# FY 2017

# CONGRESSIONAL BUDGET JUSTIFICATION

# EMPLOYMENT AND TRAINING ADMINISTRATION

## Program Administration

This page is intentionally left blank.

# PROGRAM ADMINISTRATION

## TABLE OF CONTENTS

This page is intentionally left blank.

# PROGRAM ADMINISTRATION

## APPROPRIATION LANGUAGE

For expenses of administering employment and training programs, [$104,577,000] *$128,311,000*, together with not to exceed [$49,982,000] *$52,515,000* which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund. *(Department of Labor Appropriations Act, 2016.)*

# PROGRAM ADMINISTRATION

| AMOUNTS AVAILABLE FOR OBLIGATION<br>(Dollars in Thousands) | | | | | | |
|---|---|---|---|---|---|---|
| | FY 2015<br>Enacted | | FY 2016<br>Enacted | | FY 2017<br>Request | |
| | FTE | Amount | FTE | Amount | FTE | Amount |
| | | | | | | |
| **A. Appropriation** | **496** | **$104,577** | **495** | **$104,577** | **551** | **$128,311** |
| *Subtotal Appropriation* | *496* | *$104,577* | *495* | *$104,577* | *551* | *$128,311* |
| Offsetting Collections From: | | | | | | |
| Reimbursements | 6 | $2,011 | 19 | $3,778 | 26 | $3,778 |
| Trust Funds | 269 | $49,982 | 255 | $49,982 | 261 | $52,515 |
| *Subtotal Offsetting Collections* | *275* | *$51,993* | *274* | *$53,760* | *287* | *$56,293* |
| | | | | | | |
| **B. Gross Budget Authority** | **771** | **$156,570** | **769** | **$158,337** | **838** | **$184,604** |
| Offsetting Collections: | | | | | | |
| Reimbursements | -6 | -$2,011 | -19 | -$3,778 | -26 | -$3,778 |
| *Subtotal Deduction* | *-6* | *-$2,011* | *-19* | *-$3,778* | *-26* | *-$3,778* |
| | | | | | | |
| **C. Budget Authority Before Committee** | **765** | **$154,559** | **750** | **$154,559** | **812** | **$180,826** |
| Offsetting Collections From: | | | | | | |
| Reimbursements | 6 | $2,011 | 19 | $3,778 | 26 | $3,778 |
| *Subtotal Offsetting Collections* | *6* | *$2,011* | *19* | *$3,778* | *26* | *$3,778* |
| | | | | | | |
| **D. Total Budgetary Resources** | **771** | **$156,570** | **769** | **$158,337** | **838** | **$184,604** |
| Other Unobligated Balances | 0 | $0 | 0 | $0 | 0 | $0 |
| IT Consolidation | -8 | $0 | 0 | $0 | 0 | $0 |
| Unobligated Balance Expiring | -26 | -$325 | 0 | $0 | 0 | $0 |
| | | | | | | |
| **E. Total, Estimated Obligations** | **737** | **$156,245** | **769** | **$158,337** | **838** | **$184,604** |

# PROGRAM ADMINISTRATION

## SUMMARY OF CHANGES
(Dollars in Thousands)

| | FY 2016 Enacted | FY 2017 Request | Net Change |
|---|---|---|---|
| **Budget Authority** | | | |
| General Funds | $104,577 | $128,311 | +$23,734 |
| Trust Funds | $49,982 | $52,515 | +$2,533 |
| Total | $154,559 | $180,826 | +$26,267 |
| | | | |
| **Full Time Equivalents** | | | |
| General Funds | 495 | 551 | 56 |
| Trust Funds | 255 | 261 | 6 |
| Total | 750 | 812 | 62 |

| | | | FY 2017 Change | | | | | |
|---|---|---|---|---|---|---|---|---|
| Explanation of Change | FY 2016 Base | | Trust Funds | | General Funds | | Total | |
| | FTE | Amount | FTE | Amount | FTE | Amount | FTE | Amount |
| **Increases:** | | | | | | | | |
| | | | | | | | | |
| **A.  Built-Ins:** | | | | | | | | |
| To Provide For: | | | | | | | | |
| Costs of pay adjustments | 750 | $75,449 | 0 | $0 | 0 | $1,353 | 0 | $1,353 |
| Personnel benefits | 0 | $21,792 | 0 | $0 | 0 | $308 | 0 | $308 |
| Two days less of Pay | 0 | $0 | 0 | $0 | 0 | $0 | 0 | $0 |
| Federal Employees' Compensation Act (FECA) | 0 | $477 | 0 | $0 | 0 | $171 | 0 | $171 |
| Benefits for former personnel | 0 | $12 | 0 | $0 | 0 | $0 | 0 | $0 |
| Travel and transportation of persons | 0 | $1,983 | 0 | $0 | 0 | $0 | 0 | $0 |
| Transportation of things | 0 | $0 | 0 | $0 | 0 | $0 | 0 | $0 |
| Rental payments to GSA | 0 | $9,094 | 0 | $0 | 0 | $642 | 0 | $642 |
| Rental payments to others | 0 | $4 | 0 | $0 | 0 | $0 | 0 | $0 |
| Communications, utilities, and miscellaneous charges | 0 | $920 | 0 | $0 | 0 | $0 | 0 | $0 |
| Printing and reproduction | 0 | $420 | 0 | $0 | 0 | $0 | 0 | $0 |
| Advisory and assistance services | 0 | $1,951 | 0 | $0 | 0 | $0 | 0 | $0 |
| Other services from non-Federal sources | 0 | $1,826 | 0 | $0 | 0 | $0 | 0 | $0 |
| Working Capital Fund | 0 | $18,743 | 0 | $0 | 0 | $1,668 | 0 | $1,668 |
| Other Federal sources (Census Bureau) | 0 | $0 | 0 | $0 | 0 | $0 | 0 | $0 |
| Other Federal sources (DHS Charges) | 0 | $532 | 0 | $0 | 0 | $0 | 0 | $0 |
| Other goods and services from Federal sources | 0 | $680 | 0 | $0 | 0 | $0 | 0 | $0 |
| Research & Development Contracts | 0 | $0 | 0 | $0 | 0 | $0 | 0 | $0 |
| Operation and maintenance of facilities | 0 | $150 | 0 | $0 | 0 | $0 | 0 | $0 |

# PROGRAM ADMINISTRATION

| Explanation of Change | FY 2016 Base | | FY 2017 Change | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | Trust Funds | | General Funds | | Total | |
| | FTE | Amount | FTE | Amount | FTE | Amount | FTE | Amount |
| Operation and maintenance of equipment | 0 | $19,993 | 0 | $0 | 0 | $0 | 0 | $0 |
| Supplies and materials | 0 | $120 | 0 | $0 | 0 | $0 | 0 | $0 |
| Equipment | 0 | $388 | 0 | $0 | 0 | $0 | 0 | $0 |
| Insurance claims and indemnities | 0 | $25 | 0 | $0 | 0 | $0 | 0 | $0 |
| **Built-Ins Subtotal** | **750** | **+$154,559** | **0** | **$0** | **0** | **+$4,142** | **0** | **+$4,142** |
| **B. Programs:** | | | | | | | | |
| WIOA Implementation Support | 0 | $0 | 6 | $727 | 39 | $5,200 | 45 | $5,927 |
| Integrated Performance Reporting System | 0 | $0 | 0 | $680 | 0 | $4,559 | 0 | $5,239 |
| Apprenticeship Operations Support | 0 | $0 | 0 | $0 | 10 | $3,616 | 10 | $3,616 |
| E-Grants Modernization | 0 | $0 | 0 | $353 | 0 | $2,684 | 0 | $3,037 |
| Restoration of Inflationary Built-ins Not Provided in FY 2016 Omnibus | 0 | $0 | 0 | $166 | 0 | $2,101 | 0 | $2,267 |
| Place Based Initiative | 0 | $0 | 0 | $607 | 7 | $1,042 | 7 | $1,649 |
| Apprenticeship IT Modernization | 0 | $0 | 0 | $0 | 0 | $1,160 | 0 | $1,160 |
| **Programs Subtotal** | | | **6** | **+$2,533** | **56** | **+$20,362** | **62** | **+$22,895** |
| **Total Increase** | **750** | **+$154,559** | **6** | **+$2,533** | **56** | **+$24,504** | **62** | **+$27,037** |
| **Decreases:** | | | | | | | | |
| **A. Built-Ins:** | | | | | | | | |
| To Provide For: | | | | | | | | |
| Two days less of Pay | 0 | $0 | 0 | $0 | 0 | -$770 | 0 | -$770 |
| **Built-Ins Subtotal** | **0** | **$0** | **0** | **$0** | **0** | **-$770** | **0** | **-$770** |
| **B. Programs:** | | | | | | | | |
| **Programs Subtotal** | | | **0** | **$0** | **0** | **$0** | **0** | **$0** |
| **Total Decrease** | **0** | **$0** | **0** | **$0** | **0** | **-$770** | **0** | **-$770** |
| **Total Change** | **750** | **+$154,559** | **6** | **+$2,533** | **56** | **+$23,734** | **62** | **+$26,267** |

# PROGRAM ADMINISTRATION

| SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| (Dollars in Thousands) | | | | | | | | |
| | FY 2015 Enacted | | FY 2016 Enacted | | FY 2017 Request | | Diff. FY17 Request / FY16 Enacted | |
| | FTE | Amount | FTE | Amount | FTE | Amount | FTE | Amount |
| **Training and Employment** | **332** | **68,713** | **332** | **68,713** | **384** | **86,946** | **52** | **18,233** |
| General Funds | 290 | 60,074 | 290 | 60,074 | 336 | 76,331 | 46 | 16,257 |
| Unemployment Trust Funds | 42 | 8,639 | 42 | 8,639 | 48 | 10,615 | 6 | 1,976 |
| | | | | | | | | |
| **Workforce Security** | **208** | **42,733** | **217** | **42,733** | **217** | **43,461** | **0** | **728** |
| General Funds | 12 | 3,469 | 15 | 3,469 | 15 | 3,640 | 0 | 171 |
| Unemployment Trust Funds | 196 | 39,264 | 202 | 39,264 | 202 | 39,821 | 0 | 557 |
| | | | | | | | | |
| **Apprenticeship** | **149** | **34,000** | **154** | **34,000** | **164** | **40,089** | **10** | **6,089** |
| General Funds | 149 | 34,000 | 154 | 34,000 | 164 | 40,089 | 10 | 6,089 |
| | | | | | | | | |
| **Executive Direction** | **42** | **9,113** | **47** | **9,113** | **47** | **10,330** | **0** | **1,217** |
| General Funds | 33 | 7,034 | 36 | 7,034 | 36 | 8,251 | 0 | 1,217 |
| Unemployment Trust Funds | 9 | 2,079 | 11 | 2,079 | 11 | 2,079 | 0 | 0 |
| | | | | | | | | |
| **Total** | **731** | **154,559** | **750** | **154,559** | **812** | **180,826** | **62** | **26,267** |
| **General Funds** | **484** | **104,577** | **495** | **104,577** | **551** | **128,311** | **56** | **23,734** |
| **Unemployment Trust Funds** | **247** | **49,982** | **255** | **49,982** | **261** | **52,515** | **6** | **2,533** |

NOTE: 2015 reflects actual FTE.

# PROGRAM ADMINISTRATION

## BUDGET AUTHORITY BY OBJECT CLASS
### (Dollars in Thousands)

| | | FY 2015 Enacted | FY 2016 Enacted | FY 2017 Request | Diff. FY17 Request / FY16 Enacted |
|---|---|---|---|---|---|
| | Full-Time Equivalent | | | | |
| | Full-time Permanent | 731 | 750 | 812 | 62 |
| | Reimbursable | 6 | 19 | 26 | 7 |
| | Total | 737 | 769 | 838 | 69 |
| | Average ES Salary | $163,050 | $164,680 | $166,325 | $1,645 |
| | Average GM/GS Grade | 13 | 13 | 13 | 0 |
| | Average GM/GS Salary | $103,850 | $104,888 | $105,200 | $312 |
| | | | | | |
| 11.1 | Full-time permanent | 76,711 | 73,547 | 76,539 | 2,992 |
| 11.3 | Other than full-time permanent | 1,089 | 1,089 | 5,441 | 4,352 |
| 11.5 | Other personnel compensation | 1,003 | 813 | 847 | 34 |
| 11.8 | Special personal services payments | 0 | 0 | 0 | 0 |
| 11.9 | Total personnel compensation | 78,803 | 75,449 | 82,827 | 7,378 |
| 12.1 | Civilian personnel benefits | 23,804 | 22,269 | 23,968 | 1,699 |
| 13.0 | Benefits for former personnel | 45 | 12 | 12 | 0 |
| 21.0 | Travel and transportation of persons | 1,741 | 1,983 | 2,628 | 645 |
| 22.0 | Transportation of things | 0 | 0 | 0 | 0 |
| 23.0 | Rent, Communications, and Utilities | 0 | 0 | 0 | 0 |
| 23.1 | Rental payments to GSA | 8,936 | 9,094 | 9,736 | 642 |
| 23.2 | Rental payments to others | 5 | 4 | 4 | 0 |
| 23.3 | Communications, utilities, and miscellaneous charges | 887 | 920 | 1,356 | 436 |
| 24.0 | Printing and reproduction | 420 | 420 | 465 | 45 |
| 25.1 | Advisory and assistance services | 4,294 | 1,951 | 1,951 | 0 |
| 25.2 | Other services from non-Federal sources | 1,296 | 1,826 | 5,624 | 3,798 |
| 25.3 | Other goods and services from Federal sources 1/ | 20,327 | 19,955 | 21,623 | 1,668 |
| 25.4 | Operation and maintenance of facilities | 600 | 150 | 150 | 0 |
| 25.5 | Research and development contracts | 0 | 0 | 0 | 0 |
| 25.7 | Operation and maintenance of equipment | 12,572 | 19,993 | 29,729 | 9,736 |
| 26.0 | Supplies and materials | 304 | 120 | 170 | 50 |
| 31.0 | Equipment | 500 | 388 | 558 | 170 |
| 42.0 | Insurance claims and indemnities | 25 | 25 | 25 | 0 |
| | **Total** | **154,559** | **154,559** | **180,826** | **26,267** |
| | | | | | |
| 1/Other goods and services from Federal sources | | | | | |
| | Working Capital Fund | 18,743 | 18,743 | 20,411 | 1,668 |
| | DHS Services | 532 | 532 | 532 | 0 |

# PROGRAM ADMINISTRATION

| APPROPRIATION HISTORY (Dollars in Thousands) | | | | | |
|---|---|---|---|---|---|
| | **Budget Estimates to Congress** | **House Allowance** | **Senate Allowance** | **Appropriations** | **FTE** |
| 2007 | | | | | |
| Base Appropriation | $211,554 | $199,708 | $199,708 | $171,130 | 972 |
| 2008 | | | | | |
| Base Appropriation...1/2/ | $216,162 | $170,500 | $185,505 | $172,323 | 896 |
| 2009 | | | | | |
| Base Appropriation...3/ | $144,012 | | $131,153 | $130,463 | 766 |
| 2010 | | | | | |
| Base Appropriation | $147,906 | $146,406 | $148,906 | $147,656 | 774 |
| 2011 | | | | | |
| Base Appropriation...4/ | $162,042 | | | $147,360 | 774 |
| 2012 | | | | | |
| Base Appropriation...5/ | $159,882 | | | $147,081 | 784 |
| 2013 | | | | | |
| Base Appropriation...6/ | $147,613 | | | $139,388 | 766 |
| 2014 | | | | | |
| Base Appropriation | $149,617 | | | $150,559 | 758 |
| 2015 | | | | | |
| Base Appropriation | $155,563 | | | $154,559 | 765 |
| 2016 | | | | | |
| Base Appropriation | $176,564 | $158,368 | $144,017 | $154,559 | 750 |
| 2017 | | | | | |
| Base Appropriation | $180,826 | | | | 812 |

1/ Reflects a 1.747% rescission.

2/ Includes Foreign Labor Certification ($ 41,487).

3/ FTE numbers are ceilings.

4/ Reflects a 0.2% across-the-board rescission pursuant to P.L. 112-10.

5/ Reflects a 0.189% across-the-board rescission pursuant to P.L. 112-74.

6/Reflects a 0.2% across the board rescission pursuant to P.L. 113-6 and the sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985.

# PROGRAM ADMINISTRATION

## Overview

The Program Administration (PA) appropriation provides for the Federal administration of most Employment and Training Administration (ETA) programs.  The FY 2017 request is $180,826,000 and 812 FTE.  This is an increase of $26,267,000 and 62 FTE from FY 2016. Included in the FY 2017 request are increases for modernization of the E-Grants and Apprenticeship IT systems; $3,616,000 and 10 FTE for Apprenticeship program operations support; funding for an integrated performance reporting system; 45 term FTE to implement WIOA; and 7 FTE to implement a place-based approach to ETA programs as well as $3,372,000 for built-in increases. Due to inflationary cost increases related to compensation, benefits, and rent, the FY 2016 request included resources for built-ins in these areas. Funding for these costs was not provided for ETA's Program Administration in the FY 2016 appropriations. The FY 2017 request includes resources to cover these personnel and rent costs as a program increase.

Federal staff play a crucial role in ensuring the Department of Labor (Department) achieves the desired outcomes in support of its strategic goals and priority performance measures.  Federal staff provides critical oversight, monitoring, and technical assistance to mitigate any potential risks of fraud and abuse in Federal investments.  Each FTE directly impacts the ability of ETA to provide effective grant management and oversight of Federal investments, mitigate risk of fraud and abuse through activities such as the Unemployment Insurance Integrity Reform, and decrease disallowed costs that divert scarce resources needed to accomplish outcome goals.

In FY 2015, the Office of Personnel Management (OPM) conducted a Human Capital Assessment of the ETA grants making process, which reviewed the workloads and processes surrounding grant making in the Office of Workforce Investment (OWI), the Office of Unemployment Insurance (OUI), the Office of Grants Management (OGM), the Office of Trade Adjustment Assistance (OTAA), the Office of Apprenticeship (OA), the Office of Policy Development and Research (OPDR), the Office of Foreign Labor Certification (OFLC), and all six ETA Regional Offices.  OPM also conducted an overall Human Capital Assessment of the national office, two processing centers and the prevailing wage center for the OFLC. This builds upon the FY 2014 OPM Human Capital Assessment of the Office of Job Corps (OJC), the Office of Contracts Management (OCM), the Office of Financial Administration (OFA), and the Office of Apprenticeship (OA).  The need for these studies arose from an audit by the Office of the Inspector General dated May 31, 2013. As ETA represents over 90% of the DOL budget and those funds primarily represent appropriations for formula and discretionary grant awards, ETA determined it prudent to assess the agency's work in this area to ensure that appropriate and sufficient resources in staff and infrastructure were in place to mitigate risk and properly administer those programs.

OPM is currently conducting an additional Human Capital Assessment of ETA's grant processes, which will include evaluations of the Office of Workforce Investment (OWI), the Office of Grants Management (OGM), the Office of Unemployment Insurance (OUI) and the six ETA regional offices.   ETA will address the OPM findings once available and develop a plan to implement recommendations.

# PROGRAM ADMINISTRATION

The results of OPM's FY 2014 assessments showed the offices studied were an average of 32 percent understaffed to meet their current workload demands.  Further, the structure of the organizations did not keep up with the functional or staffing level changes over time. Also, funding and technology were insufficient to meet the mission of the offices. The FY 2015 assessments found National Office offices involved in grant making were understaffed by an average of 26 percent across the functional areas of grant management and monitoring, grant auditing, technical assistance, grant auditing, and issuing guidance and regulations. Regional offices grant making employees were understaffed by an average of 25 percent.  The assessment also found that regions would benefit in standardizing office structures to lead to possible organizational efficiencies. ETA is currently examining ways to streamline processes and gain efficiencies following suggestions in the reports as well as ensuring that staff are adequately trained and possess the correct skill set to perform in their jobs.

Most programs administered in ETA are a joint Federal-state arrangement, although some are managed directly by ETA.  Of the programs managed directly by ETA, most are based on formula and competitive grants.  ETA is charged with overseeing the workforce system through the administration of various appropriated grant funds.   ETA processes and manages over 4,000 grants for many DOL agencies, including Veterans Employment and Training Service (VETS), International Labor Affairs Bureau (ILAB), Women's Bureau, and the Office of Disability Employment Policy (ODEP).

Federal staff work closely with grantees to maximize program effectiveness, document innovations and disseminate those best practices, document issues and improvements, develop and deliver training curricula on federal policies and priorities, and support the activity of the Department in the field.  Federal staff activities such as these are not fully reflected in the workload and performance numbers for grants.  In FY 2017, the Department is also requesting authority to transfer up to 0.5 percent of program resources for program integrity activities.   In the past few years, limited direct program administration funding has made it difficult for ETA to meet its responsibility for adequate oversight of its programs and taking this small amount from program funding to address the integrity of the programs for users and taxpayers will allow for improved stewardship of those programs.

As of October 1, 2014, the total number of ETA active grants was 2,317 with 2,021 of those assigned to approximately 125 Federal Project Officers (FPOs) in the regions. Currently, the total funding portfolio for all active grants is nearly $29 billion. ETA regional offices monitor grant activity and assess performance progress through a variety of processes which include risk assessments on all new grants, quarterly desk reviews on all grants, and on-site monitoring review or an enhanced desk monitoring review (EDMR) – 26 percent of all active grants are monitored annually both on and off-site.

In addition to administering grants, ETA staff in the national office and six regional offices shape policy and provide guidance and technical assistance to states and grantees.  ETA staff are, for the most part, not engaged in the direct provision of program services; rather, they use a variety of tools to leverage multiple aspects of the workforce system and encourage optimal results for participants.  Indirect support also is allocated to provide for financial, procurement, human resources, and administrative services, as well as IT support to ETA and the Department's Office

of the Chief Information Officer (OCIO).  The standard formula and competitive grants are all aimed at ensuring individuals obtain the necessary skills and training to succeed in a knowledge-based economy and find paths to middle-class jobs.  ETA is responsible to the Secretary, President, Congress, and the American taxpayer for the effective and efficient stewardship of appropriated funds.

The appropriation currently finances staff for leadership, policy direction, the provision of technical assistance to grantees, funds management, and administration of programs under the Workforce Innovation and Opportunity Act (WIOA), the National Apprenticeship Act, the Trade Adjustment Assistance Community College and Career Training (TAACCCT) program under the Health Care and Education Reconciliation Act of 2010, and the Trade Act of 1974. The PA appropriation also finances staff to carry out similar responsibilities for Unemployment Insurance (UI), Employment Service (ES), and Work Opportunity Tax Credits (WOTC). Even as programs expire, staff remain responsible for oversight of grants, both monitoring program activities and financial administration through close-out.

ETA has identified several priority activities for FY 2017, including enhancing the competitiveness of workers, maintaining a strong and viable social safety net, and increasing the number of participants who complete training and acquire an industry recognized credential.  In addition, ETA will maintain small investments in targeted information technology systems to ensure that the critical work of accounting for funds and evaluating performance is not interrupted.

Federal staff in ETA are playing a key role in supporting the implementation of WIOA. Significant portions of WIOA took effect on July 1, 2015 and the Unified and Combined State Plans and Common Performance Accountability provisions will take effect on July 1, 2016. ETA will develop additional operating guidance documents on WIOA to further inform the workforce system on how to fully implement WIOA and to drive adoption of the Administration's vision for greater integration under the statute.  ETA will offer technical assistance to increase state knowledge about and use of evaluations under WIOA and performance reporting to the workforce investment system.  ETA plans to conduct an evaluation on WIOA implementation and will continuously monitor and review questions and feedback that ETA receives on the guidance and technical assistance materials to determine where improvements are necessary.

ETA staff will continue to provide the Congress with requested information, including clarifications of current practices and examples of state and local implementation of current law.  Federal staff support activities leading to higher quality guidance and technical assistance that directly addresses the needs of America's workers, and provide the Department, states, and localities the information they need to identify and implement workforce strategies that lead to increased employment, retention, and earnings.

Federal staff will work closely with grantees to improve program outcomes; document innovation and best practices and disseminate them; document issues and suggested improvements; develop curricula and deliver training on Federal policies and priorities; and provide support in the field.

# PROGRAM ADMINISTRATION

ETA, in partnership with states, will continue to maintain a viable and strong safety net that provides timely and accurate temporary income support to eligible workers, with greater emphasis on reducing risk for improper payments.  It maintains its focus on improving the integrity of the Unemployment Insurance System, working with states to improve their prevention, detection, and recovery of improper payments, and strengthening performance overall.  This requires the provision of ongoing technical assistance from Federal staff through monitoring activities, state plan reviews, webinars, and other technical assistance and published guidance.

As ETA continues to address the growing challenge of equipping Americans with the skills and tools to obtain good jobs and build their careers, it will focus on the expansion and enhancement of Registered Apprenticeship programs.  OA will continue to build upon VOW to Hire Heroes Act efforts, coordinating with military service branches on the U.S. Military Apprentice Program and the Transition Assistance Program to successfully connect transitioning service members and other veterans to civilian career paths.

The work performed by ETA staff has a direct impact on the Department's Strategic Goal 1:  Prepare workers for better jobs.  The following outcome goals are encompassed within these programs:

    1.1     Advance employment opportunities for US workers in 21st century demand sectors and occupations using proven training models and through increased employer engagement and partnerships.

    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.

ETA supports these priority goals by increasing skill attainment, certification, and work preparedness of individuals, served through a range of programs to prepare them to compete in a knowledge-based economy featuring emerging and growing industry sectors.

| DETAILED WORKLOAD AND PERFORMANCE | | | | |
| --- | --- | --- | --- | --- |
| | FY 2015 Enacted | | FY 2016 Enacted | FY 2017 Request |
| | Target | Result | Target | Target |
| **OGM/Grants Management** | | | | |
| **Strategic Goal 1 - Prepare workers for better jobs** | | | | |
| **Strategic Objective 1.1 - Advance employment opportunities for US workers in 21st century demand sectors and occupations using proven training models and through increased employer engagement and partnerships** | | | | |
| ETA-ORM-01    Percent of Active Grant Projects that Receive a Timely Desk Review | 95.00% | 100.00% | 95.00% | 95.00% |
| ETA-ORM-02    Percent of Grants Monitored by the Regional Offices | 26.00% | 29.50% | 26.00% | 26.00% |
| ETA-OGM-01    Percent of Competitive Discretionary Grant Funds Awarded Each Quarter | 100.00% | 100.00% | 100.00% | 100.00% |
| ETA-OGM-02    Percent Grants Closeouts Completed that Met the 12 Month Standard | 90.00% | 96.00% | 90.00% | 95.00% |
| ETA-OCM-02    Percent of Contractor Performance Assessment Reporting System (CPARS) conducted on eligible Contracts by the end of the Rating Period | 85.00% | 75.00% | 85.00% | 85.00% |

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

# TRAINING AND EMPLOYMENT

**Introduction**

This budget activity provides for the Federal administration of Training and Employment programs which includes:  Workforce Innovation and Opportunity Act (WIOA) Adult, Youth and Dislocated Worker employment and training activities; the Indian and Native American program; the Migrant and Seasonal Farmworker program; the YouthBuild program; the Reintegration of Ex-Offenders program; the Community Service Employment for Older Americans program; the Trade Adjustment Assistance program; and indirect staff support.

Federal staff work in the national and regional offices, and include numerous Federal Project Officers (FPOs) who are trained to oversee the use of government resources.  These FPOs provide oversight of grant implementation throughout the period of performance, including conducting compliance monitoring and ensuring that grantees are operating under the law and under the guidance of their statements of work.

In addition to grant oversight and monitoring, Federal staff provide technical assistance and policy development for the workforce system.  The combination of grant oversight, support, and direction staff provide to grantees contributes to the more efficient operation of the workforce system and helps to ensure better service delivery to customers to improve their chances of obtaining and retaining employment and earning good wages.

WIOA Adult Employment and Training Activities

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

WIOA Youth Activities

The WIOA Youth program provides grants to states and local areas to operate an array of services to assist economically disadvantaged youth, particularly youth disconnected from school and work and youth aging out of foster care in acquiring academic and work skills.  Federal staff administer and negotiate grants, prepare program guidance, monitor program implementation, oversee the reporting system, track grantee performance, provide technical assistance to grantees,

disseminate best practices and strategies for continuous improvement, and oversee distribution of program resources.  Staff also coordinate Federal activities that serve youth with Federal agency partners.

## WIOA Dislocated Worker Employment and Training Activities

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

## Indian and Native American Programs

Federal staff who administer the Indian and Native American Programs conduct a variety of activities including:  administering and negotiating grants, preparing program guidance, monitoring program implementation, overseeing the reporting system, tracking grantee performance versus program measures, providing technical assistance to grantees, reviewing grant plans, overseeing the distribution of program resources, and other activities to support the program.

## Migrant and Seasonal Farmworker Program

The Migrant and Seasonal Farmworker program provides training and employment services to economically disadvantaged persons who are primarily dependent on agricultural labor employment for their livelihood. Federal staff assigned to this program conduct grants management and provide guidance and oversight to the integration initiatives required to serve farmworkers effectively through the American Job Center network.

## YouthBuild Program

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

# TRAINING AND EMPLOYMENT

Reintegration of Ex-Offenders

The Reintegration of Ex-Offenders (RExO) program helps adult and youth ex-offenders and youth at-risk of criminal behavior to obtain employment and/or training in industries and occupations that offer good wages and opportunities for advancement.  Federal staff lead the policy and procurement development process for all RExO funded activities, including researching program models and developing Funding Opportunity Announcements (FOAs), providing grantee monitoring and technical assistance, as well as program and performance reporting for all RExO grants.

Community Service Employment for Older Americans Program

The Community Service Employment for Older Americans supports employment of older workers by providing part-time, paid community service positions and work-based training for unemployed, low-income individuals, age 55 and older.  Federal staff who administer this program conduct a variety of activities including: negotiating and administering grants, preparing program guidance, monitoring program implementation, overseeing the reporting system, tracking grantee performance versus program measures, providing technical assistance to grantees, reviewing State Senior Community Employment Coordination Plans, overseeing the distribution of program resources, and other activities to support the program.  In addition, staff act as a resource on a broad range of issues impacting older workers, including outreach efforts to employers.

Trade Adjustment Assistance

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

Job-Driven Training Proposals

In FY 2017, three mandatory proposals would be carried out by staff in the Training and Employment budget activity: American Talent Compact, Opening Doors for Youth, and Career Navigators and WIOA Workforce Data Science and Innovation Fund. Federal staff would carry out these programs by establishing program guidelines, administering the grant funding, and

monitoring and evaluating the programs. If accepted, ETA would reevaluate its FTE needs in Program Administration in order to properly execute the programs.

## Five-Year Budget Activity History

| Fiscal Year | Funding | FTE |
|:---:|:---:|:---:|
| | (Dollars in Thousands) | |
| 2012 | $67,455 | 340 |
| 2013 | $63,928 | 334 |
| 2014 | $68,713 | 327 |
| 2015 | $68,713 | 331 |
| 2016 | $68,713 | 332 |

## FY 2017

A total of $86,946,000 and 382 FTE are requested for Training and Employment in FY 2017, which is an increase of $18,233,000 and 52 FTE, from FY 2016.

This continues a proposal in both Training and Employment and Workforce Security budget activities to support the Employment and Training Administration's participation in Government-wide place-based initiatives.  Through a place-based approach, the Administration will help communities address their specific economic development needs by providing federal experts from across Government who can help them coordinate the use of the various federal funds they receive.   Part of the vision for the initiative is to create a cadre of federal employees from a number of agencies, including Labor, who will be trained to serve as assistants to communities (a training program is being established separately). By coordinating DOL and other Federal agency programs, Federal agencies can promote collaboration at the regional level to link, leverage, and align Federal, state, local, and regional resources to improve the outcomes of these programs as well as promoting a more effective use of Federal spending. Of the resources requested by ETA to support Government-wide place-based work, $1,000,000 and 4 FTE will be allocated to ETA's Training and Employment programs. The remaining funds, $649,000, and 3 FTE will be allocated to the Workforce Security activity. These employees will be based in the National Office and frequently travel to selected communities across the United States. These communities will be a diverse mix of urban and rural areas, with a focus on those that would benefit from broadening the base of their local economy and spurring and sustaining economic growth. Employees would work with community leaders, private businesses, state and local officials, as well as other stakeholders to facilitate the creation of a community development plan that would draw on a mix of Federal, state, and local resources.

This request also continues a request for $5,987,000 and 45 term FTE for ETA's WIOA implementation efforts. These staff will be split between the National Office and the six regional offices.  These staff are critical in carrying out ETA's vision for and assisting states with the implementation of WIOA and the President's Job-Driven Training Agenda.  ETA will use an aggressive hiring strategy to hire these staff, including a broad outreach strategy to intergovernmental, business, labor, education, workforce, advocacy, and other organizations to find individuals with the right skills and expertise.

# TRAINING AND EMPLOYMENT

National office staff, primarily in the Office of Workforce Investment (OWI), with support from the Office of Policy Development and Research and the Office of Management and Administrative Services, will engage in a wide range of WIOA implementation activities such as:

- Assist stakeholders in the transition to common performance measures across grant programs, as well as how to conform to performance guidance and data collection requests;
- Strengthen collaboration with relevant Federal and state agencies to promote a strong workforce system as envisioned in WIOA;
- Development and execution of new models for workforce programs and analysis of performance data;
- Implementation of various new IT requirements to bring ETA's IT profile towards conformity with WIOA; and
- Support for program offices in their procurement and human resource needs.

Regional staff will be focused on carrying out such activities as:

- Organizing and conducting regional stakeholder meetings;
- Providing on-site consultative assessments with states and localities to gauge readiness and technical assistance needs;
- Providing training and in-depth assistance to states wrestling with such challenges as more complex governance; expanded partnerships; regional designation for planning; more complex governance structures; coordinated service delivery; customer-focused service strategy design and managing regional planning; integrated delivery service design for an even more diverse set of customers including more employer services; and performance accountability, including new or modified performance measures and reporting requirements;
- Ensuring the effective close-out of existing grants by cataloguing findings that may impact implementation and calculating potential disallowances;
- Maintaining accountability and oversight for ETA's portfolio of investments to ensure conformity with statute, compliance with regulations, and fiscal accountability, in a system that could have several years of funding, from different sources open for the foreseeable future; and
- Ensuring state and local systems employ maximum job-driven strategies to ensure effective connections to meet job growth and skill requirements and implement employer measures.

Additional funding will be invested in two crucial IT systems: an integrated performance reporting system, and DOL's grants management system, E-Grants. ETA will continue to invest in building an integrated performance reporting system that brings ETA's IT profile towards conformity with new WIOA performance reporting requirements starting in FY 2016. This requested funding, $5,239,000, will build upon activities initiated with Dislocated Worker Technical Assistance and Training (TAT) funding in PY 2014 and PY 2015 to be used for WIOA implementation, to allow for building some of the new requirements and transition into

an integrated performance and knowledge system, including implementation of the new data validation system revisions.

The E-Grants system is serviced and managed by ETA, but used on a reimbursement basis by grant-making agencies across DOL (ETA, ILAB, Bureau of Labor Statistics (BLS), Mine Safety and Health Administration (MSHA), Office of the Assistant Secretary of Administration and Management (OASAM), Occupational Safety and Health Administration (OSHA), ODEP, and VETS). Improvements will allow stakeholders across DOL to better process and manage more than 4,000 active DOL grants totaling approximately $9.6 billion.  The number of active grants managed by DOL is growing at a rate of over 6 percent annually.  The E-Grants Modernization request of $3,037,000 aims to address issues of limited functionality, high operating and maintenance costs, poor data quality, inadequate reporting capabilities, fragmented architecture, and vulnerable system security through the acquisition of an enterprise cloud-hosted, commercial off-the-shelf (COTS) Grant and Performance Management solution capable of supporting DOL's grant-making agencies.  If funded, the new E-Grants system will use core capabilities of the ETA architectural platform and will replace the current E-Grants solution and provide full lifecycle grants management that will ultimately consolidate E-Grants Core, National Emergency Grants (NEG) and Grants e-Management System (GEMS).

## FY 2016

In FY 2016, $68,713,000 and 332 FTE were appropriated for Training and Employment activities. ETA staff will continue guiding and overseeing an integrated national workforce investment system.

Staff will continue to focus on the implementation of WIOA, the regulations and requirements of which will begin in program year (PY) 2015, which ends June 30, 2016. Among these activities are providing guidance to the workforce system that aligns with the principles in WIOA, integrating service delivery amongst WIOA programs, collaborating with the Department of Education on implementation, assisting stakeholders in WIOA implementation, and developing internal capabilities to handle new WIOA requirements. In addition, states must submit their unified plans in early 2016 and implement their performance accountability requirements by July 1, 2016.

In addition to administering ETA programs, staff will continue to provide Congress with requested information, including policy options, clarifications of current practices, and examples of state implementation of current law.  Maintaining adequate staff levels ensures sufficient resources to support activities on major workforce legislation; leads to higher quality guidance that directly addresses the needs of American workers; and provides the Department, states, and localities the information they need to successfully implement workforce strategies that lead to increased employment, retention, and earnings.

In the first quarter of FY 2016, ETA announced the availability of approximately $25,000,000 in grants for the Strengthening Working Families initiative. These grants aim to help parents obtain affordable, quality child care necessary to pursue education and training opportunities leading to good jobs in growing industries. These grants will be awarded to partnerships between the public

workforce system, education and training providers, businesses, and child care providers, and must include at least three employers.

ETA will continue to focus on providing training opportunities to youth. Building on the President's TechHire initiative, ETA announced it will award approximately $100,000,000 in TechHire grants in FY 2016 to expand accelerated tech training. Of this, $50,000,000 is specifically dedicated to supporting youth with barriers to training and employment, to partnerships that can that rapidly train and connect workers to well-paying, high-growth jobs across industries such as information technology, healthcare, and advanced manufacturing. Further, ETA plans on awarding $5,000,000 to fund the Pathways to Justice and Emergency Services Careers program to provide mentoring and career exploration in the field of justice and emergency services for youth who are at-risk of dropping out of high school.

ETA remains committed to supporting all organizations interested in applying for grants. First-time awardees often require additional support to comply with financial and program reporting requirements. Several recent grants, such as the Strengthening Working Families grants, encourage partnerships among entities that may be unfamiliar with Federal grant requirements, or support emerging strategies. These strategies are more complex and require additional staff attention, technical assistance to help grantees with financial reporting, performance reporting, grant management and technical support associated with promoting best practices for increasing credential attainment. [1]

## FY 2015

In FY 2015, $68,713,000 and 332 FTE were appropriated for Training and Employment activities. ETA invested significant human and financial resources towards implementing WIOA. WIOA implementation impacted ETA's priorities and operations as it strove to implement a new vision of the workforce system as laid out in the Act. WIOA implementation activities in FY 2015 included:
- Conducting webinars, listening sessions, and town halls across the country;
- Developing and publishing the NPRM;
- Planning and initiating technical assistance and training activities;
- Issuing WIOA implementation guidance to states and local areas;
- Developing and publishing template for performance reports jointly developed with the Department of Education; and
- Publishing the final planning requirements in the Federal Register.

Staff members for workforce programs that provide grants to States and non-profit organizations perform similar functions. Specifically, they:
- Design funding programs
- Negotiate and administer grants

---

[1] As noted in a recent OIG Report: Recovery Act: Employment and Training Administration Grant Issuance and Monitoring Policies and Procedures for Discretionary Grants Including Green Jobs are Comprehensive but Funding Challenges Threaten the Quality of Future Monitoring Activities Report No. 18-10-013-03-390 (September 30, 2010).

# TRAINING AND EMPLOYMENT

- Prepare program guidance
- Monitor program implementation
- Oversee the reporting system
- Track grantee performance
- Design and deliver technical assistance for grantees
- Manage distribution of program resources
- Coordinate Federal activities that serve adult workers

Grant management activities directly support the Department's outcome goals by facilitating grantee performance to improve outcomes for program participants. The standard formula and competitive grants are all aimed at ensuring Americans obtain the necessary skills and training to succeed in a knowledge-based economy and find paths to middle-class jobs. In FY 2015, ETA staff continued to focus on increasing the number of participants who complete training and acquire an industry-recognized credential.

In June 2015, ETA awarded approximately $138 million in Sector Partnership Grants from Dislocated Worker Grant (DWG) funding to 27 states and one Federally-recognized Tribe. This initiative will encourage the development of training strategies based on these partnerships to better address regional workforce needs. The funding will be used to help states offer new services such as regional sector planning, enhanced career services to dislocated workers, and work-based training opportunities, which recent studies show increase employment and earnings. Grantees will also develop strong partnerships between workforce and industry organizations and align services with other federal, state or local programs, such as Unemployment Insurance, Workforce Innovation and Opportunity Act, Wagner-Peyser Employment Service, and Trade Adjustment Assistance programs.

During FY 2015, ETA staff analyzed and processed over 42 DWGs and 120 grant modifications, totaling over $173 million. Staff are charged with responding to and coordinating ETA's responses to major dislocations, as well as responding to Congressional, constituent and stakeholder inquiries. Staff also provide technical assistance and training on DWGs and Rapid Response. Additionally, staff completed investigations and issued determinations for 1,023 petitions for TAA benefits and services. Of these determinations, staff issued 412 certifications of worker group eligibility that covered an estimated 57,461 workers. Through agreements with 51 Cooperating State Agencies (CSAs) designated by State Governors, staff ensure the TAA program is operated according to regulations and statutory requirements prescribed under the Trade Act of 1974, as amended. The office is charged with legislative technical assistance; funding; performance tracking, monitoring and reporting; and outreach, including correspondence and Congressional inquiries.

# TRAINING AND EMPLOYMENT

| | | FY 2015 Enacted | FY 2016 Enacted | FY 2017 Request | Diff. FY17 Request / FY16 Enacted |
|---|---|---|---|---|---|
| **BUDGET ACTIVITY BY OBJECT CLASS** (Dollars in Thousands) | | | | | |
| 11.1 | Full-time permanent | 33,191 | 33,071 | 34,291 | 1,220 |
| 11.3 | Other than full-time permanent | 394 | 817 | 5,169 | 4,352 |
| 11.5 | Other personnel compensation | 461 | 366 | 376 | 10 |
| 11.8 | Special personal services payments | 0 | 0 | 0 | 0 |
| 11.9 | Total personnel compensation | 34,046 | 34,254 | 39,836 | 5,582 |
| 12.1 | Civilian personnel benefits | 10,326 | 10,012 | 10,983 | 971 |
| 13.0 | Benefits for former personnel | 19 | 6 | 6 | 0 |
| 21.0 | Travel and transportation of persons | 854 | 892 | 1,031 | 139 |
| 22.0 | Transportation of things | 0 | 0 | 0 | 0 |
| 23.0 | Rent, Communications, and Utilities | 0 | 0 | 0 | 0 |
| 23.1 | Rental payments to GSA | 3,962 | 4,043 | 4,412 | 369 |
| 23.2 | Rental payments to others | 2 | 0 | 0 | 0 |
| 23.3 | Communications, utilities, and miscellaneous charges | 285 | 285 | 285 | 0 |
| 24.0 | Printing and reproduction | 183 | 120 | 123 | 3 |
| 25.1 | Advisory and assistance services | 2,123 | 451 | 451 | 0 |
| 25.2 | Other services from non-Federal sources | 184 | 500 | 2,352 | 1,852 |
| 25.3 | Other goods and services from Federal sources 1/ | 9,138 | 9,073 | 10,064 | 991 |
| 25.4 | Operation and maintenance of facilities | 266 | 75 | 75 | 0 |
| 25.5 | Research and development contracts | 0 | 0 | 0 | 0 |
| 25.7 | Operation and maintenance of equipment | 6,944 | 8,888 | 17,164 | 8,276 |
| 26.0 | Supplies and materials | 130 | 41 | 91 | 50 |
| 31.0 | Equipment | 240 | 63 | 63 | 0 |
| 42.0 | Insurance claims and indemnities | 11 | 10 | 10 | 0 |
| | **Total** | **68,713** | **68,713** | **86,946** | **18,233** |
| | | | | | |
| 1/Other goods and services from Federal sources | | | | | |
| | Working Capital Fund | 8,417 | 8,417 | 9,408 | 991 |
| | DHS Services | 242 | 242 | 242 | 0 |

# TRAINING AND EMPLOYMENT

## CHANGES IN FY 2017
(Dollars in Thousands)

**Activity Changes**

  **Built-In**
    To Provide For:

| | |
|---|---:|
| Costs of pay adjustments | $830 |
| Personnel benefits | 124 |
| Two days less of Pay | -442 |
| Federal Employees' Compensation Act (FECA) | 98 |
| Benefits for former personnel | 0 |
| Travel and transportation of persons | 0 |
| Transportation of things | 0 |
| Rental payments to GSA | 369 |
| Rental payments to others | 0 |
| Communications, utilities, and miscellaneous charges | 0 |
| Printing and reproduction | 0 |
| Advisory and assistance services | 0 |
| Other services from non-Federal sources | 0 |
| Working Capital Fund | 991 |
| Other Federal sources (Census Bureau) | 0 |
| Other Federal sources (DHS Charges) | 0 |
| Other goods and services from Federal sources | 0 |
| Research & Development Contracts | 0 |
| Operation and maintenance of facilities | 0 |
| Operation and maintenance of equipment | 0 |
| Supplies and materials | 0 |
| Equipment | 0 |
| Insurance claims and indemnities | 0 |
| **Built-Ins Subtotal** | **$1,970** |
| | |
| **Net Program** | **$16,263** |
| **Direct FTE** | **52** |

| | Estimate | FTE |
|---|---:|---:|
| **Base** | **$70,683** | **332** |
| | | |
| **Program Increase** | **$16,263** | **52** |
| **Program Decrease** | **$0** | **0** |

# WORKFORCE SECURITY

## Introduction

The budget activity provides for the Federal administration of Workforce Security programs, which include: Unemployment Insurance; Employment Service (ES); Workforce Information/National Electronic Tools/System Building activities; and indirect staff support.

Federal staff in the National and Regional offices provide oversight of grant implementation throughout the period of performance, including conducting compliance monitoring, and ensuring that grantees are operating in compliance with the law and under the guidance of their Statements of Work (SOWs).

In addition to grant oversight and monitoring, Federal staff provide technical assistance and policy development for the workforce system. The combination of grant oversight, support, and direction that staff provide to grantees contributes to the more efficient operation of the workforce system and helps to ensure better service delivery to customers.

### Unemployment Insurance

The Federal-state unemployment insurance program (UI) provides unemployment benefits to eligible workers who are unemployed through no fault of their own (as determined under state law), and meet other eligibility requirements of state law. Federal staff provide leadership, legislative and performance oversight, policy guidance, technical assistance, and legislative support to states in operation of their Unemployment Compensation (UC) programs. Resources also are used for Federal budget and policy development and to collect, analyze, and publish data related to state UC programs which are used for economic analysis and program oversight. Strong program performance is a key objective for the UI program and resources will be applied to measuring, evaluating, and improving performance.

### Employment Service

The Employment Service focuses on providing a variety of employment-related labor exchange services, including but not limited to job search assistance, job referral, and placement assistance for job seekers, reemployment services to unemployment insurance claimants, and recruitment services to employers with job openings. Services are delivered in one of three modes: self-service, facilitated self-help services, and staff assisted service delivery approaches. Federal staff provide leadership, policy guidance and direction, technical assistance, training, and oversight for the operation of the national public ES system through state offices and local

# WORKFORCE SECURITY

American Job Centers.  Regional office staff provide oversight and technical assistance at the state and local levels. This budget request includes administrative funding for Technical Assistance and Training activities.

Workforce Information/Electronic Tools/System Building

Workforce Information/National Electronic Tools/System Building supports the operation and management of information and tools for the workforce investment system.  Federal staff develop workforce information policy guidance, and provide and manage grants to states to national, state, regional, and local workforce information that promote informed decision making.  Staff update and support national electronic tools to provide career guidance, information, tools, and products for use by workforce system partners, career counselors, job seekers, employers, veterans, students, and the public, including assessment guidance, O*NET, the Competency Model Initiative, mySkills myFuture, My Next Move and the suite of electronic tools found at www.careeronestop.org.  Staff also make strategic investments and collaborate in the development of interactive Web-based tools that capture information from a variety of databases and support regional and community analysis to underpin strategic planning, cluster analysis, benchmarking, and assessment of interventions.

Occupational Licensing Grants

Appropriated in FY 2016, this grant program will award funding to states to address occupations where licensing requirements create an unnecessary barrier to labor market entry. Grants will support the increased interstate portability of licenses across states and will fund individual states to decrease licensing barriers. Federal staff will develop the solicitation for grant applications (SGA), establish performance and financial reporting requirements, and award and monitor the grants.

Paid Leave Partnership Initiative

In FY 2017, the Paid Leave Partnership Initiative (PLPI) is being proposed. It is a mandatory program to provide states the ability to apply for grants to start family, parental, and medical leave programs that provide up to 12 weeks of benefits. Federal staff will develop program requirements, SGAs, establish performance and financial reporting requirements, and monitor and evaluate the grants.

## Five-Year Budget Activity History

| Fiscal Year | Funding | FTE |
|---|---|---|
| | (Dollars in Thousands) | |
| 2012 | $42,819 | 242 |
| 2013 | $40,579 | 235 |
| 2014 | $42,733 | 228 |
| 2015 | $42,733 | 231 |
| 2016 | $42,733 | 217 |

# WORKFORCE SECURITY

<u>**FY 2017**</u>

The FY 2017 request for Workforce Security is $43,461,000 and 217 FTE. This is an increase of $728,000 over FY 2016 levels.

This continues a proposal in both Training and Employment and Workforce Security budget activities to support the Employment and Training Administration's participation in Government-wide place-based initiatives. Through a place-based approach, the Administration will help communities address their specific economic development needs by providing federal experts from across Government who can help them coordinate the use of the various federal funds they receive. Part of the vision for the initiative is to create a cadre of federal employees from a number of agencies, including Labor, who will be trained to serve as assistants to communities (a training program is being established separately). By coordinating DOL and other Federal agency programs, Federal agencies can promote collaboration at the regional level to link, leverage, and align Federal, state, local, and regional resources to improve the outcomes of these programs as well as promoting a more effective use of Federal spending. Of the resources requested by ETA to support Government-wide place-based work, $649,000 will be allocated to ETA's Workforce Security programs. Funding will support employees travel to selected communities across the United States. These communities will be a diverse mix of urban and rural areas, with a focus on those that would benefit from broadening the base of their local economy and spurring and sustaining economic growth. Employees would work with community leaders, private businesses, state and local officials, as well as other stakeholders to facilitate the creation of a community development plan that would draw on a mix of Federal, state, and local resources.

Federal staff lead the administration of the UI program by formulating, communicating, and analyzing program policies, developing and analyzing critical economic and employment data, measuring performance and encouraging continuous improvement throughout the UI system, providing technical assistance to state workforce agencies and other partners, and working with states to develop state laws and operating procedures and ensuring their compliance with Federal regulations. The UI program has the following strategic priorities for FY 2017: 1) improved program performance and timeliness of benefit payments; 2) improved program integrity with fewer improper payments and misclassification of workers; 3) improved accessibility to UI claimants with access barriers; and 4) improved employment outcomes for UI claimants.

ETA continues its implementation of an aggressive strategic plan to work with State Workforce Agencies (SWAs) to control UI improper payments. The plan includes a number of robust strategies already under way as well as newly identified strategies that ETA currently is rolling out as quickly as feasible - strategies focused on prevention, detection and recovery of overpayments. These strategies target the four largest root causes of UI improper payments:
- Payments to individuals who continue to claim benefits after they have returned to work (Benefit Year Earnings);
- Failure of claimants to comply with the SWAs' work search requirements (Work Search);

- Failure of employers or their third party administrators to provide timely and adequate information on the reason for an individual's separation from employment (Separation); and
- Failure to register the claimant with the SWAs' Employment Service (ES) pursuant to state law (ES Registration).

Key to preventing UI improper payments is promoting the implementation of State Information Data Exchange System (SIDES). SIDES is a web-based system that allows electronic transmission of UI information requests from UI agencies to multi-state employers and/or Third Party Administrators, as well as transmission of replies containing the requested information back to the UI agencies. It allows for the exchange of separation, earnings verification, and monetary and potential charges information between states and employers.

ETA also will oversee and provide technical assistance for state implementation of the Reemployment and Eligibility Assessment (REA) initiative, focusing on strategies to ensure the integrity of the UI program and that UI claimants are fully connected to the services offered through the workforce investment system. REA provides funds to states to focus on bringing UI claimants into American Job Centers to conduct an eligibility review and develop a reemployment plan that connects them to job center services. ETA will continue to work with the Department's Chief Evaluation Office to implement findings of an evaluation of the REA program that began in FY 2014.

## FY 2016

In FY 2016, $42,733,000 and 217 FTE were appropriated for ETA's Workforce Security activities. ETA national and regional UI staff will continue to identify those states that experience significant and sustained poor performance with regard to timeliness of UI benefit payments and appeals hearings as "at-risk." Eight states were identified at risk for First Payment Timeliness and seven states were identified at risk for Lower Authority Appeals Timeliness. ETA UI staff will work with these states to develop comprehensive corrective action plans (CAPs) designed to improve performance. ETA UI staff will provide intensive technical assistance and monitoring for these states until the states are able to meet the required performance standard. ETA staff will conduct quarterly assessments of first payment and lower authority appeals time lapse data for "at-risk" states each quarter in order to evaluate the effectiveness of the activities supporting this strategy. These assessments will include at least one onsite review each for the three newly identified "at-risk" states; additional onsite reviews may be conducted as required. Other quarterly reviews will be conducted via conference calls. These monitoring reports will be recorded within the Grants e-Management System (GEMS). The success of this strategy will be judged by the extent to which the activities result in the states' improvement in first payment time lapse and lower authority appeals time lapse. The states' CAPs will contain quarterly target values for these indicators, and ETA (national and regional) staff will monitor actual performance to see whether those targets are met. If state performance is not responding to these activities, additional actions will be identified to improve performance.

# WORKFORCE SECURITY

WIOA includes a number of provisions that have application to the UI program. Three key areas include state planning, provision of career services as a mandatory one-stop partner, and providing access to wage record data for WIOA performance and evaluations. In FY 2016, ETA will continue to support broader WIOA implementation, including support for publication of final WIOA regulations, issuance of sub-regulatory guidance as appropriate, and provision of technical assistance to the workforce system.

ETA is implementing changes to the design of the UI REA program, which is now referred to as the RESEA program to reflect recent authorization allowing the use of RESEA funds to provide reemployment services. Currently, a total of 44 states, the District of Columbia, Puerto Rico, and the Virgin Islands operate RESEA programs. States need to be fully transitioned to the new parameters of an RESEA program by FY 2016, pending funding availability. The new parameters require states to target UI claimants that are most likely to exhaust their benefits and all claimants in the Unemployment Compensation for Ex-Military members (UCX). States may now use RESEA funding to support both traditional UI REA activities and reemployment services. The RESEA programs should focus on providing career services that directly relate to the specific needs of the claimant. Additionally, under ETA's WIOA information collection, a designated indicator for RESEA participants will be added to identify UI claimants to facilitate the tracking of RESEA participants against the WIOA employment rate measure. ETA also will explore the feasibility of setting targets against the WIOA employment rate measure.

## FY 2015

In FY 2015, $42,733,000 and 208 FTE were appropriated for ETA's Workforce Security activities. ETA awarded an additional round of grants from the Unemployment Insurance program to implement or improve worker misclassification detection and enforcement initiatives, building upon the approximately $10,200,000 awarded to 19 states in FY 2014. Approximately $10,000,000 was awarded to 23 states to increase the ability of state UI tax programs to identify instances where employers improperly classify employees as independent contractors or fail to report the wages paid to workers. ETA promoted information and data sharing activities among state UI agencies, the Internal Revenue Service, and DOL's Wage and Hour Division (WHD).

In FY 2015, ETA finalized the implementation of new criteria for the "At-Risk" designation of states. The new framework integrates peer/case review processes with new operational review processes. The primary goals in revamping the accountability processes are to:
- Develop processes that ensure program integrity, but that recognize that ETA UI capacity has diminished;
- Maximize the use of specific staff expertise in both the National Office and Regional Offices;
- Eliminate duplication where feasible;
- Identify processes that support reviewing state administration of the UI program systemically and not just by individual function or program;
- Better support states in identifying and resolving operational challenges that lead to poor performance;
- Automate to the extent possible with available resources;

- Enable building of ETA and state staff capacity, and skills in administering the UI program.

ETA engaged state partners and issued formal guidance prior to implementation of the reengineered processes. Ten states were identified at risk for First Payment Timeliness and ten states were identified at risk for Lower Authority Appeals Timeliness. ETA UI staff worked with these states to develop comprehensive corrective action plans (CAPs) designed to improve performance and provided technical assistance and monitoring. ETA staff also evaluated quarterly the effectiveness of the activities supporting the remediation strategies. The assessments include at least one onsite review.

For several years, ETA has focused significant technical assistance resources to promote innovative reemployment service delivery strategies, improved integration of the UI program with the workforce system broadly, and a greater focus connecting UI claimants to reemployment services.  As a result of these efforts, which are now under the umbrella of the Reemployment Connections initiative, the work of the original five pilot states is producing new tools and products to support additional state adoption;  six new states were identified in 2014 to continue to innovate around their reemployment strategies building on the work of the first five; and 12 states are gaining the benefit of on-site technical assistance to assess their areas of opportunity to improve connectivity across programs and IT infrastructure to improve reemployment services.

Tools that are now available to all states include:
1. An Integrated Workforce Registration which presents a "common front door" to the workforce system, is built in open source software, and can sit on top of existing state system;
2. A Workforce Information Customer Profile Page that can serve as a Web-based hub for interactive service delivery with job seekers throughout their receipt of services to enable the job seeker to continuously get information on new jobs, labor market information, and other service delivery options as well as be a communication link between the jobseeker and the state agency;
3. Documented business requirements for the previous two tools if states want to "build their own;"
4. Business processes that will improve reemployment services and integrate the new tools; and
5. A workforce system social media guide.

With the passage of the WIOA, there was new opportunity in FY 2015 to push the vision of enhanced reemployment services to all states, building on the work of the Reemployment Connections initiative.   WIOA includes new language that supports enhanced connectivity across data systems to support improved reemployment service delivery; includes new language reinforcing that UI claimants are a target population for the workforce system under Wagner-Peyser; and continues many of the integrated service delivery principles from the Workforce Investment Act.

# WORKFORCE SECURITY

## BUDGET ACTIVITY BY OBJECT CLASS
### (Dollars in Thousands)

| | | FY 2015 Enacted | FY 2016 Enacted | FY 2017 Request | Diff. FY17 Request / FY16 Enacted |
|---|---|---|---|---|---|
| 11.1 | Full-time permanent | 23,164 | 20,349 | 20,371 | 22 |
| 11.3 | Other than full-time permanent | 273 | 272 | 272 | 0 |
| 11.5 | Other personnel compensation | 305 | 225 | 225 | 0 |
| 11.9 | Total personnel compensation | 23,742 | 20,846 | 20,868 | 22 |
| 12.1 | Civilian personnel benefits | 7,092 | 6,162 | 6,176 | 14 |
| 13.0 | Benefits for former personnel | 14 | 3 | 3 | 0 |
| 21.0 | Travel and transportation of persons | 530 | 528 | 694 | 166 |
| 22.0 | Transportation of things | 0 | 0 | 0 | 0 |
| 23.0 | Rent, Communications, and Utilities | 0 | 0 | 0 | 0 |
| 23.1 | Rental payments to GSA | 2,500 | 2,514 | 2,535 | 21 |
| 23.2 | Rental payments to others | 2 | 0 | 0 | 0 |
| 23.3 | Communications, utilities, and miscellaneous charges | 206 | 289 | 289 | 0 |
| 24.0 | Printing and reproduction | 127 | 100 | 100 | 0 |
| 25.1 | Advisory and assistance services | 624 | 500 | 500 | 0 |
| 25.2 | Other services from non-Federal sources | 128 | 590 | 747 | 157 |
| 25.3 | Other goods and services from Federal sources 1/ | 5,509 | 5,559 | 5,607 | 48 |
| 25.4 | Operation and maintenance of facilities | 79 | 50 | 50 | 0 |
| 25.5 | Research and development contracts | 0 | 0 | 0 | 0 |
| 25.7 | Operation and maintenance of equipment | 1,955 | 5,528 | 5,828 | 300 |
| 26.0 | Supplies and materials | 79 | 30 | 30 | 0 |
| 31.0 | Equipment | 138 | 25 | 25 | 0 |
| 42.0 | Insurance claims and indemnities | 8 | 9 | 9 | 0 |
| | **Total** | **42,733** | **42,733** | **43,461** | **728** |
| | | | | | |
| 1/Other goods and services from Federal sources | | | | | |
| | Working Capital Fund | 5,096 | 5,096 | 5,144 | 48 |
| | DHS Services | 197 | 197 | 197 | 0 |

# WORKFORCE SECURITY

## CHANGES IN FY 2017
(Dollars in Thousands)

**Activity Changes**
  **Built-In**
    To Provide For:

| | |
|---|---:|
| Costs of pay adjustments | $41 |
| Personnel benefits | 15 |
| Two days less of Pay | -26 |
| Federal Employees' Compensation Act (FECA) | 6 |
| Benefits for former personnel | 0 |
| Travel and transportation of persons | 0 |
| Transportation of things | 0 |
| Rental payments to GSA | 21 |
| Rental payments to others | 0 |
| Communications, utilities, and miscellaneous charges | 0 |
| Printing and reproduction | 0 |
| Advisory and assistance services | 0 |
| Other services from non-Federal sources | 0 |
| Working Capital Fund | 48 |
| Other Federal sources (Census Bureau) | 0 |
| Other Federal sources (DHS Charges) | 0 |
| Other goods and services from Federal sources | 0 |
| Research & Development Contracts | 0 |
| Operation and maintenance of facilities | 0 |
| Operation and maintenance of equipment | 0 |
| Supplies and materials | 0 |
| Equipment | 0 |
| Insurance claims and indemnities | 0 |
| **Built-Ins Subtotal** | **$105** |
| | |
| **Net Program** | **$623** |
|   **Direct FTE** | **0** |

| | Estimate | FTE |
|---|---:|---:|
| **Base** | **$42,838** | **217** |
| | | |
| **Program Increase** | **$623** | **0** |
| **Program Decrease** | **$0** | **0** |

# APPRENTICESHIP

NOTE: 2015 reflects actual FTE

## Introduction

Since the President's goal to double the number of apprentices across the United over five years was announced in 2014, the number of apprentices in registered apprenticeship programs across the nation has grown by 75,000 participants (from 375,000 to 450,000 active apprentices). The Department aims to meet the President's goal of 750,000 active apprentices by the end of 2019 through a combination of increased marketing, reengineered business processes, and most importantly, programmatic funding to build a stronger national ApprenticeshipUSA program (see Apprenticeship Program Funding request under the Training and Employment Services appropriation). This ambitious goal is supported by $90 million in new programmatic funding authorized by Congress in the FY 2016 budget.

A body of evidence supports the President's proposal to expand Registered Apprenticeship as a key job-driven strategy aimed at maintaining America's position of preeminence in key industry sectors of the world economy including manufacturing, transportation, information technology, health care, and the skilled trades. According to the Bureau of Labor Statistics (BLS) employment projections for 2012-2022, occupations that typically incorporate apprenticeships are projected to grow by 22.2 percent, significantly faster than any other category of on-the-job-training.[2]

Modern apprenticeships are on the cutting edge of innovation in preparing a skilled workforce for a broader range of today's industries and the model can be integrated with a broad range of workforce development and educational strategies. Apprentices receive a paycheck that is guaranteed to increase as their training, knowledge, skills, and abilities progress – no small benefit in an age of rising college costs and student loan debt. Apprenticeships (which can last from one to six years) also connect education and work simultaneously: apprentices gain industry-recognized credentials, and in many cases college credits, that can lead to an associate or bachelor's degree. Those credentials in turn lead to a long-term, well-paying career.

An individual employer, employers, or an industry association usually sponsors a Registered Apprenticeship, sometimes in partnership with a labor organization. These "industry sponsors" of apprenticeships also may include larger employers, labor-management organizations or the military. All of these organizations that meet national standards of registration with the U.S. Department of Labor become part of the ApprenticeshipUSA program. Industry sponsors within this network make significant investments – an estimated $1 billion per year – to design and

---

[2] See Occupational Outlook Handbook (OOH) "Apprenticeship: Earn while you learn" by Elka Torpey Summer 2013 http://www.bls.gov/ooq/2013/summer/art01.pdf

execute Registered Apprenticeship programs, provide jobs to apprentices, oversee training development, and provide hands-on learning and technical instruction for apprentices.[3] For this reason, Registered Apprenticeship continues to be one of the best Federal workforce investments leveraging limited public money to secure significant private investment.  The Department of Labor administers the National Apprenticeship Act of 1937 through the Office of Apprenticeship (OA) within ETA.

The FY 2017 budget aims to continue ongoing efforts to expand registered apprenticeship across the country.  This FY 2017 request is an increase of $6,089,000 and 10 FTE to implement the findings from the FY 2014 Office of Personnel Management (OPM) internal assessment and to further support ApprenticeshipUSA expansion.

In addition to Program Administration resources, which provide essential resources for the basic maintenance of the Federal Registered Apprenticeship system, the FY 2017 Budget includes a $90 million budget request, following on the $90 million apprenticeship appropriation in FY 2016. The request can be found in the Training and Employment Services (TES) to support states and industries in apprenticeship expansion and building a more robust national Registered Apprenticeship system.  The programmatic funds are a key component to better align State Apprenticeship Agencies and key industries to meet the President's goal of doubling the number of Registered Apprenticeships across the country.

The FY 2017 request also proposes a $2 billion Apprenticeship Training Fund as a part of the Job Driven Training Program. This mandatory funding would expand quality apprenticeships in order to meet the President's stated goal to double the number of apprentices across the country.

**Program Operations**
The Department, through the Office of Apprenticeship administers the National Apprenticeship Act of 1937 (NAA), which established a foundation for developing and expanding the nation's skilled workforce through Registered Apprenticeship programs with standards for safeguarding the safety and welfare of apprentices.

Federal staff continue to provide leadership and critical oversight functions for the National Registered Apprenticeship system.  In cooperation with State Apprenticeship Agencies, Federal staff administer apprenticeship at the state and local levels by:

- Promoting the development and recognition of new programs and occupations;
- Registering apprenticeship programs that meet Federal standards;
- Issuing apprentices nationally-recognized and portable certificates of completion;
- Assuring that all programs provide high-quality learning;
- Ensuring equal employment opportunity (EEO) in Registered Apprenticeship programs.

---

[3] Center for American Progress "Training for Success—A policy to Expand Apprenticeships in the United States" by Ben Olinsky and Sarah Ayres, December 2013.  http://www.americanprogress.org/wp-content/uploads/2013/11/apprenticeship_report.pdf page 13

- Promoting partnerships of Registered Apprenticeship with the workforce system and other Federal programs and agencies including the Department of Education; and
- Providing oversight and technical assistance to State Apprenticeship Agencies in 25 states, the District of Columbia, Virgin Islands, and Guam.

The collective efforts of the National registered apprenticeship system contributes to success in achieving the Department's Strategic Goal, of *Advancing employment opportunities for U.S. workers in 21st century in-demand sectors and occupations using proven training models and through increased employer engagement and partnerships.*

## Value of Registered Apprenticeship

A body of evidence supports the President's proposal to expand Registered Apprenticeship as a key strategy aimed at maintaining America's position of preeminence in key industry sectors of the world economy including, manufacturing, transportation, information technology, health care, and the skilled trades. The value of Registered Apprenticeship for participants has been quantified in a third-party evaluation by Mathematica Policy Research (MPR), commissioned by the US Department of Labor. The evaluation shows that for approximately $718 in public investment, there is a $61,000 return in net social benefits.[4] Additionally, individual apprentices who complete their apprenticeship training were shown to earn approximately $300,000 more in earnings than non-completers over the course of a career.

Other recent reports highlight the benefits of Registered Apprenticeships. A 2013 study of workforce and training programs in Washington State showed that Registered Apprenticeship had the highest net quarterly earnings impacts out of the 11 programs that were measured.[5] The 2014 *Iowa Registered Apprenticeship Employment and Wage Report* indicates that occupation by occupation, workers trained in apprenticeship programs earn wages in most cases significantly higher than workers in the same occupation who only earn a high school diploma or use other types of one and two year training programs.[6]

Finally, there is a body of growing evidence that apprenticeships can grow rapidly with investment and focus (e.g., marketing, IT investments, tax credits for apprenticeship sponsors, tuition benefits, etc.), as evidenced by our G20 counterparts. The number of apprenticeships has tripled in Australia with their investment in Australia's apprenticeship system of approximately $1 billion annually since 1996, and has multiplied tenfold in the United Kingdom, for an annual investment of £1.2 billion, since 1990. In the United States, South Carolina has seen dramatic expansion of their apprenticeship programs through a comprehensive program of modest tax incentives combined with dynamic marketing and outreach efforts. Moreover, countries such as

---

[4] See pages xv and xvi of "An Effectiveness Assessment and Cost Benefit Analysis of Registered Apprenticeship in 10 States" by Mathematica Policy Research. http://wdr.doleta.gov/research/FullText_Documents/ETAOP_2012_10.pdf

[5] Hollenbeck, Kevin M., and Wei-Jang Huang. 2013. "Net Impact and Benefit-Cost Estimates of the Workforce Development System in Washington State." Upjohn Institute Technical Report No. 13-029. Kalamazoo, MI: W.E. Upjohn Institute for Employment Research. http://research.upjohn.org/up_technicalreports/29

[6] See "Iowa Registered Apprenticeship Employment and Wage Report." January 2014. http://www.iowaworkforce.org/news/xcnewsplus.asp?cmd=view&articleid=995

# APPRENTICESHIP

Germany, Switzerland, and Austria have achieved high levels of income and low levels of youth unemployment through effective apprenticeship and technical education programs.

## Five-Year Budget Activity History

| Fiscal Year | Funding | FTE |
|:-----------:|:-------:|:---:|
| | (Dollars in Thousands) | |
| 2012 | $27,676 | 155 |
| 2013 | $26,228 | 150 |
| 2014 | $30,000 | 156 |
| 2015 | $34,000 | 156 |
| 2016 | $34,000 | 154 |

## FY 2017

In FY 2017, $40,089,000 and 164 FTE are requested, which is an increase of $6,089,000 and 10 FTE from FY 2016. Below are key initiatives and improvements to be implemented in FY 2017.

## New Programmatic Approaches

*Advance the ApprenticeshipUSA Program to Expand Apprenticeship*
The Budget includes continued discretionary funding to: 1) support new and innovative approaches that engage employers on the benefits of apprenticeship programs and assist in registering such programs; 2) raise the profile of registered apprenticeships throughout the workforce system; and 3) to allow for the expansion of the model to new nontraditional occupations and under-represented populations. The FY 2017 investment in the ApprenticeshipUSA program will further strengthen the national apprenticeship system by supporting the development of the next generation of skilled workers in a flexible 21st Century employer-driven apprenticeship network.

*Support American Apprenticeship Grantees*
The Department will continue to provide ongoing support for American Apprenticeship grantees (awarded in FY 2015) by providing technical assistance and oversight. The grants will promote high-quality registered apprenticeship models by supporting innovative approaches to the design and delivery of training that produce better outcomes for employers and workers. The technical assistance activities in FY 2017 will focus on implementing best practices and expanding opportunities for a future generation of workers to enter and thrive in modern apprenticeships.

*Apprenticeship Expansion and Partnerships*
The Department will be in the third full year of its continued expansion of apprenticeship efforts with the ambitious goal of reaching 600,000 apprentices by the end of the fiscal year. In addition to its sector strategies, the Department will continue to work across Federal agencies to leverage policies, procurement, and personnel practices to support the expansion of registered apprenticeship. The Department will continue to place an emphasis on expanding registered apprenticeship through innovative approaches and targeted outreach to youth and underrepresented populations both at the national and local levels to create a future pipeline of apprentices.

# APPRENTICESHIP

**Process Improvement and Reengineering**
*Advance Sectors of Excellence in Apprenticeship and Apprenticeship Accelerators*
The Department aims to focus regional operations through the advancement of Sectors of Excellence in Apprenticeship (SEAs) that provide sector based technical assistance in support of the expansion of registered apprenticeship into new industries and occupations. These efforts bring together employers from a specific industry sector and location to quickly identify skills gaps and skilled-training needs in that sector and region.  An important role of the SEAs is to develop publicly available national standards for new occupations that are used to accelerate the adoption of program standards by new employers. The need for these new, industry validated Apprenticeship standards has been identified through both the recent Industry Roundtables and the White House Summit on Apprenticeship.

*Accelerate Program Development*
While much of the development time to register an apprenticeship program will be driven by the sponsor of an apprenticeship program, the Department recognizes that modernizing the registration process and being responsive to employer's needs is critical to our goal to double the number of apprentices.  Specific actions we are taking include the following:

- ***Revised and Streamlined Program Templates.***  DOL will leverage revised and streamlined template standards that can be utilized to quickly pull together the major portions of a set of standards.  Templates will allow employers to cover administrative sections quickly, while at the same time offering additional flexibility in the design of the on-the-job learning and related instruction portion of the standards.
- ***On-Line Standards Builder.***  Taking the boilerplate standards to the next level, DOL will advance implementation of an on-line standards builder which automates the standards development process (explained more fully below).

*Office of Apprenticeship Process Improvement*
ETA and OA will continue to find ways to implement findings of the OPM Human Capital assessment to support the mission-critical work of the program. The assessment has highlighted ways for the office to better dedicate resources in order to improve processes and service delivery. One critical component is the request for an additional 10 FTE in FY 2017.

**New Technological Approaches, Process Improvement and Reengineering**
*Integrate Customer Relationship Management (CRM) Tool*
To advance into the 21st Century and implement an ambitious expansion plan, the registered apprenticeship system must continue to upgrade IT tools and infrastructure to increase program efficiency and enhance accountability.  In FY 2017, the registered apprenticeship business model requires customer relations tools to better manage and expand employer and partner networks, which are the lifeblood of the system.  Integrating a CRM tool into the program's case management system will support the establishment of new programs and allow the Department to track the entire life-cycle of a program from the initial outreach effort through the employment of the first apprentice.

# APPRENTICESHIP

*Expand Capabilities of an On-line Standards Builder and Apprentice Tracking Tools*
Program registration tools, such as a program standards builder, will help automate portions of the registration process for new sponsors, freeing up Federal staff to focus on program expansion and oversight.  The current process to establish program standards causes a significant bottleneck to the creation of new Apprenticeship programs.  While still maintaining all regulatory requirements for registration, ETA seeks to make this process much easier and faster for new sponsors by creating an on-line process and tools for program sponsors to begin the program development and design phase of the process.  IT resources in FY 2017 will continue work begun in FY 2015 to fully integrate a more agile and user friendly case management system to track apprentices from the beginning of their program through completion.

## FY 2016

In FY 2016, $34,000,000 and 154 FTE were appropriated for Apprenticeship. The following are highlights of key initiatives and improvements to be implemented in FY 2016.

## New Programmatic Approaches
*Establish the ApprenticeshipUSA Program to Expand Apprenticeship*
The $90 million ApprenticeshipUSA program appropriation will significantly grow the National Apprenticeship system.  The funds will foster a more unified national apprenticeship network by investing in states and state capacity to effectively administer and expand Registered Apprenticeship programs by modernizing existing registration and oversight processes and better aligning programs and resources at the state level.  This investment will also reinforce sector-based strategies by engaging intermediaries (industry associations, unions, and others) to scale apprenticeship program development and accelerate sector-based innovations.  The program will also fund community-based organizations to launch pre-apprenticeships that diversify the pool of qualified apprenticeship applicants and strengthen the national apprenticeship system through a range of activities including promotion, outreach, technical assistance, electronic tools, and research.

*Support American Apprenticeship Grantees*
The Department will provide ongoing support for American Apprenticeship grantees (awarded in FY 2015) by providing technical assistance and oversight. The grants will promote high-quality Registered Apprenticeship models by supporting innovative approaches to the design and delivery of training that produce better outcomes for employers and workers. The technical assistance activities in FY 2016 will focus on fostering opportunities for coordinated efforts within industries and disseminating best practices.

*Advance Sectors of Excellence in Apprenticeship*
The Department aims to focus regional operations through the establishment of "Sectors of Excellence in Apprenticeship" (SEAs) to provide sector based technical assistance to support an expansion of Registered Apprenticeship into new industries. These efforts will bring together multiple employers from a specific industry sector and location to identify skills gaps and skilled-training needs in that sector and region. SEAs can be utilized to develop publicly available national standards in new occupations that can be used to accelerate the adoption of program standards by new employers. The need for these new, industry validated Apprenticeship

standards has been identified through both the recent Industry Roundtables and the White House Summit on Apprenticeship.

*Apprenticeship Expansion and Partnerships*
The Department will be in the second full year of its continued expansion of apprenticeship efforts with the goal of reaching at least 500,000 apprentices by the end of the fiscal year.  In addition to its sector strategies listed above, the Department will work across Federal agencies to leverage policies, procurement, and personnel practices to support the expansion of Registered Apprenticeship.  Last year, the Department issued a Federal Resources for Apprenticeship playbook (http://www.doleta.gov/oa/federalresources/playbook.pdf).  In addition to this and other similar efforts, the Department will place an emphasis on expanding Registered Apprenticeship outreach to youth both at the national and local levels to create a future pipeline of apprentices.

## Process Improvement and Reengineering
*Office of Apprenticeship Process Improvement*
OA is preparing for the rollout of the American Apprenticeship Initiative and building capacity to support significantly expanded numbers of apprenticeship programs across the country.  ETA and OA will implement findings of the OPM Human Capital assessment to support the mission-critical work of the program. The assessment has highlighted ways for the office to better dedicate resources in order to improve processes and service delivery. One critical component was the request for $3,616,000 and 10 FTE in FY 2016.

*Advance the 21st Century Registered Apprenticeship System*
In FY 2016, the Department will continue to advance the ACA's vision for a 21st century Registered Apprenticeship system.  Key goals in support of this vision include:

1. Increasing the number of businesses and additional industries that use and reap the advantages of quality Registered Apprenticeship programs.
2. Increasing the number of Americans that seek and find Registered Apprenticeship as a valuable post-secondary pathway to rewarding careers.
3. Ensure that diverse populations in the U.S. workforce will have access to growing opportunities in Registered Apprenticeship.
4. Support public policies that reflect the power and value of Registered Apprenticeship to address economic and workforce development challenges.

## New Technological Approaches, Process Improvement and Reengineering
*Launch a New Integrated Case Management System*
To advance into the 21st Century and implement an ambitious expansion plan, the Registered Apprenticeship system must upgrade IT tools and infrastructure to increase program efficiency and enhance accountability.  In FY 2016, OA will continue efforts to create an agile and integrated case management system.  By using a modern Business Process Management (BPM) tool, the new case management system will be easily modifiable when program needs change, minimizing the cost of future development and maintenance activities.  A stable and expanded case management system with an integrated business flow process will reduce staff administrative and data entry responsibilities and allow for more dedicated time for serving the

needs of existing and new program sponsors. Further, it will be easier for employers and other sponsors to register programs and access pertinent information regarding Registered Apprenticeship.

*Expand Capabilities of an Automated Standards Builder Tool*
Program registration tools, such as a program standards builder, will help automate portions of the registration process for new sponsors, freeing up Federal staff to focus on program expansion and oversight.  The current process to establish program standards causes a significant bottleneck to the creation of new Apprenticeship programs.  While still maintaining all regulatory requirements for registration, ETA seeks to make this process easier for new sponsors by creating an on-line process and tools for program sponsors to begin the program development and design phase of the process.  IT resources in FY 2016 will continue work begun in FY 2015 to fully automate the program registration process.

## FY 2015

In FY 2015, $34,000,000 and 149 FTE were appropriated for Apprenticeship. The Office of Apprenticeship (OA) continued funding critical operational needs and foundation efforts begun in FY 2014. These reforms and actions supported critical investments, such as the American Apprenticeship Grant solicitation, to support apprenticeship expansion efforts.

### New Programmatic Approaches
*Awarded American Apprenticeship Grants*
DOL awarded $175,000,000 in existing H-1B funds for American Apprenticeship Grants to scale high-quality Registered Apprenticeship models.  The purpose is to support innovative approaches to the design and delivery of training that produce better outcomes for employers and workers.  The funds provide new opportunities for coordinated efforts within an industry and will allow best practices to be disseminated widely.  The grants focus on partnerships between employers, labor organizations, training providers, community colleges, local and state governments, the workforce system, non-profits, and faith-based organizations that:

- Launch apprenticeship models in high-growth fields with skill shortages such as advanced manufacturing, healthcare, and information technology;
- Align apprenticeships to pathways for further learning and career advancement through awarding industry-recognized credentials or college credit; and
- Invest in innovations and strategies to scale apprenticeships that work by marketing the value of apprenticeships, making them more attractive to underrepresented populations, and building national and regional partnerships to expand apprenticeships.

   For more information, please visit: http://www.dol.gov/apprenticeship/grants.htm

### Process Improvement and Reengineering
*Launched Promotion Activities to Increase Awareness and Value of Registered Apprenticeship*
Raising industry and public awareness of the value and benefits of Registered Apprenticeship has been central to the Department's broader goals to expand the model.  In FY 2015, DOL held the first National Apprenticeship Week, galvanizing interest in apprenticeship through social

media, administration and industry champions, and targeted events which created a national education and outreach campaign. Collectively, these efforts elevated the public image of Registered Apprenticeship.

*Launched Sectors of Excellence in Apprenticeship*
The Department launched a sector-specific and customer-focused outreach initiative. The Office of Apprenticeship held seven successful industry convenings across the country, including with high-growth and emerging industry sectors like health care, advanced manufacturing, and energy.

*Acquired ApprenticeshipUSA LEADER Commitments*
The Department gained commitments from 164 employers and organizations to help meet the President's goal of expanding apprenticeship opportunities nationwide, and address the national and industry challenges of developing a skilled workforce. LEADERs with a Registered Apprenticeship program worked with DOL to develop innovative strategies in support of program expansion to increase the number of apprentices across the nation. Those not yet operating a Registered Apprenticeship program began to work directly with DOL to elevate existing work-based learning programs to meet national standards for apprenticeship registration. This program, which already includes both national and local level LEADERs, includes CVS Caremark and United Parcel Service, among other Fortune 500 companies. The Department held convenings with ApprenticeshipUSA LEADERS at the White House and on Capitol Hill.

*Improved Technical Assistance and Support to Sponsors to Improve Program Quality*
In FY 2015, ETA improved technical assistance delivery and support sponsors in a variety of areas including program registration, program design and development, and ongoing program oversight. Staff focused on assisting program sponsors to improve their program quality and apprentice completion rates through technical assistance and outreach. Ongoing program assessments with a focus on improving performance continued to be at the core continuous improvement efforts.

*Expanded the Registered Apprenticeship-College Partnerships and Pathways Membership*
The Registered Apprenticeship-College Partnerships and Pathways Membership (RACC) is a national network of postsecondary institutions, employers, unions and associations working to create opportunities for apprentice graduates who may want to further enhance their skills by completing an Associate's or Bachelor's Degree. Membership also includes state, regional and national organizations that represent Registered Apprenticeship sponsors and colleges. This year, RACC membership increased to 225 organizations. The RACC is administered by DOL and the Department of Education. College members agree to provide credit for a Registered Apprenticeship completion certificate as recommended by a recognized third party evaluator. All RACC members must have their programs evaluated by a third party organization to determine the college credit value of the apprenticeship completion certificate and must be degree-granting institutions that are accredited by a regional institutional accrediting agency recognized by the U.S. Department of Education.

# APPRENTICESHIP

*Advanced Registered Apprenticeship Opportunities for Women, Under-Represented, and Disadvantaged Populations*
OA continued to ensure apprenticeship opportunities for under-represented populations. Building upon these efforts to increase opportunities for women, under-represented, and disadvantaged populations, the Department released a Notice of Proposed Rulemaking on the National Registered Apprenticeship system's EEO regulations, which have not been revised since 1978. Through these regulatory updates developed with considerable stakeholder consultation, OA will support the Department's efforts to break down barriers to fair and diverse work-places so that all qualified women and minorities have access to training and employment in Registered Apprenticeship.

## New Technological Approaches
*Launched an Automated Standards Builder Tool*
The Department made an initial investment to create a standards builder tool in FY 2015 to automate the paper-based process for establishing a new program. This will be one method of modernizing IT to support a more streamlined process of drafting program guidelines and work process schedules. The Beta version of the tool has been released and early reviews have been favorable.

# APPRENTICESHIP

| DETAILED WORKLOAD AND PERFORMANCE | | | | | |
|---|---|---|---|---|---|
| | | FY 2015 Enacted | | FY 2016 Enacted | FY 2017 Request |
| | | **Target** | **Result** | **Target** | **Target** |
| **Apprenticeship** | | | | | |
| **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** | | | | | |
| **ETA-OA-01** | **Number of Active Registered Apprentices** | 450,000[p] | 447,929 | 500,000[p] | 600,000[p] |
| ETA-RA-01 | Entered Employment Rate/Employment in the 2nd quarter after exit (Apprenticeship) | 75.8% | 75.7% | 76.3% | 77.2% |
| ETA-RA-02 | Employment Retention Rate/Employment in the 4th quarter after exit (Apprenticeship) | 87.7% | 88.7% | 87.7% | 87.8% |
| ETA-RA-03 | Six Months Average Earnings/Median Earning in the 2nd quarter after exit (Apprenticeship) | $25,201[r] | $24,449 | $25,642 | $26,217 |
| | Cost Per Apprentice | $112.00 | $122.00 | $120.00 | $120.00 |
| ETA-OA-02 | Apprenticeship National Completion Rate | 47.00% | 45.15% | 48.00% | 49.00% |
| ETA-OA-03 | Number of Quality Reviews for New Programs One Year After Provisional Registration (Apprenticeship) | 550 | 1,012 | 550[r] | 550 |
| ETA-OA-04 | Number of Quality Reviews (Apprenticeship) | 1,100 | 964 | 1,000[r] | 1,000 |
| ETA-OA-05 | Number of New or Significantly Revised Registered Apprenticeship Programs | 800[p] | 982 | 800[p] | -- |

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

# APPRENTICESHIP

## Workload and Performance Summary

The National Apprenticeship System's *critical input* is the FTE allocated to OA; however, other resources for outreach, analysis, information technology, and support for the Secretary's Advisory Committee on Apprenticeship also are critically important.  OA's *critical outputs* include:  (1) the number of active and new apprentices registered; (2) the number of EEO compliance reviews conducted; (3) the number of quality assurance assessments conducted; (4) the number of new apprenticeship programs registered; and, (5) the number of quality assurance assessment reviews for new programs conducted one year after provisional registration, as required by revised regulations.  These outputs translate into measures of workload for OA's staff.

Under the new $90 million Apprenticeship Grants program authorized in FY 2016, grantees around the US will receive support to hire apprentices. The number of active registered apprenticeships will increase with the launch of the program. The Department anticipates a significant expansion of the national registered apprenticeship system beginning in FY 2018.[7]

In addition to the outputs mentioned above, the Department measures *outcomes* for registered apprenticeship through calculation of completion rates and indicators of employment retention and six-month average earnings for participants employed in the first quarter after exit and still employed in the second and third quarters after exit that either completed or withdrew from their program.  The completion rate is the percentage of an apprenticeship cohort (group of individual apprentices registered to a specific program during a one year time frame) that receives a certificate of apprenticeship completion within one year of the expected completion date.  These indicators demonstrate how the *outputs* of registering new apprentices and apprenticeship programs and ensuring quality in existing programs through reviews and assessments translate into the *apprentices' outcomes* for getting a good job, retaining that good-paying job, and earning increased wages.

Over several years, the Department has found that the cost to the Department per apprentice ranges between $100 and $130, depending on sponsor demand for new apprentices.  This measure is derived by dividing the budget request amount by the projected number of active apprentices in programs managed by OA staff for a given year (FY 2015 = $34M divided by 277,946 apprentices).  The cost per apprentice is only for the Federal functions of oversight and registration of apprenticeship programs and apprentices; it does not reflect the cost of the registered apprenticeship programs themselves, which generally are borne by the sponsor.

---

[7] Programmatic funds for grants to states and industries are projected to have a noticeable impact on program expansion and performance measures starting in FY 2018.

# APPRENTICESHIP

| | | FY 2015 Enacted | FY 2016 Enacted | FY 2017 Request | Diff. FY17 Request / FY16 Enacted |
|---|---|---|---|---|---|
| **BUDGET ACTIVITY BY OBJECT CLASS** | | | | | |
| (Dollars in Thousands) | | | | | |
| 11.1 | Full-time permanent | 15,643 | 15,482 | 17,187 | 1,705 |
| 11.3 | Other than full-time permanent | 230 | 0 | 0 | 0 |
| 11.5 | Other personnel compensation | 171 | 171 | 195 | 24 |
| 11.9 | Total personnel compensation | 16,044 | 15,653 | 17,382 | 1,729 |
| 12.1 | Civilian personnel benefits | 4,923 | 4,688 | 5,375 | 687 |
| 13.0 | Benefits for former personnel | 8 | 3 | 3 | 0 |
| 21.0 | Travel and transportation of persons | 261 | 495 | 835 | 340 |
| 22.0 | Transportation of things | 0 | 0 | 0 | 0 |
| 23.0 | Rent, Communications, and Utilities | 0 | 0 | 0 | 0 |
| 23.1 | Rental payments to GSA | 1,900 | 2,001 | 2,210 | 209 |
| 23.2 | Rental payments to others | 1 | 4 | 4 | 0 |
| 23.3 | Communications, utilities, and miscellaneous charges | 396 | 100 | 536 | 436 |
| 24.0 | Printing and reproduction | 85 | 100 | 142 | 42 |
| 25.1 | Advisory and assistance services | 1,158 | 1,000 | 1,000 | 0 |
| 25.2 | Other services from non-Federal sources | 959 | 236 | 1,045 | 809 |
| 25.3 | Other goods and services from Federal sources 1/ | 4,618 | 4,261 | 4,768 | 507 |
| 25.4 | Operation and maintenance of facilities | 254 | 25 | 25 | 0 |
| 25.5 | Research and development contracts | 0 | 0 | 0 | 0 |
| 25.7 | Operation and maintenance of equipment | 3,219 | 5,308 | 6,468 | 1,160 |
| 26.0 | Supplies and materials | 75 | 20 | 20 | 0 |
| 31.0 | Equipment | 94 | 100 | 270 | 170 |
| 42.0 | Insurance claims and indemnities | 5 | 6 | 6 | 0 |
| | **Total** | **34,000** | **34,000** | **40,089** | **6,089** |
| | | | | | |
| 1/Other goods and services from Federal sources | | | | | |
| | Working Capital Fund | 4,194 | 4,194 | 4,701 | 507 |
| | DHS Services | 67 | 67 | 67 | 0 |

# APPRENTICESHIP

## CHANGES IN FY 2017
(Dollars in Thousands)

**Activity Changes**
  **Built-In**
    To Provide For:

| | |
|---|---:|
| Costs of pay adjustments | $399 |
| Personnel benefits | 140 |
| Two days less of Pay | -250 |
| Federal Employees' Compensation Act (FECA) | 55 |
| Benefits for former personnel | 0 |
| Travel and transportation of persons | 0 |
| Transportation of things | 0 |
| Rental payments to GSA | 209 |
| Rental payments to others | 0 |
| Communications, utilities, and miscellaneous charges | 0 |
| Printing and reproduction | 0 |
| Advisory and assistance services | 0 |
| Other services from non-Federal sources | 0 |
| Working Capital Fund | 507 |
| Other Federal sources (Census Bureau) | 0 |
| Other Federal sources (DHS Charges) | 0 |
| Other goods and services from Federal sources | 0 |
| Research & Development Contracts | 0 |
| Operation and maintenance of facilities | 0 |
| Operation and maintenance of equipment | 0 |
| Supplies and materials | 0 |
| Equipment | 0 |
| Insurance claims and indemnities | 0 |
| **Built-Ins Subtotal** | **$1,060** |
| | |
| **Net Program** | **$5,029** |
|   **Direct FTE** | **10** |

| | Estimate | FTE |
|---|---:|---:|
| **Base** | **$35,060** | **154** |
| | | |
| **Program Increase** | **$5,029** | **10** |
| **Program Decrease** | **$0** | **0** |

# EXECUTIVE DIRECTION

| | FY 2015 Enacted | FY 2016 Enacted | FY 2017 Request | Diff. FY17 Request / FY16 Enacted |
|---|---|---|---|---|
| **Activity Appropriation** | **9,113** | **9,113** | **10,330** | **1,217** |
| FTE | 42 | 47 | 47 | 0 |

NOTE: 2015 reflects actual FTE

## Introduction

Executive Direction activities provide leadership and policy for all training and employment service programs and activities and provide for related program operations support, including research, evaluations, and demonstrations.  The budget request provides for the Federal administration of Executive Direction.  Efforts under Executive Direction include program research, evaluation, pilot projects and demonstrations, as well as program and performance management and legislative relations.  These activities are administered through ETA's Office of the Assistant Secretary (OASET) and the Office of Policy Development and Research (OPDR).  Performance measures for these activities are discussed in the relevant program activity sections of the budget request.

Through the active engagement of OASET and OPDR, the following strategies support outcome results throughout ETA:
- Developing and managing pilot, demonstration, research, and evaluation activities, and analyzing and disseminating results of these activities, both to internal and external audiences;
- Collecting, analyzing, reporting and validating performance data on a regular basis from a variety of sources to create consolidated performance reports critical for agency decision-makers and to inform workforce system partners;
- Developing and refining performance measures in alignment with Federal priorities and creating short- and long-term performance goals;
- Setting national performance targets to effectively set the agenda for program performance in accordance with national priorities; and
- Providing legislative support and coordinating the alignment of technical expertise with agency priorities, resources and capacity to improve the effectiveness and efficiency of existing programs, initiatives and policies and to respond to requests for technical assistance.

## Five-Year Budget Activity History

| Fiscal Year | Funding | FTE |
|---|---|---|
| | (Dollars in Thousands) | |
| 2012 | $9,131 | 47 |
| 2013 | $8,653 | 47 |
| 2014 | $9,113 | 47 |

# EXECUTIVE DIRECTION

## Five-Year Budget Activity History

| Fiscal Year | Funding | FTE |
|:---:|:---:|:---:|
| | (Dollars in Thousands) | |
| 2015 | $9,113 | 47 |
| 2016 | $9,113 | 47 |

## FY 2017

The FY 2017 request of $10,330,000 supports 47 FTE and is $1,217,000 above the FY 2016 enacted level.

Staff will continue work on ETA and Departmental initiatives including policy and legislative functions as well as analyzing and disseminating key performance data associated with implementation of the Workforce Innovation and Opportunity Act (WIOA), provide critical leadership to the agency on policy issues including support for execution of the agency's regulatory agenda, and project management for continuing research and evaluation efforts.  This leadership and support is critical to the program offices as they implement their strategies to achieve the Department's performance goals. The increase in this activity reflects built-in increases.

Through the active engagement of OASET and OPDR, ETA leadership, office administrators and program officials are given actionable intelligence to help assist them in assessing and improving the operation, effectiveness, and efficiency of the public workforce system.

This intelligence is obtained by OPDR conducting pilots, demonstrations, research and evaluations in cooperation with the Department's Chief Evaluation Office (CEO); interpreting the findings, conclusions and recommendations into usable information; and disseminating reports and summaries to inform policy and program decision-making.  Pilots and demonstrations of promising workforce development interventions and strategies enable ETA to determine if they are effective means of providing workforce system customers temporary income support while unemployed, reemployment services, and job training and can be replicated and brought to scale.  Rigorous evaluations enable ETA to measure the impact of existing workforce development strategies.

OPDR also manages ETA program performance reporting and analysis; publishes performance data and provides the tools that grantees use for data collection, validation, and performance reporting; and develops and publishes guidance letters and notices to inform the workforce system of new or revised reporting requirements.  In doing so, OPDR provides ETA leadership and stakeholders with the timely and relevant feedback that supports good decision making.  A key component to performance reporting is the Workforce Data Quality Initiative (WDQI), which OPDR manages, and supports the development and enhancement of state longitudinal data systems that integrate workforce and education data in coordination with CEO to help states improve the quality and accessibility of performance information reported by training providers.

Through legislative support activities, OPDR helps position the agency to provide leadership on legislative proposals that further the Department's goals.  It also helps to identify and influence

proposals in the Congress that, if enacted, could positively or negatively impact the agency's ability to reach its outcome goals.  OPDR also ensures that the Department and ETA priorities and expertise contribute to the development of policies, including regulations, legislation and new programs government-wide.  OPDR also coordinates the dissemination of all agency guidance, ensuring that the public workforce system receives timely information on program policies and direction, the publication of research and evaluation findings, and the availability of technical assistance tools and resources. OPDR continues to play a critical role in ETA's implementation of WIOA, analyzing and interpreting legislation and regulations, as well as ensuring ETA achieves implementation targets.

## FY 2016

In FY 2016, $9,113,000 and 47 FTE were appropriated to support activities in Executive Direction. Departmental initiatives in FY 2016 include policy and legislative functions associated with implementation of WIOA, support for executing the agency's regulatory agenda, critical leadership to the agency on policy and regulatory issues, and project management for continuing research and evaluation efforts.  This leadership and support is critical to the program offices as they implement their strategies to achieve the Department's performance goals.

Significant OPDR Activities during FY 2016 include:

- Serving as the liaison to the Government Accountability Office (GAO) and coordinating ETA's participation in GAO audits;
- Coordinating town halls with stakeholders across the country to inform them of changes under WIOA;
- Monitoring and developing ETA's strategic and program performance plans and targets under WIOA, and disseminating performance results;
- Working with ETA's Office of Information Services and Technology (OIST) and DOL's Office of the Chief Information Officer (OCIO) to move ETA's performance systems towards conformance with WIOA requirements;
- Composing, reviewing, and releasing the Notice of Proposed Rulemakings (NPRMs) for WIOA;
- Ensuring that ETA's research and evaluation plans, projects, and agenda begin to incorporate WIOA performance regulations;
- Coordinating efforts on wage record information exchanges and development of longitudinal data systems;
- Supporting the development of regulations as outlined in the Regulatory Agenda;
- Developing the annual update to the ETA Five-Year Learning Agenda in collaboration with CEO;
- Finalizing and disseminating  research and evaluation reports; and
- Disseminating agency guidance to the public workforce system and partners.

# EXECUTIVE DIRECTION

<u>**FY 2015**</u>

In FY 2015, $9,113,000 and 42 FTE were appropriated for Executive Direction. Resources supported OPDR's Division of Research and Evaluation coordinated the CEO to implement, manage, and coordinate the Department's evaluation program.  While DOL's evaluation activities are overseen generally by the CEO, agencies and program offices within DOL including ETA, also sponsor evaluations through dedicated contracts or as part of their grant-making, in coordination with the CEO.

Significant OPDR activities during FY 2015 included:
- Coordinating ETA's implementation of several provisions of the VOW to Hire Heroes Act of 2011;
- Providing technical and legislative support to Congress in developing WIOA;
- Interpreting WIOA legislation and reviewing regulations;
- Serving as the liaison to the Government Accountability Office (GAO) and coordinating ETA's participation in GAO audits;
- Monitoring and developing ETA's strategic and program performance plans and targets, and disseminating performance results;
- Coordinating efforts on wage record information exchanges and development of longitudinal data systems;
- Disseminating lessons learned from pilots to share aggregate wage information with WIOA workforce partners;
- Supporting the development of regulations as outlined in the Regulatory Agenda;
- Developing the annual update to the ETA Five-Year Learning Agenda in collaboration with the CEO;
- Finalizing and disseminating five research and evaluation reports; and
- Disseminating agency guidance to the public workforce system and partners.

# EXECUTIVE DIRECTION

| | | FY 2015 Enacted | FY 2016 Enacted | FY 2017 Request | Diff. FY17 Request / FY16 Enacted |
|---|---|---|---|---|---|
| **BUDGET ACTIVITY BY OBJECT CLASS** | | | | | |
| | (Dollars in Thousands) | | | | |
| 11.1 | Full-time permanent | 4,713 | 4,645 | 4,690 | 45 |
| 11.3 | Other than full-time permanent | 192 | 0 | 0 | 0 |
| 11.5 | Other personnel compensation | 66 | 51 | 51 | 0 |
| 11.8 | Special personal services payments | 0 | 0 | 0 | 0 |
| 11.9 | Total personnel compensation | 4,971 | 4,696 | 4,741 | 45 |
| 12.1 | Civilian personnel benefits | 1,463 | 1,407 | 1,434 | 27 |
| 13.0 | Benefits for former personnel | 4 | 0 | 0 | 0 |
| 21.0 | Travel and transportation of persons | 96 | 68 | 68 | 0 |
| 22.0 | Transportation of things | 0 | 0 | 0 | 0 |
| 23.0 | Rent, Communications, and Utilities | 0 | 0 | 0 | 0 |
| 23.1 | Rental payments to GSA | 574 | 536 | 579 | 43 |
| 23.2 | Rental payments to others | 0 | 0 | 0 | 0 |
| 23.3 | Communications, utilities, and miscellaneous charges | 0 | 246 | 246 | 0 |
| 24.0 | Printing and reproduction | 25 | 100 | 100 | 0 |
| 25.1 | Advisory and assistance services | 389 | 0 | 0 | 0 |
| 25.2 | Other services from non-Federal sources | 25 | 500 | 1,480 | 980 |
| 25.3 | Other goods and services from Federal sources 1/ | 1,062 | 1,062 | 1,184 | 122 |
| 25.4 | Operation and maintenance of facilities | 1 | 0 | 0 | 0 |
| 25.5 | Research and development contracts | 0 | 0 | 0 | 0 |
| 25.7 | Operation and maintenance of equipment | 454 | 269 | 269 | 0 |
| 26.0 | Supplies and materials | 20 | 29 | 29 | 0 |
| 31.0 | Equipment | 28 | 200 | 200 | 0 |
| 42.0 | Insurance claims and indemnities | 1 | 0 | 0 | 0 |
| | **Total** | **9,113** | **9,113** | **10,330** | **1,217** |
| | | | | | |
| 1/Other goods and services from Federal sources | | | | | |
| | Working Capital Fund | 1,036 | 1,036 | 1,158 | 122 |
| | DHS Services | 26 | 26 | 26 | 0 |

# EXECUTIVE DIRECTION

## CHANGES IN FY 2017
(Dollars in Thousands)

**Activity Changes**
**Built-In**
To Provide For:

| | |
|---|---:|
| Costs of pay adjustments | $83 |
| Personnel benefits | 29 |
| Two days less of Pay | -52 |
| Federal Employees' Compensation Act (FECA) | 12 |
| Benefits for former personnel | 0 |
| Travel and transportation of persons | 0 |
| Transportation of things | 0 |
| Rental payments to GSA | 43 |
| Rental payments to others | 0 |
| Communications, utilities, and miscellaneous charges | 0 |
| Printing and reproduction | 0 |
| Advisory and assistance services | 0 |
| Other services from non-Federal sources | 0 |
| Working Capital Fund | 122 |
| Other Federal sources (Census Bureau) | 0 |
| Other Federal sources (DHS Charges) | 0 |
| Other goods and services from Federal sources | 0 |
| Research & Development Contracts | 0 |
| Operation and maintenance of facilities | 0 |
| Operation and maintenance of equipment | 0 |
| Supplies and materials | 0 |
| Equipment | 0 |
| Insurance claims and indemnities | 0 |
| **Built-Ins Subtotal** | **$237** |
| | |
| **Net Program** | **$980** |
| **Direct FTE** | **0** |

| | Estimate | FTE |
|---|---:|---:|
| **Base** | **$9,350** | **47** |
| | | |
| **Program Increase** | **$980** | **0** |
| **Program Decrease** | **$0** | **0** |