

The Impact on Training of the American Recovery and Reconstruction Act of 2009 – The Local Level –

Background

The National Association of State Workforce Agencies (NASWA) developed a survey for its members to determine the effect the American Recovery and Reconstruction Act of 2009 (ARRA) was having on their training practices. NASWA asked the National Association of Workforce Boards (NAWB) and the United States Conference of Mayors (USCM) to distribute the survey to their members in order to determine the Act's impact on training at the local level.

NAWB and the USCM disseminated the survey to their members in late November 2009 and collected responses through December 10, 2009. Together, they received 83 responses, which represented about a 20 percent response rate.

The NASWA survey consisted of nine open-ended questions – no multiple choice. The benefit of this survey style is that it does not restrict respondents' choices, and it allows respondents to indicate what is forefront in their minds. The drawback is that we cannot assume something is *not* happening in a particular workforce investment area just because it is not mentioned in an answer.

Key Findings

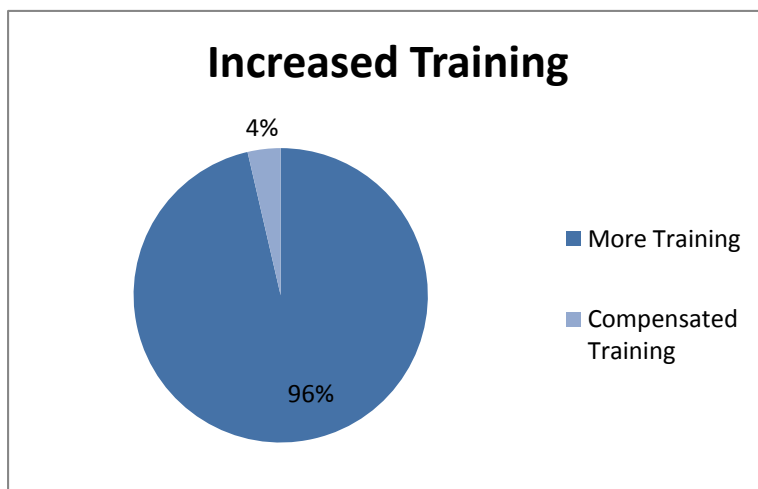
While a great deal of information can be gleaned from the survey, a few items stand out:

1. All of the local Workforce Investment Boards (WIBs) are using the ARRA funds to provide more training. Estimates of the amount of new training provided ranged up to as high as four times the amount provided using Workforce Investment Act (WIA) funds. It is clear that the WIBs are ready and able to provide more training when training is supported by funding and legislative directive.
2. The workforce investment system is running out of ARRA funding. A full 81 percent of respondents were either running out of money, anticipated running out of money, or were facing physical capacity problems. This matches what we are hearing from the workforce development system.
3. While limited ARRA funds is a big constraint, service provider capacity, while significant, is less of a problem. Only 52 percent of the WIBs indicated that they were experiencing or expected to experience service provider capacity constraints.

4. Supportive services are a critical ingredient in helping individuals complete training. A full 86 percent of the WIB respondents indicated that they needed to provide supportive services and needs-related payments to individuals in training programs.
5. WIBs are expanding training offerings, as indicated by 81 percent of survey respondents. Whether this is the result of having more money for training, changes in the types of industries and occupations present in the region, or the bad economy cannot be determined.
6. The ARRA legislation's push to create new agreements with institutions of higher education has not been as successful as it might be. Only 49% of the WIB respondents have entered into agreements with higher education as a result of ARRA, though an additional 6 percent said that they already had agreements with higher education institutions, and 5 percent indicated that they might enter into agreements in the future.

Findings by question are detailed on the following pages.

1. Has your local area been able to increase the number of individuals being trained with the infusion of additional ARRA funds in the WIA Adult, Dislocated Worker and Youth programs? If so, please provide an estimate of the increase in the number of individuals receiving these training services compared to the prior year?

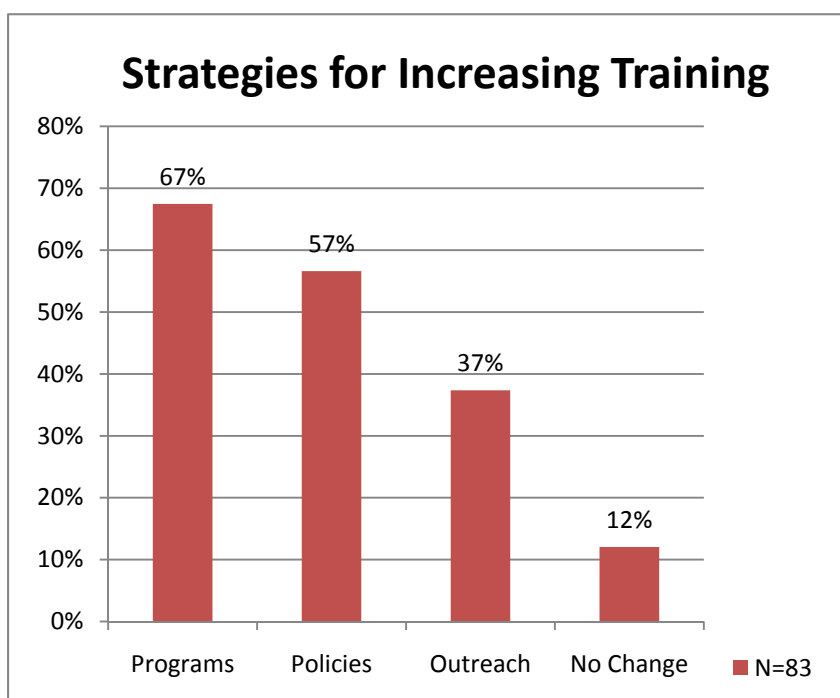


All of the responding WIBs used ARRA funds to increase the amount of training they provided, though 4 percent of the respondents indicated that this increase only compensated for training they were no longer providing because of a decrease in the amount of their WIA funding.

The amount of the increase reported ranged up to as high

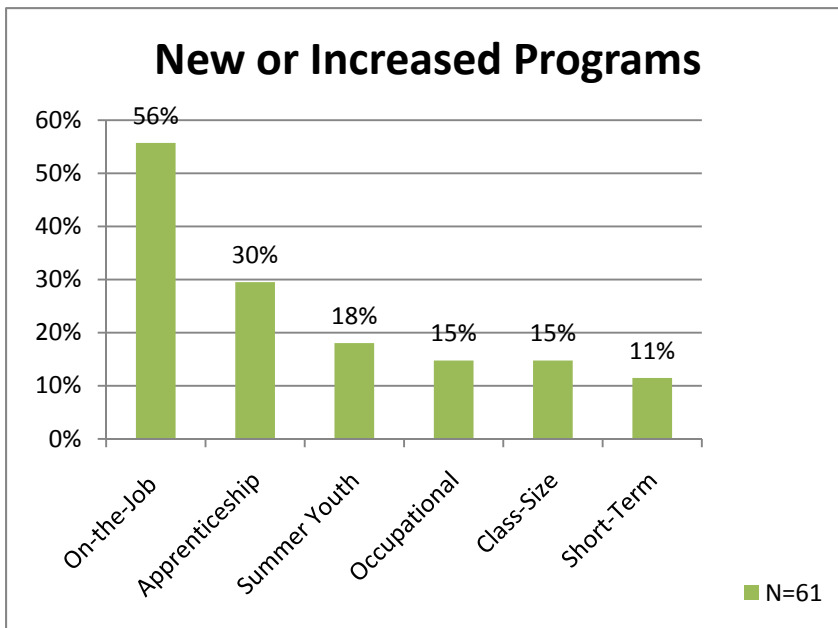
as four times the amount that the WIBs had been providing under WIA.

2. Please describe your strategy to increase training opportunities for these individuals. For example: Did your local area establish new goals or policies, or launch outreach initiatives? Are you using Recovery Act funds to support Registered Apprenticeship opportunities through scholarships for apprentices or to support on-the-job training to employers?



Most – 88 percent – of the responding WIBs undertook some new strategies to help them increase their provision of training; only 12 percent indicated that they did not need to make any changes.

About two-thirds indicated that they adopted new programs, over half enacted new policies, and a little more than one-third conducted outreach activities.

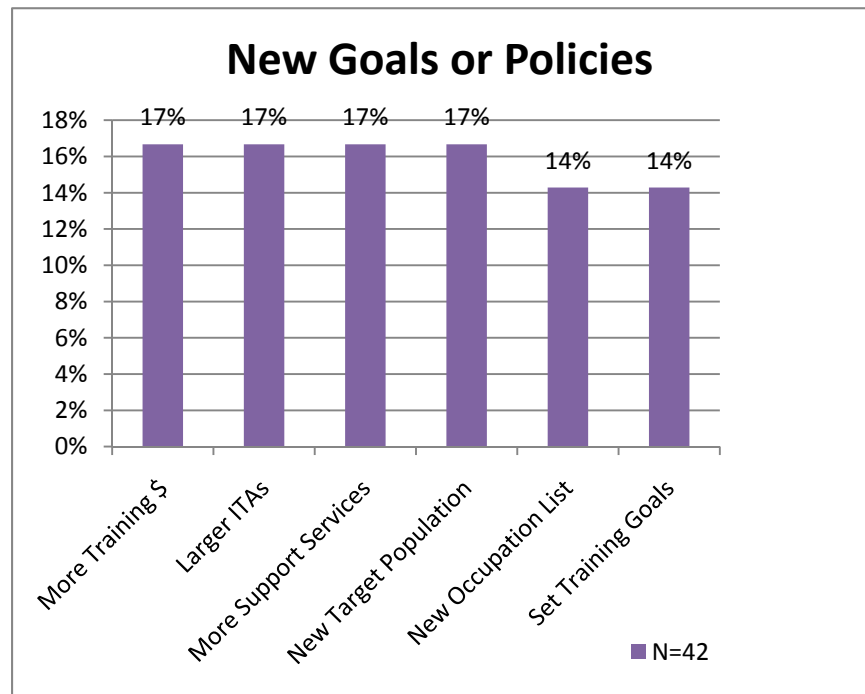


Sixty-one respondents indicated that they added new or increased existing programs in order to increase training opportunities.

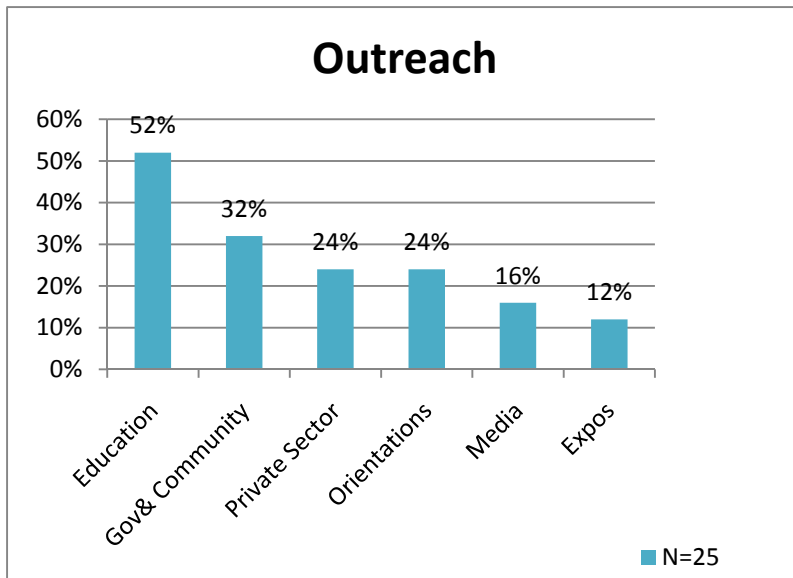
Over half indicated that they added or increased on-the-job training, paid internships, or work experience programs, while almost one-third added or increased apprenticeship programs.

Forty-two WIBs indicated that they adopted new goals or policies in order to increase training opportunities. The most common goals or policies were

- Increasing the amount of money dedicated to training services;
- Increasing the size of individual training accounts;
- Adding or increasing supportive services; and
- Changing their target population.



WIBs also altered their list of demand occupations and set training enrollment goals.



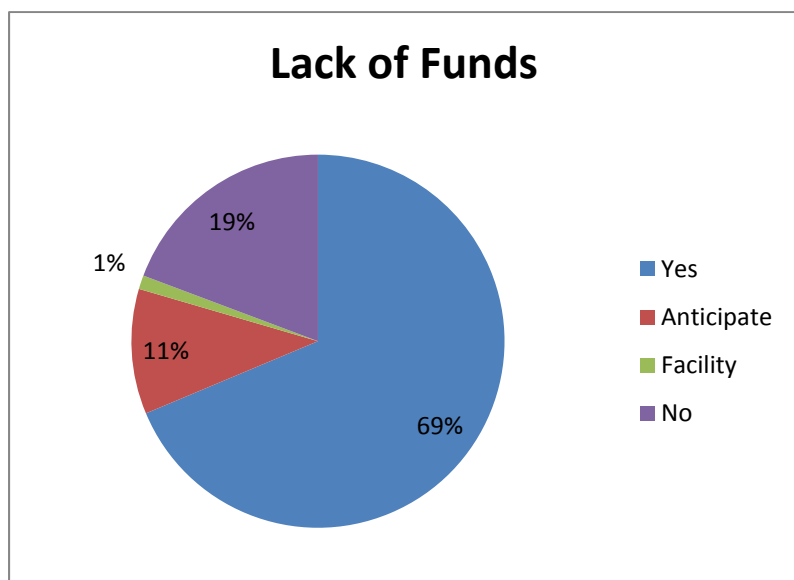
Twenty-five WIBs indicated that they conducted new outreach activities in order to increase training opportunities. Over half engaged in partnerships, referrals, or outreach activities with education, almost one-third engaged in these with government agencies and community groups, and one-fourth did so with the private sector.

One-fourth conducted orientations, while 16 percent launched media campaigns, and 12 percent conducted career expos and job fairs.

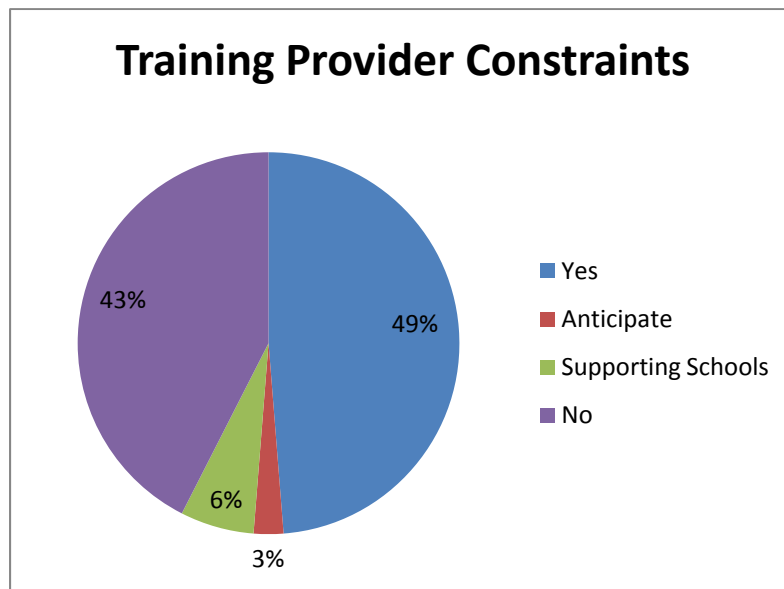
3. Is your local area having difficulty accommodating the number of people seeking training services? For example: Are the formula and Recovery Act funds running low? Do you have waiting lists?

The answer to this question was a resounding “yes.” A full 81 percent

- Were running out of ARRA funds;
- Anticipated running out of ARRA funds; or
- Didn’t have the physical capacity to provide training services.



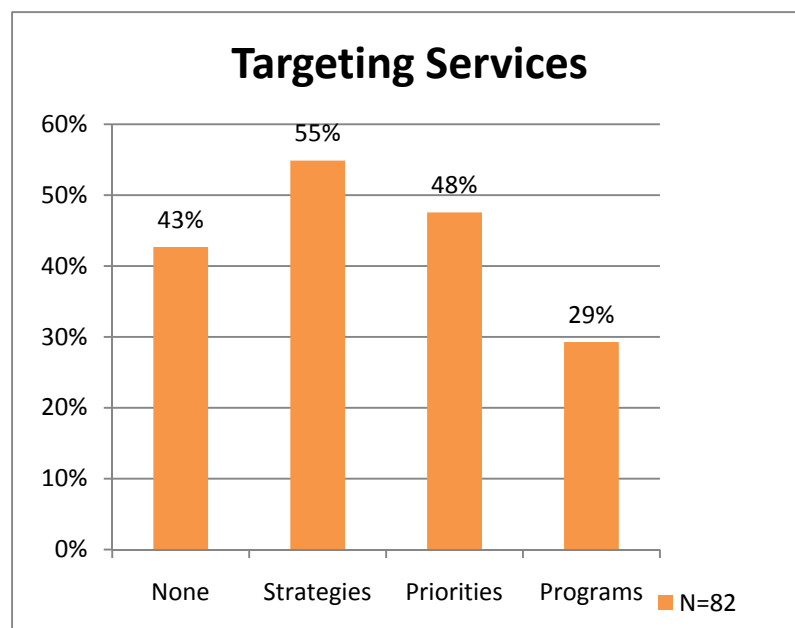
4. Have you run into capacity constraints with your training providers? For example, are classes at community and technical colleges or other providers full? Are there waiting lists?



While 83 percent of WIBs indicated that they were running out of ARRA funds, only 52 percent were either experiencing training provider constraints or indicated that they anticipated experiencing training provider constraints. Another 6 percent indicated that they were able to avoid the constraints by providing ARRA dollars to the training providers.

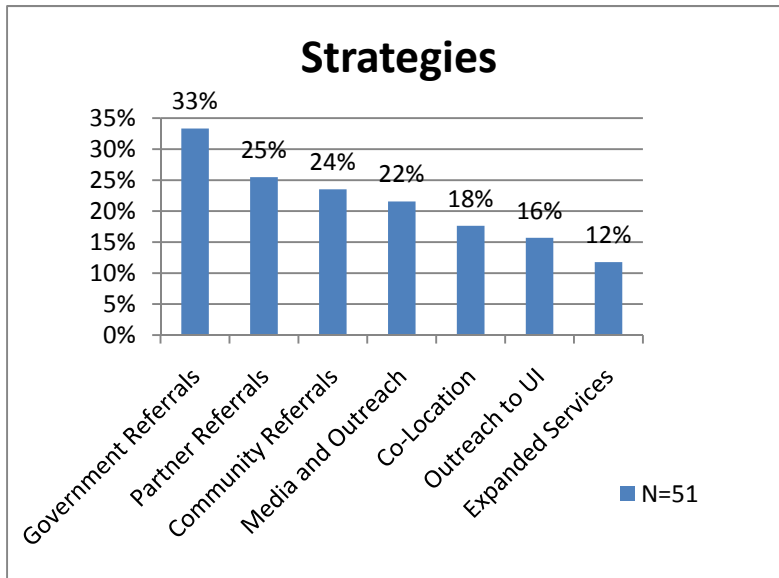
Many of the WIBs responding to this question were very vehement, writing “yes, yes, yes!” “Yes there were capacity constraints, yes classes were full, and yes there were waiting lists.”

5. Please describe the approach/programs your local area is taking to target low-income adults, Low English Proficiency (LEP) populations, and Unemployment Insurance claimants with training services.



A large percentage of respondents – 43 percent – indicated that they did not need to make any changes to target services to low-income adults, low English proficiency populations (LEP), and unemployment insurance (UI) claimants. In some cases the WIBs were already targeting these groups, in others these groups were coming to them for services without their needing to undertake additional activities.

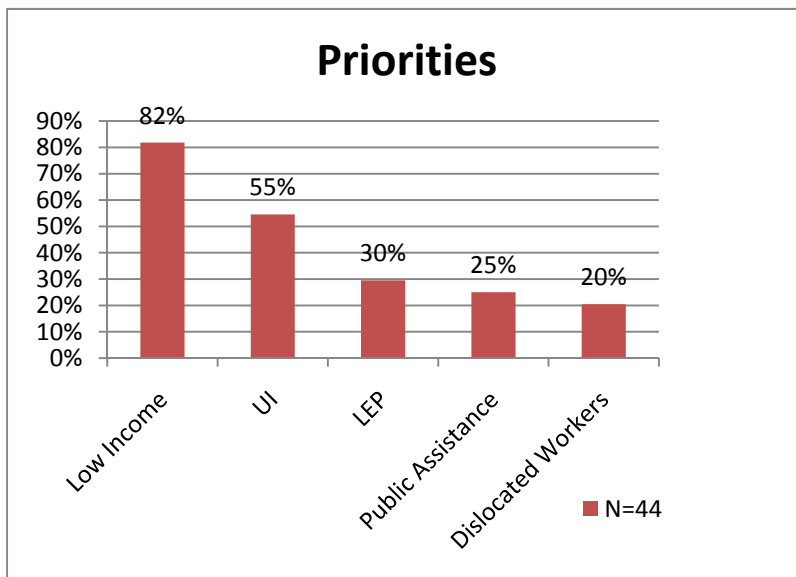
While 43 percent did not feel the need to take new actions, 55 percent did adopt new strategies, 48 percent set priorities, and 29 percent expanded existing or established new programs.



Fifty-one WIBs adopted new strategies to better target their services to low-income adults, LEP populations, and UI claimants. One-third of these WIBs used government referrals, while 25 percent used partner referrals and 24 percent used community referrals.

Twenty-two percent of these WIBs adopted media and outreach activities, 18 percent co-located with

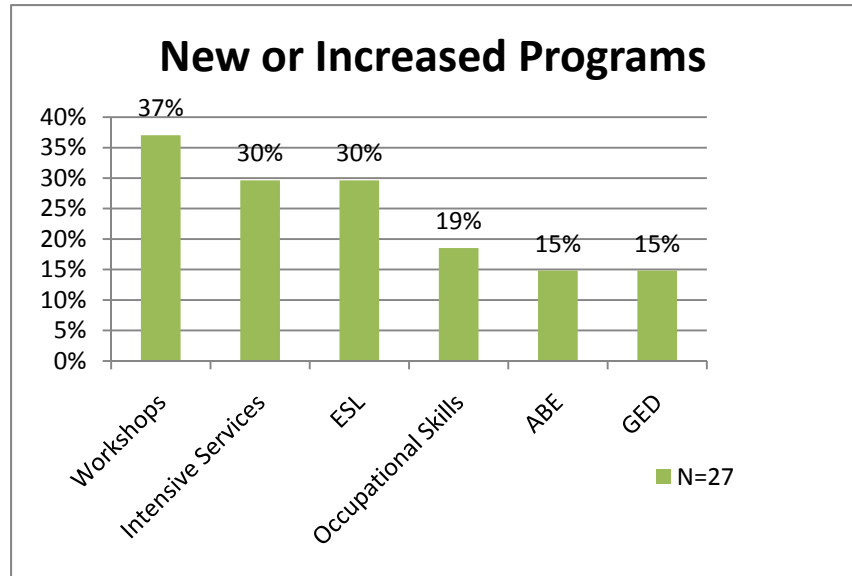
organizations already serving these populations, 16 percent specifically adopted outreach efforts to UI claimants and exhaustees, and 12 percent expanded orientations, case management, and support services.



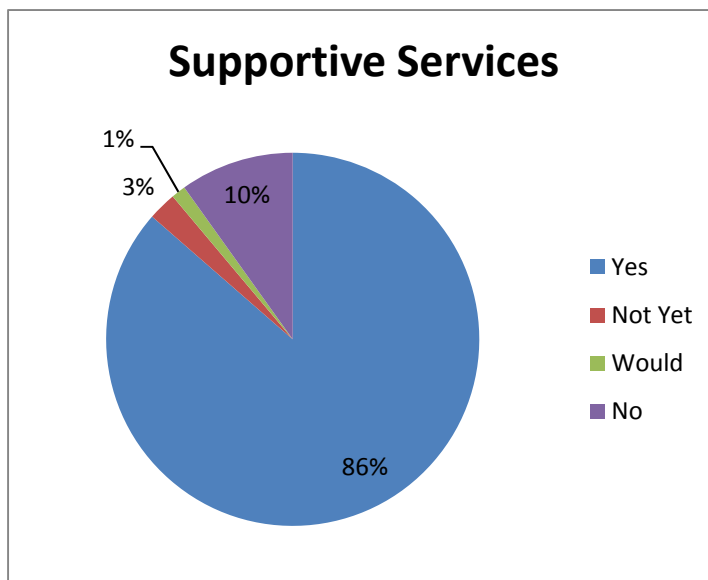
Forty-four WIB indicated their priority populations. A full 82 percent targeted low-income individuals, while 55 percent targeted unemployment insurance claimants and 30 percent targeted limited English speakers. A significant percent targeted individuals on public assistance (25%) and dislocated workers (20%).

Twenty-seven respondents indicated that they adopted new or increased existing programs in order to better serve low-income adults, LEP populations, and UI claimants:

- Thirty-seven percent of these offered orientations, job clubs, or job readiness workshops;
- Thirty percent offered intensive services, such as assessments and career plans;
- Thirty percent offered English as a second language programs;
- Nineteen percent increased their occupational skills programs;
- Fifteen percent increased their adult basic education programs; and
- Fifteen percent increased their GED programs.



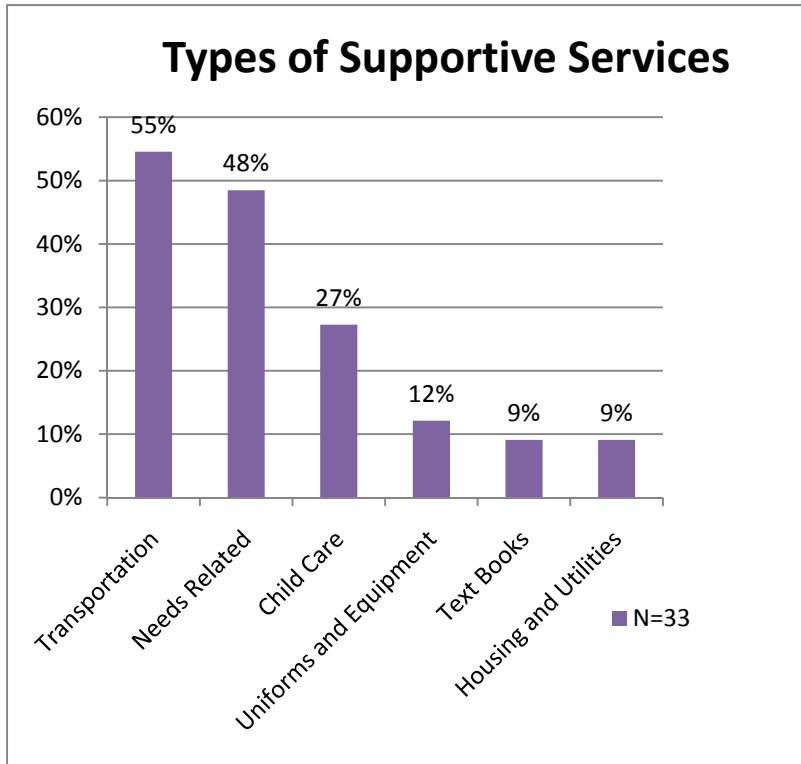
6. Have you found the need to provide supportive services and needs-related payments to individuals who receive Individual Training Accounts to help them complete training?



A full 86 percent of the WIB respondents indicated that they needed to provide supportive services and needs-related payments to help those with individual training accounts (ITAs) complete their training, while 3 percent said they might need to in the future (e.g. when a training recipient's UI benefits ended), and 1 percent said they would if they had the money available.

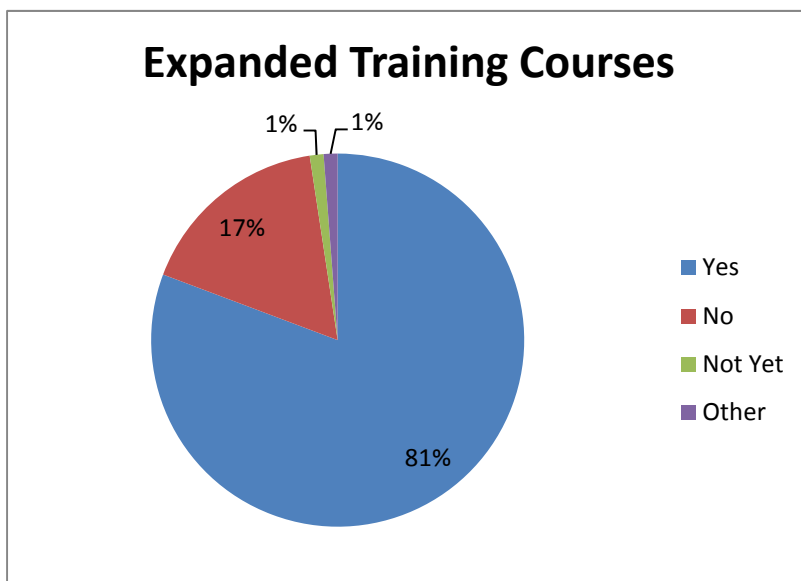
Only 10 percent of respondents said that supportive services were

not necessary, though many of these WIBs indicated that it was because participants were getting support from other sources, specifically unemployment insurance.



Of the 33 respondents who discussed supportive services, 55 percent provided transportation and 48 percent provided needs related payments. Smaller number of respondents provided child care (27%), uniforms and equipment (12%), text books (9%), and housing and utilities support (9%). An additional 6 percent indicated that they might have to provide needs related payments in the future.

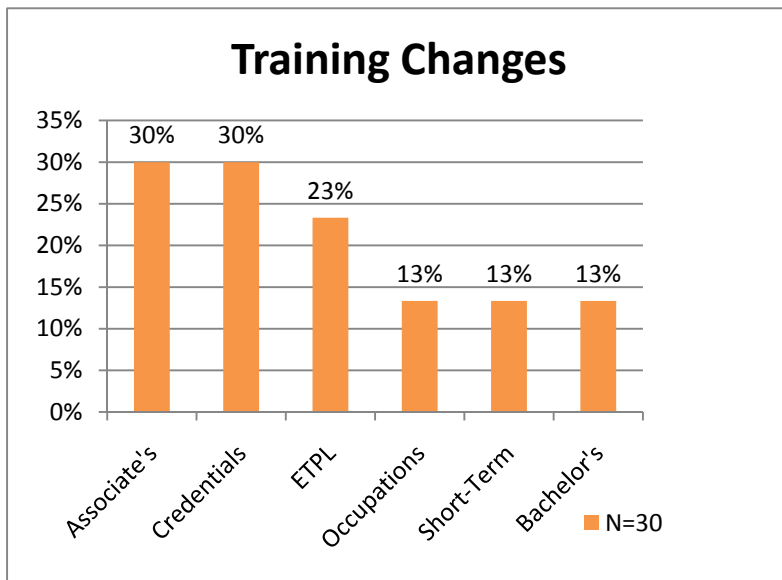
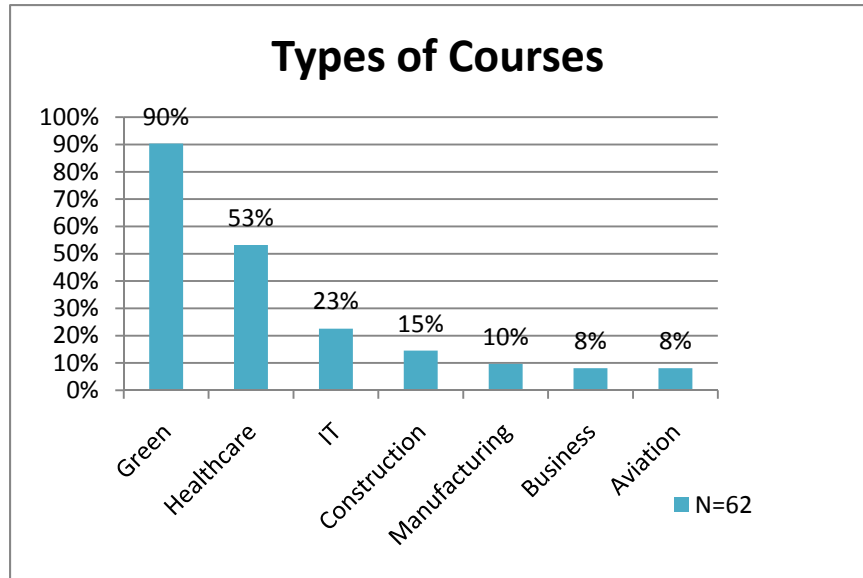
7. Have you expanded the list of approved training courses? If so, what types of courses have been added? For example, are you preparing workers for green or other high-demand occupations, getting associate's degrees or industry-recognized credentials?



Eighty-one percent of the WIB respondents indicated that they had expanded their lists of approved training programs.

Sixty-two respondents provided information on the types of courses they were adding. The most frequently mentioned types of new courses were green and energy industries (90%) and healthcare (53%) courses. Also frequently mentioned were courses in

- Information technology,
- Construction,
- Advanced manufacturing,
- Business administration and administrative support, and
- Aviation.

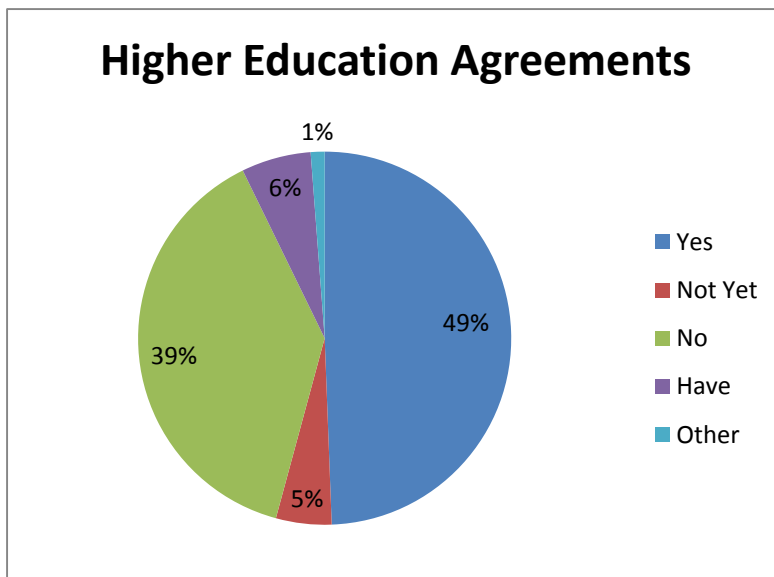


Thirty respondents pointed out changes they were making in their training programs. Thirty percent were supporting individuals pursuing associate's degrees, while 13 percent were supporting those pursuing bachelor's degrees, and 13 percent were providing short-term training.

Thirty percent were focusing on courses with industry-recognized credentials, 23

percent were expanding their eligible training provider list, and 13 percent were increasing training for high-demand, high-wage occupations.

8. Have you entered into any agreements with Institutions of Higher Education, as allowed under the Recovery Act? If so, for what types of training have you used those contracts?

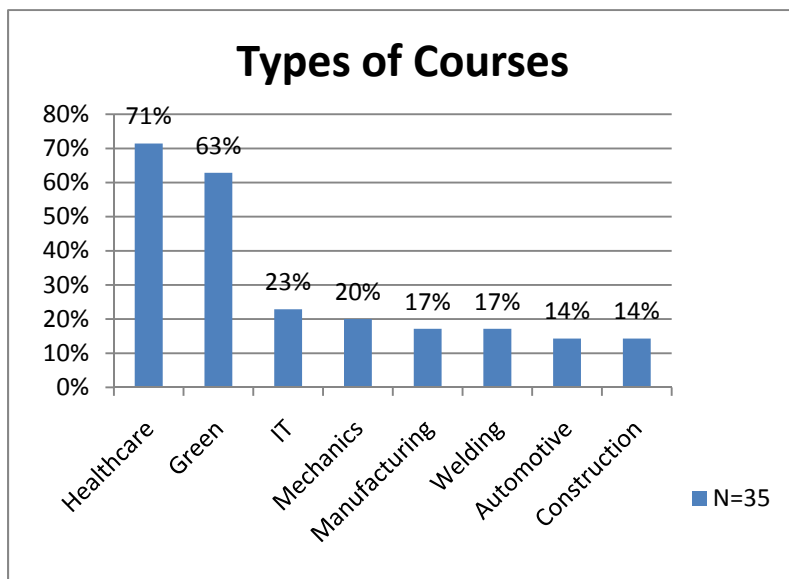


Less than half (49%) of the WIB respondents had entered into agreements with higher education as a result of ARRA. An additional 6 percent, though, said that they already had agreements with higher education institutions, and 5 percent indicated that they might enter into agreements in the future.

The WIBs noted a variety of agreements they had with

higher education institutions. Of the 25 WIBs that specified,

- Fourteen had agreements regarding class size training;
- Four had agreements regarding associate's degrees;
- Two regarding the summer youth employment program;
- Two for individual training accounts (ITAs);
- Two for stackable credentials;
- One for bachelor's degrees; and
- One for on-line courses.



Thirty-five WIB respondents provided information on the types of courses that were part of their agreements with higher education institutions. Agreements were most commonly made around healthcare (71%) and green and energy industries (63%) programs. But a significant percentage of agreements involved information technology (23%), mechanics (20%), manufacturing and welding (17% each), and automotive and construction (14% each). When WIBs mentioned entering

(17% each), and automotive and construction (14% each). When WIBs mentioned entering

into agreements around automotive programs, they usually indicated that these programs involved preparing mechanics to work with the new green automobiles.

9. Please describe areas where you may need technical assistance from ETA in relation to training under the Recovery Act.

Most WIBs (70%) indicated that they did not have any technical assistance needs. The technical assistance needs mentioned most frequently by the 25 respondents who noted needs in this area were

- Reporting (seven WIBs);
- Access to funding (six WIBs);
- Incumbent worker training and basic skills upgrade (three);
- Identification of green industries, occupations, skills, and credentialing (two);
- A paradigm for growing talent from low to high skill (two); and
- Layoff aversion (two).

Responses

The 83 WIBs that responded to the survey were from 33 states, including one single-WIB state (North Dakota). The states and the number of WIB respondents are shown in the table below.

State	Number of WIBs	State	Number of WIBs
AR	2	MO	2
AZ	3	NC	2
CA	6	ND	1
CT	2	NJ	1
FL	6	NV	1
GA	1	NY	4
IA	1	OH	3
IL	3	OK	5
IN	2	PA	5
KS	1	SC	3
KY	2	TN	5
LA	2	TX	4
MA	3	VA	2
MD	1	WA	2
ME	1	WI	1
MI	2	WV	1
MN	3		

More details on the survey responses are contained in the following pages.

**American Recovery and Reinvestment Act of 2009
Training Survey Responses – Local Level**

1. Has your local area been able to increase the number of individuals being trained with the infusion of additional ARRA funds in the WIA Adult, Dislocated Worker and Youth programs? If so, please provide an estimate of the increase in the number of individuals receiving these training services compared to the prior year?		
	#	%
Yes	80	96.39%
Yes but just compensates for decrease in WIA funds	3	3.61%
No	0	0.00%
Total	83	100.00%
2. Please describe your strategy to increase training opportunities for these individuals. For example: Did your local area establish new goals or policies, or launch outreach initiatives? Are you using Recovery Act funds to support Registered Apprenticeship opportunities through scholarships for apprentices or to support on-the-job training to employers?		
	#	%
New or increased programs	56	67.47%
New goals or policies	47	56.63%
Outreach	31	37.35%
No change (not necessary)	10	12.05%
Total	83	
New or Increased Programs	#	%
On-the-job training, paid internship, work experience	34	55.74%
Apprenticeships	18	29.51%
Summer youth employment	11	18.03%
Occupational training	9	14.75%
Class-size training	9	14.75%
Short-term training	7	11.48%
Post-secondary tuition	4	6.56%
Pre-apprenticeships	2	3.28%
Job search classes and programs	2	3.28%
Work readiness training	2	3.28%
Adult basic education and GED programs	1	1.64%
On-site training at companies conducting mass layoffs or closings	1	1.64%
Layoff aversion	1	1.64%
Long-term training	1	1.64%
Total	61	
New Goals or Policies	#	%
Increased money for training	7	16.67%
Increased size of ITAs	7	16.67%

Added or increased supportive services	7	16.67%
Changed target population	7	16.67%
	#	%
Altered list of demand occupations	6	14.29%
Established training enrollment goals	6	14.29%
Increased staff	5	11.90%
Expanded or added facilities	4	9.52%
Expanded ETPL	4	9.52%
Increased number of ITAs	2	4.76%
Applied for OJT waiver increasing the amount of the subsidy	1	2.38%
Established a sector strategy	1	2.38%
Enacted a common assessment strategy	1	2.38%
Required all funds to be spent on associate degrees	1	2.38%
Other	2	4.76%
Total	42	
Outreach	#	%
Partnerships/referrals/outreach with education	13	52.00%
Partnerships/referrals/outreach with other entities	8	32.00%
Outreach to private sector	6	24.00%
Orientations	6	24.00%
Media campaigns	4	16.00%
Career expos and job fairs	3	12.00%
Outreach to apprenticeship	2	8.00%
Town halls	1	4.00%
Daily intake sessions for summer youth employment program	1	4.00%
Total	25	
3. Is your local area having difficulty accommodating the number of people seeking training services? For example: Are the formula and Recovery Act funds running low?		
Do you have waiting lists?		
	#	%
Yes	57	68.67%
No, but anticipate that will	9	10.84%
Facility-related only	1	1.20%
No	16	19.28%
Total	83	100.00%
4. Have you run into capacity constraints with your training providers? For example, are classes at community and technical colleges or other providers full? Are there waiting lists?		
	#	%
Yes	39	48.75%
Not yet, but expect that we will	2	2.50%

Yes, but schools are able to expand with ARRA money	5	6.25%
No	34	42.50%
Total	80	100.00%
5. Please describe the approach/programs your local area is taking to target low-income adults, Low English Proficiency (LEP) populations, and Unemployment Insurance claimants with training services.		
	#	%
No change, already targeting or doesn't need to target	35	42.68%
Implementing strategies	45	54.88%
Setting priorities	39	47.56%
New or increased programs	24	29.27%
Total	82	
Implementing Strategies	#	%
Referrals from government programs	17	33.33%
Referrals from the system or workforce partners	13	25.49%
Referrals from community groups	12	23.53%
Media campaigns/community outreach/job fairs	11	21.57%
Co-locating where these populations are receiving services already	9	17.65%
Outreach to UI claimants	8	15.69%
Expanded orientations/case management/support services	6	11.76%
Referrals from education	5	9.80%
Increased staff or facilities	4	7.84%
On-site registration at events (e.g., rapid response, job fairs)	2	3.92%
Front desk registration	2	3.92%
Redefined self-sufficiency to enlarge the pool	1	1.96%
Encouragement to enter training	1	1.96%
Adopted a sector strategy	1	1.96%
Total	51	
Setting Priorities	#	%
Low income	36	81.82%
UI claimants and exhaustees	24	54.55%
Limited English proficient	13	29.55%
Public assistance	11	25.00%
Dislocated workers	9	20.45%
Ex-offenders	3	6.82%
Dropouts	1	2.27%
Homeless	1	2.27%
Individuals with disabilities	1	2.27%
Veterans	1	2.27%
Older youth	1	2.27%
Total	44	

New or Increased Programs	#	%
Additional information and workshops (job clubs, orientations, job readiness, PREP)	10	37.04%
Additional intensive services (including assessments, career plans)	8	29.63%
English as a second language	8	29.63%
Occupational skills training	5	18.52%
Adult and basic skills education	4	14.81%
GED	4	14.81%
Classroom training	3	11.11%
	#	%
On-the-job training	2	7.41%
Training set at a variety of skill levels	1	3.70%
Career ladder training	1	3.70%
Occupational training in Spanish (or other foreign language)	1	3.70%
On-line training	1	3.70%
Pre-apprenticeship training	1	3.70%
Total	27	
6. Have you found the need to provide supportive services and needs-related payments to individuals who receive Individual Training Accounts to help them complete training?		
	#	%
Yes	70	86.42%
Not yet	2	2.47%
Would if the resources were available	1	1.23%
No	8	9.88%
Total	81	100.00%
Types of Supportive Services	#	%
Transportation	18	54.55%
Needs related payments	16	48.48%
Child care	9	27.27%
Uniforms and equipment	4	12.12%
Text books	3	9.09%
Housing and utilities	3	9.09%
Relocation expenses	1	3.03%
Clothing	1	3.03%
Perhaps needs related payments in the future	2	6.06%
Total	33	
7. Have you expanded the list of approved training courses? If so, what types of courses have been added? For example, are you preparing workers for green or other high-demand occupations, getting associate's degrees or industry-recognized credentials?		
	#	%
Yes	67	80.72%
No	14	16.87%

Not yet	1	1.20%
Other	1	1.20%
Total	83	100.00%
Listed Specific Classes, Occupations, or Industries	#	%
Green/energy	56	90.32%
Healthcare	33	53.23%
Information technology	14	22.58%
Construction	9	14.52%
Advanced manufacturing	6	9.68%
	#	%
Business administration and administrative support	5	8.06%
Aviation	5	8.06%
Automotive	4	6.45%
Transportation and logistics	4	6.45%
Mechanics	3	4.84%
Welding	2	3.23%
Education	2	3.23%
Hospitality	2	3.23%
Advanced materials	2	3.23%
Communications	1	1.61%
Customer service	1	1.61%
Legal aid	1	1.61%
Security officer	1	1.61%
Sustainable local foods	1	1.61%
Animal related	1	1.61%
Biotechnology	1	1.61%
Other	1	1.61%
Total	62	
Training Changes	#	%
Associate's degrees	9	30.00%
Industry recognized credentials	9	30.00%
Expanded ETPL	7	23.33%
Increased training for high demand/ high wage occupations	4	13.33%
Short-term training	4	13.33%
Bachelor's degrees	4	13.33%
Credentialed programs	3	10.00%
Added vendors	2	6.67%
Long-term training	2	6.67%
Contracted ETPL	1	3.33%
Eliminated training for low-wage occupations	1	3.33%
More expensive training	1	3.33%
Stackable credentials	1	3.33%
Total	30	

8. Have you entered into any agreements with Institutions of Higher Education, as allowed under the Recovery Act? If so, for what types of training have you used those contracts?		
	#	%
Yes	41	49.40%
Not yet	4	4.82%
No	32	38.55%
Already have agreements	5	6.02%
Other	1	1.20%
Total	83	100.00%
Types of Agreements	#	%
Class-size training	14	56.00%
Associate's degrees	4	16.00%
Summer youth employment program	2	8.00%
ITAs	2	8.00%
Stackable credentials	2	8.00%
Bachelor's degrees	1	4.00%
On-line courses	1	4.00%
Total	25	
Topics	#	%
Healthcare training	25	71.43%
Green training	22	62.86%
Information technology	8	22.86%
Mechanics	7	20.00%
Advanced manufacturing	6	17.14%
Welding	6	17.14%
Automotive training	5	14.29%
Construction	5	14.29%
Business training	3	8.57%
Education	3	8.57%
Transportation and logistics	3	8.57%
Work readiness	3	8.57%
Culinary arts	2	5.71%
Aviation	1	2.86%
Customer service	1	2.86%
Electronics training	1	2.86%
Entrepreneurship	1	2.86%
Security officer	1	2.86%
Biotechnology	1	2.86%
Hospitality	1	2.86%
Other	2	5.71%
Total	35	

9. Please describe areas where you may need technical assistance from ETA in relation to training under the Recovery Act.		
	#	%
Reporting	7	8.43%
Access to funding	6	7.23%
Incumbent worker training (basic skills upgrade)	3	3.61%
Identifying green industries/occupations/skills/credentialing	2	2.41%
Paradigm for growing talent from low to high skill	2	2.41%
Layoff aversion	2	2.41%
How local employers can take advantage of DOL's programs other than WIA/ARRA	1	1.20%
Closeout	1	1.20%
Allowable costs related to apprenticeship services	1	1.20%
OJT linked with credentials	1	1.20%
Job creation	1	1.20%
Development of infrastructure (electronic)	1	1.20%
Performance measures	1	1.20%
Waivers	1	1.20%
Dual enrollment of ARRA and WIA	1	1.20%
Basic education	1	1.20%
Job placement in a tight economy	1	1.20%
Transitioning back to less training funds in WIA	1	1.20%
Local sector needs	1	1.20%
Internships	1	1.20%
Other	1	1.20%
None	58	69.88%
Total	83	

Written by Terri Lee Bergman, National Association of Workforce Boards.

NAWB and USCM want to thank NASWA for developing the survey and the U.S. Department of Labor, Employment and Training Administration, for supporting the *analysis* of the survey.