

FY 2016

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

TAA Community College and Career Training Grant Fund

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**TAA COMMUNITY COLLEGE AND CAREER TRAINING GRANT
FUND**

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EXPLANATION OF LANGUAGE CHANGE

Not applicable.

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ANALYSIS OF APPROPRIATION LANGUAGE

Not applicable.

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AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	2014		2015		2016	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	\$500,000	0	\$0	0	\$0
Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.	0	-\$36,000	0	\$0	0	\$0
Appropriation, Revised	0	\$464,000	0	\$0	0	\$0
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$464,000</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
Offsetting Collections From:						
Advances	0	\$0	0	\$0	0	\$0
<i>Subtotal Offsetting Collections From:</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
B. Gross Budget Authority	0	\$464,000	0	\$0	0	\$0
Offsetting Collections						
Advances	0	\$0	0	\$0	0	\$0
<i>Subtotal Offsetting Collections</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
C. Budget Authority Before Committee	0	\$464,000	0	\$0	0	\$0
Legislative Proposal	0	\$0	0	\$0	0	\$0
Offsetting Collections From:						
Advances	0	\$0	0	\$0	0	\$0
<i>Subtotal Budget Authority</i>	<i>0</i>	<i>\$464,000</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
D. Total Budgetary Resources	0	\$464,000	0	\$0	0	\$0
Unobligated Balance Expiring	0	-\$6	0	\$0	0	\$0
E. Total, Estimated Obligations	0	\$463,994	0	\$0	0	\$0

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SUMMARY OF CHANGES (Dollars in Thousands)

	2015	2016	Net Change					
Budget Authority								
General Funds	\$0	\$0						
Total	\$0	\$0						
Full Time Equivalents								
General Funds	0	0						
Total	0	0						
FY 2016 Change								
Explanation of Change	FY 2015 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Grants, subsidies, and contributions	0	\$0	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Increase	0	\$0	0	\$0	0	\$0	0	\$0
Decreases:								
A. Built-Ins:								
To Provide For:								
Built-Ins Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Decrease	0	\$0	0	\$0	0	\$0	0	\$0
Total Change	0	\$0	0	\$0	0	\$0	0	\$0

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SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	2014 ¹		2015		2016		Diff. 2016 / 2015	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
TAA Community College and Career Training Grant Fund	0	464,000	0	0	0	0	0	0
General Funds	0	464,000	0	0	0	0	0	0
Total	0	464,000	0	0	0	0	0	0
General Funds	0	464,000	0	0	0	0	0	0

¹Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

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BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		2014¹	2015	2016	Diff. 2016 / 2015
	Full-Time Equivalent				
	Total	0	0	0	0
41.0	Grants, subsidies, and contributions	464,000	0	0	0
	Total	464,000	0	0	0

¹ Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

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SIGNIFICANT ITEMS IN APPROPRIATIONS COMMITTEES' REPORTS

Not applicable.

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APPROPRIATION HISTORY (Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2006					
2007					
2008					
2009					
2010					
2011					
Base Appropriation...1/	\$500,000	\$0	\$0	\$500,000	0
2012					
Base Appropriation...1/	\$500,000	\$0	\$0	\$500,000	0
2013					
Base Appropriation...1/2/	\$474,500	\$0	\$0	\$474,500	0
2014					
Base Appropriation...1/2/	\$464,000	\$0	\$0	\$464,000	0
2015					
2016					

1/ These funds were a mandatory appropriation in the Health Care and Education Affordability Reconciliation Act of 2010 for FY 2011- FY 2014.

2/ Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	2014 ¹	2015	2016	Diff. 2016 / 2015
Activity Appropriation	464,000	0	0	0
FTE	0	0	0	0

Introduction

The Trade Adjustment Assistance Community College and Career Training (TAACCCT) grant program is authorized by the Trade Act of 1974 under Chapter 4 of Title II. It is funded through a mandatory appropriation in the Health Care and Education Reconciliation Act of 2010 (P.L. 111-152), which provided \$500,000,000 annually in each of Fiscal Years (FY) 2011–2014 for competitive grants to eligible institutions of higher education in each state, the District of Columbia, and Puerto Rico.

The TAACCCT grant program is playing a critical role in enhancing the capacity of institutions of higher education across the country to provide effective education and training programs designed to improve employment outcomes for trade-displaced workers, and that will benefit other workers as well. These programs are developed and enhanced based on the needs of employers in regional economies, ensuring that programs are directly relevant to the jobs employers need to fill. With funding that was authorized for TAACCCT for FY 2011 – FY 2014, the Department is making significant progress in helping hundreds of institutions build their capacity, but the initial TAACCCT authorization will enable the Department to impact only a small portion of programs offered by community colleges and related institutions that enhance the skills of American workers.

TAACCCT addresses the college graduation goals set by the Administration and the need to increase the number of workers who attain degrees, certificates, and other industry-recognized credentials. In an increasingly competitive global economy, America’s economic strength depends upon the education and skills of its workers. The most recent data available from the Bureau of Labor Statistics (BLS) indicate that from 2012 to 2022, occupations that usually require a post-secondary certificate or associate’s degree are projected to account for nearly 44 percent of all job growth and over one third of total job openings².

¹ Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

² Employment Projections: 2012-2022 Summary, <http://www.bls.gov/news.release/ecopro.nr0.htm>

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Community colleges are significant and rapidly growing contributors to the nation's higher education system, enrolling nearly 8 million students each year in for-credit programs, and roughly 45 percent of all undergraduate post-secondary students.³

By enabling colleges and other institutions to offer education and training programs that lead to industry-recognized credentials, the TAACCCT grants help address skills mismatches in regional economies, thus increasing employment opportunities for workers and growth opportunities for employers. TAACCCT grantees create tailored education and training programs to meet employers' workforce needs and give students the skills required to obtain good jobs, earn family-sustaining wages, and advance along a career pathway. These grants allow community colleges and other eligible institutions of higher education to expand and improve education and training programs that can be completed in two years or less, result in skills and credentials necessary for high-wage, in-demand jobs, and are suited for workers who are eligible for training under the Trade Adjustment Assistance (TAA) for Workers program.

The TAACCCT grant program, implemented in coordination with the Department of Education, is one of several Federal grant programs that place a strong emphasis on evidence-based project design in their selection criteria. TAACCCT grants are awarded to eligible institutions that establish an evidence-based framework for design of program strategies, continuously monitor and improve the outcomes of their strategies, and participate in rigorous evaluations that measure long-term program impacts. TAACCCT grants also require the development of innovative methods for online and technology-enabled learning and knowledge sharing. Finally, TAACCCT requires collaborations between grantees and key stakeholders such as local employers, the workforce system, and other community organizations in order to coordinate services, reach out to potential students, and ease their transition into the workforce. These partnerships are especially important to provide comprehensive outreach and services for TAA-eligible workers. In addition, collaboration with employers is essential to ensure that curricula developed meet industry needs, result in industry-recognized credentials, and improve the employment prospects of program graduates.

In order for the Department to monitor the progress of the projects funded through TAACCCT, all TAACCCT grantees are required to submit quarterly and annual program reports. Each grantee must submit a Quarterly Narrative Progress Report containing updates on grant activities such as capacity building, best practices, and key challenges and issues, as well as Quarterly Financial Reports. In addition, first-round grantees report quarterly on the progress and implementation measures specified in their statements of work. Each grantee must also submit an Annual Performance Report that reflects the longer-term outcomes of program participants and a comparison cohort.

³ 2014 Fact Sheet, American Association of Community Colleges,
<http://www.aacc.nche.edu/AboutCC/Pages/fastfactsfactsheet.aspx>

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Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2011	\$500,000	0
2012	\$500,000	0
2013 ⁴	\$474,500	0
2014 ⁴	\$464,000	0
2015	\$0	0

⁴ Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

Funding Mechanism

Funds are awarded competitively through Solicitations for Grant Application (SGAs). The Health Care and Education Affordability Reconciliation Act of 2010 included a requirement that every state, as well as the District of Columbia and the Commonwealth of Puerto Rico, receive no less than 0.5 percent of the amount of funds appropriated for grant awards, with grants awarded to eligible institutions in those jurisdictions. Eligible institutions are institutions of higher education as defined in Section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002) which offer programs that can be completed in not more than two years. They include public, proprietary, or other nonprofit educational institutions.

FY 2015 and 2016

The TAACCCT grant program ended in FY 2014. The Department is not requesting funding for TAACCCT grant program in FY 2016. In FY 2016, the Department will build on the lessons learned from this program and support continued leadership of the community college and the partnerships created through TAACCCT with the proposed Community College Program and other budgetary proposals.

FY 2014

The Department updated, improved, and adjusted the fourth round TAACCCT grant competition, taking place in FY 2014, based on experience gained during the first-, second-, and third-round grant competitions, which occurred in FY 2011, 2012, and 2013, respectively. Awards for the fourth-round competition were made by September 30, 2014.

In addition, the 2014 appropriation included legislative language authorizing the Secretary of Labor to reserve no more than three percent of the funds that have been appropriated to carry out the TAACCCT program for the purposes of program evaluation and technical assistance. This set-aside will allow the Department to more rigorously evaluate funded projects to build knowledge about strategies that help students to complete training and obtain good jobs. The appropriation also included new language to extend sub-grant authority to TAACCCT grantees,

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which will benefit the program by enabling lead grantees to more easily partner with other colleges in consortium grants.

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DETAILED WORKLOAD AND PERFORMANCE¹					
		2014²		2015	2016
		Target	Result	Target	Target
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Strategic Goal 1 - Prepare workers for better jobs					
Strategic Objective 1.2 - Provide marketable skills and knowledge to increase workers' incomes and help them overcome barriers to the middle class through partnerships among business, education, labor, community organizations, and the workforce system					
Total Participants that Attain Industry-Recognized Credential		85,943(e)	79,321(e)	N/A	N/A
Total Completed Training		86,370 (e)	48,968(e)	N/A	N/A
Total Participants		149,996(e)	163,703(e)	N/A	N/A
ETA- TAACCCT-01	Number of Participants Enrolled in Training (Trade Adjustment Assistance Community College and Career Training)	149,996(e)	163,703(e)	N/A	N/A
Six Months Average Earnings		--	--	N/A	N/A
Strategic Goal 4 - Secure retirement, health, and other employee benefits and, for those not working, provide income security					
Strategic Objective 4.1 - Provide income support when work is impossible or unavailable and facilitate return to work					

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

¹ Among the rounds for which data has been received so far (Rounds 1, 2 and 3), targets were only provided by Rounds 2 and 3.

² Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

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Workload Narrative

The first TAACCCT Solicitation for Grant Applications was released on January 20, 2011 and grants were awarded in September 2011. This SGA outlined a series of participant characteristics, progress measures, and performance outcomes that would be collected quarterly by the Department and at the close of each year during the period of performance for grants awarded under this first-round solicitation. This data is used by the Department and grantees to continuously monitor and improve program performance. ETA used a similar approach in subsequent solicitations. Data from activities which occurred during FY 2012 and FY 2013 for grants awarded in this first round are provided in the table above.

FY 2012 was the first year of the period of performance for grants awarded under the first-round SGA. Institutions focused on building capacity and completing start-up activities, such as building technological infrastructure necessary to meet reporting requirements, hiring and training staff, and initiating necessary procurement actions. Institutions also focused on expanding and improving their educational infrastructure by redesigning and developing new academic programs, creating innovative technological learning components, and solidifying critical partnerships between their institutions and the public workforce system, employers, and community organizations.

Due to the importance of such critical capacity-building activities, it was not anticipated that there would be a large number of students enrolled in programs during the first year of these grants. However, some grantees did begin to offer new courses during FY 2012 and a total of 17,741 individual participants enrolled in these new or redesigned programs. These participants completed a combined total of 66,833 credit hours and have earned 1,199 credentials (less than one year in length). Since most participants in the FY 2011 first-round grantees' programs began training in FY 2013 or later, most of those participants have not yet had time to complete their training. Thus, the FY 2012 and FY 2013 levels of performance are consistent with the capacity-building focus of the grant program and the start-up activities that grantees must complete during the first year of their grants. The Department anticipates that participant outcomes will increase significantly in subsequent years as more participants enter and complete training.

The second-round TAACCCT SGA was released in February 2012, and grants were awarded in September 2012. As with the first-round, the second-round SGA outlined required reporting elements that would be collected by the Department quarterly and at the close of each year during the period of performance. There was no activity on these grants in FY 2012 and data from activities which occurred during the first year of the period of performance became available at the close of FY 2013. The second-round grantees focused on capacity building activities during FY 2013, the first year of their grant period. Results for these grants are also included in the FY 2013 results in the chart above.

In the long-term, these TAACCCT-funded capacity building projects will lead to improvements in the quality and effectiveness of education and training programs provided to trade-impacted workers and other job seekers. In each round, grantees track participant outcomes annually for all TAACCCT grant participants, including the numbers and rates of participants completing

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training, entering employment, retaining employment, and earning certificates and degrees including industry-recognized credentials. The data in the table above provide the outcomes produced by grantees in the first and second round.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		2014¹	2015	2016	Diff. 2016/ 2015
41.0	Grants, subsidies, and contributions	464,000	0	0	0
	Total	464,000	0	0	0

¹ Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

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CHANGES IN FY 2016
(Dollars in Thousands)

Activity Changes		
Built-In		
To Provide For:		
Grants, subsidies, and contributions		\$0
Built-Ins Subtotal		\$0
Net Program		\$0
Direct FTE		0
	Estimate	FTE
Base	\$0	0
Program Increase	\$0	0
Program Decrease	\$0	0