

**FY 2009**

**CONGRESSIONAL BUDGET JUSTIFICATION**

**EMPLOYMENT AND TRAINING ADMINISTRATION**

**Program Administration**



# PROGRAM ADMINISTRATION

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# **PROGRAM ADMINISTRATION**

## **APPROPRIATIONS LANGUAGE**

For expenses of administering employment and training programs, [\$88,451,000] \$96,045,000, together with not to exceed [\$86,936,000] \$47,966,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund.  
(Department of Labor Appropriations Act, 2008)

# **PROGRAM ADMINISTRATION**

## **EXPLANATION OF LANGUAGE CHANGE**

No change except funding level.

# **PROGRAM ADMINISTRATION**

## **ANALYSIS OF APPROPRIATIONS LANGUAGE**

Not applicable.

## PROGRAM ADMINISTRATION

<b>AMOUNTS AVAILABLE for OBLIGATION</b>						
(Dollars in Thousands)						
	<b>FY 2007</b>		<b>FY 2008 Estimate</b>		<b>FY 2009 Request</b>	
	<b>Comparable</b>					
	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>
<b>A. Appropriation<sup>1</sup></b>	<b>559</b>	<b>89,081</b>	<b>486</b>	<b>88,451</b>	<b>516</b>	<b>96,045</b>
Reduction pursuant to (P.L. 110-161)	0	0	0	-1,545	0	0
Other Supplementals and Rescissions	0	0	0	0	0	0
Appropriation, Revised	559	89,081	486	86,906	516	96,045
Comparative Transfer To:						
Working Capital Fund for Consolidation of IT Resources (25.3)	0	142	0	142	0	0
Comparative Transfer From:						
Contract Resources for Consolidation of IT Resources (25.1)	0	-142	0	-142	0	0
A.1) Subtotal Appropriation	559	89,081	486	86,906	516	96,045
Offsetting Collections From:	0	0	0	0	0	0
Reimbursements	4	475	4	475	4	521
Trust Funds	413	82,049	411	85,417	334	47,966
Fees	12	13,420	31	13,000	0	0
A.2) Subtotal	429	95,944	446	98,892	338	48,487
<b>B. Gross Budget Authority</b>	<b>988</b>	<b>185,025</b>	<b>932</b>	<b>185,798</b>	<b>854</b>	<b>144,532</b>
Offsetting Collections	0	0	0	0	0	0
Deduction:	0	0	0	0	0	0
Reimbursements	-4	-475	-4	-475	-4	-521
Fees	-12	-13,420	-31	-13,000	0	0
B.1) Subtotal	-16	-13,895	-35	-13,475	-4	-521
<b>C. Budget Authority</b>	<b>972</b>	<b>171,130</b>	<b>897</b>	<b>172,323</b>	<b>850</b>	<b>144,011</b>
Before Committee	972	171,130	897	172,323	850	144,011
Offsetting Collections From:	0	0	0	0	0	0
Reimbursements	4	475	4	475	4	521
Fees	12	13,420	31	13,000	0	0
IT Crosscut	0	0	0	0	0	0
C.1) Subtotal	16	13,895	35	13,475	4	521
<b>D. Total Budgetary Resources</b>	<b>988</b>	<b>185,025</b>	<b>932</b>	<b>185,798</b>	<b>854</b>	<b>144,532</b>
Other Unobligated Balances	0	0	0	0	0	0
Unobligated Balance Expiring	0	-441	0	0	0	0
Lapsed FTE	-66	0	0	0	0	0
<b>E. Total, Estimated Obligations</b>	<b>922</b>	<b>184,584</b>	<b>932</b>	<b>185,798</b>	<b>854</b>	<b>144,532</b>

<sup>1</sup> Job Corps funding and FTE are represented in their new account.



## PROGRAM ADMINISTRATION

<b>SUMMARY OF CHANGES</b>			
(Dollars in Thousands)			
	FY 2008 Estimate	FY 2009 Request	Net Change
<b>Budget Authority</b>			
General Funds	86,906	96,045	+9,139
Trust Funds	85,417	47,966	-37,451
<b>Total</b>	172,323	144,011	-28,312
<b>Full Time Equivalents</b>			
General Funds	486	516	+30
Trust Funds	411	334	-77
<b>Total</b>	897	850	-47

Explanation of Change	FY 2008 Base		Trust Funds		FY 2009 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Increases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
Costs of pay adjustments	792	68,585	0	1,100	0	1,621	0	2,721
Personnel benefits	0	17,043	0	369	0	420	0	789
GSA Space Rental	0	9,040	0	14	0	112	0	126
Purchase of goods and services from other Government accounts	0	10,809	0	120	0	960	0	1,080
<b>Built Ins Subtotal</b>	<b>N/A</b>	<b>N/A</b>	<b>0</b>	<b>1,603</b>	<b>0</b>	<b>3,113</b>	<b>0</b>	<b>4,716</b>
<b>B. Programs:</b>								
To restore funds for staff and other inflationary costs that were not provided under the Omnibus Bill of FY 2008								
	792	130,836	28	2,600	30	6,348	58	8,948
<b>Programs Subtotal</b>	<b>N/A</b>	<b>N/A</b>	<b>+28</b>	<b>+2,600</b>	<b>+30</b>	<b>+6,348</b>	<b>+58</b>	<b>+8,948</b>
<b>C. Financing:</b>								
<b>Total Increase</b>	<b>N/A</b>	<b>N/A</b>	<b>+28</b>	<b>+4,203</b>	<b>+30</b>	<b>+9,461</b>	<b>+58</b>	<b>+13,664</b>
<b>Decreases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
One day less of Pay	0	68,585	0	-117	0	-225	0	-342
Federal Employees Compensation Act (FECA)	0	0	0	-50	0	-97	0	-147
<b>Built Ins Subtotal</b>	<b>N/A</b>	<b>N/A</b>	<b>0</b>	<b>-167</b>	<b>0</b>	<b>-322</b>	<b>0</b>	<b>-489</b>
<b>B. Programs:</b>								
<b>C. Financing:</b>								
To reflect a transfer to the new FLC account from the Program Administration								
	105	41,487	-105	-41,487	0	0	-105	-41,487

## PROGRAM ADMINISTRATION

Explanation of Change account	FY 2008 Base		Trust Funds		FY 2009 Change General Funds		Total	
<b>Financing Subtotal</b>	N/A	N/A	-105	-41,487	0	0	-105	-41,487
<b>Total Decrease</b>	N/A	N/A	-105	-41,654	0	-322	-105	-41,976
<b>Total Change</b>	N/A	N/A	-77	-37,451	+30	+9,139	-47	-28,312

# PROGRAM ADMINISTRATION

## SUMMARY BUDGET AUTHORITY and FTE by ACTIVITY

(Dollars in Thousands)

FY 2009

	FY 2007 Comparable		FY 2008 Estimate		Current Law		Legislative Proposal	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Adult Services</b>	<b>282</b>	<b>51,288</b>	<b>267</b>	<b>50,392</b>	<b>281</b>	<b>57,199</b>	<b>281</b>	<b>57,199</b>
General Funds	248	43,442	208	42,683	239	48,544	239	48,544
Unemployment Trust Funds	34	7,846	59	7,709	42	8,655	42	8,655
<b>Youth Services<sup>1</sup></b>	<b>77</b>	<b>10,776</b>	<b>64</b>	<b>10,789</b>	<b>65</b>	<b>12,932</b>	<b>65</b>	<b>12,932</b>
General Funds	77	10,776	64	10,789	65	12,932	65	12,932
<b>Workforce Security</b>	<b>243</b>	<b>40,987</b>	<b>282</b>	<b>40,411</b>	<b>312</b>	<b>40,728</b>	<b>312</b>	<b>40,728</b>
General Funds	36	6,354	48	6,243	36	3,705	36	3,705
Unemployment Trust Funds	207	34,633	234	34,168	276	37,023	276	37,023
<b>Apprenticeship</b>	<b>137</b>	<b>21,542</b>	<b>127</b>	<b>21,166</b>	<b>135</b>	<b>23,130</b>	<b>135</b>	<b>23,130</b>
General Funds	137	21,542	127	21,166	135	23,130	135	23,130
<b>Executive Direction</b>	<b>62</b>	<b>9,057</b>	<b>52</b>	<b>8,078</b>	<b>57</b>	<b>10,022</b>	<b>57</b>	<b>10,022</b>
General Funds	47	6,967	39	6,025	41	7,734	41	7,734
Unemployment Trust Funds	15	2,090	13	2,053	16	2,288	16	2,288
<b>Foreign Labor Certification</b>	<b>106</b>	<b>37,480</b>	<b>105</b>	<b>41,487</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Unemployment Trust Funds	106	37,480	105	41,487	0	0	0	0
<b>Total</b>	<b>907</b>	<b>171,130</b>	<b>897</b>	<b>172,323</b>	<b>850</b>	<b>144,011</b>	<b>850</b>	<b>144,011</b>
General Funds	545	89,081	486	86,906	516	96,045	516	96,045
Unemployment Trust Funds	362	82,049	411	85,417	334	47,966	334	47,966

NOTE: FY 2007 reflects actual FTE. The FTE level does not include reimbursable and H-1B fee financed activities.

<sup>1</sup>Job Corps funding and FTE are represented in their new account.

## PROGRAM ADMINISTRATION

<b>BUDGET AUTHORITY by OBJECT CLASS</b>				
(Dollars in Thousands)				
	<b>FY 2007 Comparable</b>	<b>FY 2008 Estimate</b>	<b>FY 2009 Request</b>	<b>FY 09 Request/FY 08 Estimate</b>
Total Number of Full-Time Permanent Positions	988	932	854	-78
Full-Time Equivalent				
Full-time Permanent	972	897	850	-47
Other	12	31	0	-31
Reimbursable	4	4	4	0
Total	988	932	854	-78
Average ES Salary	156,053	158,709	163,470	4761
Average GM/GS Grade	12	12	12	0
Average GM/GS Salary	82,488	83,156	85,651	2495
11.1 Full-time permanent	77,343	75,816	75,327	-489
11.3 Other than full-time permanent	1,248	1,020	1,079	59
11.5 Other personnel compensation	2,620	2,436	2,443	7
11.9 Total personnel compensation	81,211	79,272	78,849	-423
12.1 Civilian personnel benefits	20,250	19,027	18,469	-558
13.0 Benefits for former personnel	167	121	121	0
21.0 Travel and transportation of persons	2,595	2,711	3,034	323
22.0 Transportation of things	85	69	69	0
23.1 Rental payments to GSA	9,536	10,395	8,720	-1675
Communications, utilities, and				
miscellaneous charges	1,489	1,422	1,235	-187
24.0 Printing and reproduction	469	409	376	-33
25.1 Advisory and assistance services	22,541	27,685	6,875	-20810
25.2 Other services	975	1,113	630	-483
Other purchases of goods and services				
from Government accounts 1/	14,694	14,227	14,087	-140
25.4 Operation and maintenance of facilities	255	245	200	-45
Operation and maintenance of				
equipment	12,494	12,425	8,187	-4238
26.0 Supplies and materials	1,071	1,022	814	-208
31.0 Equipment	2,845	1,933	2,178	245
42.0 Insurance claims and indemnities	453	247	167	-80
<b>Total</b>	<b>171,130</b>	<b>172,323</b>	<b>144,011</b>	<b>-28,312</b>
1/Other Purchases of Goods and Services				
From Government Accounts				
Working Capital Fund	14,694	13,911	13,819	-92
DHS Services	0	316	268	-48

# **PROGRAM ADMINISTRATION**

## **SIGNIFICANT ITEMS IN APPROPRIATION COMMITTEES' REPORTS**

Not applicable.

## PROGRAM ADMINISTRATION

	<u>Budget Estimates to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>	<u>Direct FTE<sup>11/</sup></u>
1998.....	135,843	125,593	129,593	131,593	1,335
1999.....	143,460	137,711	137,711	144,651 <sup>1/</sup>	1,347
2000.....	141,050	138,126	149,340	146,000	1,368
2001.....	159,311	146,000	156,158	158,863 <sup>2/</sup>	1,360
2002.....	161,078	161,863	161,078	161,031 <sup>3/</sup>	1,300
2003.....	170,996 <sup>4/</sup>	172,061	177,642	174,510 <sup>5/</sup>	1,257
2004.....	183,365	172,327	178,961	177,349 <sup>6/</sup>	1,214
2005.....	181,018	168,854	177,615	170,101 <sup>7/</sup>	1,142
2006.....	206,861	206,111	206,111	198,000 <sup>8/</sup>	1,051
2007.....	189,304	199,708	199,708	199,708	1,160
2008.....	216,162	170,500	185,505	172,323 <sup>9/</sup> <sup>10/</sup>	897

<sup>1/</sup> Reflects a real transfer of \$4,143 from the State Unemployment Insurance and Employment Services Operations account, and a real transfer of \$3024 from the Y2K Contingency Emergency Fund. Reflects a reduction of \$342 pursuant to P.L. 106-51 and a real transfer of \$300 to Departmental Management.

<sup>2/</sup> Reflects a reduction of \$295 pursuant to P.L. 106-554.

<sup>3/</sup> Reflects reductions of \$444 pursuant to P.L. 107-116 and \$388 pursuant to P.L. 107-206.

<sup>4/</sup> Reflects a reduction of \$1,065 pursuant to Budget Amendment adding \$4,465 for administrative costs associated with administering the Trade Adjustment Act of 2002 (P.L. 107-210) and reducing \$5,530 in costs no longer needed for administering National Emergency Grants.

<sup>5/</sup> Reflects a .65% rescission.

<sup>6/</sup> Reflects the Conference action including a rescission of 0.59% or \$1,142 pursuant to P.L. 108-199 and a Labor/HHS rescission of \$272 and includes \$5,000 transferred from the State Unemployment Insurance and Employment Service Operations appropriation for Foreign Labor Certification Activities.

<sup>7/</sup> Reflects a reduction of \$910, pursuant to P.L. 108-447.

<sup>8/</sup> Reflects a reduction of \$2,000,000, pursuant to P.L. 109-148. Also does not reflect the transfer of Job Corps' administrative resources (\$28,578,000 and 188 FTE) to Departmental Management Account.

<sup>9/</sup> Reflects a 1.747% rescission.

<sup>10/</sup> Includes Foreign Labor Certification (\$ 41,487).

<sup>11/</sup> FTE numbers are ceilings, not actual FTE.

## ADULT SERVICES

Budget Authority Before the Committee (Dollars in Thousands)							
					FY 2009		
	FY 2007 Comparable	FY 2008 Enacted	FY 2008 Estimate	Diff. FY 07 Comp/ FY 08 Est	Current Law	Legislative Proposal	Diff. FY 08 Est /FY 09 Req
<b>Activity Appropriation</b>	51,288	50,392	50,392	-896	57,199	57,199	6,807
<b>FTE</b>	282	267	267	-15	281	281	14

NOTE: FY 2007 reflects actual FTE. Authorized FTE for FY 2007 was 276.

### Introduction

The budget request provides for the Federal administration of Adult Services which includes WIA Adult and Dislocated Worker employment and training activities, WIA national activities, the Indian and Native American program, the Migrant and Seasonal Farmworker program, the Community Service Employment for Older Americans program, Trade Adjustment Assistance, and indirect staff support.

### WIA Adult Employment and Training Activities

WIA Adult Employment and Training activities provide core services, intensive services, training and supportive services for individuals seeking employment. Federal staff negotiate and administer grants, prepare program guidance, monitor program implementation, oversee the reporting system, track grantee performance, provide technical assistance to grantees, and oversee distribution of program resources. Staff also develop and operate web tools that provide job, career, and workforce services information to workers, job seekers and employers.

### WIA Dislocated Worker Employment and Training Activities

WIA Dislocated Worker Employment and Training activities provide core services, intensive services, training and supportive services for workers who lose their jobs in mass layoffs or plant closings, and others who have been laid off and are unlikely to return to their jobs. This program includes efforts to coordinate and integrate the dislocated worker assistance programs responding to layoffs associated with defense, clean air, and disasters, with the on-going management of multi-year projects responding to plant closures and mass layoffs. Federal staff negotiate and administer grants, prepare program guidance, monitor program implementation, oversee the reporting system, track grantee performance, provide technical assistance to grantees, and oversee distribution of program resources.

### Indian and Native American Programs

Federal staff who administer the Indian and Native American Programs conduct a variety of activities including: administering and negotiating grants, preparing program guidance, monitoring program implementation, overseeing the reporting system, tracking grantee

## **ADULT SERVICES**

performance versus program measures, providing technical assistance for grantees, reviewing grant plans, overseeing the distribution of program resources, and other activities to support the program.

### Community Service Employment for Older Americans Program

Federal staff who administer Community Service Employment for Older Americans conduct a variety of activities including: negotiating and administering grants, preparing program guidance, monitoring program implementation, overseeing the reporting system, tracking grantee performance versus program measures, providing technical assistance to grantees, reviewing State Senior Employment Coordination Plans, overseeing the distribution of program resources, and other activities to support the program. In addition, staff act as resources on a broad range of issues impacting older workers, including outreach efforts to employers, such as National Employ Older Workers Week.

### Trade Adjustment Assistance

Under the Trade Adjustment Assistance (TAA) program, workers determined eligible for TAA services and benefits may receive training, trade readjustment allowances, and job search and relocation allowances through grants provided to State Workforce Agencies (SWAs) responsible for administering the TAA program. In addition, individuals certified under the Alternative Trade Adjustment Assistance Program for older workers receive a wage subsidy. These services and benefits are funded out of the Federal Unemployment Benefits and Allowances account. Federal staff who administer TAA conduct worker group eligibility determinations for workers laid off as a result of foreign trade. The primary responsibilities of Federal investigators and program development staff are petition investigations, program policy and guidance, and grant awards.

### Migrant and Seasonal Farmworker Program

Federal staff assigned to the Migrant and Seasonal Farmworker program conduct grants management, close-out and administrative activities for grants. Staff provides guidance and oversight to the integration initiatives required to serve farmworkers effectively through the One-Stop Career Center system.

### Indirect Staff Support

The Adult Services activity also provides funding for the costs of Federal staff assigned to the Office of Financial and Administrative Management and the Office of Performance and Technology who provide administrative management, grants and contract management, financial management, budget, administrative services, information technology, performance management and other administrative support that benefits the Adult Services activity.



## ADULT SERVICES

### Five-Year Budget Activity History

Fiscal Year	Funding (Dollars in Thousands)	FTE
2004	45,196	253
2005	45,775	265
2006	51,041	281
2007	51,288	276
2008	50,392	267

### FY 2009

The 2009 Budget requests \$57,199,000 for 281 FTE to administer ETA's Adult-focused programs. This is an increase of \$6,807,000 from the FY 2008 enacted level which includes a \$4,392,000 increase to restore funds for staff and other inflationary costs that were not provided under the Omnibus Bill of FY 2008. If Congress enacts the Career Advancement Account proposal in FY 2009, Adult Services staff will focus on implementing the workforce investment system reforms included in the proposal, including providing assistance to states and local areas to implement the required changes.

#### WORKLOAD SUMMARY TABLE

Not applicable.

#### CHANGES IN FY 2009

(Dollars in Thousands)

#### Activity Changes

##### Built-In

To Provide For:

Costs of pay adjustments	1,501
Personnel benefits	435
One day less of Pay	-130
Federal Employees Compensation Act (FECA)	-56
GSA Space Rental	70
Purchase of goods and services from other Government accounts	595

**Built Ins Subtotal** **2,415**

**Net Program** **4,392**

**Direct FTE** **14**

	Estimate	FTE
<b>Base</b>	<b>52,807</b>	<b>267</b>
<b>Program Increase</b>	<b>4,392</b>	<b>14</b>

## YOUTH SERVICES

Budget Authority Before the Committee (Dollars in Thousands)							
					FY 2009		
	FY 2007 Comparable	FY 2008 Enacted	FY 2008 Estimate	Diff. FY 07 Comp/ FY 08 Est	Current Law	Legislative Proposal	Diff. FY 08 Est /FY 09 Req
<b>Activity Appropriation</b>	10,776	10,789	10,789	13	12,932	12,932	2,143
<b>FTE</b>	77	64	64	-13	65	65	1

NOTE: FY 2007 reflects actual FTE. Authorized FTE for FY 2007 was 249. The Authorized FTE level for FY 2007 includes the Office of Job Corps FTE level of 188.

### Introduction

The budget request provides for the Federal administration of Youth Services, including WIA Youth employment and training activities, Job Corps, and YouthBuild.

### WIA Youth Activities

The WIA Youth program provides grants to states and local areas to operate an array of services to assist economically disadvantaged youth; out-of-school youth; and youth aging out of foster care in achieving academic and appropriate work skills. This budget activity finances staff for the Office of Youth Services (OYS). This office is charged with leadership, policy direction and administration for federally funded youth programs and includes related program administration and support activities. Federal staff assigned to this activity administers and negotiate grants, prepare program guidance, monitor program implementation, oversee the reporting system, track grantee performance, provide technical assistance to grantees, and oversee distribution of program resources. Staff also coordinates Federal activities that serve youth with Federal agency partners, such as ETA's work leading the interagency Shared Youth Vision.

The YouthBuild program provides grants for job training and educational opportunities for at-risk youth who help construct or rehabilitate housing for low-income or homeless families and individuals in their respective communities. Youth who participate in YouthBuild receive a combination of classroom and job skills development and on-site training in a construction trade. Federal ETA staff who administers YouthBuild will negotiate and administer grants, prepare program guidance, monitor program implementation, oversee the reporting system, track grantee performance, provide technical assistance to grantees, and oversee distribution of program resources.

### Job Corps

The Office of Job Corps (OJC) administers a residential training program designed to increase the employability of disadvantaged youth ages 16-24. Funding is now shown in the separate Office of Job Corps account.

### Indirect Staff Support

## YOUTH SERVICES

The Youth Services activity also provides funding for the costs of Federal staff assigned to the Office of Financial and Administrative Management and the Office of Performance and Technology who provide administrative management, grants and contract management, financial management, budget, administrative services, information technology, performance management and other administrative support that benefits the Youth Services activity.

### Five-Year Budget Activity History

<b>Fiscal Year</b>	<b>Funding (Dollars in Thousands)</b>	<b>FTE</b>
2004	39,009	255
2005	39,627	264
2006	38,417	253
2007	10,776	61
2008	10,789	64

### FY 2009

The FY 2009 Budget request of \$12,932,000 will support 65 FTE staff. This represents an increase of \$2,143,000 from the FY 2008 level which includes a \$1,785,000 increase to restore funds for staff and other inflationary costs that were not provided under the Omnibus Bill of FY 2008. The appropriation request is financed by general revenue funds.

For FY 2009, the Youth Services activity includes funding for the Federal staff responsible for the activities described above in the Introduction. Funding for the Job Corps program is not included in this request; Job Corps is now shown in a separate account. If Congress enacts the Career Advancement Account proposal in FY 2009, Youth Services staff will focus on implementing the workforce investment system reforms included in the proposal, including providing assistance to states and local areas to implement the required changes.

### WORKLOAD SUMMARY TABLE

Not applicable.

### CHANGES IN FY 2009

(Dollars in Thousands)

#### Activity Changes

##### Built-In

To Provide For:

Costs of pay adjustments

205

Personnel benefits

52

## YOUTH SERVICES

One day less of Pay	-27
Federal Employees Compensation Act (FECA)	-12
GSA Space Rental	15
Purchase of goods and services from other Government accounts	125
<b>Built Ins Subtotal</b>	<b>358</b>

<b>Net Program</b>		<b>1,785</b>
<b>Direct FTE</b>		<b>1</b>
	<b>Estimate</b>	<b>FTE</b>
<b>Base</b>	<b>11,147</b>	<b>64</b>
<b>Program Increase</b>	<b>1,785</b>	<b>1</b>

## WORKFORCE SECURITY

Budget Authority Before the Committee (Dollars in Thousands)							
					FY 2009		
	FY 2007 Comparable	FY 2008 Enacted	FY 2008 Estimate	Diff. FY 07 Comp/ FY 08 Est	Current Law	Legislative Proposal	Diff. FY 08 Est /FY 09 Req
<b>Activity Appropriation</b>	78,467	81,898	81,898	3,431	40,728	40,728	-41,170
<b>FTE</b>	349	387	387	38	312	312	-75

NOTE: FY 2007 reflects actual FTE. Foreign Labor Certification program funding is included in FY 2007 and FY 2008. However, funding for FY 2009 is being requested under a new account.

### Introduction

The budget request provides for the Federal administration of the Workforce Security Employment and Training Administration (ETA) Program.

### Unemployment Insurance

Program Administration resources will be used to provide Federal leadership, legislative and performance oversight, policy guidance, technical assistance, legislative support, and grants management to States in operation of their Unemployment Compensation (UC) programs. Resources will also be used for Federal budget and policy development and to collect, analyze, and publish data related to state UC programs which are used for economic analysis and program oversight. Excellent program performance is a key objective for the Unemployment Insurance program and resources will be applied to measuring, evaluating, and improving performance.

### Employment Service Grants to States

Employment Service (ES) Federal staff provide leadership, policy guidance and direction, technical assistance and training and oversight for the operation of the Federal-state public ES system through state and local One-Stop systems. These major responsibilities involve the Federal administration of Wagner-Peyser Act activities and other legislated mandates. Regional Offices provide oversight and technical assistance at the state and local levels.

### Employment Service National Activities: Foreign Labor Certification

Funding for administration of Foreign Labor Certification programs formerly provided in this account is requested under a new account, Foreign Labor Certification Administration for FY 2009.

### Employment Service National Activities: TAT/SWA and WOTC

This budget request includes administrative funding for Technical Assistance and Training activities and the Federal contribution to State Workforce Agency Retirement Systems. This budget request also includes funding for overseeing and implementing the Work Opportunity

## WORKFORCE SECURITY

Tax Credit Program. Federal staff provides both states and employers with policy guidance and training on the Work Opportunity Tax Credit Program.

### Workforce Information/National Electronic Tools/System Building

Program Administration funding for the Workforce Information/National Electronic Tools/System Building budget activity supports the operation and management of information and tools for the workforce investment system, including America's Career Information Network, Career Voyages, and O\*NET. Specific activities include developing policy guidance, issuing grants and grants management, monitoring, technical assistance, identification of model approaches, performance management, and corrective action.

### Indirect Staff Support

The Workforce Security activity also provides funding for the costs of Federal staff assigned to the Office of Financial and Administrative Management and the Office of Performance and Technology who provide administrative management, grants and contract management, financial management, budget, administrative services, information technology, performance management and other administrative support that benefits the Workforce Security activity, for example, ETA – DFLLC Automated Systems and ETA – DOL eGrants (Exhibit 300 BY09 - ETA - DOL eGrants (Public FINAL1)).

### Funding Mechanism

Funding for the Office of Foreign Labor Certification derives from three sources: dollars appropriated as part of ETA's Program Administration Account and apportioned each fiscal year by the Office of Management and Budget under Category B; 5 percent of revenue from the H-1B fees collected by the Department of Homeland Security (this 5 percent supports labor certification processing activities and is separate from the DOL portion of H-1B funding allocated to U.S. worker training); and a portion of appropriations under the State Unemployment Insurance Employment Service Operations (SUIESO) Account, which ETA distributes to states as fiscal year formula grants. Funding for Foreign Labor Certification is being requested in a separate account for FY 2009.

### Five-Year Budget Activity History

<b>Fiscal Year</b>	<b>Funding (Dollars in Thousands)</b>	<b>FTE</b>
2004	59,572	446
2005	54,280	436
2006	78,091	419
2007	78,467	412
2008	81,898	387

# WORKFORCE SECURITY

## FY 2009

The budget request provides for the Federal administration of the Workforce Security programs. The FY 2009 budget provides for 312 direct FTE staff and \$40,728,000. This represents an increase of \$318,000 from the FY 2008 Enacted level. The increase is financed by both general revenue and trust funds.

### CHANGES IN FY 2009

(Dollars in Thousands)

#### Activity Changes

##### Built-In

To Provide For:

Costs of pay adjustments 347

Personnel benefits 122

One day less of Pay -106

Federal Employees Compensation Act (FECA) -46

**Built Ins Subtotal 317**

**Financing Change -41,487**

**Direct FTE -75**

**Estimate FTE**

**Base 82,215 387**

## APPRENTICESHIP

Budget Authority Before the Committee (Dollars in Thousands)							
					FY 2009		
	FY 2007 Comparable	FY 2008 Enacted	FY 2008 Estimate	Diff. FY 07 Comp/ FY 08 Est	Current Law	Legislative Proposal	Diff. FY 08 Est /FY 09 Req
<b>Activity Appropriation</b>	21,542	21,166	21,166	-376	23,130	23,130	1,964
<b>FTE</b>	137	127	127	-10	135	135	8

NOTE: FY 2007 reflects actual FTE. Authorized FTE for FY 2007 was 167.

### Introduction

ETA's Office of Apprenticeship (OA) administers the National Apprenticeship Act of 1937 (NAA), which established the foundation for developing and expanding the nation's skilled workforce through apprenticeship programs and produces standards for safeguarding the welfare of apprentices. Often referred to as the Fitzgerald Act, the NAA created a comprehensive system of partnerships among business, labor, education, and government which have shaped skill training for succeeding generations of American workers.

The apprenticeship model entails a combination of on-the-job learning and related technical and theoretical instruction in a skilled occupation. Apprenticeship programs are registered with ETA or federally-approved State Apprenticeship Councils/Agencies (SAAs). Through apprenticeship agreements, sponsors and apprentices agree to the requirements of the registered program. All registered apprenticeship programs develop a set of structured standards that include course work and on-the-job learning, with appropriate supervision. At the successful completion of the on-the-job learning and instructional training, apprentices receive a certificate of completion from ETA or SAAs that is portable and recognized nationally. Currently, over 27,000 program sponsors, representing 225,000 distinct employers, offer registered apprenticeship training to more than 468,000 apprentices annually.

The Federal government, in cooperation with the states, is responsible for overseeing the nation's apprenticeship system by:

- Registering apprenticeship programs that meet Federal standards;
- Issuing apprentices nationally recognized and portable certificates of completion;
- Promoting the development and recognition of new programs and occupations;
- Assuring that all programs provide high quality learning;
- Assuring that all programs produce skilled and competent workers; and
- Promoting integration and coordination of apprenticeship with the workforce investment system.
- Ensuring equal opportunity for individuals to participate in apprenticeship programs.



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The current Federal/State partnership is based on the Secretary of Labor’s recognition of SAAs as the entities for state registration and/or approval of local apprenticeship programs and agreements for Federal purposes.

## Current National Apprenticeship System

<b>Federal Program (ETA):</b>	<b>State Apprenticeship Councils/Agencies:</b>
<ul style="list-style-type: none"> <li>▪ Promote and establish national standards</li> <li>▪ Promote and register apprenticeship programs</li> <li>▪ Approve occupations</li> <li>▪ Promote, register, and provide technical assistance to apprentices and programs in 25 states</li> <li>▪ Provide oversight and technical assistance to state registration systems in 25 states, the District of Columbia and three U.S. Territories</li> <li>▪ Oversee Federal employee registered apprenticeship programs</li> <li>▪ Ensure Equal Employment Opportunity in registered apprenticeship programs</li> </ul>	<ul style="list-style-type: none"> <li>▪ Register apprentice programs in 25 states</li> <li>▪ Certify programs meeting apprenticeship standards</li> <li>▪ Provide technical assistance to program sponsors and apprentices</li> <li>▪ Promote the use of registered apprenticeship</li> <li>▪ Coordinate with ETA to ensure uniformity of standards and portability</li> <li>▪ Promote and register apprenticeship programs</li> <li>▪ Ensure Equal Employment Opportunity in registered apprenticeship programs</li> </ul>

As the apprenticeship system has evolved to meet industry and worker demands in an increasing competitive global economy, ETA has also been examining various ways to restructure the Federal role to better meet these 21<sup>st</sup> century workplace needs. This includes the use of improved training methodologies, technology, and new workforce development strategies. The workforce development challenges of the 21<sup>st</sup> century present the opportunity to design a system that remains true to the fundamental principles of the NAA while recognizing workforce needs of employers requiring an efficient, reliable, open, and responsive apprenticeship system.

### **Funding Mechanism**

The funds appropriated in support of the mission and functions of ETA’s Office of Apprenticeship (OA) are administered from the Agency’s Salaries & Expenses, Program Administration account. OA has direct line item responsibility for travel, awards, and supplies. The Salaries & Expenses allocation supports the national office and the six regional offices, along with salaries and expenses to support 132 Full-Time Equivalent staff and 78 field offices. OA program responsibilities include staff promotional activities, outreach and education, and technical assistance provided to new and existing sponsors to develop, register, and maintain apprenticeship programs and apprentices. OA is also responsible for providing technical assistance to 25 State Apprenticeship Agencies.

# APPRENTICESHIP

## Five-Year Budget Activity History

<b>Fiscal Year</b>	<b>Funding (Dollars in Thousands)</b>	<b>FTE</b>
2004	20,760	172
2005	21,136	170
2006	21,438	170
2007	21,542	167
2008	21,166	127

## FY 2009

A total of \$23,130,000 is requested in FY 2009 for administration of the registered apprenticeship system authorized by NAA. This includes a program increase of \$1,249,000 to restore funds for staff and other inflationary costs that were not provided under the Omnibus Bill of FY 2008. In FY 2009, ETA will continue five major activities designed to modernize registered apprenticeship, including revising the regulatory framework, enhancing integration of the national apprenticeship system and the workforce investment system, expanding apprenticeship into high growth industries, re-engineering the data management system, and improving program quality.

### *Regulatory Framework*

ETA will continue efforts begun in FY 2006 to revise regulations for labor standards for registration of apprentice programs. Following publication of a final rule, ETA will begin implementation of training on the revised regulations for standards for registration of apprenticeship programs. ETA will provide technical assistance and direction to the workforce investment and education systems about the implementation of a 21<sup>st</sup> century apprenticeship system as embodied in the final, revised regulations for standards for registration of apprenticeship programs. Additionally, ETA will begin to develop revisions to the regulations for equal employment opportunity in apprenticeship and training.

### *Integration with the Workforce System*

Efforts to increase integration of apprenticeship with the workforce investment and education systems will continue to focus on successful and innovative best practice strategies in high growth industries that ensure the registered apprenticeship model continues to meet the needs of employers. Collaborative efforts between the workforce investment and the apprenticeship systems will continue with the implementation of ETA's policy guidance to promote awareness of apprenticeship and further the integration of the two systems.

### *Expansion of Registered Apprenticeship in High Growth Industries*

As ETA continues its High Growth Job Training Initiative, the national apprenticeship system will expand the use of apprenticeship in targeted high-growth industries: health care, information technology, biotechnology, geospatial technology, automotive, construction, retail, advanced manufacturing (including aerospace), transportation, hospitality, financial services, and energy. ETA worked closely with employers in these industries to register 541 new programs in high growth industries in FY 2005, 606 in FY 2006, and 732 in FY 2007. In FY 2007, a total of 6,185

## APPRENTICESHIP

active apprenticeship programs and 81,326 active apprentices were registered in these high growth industries, excluding construction. By providing apprentices with industry-recognized credentials that are sanctioned by the Department of Labor, the national apprenticeship system plays a vital role in developing the skilled U.S. workforce necessary for economic growth.

### *Data Management*

In FY 2009, ETA will continue to improve its registered apprenticeship data management system to further enhance program management capabilities, and address employer customer needs for efficiency and reliability. The next phase of the redesigned apprenticeship data management system will include additional enhancements to develop an electronic portal that will provide the ability for SAAs to input state data. Enhancements to take place during Phase 2 of the redesign will allow for the following:

- Collection of additional data elements using the new OMB-approved Electronic Program Registration Form;
- Edit capability by all users of apprenticeship-related data on a national database;
- Registration of multiple programs by sponsors; and
- Creation and management of current and future performance measures.

These data management system redesign efforts, which began in FY 2006 and continued through FY 2008, have assisted ETA in addressing recommendations from a Government Accountability Office report and the PART review of the program, both in 2005, to use the database to track and report program outcomes more effectively, and improve data collection from state apprenticeship partners.

### *Program Quality*

ETA continues efforts to improve other management and programmatic elements of the national apprenticeship system; including restructuring the functional role of the Federal government in apprenticeship and providing oversight and monitoring of SAAs to ensure that procedures and policies are consistent with Federal guidance for the administration of the national apprenticeship system. ETA will also continue to provide SAAs substantive feedback on state reviews, and offer technical assistance and guidance regarding any deficiencies identified during the review process.

In FY 2009, ETA will complete the final year of its five-year plan to conduct Equal Employment Opportunity Compliance Reviews of 90 percent of apprenticeship programs with five or more apprentices registered with ETA, and also conduct Quality Assessment Reviews of 90 percent of all apprenticeship programs registered with ETA. Since FY 2005, over 2,400 equal opportunity compliance reviews have been completed, along with 5,475 quality reviews.

ETA also continues efforts to increase the participation of women in registered apprenticeship programs. Through the Women in Apprenticeship and Nontraditional Occupations (WANTO) grants issued in FY 2006, ETA is working with community-based organizations, education institutions, and registered apprenticeship program sponsors to expand the placement and retention of women in construction apprenticeships.

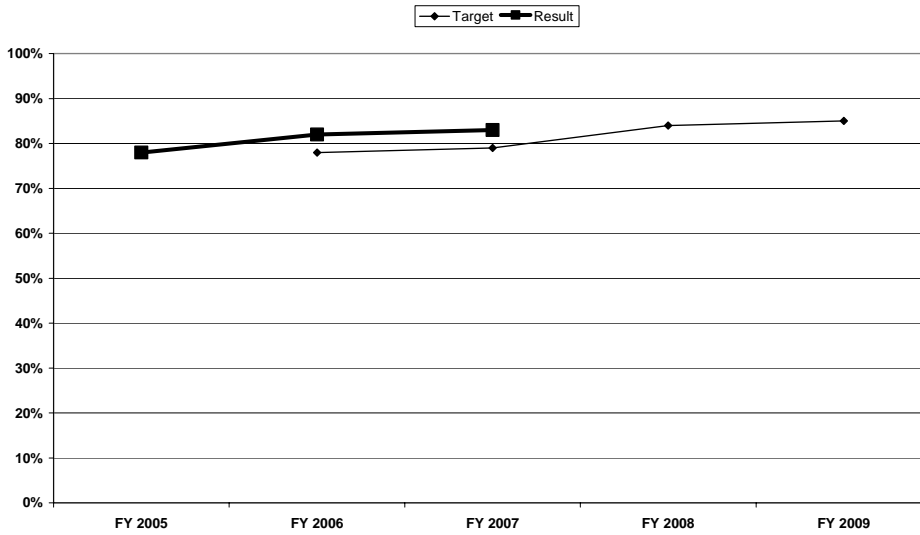
# **APPRENTICESHIP**

## **Performance Results**

ETA established baselines in FY 2005 for measures of retention and earnings in apprenticeship programs, and exceeded targets for these performance indicators in FY 2006 and FY 2007. FY 2007 program performance targets were exceeded for apprentices and program registration, Equal Employment Opportunity Compliance Review and Quality Assessment Reviews. Additionally, the average cost per registered apprentice continues to decrease in part due to the re-engineered data management system that has improved program quality and efficiency in both the apprentice and sponsor registration processes.

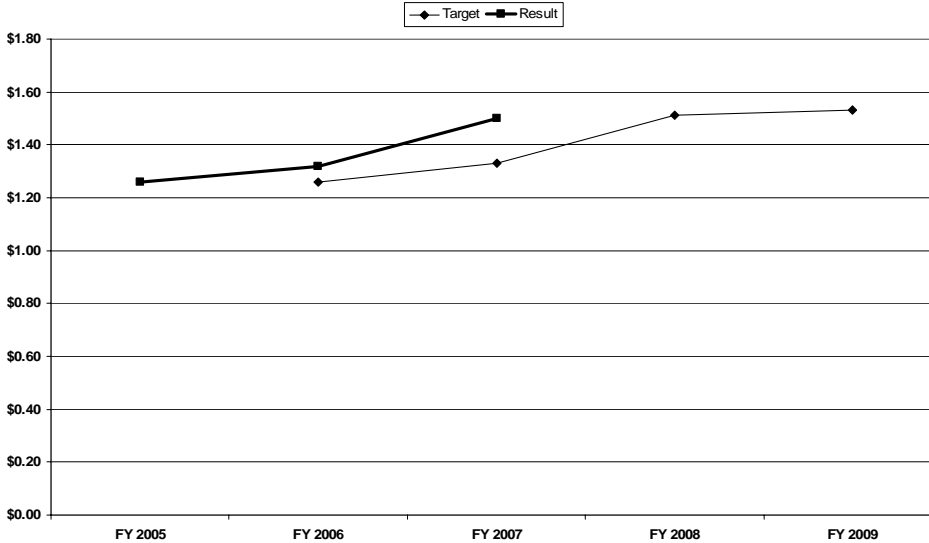
# APPRENTICESHIP

Registered Apprenticeship Employment Retention Rate, FY 2005-2009



Source: Registered Apprenticeship Information System. No target for PY 2005.

Registered Apprenticeship Hourly Earnings Change, FY 2005-2009



## Efficiency Measure

The current efficiency measure is cost per apprentice, with dollar amount for an annual program appropriation level in the numerator, and the number of apprentices registered with the Department of Labor in that fiscal year in the denominator. FY 2005 was the baseline year, with a target ratio of \$101, based on an appropriation level of \$21,136,000 in the numerator, and 209,267 registered apprentices in the denominator. In FY 2006, the target ratio was \$108, and the result was \$97. In FY 2007, the target ratio was \$100, and the result was \$74. The targets for FY 2008 and FY 2009 are \$73 and \$72, respectively.

## APPRENTICESHIP

Given the limitations of the cost per participant measure, lack of understanding of outcome-based efficiency measures, and need to involve state and local workforces areas, ETA will examine technical issues related to efficiency measures and present viable alternatives in FY2009.

<b>WORKLOAD SUMMARY</b>				
<b>(Dollars in Thousands)</b>				
	<b>FY 2007 Actual</b>	<b>FY 2008 Target</b>	<b>FY 2009 Request</b>	
			<b>Current Law</b>	<b>Legislative Proposal</b>
<b>Office of Apprenticeship</b>				
Apprentices	291,108	289,945	321,250	321,250
Cost per Apprentice (\$)	74	73	72	72
Full Time Equivalent	137	127	135	135
EEO Reviews	668	540	492	540
Quality Reviews	1731	1399	1275	1399
New Programs	1496	1209	1102	1209
<b>Budget Activity Total (\$)</b>	<b>21,542</b>	<b>21,166</b>	<b>23,130</b>	<b>23,130</b>

EEO reviews, Quality Reviews and New Program estimates are based on number of FTEs authorized to OA. Apprentices are based on Budget Activity Total and targets for Cost per Apprentice (efficiency measure).

## APPRENTICESHIP

### PERFORMANCE GOALS AND INDICATORS

Improve the registered apprenticeship system to meet the training needs of business and workers in the 21 <sup>st</sup> Century.										
	FY 2004		FY 2005		FY 2006		FY 2007		FY 2008	FY 2009
			Goal Achieved	Goal Achieved	Goal Achieved	Goal Achieved	Goal Achieved			
Performance Indicator	Target	Result	Target	Result	Target	Result	Target	Result	Target	Target
1. Retention: Percent of those employed nine months after registration as an apprentice.	N/A	N/A	Baseline	78%	78%	82%	79%	83%	84%	85%
2. Earnings: Average wage gain for tracked entrants* employed in the first quarter after registration and still employed nine months later.	N/A	N/A	Baseline	\$1.26	\$1.26	\$1.32	\$1.33	\$1.50	\$1.51	\$1.53
<b>Baseline(s):</b>										
<b>Data Source(s):</b> Registered Apprenticeship Information System (RAIS) and Apprenticeship Information Management System (AIMS). Quarterly performance data will begin to be available in FY 2009.										
<b>Comments:</b> Beginning in FY 2006, OA began recording results against new measures of retention and wage gain. * Thirty two states with federally-registered apprenticeship programs enter data on individuals into the RAIS. A group of “tracked entrants” is defined as the cohort of apprentices registered and entered into RAIS during a given reporting period. The Apprenticeship Office is considering revising the earnings measure to reflect an average earnings goal consistent with the definition used by other workforce programs, and new targets will be established when that decision is finalized.										

# APPRENTICESHIP

## CHANGES IN FY 2009

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

Costs of pay adjustments 410

Personnel benefits 105

One day less of Pay -55

Federal Employees Compensation Act (FECA) -24

GSA Space Rental 29

Purchase of goods and services from other Government accounts 250

**Built Ins Subtotal 715**

**Net Program 1,249**

**Direct FTE 8**

**Estimate FTE**

**Base 21,881 127**

**Program Increase 1,249 8**



## EXECUTIVE DIRECTION

Budget Authority Before the Committee (Dollars in Thousands)							
					FY 2009		
	FY 2007 Comparable	FY 2008 Enacted	FY 2008 Estimate	Diff. FY 07 Comp/ FY 08 Est	Current Law	Legislative Proposal	Diff. FY 08 Est /FY 09 Req
<b>Activity Appropriation</b>	<b>9,057</b>	<b>8,078</b>	<b>8,078</b>	<b>-979</b>	<b>10,022</b>	<b>10,022</b>	<b>1,944</b>
<b>FTE</b>	<b>62</b>	<b>52</b>	<b>52</b>	<b>-10</b>	<b>57</b>	<b>57</b>	<b>5</b>

NOTE: FY 2007 reflects actual FTE. Authorized FTE for FY 2007 was 56.

### Introduction

The budget request provides for the Federal administration of Executive Direction. Staff funded under Executive Direction provides leadership and policy direction for every area of ETA. Efforts under Executive Direction include program research, evaluation, pilot projects and demonstrations, as well as program management and legislative relations. These activities are administered through the Office of the Assistant Secretary of the Employment and Training Administration and the Office of Policy Development and Research within ETA.

### Five-Year Budget Activity History

Fiscal Year	Funding (Dollars in Thousands)	FTE
2004	10,441	63
2005	8,910	57
2006	9,013	57
2007	9,057	56
2008	8,078	52

### FY 2009

The FY 2009 Budget requests \$10,022,000 to support 57 direct FTE. This represents an increase of \$1,944,000 from the FY 2008 level which includes a \$1,522,000 increase to restore funds for staff and other inflationary costs that were not provided under the Omnibus Bill of FY 2008. The requested increase supports built-in increases and the restoration of 1 FTE and non-personnel services. The appropriation request is financed by general revenue and trust funds.

### WORKLOAD SUMMARY TABLE

Not applicable.

# EXECUTIVE DIRECTION

## CHANGES IN FY 2009

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

Costs of pay adjustments 258

Personnel benefits 75

One day less of Pay -24

Federal Employees Compensation Act (FECA) -9

GSA Space Rental 12

Purchase of goods and services from other Government accounts 110

**Built Ins Subtotal 422**

**Net Program 1,522**

**Direct FTE 5**

**Estimate FTE**

**Base 8,500 52**

**Program Increase 1,522 5**