

# Outcome Goal 1.1

## Increase Employment, Earnings, and Assistance

Ernest was working as a security guard at Johns Hopkins Hospital when he heard about the Skills-based Training for Employment Promotion (STEP) program. STEP offers low-wage parents the opportunity to train for in-demand health careers. The program is coordinated by the Mayor's Office of Employment Development and involves partnerships with a consortium of hospitals, Baltimore City Community College, and the Baltimore Workforce Investment Board. Through STEP, workers train at Baltimore City Community College for positions such as pharmacy technician, dietary manager, and surgical technician. Ernest successfully completed the training and is now employed at Johns Hopkins Hospital as a pharmacy technician. In describing STEP, Ernest says, "The program has given me a new outlook on things. I'm a totally different thinker. Now, I'm learning new things and keeping up. It's limitless as to where I am going to go."



Photo Credit: Baltimore Mayor's Office of Employment Development

### Overview

America's prosperity and continued leadership in the global economy depend, in large part, on the competitiveness of our workforce. Without a skilled workforce prepared to perform the jobs offered by employers, America's economy will not maintain its competitive edge in the global marketplace. Workers need quick and easy access to a broad array of high quality and highly effective workforce development services. Our nation's network of some 2,000 One-Stop Career Centers provides a focal point for communities to offer the services that enable adults to acquire the skills needed for jobs and career changes that lead to high wages. This comprehensive workforce development system also helps businesses meet their ongoing recruitment and human services needs.

Technology has dramatically increased the Department's ability to offer services and products to individuals and businesses. Through a variety of automated, online tools the national, State, and local workforce delivery systems provide customers with job matching, labor market information, resource directories, and occupational and career information. Customers can access these tools and services at any time and anywhere that personal computers can be found, such as customers' homes, businesses, and public libraries. These features of the modern workforce development system have significantly lowered barriers to access for all Americans. For those with disabilities, the One-Stop Centers have improved access to their facilities and services by installing assistive technologies such as text telephones, screen readers, voice input and output directed programs, large print monitors, accessible desks, and alternative keyboards.

### Serving The Public

The Employment and Training Administration (ETA) and the Veterans' Employment and Training Service (VETS), with support from the Women's Bureau, the Office of Faith-Based and Community Initiatives and the Office of Disability Employment Policy (ODEP), operate a number of programs that provide the information, assistance, and skill-building opportunities that lead to increased employment and earnings.

ETA administers the majority of programs that contribute to the achievement of Outcome Goal 1.1. During this past program year (from July 2002 to June 2003), ETA programs served more than 16 million adults. Through the One-Stop Career Centers, 93 percent of these individuals received core employment services. Other programs such as the Workforce Investment Act (WIA) Adult and Youth programs and the Registered Apprenticeship program provided more comprehensive services to job seekers and businesses.

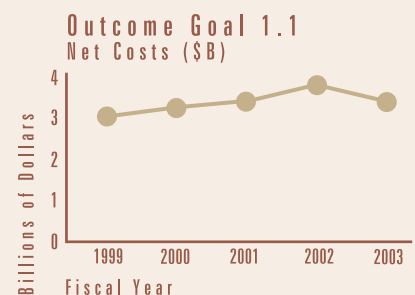
Overall, these programs demonstrated good progress toward meeting their annual performance goals under challenging economic conditions. The trend for adult programs shows that most are exceeding their annual goals in employing people and keeping them employed. However, there is a negative trend in meeting the goals for earnings gains due to tight labor markets and slight increases in unemployment.

DOL programs that provide services to adults achieved the following results this past year:

- Adult programs authorized under WIA provided necessary workforce preparation, training, and support services to a total of 457,565 individuals who increased their skills, employment opportunities, and earnings: 74 percent of those exiting the program entered employment, 84 percent remained employed, and demonstrated an average earnings increase of \$2,900.
- Wagner-Peyser Act employment services include access to resource rooms equipped with the latest technology; job referral and placement services; recruitment and screening services for employers; and labor market and career information. In FY 2003, a total of 10.2 million openings were listed with the public labor exchange: 6.1 million job openings were listed with the State Workforce Agencies and 4.1 million job openings were posted directly on America's Job Bank.
- ETA's Office of Apprenticeship Training, Employer and Labor Services has increased the number of apprenticeship occupations, providing opportunities for satisfying and rewarding careers in highly paid, skilled occupations. The additional 130,615 new apprentices hired this year contributed to the total of 488,927 active in the program. The program further expanded into new and emerging industries with the addition of 359 new programs.
- VETS oversees the delivery of employment services to America's veteran population, with an emphasis upon disabled veterans, homeless veterans, and recently separated veterans. VETS serves over 1.5 million veterans annually through the public labor exchange, and over 100,000 separating military service members participate each year in the intensive job search skill workshops provided through the agency's Transition Assistance Program.
- The Women's Bureau seeks to increase women's opportunities in occupations where worker shortages have been identified (e.g., nursing), high-technology fields, and nontraditional occupations and to increase work opportunities for older women workers, women with disabilities, immigrants, and Hispanics. In FY 2003, as a result of participation in Bureau demonstration projects, 650 women and girls either pursued employment, coursework, or training in identified worker shortage fields.
- The Office of Faith Based and Community Initiatives encourages utilization of the potential service providers in faith-based and community-based organizations. Since PY 2001, ETA has awarded a total of 61 system-building grants to States, intermediaries and small grass-roots organizations.
- ODEP develops, evaluates, and disseminates strategies to ensure that individuals with disabilities have full and complete access to all of the services delivered through the workforce development system.

### Program Costs

FY 2003 program costs of \$3.4 billion supported Employment and Training Administration programs to provide employment and training for adults through formula grants to States, registered apprenticeship, and employment services; Veterans



Employment and Training Service job placement for veterans and homeless veterans; Office of Disability Employment Policy efforts to develop, evaluate, and disseminate strategies to improve employment outcomes for job seekers with disabilities; Office of Faith Based and Community Initiatives contracting outreach; and Women's Bureau efforts to increase job opportunities for women.

Lower costs in FY 2003 resulted largely from slower than anticipated State Workforce Investment Act formula grantee spending, together with small increases in veterans reemployment services, apprenticeship training, gender pay equity efforts, outreach to faith based and community organizations, and policy development to assist with the implementation of the Olmstead decision to integrate Americans with disabilities into the community. Additionally, with the phasing out of the Welfare-to-Work program that was funded in FY 1998 and FY 1999 appropriations, net costs for ETA decreased from FY 2002 to FY 2003.

DOL recognizes the importance of measuring cost effectiveness in order to maximize its positive impact on employment. In FY 2004, DOL will begin to calculate and report an efficiency measure for each of its adult training programs.

#### DOL Challenges for the Future

As the 21st Century unfolds, the American workforce will be vastly different than it is today. Three powerful forces will transform the workforce and the manner in which we work: (1) Globalization – increased competition and opportunities from increasing fair and free trade with an expanding number of trade partners and interaction with global corporations; (2) Demographics and Diversity – changing composition and increased diversity of the workforce; and (3) Technology – increased use of technology and increased demand for high-skilled workers with some post-secondary education and training.

DOL's challenge will be to ensure that its programs, services, and guidance of the workforce investment system reflect these changes and address contemporary issues to contribute to economic growth. As a step in this direction, the Department is increasing collaboration within the One-Stop framework, leveraging the full array of services available from all partners, to enable all workers to secure employment with the opportunity for increased earnings and career advancement. To more effectively meet the needs of workers, the Department is also focusing increasingly on engaging the employer community as both customer and partner to help satisfy their needs and thereby assist in creation of good jobs with good wages for our workers.

The Department and its partners also will take advantage of available technology, address infrastructure and capacity needs, and seek new ways to break down the barriers to integrated One-Stop service delivery. The Department has increased its emphasis on performance accountability for all programs and services. The collective goal is to continue to provide high quality services and information that best serve the nation's job seekers and employers.

## Increase Employment, Retention, and Earnings for Qualified Adults

### Performance Goal 1.1A (Employment and Training Administration) – PY 2002

*Increase the employment, retention, and earnings of individuals registered under the Workforce Investment Act Adult program.*

#### Indicators

70 percent will be employed in the first quarter after program exit.

80 percent of those employed in the first quarter after program exit will be employed in the third quarter after program exit.

The average earnings change will be \$3,423 for those who are employed in the first quarter after program exit and are still employed in the third quarter after program exit.

#### Results

The goal was not achieved. The Department exceeded its targeted levels for individuals entering employment and job retention, achieving actual rates of 74 percent and 84 percent, respectively. The increased earnings target was not fully achieved. The actual increase of \$2,900 fell \$523 short of the target.

#### Program Description

The Adult Program under Title I of the Workforce Investment Act (WIA) of 1998 is designed to increase the skills, employment, retention and earnings of adult participants to help employers find the skilled workers they need to compete in a global economy. Funds are provided by formula to States and local communities, allowing them to operate statewide networks of One-Stop Career Centers, which serve as the primary vehicles for service delivery to both workers and employers. To achieve the purposes of the program, One-Stop Career Centers provide:

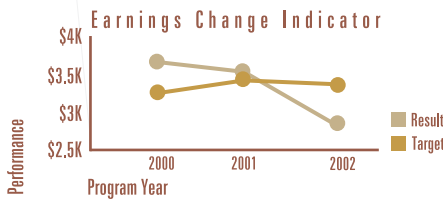
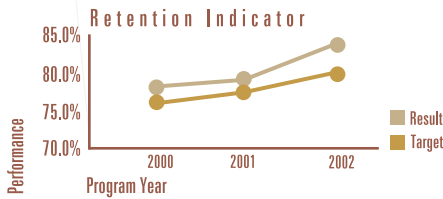
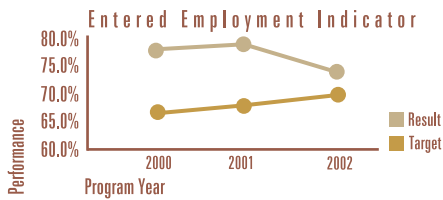
- Core Services such as outreach, labor market information, job search and placement assistance to help workers get back to work as quickly as possible.
- Intensive Services such as skills assessment, job counseling, and career planning, to help unemployed individuals who are unable to find or retain jobs through core services, or to assist employed individuals who require additional services to become self-sufficient.
- Training Services such as job-related skills, on-the-job-training, business training, and basic skills training such as English, reading, writing, and mathematics, for those eligible individuals who were unable to find or retain work through intensive services. "Individual Training Accounts" are provided to allow participants to take training of their choice from qualified training providers.
- Supportive Services such as transportation, childcare, dependent care, and housing and needs-related payments to help eligible individuals participate in the program.

States and localities are responsible for program management and operations, including eligibility determination, enrollment, service delivery, and certification of training providers. During PY 2002, approximately 457,565 adults received services, an increase of 16 percent from the number served in 2001.

After years of struggling through school with undiagnosed learning disabilities, Ian is now a successful entrepreneur with a thriving media and information technology business. Through assistance from Virginia's Department of Rehabilitation Services (DRS), Ian was diagnosed with ADD/ADHD and a mathematics disorder, and was encouraged to fill out an application for TRAIN IT. TRAIN IT is a unique partnership between multiple Virginia workforce investment boards, DRS, and the Woodrow Wilson Rehabilitation Center with the primary goal of helping individuals with significant disabilities pursue careers in information technology. Through TRAIN IT, Ian increased his technology skills and knowledge, including earning six certifications from Adobe and Microsoft, and was given the physical and emotional tools to build his own business. Ian now has several clients, both local and international companies, and his services range from documentary filming to computer consultation, training, and repairs. When asked about the future of his company, Ian says, "The sky is the limit... and I plan to fly!"



Photo Credit: DOL/ETA



Analysis of Results

The Department exceeded two of its three PY 2002 performance targets. DOL developed these targets in close collaboration and negotiation with the States. The results reflect performance reported by 50 States, the District of Columbia and Puerto Rico through the fourth quarter of the Program Year ending June 30, 2003. These results represent a significant improvement in retention (a 6.5 percent increase over 2001, when 78.9 percent of workers reported employment in the third quarter following participation). While the PY 2002 earnings change target was set \$159 above that of 2001, it was not achieved. This may reflect lower wages as a consequence of increased productivity (fueled by technological advances, as opposed to additional hours of people working), surplus of products to sell, and the tendency of incumbent workers to stay on the job during the uncertain period of slow economic recovery. Employers have reduced by 1.1 percent the total number of hours worked since November 2001 and have not provided salary increases for most jobholders.

The decrease in WIA Adult program participants' earnings gain may also be related to the increase in the unemployment rate of 5.4 percent in September 2002 to 6.1 percent in September 2003. The number of unemployed individuals for this same period rose from 7.7 million to 8.9 million. The economy showed some small wage increases in 2000 and 2001, but these increases were not reflected in PY 2002 outcomes. Workers had difficulty finding good paying jobs during 2002, as indicated by the increase in the poverty level from 11.7 to 12.1 percent from 2001 to 2002.

Strategies

Through the production of new tools, creation of incentives, and simplification of the coordinating process, the Department's strategies are intended to help employers find the workers they need; to prepare the workers for and place them into jobs with an emphasis on growth occupations having career potential; and to retain those workers in the labor market so that they can achieve wage progression and self-sufficiency. These strategies include:

*Strengthening business relationships to assure demand-driven services and to better identify and fill jobs in growth occupations.* The Department is identifying growth occupations and creating industry-specific "hiring profiles" for use as planning tools, to assure that organizations qualified to train in high-growth fields are recruited by States and local communities to appear on One-Stop Career Center eligible training provider lists. These profiles also anticipate the need for informed customer choice, an important principle in the Administration's proposed Personal Reemployment Accounts.

Through ETA's Business Relations Group, DOL is working to raise business awareness and use of the workforce investment system by testing innovative ideas through national partnerships with entities such as the U.S. Chamber of Commerce, the Economic Development Council, the National Association of Manufacturers and the Computing Technology Industry Association (CompTIA).

*Assuring universal access to the workforce investment system with emphasis on targeted outreach and returning dislocated workers to good jobs.* DOL will encourage and provide incentives for State and local program operators to increase their number of qualified refer-



rals to growth occupations from traditionally underutilized labor pools, including people with disabilities and limited English proficiency. DOL will work with community and faith-based organizations to increase local access to such labor pools. The Department has taken steps to improve labor market information products and to increase access to information for career and business planning and for more effective job search strategies.

*Leveraging Non-WIA resources to prepare the workforce.* In many cases, individuals eligible and enrolled in programs under WIA are also eligible for other federal, state and local programs. The cost burden for WIA can be eased and the level of resources available greatly increased by *co-enrolling* an individual in both WIA and such other programs. While WIA might handle skill-training costs, for example, another program in which the individual is co-enrolled might cover supportive services (such as transportation and child care).

A frequent drawback to co-enrollment is that different programs often have different performance standards, and co-enrollment of an individual (particularly a person with a large number of barriers to employment) might have a negative impact on one program's standards, but not on another's. DOL is working to define and publish co-enrollment examples and policies that do not have such an effect. DOL is also experimenting with the use of other non-WIA resources, which will allow for upgrading of entry-level workers in order to obtain employer agreement to backfill the vacated entry positions with WIA participants.

#### Management Issues

A recent Office of Inspector General (OIG) report raised concerns about whether data reported by States for WIA performance were accurate and supportable. In response, DOL has developed data validation handbooks and software, and has issued guidance for data validation of Program Year 2002 data. States are required to conduct both report validation and data element validation by April 1, 2004.

Another OIG audit assessed training activities under the WIA adult program, finding that WIA requirements, along with state and local policies, discourage eligible training providers (ETP) from participating in the One-Stop Career system. In response to OIG recommendations that ETA enact policy changes to reduce ETP burdens, the Department notes that the passage of the WIA reauthorization proposal includes changes to ETPs that will address these concerns (see study 4 in Appendix 3).

The General Accounting Office (GAO) has also issued five reports relating to the WIA adult program. Two reports addressed performance measurement issues (studies 13 and 15 in Appendix 3), the third report examined spending and financial reporting by States (study 14 in Appendix 3), the fourth report discussed transportation services for transportation-disadvantaged populations (see study 16 in Appendix 3), and the fifth report recommended development of a research agenda for integration of programs in One-Stop Career Centers (see study 17 in Appendix 3). ETA is addressing these GAO findings and recommendations through issuance of clarifying reporting guidance; examination of methods and systems for adjusting analysis of performance outcomes to take into account economic, demographic, and other factors; with the Coordinating Council for

Access and Mobility; commissioning an evaluation of the WIA performance measurement system; and development of a five-year research plan. Additionally, the WIA reauthorization proposal will address several of the recommendations in the GAO reports. ETA also contracted with an independent research team to conduct an interim evaluation of the Workforce Investment Act of 1998 (see study 23 in Appendix 3). By examining national goals and the roles of Federal, State, and local partners in implementing the law in eight states, the study provides information on the administration and delivery of publicly funded workforce development services. Details of these reports' specific findings, recommendations, and DOL actions taken can be found in Appendix 3.

#### Goal Assessment and Future Plans

The creation of a more agile, competitive workforce investment system that gives States discretion to move with the economy is needed. A reauthorized WIA can better integrate the Adult and Dislocated Worker formula programs and the labor exchange functions under the Wagner-Peyser Act. Labor exchange and information services can form the foundation of a unified approach with training and intensive services. A better integrated system can be tailored to local conditions, workforce trends, and the specific needs of business.

The Department anticipates that system integration and the expanded use of technology to inform adult customers about the labor market, current job opportunities and services, will increase performance due to the greater efficiencies that will be realized by these actions. Greater use of technology will also lead to increased staff capacity through distance learning and will improve on-demand communications with grantees and customers.

## Improve Public Labor Exchange Users' Outcomes

Performance Goal 1.1B (Employment and Training Administration) – PY 2002

*Improve the outcomes for job seekers and employers who receive public labor exchange services.*

### Indicators

55 percent of job seekers registered with the public labor exchange will enter employment with a new employer by the end of the second quarter following registration.

70 percent of job seekers will continue to be employed two quarters after initial entry into employment with a new employer.

The number of job openings listed with the public labor exchange (with both State Workforce Agencies and America's Job Bank) will be at least the number obtained in Program Year 2001.

### Results

The goal was not achieved. The Program Year 2002 performance targets for the retention and entered employment indicators were estimates, based on studies conducted by the Employment and Training Administration (ETA) and the Veterans' Employment and Training Service (VETS) using Program Year 1999 and 2000 data to simulate a new labor exchange performance measurement system that was implemented in Program Year 2002. Due to the transition to a new measurement and reporting system, ETA will not have nation-wide employment and retention data until next year. However, data are available from a recently completed study of seven States that suggest performance levels exceeded estimates for this reporting year.

In Program Year 2002, a total of 10.2 million openings were listed with the public labor exchange: 6.1 million job openings were listed with the State Workforce Agencies and 4.1 million job openings were posted directly on America's Job Bank. This number of total listings is a decline from Program Year 2001, during which 11.8 million jobs openings were listed, including 7.2 million jobs posted with the State Workforce Agencies and 4.6 million jobs posted on America's Job Bank.

### Program Description

The purpose of the public labor exchange is to match labor market supply with demand and to provide businesses that have employment openings with appropriate job seekers to fill their vacancies. As part of this process, the public labor exchange system receives and publishes job openings, either through businesses posting their openings with State workforce agencies, or on America's Job Bank — a national Internet-based labor exchange system that complements other workforce investment system services.

The accomplishments of the public labor exchange are reflected through the success of job seekers served by the system. Entered employment rates show how many job seekers were placed into employment. Retention rates show how suitable the match was for both the business and the job seeker — determined by how many placed job seekers remain

Faith-based and community organizations can be powerful catalysts in transforming people's lives. The Department is expanding opportunities for these grassroots groups to receive grants and other resources to carry out their mission of bringing hope and opportunity to individuals and improving our communities. Many grants are specifically designed to link the service expertise of faith- and community-based organizations with the One-Stop Career System. The grants are a central component of President George W. Bush's effort to ensure federal policy and programs are accessible so all qualified organizations are able to compete for government funds.

In September 2003, the D.C. Department of Employment Services (DOES) Office of Faith and Community-Based Partnerships launched the new One-Stop Mobile Career Center which travels to neighborhoods and worksites throughout Washington, D.C., providing direct access to employment and literacy services for unemployed and underemployed workers.



Photo Credit: Shawn T. Moore



with that employer for at least six months. The number of job openings listed provides context to the entered employment indicator, as an increased number of employment opportunities creates better chances for job seekers to find employment through the public labor exchange system, just as a decrease in the number of employment opportunities decreases the chances.

#### Analysis of Results

In Program Year 2002, with the implementation of a new labor exchange performance measurement system that uses Unemployment Insurance (UI) wage records to determine employment outcomes, States were only able to report on characteristics of registered job seekers and services provided. Information on employment and retention outcomes for registered job seekers served in Program Year 2002 will not be available until the end of Program Year 2003, because these indicators track registrants' entry to jobs for up to eight months after registration and employment retention for an additional six months after placement.

A total of 10.2 million openings were listed with the public employment service during Program Year 2002: 6.1 million job openings were listed with the State Workforce Agencies and 4.1 million job openings were posted directly on America's Job Bank, falling short of the goal of 11.8 million job openings (the same level as Program Year 2001). This shortfall can be attributed to three primary causes. First, although the economy began to grow during the last portion of Program Year 2002, the job openings indicator still reflected the tough labor market for much of the reporting period. The job growth that occurs with an economic recovery usually lags the increase in Gross Domestic Product by several months. Second, the revised reporting system implemented in Program Year 2002 changed the method State Workforce Agencies use to count job listings. Only new listings received during the Program Year are counted; existing job listings on their systems from the previous Program Year are now excluded. Finally, a new version of America's Job Bank, introduced in October 2002, encountered some problems in receiving job orders from large-batch employers during its first month of operation. The issue was resolved, but resulted in fewer jobs openings being listed on America's Job Bank during that quarter than would have otherwise been received. Because the last two factors were one-time events, performance is expected to improve in Program Year 2003.

#### Strategies

To help job seekers find and maintain jobs ETA has aggressively expanded outreach efforts to employers. Through its Regional Offices and the Business Relations Group, ETA has undertaken concentrated steps to partner with businesses by engaging large, multi-State employers in high-growth industries to educate them on the benefits of partnering and listing their job openings with the One-Stop service delivery system. Through these partnerships, ETA has helped several businesses meet their staffing needs, while linking job seekers with high-growth employment. Additionally, through continuing refinements to America's Job Bank, and other Internet resources such as America's Career InfoNet, and America's Service Locator, ETA provides expansive labor market and career information to help job seekers and employers make informed decisions about employment.

### Management Issues

ETA is focusing on three issues that impact reporting the results of the public labor exchange system: data validation, common measures, and upgrading the reporting capabilities of America's Job Bank. First, recent performance audits by the Department's Office of the Inspector General have questioned the oversight and accuracy of ETA's performance reports for workforce investment system programs.

To address these findings and to increase the reliability of performance information for the workforce investment system, ETA has implemented a data validation initiative that requires States to ensure that their performance reports for the public labor exchange system are accurate and supportable at the data source. In addition to providing technical assistance and training, ETA has developed a set of validation tools, including instructional handbooks, software, and user guides that States and grantees can use to validate data.

Second, with the implementation of the common measures for federal employment and training programs in Program Year 2004, ETA will provide policy guidance and technical assistance to State and local partners to ensure a smooth transition to a revised performance measurement and reporting system. Third, ETA will review and improve the reporting capabilities of America's Job Bank to ensure data from this source has the same reliability as the data obtained from the State Workforce Agencies.

### Goal Assessment and Future Plans

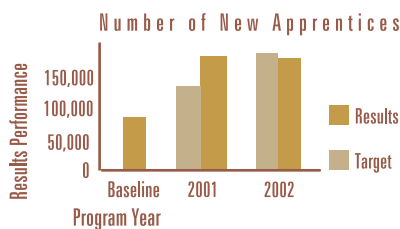
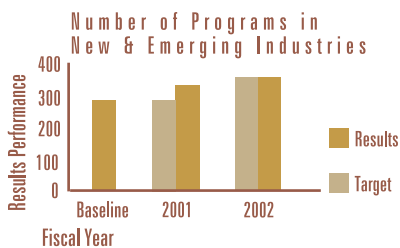
ETA's ability to meet its target for the job openings indicator is highly dependent on economic factors. For Program Year 2003, ETA will revise this indicator using a methodology that can measure continuous improvement relative to increased listing of job openings regardless of economic conditions. Beginning in Program Year 2004, ETA will not officially report on this indicator, but the agency will continue to track this information for management purposes.

ETA plans to refocus the role of America's Job Bank during Program Year 2003 to provide better and more demand-driven services. Additionally, in Program Year 2004, ETA will begin to integrate the program with WIA core services and report outcomes of the public labor exchange system using the common measures for federal employment and job training programs, which are the entered employment rate, retention rate, and earnings increase.

A mother's work is never done. Odetta of Washington D.C. is a mother of six children and one grandchild. Odetta spent ten years on public assistance raising her children prior to enrolling in the Employment and Training Administration's welfare-to-work program, "Project Empowerment." Through Project Empowerment, she entered a pre-apprenticeship program with the Plumbers Union Local No. 5, and ranked first in her class of 20 during the training period. Odetta is now a first-year apprentice with the Plumbers Union, working at the Pentagon and earning \$12.45 per hour. She will be earning incremental pay increases during her apprenticeship-training period.



Photo Credit: Bill Petros;  
Contracted by the D.C. Department of Employment Services



## Strengthen Registered Apprenticeship

Performance Goal 1.1C (Employment and Training Administration) – FY 2003

*Strengthen the registered apprenticeship system to meet the training needs of business and workers in the 21st Century.*

### Indicators

Increase the number of new apprentices over the established baseline from 78,700 to 133,909.

Increase the number of new programs in new and emerging industries – at a minimum Information Technology, Health Care and Social Services – over the established baseline from 266 to 359.

### Results

The goal was substantially achieved. Although States predicted slow economic growth in most industries, the Office of Apprenticeship Training, Employer and Labor Services (OATELS) was able to increase the number of newly registered apprentices to 130,615—within 98 percent of the target of 133,909 – and was successful in developing 359 programs in new and emerging industries. OATELS staff, which accounted for 52 percent of the newly registered apprentices, exceeded the goal for Federal staff to register 67,293 new apprentices. The remaining 48 percent of newly registered apprentices were registered by State Apprenticeship Councils’ staff (SACs), who are not under direct authority of OATELS. Since FY 2002, apprenticeship programs have created job opportunities and skills training for over 267,000 individuals. Simultaneously, there were over 680 new programs registered in new and emerging industries, even though these industries are not traditionally known to use the apprenticeship training model.

These targets and results are consistent with the findings and recommendations of the Advancing Apprenticeship in the 21st Century Initiative. As a result of these findings, OATELS developed the Advancing Apprenticeship Initiative (AAI) Implementation Plan designed to (1) educate and inform target populations about the benefits of registered apprenticeship as a learning strategy for acquiring valuable skills; (2) increase the number of new apprenticeship employer/sponsors; (3) expand the number of new apprenticeship programs; and (4) increase the number of new apprenticeship programs in new and emerging industries.

### Program Description

Registered Apprenticeship is the combination of on-the-job learning and related technical and theoretical instruction in a skilled occupation. Industries develop apprenticeship programs based on the skills and knowledge that these industries require of their employees. Sponsors voluntarily operate and cover costs of the programs that are registered with the DOL or a federally approved State Apprenticeship Agency. Registered Apprenticeship provides positive returns on investment, as it requires a formal employer-employee relationship, including provision of wages during the instruction period. At the successful completion of the related instructional training and required on-the-job learning, apprentices receive Certificates of Completion from DOL that are portable and recognized nationally.

### Analysis of Results

The targets established, though ambitious, were pursued in support of the activities related to the Advancing Apprenticeship Initiative. Despite slow economic growth in certain sectors of the economy, the Registered Apprenticeship program continued to expand opportunities for 130,615 apprentices. Nationally, the apprenticeship system developed 359 programs in new and emerging industries, particularly high-growth industries. While 359 programs may appear few in comparison to the total number of programs, it represents a 35 percent increase in two years over the baseline of 266 programs. This achievement resulted from staff training and development, the extensive dissemination of new outreach materials, industry specific materials, workshops, and special program events.

The performance goal was established during FY 2002 with indicator baselines determined using the average of FYs 1999, 2000, and 2001 data. Over four years, new apprentices and programs for new and emerging industries were to increase over the baselines by 60 percent and 40 percent, respectively. The two indicators were selected to track the progress of new registered apprentices and the penetration of apprentice programs in new and emerging industries. Performance targets have since been revised upward as the program's success exceeded expectations.

### Strategies

The Federal staff coordinated with the National Association of State and Territorial Apprenticeship Directors (NASTAD) and State Apprenticeship Councils (SACs) to deploy the strategies outlined in the Advancing Apprenticeship implementation plan. With these strategies, DOL focused on increasing the current base of employers or sponsors and educating these potential employers or sponsors of new and emerging industries and occupations, and making connections with the workforce development system and other ETA initiatives. OATELS worked closely with ETA's Business Relations Group to connect to businesses interested in registered apprenticeship. This partnership resulted in including apprenticeship in a number of dynamic initiatives supporting, for example, manufacturing — the National Institute for Metalworking Skills (NIMS), information technology — the Computing Technology Industry Association (CompTia), and health care — the Council for Adult and Experiential Learning (CAEL), and the geospatial industry — University of Mississippi.

Three years of planning, implementation, and coordinated partnering with internal and external entities have resulted in the successes achieved thus far. Strategies to develop a career lattice approach in credentialing and certifying training continues to show potential. Through outreach efforts to industries and businesses that traditionally have not used registered apprenticeship, OATELS has demonstrated that the recruitment and registration of apprentices does indeed expand opportunities for workers and meet the needs of employers for a skilled workforce.

### Management Issues

Since GAO issued its report titled *Registered Apprenticeships: Labor Could Do More to Expand to Other Occupations* in September 2001, OATELS has addressed all four of GAO's recommendations.

Casie is a March 2003 graduate of the Construction Trades Prep program. Supported by the Women's Bureau and based in New York City, Construction Trades Prep provides extensive job readiness training for working women interested in trade careers.

A native New Yorker, Casie attended college on an athletic scholarship and received her Bachelor's degree in criminal justice. Her work experience remained within the criminal justice field, including three years with the United States Secret Service. After returning to New York, Casie decided she needed a change. "I began making a living, or trying to, using the skills I have already, and have found it very difficult due to the fact that I am independent. I made contact with Non-Traditional Employment for Women and was given the opportunity to take a step closer to stable employment within a union." Casie graduated at the top of her class, winning the coveted "Golden Hammer Award," a staff-elected honor that signifies excellence in carpentry and leadership. "I love working with my hands. I've been doing this kind of work for many, many years for myself. I really enjoy the variety, the constant learning and the reality and feeling of accomplishment." Casie is currently employed as a first-year apprentice with the Empire State Carpenters on Long Island, where she is attending training classes and working steadily.



Photo Credit: Anne Rascon, Director of Training,  
Non-Traditional Employment for Women

GAO's first recommendation was to *lead a systematic effort to work with State apprenticeship councils and others interested to identify apprenticeable occupations that have shortages of skilled labor and establish plans for promoting apprenticeship programs in these occupations.* In response, OATELS, NASTAD and the SACs launched the Advancing Apprenticeship Initiative and have completed two phases of a three-phase Implementation Plan. OATELS has also collaborated with SACs to implement apprenticeship programs in new and emerging industries that do not traditionally engage the apprenticeship model as a key training strategy.

GAO also recommended OATELS *work with other Federal workforce development programs to identify funding for developing apprenticeships when additional support is needed.* OATELS addressed this recommendation by successfully securing over \$18.5 million of workforce investment discretionary funds, in collaboration and partnership with other agencies, to address the needs of incumbent workers, dislocated workers, youth, and other key segments of the workforce.

In addition, GAO recommended OATELS *establish a mechanism for sharing among labor representatives and employers information on apprenticeship programs,* particularly those in occupations that have not used the apprenticeship system in the past. OATELS continues to partner with organizations and stakeholders to increase the number of new apprenticeship employers or sponsors, expand the number of new apprenticeship programs, and increase the number of new apprenticeship programs in new and emerging industries. These successful endeavors have resulted in significant increases of apprenticeships in new industries such as Information Technology, Health Services, and Geospatial.

Finally, GAO recommended OATELS *ensure that the apprenticeship database contains detailed information on current programs so that accurate and complete information is shared and progress in meeting labor market needs can be evaluated.* OATELS response to this recommendation is a work in progress. Detailed, current, accurate, and complete information on programs is collected through the Registered Apprenticeship Information System (RAIS), which went on-line in February 2002. RAIS is continually evolving to address OATELS business needs and general statistical data is shared internally and externally via the OATELS website.

#### Goal Assessment and Future Plans

In FY 2004, OATELS will establish two new indicators that will replace the current indicators. The first indicator will focus on increasing the number of apprentice graduates, and will support DOL's strategic goal for a prepared workforce in order to address businesses' need to develop and maintain qualified, competitive, and skilled workers. Apprenticeship training programs' graduation rates will be compared to other post-secondary programs as a benchmark. The second indicator will focus on apprentices' wages, will be compared to the Bureau of Labor Statistics Report on Wage Earnings and will be used to project how apprentices' earnings steadily increase with the level of proficiency. This indicator can help identify how trends in program selection and retention behavior are reflected in wages.



## Increase Employment for Persons with Disabilities

Performance Goal 1.1D (Office of Disability Employment Policy) – FY 2003

*Implement new demonstration programs, through grants, designed to develop and test strategies to address the special needs of persons with significant disabilities.*

### Indicators

Implement 30 new Olmstead grant projects, targeted at persons with significant disabilities who are institutionalized.

Implement 12 youth grant projects (6 of which are new technology skills projects) to assist youth through the One-Stop Centers and the WIA youth programs.

### Results

The goal was not achieved. ODEP expanded its focus in 2003 beyond initiating projects focused on Olmstead populations and youth. For that reason, of the 42 pilot projects initiated in FY 2003, only sixteen focus specifically on Olmstead populations, 21 focus on youth (seven of which are new technology skills projects), and five focus on Customized Employment. There are several reasons for this expansion outlined in the “Strategies” section below.

### Program Description

The Office of Disability Employment Policy's (ODEP's) mission is to provide national leadership to increase employment opportunities for adults and youth with disabilities. ODEP also supports the employment-related goals of the President's *New Freedom Initiative*, with the objective of positively impacting employment opportunities for the millions of adults and youth with disabilities. The employment rate for persons with a severe disability in 1997 was 31.4 percent and 82 percent for persons with a non-severe disability, according to the U.S. Census Bureau. These low employment rates for people with disabilities clearly present the magnitude of the challenges ODEP faces.

ODEP undertakes pilot projects and other research initiatives to assess effective practices and workforce development strategies that will assist people with disabilities in obtaining meaningful employment, training, and employment support. ODEP's efforts focus primarily on selecting, implementing, and evaluating pilot projects. For each successful pilot project, ODEP collects data regarding effective practices and workforce development strategies. ODEP then disseminates the effective practices and strategies broadly for replication in mainstream employment, training, and employment support programs.

Olmstead projects were designed to address implementation of the 1999 Supreme Court decision in *Olmstead v. L.C.* and the subsequent Executive Order issued in 2001 by President George W. Bush (EO #13217: Community Based Alternatives for Individuals with Disabilities). Accordingly, these projects develop, identify, test, and evaluate effective employment, training, and employment support strategies that improve employment outcomes for people with disabilities. Improvement in employment outcomes will allow

While Belinda had worked for a number of years, reoccurring episodes of a psychiatric disability required her to interrupt her work due to many hospital stays. These episodes severely eroded her confidence and hindered her ability to continue in her profession. While she was working through a depressed state, ODEP's Customized Employment program in Napa, CA accepted her and developed for her an individualized employment plan that began by restoring her confidence in her abilities. These first steps focused on building her work experiences by giving her interim supervisor responsibilities for one or two persons with severe disabilities. This experience proved to her that she could make a difference in people's lives. She now serves as one of the program's full-time Job Coaches, assisting other persons with disabilities in employment skill development. Belinda's goal is to work her way back to a supervisory position in her former field. She's well on her way toward that goal.



Photo Credit: Napa Job Connection

Pedro, having been diagnosed with schizophrenia, was referred by his mental health case manager to the ODEP Customized Employment project in Napa, CA for employment services. He had poor English skills, low self-esteem and few job skills when he started the program. Some of the services organized to assist Pedro achieve his employment goals included opportunities to improve his English skills and confidence in his ability to work. Through various customized employment activities, including career exploration activities, Pedro developed an interest in food preparation. He wants to become a cook. The Napa grant staff organized their work preparation plan behind his interest and ambition. Now, he is working as an assistant cook and looks forward to advancing further in his chosen field.



Photo Credit: Napa Job Connection

individuals with disabilities to move from nursing homes or other institutions and residential facilities into the community; continue living in the community; achieve economic self-sufficiency; and attain full access to, and participation in their communities. While issuing the Executive Order, President Bush said, “Olmstead and the ADA rightly mandate that individuals with disabilities who can receive support and treatment in a community setting should be given a reasonable opportunity to live close to their families and friends when appropriate.”

#### Analysis of Results

In FY 2003, ODEP initiated 42 pilot projects ranging from one to five years in length, which focus on various Olmstead populations and youth, and additionally, on customized employment. The pilot projects include eight grants for *Home Modification* (Olmstead), three grants for *WorkFORCE Action* (Olmstead), five grants for *Reducing Homelessness through Employment* (Olmstead), seven grants for *High School/High Tech Development and Implementation* (Youth), eight grants for *Innovative State Alignment Grants for Improving Transition Outcomes for Youth with Disabilities through the Use of Intermediaries* (Youth), six grants for *Intermediary Grants for Mentoring Youth with Disabilities* (Youth), and five grants for *Customized Employment*.

ODEP’s determination to shift and broaden its focus from initiating 30 grants focusing on Olmstead populations and 12 grants focusing on youth is based on Congressional language in the FY 2003 budget. ODEP’s funding increase in FY 2003 includes, “...an expansion of One-Stop accessibility grants to support the process of implementing the ‘ticket-to-work’ through One-Stop Career Centers; expanding the provision of grants aimed at developing and implementing innovative programs for moving youth with disabilities from school to work; and funding an Olmstead grant program to assist persons with significant disabilities in making the transition from institutional settings to the community and employment.” Congress also urged ODEP, “...to establish a special, structured, fall and spring semester internship program to augment existing programs supporting undergraduate students with disabilities in their efforts to pursue careers in public service.”

Further, based on analysis of feedback provided by 2002 Olmstead WorkFORCE Coordination applicants and grantees, ODEP determined that while interest in WorkFORCE Coordination pilot projects is high, States’ infrastructures do not yet fully support the capability to implement them. As a result, ODEP reevaluated and redirected the focus for Olmstead and other pilot projects to be initiated in FY 2003.

#### Strategies

ODEP undertakes pilot projects that develop, identify, test, and evaluate strategies that enhance opportunities for youth and adults with disabilities to enter and retain employment and to fully participate in all aspects of community life. Once these strategies are proven effective, ODEP collaborates with other DOL and Federal agencies engaged in employment, training, and employment support services programs, such as DOL’s Employment and Training Administration and the U.S. Department of Housing and Urban Development, to encourage their implementation and replication.

#### Management Issues

*Internal Program Evaluations and Audits:* Pilot projects submit monthly, quarterly, and close out reports. These reports, used for evaluative purposes, address the effectiveness of strategies and the reliability of performance data.

*External Program Evaluations and Audits:* Pilot projects are evaluated by an external evaluator through site visits, telephone surveys, and regular reporting documents. The evaluators' reports address the effectiveness of strategies and the reliability of performance data.

#### Goal Assessment and Future Plans

In FY 2004 ODEP will continue evaluating ongoing pilot projects and will implement new pilot and research projects focused on strategies that enhance opportunities for youth and adults with disabilities to enter and retain employment and to fully participate in all aspects of community life. ODEP will measure increases in: the number of participants served at pilot project sites; participants served at pilot project sites who enter employment; and the three-month and six-month retention rates for participants served at pilot project sites. Finally, ODEP will measure the increase in effective practices identified at pilot project sites and through other research initiatives.

**M**antonio is 28 years old with a special education diploma. Mantonio had previously been in a community rehabilitation program, but there was not enough work available. When ODEP's Customized Employment grant staff based in Knoxville, TN first met with Mantonio, he did not participate in classroom activities. Under the ODEP grant, the local staff created and implemented a customized employment plan. He also participated in a series of workshops designed to help Mantonio determine his own skills and employment goals. On October 22, 2003, Mantonio interviewed with a local restaurant and was hired to clear, bus, and clean tables. The employer has indicated strong satisfaction with Mantonio's work overall. The restaurant is small, and there is a family-like environment among the employees. Co-workers readily interact with Mantonio, and he responds positively to them. Getting a pay-check and going to the bank are sources of enjoyment for Mantonio. The restaurant manager says that Mantonio contributes greatly to the success of the restaurant.



Photo Credit: Iryna Loboda

VETS has helped many veterans successfully enter the civilian workforce after struggling with disabilities and other challenges following their military service. For example, Gary, pictured below, joined the United States Army in August 1973, and served until May 1994. After his retirement he was granted VA compensation for multiple disabilities. Initially, he did not seek work, but after a 2-year hiatus Gary attended the State University of New York (SUNY) Canton Technical College, in Canton, NY, where he earned his AAS in Manufacturing Technology in May 1998. He then attended the Rochester Institute of Technology where he earned a BS in Computer Integrated Manufacturing Engineering Technology, and found employment in Boonville, NY. Unfortunately, Gary once again became incapacitated by a recurrence of his disabilities and lost that job as a consequence. Subsequently, Gary successfully completed rehabilitation and moved to Albany, NY where he obtained housing at the Veterans' House. It was during this transition that the Albany Disabled Veteran Outreach Program Specialists (DVOPs) started to work with Gary. Working in conjunction with the VA-funded Vocational Rehabilitation and Employment program, DVOPs assisted Gary in the interviewing process and gave him over 25 referrals to prospective employers. Gary was hired and began working for the New York State Department of Civil Services as an Engineering Personnel Examiner. Gary moved out of the Veterans' House and entered a Masters degree program in Instructional Technology/Curriculum Design at American Intercontinental University. He has a 3.8 GPA.



Photo Credit: Michael Ray, DVOP, New York State Department of Labor, Veterans Program Office

## Help Veterans Get and Keep Jobs

### Performance Goal 1.1E (Veterans Employment Training Service) – FY 2003

*Increase the employment and retention of veteran job seekers registering for public labor exchange services*

#### Indicators

58 percent of veteran job seekers will be employed in the first or second quarter following registration.

72 percent of veteran job seekers will continue to be employed two quarters after initial entry into employment with a new employer.

#### Results

The goal was not measured. During FY 2003, the Department implemented a new measurement and reporting system for public labor exchange outcomes. As a result of this transition, four calendar quarters of nationwide data on veterans' entry to employment will first become available near the end of FY 2004. The outcomes reported at that time on veterans receiving public labor exchange services will be included in the FY 2004 Annual Performance and Accountability Report.

#### Program Description

VETS is responsible for ensuring the delivery of employment and training services to America's veterans. A key channel for the delivery of those services is the public labor exchange. The public labor exchange offers, to both job seekers and employers, access free of charge to a nationwide network of information technology resources and public service offices that provide a common ground for the exchange of information on the requirements of available job openings and the qualifications of available job applicants. DOL shares the responsibility for maintaining the public labor exchange with State Workforce Agencies, which conduct labor exchange activities at the state and local level under Wagner-Peyser grants administered by the Employment and Training Administration (ETA).

VETS administers grants with the same State Workforce Agencies that partner with ETA in maintaining the public labor exchange. These grants provide Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representative (LVER) staff at public labor exchange offices throughout the country. DVOP specialists provide a variety of public labor exchange services, including career coaching, vocational guidance, employability assessment, job development, referral to training, and supportive services for veterans with special needs. LVER staff members ensure that veterans receive services on a priority basis at public labor exchange facilities, train front-line staff, conduct job search skill workshops for transitioning service members and veterans, and conduct outreach to employers and other community groups.

### Analysis of Results

ETA is the Department's lead agency for the collection and reporting of data on public labor exchange services, including those services provided to veterans. As indicated previously, ETA was responsible for managing the transition to a new method of measuring outcomes based on UI wage records during Program Year 2002 (July 1, 2002 through June, 30 2003). In light of the absence of systematic data for FY 2003 that resulted from this transition, VETS partnered with ETA to conduct a study of the new measurement and reporting procedures in seven states. Although the data from this pilot study do not reflect nationwide results for veterans receiving labor exchange services, these initial results indicate that VETS is on track to meet both the entry to employment target and the employment retention target established for FY 2003. While these results suggest that, once assisted to enter employment, veterans are quite successful in staying employed, these same data also suggest that assisting veterans to achieve active participation in the workforce is challenging.

### Strategies

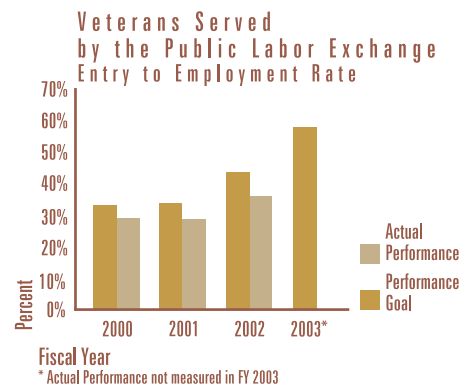
The Jobs for Veterans Act, enacted as the FY 2003 Annual Performance Plan was being finalized, served to redirect DOL's public labor exchange activities on behalf of veterans in significant ways. The most fundamental shift introduced by this legislation has been to markedly reduce program rigidity by devolving more authority to State Workforce Agencies, which now have broader latitude to adapt the delivery of public labor exchange services for veterans according to the prevailing economic conditions in each State and the specific conditions within the different regions of a given State.

Prior to the Jobs for Veterans Act, the state agencies submitted their funding requests in response to a uniform set of specifications. For FY 2004, all state agencies submitted customized State Plans to DOL and negotiated key provisions. Policy issues formerly handled by DOL alone are now handled by DOL in close concert with its many partners throughout the network of State Workforce Agencies. For example, during FY 2003 state and Federal staff members participated jointly in a number of work groups focusing on the implementation of key aspects of the new legislation.

### Management Issues

During FY 2003 VETS was challenged by the need to oversee the operational flexibility newly granted to state agencies by the Jobs for Veterans Act. While encouraging flexibility in service delivery approaches, VETS also has the responsibility to define criteria that establish reasonable boundaries and to issue clear guidance that assures an appropriate degree of consistency in the nationwide delivery of public labor exchange services for veterans.

Another management challenge that became evident during FY 2003 and that is expected to continue into the future relates to the integration of public labor exchange services for veterans with other workforce development programs operating at the state and local level. While the flexibility provisions of the Jobs for Veterans Act clearly favor increased integration of veterans' services, the new priority of service provisions establish criteria that call for consideration of, and accommodation in, integrating services for veterans at the state and local levels. This will also require focused oversight by DOL in 2004.





A DOL policy research effort currently nearing completion is expected to provide improved documentation of the linkages among: the characteristics of veterans registered with the public labor exchange; the types of public labor exchange services provided to veterans; and the outcomes experienced by veterans who receive public labor exchange services. We expect the results of this research will assist DOL to identify past practices that have been most successful, and to identify options for new service delivery approaches.

#### Goal Assessment and Future Plans

The Program Year (PY) 2003 (July 1, 2003 - June 30, 2004) performance indicators for the delivery of public labor exchange services to veterans are the same as for FY 2003, both with respect to entry to employment (58 percent) and retention in employment (72 percent). As indicated, the results of the pilot study conducted suggest that VETS is on track to meet those goals.

For PY 2004, VETS will add a new indicator – the rate at which disabled veterans enter employment after receiving public labor exchange services. The pilot study results suggest that VETS is not currently on track to reach the target of 60 percent. Therefore, VETS plans to undertake a comprehensive review of its strategies for the delivery of public labor exchange services to veterans, and especially to disabled veterans, in an effort to improve the matching of services to needs so that outcomes for disabled veterans can be improved.

## Homeless Veterans Are Assisted to Obtain Employment

Performance Goal 1.1F (Veterans Employment Training Service) – FY 2003

*Increase employment for Homeless Veterans' Reintegration Program participants*

### Indicator

At least 54.5 percent of veterans enrolled in HVRP grants enter employment.

### Results

The goal was achieved. At the end of the most recent reporting period for Homeless Veterans' Reintegration Program (HVRP) grants, on June 30, 2003, the average rate of placement into employment for all HVRP grantees was 60.3 percent. The successful performance of HVRP grantees reflects a total of 9,255 homeless veterans who were placed in employment, out of a total of 15,336 homeless veterans who were enrolled as participants.

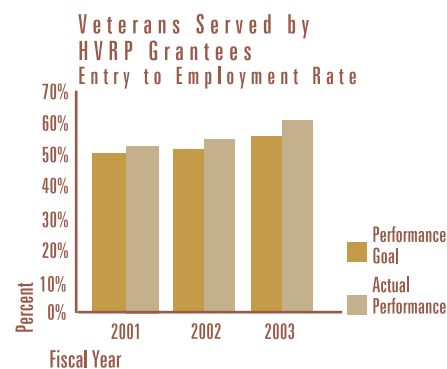
During FY 2003, VETS initiated a new policy of funding and measuring HVRP grantee performance on a schedule that is consistent with the Department's program year. Consequently, this is the first year of operations within the framework of a program year performance period supported by FY 2003 funds (July 1, 2003 through June 30, 2004). Results in this report cover only the outcomes achieved prior to July 1, 2003. The Annual Performance and Accountability Report for FY 2004 will treat the results achieved during the program year 2003 performance period.

### Program Description

The Homeless Veterans' Reintegration Program focuses on the provision of employment and training services to homeless veterans to enable their successful reintegration into the workforce. This program also funds provision of or referral to related support services such as medical treatment, temporary and/or permanent housing, counseling, and transportation. Organizations receiving grants under this program typically provide job search, counseling, placement assistance, remedial education, classroom and on-the-job training, and supportive services such as transportation and transitional housing. These services are often provided in concert with HUD, VA, HHS, and other service providers. Grantees are also strongly encouraged to collaborate with rehabilitation agencies for such services as drug and alcohol counseling. During FY 2002, over 15,000 of the Nation's approximately 250,000 homeless veterans requested and received assistance from the Homeless Veterans' Reintegration Program.

### Analysis of Results

As indicated by the chart, the HVRP program has consistently achieved an entry to employment rate in excess of 50 percent for the last three years. HVRP grantees are generating increasingly positive outcomes by assisting homeless veterans to enter employment, despite the difficulty of serving this particular population in a period of relatively high unemployment. These results also indicate that the program has achieved a basic level of operational maturity, since it has demonstrated consistent performance during the past three reporting periods, with the criterion of entry to employment as its key indicator of success.



### Strategies

The high rate of success achieved by HVRP grantees in serving this subset of the veteran population, which typically is characterized as having multiple barriers to employment, is attributable to the strategy established by VETS calling for close coordination and integration of services. The HVRP network includes a variety of community-based organizations, including faith-based grantees, which focus their limited fiscal resources on the delivery of customized employment services and coordinate closely with other sources of related specialized services.

As the operational maturity of the HVRP grantee network became increasingly apparent during the course of FY 2003, DOL initiated a new technical assistance grant to be administered by the National Coalition for Homeless Veterans. This technical assistance initiative calls for implementation of two distinct and complementary types of technical assistance activities. First, a best practices study will be conducted with the objective of identifying the 25 practices expected to be the most useful to HVRP grantees. Second, the best practices identified will be disseminated to all HVRP grantees through a variety of communication channels.

To support this new initiative, a toll-free telephone number will be established to permit updating of the best practices, based on grantees' direct experiences implementing them and to provide clarifications, explanations, and examples to grantee staff who seek assistance in their efforts to adopt specific best practices. This initiative exemplifies the underlying strategy of applying resources to take advantage of the practical experience already gained by HVRP grantees and to call upon the HVRP network as the best source of expertise.

### Management Issues

Because the HVRP network consists of grantees that are widely dispersed, highly diverse and locally focused, the collection of complete, accurate and consistent data on program performance has been a chronic management challenge. The web-enabled reporting system scheduled for implementation during FY 2004 should help address this area of concern.

As the HVRP network has increased in size and diversity, it has become clear that improved oversight of grantees' financial practices is imperative. HVRP program operators and DOL's field staff are clarifying expectations applicable to financial management practices, and defining and formalizing their respective roles and responsibilities in this important area of program management.

### Goal Assessment and Future Plans

For the current HVRP performance period (July 1, 2003 through June 30, 2004), the original FY 2003 target of a 54.5 percent entry to employment rate will continue to apply. Results for that period will be included in the FY 2004 Annual Performance and Accountability Report. The entry to employment rates previously achieved by HVRP grantees, as well as the pattern of improvement demonstrated for that outcome, strongly suggest that performance during that period will meet or exceed the goal.

For the program year 2004 performance period (July 1, 2004 through June 30, 2005), HVRP performance will be assessed by two indicators: the entry to employment rate and retention of HVRP participants in employment at six months following their entry to employment. Both indicators target a rate of 55 percent. HVRP grantees and the program's technical assistance provider will continue to emphasize the development and dissemination of service delivery approaches that are intended to help homeless veterans maintain their active participation in the workforce once they have succeeded in re-entry.