

STATE OF VERMONT



**ANNUAL REPORT
WORKFORCE INVESTMENT ACT
TITLE 1-B
JULY 1, 2005—JUNE 30, 2006**



SUBMITTED BY:

**PATRICIA MOULTON POWDON
COMMISSIONER
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September 29, 2006

October 13, 2006

U.S. Department of Labor
Employment and Training Administration
Attn: John R. Beverly, III
Administrator, Office of Performance and Technology
200 Constitution Avenue, NW
Room S-5206
Washington, D.C. 20210

Dear Mr. Beverly:

I am pleased to present you with Vermont's Program Year 2005 Annual Report, as required by the Workforce Investment Act, Title 1-B.

Vermont again met or exceeded all of its adult, youth, and dislocated worker negotiated goals for the program year. In addition, the department continues to find benefits associated with the merger of workplace safety, workforce security, workforce development, and labor standards programs into one department. As an example, the workforce safety programs are integrating more safety instruction into the apprenticeship program and into a number of secondary school technical education programs.

The department is implementing its service redesign discussed in last year's report. The number of one-stop centers open 5 days per week is being reduced by one-half. In those counties where one-stop center availability has been reduced, workforce development staff will be in multiple access points one or two days a week. While there may be a reduction in the full-time one stop centers, there is an increase in access points. In many instances the access points will be in partner offices such as the Adult Education office. The new service delivery system is designed to minimize service reduction that inevitably follows declining federal financial support for these programs.

Vermont continues to face skilled labor shortages. Shortages exist in many areas including construction trades, manufacturing, information technology, and health care. To help meet this need, the Vermont Department of Labor is working with public and private education institutions, economic development, human services, and most importantly the business community. The resources from the Workforce Investment Act are a critical part of the strategy.

As always, the Boston Region ETA staff have been most helpful by providing support and technical assistance during this past year.

Sincerely,

Patricia Moulton Powden
Commissioner

PMP:lc
Enclosure

I. 2005 Workforce System Accomplishments

- **Health Care Workforce Development Partnership** - The shortage of healthcare workers is a critical challenge for a wide range of healthcare providers. This HRIC committee continued to quantify these shortages and identify ways in which schools, colleges, and health care providers can respond. Under an agreement with the Agency of Human Services, the committee prepared the healthcare human resource plan required in Act 53. It also hosted a statewide meeting for 150 people entitled: Vermont Health Care Summit-Advancing Workforce and Economic Solutions.

The Health Care Workforce Development Committee is supported by the Vermont Department of Labor through a grant from the federal Department of Labor.

- **Increasing the Enrollment of Vermonters at the Northlands Job Corps Center** - Over the past year the percentage of Vermonters enrolled at the Center has increased to over 30%. The new contract was awarded in the spring of '05, and the new operator is engaging in an effort to re-connect the Center to in-state organizations that are in a position to refer appropriate youth.
- **Workforce Education and Training Fund** - The Workforce Education and Training Fund (WETF) supports occupational training to enhance the quality of the Vermont workforce, and increase the number of highly skilled workers. The WETF is funded exclusively with an annual appropriation from the state general fund, and awards grants on a competitive basis to training providers in partnership with Vermont employers. During the program year ending June 30, 2006, seven proposals were funded for a total of \$253,494. Training was provided in a wide range of occupations including Health Care, Construction, Information Technology, Service and Advanced Manufacturing. Close to fifty employers, and approximately 150 workers benefited directly from the WETF training that was delivered during the program year.
- **Vermont Training Program -Vermont Training Program** - The Vermont Training Program at the Department of Economic Development promotes and encourages the creation and retention of jobs in manufacturing by

providing training for new and existing businesses. In 2005, 2,443 individuals completed training programs at 230 companies, and two special programs in ISO 9000 and Lean Manufacturing.

- **Technical Education System Reform** - Years of reform efforts at the regional technical centers are producing positive results including a 50% increase in enrollments, improved performance on academic assessments, adoption of Industry Skill Standards in most programs, and increased rates of entry into postsecondary programs. In 2005, the State Department of Education began a statewide discussion about how to expand access to hands-on applied education.
- **Innovative Training Programs** - Continued implementation by the Vermont Department of Labor of the second of two multi-year federal DOL competitive grants. The second grant trained over 1800 individuals for highly skilled information technology and healthcare occupations and approximately 1,300 preceptors (individuals trained to provide clinical experience oversight during health care occupational training). These grants, totaling just under six million dollars, have attracted more than seven million dollars in private sector matching funds.
- **National Science Foundation Grant** - This year saw the enrollment of the first 24 students in the new IT program at Vermont Technical College. This project was developed by a partnership comprised of the HRIC, Vermont State Colleges, and Department of Education as a result of the IT Skills Taskforce that published its recommendations in 2004. NSF Grant funds support the costs of professional development, a new course structure that will support more flexible IT degree requirements, and stronger connections between secondary and postsecondary IT programs.
- **Disabled Youth Career Start Grant** - \$2.5 million dollars over five years was awarded by U.S. DOL to a partnership including the HRIC and the Departments of Vocational Rehabilitation and Labor. The project has built local school, community, and employer collaboratives that will address the poor academic performance and low rates of college attendance and job entry of youth with disabilities. It is also addressing ways to change the systems involved that will provide the necessary infrastructure to support

the transition of youth with disabilities. This year, four local demonstration grants continued. In addition, the grant's Steering Committee began preparing a "white paper" which will detail the barriers to transition and identify ways to address them.

- **VSC Technology Extension Division** - TED at Vermont Technical College continues to expand its services. TED provided credit, non-credit and on-line programs to more than 50 employers, and more than 5,000 workers throughout Vermont. Topics areas included: applied mechanics; leadership and managerial skills; customer service; team building; print interpretation; telecommunications; general electronics; semiconductor processing, medical coding and transcription, pharmacy tech, paralegal, records management, six sigma, home inspection, and AutoCAD.

- **Vermont Apprenticeship Program**

The Vermont Department of Labor administers all registered apprenticeship programs in the state. VDOL is responsible for registering, monitoring and completing apprentices; tracking all performance data such as grades, wages and hours; arranging classroom instruction; ensuring compliance with Affirmative Action requirements; and developing new apprenticeship programs. This year VDOL served more than 300 employer sponsors, and had over 850 apprentices registered in 35 occupations. New programs are developed in response to employer needs, and always with strong employer involvement in training content. In 2006, new programs were approved for Advanced Machinist/Tool Maker, and for Software Developer. Programs for Vermont State Police, and for Nuclear Power Reactor Operator are ready for approval. The key measures of success in apprenticeship are the job security and wages of those who complete the program. This year, 127 individuals completed their apprenticeships in twelve occupations, and all are employed full-time. The average annual wages of these graduates, across all occupations, is just over \$42,000.

II. Collaborative Youthful Offender Reentry Program

In collaboration with the Department of Corrections and the Vermont Student Assistance Corporation, VDOL has planned and is implementing

Career Development Facilitator training for Community High School counselors. The curriculum was created by the National Career Development Association (NCDA) and requires 120 hours of instruction for certification. Training will occur monthly over the course of a year. Competencies include Helping Skills, Diversity, Ethical and Legal Issues, Consultation, Career Development Models, Assessment, Labor Market Information and Resources, Technology, and Employability Skills. Once certified, counselors will be able to help incarcerated youth assess their skills, create a career plan, and pursue successful employment.

III. Career Planning Gateway

In June of 2006, the Vermont Department of Labor received an earmark of \$446,400 to establish a statewide collaborative career development system. The principal component will be a universally accessible Web-based portal designed to provide user-friendly career information and services related to career development which will be combined with a teacher/counselor training initiative. Overseeing the design is the Vermont Career Planning Taskforce, an interagency council comprised of the Vermont Department of Labor, the Vermont Student Assistance Corporation, the Vermont School Counselor's Association, and the Vermont Department of Labor.

IV. Team Approach To Working With Hard To Serve Families

During the past year, VDOL expanded its role in providing employability assessments to Reach Up (TANF) participants statewide. In partnership with Vermont Adult Learning, VDOL completed assessments on all TANF recipients immediately following eligibility determination. This up-front assessment helps to identify employment related strengths (and weaknesses), enabling Reach Up participants to move more quickly into activities that will lead to satisfying employment. VDOL continued to provide the full range of case management and employment services to all two-parent families, as well as to single parents in the employment phase of

participation. Also this year, there was greater emphasis placed on individual job development with Reach Up participants.

V. Cost Benefit and Evaluations

A. Cost Benefit Analysis

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

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

	← PY 2004		PY 2005 →	
	Number Served	Average Cost	Number Served	Average Cost
Adult	273	\$5,639	292	\$4,815
Youth	531	\$3,236	494	\$3,268
Dislocated Worker	88	\$10,622	175	\$5,086
Total	892	\$4,700	961	\$4,069

Last year's drop in the number of dislocated workers served and corresponding increase in the cost per individual served was reversed in Program Year 2005. The costs per individual served are comparable for adults and dislocated workers with the adult entered employment rate being slightly higher at 77.5% than that for dislocated workers at 74.5%.

B. Evaluation of workforce investment activities

For the evaluation of WIA workforce investment activities, the Vermont Department of Labor contracts with the Center for Social Science Research at Saint Michael's College. The latest program evaluation to be completed is for PY 2004, containing an introduction, caveats, an overview of the population evaluated, findings (including numerous tables), and a summary. In addition to reviewing PY 2004 data, this report compares trends over the 5 years from July 1, 2000 through June 30, 2005.

Among the findings, hourly wages showed continual increases. Earnings were highest for Dislocated Workers, followed by other adults and older youth. Approximately eight of ten participants rate their WIA experience as excellent or good. The majority of youth felt that case managers had done a good job of matching training to their interests. There has been a rising percentage of training related job placements, which contributes significantly to occupational upgrading opportunities and improved job retention. Eighty percent of those individuals in job related employment expressed a desire to remain in those jobs.

The study also recommends that Vermont Department of Labor register under WIA those people who receive core services through Wagner-Peyser. This recommendation, which is consistent with current Department of Labor policy, would allow a matched sample to be drawn providing a bona fide comparison group for even more meaningful evaluation in the future.

Tables PY 2005

TABLE A - Workforce Investment Act Customer Satisfaction Results

Customer Satisfaction	Negotiated Performance Level	Actual Performance Level-ACSI	Number of Completed Surveys	Number of Customers Eligible for The Survey	Number of Customers Included in The Sample	Response Rate
Participants	78	82.09	168	285	285	60.35
Employers	76	74.88	546	700	700	73.70

TABLE B - Adult Program Results At-A-Glance

	Negotiated Performance Level	Actual Performance Level	Numerator/Denominator
Entered Employment Rate	81%	77.5%	N=79 D=102
Employment Retention Rate	81%	76.6%	N=98 D=128
Earnings Change in Six Months	\$3100	\$3848	N=\$492,548 D=128
Employment & Credential Rate	71%	67.3%	N=72 D=107

TABLE C - Outcomes for Adult Special Populations

Reported Information	Public Assistance Recipients Receiving Intensive or Training Services		Veterans		Individuals With Disabilities		Older Individuals	
Entered Employment Rate	76.5%	N=13 D=17	71.4%	N=5 D=7	75.8%	N=47 D=62	83.3%	N=10 D=12
Employment Retention Rate	66.7%	N=14 D=21	100.0%	N=12 D=12	74.2%	N=66 D=89	55.6%	N=5 D=9
Earnings Change in Six Months	\$3611	N=\$75,831 D=21	\$4192	N=\$50,300 D=12	\$3688	N=\$328,209 D=89	\$2757	N=\$24,809 D=9
Employment & Credential Rate	5%	N=1 D=20	55.6%	N=5 D=9	67.7%	N=42 D=62	55.6%	N=5 D=9

TABLE D - Other Outcome Information for the Adult Program

Reported Information	Individuals Who Received Training Services		Individuals Who Received Only Core and Intensive Services	
Entered Employment Rate	83.0%	N=73 D=88	42.9%	N=6 D=14
Employment Retention Rate	76.3%	N=71 D=93	77.1%	N=27 D=35
Earnings Change in Six Months	\$4,361	\$405,581 93	\$2,485	\$86,967 35

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

	Negotiated Performance Level	Actual Performance Level	Numerator/Denominator
Entered Employment Rate	83%	74.5%	N=35 D=47
Employment Retention Rate	88%	92.2%	N=71 D=77
Six Months Earnings Increase	\$-4,000	\$-1732.00	N=\$-133,364 D=77
Employment & Credential Rate	65%	55.1%	N=27 D=49

TABLE F - Outcomes for Dislocated Worker Special Populations

Reported Information	Veterans		Individuals With Disabilities		Older Individuals		Displaced Homemakers	
Entered Employment Rate	42.9%	N=3 D=7	80.0%	N=16 D=20	69.2%	N=9 D=13	0%	N=0 D=0
Employment Retention Rate	100%	N=17 D=17	80.0%	N=16 D=20	100.0%	N=16 D=16	0%	N=0 D=0
Earnings Replacement Rate	\$-4,518	N=\$-76,816 D=17	\$-1,538	N=\$-30,760 D=20	\$-4,130	N=\$-66,093 D=16	\$0.0	N=0 D=0
Employment & Credential Rate	25.0%	N=2 D=8	57.9%	N=11 D=19	50.0%	N=7 D=14	0%	N=0 D=0

TABLE G - Other Outcome Information for the Dislocated Worker Program

Reported Information	Individuals Who Received Training Services		Individuals Who Received Only Core and Intensive Services	
Entered Employment Rate	72.7%	N=32 D=44	100.0%	N=3 D=3
Employment Retention Rate	94.0%	N=63 D=67	80.0%	N=8 D=10
Earnings Replacement Rate	\$-1841.2	N=-123,358 D=67	\$-1000.6	N=\$-10,006 D=10

TABLE H.1 - Youth (14 – 21) Program Results

	Negotiated Performance Level	Actual Performance Level	Numerator/Denominator
Placement in Employment of Education	0%	52.2%	N=105 D=201
Attained Degree or Certification	0%	18.5%	N=29 D=157
Literacy or Numeracy Gains	0%	0	N=0 D=0

TABLE H.2 - Older Youth Program Results At-A-Glance

	Negotiated Performance Level	Actual Performance Level	Numerator/Denominator
Entered Employment Rate	71%	72.4%	N=21 D=29
Employment Retention Rate	80%	82.1%	N=23 D=28
Earnings Change in Six Months	\$2,700	\$3858.3	N=\$108,032 D=28
Employment & Credential Rate	54%	50.0%	N=15 D=30

TABLE I - Outcomes for Older Youth Special Populations

Reported Information	Public Assistance Recipients Receiving Intensive or Training Services		Veterans		Individuals With Disabilities		Out-of-School Youth	
Entered Employment Rate	83.3%	N=5 D=6	0.0%	N=0 D=0	73.7%	N=14 D=19	73.9%	N=17 D=23
Employment Retention Rate	100.0%	N=4 D=4	0.0%	N=0 D=0	85.7%	N=18 D=21	84.0%	N=21 D=25
Earnings Change in Six Months	\$6323.5	N=-25,294 D=4	\$0	N=0 D=0	\$4296.5	N=\$90226 D=21	\$3,985	N=\$99634 D=25
Employment & Credential Rate	50.0%	N=3 D=6	0.0%	N=0 D=0	45.0%	N=9 D=20	50.0%	N=12 D=24

TABLE J - Younger Youth Results At-A-Glance

Reported Information	Negotiated Performance Level	Actual Performance Level	Numerator/Denominator
Skill Attainment Rate	82%	77.3%	N=167 D=216
Diploma or Equivalent Attainment Rate	56%	65.8%	N=25 D=38
Retention Rate	63%	64.7%	N=44 D=68

TABLE K - Outcomes for Younger Youth Special Populations

Reported Information	Public Assistance Recipients Receiving Intensive or Training Services		Individuals With Disabilities		Out-of-School Youth	
Skill Attainment Rate	76.9%	N=30 D=39	75.9%	N=129 D=170	87.8%	N=43 D=49
Diploma or Equivalent Attainment Rate	50.0%	N=4 D=8	77.8%	N=21 D=27	36.8%	N=7 D=19
Retention Rate	50.0%	N=3 D=6	61.3%	N=38 D=62	61.1%	N=22 D=36

TABLE L - Other Reported Information

	12 Month Employment Retention Rate		12 Mo. Earnings Change (Adults and Older Youth) or 12 Mo. Earnings Replacement (Dislocated Workers)		Placements for Participants in Nontraditional Employment		Wages at Entry Into Employment for Those Individuals Who Entered Unsubsidized Employment		Entry Into Unsubsidized Employment Related to the Training Received of Those Who Completed Training Services	
Adults	88.4%	N=122 D=138	\$4,328	N=\$597,224 D=138	3.8%	N=3 D=79	\$4,775	N=377,233 D= 79	79.5%	N=58 D=73
Dislocated Workers	95.3%	N=81 D=85	92.6%	N=\$1,147,398 D=\$1,239,487	5.7%	N=2 D=35	\$7,650	N=267,762 D=35	68.8%	N=22 D=32
Older Youth	78.1%	N=25 D=32	\$3,865	N=\$123,675 D=32	0.0%	N=0 D=21	\$2,718	N=57,075 D=21	0%	N=0 D=0

TABLE M - Participation Levels

Reported Information	Total Participants Served	Total Exiters
Total Adult Customers	466	186
Total Adults (Self-Service Only)	1	0
WIA Adults	292	144
WIA Dislocated Workers	175	42
Total Youth (14-21)	494	225
Younger Youth (14-18)	415	191
Older Youth (19-21)	79	34
Out-of-School Youth	199	87
In-School Youth	295	138

TABLE N - Cost of Program Activities

Program Activity		Total Federal Spending
Local Adults		\$1,405,940
Local Dislocated Workers		\$ 890,030
Local Youth		\$1,614,445
Rapid Response (up to 25%) 134 (a) (2) (A)		\$ 15,686
Statewide Required Activities (up to 25%) 134 (a) (2) (B)		\$ 1,169,837
Statewide Allowable Activities 134 (a) (3)	Program Activity Description	
Total of All Federal Spending Listed Above		\$5,095,938

