

What Works (and What Doesn't): The Good, Bad and Ugly of Federal Job Training in Oklahoma



Senator Tom Coburn
July 2012

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Dear Taxpayer:

Oklahoma works.

A strong work ethic, business friendly policies, good schools, and plentiful natural resources have made Oklahoma a jobs friendly state.¹ Throughout the recent economic downturn, the unemployment rate in Oklahoma has remained consistently below the national average. As of April, Oklahoma's unemployment rate of 4.8 percent kept the Sooner State among the most employed states.²

Oklahoma has always had communities with an innovative spirit, which together are helping those out of work gain the skills necessary to re-enter the workforce.

Oklahomans with disabilities are returning to work through a successful program created by Oklahomans. Jason Price, an Oklahoma Department of Rehabilitation Services Program Manager, piloted a successful effort³ to assist getting Oklahomans off Social Security Disability Insurance and back on a payroll.⁴

Some Oklahoma employers are being matched successfully with jobseekers through an innovative credentialing system called Work Keys. This program accesses skills to help match job seekers with compatible jobs. Work Keys provides Oklahoma jobseekers with a credential that translates to an employer in the same way an ACT or SAT score would translate to a higher education institution.⁵

There is no shortage of Career and Technology Centers teaching high-demand skills throughout Oklahoma. In many school districts, students have the opportunity to receive career and technology training at no cost to them, preparing them to either enter the workforce with a certification in some area or get the pre-requisites for a higher education program such as engineering or medicine. Career Tech trains young people, adults, seniors, Native Americans and minorities, and veterans. It even provides training to offenders through correctional programs called Skills Centers. Offenders trained through Career Tech are placed at a rate exceeding 80 percent. Further, Career Tech works with major employers who are locating to Oklahoma or expanding their existing industry in Oklahoma to provide customized training for workers.⁶

These three initiatives are Oklahoma efforts. While they do receive federal funding, they are not efforts mandated by Congress or a bureaucrat. Each is specifically tailored to meet the employment and training needs of Oklahomans so they can enter jobs and pursue the American Dream.

These three programs are not the norm. Most federal job training programs in Oklahoma are outdated programs controlled by Washington bureaucrats.

And while jobs and unemployment are the single most important issue to Americans today,⁷ Congress has failed to update federal job training programs to meet the needs of a 21st century

workforce. As a result, billions of dollars are spent annually on dozens of different job training services intended to put people to work. However, government auditors have found little is known about the effectiveness of these programs. Most do not even track their success or failures.⁸

In Oklahoma, residents have access to 40 different federal job training programs, operated by at least 45 groups, organizations, tribes, state agencies, educational institutions and quasi-government contractors, across more than 180 physical locations with an annual cost of \$164 million. These federally funded programs are intended to give individuals the job training and skills necessary for employment. This does not represent some related federal programs like unemployment benefits or student loans which are also intended to help individuals prepare for employment. In general, these programs are open to any individual seeking job training support, but are primarily focused on the unemployed population – which in Oklahoma is currently 89,100 people representing its 4.8 percent unemployment rate.⁹

Perhaps the greatest job training challenge in Oklahoma is a lack of coordination between overlapping and duplicative programs. According to the Governor’s Council on Workforce and Economic Development, “Oklahoma does not have a systems approach to workforce development. Clients and employers often stumble onto services and may or may not get the full services they seek and need. All too often they [*clients and employers*] *simply fall into the cracks between existing efforts*” (emphasis added).¹⁰

Serious problems arise when Congress gives 40 programs the same mission. For example, Norma Noble, Deputy Secretary for Workforce Development with the Oklahoma Department of Commerce, recently told Congress:¹¹ “We [Oklahoma] have lots of people that have disabilities and need services and right now they are all referred to rehab. Yes, everyone can serve them— Adult Ed can serve them, Workforce Investment Act can serve them, but they [participants] get siloed and that’s the problem; if you happen to come on the wrong day to others of those siloed programs and I don’t have the money, you don’t get served.”

One Oklahoman wrote to share a similar experience with me:

“After 18 years of continuous employment, I lost my job due to a layoff. I had not searched for a job since 1992 and my job search attempts last summer were proving unsuccessful. I thought I needed a new job search approach, so I attended three different federally funded job assistance programs. All three were absolutely unhelpful and contributed to my panic that I may never find a good job again. One Workforce worker advised me to ‘dumb down’ my resume and even made revisions to my Workforce posted resume that included the removal of my educational and professional accomplishments. A job counselor at a different agency advised me that a ‘good job’ was one that paid \$10/hour. The job search assistance at that agency consisted of entry level job postings on a bulletin board. At the third federally funded job assistance/training program, the assistance provided to me consisted of the job trainer

“I attended three different federally funded job assistance programs. All three... contributed to my panic that I may never find a good job again.”

~ Oklahoma Constituent

emailing to me a couple of copied and pasted internet job ads that had no relevance to my experience or qualifications.”

Another constituent, who held a bachelor’s degree, lost her government job due to budget shortages. After being let go, she fought the uphill battle of being unemployed for 15 months, during which time she exhausted nearly all resources available to help her find assistance re-entering the workforce. Initially she visited Workforce Oklahoma, a center meant to provide comprehensive job training and support services. She likened this experience to a “cattle call” and said that not one time in 15 months of being unemployed was she contacted with a job referral or follow-up after visiting this federally funded employment office. Eventually, she sought assistance from the state Department of Vocational Rehabilitation where staff reportedly spent months collecting her medical records to validate she had a disability. However, like her experience with Workforce Oklahoma, she received no follow-up or job referrals because the Department of Vocational Rehabilitation did not have someone hired to help participants find work at that location. Both experiences with state workforce entities appeared to fail this constituent, thereby wasting taxpayer dollars.¹²

Ironically, 30 miles from this constituent’s hometown is an existing employer struggling to find quality employees to hire. It is a troubling sign that during 14 years of existence this company reports that it has never once hired an employee referred from Oklahoma’s primary workforce development entity.¹³

The experience of this employer mirrors that of others in the state: employers are left in the dark. Employers should be a key participant in job training programs, but yet an overwhelming percentage of Oklahoma employers report being unfamiliar with the workforce system, with 56 percent of Oklahoma employers reporting that contact from representatives of the workforce development system occurs “never” or “seldom.”¹⁴

The experiences shared by my constituents are not acceptable. Taking money from the pockets of taxpayers during these difficult economic times to finance duplicative and ineffective programs in the name of jobs hurts both those who are working and those who seek to be working. It is our obligation to get Americans working again.

This report deliberately uses Oklahoma as a case study to examine federal job training programs. There is no better place to perform oversight than in your own backyard. Rarely, if ever, do analysts and Congressional staff leave the marble halls of the Capitol and venture into the areas where “rubber meets the road.” The approach taken for this precedent-setting project utilizes the experiences of Oklahomans administering programs and those receiving assistance.

In this oversight report, which was guided by findings from the Government Accountability Office and my previous oversight report on this issue, *Help Wanted: How Federal Job Training Programs are Failing Workers*, my office sought to better understand how these programs are working in Oklahoma. From the ground level and with the cooperation of Oklahomans, my staff conducted field oversight in the state through over 70 meetings and interviews. It is my desire the findings put forward in *What Works (and What Doesn’t): The Good, Bad and Ugly of Federal Job Training in Oklahoma* will lead to meaningful reform at the federal level,

empowering states to run their job training systems more effectively and help more Americans get back to work.

Our review found aspects of the federal system to be failing. For example, Oklahoma has a training program spending around \$76,000 per person to help youth obtain minimum wage jobs.¹⁵ Another program subsidizes the bagging of groceries as a form of job training. Another offers job seekers the possibility of paid-training for *over three years* in addition to unemployment benefits.¹⁶

While Oklahoma, as a state, is in relatively good economic standing, some counties continue to have unemployment rates exceeding 8.5 percent.¹⁷ Deputy Secretary of Commerce for Workforce Development Norma Noble recently testified before Congress that Washington is hindering the ability of the state to better assist those areas in greater need:¹⁸

“As a state with disparate economic conditions driven by geography, we need the ability to implement regional solutions for regional problems. Today, we do not have that flexibility. For example, western Oklahoma has experienced extraordinary growth as a result of an abundance of energy resources both renewable and fossil fuel. As a result, the regional unemployment rate is roughly three percent. In southeast Oklahoma, however, poverty is prevalent and unemployment ranges 9 to 12 percent. Fortunately, the Oklahoma Department of Commerce recognizes these differences. Unfortunately, the federal law does not.”

Federal laws need to be reformed to recognize the job training needs of individual states, communities, employers and job seekers. Many other states are dealing with the same mess created by federal bureaucracy: Ohio is reportedly working through a maze of 77 different job training programs, administered by 13 different agencies,¹⁹ and Maine’s Governor called the state’s job training programs “almost criminal” when he discovered only 20 percent of job training funding was actually being spent on job training.²⁰

Decide for yourself two questions using Oklahoma’s job training programs as a guide: Is this \$18 billion taxpayers spend annually²¹ on job training programs adequately fulfilling its intended purpose? And, who knows the needs of the workforce in Oklahoma better: politicians and bureaucrats in Washington or employers and communities in Oklahoma?

In Oklahoma, we live by the motto “*labor conquers all things.*” The American work ethic is the foundation of the American Dream. Work allows us each to be self-reliant and provide for our families. Every American who can work, and certainly every American who wants to work, should have the opportunity to do so. Likewise, the billions of dollars spent on job training programs paid for with the taxes of those employed should be working to help those unemployed. This report identifies where problems exist but more importantly, what works.

Sincerely,

/s/

Tom A. Coburn, M.D.

What Works (and What Doesn't):

The Good, the Bad, and the Ugly of Federal Job Training in Oklahoma

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EXECUTIVE SUMMARY

The overlap and duplication in job training programs created by Congress has resulted in the State of Oklahoma having 40 different federally funded job training programs located across more than 180 different locations, operated by at least 45 different entities, costing \$164 million, assisting Oklahomans in finding work. Ironically, many job seekers in the Sooner State do not even know that most of these programs even exist. This report will examine Oklahoma's programs and the issues of unnecessary duplication, severe fragmentation, training-related employment, and cost discrepancies which are all indicators of the need for change.

The convoluted mess of job training programs exists, not because of any well-meaning Oklahoman, but because Congress created a system that is doomed to fail. Employers and communities know best what skills are needed for a successful workforce, not bureaucrats—despite good intent.

“The first step Congress took in the wrong direction was a step out of the Constitutional boundaries set forth by our Nation’s founders.”

What part of this scenario makes sense: Congress taxes Oklahoma employers at record rates, to fund job training programs created by politicians in Washington, only to send taxpayer money back to Oklahoma with rules and regulations that tie the hands of state and local governmental and business and ignore the unique economic and demographic factors of their communities. **This scenario is the reality of the employment programs operated by federal government.**

The first step Congress took in the wrong direction was a step out of the Constitutional boundaries set forth by our founders. Providing employment and training services is not a role for federal government at all, according to the enumerated powers listed in the U.S. Constitution.

HOW WE GOT HERE

Congress first began meddling in state workforce development in the 1930s.

After Washington established the Wagner-Peyser Act in 1933, lawmakers began creating more programs. Of the more notable programs, Congress created the Area Redevelopment Act in 1961, the Trade Adjustment Assistance Act and the Manpower Development and Training Act in 1962, the Economic Opportunity Act in 1964, the Emergency Employment Act in 1971, the Comprehensive Employment and Training Act in 1973, and the Job Training Partnership Act in 1982.

After it became clear that these and other smaller programs that Washington politicians created were unmanageable, Congress established what is *intended* to be the federal government's primary job training program²² – the Workforce Investment Act (WIA) of 1998.

In an attempt to better coordinate programs, the WIA system introduced to federal job training the concept of a “One-Stop” delivery system.²³ According to the U.S. Department of Labor (DOL), the One-Stop delivery system *should* create “universal access” to job training programs

“so that workers, job seekers and businesses can find the services they need in One-Stop and frequently under one roof in easy-to-find locations.”²⁴ The One-Stop Center is *intended* to reduce confusion for job seekers and employers by streamlining programs.

Unfortunately, the “One-Stop” system is not working as it should in Oklahoma. A typical Oklahoma One-Stop Center will have only four of forty federal job training programs present and co-located: Wagner-Peyser, WIA Youth, WIA Adult and WIA Dislocated Worker. These four programs represent *only 15 percent* of the federal job training funding in the state.²⁵

Only four programs are consistently co-located within Oklahoma One-Stop Centers. These four programs account for only 12 percent of state federal job training dollars.

The remaining 85 percent of federal job training funding in Oklahoma is spent on programs located in separate facilities with different administrative structures.

With duplicative but distinct administrative functions and organizational structures in place, job training dollars are consumed by unnecessary overhead instead of being spent directly on Oklahomans in need of training and skills which lead to employment. Oklahoma’s labyrinth of federal job training programs represents perhaps the greatest flaw in the legislation. Because programs exist based on factors such as disability, ethnicity, and background, the result can cause job seekers to be bounced from one program to another. Why should one program spend training dollars on a jobseeker, when that jobseeker might qualify for another program?

Most Oklahoma job training programs contacted by my office requested “more funding.” Ironically, there is ample amount of funding to assist the number of job seekers in the state—there are just too many players in game. **Under the federal Workforce Investment Act, there is no requirement that all entities receiving federal funding²⁶ for job training to co-locate or even communicate with one another.**

It has been 14 years since Congress authorized the Workforce Investment Act. During this time the unemployment rate has spiked, leaving nearly one in 10 Americans out of work.²⁷ The current national unemployment rate is 8.2 percent as of July 2012.²⁸ The economy and workplace have dramatically changed since 1998. There is no reason for Congress to wait 14 years to fix flaws in the system.

OVERLAP IS RAMPANT

Despite varying differences in outcome measures and cost performance—there is one major consistency across job training programs—nearly all of them overlap with at least one other program.²⁹ Overlap is the result of the programs seeking to serve similar populations and accomplish similar tasks. Overlap ultimately creates redundancy and can result in confusion for jobseekers and employers. Oklahoma residents have access to 40 different federal job training programs, operated by at least 45 groups, organizations, tribes, state agencies, education institutions and quasi-government contractors, spread across more than 180 locations at \$164 million annual cost.

According to government auditors, only one of these 40 programs—the Senior Community Service Employment Program (SCSEP)—was found not to directly overlap with another program. However, while SCSEP is not identified as duplicating other programs in so far as the target population served, it is nevertheless true that seniors could be served through WIA Adult or other programs. There is no prohibition on these programs serving senior adults if other eligibility criteria are met. Conceptually, this is true not just for seniors, but for other special population programs; veterans and Native Americans could be served by other adult and youth programs if eligibility is met.

OKLAHOMA EMPLOYERS IN THE DARK

In a recent report commissioned by the Oklahoma Department of Commerce, the state’s major employers were critical of job training programs and their usefulness for finding new employees.³⁰

- Employers have difficulty describing products and services available under “workforce development services.”³¹ Of Oklahoma employers, **64 percent rate their understanding of the services offered by the system as “Fair, Poor, or Don’t know.”**³² They cite lack of full-spectrum³³ information from business representatives of the workforce system, and a lack of follow-up from the representatives.³⁴ More than half report that contact from a representative of the workforce development system occurs “never” or “seldom.”³⁵
- Only 17 percent of respondents cite Workforce Oklahoma (*Oklahoma’s One-Stop Delivery System*)/Job Link as most effective for recruiting new employees.³⁶
- Employers often view referrals from Workforce Oklahoma offices as unemployment compensation recipients who are unmotivated to work until compensation runs out.³⁷ (*Partners of the Governor’s Council recently unveiled a new website, OkJobMatch.com to more effectively match employees with job opportunities in Oklahoma.*)
- Employers cited having a “clear menu of available services” as higher priority than creating new programs.³⁸ (*In layman’s terms, employers are struggling to understand what services already exist; for Oklahomans the priority is to understand what job training programs already exist—over the creation of new programs—which is Congress’ failing forte.*)

GAO reported that program overlap might hinder people from seeking assistance and frustrate employers.

EFFECTIVE OUTCOME MEASURES LACKING

Inadequate measurements of success are concerning not only to government auditors but also employers. These concerns are significant, as it is *employers* who *employ*; ultimately determining the gainful employment of participants in any job training program. Employers’

concerns should not be surprising being government auditors found that *not one* program tracked “Employer Satisfaction” as a measurement of success.³⁹

The auditors also found that “little is known about the effectiveness of most programs”⁴⁰ when there were not sufficient measurements in place to determine effectiveness.

The problem is Congress does not allow the programs to equitably measure their impact. The U.S. Department of Labor Inspector General (OIG) found that, “WIA does not allow the Employment and Training Administration (ETA) to establish any new performance measures apart from the core employment indicators required in WIA Section 136. Therefore, ETA could not use data it collected on training-related employment through its Workforce Investment Act Standard Record Data (WIASRD) for performance accountability purposes.”⁴¹

Most federal job training programs do not track “employer satisfaction” and/or “training-related employment” as required performance measures.

The OIG also found that the Employment and Training Administration (ETA) “did not collect information on training costs and was unable to identify the funding sources of training services. ETA claimed that the Workforce Investment Act does not allow the agency to collect information on the cost of training activities.”⁴²

The Oklahoma Department of Commerce agreed in Oklahoma’s WIA Annual Report, that “cost of performance is difficult to calculate.”⁴³

The absence of cost performance metrics is a disadvantage in every way. Programs which have estimates of their performance costs raise eyebrows as for the cost effectiveness of the federal job training extravaganza. *Note table below.*⁴⁶

Job Training Program	Est. Cost Per Participant	Population Served
Job Corps	\$37,000 - \$76,000 ⁴⁴	Youth
WIA ⁴⁵	\$10,000	Multiple Populations
Vocational Rehabilitation	\$9,600	Individuals with Disabilities
National Farmworkers Job Program	\$2,000	Farmworkers
Experience Works	\$9,700	Seniors
Youth Build	\$15,000- \$18,000	Youth

STATES & COMMUNITIES KNOW WHAT WORKS FOR THEIR WORKFORCE

Despite overlap and management challenges with operating federal job training programs, the state continues its effort to better develop their workforce system. In Oklahoma’s case, had Congress let it choose how to spend the \$164 million received for job training instead of scattering it across 40 programs in FY 2011, it is likely many more job-seekers and businesses would have been better served. Many of the problems identified within the job training maze,

such as a lack of metrics, unnecessary duplication, or excessive cost for administration for minimal return for participants, can be traced back to Washington. This includes Congress creating too many programs that either mirror existing initiatives or are not focused on achieving results while doing too little oversight to ensure the programs are up to date and working.

Employers and communities in Oklahoma, rather than politicians and bureaucrats in Washington, know best what skills are most needed for the jobs in our state and how to target resources to provide the training necessary to prepare those seeking to enter the workforce here. Job training for private sector jobs, in general, is not a role well served by federal government.

KEY FINDINGS

- After interviewing dozens of administrators of Oklahoma’s federal job training programs, it was evident federal rules have created a bureaucratic maze of programming that inhibits states’ ability to manage their job training systems effectively, and to the disadvantage of those in need. Consequently, Oklahoma has 40 job training programs managed by nine state agencies, operated by over 45 entities across 180 different physical locations, costing approximately \$164 million. Of the programs, only four are consistently located under one roof in “One-Stop” operations known as Workforce Oklahoma.
- Oklahoma’s lack of systems approach means clients and employers often stumble onto services, may not get the services they need, or simply fall through the cracks—according to a study conducted by Oklahoma’s primary workforce development entity.⁴⁷ Though employers should be a key participant in job training programs, 64 percent of Oklahoma employers report being somewhat unfamiliar with the workforce system, with 56 percent of state employers also reporting that contact from representatives of the workforce development system occurs “never” or “seldom” (*see appendix V for more information*).
- In trying to calculate the cost of federal job training programs in Oklahoma, it was determined there is little accountability for costs. In Oklahoma, there is distinct inconsistency in the amount spent on target populations – or no information at all. Some programs spend \$10,000 per capita and others \$76,000. There are lacking cost performance metrics for programs to determine cost variables, such as someone who enters employment and someone who enters training related employment.
- Multiple instances show that funding is not prioritized for getting Oklahomans back to work. Federal rules allow for excessive expenditures on travel, billboards, flowers and even union dues.
- Because Oklahoma has excessive duplication and overlap in job training programs, this creates unnecessary administrative costs which detract the funding from its original purpose: providing Oklahomans with employment and training services. Furthermore, multiple job training programs are fragmenting workforce development in trying to develop services based upon demographics rather than the needs of employers and skills of potential jobseekers.

- Findings from government audits revealed that **far too often job training participants are receiving training that does not lead to employment.** From subsidizing bagging groceries as job training to placing a special education teacher at the county sheriff's office—training opportunities paid for with tax dollars are often unrelated to the skills needed to enter employment. Other programs require Oklahomans to be trained for skills determined by the government bureaucrats instead of Oklahoma's workforce leaders—who are much more in touch with skills gaps in the state.
- To our disadvantage, Oklahoma has very little say in which programs receive the most funding from Congress. The bulk of job training funding is spent on youth, with the most expensive youth program, Job Corps, accounting for \$36 million of Oklahoma's job training funding—around 20 percent of all job training funding in Oklahoma, despite serving fewer Oklahomans than many programs. With this taxpayer expenditure there is little bang for the buck: Treasure Lake Job Corps, located in Indianola, Oklahoma, was ranked 121st of the 121 Job Corps centers in 2010. During the same time, Oklahoma's Job Corps centers enrolled 482 new participants; Workforce Investment Act programs enrolled 299 times the amount of new participants at a fraction of the cost.
- Oklahoma knows better than Congress when it comes to what works best for our workforce needs. Oklahoma's Department of Vocational Rehabilitation is returning millions of dollars to Social Security through the successful rehabilitation of Social Security Disability Insurance beneficiaries in a pilot effort developed by an Oklahoman—through his initiative and not the federal government's. Additionally, programs such as Oklahoma Career Tech—which operate more autonomously from federal government—seem to have a better grasp on Oklahoma's job training needs according to major employers in the state.

METHODOLOGY

PROGRAM VISITS

This report is unlike any oversight report any U.S. Senate office has ever produced.

For this project, a “boots on the ground” approach was employed and staff members devoted time and research to the study of federal job training throughout each region of Oklahoma. In this pilot effort, my office conducted more than 70 in-person visits and interviews to job training facilities, state agencies and other entities responsible for overseeing the programs. Staff also interviewed job seekers who had participated in programs. State agencies interviewed as key players in Oklahoma’s workforce development programs include the following: Oklahoma Department of Commerce, Oklahoma Employment Security Commission, Oklahoma Department of Career Technology, Oklahoma Department of Rehabilitation Services and Oklahoma Department of Human Services.

All information provided in this report specific to Oklahoma was discovered through visits and research conducted in Oklahoma. For the purpose of consistency, a questionnaire was developed to guide the oversight performed by my office through in-person field visits and other forms of communication. The relevancy of questions, which were influenced by findings from government audits, varied from program to program. Accordingly interviews and correspondence were adapted to fit the program.

REPORTS REVIEWED

For the last six months, my staff have combed through dozens of Government Accountability Office (GAO) and Inspector General Reports, congressional testimony and also reports issued by the state of Oklahoma on job training. See footnotes for a full list of these reports.

CONSTITUENT MAIL

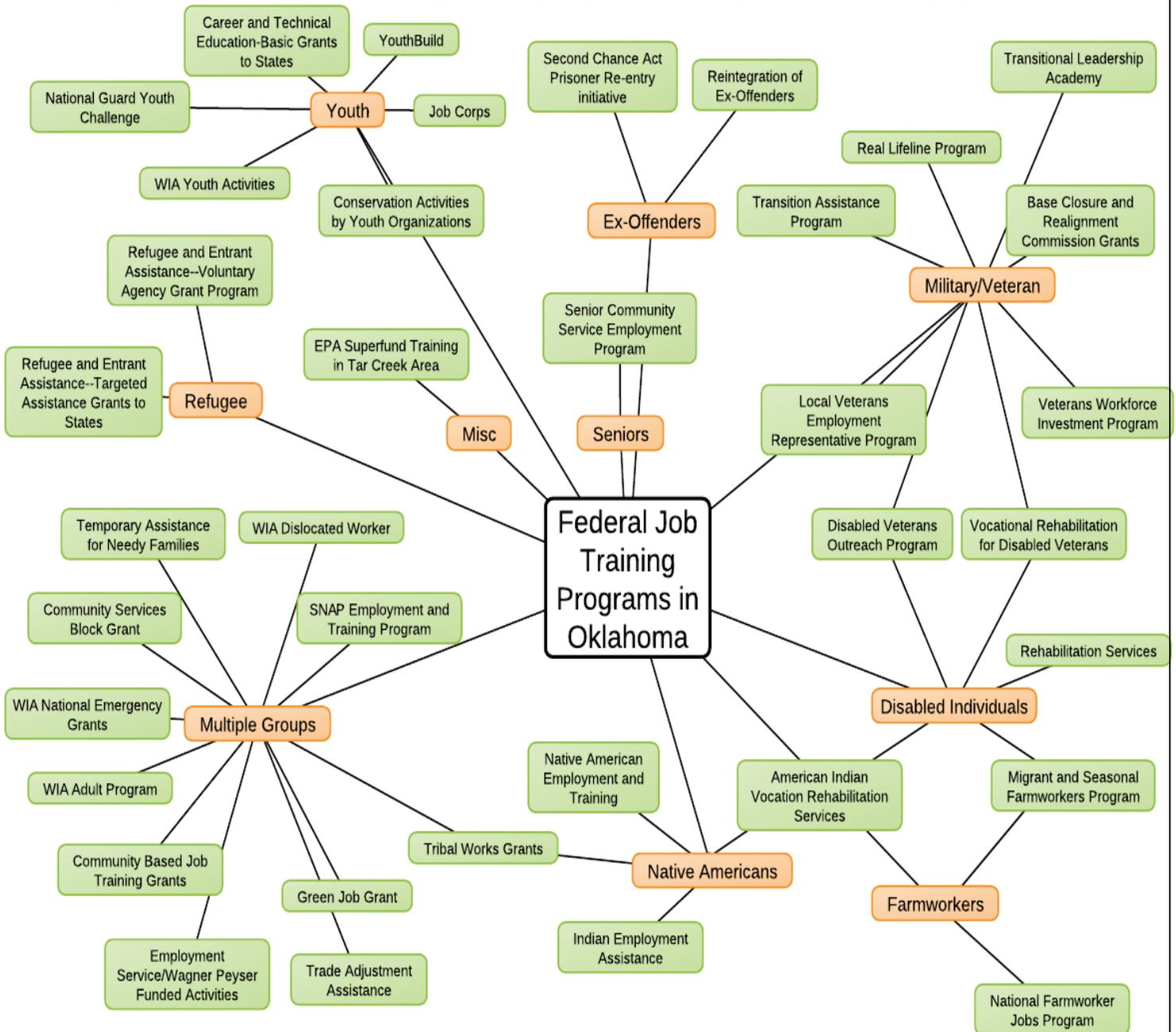
My office receives nearly 4,000 constituent letters a month. Letters pertaining to job training experiences were flagged and reviewed for further insight into Oklahomans experiences with various job training programs. Follow up was conducted when relevant.

FEDERAL EXPERTS

Congressional testimonies were reviewed as a resource for better understanding the challenges facing job training programs and the solutions that exists. Also, former administrators from the Department of Labor’s Employment and Training Administration were consulted for their insights and expertise. In addition, other state administrators and programs were contacted for insights into how other states administer their programs, including Texas and Utah.

SECTION 1- OKLAHOMA’S WEB OF JOB TRAINING PROGRAMS

From Native Americans to veterans, adults, youth, individuals with disabilities, seniors, refugees, farmers and ex-offenders, Congress has furnished Oklahoma with a job training program for just about everyone—with many programs serving the same populations. The web below illustrates how many of the same programs are serving the same populations. **Orange** shapes represent the populations served by job training programs and **green** shapes represent the funding streams/programs serving the designated population. Instead of one, effective, job training program serving Oklahomans, Congress has fragmented the funding and the effectiveness of the programs by tasking multiple entities with accomplishing the same purposes. The results of this fragmentation often occur at the expense of quality outcomes for jobseekers and employers.

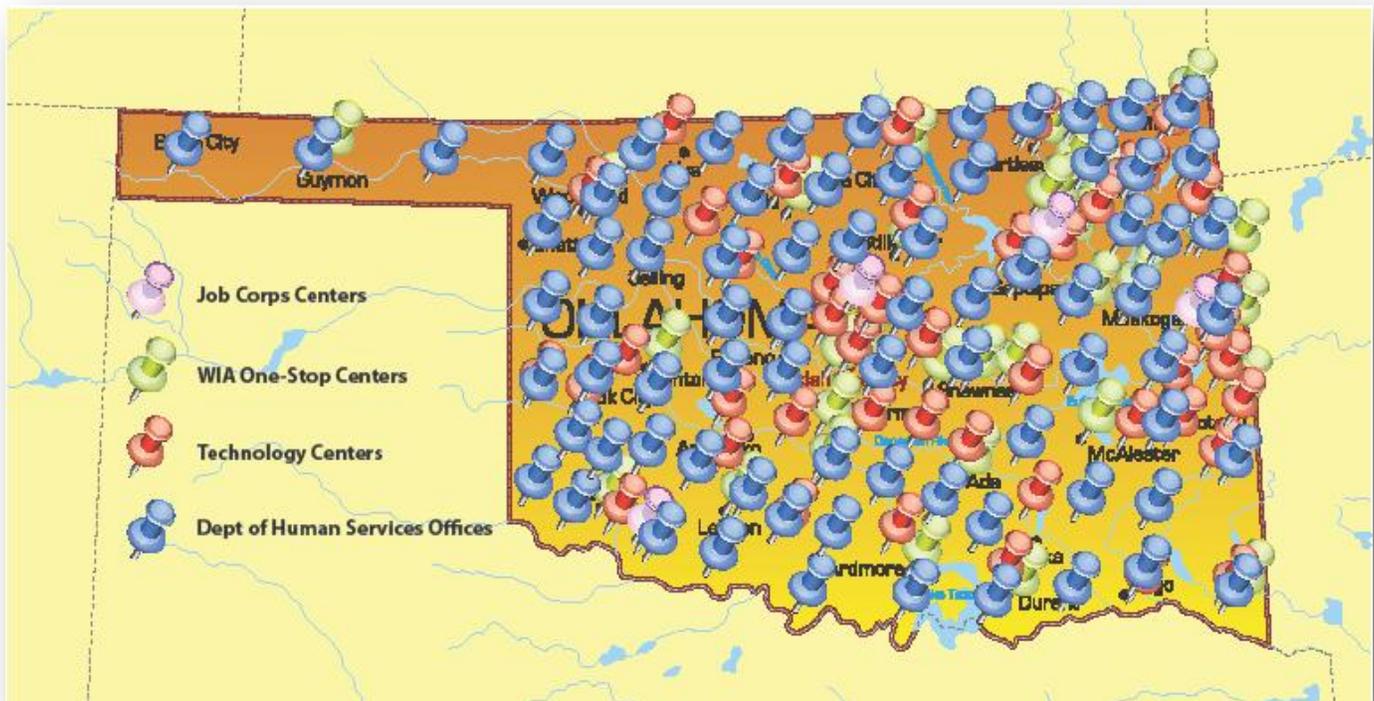


WHAT OVERLAP LOOKS LIKE IN OKLAHOMA

Workforce development in Oklahoma is complex and convoluted.⁴⁸ “There are many players with sometimes competing agendas,” according to the Oklahoma Governor’s Council on Workforce and Economic Development.⁴⁹ The Council further found that “clients and employers often stumble onto services, and depending on where they enter the system, they get the services that are available from a particular system partner, rather than the comprehensive and seamless services that that they should receive in order to best prepare them for careers.”

There are 40 different job training programs in Oklahoma working to craft its workforce with \$164 million in federal dollars annually. Programs are operated by at least 45 different entities, spread across more than 180 locations; 38 One-Stop offices (known as “Workforce Oklahoma centers”);⁵⁰ 37 Vocational Rehabilitation offices;⁵¹ 68 Oklahoma Department of Human Services offices;⁵² 57 Career Tech campuses;⁵³ four Job Corp centers;⁵⁴ two YouthBuild sites;⁵⁵ at a minimum, nine tribal offices; and at least three community colleges in addition to several other locations.⁵⁶

The image below shows physical locations for *only a few* federal job training programs: Job Corps, Workforce Oklahoma Offices (WIA One-Stop Centers), Technology Centers and Department of Human Services—not even taking into consideration dozens more physicals locations that provide job training services. In Oklahoma, Congress’ attempt at job training integration, through the Workforce Investment Act, does not appear successful. Programs are duplicated and states are left struggling to administer sprawling programs with overlapping services, appropriations arriving through separate funding streams, under the jurisdiction of different federal and state agencies, with segregated metrics and outcome measures. There is no better visual, than below, to demonstrate what results when Congress does not perform adequate oversight.



SECTION 2 - YOUTH JOB TRAINING PROGRAMS IN OKLAHOMA

Oklahoma taxpayers spend over \$3 billion annually to fund public education in Oklahoma.⁵⁷ Across 538 school districts, public educators are preparing youth in Oklahoma with the skills they need to be successful members of the workforce. Despite this fact, Congress further taxes Oklahomans in order to spend excessively on training many of the same youth who are being served in schools already.

In Oklahoma, the largest job training expenditure on a specific population,⁵⁸ per capita and in total appropriations, is spent on youth between the ages of 16 to 24.⁵⁹ The expense of job training dollars on youth is concerning given the lack of meaningful cost and outcome metrics in these programs. Also concerning, Oklahoma has little-to-no say about the federal programs created by Washington politicians to serve youth, and federal rules also limit states' abilities to adequately measure program outcomes. Below is an image of the some of the programs serving young Oklahomans.



OKLAHOMA YOUTH PROGRAMS

Oklahoma’s largest youth program, based on funding, is Job Corps – receiving over \$36 million in fiscal year (FY) 2011. According to the U.S. Department of Labor (DOL), Job Corps is a “free” education and training program designed to help low-income youth learn a career, earn a high school diploma or GED, and find and keep a “good” job. If you are at least 16 years of age and qualify as low-income, Job Corps is to provide the skills needed to succeed in a career and in life.⁶⁰

Carrying out the mission of Job Corps in Oklahoma are centers located in Indianahoma, Guthrie, Tulsa and Tahlequah. While these four centers compose the bulk of Oklahoma’s federal funding for youth job training, it is unclear whether funds at Job Corps are effectively spent.

Consider:

- Last year, Guthrie Job Corps, the largest Job Corps Center in Oklahoma, spent \$6,583 worth of goods and services – in six months – from Mary’s Flower Shop. The program also spent over \$30,000 on billboards despite the fact it pays full-time recruiters.⁶¹
- Funds spent by Guthrie Job Corps at the flower shop and the \$131,000 it spent on medical expenses in a six-month timeframe was more than the total funding for five different job training programs in Oklahoma.⁶²
- Tulsa Job Corps employs more than 126 full time staff to run their operation. When the program runs at peak performance, it has 2.3 employees per program participant.⁶³ One problem with having so many employees per student is that funding for students’ jobs quickly becomes funding to create jobs for people running Job Corps. In comparison, this Job Corps student-to-teacher ratio is much lower than public education which typically has a student to teacher ratio of fifteen-to-three.⁶⁴
- Treasure Lake Job Corps has an annual budget of \$5.7 million.⁶⁵ Despite these resources, this Center was ranked 121st of 121 Job Corps Centers nationwide—meaning Oklahoma was home to the lowest performing Job Corps Center in the nation, as assessed through literacy, degree attainment, program completion, job placement and other measures.⁶⁶

GUTHRIE JOB CORPS CENTER	
Community Investments	
From the beginning of this fiscal year (July 1, 2011) to present (January 20, 2012), Guthrie Job Corps Center has made the following investments in the local community:	
• American Cancer Society	\$2,000.00
• American Red Cross	\$7,801.00
• Auto Parts	\$2,014.83
• B&F Floor	\$11,836.58
• Blair Signs	\$50.00
• Body Billboards	\$30,514.94
• Carey Electric	\$6,244.00
• City of Guthrie Water	\$58,168.63
• Guthrie Newsleader	\$231.82
• Guthrie Vision Source	\$32,656.84
• Hometown Rental	\$709.98
• J Dubbs Auto	\$7,767.00
• Logan County Asphalt	\$145.88
• Logan County Health Dept.	\$877.22
• Logan Medical Center	\$24,483.73
• Makers Glass	\$996.14
• Mark’s Pharmacy	\$73,873.84
• Mary’s Flower Shop	\$6,583.50
• OK Home Center	\$9,319.26
• United Way	\$7,195.88
• Wal-Mart	\$52,638.01
TOTAL	\$336,109.08

- Of its \$5.7 million dollar budget, approximately \$3.5 million was used to pay the employee wages (and this total does not include costs of training instructors).⁶⁷ This means Treasure Lake Job Corps spends 61 percent on employees and only 39 percent on the employment and training of youth participants.

Some activities provided through Job Corps Centers are also of questionable value. Tulsa Job Corps, for example, promotes the “fun activities”⁶⁸ it offers as a recruitment tool. It may be unclear to taxpayers, however, how sewing club, billiards, trips to movie theaters and bowling allies, as well as weekly chess matches provide students the skills needed to obtain the next generation for new jobs.

Recreation

Guthrie Job Corps boasts one of the best recreation programs in the nation. Students find our recreational activities to be a fun and exciting way to meet new friends, socialize, and just relax and unwind at the end of the day. Our students enjoy cookouts and other outdoor activities throughout the spring and summer. We also provide swimming lessons for students who do not know how to swim.

Off Center Trips

Every weekend, we provide a number of choices for off center trips. These trips include horseback riding, bowling, movies, museums, golf at a local golf course, rodeos, go-cart rides, miniature golf, and other activities around the Oklahoma area.

Organized Sports

We have a men's softball, a women's softball team, and a co-ed softball team that compete against other Job Corps centers as well as in a local league. We have men's and women's basketball teams that play against teams from other Job Corps centers. We also have intramural basketball games and volleyball games on center.

Source: <http://guthrie.jobcorps.gov/centerlife.aspx>

Recreation

Tulsa Job Corps Center offers a comprehensive recreation program designed with all students in mind. The following are just a few of the fun activities provided free to our students:

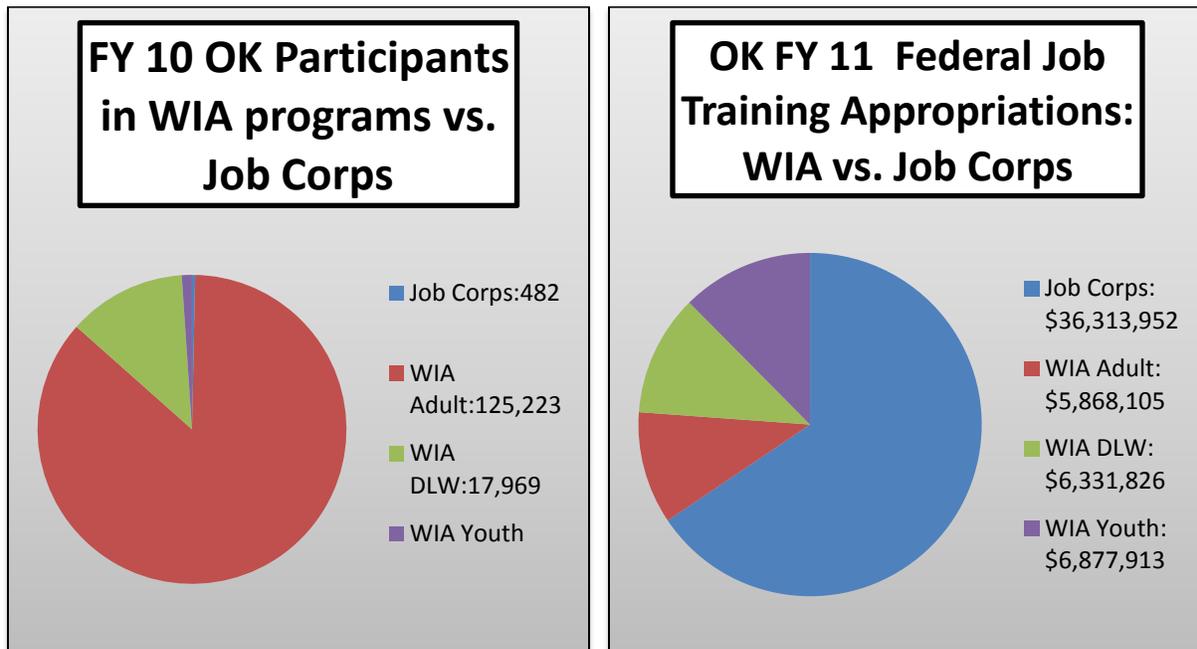
- Billiards
- Chess Club
- Computer resource center
- Etiquette classes
- Instruction in arts and crafts
- Intramural sports
- Ropes
- Sewing Club
- Team building activities
- Trips to cultural events in the Tulsa-metro area
- Trips to movie theaters
- Trips to performing arts programs
- Weekly bowling trips to include league participation

Source: <http://tulsa.jobcorps.gov/centerlife.aspx>

Funds spent on Oklahoma’s four Job Corps Centers far exceed the combined funding allotted to WIA Adult, WIA Dislocated Workers, and WIA Youth – even when combined. While Job Corps captures most of the resources targeted at youth for job training, Job Corps serves far fewer Oklahomans than most job training programs.

Combined, WIA programs enrolled over 144,000 new participants during the same time Job Corps enrolled 482—that is over 299 times more participants who enrolled in a WIA program than Job Corps,⁶⁹ despite Job Corps receiving more than twice as much federal funding.⁷⁰

In addition, funding within WIA programs is heavily targeted at youth populations despite the substantial investment that Job Corps is providing to this same population. For example, WIA Youth received an appropriation in excess of a million dollars more than received by WIA Adult. This bigger appropriation is not due to a greater number of individuals served – the WIA Youth program served 1,537 participants whereas the WIA Adult program served 125,223 participants in FY 2010.⁷¹



YOUTH JOB TRAINING DOLLARS SPENT ON JOBS FOR PROGRAM EMPLOYEES

According to the U.S. Department of Labor (DOL), Oklahoma’s Job Corps Centers employ 480 full time workers.⁷² Between the reporting period of June 2010 to July 2011, the same Job Corps Centers reported only placing 197 students in jobs.⁷³ In other words, more jobs were created for Job Corps employees than jobs found for participants exiting the program.

COST PERFORMANCE & OUTCOMES

The high cost of job training for youth is concerning given the dearth of meaningful cost performance and outcome metrics in these programs.

A recent Department of Labor Inspector General (IG) report found problems with the way that Job Corps measures its outcomes nationally. The IG found: “There were problems with Job Corps’ approach for calculating its cost efficiency metric, or **cost per participant (\$26,551 for program year (PY) 2009)**. For example, the metric did not effectively measure performance. Additionally, our analysis of available Job Corps data showed alternate cost efficiency metrics, such as **cost per student training slot utilized (\$37,880, if all slots are fully utilized) or job placement (\$76,574)**, could provide decision-makers with more reliable information to measure and manage the program’s performance cost (*emphasis added*).”⁷⁴

To spend \$76,000⁷⁵ per successful job placement is a lot of money to help someone attain work in a job that will likely pay a fraction of that amount.⁷⁶

This cost is also of questionable worth when considering that Job Corps placements are counted as successful *even if such placements result in minimum-wage jobs*.

In fact, one Oklahoma Job Corps promotes helping prospective participants obtain jobs with “earnings of \$8.00 or more after three months of employment.” Eight dollars an hour is only slightly above the \$7.25 minimum wage paid in Oklahoma.⁷⁷

The IG’s findings further illustrate a problem with multiple job training programs: taxpayers subsidize training or work experience that leads to a job, but that participant never attains *training-related* employment.⁷⁸

For example, the IG found nationally that:

- Culinary students at Job Corps have been placed as pest control workers, funeral attendants, baggage porters, concierges, tour guides, telemarketers, cashiers, telephone operators, financial examiners, accounting clerks, and file clerks.⁷⁹
- Nurse assistant and pharmacy technician students at Job Corps were placed as cashiers, telephone operators, tax preparers, real estate agents, couriers, file clerks, and reservation and transportation ticket agents.⁸⁰



- Solar energy and weatherization students at Job Corps were placed as janitors and pest control workers.⁸¹

To spend \$76,000 to place a person in a job completely unrelated to the training that federal funding paid for, undermines the purpose of the program and wastes taxpayer funding. This problem is evident throughout Oklahoma. When asked about training-related employment, the Director of the largest Job Corps Center in Oklahoma, Guthrie Job Corps said: “Our focus is to get them (participants) ready for employment and I do not believe it (training-related employment) should be part of the measurement. I would rather them be employed.”⁸²

The problem of spending money on training unrelated to the jobs participants eventually obtain is not exclusive to Job Corps. A 2011 Department of Labor Office of Inspector General audit estimated that up to \$124 million in Workforce Investment Act funding was spent on training participants who *did not* obtain training-related employment, or information was insufficient to make the determination that training-related employment was obtained.⁸³

BEYOND YOUTH PROGRAMS:

Experience Works, a national grantee for the Senior Community Service Employment Program in Oklahoma, shared their recent success story of helping a participant attain a full-time job as a teacher after having subsidized her employment at the County Sheriff’s Office, for the purpose of helping the participant develop new skills to become employable. However, the County Sheriff’s Office does not provide a teaching certificate and skills for classroom instruction.

HOW TRAINING IS DETERMINED

If job seekers are receiving training necessary to become employable, a natural question to ask is: who determines what type of training they should receive? It depends on which job training program you ask.

WIA Adult and Dislocated Worker programs are required to track labor trends and labor demand in an effort to better ensure job seekers are being trained in high-demand fields.

However, despite this requirement, Congress does not require these programs to report to U.S. DOL if participants actually enter related fields of training.

Is it necessary for taxpayers to subsidize job training for bagging groceries, and are those skills that will help Oklahoma’s youth become more competitive in the workforce?

Other programs administered by U.S. DOL, such as YouthBuild, consistently offer the same type of training courses (carpentry/construction), despite whether labor trends identify such fields as high demand or not.

Programs such as WIA Youth and Temporary Assistance for Needy Families (TANF), which subsidize work opportunities for training purposes, also do not require any sort of justification for areas of training.

Consider the following youth “success” story publicized as a success in Oklahoma:

“A 16 year old junior came into the Workforce Center requesting work on the Summer 2010 TANF/SYEP program. He was eligible and very excited about working. He started working at the local grocery store...and enjoyed all the work experience and the people skills he has gained from the program.”⁸⁴

While this is a great entry level job for a young person, is it necessary to pay somebody federal taxpayer money to train someone to bag groceries, and will those skills help teens become more competitive in the workforce?

BAD HABITS AND ADMISSIONS

While limited training dollars *should* be prioritized for the most underserved youth, admissions requirements for many job training programs are inadequate and lack proper oversight.

A 2011 federal audit found that nearly one in ten Job Corps students is ineligible because of widespread control weaknesses at both the Job Corps and contractor levels.⁸⁵ It is estimated more than \$165 million was spent on students ineligible for the program in recent years.⁸⁶

Beyond eligibility concerns, questions also abound about the practice of Job Corps enrolling students who have already completed other training programs on the taxpayer’s dime. Consider, for example, the Department of Defense (DOD) National Guard Youth Challenge Program – a \$2 million annual, federal training program known to Oklahomans as the Thunderbird Youth Academy (TYA).

Through TYA, at-risk students learn essential job skills and life-coping skills.⁸⁷ In many ways this program targets a similar audience as Job Corps but through a more cost-effective format.

To no fault of TYA, recent reports suggest that some TYA graduates were enrolled at Job Corps after successfully completing 22 weeks of various training with TYA.⁸⁸

In fact, while TYA is generally viewed as a program which advances students into the military, one third of TYA’s first graduating class of 2011 enrolled in Job Corps or other training and only three enlisted in the military.⁸⁹

According to information provided by the program, TYA receives funding at \$17,000 per student.⁹⁰ If a student completes TYA, and then enrolls in Job Corps, the student could have received close to \$100,000 of federal money invested in their job training, without having earned a credential or degree to support the participant’s future employment, or having received a job related to the training provided.⁹¹

Additionally, it appears Job Corps students are more **incentivized to remain in federal job training than to enter the workforce.** The longer a participant remains in a program, the more they are paid. Regardless of performance, all participants are paid every 14 days—in addition to having free living quarters, healthcare, and meals. Consider information below regarding Job Corps payment plan to students, attained from a recruiting packet provided by Talking Leaves Job Corps to area high schools:

Your Questions Answered

1. Do you really pay me to go to training? Yes, you will be paid every two weeks according to the # of days you are enrolled:

1 to 56 days.....	\$25.00
57 to 112 days.....	\$30.00
113 to 182 days.....	\$40.00
183+ days.....	\$50.00

Also, many programs, such as Job Corps, National Guard Youth Challenge, YouthBuild and WIA Youth⁹² do not track program completers beyond one year – so there is no record of long-term effectiveness of the program. A study funded by the Department of Labor Employment and Training Administration, Mathematica Policy Research Inc. found overall there are no long-term program impacts on earnings for Job Corps participants.⁹³ Additionally, it was found Job Corps has modest or no impacts on a range of other outcomes from receipt of public assistance to use of illegal drugs.⁹⁴ Further, because overall earnings gains do not persist, “the benefits to society of Job Corps are smaller than the substantial program cost,” according to an unbiased, nonpartisan audit paid for by DOL.⁹⁵

The problems with youth job training programs points a finger back to Congress for creating fragmented programs for which states have little ability to consolidate or manage.

It is important to note that job training programs authorized under WIA must overcome obstacles created by Washington if they want to ensure the type of robust evaluation that leads to effective programming. According to the Inspector General of the Department of Labor: “WIA does not allow the Employment and Training Administration (ETA) to establish any new performance measures apart from the core employment indicators required in WIA Section 136.”⁹⁶

Congress should be held accountable for creating nonsensical, statutory obstacles to ensuring programs work for those they are intended to serve.

BEYOND YOUTH PROGRAMS:

Although “entering employment” is the most common outcome measure tracked across job training program, the dominance of this outcome measure is questionable.

According to the Congressional Research Service, only three federal job training programs have defined durational limits. Durational limits cap the amount of time participants may receive employment and training services. Until recently, eligible participants of the Senior Community Service Employment Program (SCSEP) could maintain subsidized employment, for the purpose of training, as long as desired.

Inconsistent cost performance is seemingly common across many job training programs—youth, adult and special population – although several are unable to determine an exact cost because of the absence of a cost-efficiency metric. YouthBuild, which also provides services for youth to enter or re-enter the workforce, spends approximately \$15,363 per participant—according to CDSA, an Oklahoma grantee. Most WIA programs have “Individual Training Accounts” capped at around \$10,000 per participant. According to Oklahoma’s Executive Director of Vocational Rehabilitation, it costs \$9,600 to successfully close a case. Experience Works in Oklahoma spends \$9,700 per participant. Tuition costs for National Farmworker Jobs Program participants cannot exceed \$2000.

State officials recognized this problem in their WIA Annual Report.

The shortcomings associated with training-related employment, admissions inadequacies, costs per participant, and amounts spent on administrative costs versus direct client costs, are a just a few indicators that reform is needed in this area.

SECTION 3- OKLAHOMA'S "ONE-STOP" DELIVERY SYSTEM

One of the obstacles incurred with operating 40 different federal job training programs—which all duplicate each other's services—is that most programs maintain separate organizational structures. Forty programs quickly turns into 40 program administrators, 40 program administrator's secretaries, 40 program vehicles, 40 office locations (*actually much more in Oklahoma's case*) and 40 sets of bureaucracy. Accessibility is a good thing; but not when it comes at the expense of those most in need of services and increased burden on taxpayers.

Case in point:

In August 2011, a member of the Southeast Workforce Investment Board (SEWIB) suggested the SEWIB had just passed their budget—and only 14 percent was allocated for direct client services or job seekers in need of training or other intensive services⁹⁷(*see appendix IV for more information*).

Out of their \$1.5 million budget, *only 14 cents of every dollar was actually spent for the reason Congress appropriated it—job training services.*⁹⁸

The SEWIB budget for administrative travel costs (\$66,620) was higher than their entire allocation for serving dislocated workers (\$40,526). During that program year, two major plants announced closure,⁹⁹ increasing the number of dislocated workers in desperate need of services. Based on its budgetary resources, SEWIB was better equipped to drive to the plants than to provide the actual services necessary for the soon-to-be unemployed, who seemingly were not given priority in the SEWIB budget.¹⁰⁰

To the benefit of these plant workers, there are reserves¹⁰¹ of funding available to help dislocated workers, such as Trade Adjustment Assistance and National Emergency Grants, despite the mismanagement of those who were entrusted to help them. Such funding alternatives may be a contributor to negligence of Workforce Investment Boards prioritizing their budgets.

Unfortunately, even among the higher performing Oklahoma Workforce Investment boards, funds spent directly on client services are minimal. Eastern Workforce Investment Board (EWIB) is cited as one of the highest performing Workforce Investment Boards in the state. Administrators there have taken nearly every step possible to ensure funding is spent on clients. From partnering with cities, tribes, and Career Tech institutions to reduce rent and overhead expenditures, to board staff taking on responsibilities for multiple duties, they are able to direct more funding to clients than any almost anyone. EWIB spends 40 percent of their budget on direct client services.¹⁰²

At one Oklahoma workforce board, now dissolved, only 14 cents of every dollar was actually spent for the reason Congress appropriated it—job training activities.

More was budgeted for travel than to serve dislocated workers.

During the same time, this Workforce Investment Board was mismanaging funding, two plant closures occurred in the area it was designated to serve.

BEYOND THE WORKFORCE INVESTMENT ACT:

There is perhaps no greater example of Congressional disconnect with workforce development than Trade Adjustment Assistance (TAA). Since 1962 Congress has appropriated billions of dollars¹⁰³ to serve workers who lost their jobs due to trade-related issues.¹⁰⁴ Unemployment related to trade occurs for a variety of reasons, including more competitive tax rates and business environments in other countries, which force U.S. jobs overseas. In 2010 Congress spent \$685 million dollars to serve individuals affected by trade.¹⁰⁵ Through TAA benefits individuals can receive health coverage, relocation allowances, job search allowances and training assistance¹⁰⁶ for up to 156 weeks—enough time to complete a Bachelor’s Degree or Master’s Degree. But, TAA does not require training programs to lead to a credential.¹⁰⁷ Rather than Congress addressing the underlining issues that drive jobs overseas, condolences are instead paid to those whom Congress’ policies have failed. TAA recipients are trained for new work, which is as likely to go overseas as their previous work.

“ONE-STOP:” A FALLACY IN OKLAHOMA

Workforce Investment Boards are charged with maintaining “One-Stop” centers. According to the Department of Labor (DOL): “The One-Stop delivery system provides universal access to an integrated array of labor exchange services so that workers, job seekers and businesses can find the services they need in One-Stop and frequently under one roof in easy-to-find locations.”¹⁰⁸

However, this is not an accurate portrayal of the “One-Stop” system in Oklahoma, also known as “Workforce Oklahoma.” However, in a survey of Oklahoma employers, only 17 percent cited “Workforce Oklahoma” as the most effective means of recruiting new employees.¹⁰⁹

As concerning, and contrary to the mission of the One-Stop system, a typical Oklahoma One-Stop will generally **have only four programs, of 40, co-located:** Wagner-Peyser, WIA Youth, WIA Adult, and WIA Dislocated Worker. These programs represent **only 15 percent of the federal job training funding in the state.**

Oklahoma appears to be operating its One-Stop system more efficiently than the national average. There are 417 full time employees serving people, directly or indirectly, at state One-Stop Centers (207 full time WIA staff and 210 full time Wagner Peyser staff). This amounts to one staff for every 732 people served in a given year through the One-Stops. If weekend days are excluded, this means staffers are serving, **on average, 2-3 people a day to reach these totals.**¹¹⁰

Prior to the recession, The Cato Institute, a Washington D.C. policy think-tank, published alarming information about the “One-Stop” operation:¹¹¹ “The U.S. Department of Labor funds nearly 3,000 One-Stop Career Centers across the nation which provide access to various employment and training services. The government reports that about 2.5 million people are

served annually by these centers. That sounds like a lot, but it works out to just 833 people per center per year, **or just over 3 people per center per workday**¹¹² (emphasis added).

Oklahoma's more recent data reveals a more efficient provision of services than the national average, with *each staff* serving, on average, the same amount of people that are served, on average, by One-Stop *centers* nationally.

While there is clearly a need for yet greater efficiencies, a closer examination also reveals a problem in the data reported by the Labor Department **which include individuals accessing self-service through the virtual system.**

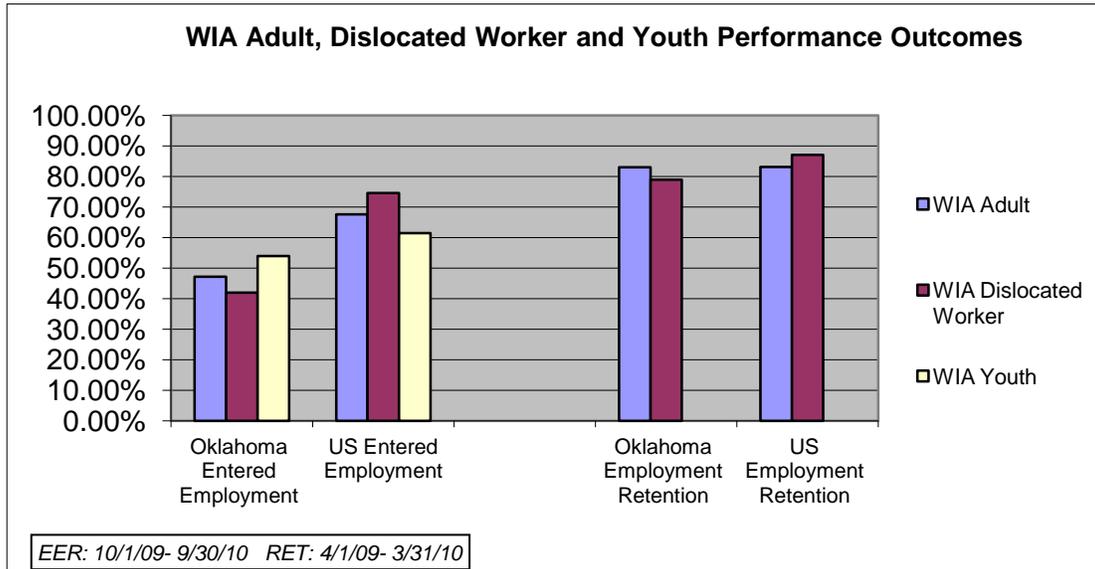
For example, while Labor Department reported that the WIA Adult and WIA Dislocated Workers programs served 143,192 people in the annual reporting period, state sources report that the number of people served under these two programs, and not through virtual self-service, is actually 76,575 – this is the number of people during this timeframe that actually came into an office, were determined eligible for WIA services, received a staff assisted service and were subsequently co-enrolled. This means Labor Department-reported data is inflated for these two programs because it is counting people who were never really helped by workforce development employees directly.

Another example of detracting job training dollars from their intended purpose can be seen in the funding trail from Washington D.C. to participants in Oklahoma. The graphic on the following page, which illustrates WIA and Wagner-Peyers funding, illustrates this reality. This graphic only illustrates funding for a few programs for one Workforce Investment Board—there are 10 additional Workforce Investment Board in the State and 30-plus separate routes for additional Job Training funding that comes through/to Oklahoma. For WIA and Wagner-Peyser, the federal funding trail flows as follows:

1. Funding is appropriated in Washington D.C.
2. The appropriation then goes to respective state agencies (in Oklahoma, funding goes to the Oklahoma Employment Security Commission and the Oklahoma Department of Commerce. These agencies keep a percentage of the funding for administrative purposes.
3. Those state agencies designate money to 10 different groups “Local Elected Officials,” who then select a fiscal agent, service provider, and workforce investment board (*all three of these entities also keep a percentage of the funding for administrative purposes*)
4. The Workforce Investment Board sets the budget for the One-Stop Centers operated within their local workforce investment area.
5. Participants receive services from funds at federal One-Stop Centers.

As demonstrated in the previous chart, funding goes through a bureaucratic process before it ever makes it the local level. For the Oklahomans served with the funding that survives the bureaucratic maze, the success is marginal.

The figure below displays the results of Oklahoma’s Workforce programs as they compare to national performance in WIA Adult, Dislocated Worker, and Youth programs.¹¹³



Source: WIA Annual Reports July 1, 2010 – June 30, 2011

Oklahoma WIA “Entered Employment Rate” (EER):

Adult: 47.2%

Dislocated Workers: 42%

Veterans: 47.4%

Individuals with disabilities: 34.6%

Older individuals: 34.2%

In Oklahoma, about 40 percent of the people who received services through WIA Dislocated Worker services obtained employment and less than 50 percent entered employment under WIA Adult services.¹¹⁴ Despite the numbers, a government audit found the benefits for laid off workers participating in the WIA to be small or nonexistent. **The audit also showed little difference in the earnings and the chances of being rehired between laid-off people who had been retrained with federal dollars and those who had not.**¹¹⁵

Table 1 - OKLAHOMA'S PERFORMANCE OUTCOMES FOR U.S. DEPARTMENT OF LABOR PROGRAMS

Program	Participants Served: Oklahoma	Number of Exiters who Found Employment by Program: Oklahoma	Participants Served: National	Number of Exiters who Found Employment by Program: National
Apprenticeship	1,882	271	257,871	35,460
Job Corps	482	197	56,202	41,027
National Farm Worker Jobs Program	235	184	18,671	6,650
Native American-Adult	1,955	247	39,372	8,137
Native American-Youth	420	266 ¹	5,840	1,866 ¹¹⁶
Reintegration of Ex-Offenders	143	104	3,384	2,200
Trade Adjustment Assistance	883	302	213,184	44,969
Wagner-Peyser Employment Services	160,920	67,317	19,790,213	6,345,027
WIA – Adult Program	125,223	24,333	7,125,514	4,823,973
WIA- Dislocated Workers Program	17,969	8,024	1,286,930	962,238
WIA- Youth Program	1,537	831 ¹¹⁷	266,793	164,077 ^{2,3}
YouthBuild	223	57 ¹¹⁸	4,656	2,690

Table 1 - Participants and Outcomes by Program. *Source:* State and Grantee Quarterly and Annual Reports July 1, 2010 through June 30, 2011. *Note:* Due to a delay or lag in reporting outcomes, the numbers shown for the performance outcome metrics are not associated with the numbers related to enrollment for the same reporting period.¹¹⁹

SECTION 4- ADULTS', VETERANS', TRIBES' AND SPECIAL POPULATIONS' JOB TRAINING PROGRAMS IN OKLAHOMA

In addition to the programs operated by Workforce Oklahoma One-Stops, there are other job training programs which target other unique populations.

For example, the Supplemental Nutrition Assistance Program Employment and Training Program in Oklahoma (SNAP E&T), formerly known as Food Stamps, is meant to assist members of households participating in SNAP in gaining skills, training, work, or experience that will increase their ability to obtain regular employment. Not only is SNAP E&T duplicative of Unemployment Insurance and Temporary Assistance for Needy Families (TANF) work activities, it detracts from SNAP's mission to "put healthy food within reach for low income households."¹²⁰

In Oklahoma, this program spent well over a half-million dollar appropriation in FY 2011 and it did not track its impact, according to federal auditors.¹²¹

Oklahoma's SNAP E&T program received \$651,179 for FY 2011 assisting SNAP participants with obtaining work skills, training and work experience necessary for attaining regular employment. Oklahoma officials involved with SNAP E&T were unable to explain if the program was effective since it tracked no outcomes. Further, there was no explanation as to what skill is provided to the unemployed person who is being paid to look for work.¹²²

Under Oklahoma's SNAP E&T program, participants are assigned "job search activities." Participants assigned to job search activities must make a minimum of 24 job contacts within an eight-week period or two, four-week periods. The participant can receive up to \$25 per month for E&T activity"¹²³ Last year, approximately 1,776 Oklahomans from one county were compensated for contacting employers regarding employment opportunities.¹²⁴

In addition, USDA allows SNAP E&T to use taxpayers' dollars to pay the "union fees" of SNAP participants in a "job retention effort."¹²⁵

Answer: Under current regulations, the State agency must provide payments to E&T participants for expenses that are reasonable and necessary and directly related to participation in E&T. Reimbursable costs may include, but are not limited to:

- Clothing required for the job;
- Equipment or tools required for the job;
- Test fees;
- Union dues;
- Relocation expenses;
- Tools; and
- Licensing and bonding fees.
- Transportation
- Child care

Source: Farm Bill 2008 Q&A's Employment and Training
<http://www.fns.usda.gov/snap/rules/Memo/Support/employment-training.htm>

VETERANS' JOB TRAINING PROGRAMS IN OKLAHOMA

The President's 2012 State of the Union address proposed the creation of new job training programs, including a \$1 billion dollar "Veterans Job Corps."¹²⁶

There is no question veterans deserve the best services possible so they can make a successful transition from the battlefield to the workplace. Challenges for returning heroes are significant - the unemployment rate (12.1 percent) of veterans serving in Iraq and Afghanistan was higher than the U.S. rate of unemployment (nine percent) as of last Veteran's Day.¹²⁷ However, programming should be efficient and effective or such services provide a *disservice* to veterans.

There are seven federal job programs in Oklahoma for veterans, operated by four entities. The seven different programs are operated by four different administrative structures yet all target the same population—veterans.

This total does not include the Montgomery GI Bill or Post-/911 GI Bill which offer additional resources for education and training.¹²⁸ Four of the programs are operated by the Oklahoma Employment Security Commission, one program is operated directly by Veteran's Affairs, one by East Central University and one by Oklahoma City Community College.

Note the overlap among the existing job training programs serving Veterans in Oklahoma:

Program Name	Employment counseling and assessment	General Equivalency Diploma assistance	Development of job opportunities	Job readiness skills training	Job referrals	Job retention training	Job search or job placement activities	Occupational or vocational training	On-the-job training	Remedial academic, English language skills, or basic adult literacy	Work experience	Other
Disabled Veterans' Outreach Program (DOL)	●		○	○	○	○				○		●
Local Veterans' Reintegration Project (DOL)	○		●	○	●	○		○		○		●
Transition Assistance Program (DOL)	○			●		●						
Veterans' Workforce Investment Program (DOL)	●	○	●	○	●	●	●	●	○	○		
Vocational Rehabilitation for Disabled Veterans (VA)	●	○	●	●	●	●	●	●	○	●	●	●
Real Lifelines Program	●				●		●					●
OCCC Veterans Transitional Leadership Academy	●			●	●		●					●

- Indicates primary services offered by program.
- Indicates secondary services offered by program.

In addition, the federal government directly runs one veterans job training program in Oklahoma called the Veterans Vocational Rehabilitation & Employment Service (VR&E).

Unfortunately, federal officials are not sure what they actually spend on our veterans – they only have record of what they spend on the salaries of their employees: “During FY 2011, VA’s VR&E division in Oklahoma received approximately one million dollars to fund the salaries of employees. However, the amount of VR&E funds provided directly to Oklahoma Veterans participating in a VR&E program or paid on their behalf for education or training and related expenses is not currently available.”¹²⁹

During FY 2011, Veterans’ Affairs in Oklahoma spent \$1 million on salaries of their employees.

However, are unsure what they actually spent on veterans’ training and education expenses.

Instead of developing new programs for veterans, Congress should ensure effectiveness of existing programs and consolidate programs under a single funding stream to better serve unemployed veterans. However, reliable performance measures are currently lacking.

According to federal auditors, *not one* of these programs have completed an impact study¹³⁰ to determine that the program is effective and results stem from services offered by the program and not another cause.¹³¹

FROM ARMY GREEN TO GOING GREEN

Participants in Veteran’s Workforce Investment Program (VWIP), are required to give “green training” priority over other training opportunities.¹³² This requirement is not based on labor market analysis—it is based on the “green initiative” of the Administration.¹³³ Unless the labor market demands “green skills,” no one in Washington should be mandating what Oklahoma veterans have to be trained to do—motivated by a political agenda—especially when it is unclear these jobs exist in Oklahoma.”¹³⁴ For example, a recent U.S. Department of Labor, OIG audit of stimulus funds spent on green jobs, found that, “61 percent of the training grant periods having elapsed and grantees have achieved just 10 percent of their job placement goals.”¹³⁵

Some Oklahoma veterans are required by the Obama Administration to train for “Green Jobs.”

In the 2013 budget proposal, the Administration recommended the elimination of Veterans Workforce Investment Program (VWIP) just three years after its inception.¹³⁶

Additionally, Oklahoma received \$6 million of stimulus funding for “Green” job training through the American Recovery and Reinvestment Act of 2009.¹³⁷ Through this funding, Oklahoma launched the developing “Oklahoma Green Project.” According to Oklahoma’s WIA Annual Report:¹³⁸ “Overall, more than 500 Oklahomans have participated in green skills training, in the past year, with 217 receiving a credential and 133 being placed in training-related

employment. Oklahoma is on track to far exceed the original goal of 1,000 participants by the end of 2012.”¹³⁹

Although this grant is still running its course, seeking to meet a goal of training 1,000 Oklahomans with “green skills” by the end of 2012,¹⁴⁰ the fact that only 133 actually entered employments related to training of 500 trained is an indicator of why tracking training-related employment is an asset. At that time, every “green job” attained through this grant cost taxpayers over \$45,000 a job.¹⁴¹



NATIVE AMERICAN JOB TRAINING PROGRAMS IN OKLAHOMA

The federal government is notorious for passing off its own worst habits. This truth is reflected among Oklahoma tribes, relative to job training efforts. There are 38 federally recognized tribes in the State of Oklahoma, making it the second most populated Native American state in the United States.¹⁴² Nearly one-in-ten (8.6 percent) of Oklahomans are Native American.¹⁴³ Many Oklahoma tribes operate multiple federal job training programs.

For example, the Chickasaw Nation, located in South Central Oklahoma,¹⁴⁴ operates six different job training programs for their tribal members:

- **Chickasaw Nation Career Development Initiative (CDI)** - This program provides employment training services to individuals with employment barriers.¹⁴⁵
- **Chickasaw Nation Employment Program** - This program provides employment opportunities on a temporary basis for eligible Chickasaw citizens between the ages of 22-59.¹⁴⁶
- **Chickasaw Nation Career Services**- This program Services provides the Career Readiness Skills Program, which is an Internet-based component of the KeyTrain Program that is used to teach skills in job search, work habits, communication skills, and workplace effectiveness.¹⁴⁷
- **Chickasaw Nation Re-entry Transitional Assistance Program** - This program provides transitional employment services to individuals with employment barriers.¹⁴⁸
- **Chickasaw Nation Summer Youth Program** - The Chickasaw Nation Summer Youth Program provides workforce training and experience to encourage productive work patterns and behaviors for a variety of careers.¹⁴⁹
- **Chickasaw Nation Vocational Rehabilitation** - Vocational rehabilitation programs are designed to assist people with disabilities to enter or return to suitable employment.¹⁵⁰

Although eight different job training programs are offered exclusively to Native Americans, there is nothing which prohibits the enrollment of Native Americans in the other federally funded job training programs.

Oklahoma's tribes are not located on traditional Indian Reservations, meaning that tribal headquarters, programs and members live and operate in the same communities as non-tribal members. This nuance allows for more job training and overlap in Oklahoma than most states likely experience. Although eight different job training programs are offered exclusively to Native Americans,¹⁵¹ there is nothing which prohibits the enrollment of Native Americans in the other federally funded job training programs. This is also true of special populations served through other programs.

If you are still trying to make the connection on why duplication and overlap are negative—other than the fact they are irresponsible spending—consider the confusion a job seeker experiences trying to determine which program can best assist them.

Below is a modest example of the job training labyrinth faced by community members of Ada, Oklahoma.

Community Job Training Profile: Ada, Oklahoma

The Chickasaw Nation is headquartered in Ada, Oklahoma—Population: 16,810 (17 percent Native American Population).¹⁵²



As discussed, there are already six programs already offered by the Chickasaw Nation, the following programs also serve the Ada, OK area:

- Veterans Workforce Investment Program
- WIA Adult Program
- WIA Youth Activities
- WIA Dislocated Worker
- Vocational Rehabilitation
- Experience Works (SCSEP)
- Local Veterans Representative Program
- Wagner Peyser Funded Activities
- Career and Technical Education—Basic Grants to States
- Temporary Assistance for Needy Families
- Southern Oklahoma Green Jobs Training Consortium

There are at least 17 different federal job training programs in rural Ada, OK

There are additional job training programs which could serve members of Ada community.¹⁵³ The programs noted above have some presence or representation in the community. Combined with the six programs offered by the Chickasaw Nation, there are 17 total job training programs available to 16,810 inhabitants of Ada. This equates to one federal job training program per every 988 individuals.

With so much assistance available for employment and training in Ada, it is hard to believe that someone could struggle for 15 months to find a job—visiting two federal programs and receiving no help. Her story is shared in the introduction of this report.

SECTION 5- LABOR OMNIA VINCIT

Labor Omnia Vincit: “Labor Conquers all Things,” are the words proudly proclaimed atop the Great Seal of the State of Oklahoma.¹⁵⁴ This motto is the core of our society... the ideal that any person willing to put in a hard day’s work can overcome any obstacle. Duplicative, inefficient and ineffective federal job training programs undermine this heritage.



Despite the fact Congress forced a complicated, illogical system of job training upon states, many Oklahomans are still able to succeed because of innovative efforts led locally and at the state level. While all public funded efforts, including those listed below, could achieve greater efficiencies, the three examples to follow illuminate what can result when Oklahomans have the opportunity to localize efforts for workforce needs.

OKLAHOMA CAREER TECH

Many of Oklahoma’s federal job training programs do not offer actual job training, but rather serve as an intermediary tool for jobseekers, ultimately sending them offsite for training.¹⁵⁵ In such cases, programs serve as “one stop” to “another stop.” Former U.S. Department of Labor Employment and Training Administrator, Mason Bishop, explains this dynamic of job training as “Congress’ billion dollars intake and referral system to other institutions that actually do the training.”¹⁵⁶

However, Oklahoma CareerTech has the capacity to offer training and skills that are in high demand in Oklahoma’s economy to someone on-site; located across the state at 57 locations and in most high schools. Oklahoma Career Tech’s integration with the school system and local workforce allows for community influence in the training process; such factors have not gone unnoticed by Oklahoma’s employers. In a report issued by the Governor’s Council on Workforce and Economic Development, it was found that “multiple [employer] responses pointed to Career Tech having a ‘finger on the pulse of Oklahoma’s businesses’ and to their business responsiveness.”¹⁵⁷

Employers responded positively to the idea of Career Tech Centers/two year colleges as home base for employer outreach with Workforce Investment Boards retaining quality assurance and regional planning roles.¹⁵⁸

It is interesting that Oklahoma’s major employers find Career Tech is better connected with their needs, considering Career Tech operates nearly autonomously from the federal government—funded predominantly through state and local tax dollars.¹⁵⁹

Career Tech also serves nearly every population targeted by all 40 other federal job training programs in Oklahoma.¹⁶⁰ Most junior and senior high school students in Oklahoma have the opportunity to receive job training, at no cost to them, at local Career Technology campuses in addition to courses offered at their school district. Of secondary students, 55 percent served were

disadvantaged and 11 percent were disabled.¹⁶¹ Of adults served, 36 percent were disadvantaged and 8 percent disabled.¹⁶²

Career Tech students can participate in a broad spectrum of training programs from nursing, to welding, truck driving and other skill programs necessary for developing a specific workforce in Oklahoma's booming energy economy.

Additionally, Oklahoma Career Tech has "Skills Centers" which offer specialized, occupational training to adult and juvenile offenders throughout the state.¹⁶³ Offenders that were served had a positive placement¹⁶⁴ rate of 83.3 percent, with an average hourly wage of \$10.30.¹⁶⁵ In FY10, 91 percent¹⁶⁶ of Career Tech graduates had positive placement.¹⁶⁷

EFFORTS OF THE GOVERNOR'S COUNCIL

The Governor's Council on Workforce and Economic Development, including the Oklahoma Department of Commerce, Oklahoma Employment Security Commission, Oklahoma Career Tech, Oklahoma Department of Rehabilitation Services and Oklahoma Regents for Higher Education, through DOL funds, has brought "Work Keys" to Oklahoma.

Work Keys is a "career-readiness certificate program with a portable credential documenting that potential or incumbent employees possess certain fundamental skills required by employers here and across the country. Work Keys provides assessments to measure skills and provide a common language between educators, businesses, and community members."¹⁶⁸ At its most basic level, Work Keys allows employers to "profile" certain job skills. Job seekers take assessments which score them on "profiled skills" and employers are able to determine if there is a compatible match between job seeker and job.

Work Keys has proven a successful resource for many employers in Oklahoma, including: Oklahoma Gas and Electric (OG&E), Vanity Fair (VF) and others.¹⁶⁹ VF Seminole Distribution Center Human Resources Manager, David Forgety, explains their success with Work Keys:

"Having the skills to do the job from day one is an advantage to the new hire and to the company. Previously, it was a guessing game. Some would be successful and others would get frustrated and quit. Today, new hires seem to hit the ground running. We have shortened learning curves, higher earnings and job satisfaction."

Work Keys came to Oklahoma—not because it was mandated by Congress—but because Oklahoma thought it relevant to our workforce needs.

GOOD STEWARDSHIP: DEPARTMENT OF REHABILITATION SERVICES

The Oklahoma Department of Rehabilitation Services (OKDRS) is an employment service provider of Social Security's Ticket-to-Work program,¹⁷⁰ which despite offering employment

services, does not meet the Government Accountability Office's stringent definition of an "employment and training program."¹⁷¹

Jason Price, the Oklahoma Department of Rehabilitation Services Program Manager, recognized that Social Security Disability Insurance (SSDI) beneficiaries had great potential for entering the workforce, despite their disabilities. To receive benefits under the Social Security Act, individuals must be so disabled they are unable to perform any job in the national economy.

To address this, Price went to his supervisor and laid out a plan to focus on the more challenging clients, those on Social Security disability. Each would be assigned a vocational rehab counselor who would do an assessment and test the client and then focus on what the client would need for job training and then education and training themselves.

Given the challenges of employing the severely disabled, Price felt less attention was often placed on severely disabled clients. He sought an incentive for counselors to pursue these harder-to-place clients. He championed legislative changes at the Oklahoma Legislature to allow incentives of \$500 be paid to the counselor and \$100 to their assistant for each client they help succeed in finding employment and getting off of Social Security. State Senator Todd Lamb and state Representative John Enns shepherded the bill through the Legislature in 2008. Price said upon passage, counselors were aggressive in finding and helping clients. To date, around \$50,000 in incentives have been paid.

According to Price, the following outcomes have occurred:¹⁷²

- More than 15,000 clients come through Vocational Rehab each year and that about 2,500 - 3,000 become employed in some form while as many as 75 – 100 clients each year since 2008 became self-sufficient and have gotten off Social Security disability.
- In 2009, 58 severely disabled clients found work, got off of Social Security Disability Insurance and the state recouped \$923,166.43.
- In 2010, 135 severely disabled clients found work, got off of Social Security Disability Insurance and the state recouped \$2,302,240.22.
- In 2011, 92 severely disabled clients found work, got off of Social Security Disability and the state recouped \$1,672,487.41.

SECTION 6 - A CONGRESSIONAL CALL TO ACTION

For decades the federal government has maintained an expensive, broken web of duplicative job training programs that fail workers, hamper states' ability to serve their jobless and underemployed, and utterly fail to demonstrate effectiveness.

At the national level, taxpayers are financing at least 47 separate job training programs costing more than \$18 billion annually, and are given little evidence to demonstrate their money was well spent. Many of these programs are driven by parochial interests of career politicians and not the best interests of taxpayers. The federal system has led to 40 different federal job training programs in Oklahoma, operated by at least 45 entities across more than 180 locations at a cost of \$164 million annually. Regrettably, federal rules inhibit the ability of state and local leaders from running its employment network in an optimal fashion.

The federal system is well-intentioned, but this report shows that dozens of costly programs have left Americans, including those in the Sooner State, still fighting for the skills needed to obtain employment and income security.

Jobless deserve better. Oklahomans deserve better. American taxpayers deserve better.

RECOMMENDATIONS FOR CONGRESS

To better serve both struggling workers and federal taxpayers, Congress should:

1. Empower states to run their own programs:
Congress should empower state and local entities to develop and manage their workforce systems with much less federal interference. Federal law should be revised to allow state and local leaders to compose workforce areas and boards as they deem fit, and to implement accountability measures they deem necessary.
2. Ensure Program Money is Spent on Training:
Administrative costs should be limited to no more than 5 percent. Federal law and corresponding regulations should be reformed to make more clear what constitutes an administrative cost, and to ensure public transparency for every taxpayer dollar spent on job training.
3. Simplify Reporting Requirements:
Congress should simplify reporting requirements by allowing states to submit one statewide workforce development plan to the federal government for all its programs.
4. Consolidate & Better Focus Federal Resources:
When reforming the federal job training system, especially the Workforce Investment Act, Congress should consolidate and better target job training programs across the federal budget. This will create administrative efficiencies better spent reducing the national debt or actually serving workers.

5. Eliminate Federal Programs Without Metrics:
Programs lacking metrics as a means of accountability should be eliminated. The metrics should be results oriented, such as participants placed in jobs related to the trainings received and not just the number of clients enrolled.
6. Improve Accountability & Transparency of Outcomes:
Programs the government does choose to fund should be rigorously and regularly evaluated through impact studies, performance reviews and other means. Common performance measures should be established for all employment and job training programs, and these measures should ensure that training leads to jobs that individuals were actually trained to enter while participating in taxpayer-funded job training programs.
7. Target Eligibility of Federal Programs to Needy:
Job training and employment programs should be targeted to those truly in need and not millionaires and billionaires. Eligibility should be determined in part through the use of time unemployed or challenges such as disabilities that create obstacles to employment.
8. Better Utilize Employers:
Employers are integral stakeholders in any state’s workforce development system. The role of employers in the federal job training system should be strengthened and expanded as the training reflects the careers that are available able the skills in demand. Also training centers should have been outreach to employers so they can refer potential employees and learn what employees need.

CONCLUSION

The discrepancies of federal employment programs have been identified. The challenges for jobseekers and employers have been brought to light. The solutions have been proposed. It is now time for Congress to revamp the workforce system to meet the needs of today’s workforce—for the benefit of jobseekers, employers and taxpayers.

Effective job training is an essential part of helping Americans compete in a global economy. Congress enacting the reforms suggested above, as well as creating policies that foster a robust private sector are necessary for moving the nation forward and putting Americans back to work. Increased employment will result in a better economy—reversing the effects of millions of Americans dependent on welfare and government assistance and restoring the American dream of self reliance and prosperity.

In Oklahoma, we believe “Labor conquers all things.”

- ¹ CNBC, “Top states for business: 2012” webpage, <http://www.cnn.com/id/47953987>, accessed July 11, 2012.
- ² Bureau of Labor Statistics, “Unemployment rate by state” webpage, <http://www.bls.gov/web/laus/laumstrk.htm>, accessed July 11, 2012.
- ³ Price did this working with the Department of Vocational Rehabilitation and the Oklahoma Legislature.
- ⁴ See section 5 for additional information about this program.
- ⁵ See section 5 for additional information about this program.
- ⁶ See section 5 for additional information about this program.
- ⁷ Gallup Politics, “Unemployment Re-emerges As Most Important Problem in U.S.” webpage, <http://www.gallup.com/poll/149453/Unemployment-Emerges-Important-Problem.aspx>, accessed April 10, 2012.
- ⁸ Government Accountability Office (GAO-11-92) “Multiple Employment and Training Programs: Providing information on Collocating Services and Consolidating Administrative Structures Could Promote Efficiencies.” January 2011, pg. 13.
- ⁹ Bureau of Labor Statistics, “Table 3. Civilian Labor force and unemployment by state and selected area, seasonally adjusted” webpage, <http://www.bls.gov/news.release/laus.t03.htm> accessed July 11, 2012.
- ¹⁰ Governor’s Council on Workforce and Economic Development, “Strategic Plan,” webpage, <http://www.okcommerce.gov/Governors-Council/Governors-Council-For-Workforce-And-Economic-Development>, accessed February 21, 2012.
- ¹¹ Education and the Workforce Committee, “The ‘Workforce Investment Improvement Act of 2012,’” webpage, <http://edworkforce.house.gov/Calendar/List.aspx?EventTypeID=189>.
- ¹² Based on information gathered during an interview by staff of Senator Tom Coburn with Oklahoma constituent. March 2012.
- ¹³ Based on information gathered during an interview by staff of Senator Tom Coburn with an Oklahoma employer. March 2012.
- ¹⁴ Governor’s Council on Workforce and Economic Development, “Building Blocks for an Employer-Responsive Workforce System,” 2011.
- ¹⁵ While this number is not specific to Oklahoma, the Oklahoma Job Corps Centers were unwilling to provide information to my office on cost per capita expenditures. Additionally, this information was not provided by DOL on Oklahoma Job Corps Centers. The finding referenced is from a DOL IG Report. Department of Labor—Office of Inspector General—Office of Audit (26-11-004-03-370) “Job Corps needs to provide reliability of performance metrics and results.” Highlights of Report Number 26-11-004-03-370, issued to the Assistant Secretary, Employment and Training Administration. February 16, 2012.
- ¹⁶ Information on Trade Adjustment Assistance provided to staff of Senator Tom Coburn by Tulsa area workforce leaders. January 2012.
- ¹⁷ Oklahoma Employment Security Commission, “Oklahoma Employment Report May2012” webpage, http://www.ok.gov/oesc_web/documents/lmiokuemay12.pdf, accessed July 11, 2012.
- ¹⁸ Education and the Workforce Committee, “The ‘Workforce Investment Improvement Act of 2012,’” webpage, <http://edworkforce.house.gov/Calendar/List.aspx?EventTypeID=189>.
- ¹⁹ Plain Dealer, “John Kasich said Ohio has 77 job training programs spread across 13 different agencies,” January 27, 2012, <http://www.politifact.com/ohio/statements/2012/jan/27/john-kasich/john-kasich-says-ohio-has-77-job-training-programs/>, accessed February 21, 2012.
- ²⁰ Eric Russell, “Job Training Boards spend only 20 percent of funding on Job Training, LePage says,” Bangor Daily News, October 7, 2011, <http://bangordailynews.com/2011/10/07/politics/job-training-boards-only-spend-20-of-funds-on-job-training-lepage-says/>, accessed February 21, 2012.
- ²¹ Government Accountability Office (GAO-11-92) “Multiple Employment and Training Programs: Providing information on Collocating Services and Consolidating Administrative Structures Could Promote Efficiencies.” January 2011, pg. 5.
- ²² Under Public Law 105-220 Workforce Investment Act of 1998, Titles I-IV, the following programs are authorized: Youth Activities, Adult and Dislocated Worker employment and training activities, Job Corps, Native American Programs, Migrant and Seasonal Farmworker Programs, Adult Education and Literacy, Wagner Peyser, Vocational Rehabilitation.
- ²³ CATO Institute, “Employment and Training Programs: Ineffective and unneeded” webpage, http://www.downsizinggovernment.org/labor/employment-training-programs#_edn15, accessed February 9, 2012.
- ²⁴ Department of Labor, “Wagner-Peyser Act/Labor Exchange” webpage, http://www.doleta.gov/programs/Wagner_Peyser.cfm, accessed February 9, 2012.
- ²⁵ According to Oklahoma’s Department of Commerce, the Wagner-Peyser and WIA programs are the back bone of the one-stops and are the programs that are consistently co-located in Oklahoma. While some local areas have partnerships and Memorandums of Understanding, generally, the Wagner-Peyser funds and Workforce Investment Act funds are consistent - full time programs. Other programs have their own separate organizational structures and funding streams. WIA Youth, WIA Adult, WIA Dislocated Worker and Wagner Peyser only represent 15% of Oklahoma’s federal job training funding. See appendix I for appropriations for remaining programs.
- ²⁶ Youth Activities, Adult and Dislocated Worker Employment and Training Activities, Job Corps, Youth Build Native American Programs, Migrant and Seasonal Farmworker Programs, Adult Education and Literacy, Wagner Peyser and Vocational Rehabilitation are all authorized under the Workforce Investment Act.
- ²⁷ Bureau of Labor Statistics, “Annual Average Unemployment Rate” webpage, http://www.bls.gov/cps/prev_yrs.htm, accessed April 10, 2012.

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- ²⁸ Bureau of Labor Statistics, “The Employment Situation—May 2012” webpage, <http://www.bls.gov/news.release/empsit.nr0.htm>, accessed July 11, 2012.
- ²⁹ Government Accountability Office (GAO-11-92) “Multiple Employment and Training Programs: Providing information on Collocating Services and Consolidating Administrative Structures Could Promote Efficiencies.” January 2011, pg. 13.
- ³⁰ Governor’s Council on Workforce and Economic Development, “Building Blocks for an Employer-Responsive Workforce System,” 2011.
- ³¹ Governor’s Council on Workforce and Economic Development, “Building Blocks for an Employer-Responsive Workforce System,” 2011. Page 12.
- ³² Governor’s Council on Workforce and Economic Development, “Building Blocks for an Employer-Responsive Workforce System,” 2011. Page 12.
- ³³ Full spectrum—comprehensive or complete.
- ³⁴ Governor’s Council on Workforce and Economic Development, “Building Blocks for an Employer-Responsive Workforce System,” 2011. Page 12.
- ³⁵ Governor’s Council on Workforce and Economic Development, “Building Blocks for an Employer-Responsive Workforce System,” 2011. Page 12.
- ³⁶ Governor’s Council on Workforce and Economic Development, “Building Blocks for an Employer-Responsive Workforce System,” 2011. Page 18.
- ³⁷ Governor’s Council on Workforce and Economic Development, “Building Blocks for an Employer-Responsive Workforce System,” 2011. Page 22.
- ³⁸ Governor’s Council on Workforce and Economic Development, “Building Blocks for an Employer-Responsive Workforce System,” 2011. Page 12.
- ³⁹ Government Accountability Office (GAO-11-92) “Multiple Employment and Training Programs: Providing information on Collocating Services and Consolidating Administrative Structures Could Promote Efficiencies.” January 2011, Appendix V: Outcome Measures Tracked in Fiscal Year 2009, By Program, pg .55.
- ⁴⁰ Government Accountability Office (GAO-11-92) “Multiple Employment and Training Programs: Providing information on Collocating Services and Consolidating Administrative Structures Could Promote Efficiencies.” January 2011, pg. 13
- ⁴¹ U.S. Department of Labor—Office of Inspector General—Office of Audit, Employment and Training Administration, Report Number: 03-11-003-03-390, “Additional Information Needed to Measure the Effectiveness and Return on Investment of Training Services Funded Under The WIA Adult and Dislocated Worker Programs.” September 30, 2011, Pg. 2
- ⁴² U.S. Department of Labor—Office of Inspector General—Office of Audit, Employment and Training Administration, Report Number: 03-11-003-03-390, “Additional Information Needed to Measure the Effectiveness and Return on Investment of Training Services Funded Under The WIA Adult and Dislocated Worker Programs.” September 30, 2011, Pg. 2
- ⁴³ Workforce Investment Act, Oklahoma Annual Report, Program Year 2010. September 2011. Pg 4.
- ⁴⁴ Department of Labor—Office of Inspector General—Office of Audit (26-11-004-03-370) “Job Corps needs to provide reliability of performance metrics and results.” Highlights of Report Number 26-11-004-03-370, issued to the Assistant Secretary, Employment and Training Administration. February 16, 2012.
- ⁴⁵ Cost estimated for Workforce Investment Board Individual Training Accounts (ITA)
- ⁴⁶ Information provided to staff of Senator Tom Coburn through interviews and email exchange. January- March 2012.
- ⁴⁷ See appendix V for more information.
- ⁴⁸ See appendix V for more information.
- ⁴⁹ See appendix V for more information.
- ⁵⁰ Oklahoma Employment Security Commission, “Workforce Services” web page, http://www.ok.gov/oesc_web/Services/Workforce_Services/index.html, accessed February 13, 2012.
- ⁵¹ Oklahoma Department of Rehabilitation Services, “Office Locator” web page, <http://www.okrehab.org/directory/directory.asp>, accessed February 13,2012.
- ⁵² Oklahoma Department of Human Services, “Human Service Centers (County Offices)” web page, <http://www.okrehab.org/directory/directory.asp>, accessed February 12, 2012.
- ⁵³ Oklahoma Career Tech, “Technology Centers” webpage, <http://www.okrehab.org/directory/directory.asp>, accessed February 12, 2012.
- ⁵⁴ Job Corps, “Job Corps Centers in Oklahoma” webpage, <http://www.jobcorps.gov/centerlocations.aspx?statename=ok>, accessed February 12, 2012.
- ⁵⁵ Youth Build,” Directory of Youth Build Programs” webpage, <https://youthbuild.org/siteview>, accessed February 12, 2012.
- ⁵⁶ Workforce Oklahoma Offices typically administer WIA and Wagner Peyser programs accounting for about \$24,945,594 of which 100% of funding is used for employment and training activities for FY 11. Vocational Rehabilitation administered \$43,404,870 for FY 11, of which 85% was used for employment and training activities. Oklahoma Department of Human Services administers TANF which received \$145,281,000 and was estimated to have spent 10% on employment and training activities. OKDHS also administers the Supplemental Nutrition Assistance Employment and Training Program. In FY 11 Oklahoma Career Tech received \$15, 094,180 from the Department of Education; the percent spent on employment and training could not be determined. Job Corps received \$36,313,952 for FY 11 and used 100% on employment and training activities. YouthBuild received \$1,980, 036 for FY11 and used 100% on employment and training activities.
- ⁵⁷ FY-2011, Executive Budget, State of Oklahoma, Governor Brad Henry

⁵⁸ Most programs spend 100% on job training costs although some programs with broad missions, such as TANF spend far smaller percentages on job training. The appropriation listed for such programs do not represent the amount actually spent on job training.

⁵⁹ A target population refers to a type of people who are targeted specifically by services of differing programs. Examples of target populations: youth, adult, native American, disabled.

⁶⁰ Job Corps. “Home” webpage, <http://www.jobcorps.gov/Home.aspx>, accessed February 14, 2012.

⁶¹ Guthrie Job Corps Info Packet provided to Office of U.S. Senator Tom Coburn.

⁶² The programs are: REAL Lifeline-67,000; EPA Superfund Job Training Initiative-\$122,000; Transition Assistance Program-\$69,000; Tribal Works Grants- \$136,078; Refugee and Entrant Assistance Programs—Voluntary Agency Matching Grant Program- \$101,200.

⁶³ Information provided on site and through email exchange with officials from Tulsa Job Corps Center. January 2012.

⁶⁴ National Center for Education Statistics “Digestion of Education Statistics: 2010” webpage, http://nces.ed.gov/programs/digest/d10/tables/dt10_070.asp?referrer=list, accessed March 9, 2011.

⁶⁵ Budget information provided during visit to Treasure Lake Job Corps Center. January 2012.

⁶⁶ Center Report Card by Rank (OMS-10R). Reporting period 07/01/2009-06/30/2010. Report provided by U.S. Department of Labor Office of Congressional Affairs.

⁶⁷ Budget information provided during visit to Treasure Lake Job Corps Center. January 2012.

⁶⁸ Tulsa Job Corps, “Center Life” webpage, <http://tulsa.jobcorps.gov/centerlife.aspx>, accessed March 6, 2012.

⁶⁹ See appendix II for more information.

⁷⁰ Job Corps is a residential program, making it more expensive; however, the extreme gap in funding and participants served is not reconcilable or fair to Oklahomans.

⁷¹ See appendix II for more information.

⁷² Information provided by U.S. Department of Labor to Office of U.S. Senator Tom Coburn. May 18, 2012.

⁷³ See Table 1 in Section 3

⁷⁴ Department of Labor—Office of Inspector General—Office of Audit (26-11-004-03-370) “Job Corps needs to provide reliability of performance metrics and results.” Highlights of Report Number 26-11-004-03-370, issued to the Assistant Secretary, Employment and Training Administration. February 16, 2012.

⁷⁵ This figure is a national finding. While we did try to confirm relative information for Oklahoma’s Job Corps center, the centers managed by Res Care were reluctant to discuss anything of this nature with staff of U.S. Senator Tom Coburn.

⁷⁶ Inconsistent cost performance is seemingly common across many job training programs⁷⁶—youth, adult and special population; although several are unable to determine an exact cost because of the absence of a cost-efficiency metric. YouthBuild, which also provides services for youth to enter or reenter the workforce, spends approximately \$15,363 per participant—according to CDSA, an Oklahoma grantee. Most WIA programs have “Individual Training Accounts” capped at around \$10,000 per participant.⁷⁶ According to Oklahoma’s Executive Director of Vocational Rehabilitation, it costs \$9,600 to successful close a case. Experience Works in Oklahoma spends \$9,700 per participant; tuition costs for National Farmworker Jobs Program participants cannot exceed \$2000. State officials recognized this problem in their WIA Annual Report.

⁷⁷ U.S. Department of Labor, Wage and Hour Division, Minimum Wage Laws in the States - January 1, 2012, <http://www.dol.gov/whd/minwage/america.htm#Oklahoma>.

⁷⁸For example, OIG found Job Corps overstated 42.3 percent (7,517) of 17,787 job training match placements it reported to comply with WIA for the periods reviewed. These overstatements included 3,226 (18.1 percent) matches where the jobs did not relate or poorly related to the students’ training and 3,778 (21.2 percent) matches where students were enrolled in postsecondary education or training rather than jobs. The job training matches also included 1,569 placements in jobs that required little or no previous work-related skills, knowledge, or experience, such as fast food cooks and dishwashers that potentially could have been obtained without Job Corps training.” Department of Labor—Office of Inspector General—Office of Audit (26-11-004-03-370) “Job Corps needs to provide reliability of performance metrics and results.” Highlights of Report Number 26-11-004-03-370, issued to the Assistant Secretary, Employment and Training Administration. February 16, 2012

⁷⁹ Department of Labor—Office of Inspector General—Office of Audit (26-11-004-03-370) “Job Corps needs to provide reliability of performance metrics and results.” Highlights of Report Number 26-11-004-03-370, issued to the Assistant Secretary, Employment and Training Administration. Page 13. February 16, 2012.

⁸⁰ Department of Labor—Office of Inspector General—Office of Audit (26-11-004-03-370) “Job Corps needs to provide reliability of performance metrics and results.” Highlights of Report Number 26-11-004-03-370, issued to the Assistant Secretary, Employment and Training Administration. Page 13. February 16, 2012.

⁸¹ Department of Labor—Office of Inspector General—Office of Audit (26-11-004-03-370) “Job Corps needs to provide reliability of performance metrics and results.” Highlights of Report Number 26-11-004-03-370, issued to the Assistant Secretary, Employment and Training Administration. Page 13. February 16, 2012.

⁸² Based on information from staff visit of Senator Tom Coburn to Guthrie Job Corps Center. January 2012.

⁸³ Office of Inspector General for the U.S. Department of Labor, “Semiannual Report to Congress,” <http://www.oig.dol.gov/public/semiannuals/66.pdf>, September 2011.

⁸⁴ Story has been modified to protect the name of the youth participant referenced.

⁸⁵ U.S. Department of Labor, Office of Inspector General, “April 2011- September 2011 Semiannual Report to Congress” webpage, <http://www.oig.dol.gov/semiannual.htm>, Accessed May 2012.

- ⁸⁶ U.S. Department of Labor, Office of Inspector General, “April 2011- September 2011 Semiannual Report to Congress” webpage, <http://www.oig.dol.gov/semiannual.htm>, Accessed May 2012.
- ⁸⁷ Thunderbird Youth Academy, “About Us” webpage, <http://thunderbird.org/about.php>, Accessed January 2012.
- ⁸⁸ Pryor Daily Times, “TYA Graduates 98,” web page, <http://pryordailytimes.com/local/x1750835677/TYA-graduates-98>, January 12, 2011. Accessed February 28, 2012.
- ⁸⁹ Pryor Daily Times, “TYA Graduates 98,” web page, <http://pryordailytimes.com/local/x1750835677/TYA-graduates-98>, January 12, 2011. Accessed February 28, 2012.
- ⁹⁰ According to Jack Ritchie of Thunderbird Youth Academy (TYA), TYA is funded 75% from federal funding and 25% from state funding. TYA receives funding for 220 students at \$17,000 per student through the Department of Defense and the Oklahoma National Guard
- ⁹¹ *Job placement for Job Corps students is estimated at \$76,574 according to a recent DOL IG report.* Department of Labor—Office of Inspector General—Office of Audit (26-11-004-03-370) “Job Corps needs to provide reliability of performance metrics and results.” Highlights of Report Number 26-11-004-03-370, issued to the Assistant Secretary, Employment and Training Administration. February 2012.
- ⁹² Information provided during program visits.
- ⁹³ National Job Corps Study and Long-Term Follow-Up Study, “Impact and Benefit-Cost Findings Using Survey and Summary Earnings Records Data” webpage, http://wdr.doleta.gov/research/eta_default.cfm?fuseaction=dsp_resultDetails&pub_id=2461&bas_option=Title&start=1&usrt=4&styp=basic&sv=1&criteria=Job%20Corps, accessed April 24, 2012.
- ⁹⁴ National Job Corps Study and Long-Term Follow-Up Study, “Impact and Benefit-Cost Findings Using Survey and Summary Earnings Records Data” webpage, http://wdr.doleta.gov/research/eta_default.cfm?fuseaction=dsp_resultDetails&pub_id=2461&bas_option=Title&start=1&usrt=4&styp=basic&sv=1&criteria=Job%20Corps, accessed April 24, 2012.
- ⁹⁵ National Job Corps Study and Long-Term Follow-Up Study, “Impact and Benefit-Cost Findings Using Survey and Summary Earnings Records Data” webpage, http://wdr.doleta.gov/research/eta_default.cfm?fuseaction=dsp_resultDetails&pub_id=2461&bas_option=Title&start=1&usrt=4&styp=basic&sv=1&criteria=Job%20Corps, accessed April 24, 2012.
- ⁹⁶ U.S. Department of Labor—Office of Inspector General—Office of Audit, Employment and Training Administration, Report Number: 03-11-003-03-390, “Additional Information Needed to Measure the Effectiveness and Return on Investment of Training Services Funded Under The WIA Adult and Dislocated Worker Programs.” September 30, 2011, Pg. 2
- ⁹⁷ See Appendix IV for additional information.
- ⁹⁸ A “service” under WIA can be as simple as light touch referral to a computer for job search, not necessarily job training.
- ⁹⁹ Simonton Windows Plant closed in McAlester, OK and Whirlpool announced its plans for closure and is located Fort Smith, AR—on the border of Oklahoma. Several Oklahomans were employed by Whirlpool.
- ¹⁰⁰ During this time, SEWIB relinquished its responsibilities back to the Governor, and counties under their jurisdiction were stewarded to other Workforce Investment Boards
- ¹⁰¹ Oklahoma Department of Commerce keeps a capped percentage of WIA grants from Department of Labor to assist with situations like this. Additionally, WIA National Emergency Grants (NEG) can be applied for through as can Trade Adjustment Assistance (TAA) if related to trade.
- ¹⁰² Based on information from staff visit of Senator Tom Coburn and Eastern Workforce Investment Board Director. January 2012.
- ¹⁰³ Benjamin Collins, “Trade Adjustment Assistance (TAA) for Workers,” November 2011, pg.16
- ¹⁰⁴ Benjamin Collins, “Trade Adjustment Assistance (TAA) for Workers,” November 2011, pg.4
- ¹⁰⁵ Benjamin Collins, “Trade Adjustment Assistance (TAA) for Workers,” November 2011, pg.16
- ¹⁰⁶ Benjamin Collins, “Trade Adjustment Assistance (TAA) for Workers,” November 2011, pg.14
- ¹⁰⁷ Benjamin Collins, “Trade Adjustment Assistance (TAA) for Workers,” November 2011, pg.11
- ¹⁰⁸ Department of Labor, “Wagner-Peyser Act/Labor Exchange” webpage, http://www.doleta.gov/programs/Wagner_Peyser.cfm, accessed February 9, 2012.
- ¹⁰⁹ Governor’s Council on Workforce and Economic Development, “Building Blocks for an Employer-Responsive Workforce System,” 2011. Page 12.
- ¹¹⁰ In Oklahoma, 417 full time employees serve individuals at the typical One-Stop Center (207 full time WIA staff and 210 full time Wagner Peyser staff). This means for the 261 non-weekend workday, each staff is serving, on average, 2-3 people a day.
- ¹¹¹ CATO Institute, “Employment and Training Programs: Ineffective and Unneeded” webpage, <http://www.downsizinggovernment.org/labor/employment-training-programs>, accessed March 10, 2012.
- ¹¹² CATO Institute, “Employment and Training Programs: Ineffective and Unneeded” webpage, <http://www.downsizinggovernment.org/labor/employment-training-programs>, accessed March 10, 2012.
- ¹¹³ Information requested from and provided by the Employment and Training Administration. December 2011.
- ¹¹⁴ Results are only from people we know who get registered. If someone goes to a one stop and doesn't get registered, we don't even know what happens or whether any good up front services were provided.
- ¹¹⁵ Carolyn J. Heinrich, Peter R. Mueser, and Kenneth R. Troske, “Workforce Investment Act Non-Experimental Net Impact Evaluation: Final Report,” IMPAQ International, December 2008.

¹¹⁶ This includes Summer Employment and regular unsubsidized employment placements.

¹¹⁷ This number represents placement in employment or education.

¹¹⁹ Programmatic outcomes are based on outcomes that happen after program exit. As a result, the outcome measures are lagged by definition. For example, participant counts represent the number of people that received services in a given time period. For the same time period, entered employment information is lagged 6 months—three months for the exit determination (i.e. no services received for 90 consecutive days) and three months for the quarter after exit.

¹²⁰ United State Department of Agriculture Food and Nutrition Service “Supplemental Nutrition Assistance Program” webpage, <http://www.fns.usda.gov/snap/snap.htm>, accessed March 6, 2012.

¹²¹ Government Accountability Office (GAO-11-92), “Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies,” January 2011, pg. 16

¹²² Information provided in an interview between staff of Senator Tom Coburn and Oklahoma Department of Human Services Officials. January 2012.

¹²³ Based on information from staff visit of Senator Tom Coburn to Oklahoma Department of Human Services. January 2012.

¹²⁴ Based on information from staff visit of Senator Tom Coburn to Oklahoma Department of Human Services. January 2012.

¹²⁵ United States Department of Agriculture Food and Nutrition Service, “Supplemental Nutrition Assistance Program Employment & Training” webpage, <http://www.fns.usda.gov/snap/rules/Memo/Support/employment-training.htm>, accessed March 6, 2012. Oklahoma’s SNAP E&T appropriations are not used for this on union dues.

¹²⁶ The White House, “Creating a Veterans Job Corps” webpage, <http://www.whitehouse.gov/blog/2012/02/03/creating-veterans-job-corps>, accessed March 7, 2012.

¹²⁷ Bloomberg Businessweek, “Unemployment for Young Vets: 30% and rising,” web page, http://www.businessweek.com/finance/occupy-wall_street/archives/2011/11/the_vets_job_crisis_is_worse_than_you_think.html, November 11, 2011. Accessed February 28, 2012.

¹²⁸ The seven programs listed do not take into consideration: Veterans Retraining Assistance Program (VRAP), Reserve Educational Assistance (REAP), Veterans Educational Assistance Program (VEAP), Educational Assistance Test Program, National Call to Service Programs, Veterans Upward Bound and/or Veterans Gold Card Initiative—which are also federally funded efforts for getting Veterans back to work through education, training and assistance.

¹²⁹ Email correspondence from Congressional Relations Officer, Department of Veterans Affairs. December 2011.

¹³⁰ An impact study assesses if outcomes are the result of programs or other, unrelated, causes.

¹³¹ Government Accountability Office (GAO-11-92) “Multiple Employment and Training Programs: Providing information on Collocating Services and Consolidating Administrative Structures Could Promote Efficiencies.” January 2011, pg 58.

¹³² East Central University, “Veterans Workforce Investment Program,” webpage, <http://www.ecok.edu/trio/vub/vwip/index.htm>, accessed February 29, 2012.

¹³³ U.S. Department of Labor, “Approximately 3,000 veterans to benefit from more than \$7.5 million in U.S. Department of Labor employment training grants emphasizing ‘green jobs,’” web page, <http://www.dol.gov/opa/media/press/eta/eta20090747.htm>, accessed February 29, 2012.

¹³⁴ Michael A. Fletcher, Retrained for Green Jobs, but Still Waiting for Work, *The Washington Post*, November 22, 2010, http://www.washingtonpost.com/wp-dyn/content/article/2010/11/22/AR2010112207583.html?wprss=rss_business, accessed February 7, 2012.

¹³⁵ Office of Inspector General for the U.S. Department of Labor, “Semiannual Report to Congress, April 1 - September 30, 2011” webpage, <http://www.oig.dol.gov/public/semiannuals/66.pdf>, accessed March 7, 2012.

¹³⁶ Office of Management and Budget, “Fiscal Year 2013 Budget of the U.S. Government: Cuts, Consolidations, and Savings,” webpage, <http://www.whitehouse.gov/omb/budget/CCS>, Accessed February 29, 2012.

¹³⁷ Workforce Investment Act, Oklahoma Annual Report, Program Year 2010, pg. 12

¹³⁸ Workforce Investment Act, Oklahoma Annual Report, Program Year 2010, pg. 12

¹³⁹ Workforce Investment Act, Oklahoma Annual Report, Program Year 2010, pg. 12

¹⁴⁰ Workforce Investment Act, Oklahoma Annual Report, Program Year 2010, pg. 12

¹⁴¹ Cost determined through total grant appropriation divided by number of jobs related to employment.

¹⁴² The American Indian and Native Alaskan Indian Population: 2010, “2010 Census Briefs.” Issued January 2012.

¹⁴³ U.S. Census Bureau, “Oklahoma Quick Facts” webpage, <http://quickfacts.census.gov/qfd/states/40000.html>, Accessed February 28, 2012.

¹⁴⁴ The Chickasaw Nation, “Geographic Information,” webpage, http://www.chickasaw.net/about_us/index_22.htm. Accessed February 29, 2012.

¹⁴⁵ The Chickasaw Nation, “Career Development Initiative,” webpage, http://www.chickasaw.net/services/index_4798.htm#view, Accessed February 29, 2012.

¹⁴⁶ The Chickasaw Nation, “Chickasaw Employment Program” webpage, http://www.chickasaw.net/services/index_4899.htm, Accessed February 28, 2012.

¹⁴⁷ The Chickasaw Nation, “Office of Career Services” webpage, http://www.chickasaw.net/services/index_4900.htm, Accessed February 28, 2012.

¹⁴⁸ The Chickasaw Nation, “Re-entry Transitional Employment” webpage, http://www.chickasaw.net/services/index_4903.htm, Accessed February 28, 2012.

¹⁴⁹ The Chickasaw Nation, “Summer Youth Program” webpage, http://www.chickasaw.net/services/index_4905.htm,” Accessed February 28, 2012.

¹⁵⁰ The Chickasaw Nation, “Vocational Rehabilitation,” Accessed February 28, 2012.

¹⁵¹ The eight federal funding streams which offer targeted job training services to Native Americans in Oklahoma are: Native American Employment and Training, Tribal Works Grants, Indian Employment Assistance, Native American Vocational Rehabilitation, Career and Technical Education—Indian Set Aside, Tribal Temporary Assistance for Needy Families,¹⁵¹ National Indian Council on Aging—funded through Senior Community Service Employment Program; multiple tribes were contacted to learn more about Tribal Works Grants, but were not aware of the grant they were administering.

¹⁵² The Census Bureau, “State and County Quick Facts” webpage, <http://quickfacts.census.gov/qfd/states/40/4000200.html>, Accessed February 28, 2012.

¹⁵³ Certain Job Training programs are permanently located in specific places. Members of this community could still be served by several programs regardless of the fact the programs are not represented in the Ada community.

¹⁵⁴ State Symbols USA, “Labor Conquers All Things” webpage, <http://www.statesymbolsusa.org/Oklahoma/stateMotto.html>, accessed March 2, 2012.

¹⁵⁵ Job Corps, YouthBuild, CareerTech and higher education institutions are the only job training programs which actually do job training.

¹⁵⁶ Based on information exchanged between staff of Senator Tom Coburn and Mason Bishop. January 2012.

¹⁵⁷ Governor’s Council for Workforce and Economic Development “Building Blocks for an Employer—Responsive Workforce System 2011,” pg. 18

¹⁵⁸ Governor’s Council for Workforce and Economic Development “Building Blocks for an Employer—Responsive Workforce System 2011,” pg. 18.

¹⁵⁹ Based on information exchanged between staff of Senator Tom Coburn and Oklahoma Career Tech.

¹⁶⁰ Oklahoma Department of Career Technology, “2011 Annual Report” FY 11 Fast Facts.

¹⁶¹ Oklahoma Department of Career Technology, “2011 Annual Report” FY 11 Fast Facts

¹⁶² Oklahoma Department of Career Technology, “2011 Annual Report” FY 11 Fast Facts

¹⁶³ Oklahoma Department of Career Technology, “2011 Annual Report” pg. 12.

¹⁶⁴ Positive placement, as defined by Career Tech, includes “entering training related employment, continuing education or military enlistment.” Military enlistment and continuing education should not count as positive placement.

¹⁶⁵ Oklahoma Department of Career Technology, “2011 Annual Report” pg. 13.

¹⁶⁶ Career Tech, “students” web page, <http://www.okcareertech.org/students>. Accessed April 1, 2012.

¹⁶⁷ Employed, military or continuing education

¹⁶⁸ Oklahoma Department of Career Technology, “Oklahoma’s Career Readiness Certificate” webpage, <http://www.okcareertech.org/cac/workkeys/index.htm>, Accessed March 1, 2012.

¹⁶⁹ Oklahoma Department of Career Technology, “Work Keys Employer Case Studies” webpage, <http://www.okcareertech.org/cac/workkeys/CaseStudies.html>, Accessed March 1, 2012.

¹⁷⁰ The Ticket to Work Program provides most people receiving Social Security benefits (beneficiaries) more choices for receiving employment services. Under this program, the Social Security Administration (SSA) issues tickets to eligible beneficiaries who, in turn, may choose to assign those tickets to an Employment Network (EN) of their choice to obtain employment services, vocational rehabilitation services, or other support services necessary to achieve a vocational (work) goal. The EN, if they accept the ticket, will coordinate and provide appropriate services to help the beneficiary find and maintain employment. Social Security, “the Work Site” webpage, <http://www.socialsecurity.gov/work/aboutticket.html>, accessed March, 10, 2012

¹⁷¹ Government Accountability Office (GAO-11-92), “Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies,” January 2011, pg. 41.

¹⁷² For more information on this program visit: <http://okrehab.org/info/index.htm>.

FEDERAL JOB TRAINING PROGRAMS IN OKLAHOMA

<u>Program Name</u>	<u>Federal Agency</u>	<u>Federal Funding Total – FY11</u>	<u>GAO Estimate of % Spent on Job Training</u>	<u>OK Program Funding Level</u>	<u>OK Funding on Job Training</u>
Job Corps	DOL	\$1,706,170,590	100	\$36,313,952	\$36,313,952
WIA Dislocated Workers	DOL	\$1,063,432,320	100	\$6,331,826	\$6,331,826
WIA Youth Activities	DOL	\$825,913,862	100	\$6,877,913	\$6,877,913
WIA Adult Program	DOL	\$770,921,920	100	\$5,868,105	\$5,868,105
Employment Service/Wagner-Peyser	DOL	\$702,168,848	100	\$6,853,237	\$6,853,237
Trade Adjustment Assistance	DOL	\$721,312,000	38	\$2,256,914	\$857,627
WIA National Emergency Grants	DOL	\$224,111,680	70	\$2,161,272	\$1,512,890
Community-Based Job Training Grants ^a	DOL	\$0	100	\$0	\$0
Reintegration of Ex-Offenders	DOL	\$85,389,878	100	\$304,116	\$304,116
Transition Assistance Program	DOL	\$6,986,000	99	\$69,000	\$68,310
YouthBuild	DOL	\$79,840,000	100	\$1,980,036	\$1,980,036
National Farmworker Jobs Program	DOL	\$84,450,760	98	\$1,315,280	\$1,288,974
Disabled Veterans' Outreach	DOL	\$165,063,000 ^c	99	\$576,000	\$570,240
WANTO	DOL	\$998,000	100	\$0	\$0
Homeless Veterans Reintegration Project	DOL	\$36,257,340	93	\$0	\$0
Registered Apprenticeship and Other Training	DOL	\$27,728,432	100	\$0	\$0
Native American Employment and Training	DOL	\$52,652,484	100	\$2,021,253	\$2,021,253
Veterans' Workforce Investment Program	DOL	\$9,621,718	99	\$500,000	\$495,000
H-1B Job Training Grants	DOL	\$0	d	\$0	\$0
Local Veterans' Employment Representative Program	DOL	^c	98	\$1,353,000	\$1,325,940
National Guard Youth Challenge Program		\$120,000,000			
Vocational Rehabilitation for Disabled Veterans	VA	\$806,531,000	100	\$1,006,000	\$1,006,000
SNAP Employment and Training Program	USDA	\$387,946,000	93	\$651,179	\$605,596
Second Chance Act Prisoner Reentry Initiative	DOJ	\$100,000,000	31	443,188	\$137,388
Brownfield Job Training Cooperative Agreements	EPA	^b	133 ^b	\$0	\$0
Conservation Activities by Youth Service Organizations	DOI	\$150,000	d	\$52,500	\$52,500

Indian Voc Training— United Tribes Technical College	DOI	\$6,124,220	100	0	\$0
		\$12,015,427		\$1,422,280	\$1,422,280
Indian Employment Assistance	DOI		100		
Tribal Work Grants	HHS	\$7,633,000	100	\$136,078	\$136,078
Refugee and Entrant Assistance—Targeted Assistance Discretionary Program	HHS	\$48,493,000	100	\$0	\$0
Senior Community Service Employment Program	HHS	\$450,000,000	100	\$5,630,527	\$5,630,527
Community Services Block Grant	HHS	\$678,640,000	10	\$8,326,884	\$832,688
Refugee and Entrant Assistance—Targeted Assistance Grants	HHS	\$4,849,000	90	\$0	\$0
Refugee and Entrant Assistance—Social Services Program	HHS	\$153,697,000	55	\$207,136	\$113,925
Temporary Assistance for Needy Families	HHS	\$16,488,667,000	8	\$145,281,000	\$11,622,480
Refugee and Entrant Assistance—Voluntary Agency Matching Grant Program	HHS	\$352,625,000	d	\$101,200	\$101,200
Projects with Industry	ED	\$0	99	\$0	\$0
Grants to States for Workplace and Community Transition Training for Incarcerated Individuals	ED	\$0	100	\$0	\$0
Rehabilitation Services— Vocational Rehabilitation Grants to States (ED)	ED	\$3,047,247,000	85	\$43,404,870	\$36,894,140
Career and Technical Education—Basic Grants to States	ED	\$1,123,659,178	d	\$15,094,180	\$15,094,180
Tech-Prep Education	ED	\$0	d	\$0	\$8,099,684
American Indian Vocational Rehabilitation Services (ED)	ED	\$37,449,000	d	\$8,099,684	\$300,000
State Supported Employment Services Program	ED	\$29,122,638	d	\$300,000	\$300,000
Career and Technical Education—Indian Set- aside	ED	\$14,027,000	d	1,601,879	\$1,601,879
Tribally Controlled Postsecondary Career and Technical Institutions	ED	\$26,820,252	d	\$0	\$0

Native Hawaiian Career and Technical Education	ED	\$2,805,000	d	\$0	\$0
Migrant and Seasonal Farmworkers Program	ED	\$1,856,280	d	\$195,000	\$195,000
<i>Programs listed above are the same 47 programs identified by the GAO as "Employment & Job Training Programs," http://www.gao.gov/new.items/d1192.pdf. Programs listed below were not identified by GAO, but are federally funded job training efforts in Oklahoma. For the purposes of this report, it is presumed that programs below spend 100 percent of funding on job training.</i>					
REAL Lifeline	DOL		100	\$69,000	\$69,000
EPA Superfund Training in Tar Creek Area	EPA		100	\$122,000	\$122,000
BRAC	DOL		100	\$1,690,122 ^e	\$1,690,122
Green Jobs Grant	DOL		100	\$0 ^f	\$0
OCCC Transitional Leadership Academy	DOL		100	\$200,000	\$200,000
Tribal TANF	HHS		100	\$2,732,116	\$2,732,116
Oklahoma Program Funding Total: \$322,073,045					
Oklahoma Funding on Job Training & Employment: \$164,433,202					

Footnotes:

a. While the program was not funded in FY 2011, an Oklahoma grantee is currently spending down a grant (over the FY 2008-FY2012 timeframe) of \$1,719,318.

b. The percentage used exceeds 100 percent due to the availability of funding from prior years. An overall funding number for FY 2011 could not be located because, according to the Congressional Research Service, "No specific line item in the budget, but included as part of the 'Brownsfield Projects State and Tribal Assistance Grants.'"

c. The Jobs for Veterans State Grants account includes the Disabled Veterans' Outreach Program and Local Veterans' Employment Representative Program. Since these programs do not have a separate funding line item, they are listed as one appropriation for the purposes of this chart.

d. GAO officials were unable to determine the amount of this program funding spent on job training and employment services.

e. Source: Oklahoma Department of Commerce Workforce Solutions

f. The Green Jobs Grant is a \$6 million State Energy Sector Partnership and Training Grant funded through the American Recovery and Reinvestment Act of 2009, however is still being spent down in FY 2011.

Performance Results ETA Programs: Oklahoma

In response to the request of Senator Coburn, the Employment and Training Administration (ETA) compiled the following performance outcomes for the four quarters of performance ending June 30, 2011. Table 1 presents the participants served by 12 Federal ETA programs within the state of Oklahoma alongside the corresponding national numbers.

For the purposes of this presentation, the following definitions are used: (1) “participant served” is defined as anyone who was enrolled in WIA or other referenced program services at any point between July 1, 2010 and June 30, 2011; (2) “Enter Employment Rate (EER)” is the number of enrollees who were not employed on the first date of services that were employed in the first quarter after the exit quarter divided by the number of participants that exit during the time period; and (3) “Employment Retention Rate (ERR)” is the number of enrollees who were employed in the first quarter after the exit quarter and were also employed in both the second and third quarters after exit divided by the number of participants that exit during the time period. ERR may include those who were employed at date of program participation.

Table 1. Participants and Outcomes by Program.

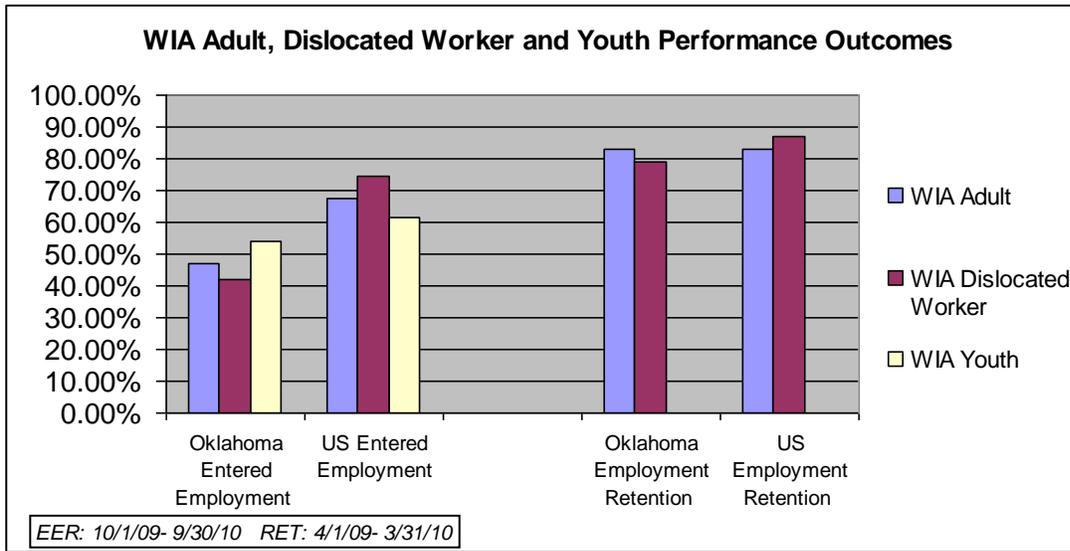
Program	Participants Served: Oklahoma	Participants Served: National	Number of Exiters who Found Employment by Program: Oklahoma	Number of Exiters who Found Employment by Program: National
Apprenticeship	1,882	257,871	271	35,460
Job Corps	482	56,202	197	41,027
National Farm Worker Jobs Program	235	18,671	184	6,650
Native American-Adult	1,955	39,372	247	8,137
Native American- Youth	420	5,840	266 ⁱ	1,866 ⁱ
Reintegration of Ex-Offenders	143	3,384	104	2,200
Trade Adjustment Assistance	883	213,184	302	44,969
Wagner-Peyser Employment Services	160,920	19,790,213	67,317	6,345,027
WIA – Adult Program	125,223	7,125,514	24,333	4,823,973
WIA- Dislocated Workers Program	17,969	1,286,930	8,024	962,238
WIA- Youth Program	1,537	266,793	831 ⁱⁱ	164,077 ^{2,3}
YouthBuild	223	4,656	57 ⁱⁱⁱ	2,690

Source: State and Grantee Quarterly and Annual Reports July 1, 2010 through June 30, 2011

Due to a delay or lag in reporting outcomes, the numbers shown for the performance outcome metrics are not associated with the numbers related to enrollment for the same reporting period.^{iv}

Figure one below displays the results of Oklahoma’s Workforce programs as they compare to national performance in WIA Adult, Dislocated Worker, and Youth programs. As shown below Oklahoma is reporting outcomes that are similar to and in keeping with the nation’s economic unemployment and growth patterns.

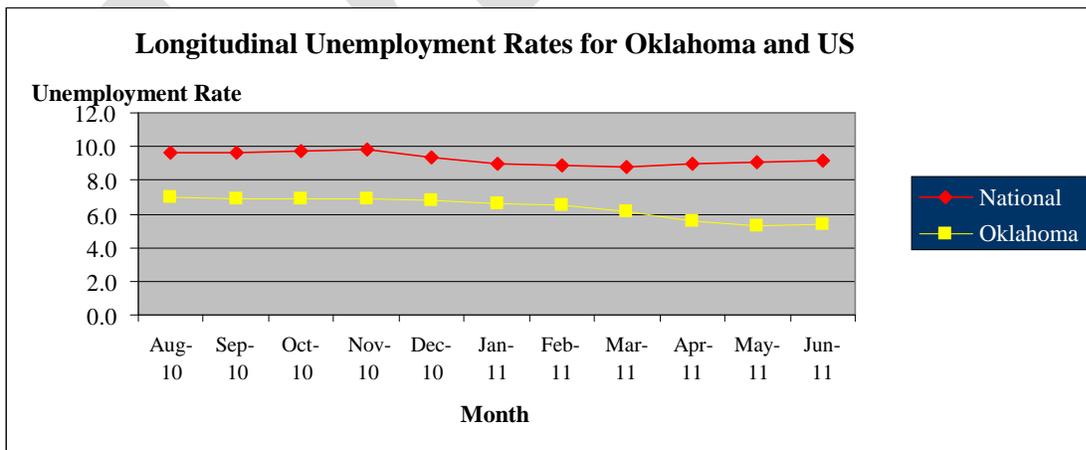
Figure 1.



Source: WIA Annual Reports July 1, 2010 – June 30, 2011

While the current economic climate has posed challenges across all workforce programs in all states, Oklahoma is one area that has seen a marked decrease in their overall unemployment rates. As seen in figure 2 below, the unemployment rates of Oklahoma are compared to the unemployment rates of the nation across the referenced four quarters of performance. Recent labor market data shows that Oklahoma is currently ranked 46 out of 52 in unemployment with the seventh lowest rate of unemployment, 5.9 percent as of September 2011.

Figure 2. Unemployment Rates for Oklahoma and US across Four Quarters



Source: Bureau of Labor Statistics.

ⁱ This includes Summer Employment and regular unsubsidized employment placements.

ⁱⁱ This number represents placement in employment or education.

iii This is reflective only of those who exited out of the program (116 total exiters).

iv Programmatic outcomes are based on outcomes that happen after program exit. As a result, the outcome measures are lagged by definition. For example, participant counts represent the number of people that received services in a given time period. For the same time period, entered employment information is lagged 6 months— three months for the exit determination (i.e. no services received for 90 consecutive days) and three months for the quarter after exit.

DRAFT

JIB Staffing Program										
Pages-Benefits	\$ 91,254.76	\$	\$	\$	\$	\$	\$	\$	\$	\$
Supplies	\$ 300.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Office Supply	\$ 5,850.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Printing/Publications	\$ 100.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Rent	\$ 3,000.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Supplies	\$ 150.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Telephone	\$ 3,740.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Travel	\$ 9,865.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Pool	\$ 73,584.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Totals	\$ 187,843.76	12.99%	\$ 198,215.36	\$ 59,464.61	\$ 79,286.14	\$ 59,464.61	\$	\$	\$	\$
JIB Staffing Admin										
Pages & Benefits	\$ 9,840.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Contract Labor	\$ 2,500.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Insurance	\$ 1,735.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Maint	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Office Supply	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Printing/Pub	\$ 800.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Supplies	\$ 3,700.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Telephone	\$ 365.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Travel	\$ 16,165.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Pool	\$ 10,034.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Totals	\$ 45,139.00	3.35%	\$ 51,139.00	\$ 15,341.70	\$ 20,455.60	\$ 15,341.70	\$	\$	\$	\$
Service Provider - 1										
Pages-Benefits	\$ 565,265.68	\$	\$	\$	\$	\$	\$	\$	\$	\$
Contract Labor	\$ 5,200.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Audit	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Office Supply	\$ 380.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Telephone	\$ 700.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Travel	\$ 21,830.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Totals	\$ 593,375.68	38.75%	\$ 591,275.68	\$ 328,676.68	\$ 175,339.81	\$ 87,259.19	\$	\$	\$	\$
Service Provider - 2										
Maint	\$ 11,900.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Insurance	\$ 3,227.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Office Supply	\$ 14,000.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Postage	\$ 1,200.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Travel	\$ 44,200.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Supplies	\$ 2,700.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Telephone	\$ 20,000.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Utilities	\$ 8,300.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Pool	\$ 29,312.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
Totals	\$ 134,839.00	11.80%	\$ 180,000.00	\$ 54,000.00	\$ 72,000.00	\$ 54,000.00	\$	\$	\$	\$

Approved for

[Redacted]

[Redacted]

				Youth	Adult	Other
One Stop System						
Wages/Benefits	\$ 35,715.00			\$ 13,026.96	\$ 17,369.28	\$ 13,026.96
Telephone	\$ 300.00			\$ 90.00	\$ 120.00	\$ 90.00
Travel	\$ 10,970.00			\$ 3,291.00	\$ 4,388.00	\$ 3,291.00
Pool	\$ 16,360.00			\$ 3,886.80	\$ 5,182.40	\$ 3,886.80
Totals	\$ 63,345.00			\$ 20,294.76	\$ 27,059.68	\$ 20,294.76
Subtotals	\$ 1,248,488.44			\$ 544,961.85	\$ 463,719.63	\$ 303,544.06
Client Service Dollars				\$ 80,091.18	\$ 92,952.10	\$ 40,526.73
				\$ 213,570.01		
				14.00%		
				Percent of total grant \$ spent on clients		

9/15/11

[Redacted]

9/16/11

HELP WANTED:

How Federal Job Training Programs are Failing Workers

SUNDAY, NOVEMBER

620 HELP WANTED

25 Immediate Openings!

Available for immediate hire. No experience necessary. Training provided. Salary commensurate with experience. Call for details.

620 HELP WANTED

Accounts Payable

Must have 2+ years experience in Accounts Payable. Must be detail oriented and have good communication skills. Salary commensurate with experience. Call for details.

620 HELP WANTED

Aluminum MIG Welders

Welding experience in aluminum MIG. Must be able to read blueprints and work to specifications. Salary commensurate with experience. Call for details.

620 HELP WANTED

Cashier/PT

Must be 18 years of age or older. Must have good communication skills and be able to work in a fast-paced environment. Salary commensurate with experience. Call for details.

620 HELP WANTED

Shipping Clerk / Project Assistant

Must have 2+ years experience in shipping and handling. Must be able to work in a fast-paced environment. Salary commensurate with experience. Call for details.

620 HELP WANTED

CONSTRUCTION

All positions (PM / Estimator / Superintendent) for K-12, med and school projects for agency in Balt. DC, Wash, MD, and Eastern Shore. Dedication to Clients a MUST. Salary commensurate with experience. Call for details.

620 HELP WANTED

Electricians, Foremen & Mechanics Needed

Great pay benefits. Tools & train. a must.

620 HELP WANTED

Floor Care Person

Must have 2+ years experience in floor care. Salary commensurate with experience. Call for details.

Facility Coordinator

Must have 2+ years experience in facility management. Salary commensurate with experience. Call for details.

A Report by Tom A. Coburn, M.D.
U.S. Senator, Oklahoma

February 2011

EXECUTIVE SUMMARY

For the 13.9 million Americans out of work and the millions more underemployed, no issue weighs more heavily than income security and learning new skills to better compete in a challenging job market.⁴

Lawmakers should focus on putting Americans to work through the execution of policies that support meaningful, long-term job growth.

Instead, the government has taken on a role for which it was never intended, pouring billions of taxpayer dollars into a broken web of job training and employment programs that are rife with waste, fraud and abuse and lacking demonstrable effectiveness.

THE PROPER ROLE OF THE FEDERAL GOVERNMENT

The authority to operate job training programs is left to states under Article I, Section 8 of the U.S. Constitution. When the federal government oversteps the enumerated powers delegated to it under the Constitution, it is often at the expense of properly conducting its expected role.

With regard to job training programs, the government has taken on a role more appropriately filled by the private sector. Sufficient incentives exist in the private sector to train employees to fill their business needs.

While federal job training programs may be well-intentioned, the dozens of programs and billions of dollars spent annually have still left millions of Americans grasping for the skills they need to obtain employment and income security. And without demonstrable results, these programs are merely siphoning away resources that could be better spent elsewhere, or not spent at all.

The billions of dollars spent on programs failing to demonstrate results could, for example, be spent on tax relief that encourages the type of innovation that leads to a marketplace of employment opportunities and job training. After all, businesses that produce goods and provide services know better than anyone what skills their workers need and how to teach those skills.

The federal government could best help displaced workers by opening foreign markets to U.S. goods and services and creating an atmosphere that attracts and retains investment and productivity in the U.S. This can be accomplished in part by reducing unnecessary regulatory burdens on small businesses and employers, and ensuring stable and predictable government policies so employers can make short- and long-term investment and management decisions.

★★★★★★★★

*According to the
Government Accountability
Office (GAO):*

Nine federal agencies spend \$18 billion annually administering 47 employment and job training programs.

Only five of these 47 programs had an impact study completed since 2004 to assess whether outcomes resulted from the program and not another cause.

Half these programs have not had a performance review since 2004.

GAO finds "little is known about the effectiveness of most programs."

Almost all federal job training programs overlap with at least one other program in that they provide similar services to similar populations.

★★★★★★★★

EXCESSIVE DUPLICATION & OVERLAP IN FEDERAL JOB TRAINING

In FY 2009, nine federal agencies spent approximately \$18 billion to administer 47 separate employment and job training programs, according to the U.S. Government Accountability Office (GAO).⁵

GAO identified another 51 federal programs that could be categorized as federal job training programs, but that were ultimately excluded from its final list.⁶ For example, GAO does not include in its total all federal assistance to the unemployed workers – such as the Social Security Administration’s Ticket-to-Work program.⁷

While at least 47 federal programs are maintained, the overwhelming majority of federal dollars go to just seven programs – these seven programs accounted for *three-fourths* of the \$18 billion spent on employment and training services in FY 2009 (or \$13.5 billion).⁸

The GAO found all but three of the 47 programs *overlap with at least one other program* in that they provide similar services to similar populations – yet maintain separate administrative structures.⁹

For example, three federal programs – Temporary Assistance for Needy Families (TANF), Employment Services/Wagner-Peyser Funded Activities, and Workforce Investment Act (WIA) Adult Programs – were found to provide some of the same employment and training services to low-income individuals despite differences between the programs. However, these programs nevertheless maintained separate administrative infrastructure – meaning taxpayer money is lost on unnecessary overhead costs.¹⁰

Officials from 27 of the 47 programs did, however, report that their agencies have coordinated efforts with other federal agencies that provide similar services to similar populations.¹¹

LITTLE DATA EXISTS TO DEMONSTRATE EFFECTIVENESS OF FEDERAL JOB TRAINING PROGRAMS

Only five¹² of the 47 job training and employment programs GAO surveyed had an impact study¹³ completed since 2004 to evaluate whether outcomes (i.e., such as program participants actually securing a job) resulted from the program and not another cause. About half the programs had no performance review since 2004.

As a result, GAO finds “little is known about the effectiveness of most programs.”¹⁴

One of the few programs that had an impact study conducted since 2004 was the Workforce Investment Act (WIA) Adult and Dislocated Workers program. In December 2008, the results of the non-experimental net impact evaluation found the benefits of this program for laid-off workers participating in the WIA to be small or nonexistent.

The study showed *little difference* in the earnings and the chances of being rehired between laid-off people who had been retrained and those who had not.

The five impact studies that were conducted “generally found the effects of participation were not consistent across programs, with only some demonstrating positive impacts that tended to be small, inconclusive or restricted to short-term impacts.”¹⁵

Consider the outcome of one of the few programs that had an impact study conducted. In December 2008, the results of the non-experimental net impact evaluation of the Workforce Investment Act Adult and Dislocated Workers program found the benefits for laid off workers participating in the WIA to be small or nonexistent. The study showed little difference in the earnings and the chances of being rehired between laid-off people who had been retrained and those who had not.¹⁶

Two programs surveyed by the GAO tracked *only one outcome measure* – Conservation Activities by Youth Service Organization only tracks “customer satisfaction” and Women in Apprenticeship and Nontraditional Occupations only tracks “Other Positive Outcomes” as of fiscal year 2009.¹⁷

In total, 9 of the 47 programs did not measure the number of program participants that were hired after their training.¹⁸

Three programs *did not track any outcome measures in FY 2009* – Indian Vocational Training – United Tribes Technical College; Supplemental Nutrition Assistance Program Employment and Training Program; and the Transition Assistance Program.¹⁹

LACK OF CONGRESSIONAL ACTION

Despite unemployment staying over 9.0 percent since April 2009, Congress has taken no action to fix its duplicative, ineffective and wasteful maze of job training programs. Instead, it has piled on more programming and funding. Since 2003, the federal government has added 3 programs and \$6 billion to the federal job training and employment programs roster.²⁰

In addition, the federal government has been unable to reauthorize and update the provisions of its main federal job training program – the Workforce Investment Act (WIA), which expired in 2003.²¹

Congress’ failure to act means job training programs have not been updated to better serve those struggling through a brutal economic climate. It also means federal taxpayers continue to pay for duplicative programs, many without measurable outcomes, whose cost add to the national debt.

MULTIPLE EMPLOYMENT AND TRAINING PROGRAMS

Providing Information on Colocating Services and Consolidating Administrative Structures Could Promote Efficiencies

Why GAO Did This Study

Federally funded employment and training programs play an important role in helping job seekers obtain employment. The Departments of Labor, Education, and Health and Human Services (HHS) largely administer these programs. GAO's objectives were to determine: (1) whether the number of federal employment and training programs and funding for them have changed since our 2003 report, (2) what kinds of outcome measures the programs use and what is known about program effectiveness, (3) the extent to which the programs provide similar services to similar populations, (4) the extent to which duplication may exist among selected large programs, and (5) what options exist for increasing efficiencies among these programs. To address these objectives, GAO searched federal program lists, surveyed federal agency officials, reviewed relevant reports and studies, and interviewed officials in selected states.

What GAO Recommends

Labor and HHS should disseminate information about state efforts to consolidate administrative structures and colocate services and, as warranted, identify options for increasing incentives to undertake these initiatives. In their comments, Labor and HHS agreed that they should disseminate this information.

What GAO Found

Due to the American Recovery and Reinvestment Act of 2009 (Recovery Act), both the number of—and funding for—federal employment and training programs have increased since our 2003 report, but little is known about the effectiveness of most programs. In fiscal year 2009, 9 federal agencies spent approximately \$18 billion to administer 47 programs—an increase of 3 programs and roughly \$5 billion since our 2003 report. This increase is due to temporary Recovery Act funding. Nearly all programs track multiple outcome measures, but only five programs have had an impact study completed since 2004 to assess whether outcomes resulted from the program and not some other cause.

Almost all federal employment and training programs, including those with broader missions such as multipurpose block grants, overlap with at least one other program in that they provide similar services to similar populations. These programs most commonly target Native Americans, veterans, and youth, and some require participants to be economically disadvantaged.

Although the extent to which individuals receive the same employment and training services from the Temporary Assistance for Needy Families (TANF), Employment Service (ES), and Workforce Investment Act Adult (WIA Adult) programs is unknown, the programs maintain separate administrative structures to provide some of the same services, such as job search assistance, to low-income individuals. Agency officials acknowledged that greater administrative efficiencies could be achieved in delivering these services, but said factors, such as the number of clients that any one-stop center can serve and one-stops' proximity to clients, particularly in rural areas, could warrant having multiple entities provide the same services.

Options that may increase efficiencies include colocating services and consolidating administrative structures, but implementation may pose challenges. While WIA Adult and ES services are generally colocated in one-stop centers, TANF employment services are colocated in one-stops to a lesser extent. Florida, Texas, and Utah have consolidated their welfare and workforce agencies, and state officials said this reduced costs and improved services, but they could not provide a dollar figure for cost savings.

An obstacle to further progress in achieving greater administrative efficiencies is that little information is available about the strategies and results of such initiatives. In addition, little is known about the incentives states and localities have to undertake such initiatives and whether additional incentives may be needed.



A Message from the Acting Inspector General

I am pleased to submit this Semiannual Report to Congress, which highlights the most significant activities and accomplishments of the U.S. Department of Labor (DOL), Office of Inspector General (OIG) for the six-month period ending September 30, 2011. During this reporting period, our investigative work led to 226 indictments, 172 convictions, and \$50.9 million in monetary accomplishments. In addition, we issued 40 audit and other reports which, among other things, recommended that \$677.1 million in funds be put to better use.

OIG audits and investigations continue to assess the effectiveness, efficiency, economy, and integrity of DOL's programs and operations. We also continue to investigate the influence of labor racketeering and/or organized crime with respect to internal union affairs, employee benefit plans, and labor-management relations.

In the employment and training area, an OIG audit of Recovery Act funds spent on green jobs found that with 61 percent of the training grant periods having elapsed, grantees have achieved just 10 percent of their job placement goals. We recommended that the Employment and Training Administration (ETA) evaluate the program and obtain estimates of the need for the remaining \$327 million of unspent grant funds. Another OIG audit found that ETA needs to better ensure that the Job Corps' outreach and admissions service providers enroll only eligible students. If ETA's recent and planned changes to the Job Corps' student enrollment process are effectively implemented, then we estimate that nearly \$165 million in funds could be put to better use by ensuring only eligible students are enrolled. Another audit estimated that up to \$124 million in Workforce Investment Act funding was spent on training participants who did not obtain training-related employment, or information was insufficient to make the determination that training-related employment was obtained.

An OIG investigation found a pattern of misconduct involving the Veterans' Employment and Training Services (VETS) Assistant Secretary and two other senior VETS officials, which reflected a consistent disregard of Federal procurement rules and regulations. The Assistant Secretary and his Chief of Staff resigned following the issuance of our report.

Our investigations continued to identify vulnerabilities and fraud in DOL programs. For example, an investigation resulted in two business owners being sentenced to more than three years in prison and ordered to forfeit \$2.8 million as a result of their roles in an H-1B visa fraud conspiracy. Another investigation resulted in the owner of a medical practice group being sentenced to serve more than a year in prison and ordered to pay more than \$2.5 million in restitution for fraudulent billings that were submitted to DOL's Office of Workers' Compensation Programs, Medicaid, Medicare, and private insurance companies.

OIG investigations also continue to combat labor racketeering in the workplace. For example, one major investigation resulted in the sentencing of the former secretary-treasurer of the District Council of Carpenters to 11 years in prison and restitution of \$5.7 million for receiving prohibited payments from contractors to allow the underpayment of contributions to the union-sponsored benefit plans, resulting in financial harm to union members. Another OIG investigation led to a former Plumbers Union worker being sentenced to three and one-half years in prison, among other things, after pleading guilty to charges of theft from an employee benefit plan and embezzlement of approximately \$412,000 in union dues.

The OIG remains committed to promoting the integrity, effectiveness, and efficiency of DOL. I would like to express my gratitude to the professional and dedicated OIG staff for their significant achievements during this reporting period. I look forward to continuing to work with the Department to ensure the integrity of programs and that the rights and benefits of worker and retirees are protected.



Daniel R. Petrole
Acting Inspector General

BRIEFLY...

Highlights of Report Number: 18-11-004-03-390, issued to the Assistant Secretary for Employment and Training.

WHY READ THE REPORT

At the request of the Honorable Charles E. Grassley, then Ranking Member of the Senate Committee on Finance, the Office of Inspector General (OIG), Office of Audit, initiated an audit of the Recovery Act Green Jobs Program. Specifically, Senator Grassley requested an audit of Recovery Act funds spent on Green Jobs, and the definition used by the Department for what constitutes a green job, as well as the duration of the jobs created pursuant to the funds expended.

The Recovery Act provided \$500 million for research, labor exchange, and job training projects that prepare workers for careers in energy efficiency and renewable energy as described in Section 171(e)(1)(B) of the Workforce Investment Act. The Department of Labor, Employment and Training Administration (ETA), awarded these funds under different types of competitive grant programs to (1) train and prepare individuals for careers in "green jobs;" and (2) collect, analyze, and disseminate labor market information.

WHY OIG CONDUCTED THE AUDIT

Our audit objectives were to answer the following questions:

- 1) How has ETA defined green jobs?
- 2) What is the status of funds expended, and how have grant funds been used?
- 3) To what extent have ETA and grantees reported achieving performance targets for training and placement of workers, and employment retention?

READ THE FULL REPORT

To view the report, including the scope, methodology, and full agency response, go to:
<http://www.oig.dol.gov/public/reports/oa/2011/18-11-004-03-390.pdf>.

September 2011

RECOVERY ACT: SLOW PACE PLACING WORKERS INTO JOBS JEOPARDIZES EMPLOYMENT GOALS OF THE GREEN JOBS PROGRAM

WHAT OIG FOUND

The definition ETA used for green jobs is jobs associated with products and services that use renewable energy resources, reduce pollution, and conserve natural resources. The definition used by ETA to award grants was in compliance with the requirements of the Recovery Act.

Of the \$500 million provided, ETA retained \$9.9 million for services such as program administration and technical assistance, and awarded \$490.1 million as follows: \$435.4 million for three training programs, \$48.9 million for labor market information, and \$5.8 million to develop capacity for training programs. Grantees have reported expending \$162.8 million (33 percent) of the amounts awarded, with about 73 percent of the grant time having elapsed. As of June 30, 2011, \$327.3 million remained unexpended. Moreover, the rate of training grant expenditures for the most recent period has decreased.

ETA and grantees have reported achieving limited performance targets for serving and placing workers. Grantees have reported serving 52,762 (42 percent) of the targeted 124,893 participants with 61 percent of training grant periods having elapsed and have reported placing 8,035 participants (10 percent) into employment out of the target of 79,854 participants. The rates at which grantees are achieving their performance goals have been increasing. However, with 61 percent of the training grant periods elapsed and only 10 percent of participants entered employment, there is no evidence that grantees will effectively use the funds and deliver targeted employment outcomes by the end of the grant periods.

WHAT OIG RECOMMENDED

We recommend that the Assistant Secretary for Employment and Training evaluate the Green Jobs program; and in so doing, obtain an estimate of funds each grantee will realistically spend given the current demand for green job-related skills and the job market for green jobs. Any of the remaining \$327.3 million of funds determined not to be needed should be recouped as soon as practicable and to the extent permitted by law so they can be available for other purposes.

In response to the draft report, the Assistant Secretary for Employment and Training disagreed with OIG's conclusion and expects performance to significantly increase. ETA's intention is that all funds will be expended by September 30, 2013, or reclaimed to the extent permitted by law, as required by OMB.

BRIEFLY...

Highlights of Report Number **03-11-003-03-390**, issued to the Assistant Secretary for Employment and Training.

WHY READ THE REPORT

The Office of Inspector General (OIG) conducted a performance audit of training services provided under the Workforce Investment Act (WIA) Adult and Dislocated Worker programs. The U.S. Department of Labor's (DOL) Employment and Training Administration (ETA) awards more than \$2 billion annually in formula grants to State Workforce Agencies (SWA) to operate the WIA Adult and Dislocated Worker programs.

Training Services is one of the three tiers, or levels, of services provided under WIA. However, the amount of funding spent on each of the service tiers is not available because fund allocation is left to the discretion of the SWAs, and ETA does not collect this information. WIA established a comprehensive performance accountability system to assess the effectiveness of SWAs in achieving continuous improvement of workforce investment activities in order to optimize the return on investment of federal funds. The core indicators of performance are entry into unsubsidized employment; retention in unsubsidized employment 6 months after entry into the employment; and earnings received in unsubsidized employment 6 months after entry into the employment.

WHY OIG CONDUCTED THE AUDIT

The audit objectives were to answer the following questions:

1. Was ETA's comprehensive performance accountability system able to assess the effectiveness of training services provided under the WIA Adult and Dislocated Worker programs?
2. What were the results of the training services provided under these programs, and were the training services linked to demand occupations?

READ THE FULL REPORT

To view the report, including the scope, methodology, and full agency response, go to:

<http://www.oig.dol.gov/public/reports/oa/2011/03-11-003-03-390.pdf>.

September 2011

ADDITIONAL INFORMATION NEEDED TO MEASURE THE EFFECTIVENESS AND RETURN ON INVESTMENT OF TRAINING SERVICES FUNDED UNDER THE WIA ADULT AND DISLOCATED WORKER PROGRAMS

WHAT OIG FOUND

WIA limits ETA's ability to include the results of training services in its WIA performance accountability system. Although the system ETA developed complied with WIA, it did not provide sufficient information on performance results and the cost of training services for which ETA paid. For the 20 SWAs in our audit universe, we estimated that ETA spent about \$307 million on training services to 103,340 exiters during the period April 2008 to March 2009.

Because ETA had limited information on the outcomes and cost of training services, we analyzed a sample of 362 Adult and Dislocated Worker program exiters who received training services. Our analysis showed that in almost every case the exiters received training related to a demand occupation and 86 percent completed their training. Employment outcomes for the sampled exiters showed 85 percent obtained employment after training. Of those who obtained employment, 82 percent were still employed in the second quarter after exiting.

Our analysis also showed that 37 percent of the sampled exiters either did not obtain employment or their employment was unrelated to the training they received. Specifically, almost 13 percent did not obtain employment, and for those who did, almost 24 percent were in jobs not related to their training. Additionally, for another 10 percent of exiters, the SWAs could not provide sufficient evidence to demonstrate whether job placement was training related. We estimated that \$124 million was spent on training participants who did not obtain training-related employment, or there was insufficient information to make that determination.

WHAT OIG RECOMMENDED

The OIG recommended that the ETA Assistant Secretary pursue legislative authority to develop performance measures for training outcomes, and require SWAs to report training costs at the participant level; and to exercise oversight over SWAs to ensure they develop practices to increase the percentage of exiters who find training-related employment.

ETA did not believe the report put the findings in the proper perspective and did not agree with the **recommendations** to pursue legislative authority on performance measures for training outcomes and to collect training costs and funding sources.

BRIEFLY...

Highlights of Report Number **26-11-004-03-370**, issued to the Assistant Secretary, Employment and Training Administration.

WHY READ THE REPORT

The Department of Labor, Employment and Training Administration (ETA), oversees the Office of Job Corps (Job Corps), which administers and manages the Job Corps program. The program's mission is to help at-risk youth become more employable, responsible, and productive citizens.

Prior audit reports and evaluations conducted over the last 15 years cited concerns about the reliability of the metrics covering two key performance areas – job training match, which is used to measure how effectively participants are placed in jobs that match the training they received in Job Corps, and cost efficiency, which is used to measure program costs. Our audit confirmed these long-standing deficiencies persist.

Job Corps' budget for program years (PY) 2009 and 2010 totaled approximately \$3.39 billion (\$1.68 billion for PY 2009 and \$1.71 billion for PY 2010).

WHY OIG CONDUCTED THE AUDIT

We conducted the audit to address the following question:

To what extent does Job Corps have metrics in place to assess the program's performance?

Our scope covered Job Corps' performance metrics and outcomes for PY 2009 and the month of October 2010, and policies, procedures, and processes through March 7, 2011.

READ THE FULL REPORT

To view the report, including the scope, methodology, and full agency response, go to:

<http://www.oig.dol.gov/public/reports/oa/2011/26-11-004-03-370.pdf>.

SEPTEMBER 2011

JOB CORPS NEEDS TO IMPROVE RELIABILITY OF PERFORMANCE METRICS AND RESULTS

WHAT OIG FOUND

Our audit identified deficiencies with 22 of the 58 performance metrics. These deficiencies included reporting inaccurate results (9 metrics); not reporting results and/or establishing targets (4 metrics); and not publicly publishing required results as Job Corps asserted it would in response to our prior work on non-compliance with the Workforce Investment Act of 1998 (WIA) reporting requirements (19 metrics). For example, we found Job Corps overstated 42.3 percent (7,517) of 17,787 job training match placements it reported to comply with WIA for the periods reviewed. These overstatements included 3,226 (18.1 percent) matches where the jobs did not relate or poorly related to the students' training and 3,778 (21.2 percent) matches where students were enrolled in post-secondary education or training rather than jobs. The job training matches also included 1,569 placements in jobs that required little or no previous work-related skills, knowledge, or experience, such as fast food cooks and dishwashers that potentially could have been obtained without Job Corps training. Thus, we believe that if Job Corps improves oversight to better recruit, train, and place these students, an estimated \$61.18 million would be put to better use.

There were also problems with Job Corps' approach for calculating its cost efficiency metric, or cost per participant (\$26,551 for PY 2009). For example, the metric did not effectively measure performance. Additionally, our analysis of available Job Corps data showed alternate cost efficiency metrics, such as cost per student training slot utilized (\$37,880), if all slots are fully utilized) or job placement (\$76,574), could provide decision-makers with more reliable information to measure and manage the program's performance and costs.

WHAT OIG RECOMMENDED

The OIG recommended that ETA require Job Corps review and improve its performance metrics to provide decision-makers with useful and reliable information regarding the program's performance and costs; improve oversight of its service providers to increase the number of students who find employment that relate to and utilize the vocational training received; and develop a process to ensure work contracted for and conducted by consultants is managed appropriately.

The Assistant Secretary for Employment and Training did not completely agree with our conclusions, but fully concurred with one recommendation and partially concurred with two recommendations.

Service Delivery Design Committee Executive Summary

Issue: Currently, 9 state agencies and multiple other entities are responsible for developing Oklahoma's workforce and producing the talent needed to meet the states employers hiring and workforce needs and to support the states business location, retention and expansion efforts.

These entities provide various services to both individuals and employers and are generally represented on the Council. While there has been effective cooperation relating to a framework of workforce development strategy thru a focus on Industry Sector work, skill development based on Career Ready certificate, Certified work ready communities, development of career pathways, career planning and guidance website and other related initiatives there is still a need to incorporate them into a workforce system design and delivery structure.

The elephant in the room remains Oklahoma does not have a systems approach to workforce development. Clients and employers often stumble onto services, and depending on where they enter the system, they get the services that are available from that particular system partner, rather than the comprehensive and seamless services that they should receive in order to best prepare them for careers. And, all too often- they simply fall between the cracks of existing efforts.

In the case of employers, they must call multiple entities for services and again, will generally be offered services based on the ability of the individual they are talking to, and the entity for which that individual may work. There is general frustration from employers and other stakeholders that the system is not working efficiently and effectively. The systems and services currently in place are not quickly and efficiently addressing labor shortage or labor surplus needs.

For Oklahoma to have a truly world class workforce development (talent development system) all of these parts must be working together to provide seamless and comprehensive services and to have an efficient and effective system. This includes the role of each partner and program, the role of the workforce boards and the best way to connect them.

Call to Action:

To address this issue, Oklahoma must listen to employers and other stakeholders, recognize that this is a critical issue and muster the political will to make strong recommendations that will lead to a fully effective system. The Governor and the agency directors who represent the various parts of the system must recognize the short and the long term benefits that having such a comprehensive system would bring to Oklahoma. They must recognize that a systemic approach would create not only a more effective service delivery approach for Oklahoma citizens and business, but a true competitive advantage for Oklahoma's economic development efforts. The directors must look at the system holistically and then to look at where their particular agency and its services fit into the larger vision. Then they must commit to jointly producing the tools and processes needed to implement a workforce system.

To address this issue, and build on the work that has been previously done, the Council appointed an ad hoc committee to address service delivery design. The purpose, definition of the system and the strategic vision for this effort are:

Purpose:

- Investigate the best way to serve workforce customers.
- What would an efficacious workforce system look like?
- Recommend process to improve the efficiency of the way the workforce system does business in OK for job seekers and employers

Workforce System

- The interaction of education, workforce and economic development
- Includes organizations and entities that help OK Citizens to obtain appropriate skills and credentials that will support business location, business expansion and business retention efforts.

Workforce System Development in Oklahoma

Summary of Council ad hoc/ game changer planning efforts in conjunction with Governor's request

Overarching Issue: Workforce/ Talent Development is complex and convoluted. There are many players with sometimes competing agendas. **But, at the end of the day, we need talent that meets Oklahoma employer skill/ credential needs now and into the future.**

Overarching theme/ Goals:

- Oklahoma employers can expect that graduates of Oklahoma education/ training programs have the skills and credentials they need and are work ready.
- Oklahoma will be able to supply the workforce needed by current and future Oklahoma employers.

Top 2 Game changer statements from Council strategic planning work and polling results

- Improve the outcome of Oklahoma skill development systems through the use of on-line tools and data bases that will improve efficiency and measure effectiveness.
- Deepen public/private partnerships to improve the match between employer-demanded skills and the skills of job applicants through the use of Career Pathways and Career Readiness Certificates.
 - *A common thread exist between these initiatives and the Executive committee agreed that they need to be combined for long term benefits. Combined statements would include:*
 - *Better utilize on-line tools to improve the match between employer-demanded skills and the skills of job applicants.*
 - *Improve the outcome of Oklahoma skill development systems through the use of on-line tools and data bases that will deepen public/private partnerships to improve the match between employer-demanded skills and the skills of job applicants utilizing Career Pathways and Career Readiness Certificates.*

Strategies for moving these goals & game changer ideas forward:

- **Develop common outcomes:** Joint planning/ development of a business plan that includes outcomes and metrics that all partners play a part in meeting- for the good of the state of Oklahoma's business retention, expansion and attraction efforts: **Examples:**
 - What is Work Ready? Common definition and metric
 - More direct & systemic involvement by employers in P-20- Adult/ education and training issues and in establishing desired outcomes.
 - % increase in employer validated credentials and degrees obtained
- **Implement/ expand on-line/ virtual systems and processes:** in order to provide efficient and effective service delivery, and to link and leverage various programs, we MUST have common virtual tools **and** a linked longitudinal data system. This includes a portal that will provide a single access to talent and services available to employers **and** a "data base" or some process that will more readily provide information, including real time information, on talent supply and demand.
- **Develop and implement career pathways:** Career Pathways is an organizing process that can link employer validated credential & degree needs to the education and training supply chain. This would involve public/ private regional partnerships between employers and service providers. This will ensure that the workforce pipeline will support business retention and attraction.
- **Re-invent workforce investment boards and one-stop career centers:** Defining their role, enhancing their efforts to engage employers by sector within regions. Involving all system partners and creating WIN-WIN & value added regional planning and service delivery system. Workforce boards include a majority of employer members. If properly constituted and functioning, these employers can provide a great foundation for regional partnerships. Certified one-stops will ensure that a standard of service exist and partners are connected within a region in order to provide coordinated service delivery.

Service Delivery Design Committee Executive Summary

Issue: Currently, 9 state agencies and multiple other entities are responsible for developing Oklahoma's workforce and producing the talent needed to meet the states employers hiring and workforce needs and to support the states business location, retention and expansion efforts.

These entities provide various services to both individuals and employers and are generally represented on the Council. While there has been effective cooperation relating to a framework of workforce development strategy thru a focus on Industry Sector work, skill development based on Career Ready certificate, Certified work ready communities, development of career pathways, career planning and guidance website and other related initiatives there is still a need to incorporate them into a workforce system design and delivery structure.

The elephant in the room remains Oklahoma does not have a systems approach to workforce development. Clients and employers often stumble onto services, and depending on where they enter the system, they get the services that are available from that particular system partner, rather than the comprehensive and seamless services that they should receive in order to best prepare them for careers. And, all too often- they simply fall between the cracks of existing efforts.

In the case of employers, they must call multiple entities for services and again, will generally be offered services based on the ability of the individual they are talking to, and the entity for which that individual may work. There is general frustration from employers and other stakeholders that the system is not working efficiently and effectively. The systems and services currently in place are not quickly and efficiently addressing labor shortage or labor surplus needs.

For Oklahoma to have a truly world class workforce development (talent development system) all of these parts must be working together to provide seamless and comprehensive services and to have an efficient and effective system. This includes the role of each partner and program, the role of the workforce boards and the best way to connect them.

Call to Action:

To address this issue, Oklahoma must listen to employers and other stakeholders, recognize that this is a critical issue and muster the political will to make strong recommendations that will lead to a fully effective system. The Governor and the agency directors who represent the various parts of the system must recognize the short and the long term benefits that having such a comprehensive system would bring to Oklahoma. They must recognize that a systemic approach would create not only a more effective service delivery approach for Oklahoma citizens and business, but a true competitive advantage for Oklahoma's economic development efforts. The directors must look at the system holistically and then to look at where their particular agency and its services fit into the larger vision. Then they must commit to jointly producing the tools and processes needed to implement a workforce system.

To address this issue, and build on the work that has been previously done, the Council appointed an ad hoc committee to address service delivery design. The purpose, definition of the system and the strategic vision for this effort are:

Purpose:

- Investigate the best way to serve workforce customers.
- What would an efficacious workforce system look like?
- Recommend process to improve the efficiency of the way the workforce system does business in OK for job seekers and employers

Workforce System

- The interaction of education, workforce and economic development
- Includes organizations and entities that help OK Citizens to obtain appropriate skills and credentials that will support business location, business expansion and business retention efforts.