

STATE OF VERMONT



**ANNUAL REPORT
WORKFORCE INVESTMENT ACT
TITLE 1-B
JULY 1, 2002—JUNE 30, 2003**



SUBMITTED BY:

**ANNE V. GINEVAN
COMMISSIONER
VERMONT DEPARTMENT OF EMPLOYMENT AND TRAINING**

DECEMBER 1, 2003

VERMONT DEPARTMENT OF EMPLOYMENT AND TRAINING

December 1, 2003

U.S. Department of Labor
Employment and Training Administration
Attn: Eric Johnson, Performance and Results Office
Room N-5309
Washington, DC 20210

Dear Eric:

I am pleased to present you with Vermont's PY 2002 Annual Report for WIA Title I-B.

From an employment and training perspective, 2002 was a very busy year. It was the first year in a decade to record a net loss of jobs putting added pressure on our jobs and training and unemployment insurance staff. Manufacturing continued to lead in job losses overshadowing any job gains in other sectors. The result was a consistent environment of layoffs, both small and large, and a WIA staff confronted with ongoing rapid response and dislocation activity. The unsettled economy provided unique challenges for DET not the least of which was to provide excellent services to the mounting number of laid-off workers and to meet performance goals for WIA.

I would like to recognize and express my appreciation to the staff at the ETA Regional Office in Boston for their technical assistance and general support through the year.

Sincerely,

Anne V. Ginevan, Ph.D.
Commissioner

I. A Challenging Year: Layoffs Continue

On June 30, 2002, Vermont was awarded a National Emergency Grant to deal with an increasingly unstable labor market characterized by significant lay-off activity across the state.

This activity led to a greater share of available funding being directed to rapid response activity putting even greater pressure on formula funds. In May, the first in a series of NEG requests was submitted to DOL. However, once received, the funds were quickly used up.

Layoffs were concentrated mostly in manufacturing. Between July 2002 and June 2003, there were 4,204 layoffs reported to DET from 189 employers geographically dispersed throughout the state. This does not take into account the large number of employers who did not report layoffs and does not include the IBM layoff of 988 in June 2002. While IBM workers became NAFTA certified thereby taking some pressure off formula funds, providing services to them put additional strain on staff. In fact, it was not uncommon for staff who were normally dedicated to other activities to be assigned to worker dislocation activities.

During this program year two additional National Emergency Grants were submitted and approved, one for dual enrollment with TAA. Overall, the year posed significant demands on funding and case management capacity.

II. Innovative Programs: The Information Technology Apprenticeship Readiness Program

In one of Vermont's most innovative program initiatives, WIA funds have been used to help establish a successful information technology training program at IDX Systems Corporation.

In 2002, IDX Systems, a medical information systems company, was having difficulty finding highly skilled technology workers from Vermont at its South Burlington facility. In order to find and train individuals for programming and analyst positions, an innovative training program was developed called the Information Technology Apprenticeship Readiness Program (ITAR).

ITAR is funded by a unique collaboration of public and private entities including the Vermont Department of Economic Development, DET (from the Registered Apprenticeship Program and the Workforce Investment Act), and IDX Systems.

Participant recruitment took place through DET's Career Resource Center in Burlington, which was able to recruit and enroll a number dislocated workers who had the appropriate technological aptitude.

The innovative ITAR program begins with an 8-week classroom-training component. After completing the initial stage, individuals are hired by IDX through OJT contracts funded by the Workforce Investment Act and simultaneously enrolled in the Vermont Registered Apprenticeship Program, enabling each person to receive a Certificate of Completion of Apprenticeship. To date, 37 individuals have been enrolled in ITAR and hired by IDX at \$23,000 to \$24,000 per year. By the end of the one-year program individuals are earning between \$35,000 and \$40,000 per year.

III. Cost Benefit Analysis and Evaluations

A. *Cost benefit analysis*

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

Recruiting and serving youth, particularly out-of-school, older youth (19-21 yrs), continues to be the most challenging activity area. To bring older youth into the service delivery system requires a heavy investment in outreach and building partnerships with other youth service providers. Teamwork to get older youth involved and to keep them involved is crucial. Costs related to outreach, intake, assessment, case management and follow-up exceed direct payments on behalf of participants by a large percentage.

	PY 2001		PY 2002		PY'01
	Number Served	Average Cost	Number Served	Average Cost	National Average
Adult	538	\$3,368	459	\$4,466	\$2,630
Youth	1257	\$2,088	1110	\$2,438	\$2,840
Dislocated Worker	527	\$2,472	394	\$3,177	\$3,342
Total	2322	\$2,896	1963	\$3,060	\$2,916

While the number of participants served dropped and average cost per participant increased across programs, Vermont was not out of line with national averages. In fact, with the exception of average cost per WIA adult, expenditures per participant in youth and dislocated worker programs were lower than the national average. Nevertheless, the drop in number served and rise in cost per participant within Vermont as well as the high average cost of serving adults will be a target of exploration during this program year.

B. *Evaluations of workforce investment activities*

A central tenet of the Workforce Investment Act (WIA) is continuous improvement. In an effort to enhance the one-stop system by improving customer service, DET contracted with the Center for Social Science Research at Saint Michael's College. The goal is to conduct follow-up interviews with former WIA participants across all programs in order to gain a better understanding of the client perspective and the general impact of the program. The sixty-one page report for PY'01 was delivered to DET in January of this year.

In comparing performance with PY 2001, DET made progress in a number of areas and noted at least one area where improvement needs to be made. In PY 2001, DET fell outside of the 80%-of-goal range in the older youth retention rate, the older youth earning change, and the older youth employment and credential rate. In PY 2002, DET exceeded the

goals of the latter two measures and met the goal of the first. The area of concern was in the adult earning change, which, after two years of exceeding the goal, we fell outside of the 80%-of-goal range.

IV. Performance Measures

After two initial years of excellent performance, DET has struggled to maintain good to excellent performance results. Historically, in a recessionary environment, performance suffers in programs that focus on moving people into the job market. This particular recession has proven troublesome in a number of respects, not the least of which has been a steady stream of layoffs and plant closings across the state and a stubbornly static unemployment rate of around 4%. Lay off activity included a significant number of workers in high wage manufacturing jobs across the state. At IBM Corporation alone, another 1000 highly-paid, highly-skilled employees were laid off. This had a ripple effect throughout the economy affecting jobs across many industries. As layoff activity continued to rise, DET had to apply for a National Emergency Grants in order to meet the basic demands of laid off workers.

While, the labor market has made it increasingly difficult for job seekers to find work and for employers to invest in training prospective workers, DET remains dissatisfied with its performance and will continue to evaluate and develop strategies to increase performance across all WIA programs. In fact, DET has recently reorganized the way it delivers WIA services in hopes of enhancing performance.

Tables

TABLE A - Workforce Investment Act Customer Satisfaction Results

Customer Satisfaction	Negotiated Performance Level	Actual Performance Level-ACSI	Number of Completed Surveys	Number of Customers Eligible for The Survey	Number of Customers Included in The Sample	Response Rate
Participants	78	86.3	415	879	879	47.2%
Employers	78	81.1	729	1,000	1000	72.9%

TABLE B - Adult Program Results At-A-Glance

	Negotiated Performance Level	Actual Performance Level	Numerator/ Denominator
Entered Employment Rate	70%	66.7%	N=134 D=201
Employment Retention Rate	83%	71.8%	N=127 D=177
Earnings Change in Six Months	\$3425	\$2405	N=\$425,773 D=177
Employment & Credential Rate	55%	67.4%	N=93 D=138

TABLE C - Outcomes for Adult Special Populations

Reported Information	Public Assistance Recipients Receiving Intensive or Training Services		Veterans		Individuals With Disabilities		Older Individuals	
Entered Employment Rate	66.2%	N=43 D=65	66.7%	N=12 D=18	57.9%	N=11 D=19	64.3%	N=9 D=14
Employment Retention Rate	68.9%	N=31 D=45	73.7%	N=14 D=19	81.8%	N=9 D=11	55.6%	N=5 D=9
Earnings Change in Six Months	\$3039	N=\$136,769 D=45	\$4,373	N=\$83,088 D=19	\$1,509	N=\$16,604 D=11	\$1,731	N=15,576 D=9
Employment & Credential Rate	61.8%	N=21 D=34	73.3%	N=11 D=15	33.3%	N=4 D=12	57.1%	N=4 D=7

TABLE D - Other Outcome Information for the Adult Program

Reported Information	Individuals Who Received Training Services		Individuals Who Received Only Core and Intensive Services	
Entered Employment Rate	77.3%	N=75 D=97	56.7%	N=59 D=104
Employment Retention Rate	76.6%	N=85 D=111	63.6%	N=42 D=66
Earnings Change in Six Months	\$2,779	\$308,418 111	\$1,778	\$117,355 66

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

	Negotiated Performance Level	Actual Performance Level	Numerator/Denominator
Entered Employment Rate	76%	76.1%	N=194 D=255
Employment Retention Rate	85%	73.7%	N=143 D=194
Earnings Replacement in Six Months	87.3%	74.5%	N=\$2,000,088 D=\$2,684,828
Employment & Credential Rate	55%	58.3%	N=91 D=156

TABLE F - Outcomes for Dislocated Worker Special Populations

Reported Information	Veterans		Individuals With Disabilities		Older Individuals		Displaced Homemakers	
Entered Employment Rate	66.7%	N=24 D=36	75.0%	N=3 D=4	72.2%	N=26 D=36	66.7%	N=2 D=3
Employment Retention Rate	62.5%	N=15 D=24	66.7%	N=2 D=3	61.5%	N=16 D=26	100.0%	N=2 D=2
Earnings Replacement Rate	68.8%	N=\$281,871 D=\$409,589	65%	N=\$21,302 D=\$32,985	65.1%	N=\$222,651 D=\$341,936	100.4%	N=\$17,344 D=\$17,273
Employment & Credential Rate	47.6%	N=10 D=21	66.7%	N=2 D=3	44.4%	N=8 D=18	0.0%	N=0 D=3

TABLE G - Other Outcome Information for the Dislocated Worker Program

Reported Information	Individuals Who Received Training Services		Individuals Who Received Only Core and Intensive Services	
Entered Employment Rate	74.4%	N=116 D=156	78.8%	N=78 D=99
Employment Retention Rate	73.3%	N=85 D=116	74.4%	N=58 D=78
Earnings Replacement Rate	75.2%	N=\$1,234,560 D=\$1,641,129	73.3%	N=\$765,528 D=\$1,043,699

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

	Negotiated Performance Level	Actual Performance Level	Numerator/Denominator
Entered Employment Rate	71%	60.3%	N=35 D=58
Employment Retention Rate	82%	75.0%	N=33 D=44
Earnings Change in Six Months	\$1,850	\$2,053	N=\$90,322 D=44
Employment & Credential Rate	34.5%	37.7%	N=26 D=69

TABLE I - Outcomes for Older Youth Special Populations

Reported Information	Public Assistance Recipients Receiving Intensive or Training Services		Veterans		Individuals With Disabilities		Out-of-School Youth	
Entered Employment Rate	55.6%	N=10 D=18	100.0%	N=1 D=1	50.0%	N=13 D=26	59.6%	N=31 D=52
Employment Retention Rate	63.6%	N=7 D=11	100.0%	N=1 D=1	60.0%	N=9 D=15	79.5%	N=31 D=39
Earnings Change in Six Months	\$1,798	N=\$19,776 D=11	-\$6,198	N=-6918 D=1	\$689	N=-\$10,342 D=15	\$2,257	N=\$88,004 D=39
Employment & Credential Rate	25.0%	N=5 D=20	100.0%	N=1 D=1	28.6%	N=8 D=28	36.1%	N=22 D=61

TABLE J - Younger Youth Results At-A-Glance

Reported Information	Negotiated Performance Level	Actual Performance Level	Numerator/Denominator
Skill Attainment Rate	77%	74.8%	N=291 D=389
Diploma or Equivalent Attainment Rate	50%	46.9%	N=30 D=64
Retention Rate	61%	53.8%	N=50 D=93

TABLE K - Outcomes for Younger Youth Special Populations

Reported Information	Public Assistance Recipients Receiving Intensive or Training Services		Individuals With Disabilities		Out-of-School Youth	
Skill Attainment Rate	78.3%	N=65 D=83	76.6%	N=226 D=295	59.0	N=23 D=39
Diploma or Equivalent Attainment Rate	57.1%	N=8 D=14	50.0%	N=20 D=40	20.0%	N=6 D=30
Retention Rate	53.3%	N=8 D=15	55.3%	N=21 D=38	51.8%	N=29 D=56

TABLE L - Other Reported Information

	12 Month Employment Retention Rate		12 Mo. Earnings Change (Adults and Older Youth) or 12 Mo. Earnings Replacement (Dislocated Workers)		Placements for Participants in Nontraditional Employment		Wages at Entry Into Employment for Those Individuals Who Entered Unsubsidized Employment		Entry Into Unsubsidized Employment Related to the Training Received of Those Who Completed Training Services	
Adults	75.9%	N=129 D=170	\$3,217	N=\$546,922 D=170	3.73%	N=5 D=134	\$3,705	N=496,450 D=134	100%	N=50 D=50
Dislocated Workers	84.7%	N=72 D=85	91.5%	N=\$991,303 D=\$1,082,867	4.64%	N=9 D=194	\$6,166	N=1,196,142 D=194	100%	N=75 D=75
Older Youth	65.1%	N=28 D=43	\$1,728	N=\$74,294 D=43	0.0%	N=0 D=35	\$1,889	N=66,114 D=35	N/A	N/A

TABLE M - Participation Levels

	Total Participants Served	Total Exiters
Adults	459	300
Dislocated Workers	394	289
Older Youth	179	86
Younger Youth	931	293

TABLE N - Cost of Program Activities

Program Activity		Total Federal Spending
Local Adults		\$2,049,953
Local Dislocated Workers		\$1,251,552
Local Youth		\$2,705,985
Rapid Response (up to 25%) 134 (a) (2) (A)		\$ 136,159
Statewide Required Activities (up to 25%) 134 (a) (2) (B)		\$ 842,778
Statewide Allowable Activities 134 (a) (3)	Program Activity Description	
Total of All Federal Spending Listed Above		\$6,986,427

WIA Annual Report Data

State Name: VT

Program Year: 2002

Table A: Workforce Investment Act Customer Satisfaction Results

Customer Satisfaction	Negotiated Performance Level	Actual Performance - Level - American Customer Satisfaction Index	Number of Surveys Completed	Number of Customers Eligible for the Survey	Number of Customers Included in the Sample	Response Rate
Participants	78	86.3	415	879	879	47.2
Employers	78	81.1	729	1,000	1,000	72.9

Table B: Adult Program Results At-A-Glan

	Negotiated Performance Level	Actual Performance Level	
Entered Employment Rate	70	66.7	134
			201
Employment Retention Rate	83	71.8	127
			177
Earnings Change in Six Month	3,425	2,405	425,773
			177
Employment and Credential Rate	55	67.4	93
			138

Table C: Outcomes for Adult Special Populations

Reported Information	Public Assistance Recipients Receiving Intensive or Training Services		Veterans		Individuals With Disabilities		Older Individuals	
Entered Employment Rate	66.2	43	66.7	12	57.9	11	64.3	9
		65		18		19		14
Employment Retention Rate	68.9	31	73.7	14	81.8	9	55.6	5
		45		19		11		9
Earnings Change in Six Months	3,039	136,769	4,373	83,088	1,509	16,604	1,731	15,576
		45		19		11		9
Employment and Credential Rate	61.8	21	73.3	11	33.3	4	57.1	4
		34		15		12		7

Table D: Other Outcome Information for the Adult Program

Reported Information	Individuals Who Received Training Services		Individuals Who Only Received Core and Intensive Services	
Entered Employment Rate	77.3	75	56.7	59
		97		104
Employment Retention Rate	76.6	85	63.6	42
		111		66
Earnings Change in Six Months	2,779	308,418	1,778	117,355
		111		66

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

	Negotiated Performance Level	Actual Performance Level	
Entered Employment Rate	76	76.1	194
			255
Employment Retention Rate	85	73.7	143
			194
Earnings Replacement in Six Months	87.3	74.5	2,000,088
			2,684,828
Employment and Credential Rate	55	58.3	91
			156

Table F: Outcomes for Dislocated Worker Special Populations

Reported Information	Veterans		Individuals With Disabilities		Older Individuals		Displaced Homemakers	
Entered Employment Rate	66.7	24	75	3	72.2	26	66.7	2
		36		4		36		3
Employment Retention Rate	62.5	15	66.7	2	61.5	16	100	2
		24		3		26		2
Earnings Replacement Rate	68.8	281,871	64.6	21,302	65.1	222,651	100.4	17,344
		409,589		32,985		341,936		17,273
Employment And Credential Rate	47.6	10	66.7	2	44.4	8	0	0
		21		3		18		3

Table G: Other Outcome Information for the Dislocated Worker Program

Reported Information	Individuals Who Received Training Services		Individuals Who Received Core and Intensive Services	
	Entered Employment Rate	74.4	116	78.8
156			99	
Employment Retention Rate	73.3	85	74.4	58
		116		78
Earnings Replacement Rate	75.2	1,234,560	73.3	765,528
		1,641,129		1,043,699

Table H: Older Youth Results At-A-Glance

	Negotiated Performance Level	Actual Performance Level	
		Entered Employment Rate	71
Employment Retention Rate	82	75	58
			33
Earnings Change in Six Months	1,850	2,053	44
			90,322
Credential Rate	34.5	37.7	26
			69

Table I: Outcomes for Older Youth Special Populations

Reported Information	Public Assistance Recipients		Veterans		Individuals With Disabilities		Out-of-School Youth	
	Entered Employment Rate	55.6	10 18	100	1 1	50	13 26	59.6
Employment Retention Rate	63.6	7 11	100	1 1	60	9 15	79.5	31 39
Earnings Change in Six Months	1,798	19,776 11	-6,918	-6,918 1	689	10,342 15	2,257	88,004 39
Credential Rate	25	5 20	100	1 1	28.6	8 28	36.1	22 61

Table J: Younger Youth Results At-A-Glance

	Negotiated Performance Level	Actual Performance Level	
		Skill Attainment Rate	77
Diploma or Equivalent Attainment Rate	50	46.9	30 64
Retention Rate	61	53.8	50 93

Table K: Outcomes for Younger Youth Special Populations

Reported Information	Public Assistance Recipients		Individuals Disabilities		Out-of-School Youth	
Skill Attainment Rate	78.3	65	76.6	226	59	23
		83		295		39
Diploma or Equivalent Attainment Rate	57.1	8	50	20	20	6
		14		40		30
Retention Rate	53.3	8	55.3	21	51.8	29
		15		38		56

Table L: Other Reported Information

	12 Month Employment Retention Rate		12 Mo. Earnings Change (Adults and Older Youth) or 12 Mo. Earnings Replacement (Dislocated Workers)		Placements for Participants in Nontraditional Employment		Wages At Entry Into Employment For Those Individuals Who Entered Employment Unsubsidized Employment		Entry Into Unsubsidized Employment Related to the Training Received of Those Who Completed Training Services	
Adults	75.9	129	3,217	546,922	3.7	5	3,705	496,450	100	50
		170		170		134		134		50
Dislocated Workers	84.7	72	91.5	991,303	4.6	9	6,166	1,196,142	100	75
		85		1,082,867		194		194		75
Older Youth	65.1	28	1,728	74,294	0	0	1,889	66,114		
		43		43		35		35		

Table M: Participation Levels

	Total Participants Served	Total Exiters
Adults	459	300
Dislocated Workers	394	289
Older Youth	179	86
Younger Youth	931	293

Table N: Cost of Program Activities

Program Activity		Total Federal Spending
Local Adults		\$2,049,953.00
Local Dislocated Workers		\$1,251,552.00
Local Youth		\$2,705,985.00
Rapid Response (up to 25%) 134 (a) (2) (A)		\$136,159.00
Statewide Required Activities (up to 25%) 134 (a) (2) (B)		\$842,778.00
Statewide Allowable Activities 134 (a) (3)	Program Activity Description	
Total of All Federal Spending Listed Above		\$6,986,427.00

WIA Annual Report Data

State Name: VT

Program Year: 2002

Table O: Summary of Participants

Local Area Name: Vermont Human Resources Investment Council	Total Participants Served	Adults	459
		Dislocated Workers	394
		Older Youth	179
		Younger Youth	931
	Total Exiters	Adults	300
		Dislocated Workers	289
		Older Youth	86
		Younger Youth	293

		Negotiated Performance Level	Actual Performance Level
Customer Satisfaction	Program Participants	78	86.3
	Employers	78	81.1
Entered Employment Rate	Adults	70	66.7
	Dislocated Workers	76	76.1
	Older Youth	71	60.3
Retention Rate	Adults	83	71.8
	Dislocated Workers	85	73.7
	Older Youth	82	75
	Younger Youth	61	53.8
Earnings Change / Earnings Replacement in Six Months	Adults(\$)	3,425	2,405
	Dislocated Workers	87.3	74.5
	Older Youth (\$)	1,850	2,053
Credential / Diploma Rate	Adults	55	67.4
	Dislocated Workers	55	58.3
	Older Youth	34.5	37.7
	Younger Youth	50	46.9
Skill Attainment Rate	Younger Youth	77	74.8
Description of Other State Indicators of Performance			
Overall Status of Local Performance		Not Met	Met
			Exceeded