succeed in earning bipartisan support of their respective measures. On a related and important note, Senator Enzi pledged to look into making stronger connections among Perkins, Higher Ed, and WIA during the reauthorizations of each.

House Mark-Up on WIA Reauthorization Feb. 9

The House of Representatives recently announced that the Subcommittee on 21st

Century Competitiveness will 'mark-up' the WIA reauthorization bill on February 9. A 'mark-up' session is one in which a bill is prepared for floor action by editing, amending or drafting its language. During the process, Members of Congress are allowed to offer or vote on the language of the bill.

The National Association of Workforce Boards and its Local Coalition partners met recently with House Subcommittee staff to discuss issues of interest around consolidation of funding streams, administrative costs definitions, funding formulas, employer engagement, and other concerns carried over from the previous year.

Senate Introduces S.9 Lifelong Education and Opportunities Act

Senator Enzi (R-WY), the newly elected Chairman of the Health, Education Labor and Pensions (HELP) Committee, introduced the ***Lifelong Education Opportunities Act (S.9)***. This bill is the Senate version of WIA reauthorization. To read S.9, go to: <http://thomas.loc.gov> Type in "S. 9" or "Lifelong Education Opportunities Act" in the search field.

A summary of the changes HR27--WIA Reauthorization Side-by-Side is attached. The changes in the Senate bill will be provided at your next meeting. To download the House bill, go to <http://www.calworkforce.org/ezupload/files/Documents/WIA.pdf>

U.S. Department of Labor

Assistant Secretary for
Employment and Training
Washington, D.C. 20210



February 7, 2005

MEMORANDUM FOR: LOCAL WORKFORCE INVESTMENT BOARD
CHAIRS AND DIRECTORS

FROM: EMILY STOVER DEROCO

SUBJECT: Fiscal Year 2006 Budget Request
Job Training Reform

I am pleased to forward details about the Fiscal Year 2006 Budget Request for the Employment and Training Administration and the President's Job Training Reform proposal.

If at anytime you have questions about the budget request or Job Training Reform proposal, please feel free to send an e-mail to WIAreform.questions@dol.gov and visit our website at www.doleta.gov for access to up-to-date information and frequently asked questions and answers (FAQs).



Employment and Training Administration (ETA)

Fiscal Year 2006
Budget Briefing

Right Side:

- Fiscal Year 2006 Budget Request
Overview
- Fiscal Year 2006 ETA Congressional
Justification
- Prisoner Reentry Initiative
- YouthBuild Transfer
- Strengthening Unemployment
Insurance Integrity

Left Side:

- WIA Reauthorization and Reform
- Job Training Reform
WIA Plus Consolidated Grant Program
- Innovation Training Accounts
- The President's Community-Based Job
Training Grants
- The President's High Growth Job
Training Initiative
- 2004 Highlights of The President's
High Growth Job Training Initiative



eta

EMPLOYMENT AND TRAINING ADMINISTRATION
UNITED STATES DEPARTMENT OF LABOR

President Bush's 2006 Budget combines the resources of faith-based and community organizations and federal assistance to reduce the costs of reincarceration. For the Department of Labor, \$35 million has been requested to fund the second year of this four-year initiative.

First proposed in President Bush's 2004 State of the Union Address, the Prisoner Reentry Initiative (PRI) is designed to strengthen urban communities through an employment-centered program that incorporates short-term housing, mentoring, job training, and other transitional services. It calls for a collaborative effort among the Departments of Labor, Justice, and Housing and Urban Development. This program seeks to reduce recidivism by helping non-violent prisoners being released to find work and stable housing when they return to their communities.

- More than 600,000 adult inmates will complete their sentences and be released this year.
- Studies show that approximately two-thirds of ex-offenders are rearrested within three years of release.
- In order to successfully reintegrate, ex-offenders must possess the skills and support necessary to enter and compete in the workforce. PRI also draws on the unique strengths of faith-based and community-based organizations (FBCOs) and relies on them for social service delivery to ex-prisoners in the communities to which they are returning.
- To date, tremendous progress has been made in developing a competitive Solicitation for Grant Applications (SGA) for organizations vying for funds to reintegrate qualifying ex-prisoners into their communities.
- Congress approved \$30 million for PRI in the 2005 Omnibus Appropriations Act. Of the \$30 million appropriated, \$20 million is allocated for the Department of Labor and \$10 million is for the Department of Justice.

FY 2006 ETA Congressional Justification

	FY 2005 Enacted	FY 2006 Request	Difference FY 06/FY 05
TRAINING AND EMPLOYMENT SERVICES	5,318,069	5,842,949	524,880
WIA Consolidated Grant Program -- Formula Grant		3,912,856	3,912,856
Adult Employment and Training Activities	890,922		-890,922
Dislocated Workers Employment and Training Activities	1,343,584		-1,343,584
Youth Activities	986,288		-986,288
WIA Consolidated Grant Program -- Competitive Grants	317,440	285,000	-32,440
Responsible Reintegration for Young Offenders	49,600	0	-49,600
Prisoner Re-entry	19,840	35,000	15,160
Community-Based Job Training Grants	248,000	250,000	2,000
WIA Consolidated Grant Program -- National Activities	96,061	39,936	-56,125
Pilots, Demonstrations and Research	85,167	30,000	-55,167
Evaluation	7,936	7,936	0
Technical Assistance	2,958	2,000	-958
Job Corps	1,546,333	1,517,019	-29,314
Operations	1,430,943	1,442,019	11,076
Construction and Renovation	115,390	75,000	-40,390
Indian and Native American Programs	54,238	54,238	0
Migrant and Seasonal Farmworkers	76,259		-76,259
YouthBuild	0	58,900	58,900
Denali Commission	6,944	0	-6,944
Rescission: Unobligated NEGs/TAA Health Care	0	-20,000	-20,000
Rescission: Unobligated New York Emergency Response Funds	0	-5,000	-5,000
COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS	436,678	436,678	0
National Contracts	340,454	340,454	0
State Grants	96,224	96,224	0
STATE UI AND ES OPERATIONS (Discretionary)	3,636,709	2,716,830	-919,879
Unemployment Insurance	2,673,456	2,632,915	-40,541
State Administration	2,663,040	2,622,499	-40,541
National Activities	10,416	10,416	0
Employment Service	845,568	15,910	-829,658
Grants to States	780,592	0	-780,592
National Activities	64,976	15,910	-49,066
Foreign Labor Certification	44,144	13,144	-31,000
TAT/SWA Retirement	2,976	2,766	-210
WOTC	17,856	0	-17,856
Workforce Information/National Electronic Tools/System Building	97,974	48,294	-49,680
Work Incentive Grants	19,711	19,711	0
FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES	1,057,300	966,400	-90,900
Trade Adjustment	1,057,300	966,400	-90,900
TAA Benefits	750,000	655,000	-95,000
TAA Training	259,300	259,400	100
NAFTA Benefits	0	0	0
Wage Insurance	48,000	52,000	4,000
ADVANCES TO UNEMPLOYMENT TRUST FUND	517,000	465,000	-52,000
MANDATORY PROGRAMS	\$1,574,300	\$1,431,400	-\$142,900
DISCRETIONARY PROGRAMS	\$9,561,557	\$9,203,318	-\$358,239
EMPLOYMENT AND TRAINING ADMINISTRATION	\$11,135,857	\$10,634,718	-\$501,139

(Reflects WIA Consolidated Grant Program; Dollars in 000's)



The President's FY 2006 Budget Supports a Demand-Driven System

President Bush seeks \$10.63 billion for the Employment and Training Administration (ETA) in FY 2006. The request is a reflection of his continuing effort to prepare Americans for the growing and changing economy and his commitment to ensuring that no worker is left behind.

The President's Proposal for Job Training Reform through WIA Reauthorization

The FY 2006 Budget includes a major new proposal for reforming job training programs through the reauthorization of the Workforce Investment Act of 1998 (WIA). This proposal builds on the principles of increased flexibility, strengthened accountability, and improved efficiency. Reform will allow more people to be trained for the jobs of the 21st century economy.

The President's Job Training Reform proposal, reflected in this budget request, consolidates the WIA Adult, Dislocated Worker, and Youth and Employment Service funding streams into a single grant to states for employment and training services. These WIA Consolidated Adult Grants will provide greater flexibility to Governors to "restructure for results" and will increase access to job training for America's workers. The President's Job Training Reform proposal will eliminate unnecessary overhead costs and simplify administration. Also, Innovation Training Accounts will be created, which will provide workers with more flexibility to combine funds from multiple sources to support training that meets their employment needs.

A critical component of the Administration's Job Training Reform proposal is the WIA Plus Consolidated Grants, which would provide Governors with the option of consolidating additional Federal job training and employment programs. Governors will have the option to consolidate core WIA programs with additional One-Stop partner programs, such as Adult Education and the Food Stamp Employment and Training program, into a single, coordinated program funded through a single funding stream. This option will empower Governors and local officials to design a streamlined workforce system that reduces administrative overhead, achieves better results, and trains more workers for the jobs of the 21st century.

Transformation of the U.S. Economy in the 21st Century

The President's Budget also supports the vision of a workforce investment system that anticipates the transformation of the nation's economy and links employers to job seekers in order to promote the success of both American workers and business.



The American economy is undergoing a significant transformation. Many industries will be adding new jobs and changing their business processes over the next decade, requiring new and different skills from workers. The growth of many industries, such as health care, advanced manufacturing and biotechnology, will open up opportunities to those who recognize the possibilities and are prepared to take advantage of them.

A Demand-Driven Workforce Investment System

The transformation of the public workforce system requires a new way of investing in the American workforce. The opportunities and challenges of our growing and changing economy call for a system that is more flexible and integrated. The workforce investment system will need to be responsive and agile enough to anticipate and respond to the changing needs of business.

The President's High Growth Job Training Initiative provides national leadership for a demand-driven workforce investment system. This successful initiative prepares workers to take advantage of new job opportunities in growing industries and sectors of the American economy. This strategic approach is based on partnerships that include the workforce investment system, business and industry, education and training providers, and economic development entities working collaboratively to develop workforce solutions for these industries.

Additionally, 80% of the jobs in the fastest growing fields require education and training beyond high school. Recognizing the important role community colleges will play in providing this job training, \$250 million is requested for Community-Based Job Training Grants, a competitive grant program for training workers in the skills needed by employers while building capacity at community and technical colleges. These grants build on the High Growth Job Training Initiative and strengthen the role of community and technical colleges as a workforce investment partner. The requested FY 2006 funding will build on investments to be made in the coming year under this initiative.

Other FY 2006 Budget Highlights

Other highlights of the President's FY 2006 Budget Request include:

- YouthBuild. Consistent with a recommendation made by the White House Taskforce on Disadvantaged Youth, the Administration proposes transferring the YouthBuild program, which is currently administered by the Department of Housing and Urban Development, to the Labor Department's ETA. YouthBuild is more closely aligned with ETA's employment and training mission, and transferring this program will promote a greater responsiveness to the workforce needs of the construction industry while offering greater placement opportunities for the youth involved.

- Prisoner Reentry Initiative. The FY 2006 Budget combines the resources of faith-based and community organizations and federal assistance to reduce the costs of reincarceration. For the Department of Labor, \$35 million has been requested to fund the second year of this four-year initiative. The initiative is designed to strengthen urban communities through an employment-centered program that incorporates short-term housing, mentoring, job training, and other transitional services.
- Unemployment Insurance. The FY 2006 Budget reflects the Administration's commitment to strengthen the Unemployment Insurance (UI) program. Requests of \$30 million for an identity theft prevention initiative and \$10 million to build on an initiative begun in FY 2005 to conduct in-person eligibility interviews in One-Stop Career Centers are part of a multi-prong approach to raise the integrity of the UI system. The Budget also includes proposals that will assist in preventing and collecting overpayments of UI benefits and provide states with loans to improve their information technology infrastructure.
- Foreign Labor Certification. In FY 2006, ETA will continue its efforts to streamline the review and reduce the backlog of employer applications to hire alien workers when qualified American workers cannot be found.

The President's 2006 Budget for the Employment and Training Administration (ETA) includes the transfer of YouthBuild from the Department of Housing and Urban Development to DOL's ETA. The White House Task Force Report on Disadvantaged Youth had recommended such a transfer because the program is "at its core, an employment and training program for disadvantaged youth, and will benefit from administrative oversight in DOL within the Employment & Training Administration, . . ."

The amount requested for program costs in the DOL budget, \$58,900,000, is equal to the amount originally requested in the HUD budget. This represents no change from the previous year's request.

As the Task Force report noted, YouthBuild aligns directly with ETA's demand-driven focus and the need to create a prepared and competitive workforce. As the federal agency most responsible for bringing employment services to youth, logic also dictates that the YouthBuild program be integrated into DOL's portfolio.

YouthBuild features academic and occupational skills training for at-risk youth in construction, one of ETA's high growth industries. Transferring YouthBuild would provide the program with better contacts with One-Stop Career Centers, stronger ties to DOL's apprenticeship programs, new links to the President's High Growth Job Training Initiative, improved access to the post secondary and community college system, and stronger connections to DOL's national business and other partners.



Strengthening Unemployment Insurance Integrity

The Employment and Training Administration (ETA) for the last few years has been working to strengthen the integrity of the Unemployment Insurance (UI) system. In 2004, Congress took an important step by acting on the President's proposal to end the abusive practice known as SUTA dumping by which some employers pay less than their fair share of state unemployment taxes. This legislation also gave state UI officials access to the National Directory of New Hires to identify UI beneficiaries who have gone back to work but continue to claim UI benefits. The FY 2006 Budget includes both funding requests and a set of legislative proposals that will strengthen the integrity of the UI system further.

Promoting UI Payment and Tax Integrity

For FY 2006, the Department of Labor (DOL) continues its efforts to prevent, identify, establish and collect UI overpayments and delinquent employer taxes by advancing five legislative strategies to further safeguard the UI system. These approaches would give states new tools and resources to improve Benefit Payment Control (BPC) and tax collection activities. The Administration's legislative proposals would:

- Allow states to use 5% of the recovered overpayments for BPC activities.
- Require states to impose at least a 15% penalty on overpayments individuals obtain by defrauding the UI system. Such funds could only be used for BPC activities.
- Give states the option to allow private collection agencies to retain up to 25% of the fraud overpayments and delinquent employer taxes recovered when they were otherwise deemed uncollectible.
- Provide employers with an incentive to respond to state requests for an employee's separation information, thereby reducing one of the most common sources and reasons for overpayments.
- Authorize the U.S. Treasury Department to recover overpayments of UI benefits from Federal income tax refunds.

These proposals would reduce overpayments and increase overpayment recoveries and delinquent tax collections by a total of \$2,207,000,000 over 5 years.



Preventing and Detecting Identity Theft

To prevent and detect fraudulent unemployment benefit claims filed using stolen personal information, the FY 2006 Budget requests a \$30 million increase to support the following suite of activities:

- New state investigative positions;
- Training for investigators and claims staff;
- Automated tools to help rid the UI system of identity theft and related fraud; and
- Training for front-line claims-taking staff to detect potential identity theft and alert employers and business representatives about how they can help to mitigate fraud.

A \$30 million investment in this initiative could result in annual trust fund savings of as much as \$105 million.

Reemployment and Eligibility Assessments at One-Stop Centers

The FY 2006 Budget requests a \$10 million increase to continue an initiative begun with an FY 2005 appropriation to assess UI beneficiaries' need for reemployment services and their continuing eligibility for benefits through in-person interviews in One-Stop Career Centers. Such attention to re-employment and eligibility already has yielded quicker returns to work for UI beneficiaries and reduced overall overpayments. An estimated annual trust fund savings of as much as \$225 million could be reaped from undertaking this initiative.

FUA Loans for IT Infrastructure

The Department proposes allowing states to borrow funds from the Federal Unemployment Account (FUA) to replace and/or update their Information Technology (IT) systems. This would be similar to the current practice of allowing states to borrow from FUA when their benefit trust funds become insolvent. States that opt to borrow would be subject to repayment of principal and interest at the same rate charged for loans used to pay benefits.

Background

Passage of the Workforce Investment Act (WIA) in 1998 marked the first step in streamlining service delivery in the public workforce investment system. Still, however, the workforce investment system is a collection of heavily regulated programs micromanaged by Washington and, too often, disconnected from the local economy.

In 2003, President Bush put forth a proposal to enhance and simplify the workforce investment system's ability to deliver services and training. Unfortunately, the 108th Congress did not complete final action on WIA reauthorization. As a result, substantial reform remained unfinished.

In early April 2004, the President expanded upon his 2003 job training reform proposal in a speech at Central Piedmont Community College in Charlotte, N.C., and reiterated his job training and WIA reform principles during remarks delivered to Florida Community College in mid-January 2005. With the release of the Fiscal Year 2006 Budget, President Bush's goal to double the number of workers trained takes further shape through the promotion of legislation calling for greater flexibility in exchange for higher levels of accountability.

The 109th Congress has the opportunity to enact legislation that has the potential for lasting impact along the lines achieved following the revamping of the nation's welfare programs that occurred in the mid-1990s. WIA reauthorization and reform has the potential to take a historic turn from the social services model of dependence on government to an ownership pursuit of knowledge, skills, opportunities and work.

Key Principles

The following principles spell out the Administration's WIA reauthorization package of 2005:

- **Increasing Flexibility.** The President proposes to provide greater flexibility to Governors and local officials in administering federal job training funds in exchange for greater accountability. The President's consolidated grant proposal combines four major job training and employment programs and their funding streams - WIA Adult, Dislocated Worker, and Youth programs and the Wagner-Peyser Employment Service program - into a single consolidated grant to states.
- **Strengthening Accountability.** While WIA did enhance accountability in the public workforce investment system, many issues remain. Reauthorization provides an opportunity to further strengthen and simplify the performance accountability system. Through reauthorization and reform, the Administration seeks to streamline and



improve WIA performance provisions while establishing more meaningful incentives and sanctions.


- **Reducing Overhead.** While administrative costs are currently capped at 15% (5% at the state level and 10% at the local level), regulatory loopholes allow too many training dollars to be spent on overhead and non-training services, such as management studies, planning expenses, and travel. By eliminating unnecessary overhead and simplifying administration through the melding of job training and employment programs, the President proposes to save \$300 million, which can be used to train an additional 100,000 workers.
- **Creating a More Effective Governance Structure.** The Administration proposes strengthening State and Local Workforce Investment Boards by streamlining membership requirements. One-Stop partner programs will assume a stronger role on the State Board to ensure their investment in and commitment to the integrated service delivery system. Local Board membership would be streamlined to provide an increased voice for business representatives, community groups and worker advocates. Further, Governors will have the authority to designate their states as a single workforce investment area.
- **Strengthening the One-Stop Career Center System.** Dedicated One-Stop infrastructure funding will alleviate a great deal of the current local negotiation issues around operations and allow local areas to focus on what is most important – meeting the service needs of businesses and workers. The One-Stop system will be authorized to offer a wider range of services for low-wage workers and directed to remove barriers to serving targeted populations.

New Components

Building on these five principles, the Administration's reauthorization package contains two new important provisions: Innovation Training Accounts and the WIA Plus Consolidated Grant Program.

Innovation Training Accounts. America's growing economy is an innovation economy. Two-thirds of America's economic growth in the 1990s resulted from the introduction of new technologies. A consequence of this country's technology-fueled growth is that skills gaps now exist. Not enough workers are being trained to take advantage of many of the excellent new jobs and promising career paths that lie ahead. The President proposes Innovation Training Accounts to provide workers ownership over the education and training they pursue.

Innovation Training Accounts will build upon the success of Individual Training Accounts that were established by the Workforce Investment Act of 1998. Early evaluations show



that increasing a customer's ability to choose his/her training improves training program enrollment rates.

Individual Training Accounts were the first step away from the old system in which training decisions were made by case workers and too often depended on what training slots were available. The new system is designed to promote individual empowerment and market principles. Innovation Training Accounts increase customer choice by:

Allowing individuals to access a broad range of public and private training resources through a single, self-managed account.

- Authorizing longer-term training opportunities by acknowledging that many skills needed for today's jobs require more than just short-term attention and exposure.
- Providing access to improved labor market information to help individuals make training decisions based on what jobs are in demand in their local area.
- Holding training institutions accountable for results.
- Acknowledging the need for incumbent worker training in order for the current workforce to update their skills and advance their careers.
- Promoting the attainment of industry-recognized credentials and certifications to ensure that training meets the needs of business.

The Administration will seek to put Innovation Training Accounts into effect through reauthorization and reform of the Workforce Investment Act. Giving workers ownership over their future will empower them to prepare for 21st century careers.

WIA Plus Consolidated Grant Program. The current system of federal job training programs is too complex, with multiple funding streams and various federal, state and local bureaucracies. As a result, not enough of the available resources are used to provide skills training for workers, preparing them for the jobs of today or tomorrow. For too long, states and local communities have been hindered by archaic rules that make it difficult to train workers and respond quickly to economic downturns, natural disasters and shifts in industry skill needs.

The WIA Plus Consolidated Grants are the most important component of the Administration's proposal for reform and reauthorization of the Workforce Investment Act (WIA). This proposal builds on the President's call to consolidate four core Department of Labor job training programs and funding streams: WIA Adult, WIA Dislocated Worker, WIA Youth and Employment Services.

The WIA Adult, WIA Dislocated Worker, and WIA Youth programs and Employment Services will form the base of the consolidated program with nearly \$4 billion in resources. In addition, states will have the option of consolidating certain other federal job training and employment programs that are currently administered by the Departments of Labor,

Education and Agriculture. Federal resources for these other programs total about \$3.6 billion. Together, these programs represent \$7.5 billion in federal resources.

By choosing to consolidate programs, states will be empowered to train more workers; design a job training program and service delivery system that trains workers for jobs in the 21st century economy; rationalize the way they deliver related services; achieve better results; and reduce administrative overhead.

Participating states will submit a single State Integration Plan and will report through a single system. Program-specific requirements will be minimized. However, drops in participant levels for targeted populations, such as individuals with disabilities, will not be allowed.

States will develop strategies to meet increasingly rigorous performance standards each year, leading to a goal of 100 percent placement in employment of the workers trained with grant resources. As part of their State Integration Plan, states will be required to develop benchmarks to track annual yearly progress towards that goal.

Job training institutions will be required to demonstrate that they are training individuals for jobs in demand and are ensuring graduates have the skills that employers need.

Meaningful incentive and sanction policies will be applied.

Conclusion

The Administration will work with the 109th Congress to ensure the final WIA reauthorization bill contains these key components and reflects President Bush's principles for reform.

The President's High Growth Job Training Initiative

President George W. Bush laid out the main objectives of his ground-breaking approach for closing skills gaps during remarks to operating engineers in Ohio on Labor Day 2003: "The High Growth Job Training Initiative in this administration is aiming to give workers the skills they need to realize their dreams. It's a collaborative effort to help team up people with the jobs that are needed, to make sure that the changes in our economy don't leave people behind."

This Presidential initiative is a strategic effort to prepare workers to take advantage of new and increasing job opportunities in high growth, high demand and economically vital sectors of the American economy. Fields like health care, information technology, and advanced manufacturing have jobs and solid career paths left untaken due to a lack of people qualified to fill them. The High Growth Job Training Initiative targets worker training and career development resources toward helping workers gain the skills they need to build successful careers in these and other growing industries.

Partnerships are the foundation of this initiative. Partnerships include governors, economic development leaders, business and industry, and educators, who work collaboratively to develop solutions to the workforce challenges and labor shortages facing these industries.

- Industry representatives define and design workforce solutions, e.g., getting career and skill information to young people charting their education and career courses; accessing new labor pools; defining core competencies for success on the job; training workers; building the capacity of educational institutions to train workers.
- Community colleges and other education providers assist in developing courses and curricula to build skills and train workers.
- The public workforce system accesses human capital (youth, unemployed and dislocated workers) and places prepared workers in jobs.

To put this approach into action, the High Growth Job Training Initiative identified 12 sectors that fit within the following criteria: (1) they are projected to add substantial numbers of new jobs to the economy or affect the growth of other industries; or (2) they are existing or emerging businesses being transformed by technology and innovation requiring new skills sets for workers. The sectors include:

- Health Care
- Information Technology
- Biotechnology
- Geospatial Technology
- Automotive
- Retail
- Advanced Manufacturing
- Construction
- Transportation
- Hospitality
- Financial Services
- Energy



Job Training Reform WIA Plus Consolidated Grant Program

President Bush has called for increased flexibility in the Nation's job training programs in exchange for increased accountability for results.

- The current system of federal job training programs is too complex, with multiple funding streams and federal and state bureaucracies. As a result, not enough of the available resources are used to provide skills training for workers, preparing them for the jobs of today or tomorrow. For too long, states have been hindered by archaic rules that make it difficult to train workers and respond quickly to economic downturns, natural disasters and shifts in industry skill needs.
- The WIA Plus Consolidated Grant program is the most important component of the Administration's proposal for reform and reauthorization of the Workforce Investment Act (WIA). This proposal builds on the President's call in 2004 to consolidate four Department of Labor job training programs and funding streams: WIA Adult, WIA Dislocated Worker, WIA Youth and Employment Services.
- The WIA Adult, WIA Dislocated Worker, and WIA Youth programs and Employment Services will form the base of the consolidated program with nearly \$4 billion in resources. In addition, states will have the option of consolidating certain other federal job training and employment programs that are currently administered by the Departments of Labor, Education and Agriculture. Federal resources for these other programs total about \$3.6 billion. Together, these programs represent \$7.5 billion in federal resources.
- By choosing to consolidate programs, states will be empowered to: train more workers; design a job training program and service delivery system that trains workers for jobs in the 21st century economy; rationalize the way they deliver related services; achieve better results; and reduce administrative overhead.
- Participating states will submit a single State Integration Plan and will report through a single system. Program-specific requirements will be minimized. However, drops in participant levels for targeted populations such as individuals with disabilities will not be allowable.
- States will develop strategies to meet increasingly rigorous performance standards each year, leading to a goal in the tenth year that they place in employment 100 percent of the workers trained with grant resources. As part of their State Integration Plan, states will be required to develop benchmarks to track annual yearly progress towards that goal.
- Job training institutions will be required to demonstrate that they are training individuals for jobs in demand and are ensuring graduates have the skills that employers need.
- Meaningful incentive and sanction policies will be applied.

WIA Plus Resources
(in millions)

Consolidated WIA State Grant (DOL)		2005 Enacted	2006 Budget
1	Adult Training	\$891	These four programs are consolidated into one grant.
2	Dislocated Worker Training/ a	\$1,344	
3	Youth Training	\$986	
4	Employment Services/ b	\$838	
Subtotal		\$4,059	\$3,913
NEW MENU OPTIONS			
1	Veterans Employment (DOL)/ c	\$190	\$192
2	Trade Adjustment Assistance Training (DOL)/ d	\$243	\$259
3	Vocational Rehabilitation (Ed)	\$2,636	\$2,720
4	Adult Education (Ed)	\$570	\$200
5	Food Stamps Employment & Training (USDA)/ d	\$261	\$254
Subtotal		\$3,900	\$3,625
TOTAL		\$7,959	\$7,538

a/ For 2005, amount has been reduced by \$124 million to support the Community College Initiative.

b/ Includes State formula grants, Work Opportunity Tax Credit admin. grants, and Labor Market Information grants.

c/ Includes State formula grants, the homeless veterans reintegration project, and the Veterans Workforce Investment Program.

d/ Outlays

Innovation Training Accounts to Empower America's Workers

America's growing economy is an innovation economy. Two-thirds of America's economic growth in the 1990s resulted from the introduction of new technologies. A consequence of this country's technology-fueled growth is that skills gaps now exist. Not enough workers are being trained to take advantage of many of the excellent new jobs and promising career paths that lie ahead. The President proposes Innovation Training Accounts to provide workers ownership over the education and training they pursue.

Innovation Training Accounts will build upon the success of Individual Training Accounts that were established by the Workforce Investment Act of 1998. Early indications show that the increased customer choice of Individual Training Accounts improves training program enrollment rates.

Individual Training Accounts were the first step away from the old system in which training decisions were made by case workers and too often depended on what training slots were available. The new system is designed to promote individual empowerment and market principles. Innovation Training Accounts step toward the new system by:

- Allowing individuals to access a broad range of public and private training resources through a single, self-managed account.
- Authorizing longer-term training opportunities by acknowledging that many skills needed for today's jobs require more than just short-term attention and exposure.
- Providing access to improved labor market information to help individuals make training decisions based on what jobs are in demand in their local area.
- Holding training institutions accountable for results.
- Acknowledging the need for incumbent worker training in order to update their skills and advance their careers.
- Promoting the attainment of industry-recognized credentials and certifications to ensure that training meets the needs of business.

The Administration will seek to put Innovation Training Accounts into effect through reauthorization and reform of the Workforce Investment Act. Giving workers ownership over their future will empower them to prepare for 21st century careers.



The President's Community-Based Job Training Grants

Overview

In his FY 2005 Budget, President Bush proposed \$250 million for Community-Based Job Training Grants to strengthen the role of community colleges in promoting the U.S. workforce's full potential. This employer-focused competitive grant program seeks to invest in and offer training in community and technical colleges. It builds on the High Growth Job Training Initiative, an effort in which community colleges take part as grantees and key partners. For his FY 2006 Budget, the President requests an additional \$250 million for Community-Based Job Training Grants.

Technology and innovation, globalization, and the aging of America's workforce are continuously changing the nature of work as well as needs in the workplace. Businesses in high growth, high demand industries face increasing difficulties in finding workers with the skills they need. As a result, community colleges will be increasingly critical providers for workers wanting to develop, retool, refine, and broaden their skills. Because of their close connection to local labor markets, community colleges are well positioned to prepare workers for high demand occupations.

Grant Process

To implement this initiative, the U.S. Department of Labor's Employment and Training Administration will conduct a competitive Solicitation for Grant Applications. The \$248 million appropriated in FY 2005 for Community-Based Job Training Grants will begin to be available July 1, 2005. To be eligible for funds, community colleges (as defined by the Carl D. Perkins Vocational-Technical Education Act Amendments of 1998, Public Law 105-332) will be required to demonstrate they are engaged in a strategic partnership that includes business and industry and the workforce investment system. Proposals must be designed to identify workforce challenges and implement workforce solutions for the locally identified high growth, high demand industry.

The funds must be used for both of the following activities:

- 1) Increasing the capabilities of community colleges to provide training in a local high growth, high demand industry through activities such as the development of training curricula with local industry, hiring qualified faculty, arranging on-the-job experiences with industry, and using up-to-date equipment; and
- 2) Training new and experienced workers in identified high growth, high demand industries, with the aim of employing and/or increasing the retention and earnings gains of trained workers while meeting the skill needs of the businesses within the industry.



2004 Highlights of the President's High Growth Job Training Initiative

The President's High Growth Job Training Initiative, as implemented by the U.S. Department of Labor's Employment and Training Administration (ETA), is designed to provide national leadership for a demand-driven workforce system that ensures no worker is left behind. Launched by President Bush in 2002, the High Growth Job Training Initiative has provided \$141,118,227 in 83 partnerships nationwide among business and industry, the public workforce system, and education and training providers (including community colleges). Many of these grants were awarded in calendar year 2004, which saw 64 grants awarded in eight industries, totaling \$94,790,356. Significantly, grantees and their partners committed \$124,833,844 of their own resources and funds to foster projects developed through these grant partnerships. Below are highlights of projects funded under the President's High Growth Job Training Initiative in 2004.

Health Care

Kicked off in March 2004, 19 grants totaling \$24,288,757 were awarded, including:

- Johns Hopkins Health System (MD)
Award Amount: \$3,000,000
Leveraged Amount: \$3,900,000
- Berger Health System (OH)
Award Amount: \$200,000
Leveraged Amount: \$405,939
- Columbia Gorge Community College (OR)
Award Amount: \$1,250,000
Leveraged Amount: \$870,982
- Florida International University School of Nursing (FL)
Award Amount: \$1,421,639
Leveraged Amount: \$560,150
- Paraprofessional Healthcare Institute (NY)
Award Amount: \$999,902
Leveraged Amount: \$999,902
- The Evangelical Lutheran Good Samaritan Society (SD)
Award Amount: \$1,877,517
Leveraged Amount: \$1,204,000

Biotechnology

Kicked off in June 2004, nine grants totaling \$17,220,565 were awarded, including:

- San Diego Workforce Partnership (CA)
Award Amount: \$2,510,117
Leveraged Amount: \$1,756,066
- Forsyth Technical Community College National Centers (NC, NH, IA, WA, CA)
Award Amount: \$5,000,000
Leveraged Amount: \$7,490,000
- Massachusetts Biotechnology Education Foundation (MA)
Award Amount: \$1,372,250
Leveraged Amount: \$400,000
- Indian Hills Community College (IA)
Award Amount: \$996,250
Leveraged Amount: \$231,474



Geospatial Technology

Kicked off in September 2004, five grants totaling \$4,873,426 were awarded, including:

- Kidz Online, Inc. (VA)
Award Amount: \$1,000,000
Leveraged Amount: \$1,002,055
- Institute for GIS Studies – Central Piedmont Community College (TN, NC)
Award Amount: \$2,000,000
Leveraged Amount: \$4,387,327

Aerospace

Kicked off in October 2004, four grants totaling \$2,929,233 were awarded, including:

- Florida Space Research Institute (FL)
Award Amount: \$355,628
Leveraged Amount: \$174,703
- Edmonds Community College (WA)
Award Amount: \$1,475,045
Leveraged Amount: \$794,064

Advanced Manufacturing

Kicked off in October 2004, 11 grants totaling \$18,277,032 were awarded, including:

- Lower Rio Grand Workforce Development Board (TX)
Award Amount: \$2,000,000
Leveraged Amount: \$2,000,000
- Delaware Valley Industrial Resource Center (PA)
Award Amount: \$3,000,000
Leveraged Amount: \$2,350,000
- Integrated Systems Technology (IL, OH)
Award Amount: \$9,142,496
Leveraged Amount: \$16,830,867

Construction

Kicked off in September 2004, five grants totaling \$12,433,404 were awarded, including:

- Chicago Women in Trades (IL)
Award Amount: \$2,092,343
Leveraged Amount: \$1,792,398
- St. Louis Carpenters Joint Apprenticeship Program (MO)
Award Amount: \$2,187,107
Leveraged Amount: \$971,300

Retail Trade

Awarded in June 2004, the National Retail Federation Foundation received a grant of \$2,250,000 and committed \$10,162,670 in leveraged resources.

Automotive

Kicked off in September 2004, 10 grants totaling \$11,315,104 were awarded, including:

- AutoAlliance Downriver Community Conference (MI)
Award Amount: \$5,000,000
Leveraged Amount: \$25,000,000
- U.S. Hispanic Chamber of Commerce Foundation (CA)
Award Amount: \$136,000
Leveraged Amount: \$246,000

ITEM 8 - DISCUSSION

UPDATE ON WIA GOVERNOR'S DISCRETIONARY GRANT APPLICATIONS

BACKGROUND:

This item provides staff an opportunity to update committee members on the status of the WIA Governor's 15% discretionary grant applications.

The committee heard public testimony on these applications at your December meeting.

ITEM 9 - INFORMATION

UPDATE ON SACRAMENTO CONSTRUCTION AND DESIGN CONSORTIUM BUSINESS PLAN

BACKGROUND:

In the fall of 2004, the Workforce Investment Board and this Planning Committee endorsed the Sacramento Construction and Design Consortium Business Plan. The Sacramento Construction and Design Consortium includes representation from construction employers, vocational training providers, organized labor, community organizations and education. Mr. Rick Larkey will provide an update on the Construction Business Plan.