LEGISLATIVE BUDGET AND FINANCE COMMITTEE

A JOINT COMMITTEE OF THE PENNSYLVANIA GENERAL ASSEMBLY

A Study Pursuant to Senate Resolution 2023-169: Workforce Development Programs

April 2025

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For the ninth straight year, the National Legislative Program Evaluation Society (NLPES) awarded the Legislative Budget and Finance Committee with a Certificate of Impact. NLPES presents the Certificate of Impact to legislative offices that produce evaluations or audit reports that result in documented public policy changes, program improvements, dollar savings, or other public impacts.

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REPORT SUMMARY

Study Objectives

1. *Evaluate the effectiveness and efficiency of the various workforce development programs administered by commonwealth agencies.*

2. *Issue findings and recommendations to improve the effectiveness and efficiency of workforce development programs.*

Overview

Senate Resolution 169 of 2023 (SR 169) directed the Legislative Budget and Finance Committee (LBFC) to conduct a study and issue a report evaluating the efficiency and effectiveness of workforce development (WFD) programs in Pennsylvania.

Pennsylvania offers WFD programs and services through multiple state agencies. This report focuses on the Departments of Labor and Industry (L&I), Education (PDE), Community and Economic Development (DCED), and Human Services (DHS). We also reviewed some workforce development activities in the Departments of Corrections, Aging, and Conservation and Natural Resources.

Much of WFD programming targets individuals with barriers to employment, and each agency serves a somewhat different population. However, Title III employment services under the federal Workforce Innovation and Opportunity Act (WIOA) target the general population. Additionally, DCED programming is oriented toward supporting Pennsylvania businesses.

State agencies involved with WFD often collaborate and, in addition to training and skills development, provide various employment services, including payment for transportation, soft employment skills, childcare, and case management.

Pennsylvania's definition of workforce development has not been updated since it was defined in a 2002 amendment to the Workforce Development Act, and the agencies providing services have different definitions. The definition does not specifically take into account training, skills development, barriers to employment and other opportunities for both individuals and businesses in Pennsylvania.

1. **Recommendation: We recommend that the State Workforce Development Board develop and recommend a definition of workforce development to clarify all programming, including training, education, skills development, and employment assistance and supports.**

In this report, we also make the following recommendations:

Department of Labor and Industry

2. **L&I should develop internal benchmarks for required performance indicators related to employment and earnings that keep pace with statewide and national employment and earnings figures for the WIOA Title I programs to better assess the programs' performance compared to the general workforce.**

3. **L&I should develop a performance indicator that compares the earnings of individuals before entering Title I programs to their earnings after. This performance indicator would better assess the program's ability to increase participants' earnings through workforce development training and services.**

4. **L&I should develop internal benchmarks for required performance indicators related to employment and earnings that keep pace with statewide and national employment and earnings figures for the WIOA Title III program to better assess the program's performance compared to the general workforce.**

5. **The Apprenticeship and Training Office (ATO) should focus effort and resources on increasing the number of unduplicated occupation-specific program sponsors for Apprenticeship and Pre-Apprenticeship programs, specifically in sectors outside of manufacturing and building trades, to diversify and expand the occupational training opportunities for apprentices and pre-apprentices.**

Department of Education

6. **PDE should collect accurate and reliable performance data from career and technical education centers accredited by the State Board of Career and Technical Education and other education facilities that receive public funding under the Secondary Career and Technical Education Subsidy (SCTES).**

7. **PDE should make its post-CTE survey more user-friendly and find methods to increase the response rate. PDE should differentiate between one-year and five-year survey participants to better understand CTE students' career paths. Additionally, PDE should track whether an individual is "gainfully placed" within a career field related to the industry credential received through CTE.**

8. **PDE should track data to determine CTE program participants' employment status and average salary post-program completion. These measures should be the same as those required by WIOA, including second and fourth-quarter employment rates, median earnings (second quarter), credential attainment, and measurable skill gain. Collecting this data via social security numbers would require a data sharing agreement between L&I and PDE, in accordance with 20 CFR Part 603 and Pennsylvania's Unemployment Compensation statute.**

Department of Human Services

9. **DHS should develop a performance indicator that compares the earnings of individuals before entering WFD programs to their earnings after. This performance indicator would better assess the program's ability to increase participants' earnings through WFD training and services.**

10. **DHS should collect program participant employment retention data for all programs within three-, six-, and 12-month periods. This would allow the department to assess the participants' ability to retain employment over time.**

Department of Community and Economic Development

11. **DCED should collect and track annual WEDnetPA job retention and wage increase data. Because WEDnetPA focuses on incumbent worker training, these outcome measures would better evaluate the program's success.**

12. **We recommend that WEDnetPA track company retention in Pennsylvania for one, two, and three years after receiving grant funding. To accomplish this, the program would require using FEIN or other data to determine whether the company remained within Pennsylvania. This would require an interdepartmental agreement with L&I for data sharing.**

13. **For the Manufacturing-to-Career Grant program, DCED should require training-grant grantees to conduct a follow-up employment survey with individuals one year after completion to determine whether that employment is in a field related to the program.**

14. **For the Foundations in Industry Training (FIT) Program, Recommendation: DCED should consider monitoring apprentices one year after program exit for job placement and**

starting wage and compare those measures to those of apprentices in similar fields from non-FIT programs.

Background

Much of workforce development is governed by WIOA, which was signed into law on July 22, 2014. WIOA succeeded the Workforce Investment Act, which created one-stop career centers, now known as CareerLinks® in Pennsylvania, where job seekers could access various employment services. WIOA's primary goal is to help individuals, particularly those from marginalized or underserved groups, secure and retain meaningful employment while simultaneously meeting the evolving needs of employers. The WIOA authorizes six core programs:

- Adult.
- Dislocated Worker.
- Youth.
- Adult Basic Education.
- Employment Service.
- Vocational Rehabilitation (VR).

State Workforce Development Board (SWDB)

The WIOA provides a framework for state governments to develop and change workforce development policies. The SWDB advises the governor on workforce development policies and programs. Its mission is to "ensure Pennsylvania's workforce development system, across programs and agencies, helps job seekers advance their careers and economic standing, and helps employers connect with skilled workers."[1]

As required by the WIOA, the SWDB develops the PA State Combined Plan, which outlines the vision and goals of Pennsylvania's workforce development system and specifies how each program will operate and deliver workforce development services over the designated four-year period.

[1] Pennsylvania Department of Labor and Industry, *WIOA 2024-2028 Combined State Plan*

Local Workforce Development Boards (LWDBs)

Pennsylvania is divided into 23 local workforce development areas (WDAs), which are served by 22 LWDBs, each administered by an executive director. There is one WDA for each local board, except for the Allegheny County and the City of Pittsburgh WDAs, which are separate WDAs operated by the Partner4Work WDB.

LWDBs develop regional policies and strategies regarding workforce development in the area in which they serve. The boards oversee and coordinate the workforce services offered in the region and the PA CareerLink® centers. WIOA also requires LWDBs to develop a comprehensive four-year local plan, with strategies and goals that align with the State Plan, to build and manage effective workforce development. LWDBs also collaborate to develop regional workforce development plans.

Pennsylvania WIOA Combined State Plan

WIOA requires each state to submit a State Plan to the appropriate federal secretaries that outlines a four-year strategy for the State's workforce development system.[2] Pennsylvania's Combined State Plan includes six core programs (Adult, Dislocated Worker, Youth, Wagner-Peyser, Adult Basic Education, Vocational Rehabilitation) and other optional programs.

PA CareerLink®

PA CareerLink® offices throughout Pennsylvania are the one-stop centers through which the state provides many employment services.

The centers:

- Provide career services and access to training.
- Provide access to programs and activities carried out by one-stop partners.
- Provide access to workforce and labor market information, job search, placement, recruitment, and labor exchange services authorized under the Wagner-Peyser Act.

Each WDA must have at least one physical comprehensive one-stop center where programs and services are accessible. Depending on its location, a WDA may have one central or several satellite offices.

[2] According to WIOA, appropriate secretary means, with respect to the portion of a combined plan relating to any core programs, the Secretary of Labor and the Secretary of Education.

Commonwealth Workforce Transformation Program

Governor Shapiro signed Executive Order 2023-17 on July 31, 2023, creating the Commonwealth Workforce Transformation Program (CWTP). The order tasks L&I and the Governor's Office of Critical Investments with implementing this initiative. The CWTP is the umbrella program for significant portions of funds available for workforce development initiatives under the Infrastructure Investment and Jobs Act (IIJA) of 2021 and the Inflation Reduction Act (IRA) of 2022. Eligible entities include but are not limited to those who have received a contract, grant, or tax credit to carry out an IIJA or IRA project in Pennsylvania.

Department of Labor and Industry (L&I)

The US Department of Labor (USDOL) designated L&I as Pennsylvania's state workforce agency (SWA), which serves as the central state agency for administering workforce development and support programs for job seekers and businesses seeking to hire and retain workers.

Workforce Innovation and Opportunity Act (WIOA) Programs and Performance Measures

WIOA workforce development programs provide funding for a combination of education and vocational training services to prepare individuals for work and to help them improve their prospects in the labor market. These services may include job search assistance, career counseling, occupational skill training, classroom training, or on-the-job, training (OJT), customized, and incumbent worker training.

Of the federal WIOA title programs, L&I administers:

- Title I: Workforce Development Activities.
- Title III: Amendments to the Wagner-Peyser Act.
- Title IV: Amendments to the Rehabilitation Act of 1973.

Required Performance Indicators. L&I evaluates programs using the following WIOA-required outcome measures. We consider these effectiveness measures for all WIOA programs except Title III activities.[3]

[3] Credential Attainment and Measurable Skill Gain are not collected performance measures for the Title III program.

- **Employment Rate (Second Quarter)** – The percentage of program participants in unsubsidized employment in the second quarter after exit. Outcomes for the Youth program also include those in education or training during the second quarter after exit.

- **Employment Rate (Fourth Quarter)** -The percentage of program participants in unsubsidized employment in the fourth quarter after exit. Outcomes for the Youth program also include those in education or training during the fourth quarter after exit.

- **Median Earnings (Second Quarter)** – The median earnings of program participants with unsubsidized employment during the second quarter after exit.

- **Credential Attainment** – The percentage of program participants who, during participation or within one year from exit, either:
    - Attain a high school diploma or equivalent in addition to employment or enrollment in postsecondary training.
    - Attain an industry-recognized postsecondary credential.

- **Measurable Skill Gain**- Percent of program participants in an education or training program who achieve milestone skill gains, including but not limited to an increase in basic skills or completion of on-the-job training (OJT) within the fiscal year.

WIOA Title I Program Performance

Within the WIOA Title I program, there are three workforce development programs for different populations of job seekers:

Adult. The Adult Program serves participants aged 18 or older in need of employment or career advancement, with priority of service given to veterans, recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient.

Dislocated Worker. The Dislocated Worker program assists workers before or after a layoff to help facilitate reemployment.

Youth. The Youth program serves those aged 14-24 who face barriers to education, training, and employment through case management sup-

port toward educational attainment, including career guidance and exploration, summer and year-round work experience opportunities, and skills training along a career pathway for in-demand industries and occupations.

Efficiency. Determining the efficiency of WIOA programs is complex due to the nature of title program eligibility within the WFD system. PA CareerLink® centers receive different WIOA title funding streams for program participants based on the specific eligibility requirements of the respective programs, such as the Adult, Dislocated Worker, and Youth programs. Each program is designed to serve distinct populations, with the Adult program targeting unemployed or underemployed adults, the Dislocated Worker program focused on individuals who have been laid off or are facing layoffs, and the Youth program aimed at serving young people aged 14-24, who face barriers to employment.

Individuals may simultaneously qualify for multiple WIOA Title programs, meaning they could be served from various funding streams. The braided funding streams complicate accurately assessing the overall efficiency of the WIOA programs.

We note that while cost per outcome is useful in determining program efficiency, it does not fully capture the actual cost of generating an additional successful outcome. Instead, it can provide an illustration of the relationship between a program's funding and outcomes.

- The cost per outcome for Title I programs varies. The Adult program's cost efficiency over the scope of our analysis was mixed, with the cost per employment in the fourth quarter after exit increasing by 31 percent and the cost per individual with measurable skill gains decreasing by 43 percent from FY 2019-20 to FY 2023-24.

- The Dislocated Worker program's cost efficiency generally declined over the scope of our analysis, with all cost per outcome measures increasing from FY 2019-20 to FY 2023-24. The highest increase was the cost per employment in the second quarter after exit, with a 245 percent increase.

- The Youth program's cost efficiency generally declined over the scope of our analysis, with all cost per outcome measures increasing from FY 2019-20 to FY 2023-24 except for cost per individual with measurable skill gains, which decreased by three percent over the same period.

In FY 2019-20, Pennsylvania's national average rankings for the Adult, Dislocated Worker, and Youth programs across performance outcomes were 31st, 26th, and 29th, respectively. In FY 2022-23, the programs'

rankings were 27th, 21st, and 27th respectively. During the scope of our analysis, the Pennsylvania Title I programs increased their nationwide performance outcome rank by an average of 3.6 rankings. This indicates the programs' performance improved rank over time and was close to the median rank (26th) compared to other US states and territories.

Effectiveness. WIOA Title I programs successfully met most of their negotiated goals.[4] Title I programs consistently met or exceeded their negotiated goals for the Employment Rate in the Second and Fourth Quarters After Exit, Median Earnings, and Measurable Skills Gains performance indicators. Regarding Credential Attainment, the Adult and Dislocated Worker programs consistently met their goals, while the Youth program did not meet them in any year. The Adult, Dislocated Worker, and Youth programs collectively met 84 percent of their negotiated goals across the scope of our analysis.

WIOA Title III Program Performance

Although Title III does not directly provide training and skill development, we included it because it is the gateway to training opportunities under WIOA. The WIOA Title III program serves all job seekers and employers through PA CareerLink® offices and PA CareerLink® Online. WFD activities funded under the Title III program are the general PA CareerLink® services universally offered under the Wagner-Peyser Act. These services, referred to as labor exchange services, range from job search and career counseling for job seekers to customized labor market information and job fairs for employers.

Efficiency. Determining efficiency for Title III programming faces the same complexities as Title I programming. However, using the information provided by L&I, we calculated a simple cost-per-outcome measure by dividing a program's federal funding allocation by the number of individuals who achieved a specific outcome. The Title III program's cost efficiency generally declined over the scope of our analysis, with all cost-per-outcome measures increasing from FY 2019-20 to FY 2023-24. The highest increase was the cost per employment in the fourth quarter after exit, with a 159 percent increase.

Effectiveness. The WIOA Title III program successfully met most of its negotiated goals, meeting 73 percent of its goals across the scope of our analysis. The Title III program consistently met or exceeded its negotiated goals for all performance indicators.

In FY 2019-20, Pennsylvania's national average rankings for the Adult, Dislocated Worker, and Youth programs across performance outcomes

[4] Negotiations for the Title I and Title III program goals occur between L&I and the USDOL Employment and Training Administration (ETA) Regional Office for Pennsylvania.

were 20th in FY 2019-20. In FY 2022-23, the program's ranking was 28th. During the scope of our analysis, the Pennsylvania Title III program decreased its nationwide performance outcome rank by an average of eight rankings. This indicates that the program's performance rank declined over time and was close to the median rank (26th) compared to other US states and territories.

WIOA Title IV Program Performance

As outlined in the Vocational Rehabilitation Act of 1988, the Office of Vocational Rehabilitation (OVR) provides vocational rehabilitation services to help those with disabilities prepare for, secure, retain, advance in, or regain employment. Eligibility for vocational rehabilitation requires a determination that the applicant has a physical or mental impairment constituting or resulting in a substantial impediment to employment and requires vocational rehabilitation services.

OVR could only provide two years of performance data with established negotiated goals for Title IV programming. The lack of performance outcomes and negotiated goals for some fiscal years of the Title IV performance indicators can be attributed to the Rehabilitation Services Administration's (RSA) phased timeline of data collection and the gradual development of measurement tools.

Efficiency and Effectiveness. The efficiency and effectiveness of the WIOA Title IV Vocational Rehabilitation program are challenging to assess due to the previously referenced limited availability of data. A complete analysis of the efficiency and effectiveness of the Title IV program requires additional years of program performance data.

However, the national employment rate for individuals with disabilities was 21.9 percent and 22.8 percent in FY 2022-23 and FY 2023-24, respectively. In those years, Title IV program participants' employment rates averaged 60 percent in the second quarter after program exit and 51 percent in the fourth quarter after program exit.

Apprenticeship and Pre-Apprenticeship Programs

The Apprenticeship Training Office (ATO) oversees and supports the state's registered apprenticeship (RA) and pre-apprenticeship (Pre-RA) programs. RA and Pre-RA programs must be registered with the ATO but are directly operated by program sponsors, which can be a business, corporation, community college, or community-based organization.

Registered Apprenticeship Programs (RA). RA programs aim to provide apprenticeships combining paid on-the-job training with a skills-based education to prepare workers for careers in various industries. L&I indicated that apprentices are considered full-time employees. The exhibit below shows active apprentices, new apprentices, and apprenticeship completers by fiscal year.

Active Apprentices, New Apprentices, and Apprenticeship Completers
(FY 2019-20 to FY 2023-24)

Fiscal Year	Active Apprentices	New Apprentices	Completers
2019-20	18,174	4,519	2,130
2020-21	16,964	4,100	2,772
2021-22	17,065	4,796	2,857
2022-23	16,755	4,825	2,800
2023-24	16,960	5,738	2,944
Total		**23,978**	**13,503**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

Registered Pre-Apprenticeship Programs (Pre-RA). Pre-apprenticeship programs provide the instruction, preparation, and support to help individuals gain the necessary skills to succeed in an RA program. Pre-RA programs are linked with existing RA programs, creating a pipeline of qualified workers to fill open positions.

Various entities can deliver Pre-RA training activities, including community-based organizations, high schools, labor organizations, workforce agencies, or community colleges. Employers and RA sponsors are often involved in creating and facilitating these programs, ensuring that the training applies to existing RA programs.

Efficiency. Between FYs 2019-20 and 2023-24, funding for apprenticeship activities increased 50 percent from $7 million to $10.5 million. From FY 2019-20 to FY 2023-24, the estimated cost per apprenticeship completer increased from $3,286 to $3,567, or 8.5 percent.

Cost per Apprenticeship Program Completer
(FY 2019-20 to FY 2023-24)

FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
$3,286	$2,525	$2,450	$2,679	$3,567

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

Effectiveness: Active RA programs increased by nine percent during that period, and Pre-RA programs increased by 98 percent. The number of RA and Pre-RA programs increased by 12 percent, from 1,562 to 1,755. However, the total number of active apprentices decreased by 6.7 percent, from 18,174 to 16,960.

Department of Education (PDE)

PDE has several roles related to workforce development, including career and technical education and equipment grants. We intended to include non-credit programming, which is short-term and industry-driven, to train workers in specific skills and training directly related to a job without granting traditional college credits. However, PDE does not have any standardized data collection for non-credit programming.

Career and Technical Education (CTE) refers to programs that prepare individuals for their careers. These programs combine academic knowledge with technical and practical skills tailored to specific industries, such as carpentry, electrical, construction, and other trade programs. CTE is available at high schools, community colleges, colleges, and Career and Technical Centers (CTCs). Students at CTCs can be in secondary schools (SEC), pursuing post-secondary (PS) education, or adults in adult affidavit programs (AAPs).[5]

Pennsylvania has 88 CTCs and 142 high schools that offer CTE programs. In FY 2022-23, almost 141,000 participants were enrolled in CTE programming.

Efficiency. The LBFC identified expenditures per credential obtained as an appropriate efficiency measure for evaluating CTE programs. This metric shows how PDE uses financial resources to produce tangible outputs, specifically attaining industry-recognized credentials. By focusing on this measure, the analysis links resource allocation directly to program

[5] AAPs are non-credit short-term programs typically geared towards developing a specific skill or industrial credential.

outputs, providing a basis for comparing the cost-effectiveness of different CTE programs. We believe an additional measure should be determining the cost per job obtained within the field of employment in which someone received their credentials; however, this data was unavailable.

Cost per Credential
(FY 2018-19 to FY 2022-23)

Fiscal Year	State Cost Per Credential	Cost per Credential Percent Change from the Previous Year
2018-19	$1,888	N/A
2019-20	1,837	-2.7%
2020-21	1,765	-4.1
2021-22	1,481	-19.2
2022-23	1,290	-14.8

Source: Developed by LBFC staff from information obtained from the Pennsylvania Department of Education.

Effectiveness. From FY 2018-19 to FY 2022-23, the number of industry credentials obtained by CTE students increased by 75.6 percent. Between FYs 2021-22 and 2022-23, the number increased by 26.1 percent. CTE education facilities are achieving PDE's goal of increasing the number of students earning industry credentials. Although enrollment has remained relatively constant, there was a 1.5 percent increase between FYs 2021-22 and 2022-23.

Gainful placements provide tangible evidence of how well CTE programs prepare participants for successful transitions into the workforce, higher education, or military service, ensuring alignment with real-world economic demands and career pathways. PDE defines gainful placements as any further education, employment, or participation in the Peace Corps or National Community Service for a program participant

Gainful placements decreased 3.2 percent from FY 2018-19 to FY 2019-20, followed by an increase of 4.3 percent in FY 2020-21 and a 17.5 percent increase in FY 2021-22.

Effectiveness Measures
(FY 2018-19 to FY 2021-22)

Fiscal Year	Enrollments	Credentials Earned	Gainful Placements	Placement by Credential Rate
2018-19	151,992	35,316	6,967	19.7%
2019-20	151,482	37,690	6,741	17.8
2020-21	138,936	41,132	7,033	17.1
2021-22	138,540	49,192	8,261	16.8

Source: Developed by LBFC staff from information obtained from the Pennsylvania Department of Education.

Department of Human Services (DHS)

DHS's primary goal in its workforce development (WFD) programming is to assist adult recipients of Temporary Assistance for Needy Families (TANF) and Supplemental Nutritional Assistance Program (SNAP) benefits to find and maintain employment that allows them to be independent of public assistance.

TANF is a block grant program that uses federal TANF funds and state maintenance of effort (MOE) funds to provide cash assistance for essential costs to needy families experiencing poverty. SNAP is a federally funded and state-administered program that provides low-income individuals and families with supplemental funds to purchase food and nutritional items.

DHS offers four primary WFD programs to eligible public assistance recipients in Pennsylvania:

- **EARN**: Available to TANF recipients.
- **SNAP EARN**: Available to SNAP recipients.
- **SNAP JETS**: Available to SNAP recipients.
- **WorkReady**: Available to Extended TANF (ETANF) recipients.[6]

Performance Indicators. DHS uses various indicators to measure the performance of its WFD programs. In addition to program referrals and enrollments, the performance indicators for the EARN, SNAP EARN, and WorkReady programs are:

[6] ETANF recipients are those who have received more than 60 months or 1,830 days of TANF benefits.

Secondary Equivalent and Credentialing: This indicator measures the number of individuals who receive an industry-recognized certification in a marketable skill directly related to the employment goals listed in their IEPs.

Job Placement: This indicator measures the number of individuals in unsubsidized employment for an average of at least 20 hours per week in a consecutive four-week period, with a wage at least two dollars above the federal or state minimum wage (whichever is higher as of July 1 of the program year).

Retention (Six- and 12-month benchmarks):[7] These indicators measure the number of individuals who retain employment for six and 12 months. Retention begins when an individual no longer receives TANF or ETANF benefits due to earned income from employment.

In addition to program referrals and enrollments, the performance indicators for the SNAP JETS program are:

Completions: This indicator measures the number of individuals who completed and obtained the relevant certification from their enrolled program.

Enter Employment: This indicator measures the number of individuals employed upon program exit within a job search period of up to 75 days.

Job Retention: This indicator measures the number of individuals who retain employment for 90 days after program exit and a subsequent job search period of up to 75 days.

Despite having wage requirements within the Job Placement indicator, DHS does not track the earnings of program participants before and after program exit. Similarly, the department's WFD program uses varying time frames for its retention indicators, with some programs using 90-day periods and others using six- and 12-month periods.

Employment, Advancement, and Retention Network (EARN)

The EARN program serves adult TANF recipients who are required to be enrolled in WFD programming through the Road to Economic Self-Sufficiency through Employment and Training (RESET) Program and recipients who are exempt from RESET but volunteer to participate in work-related

[7] The SNAP EARN program uses a 90-day retention period instead of six- and 12-month periods.

activities.[8] EARN provides participants with WFD activities and employment supports to achieve economic self-sufficiency. Specifically, EARN offers case management, education opportunities (emphasizing individuals with limited English proficiency), skills training, and job placement assistance.

Efficiency. Overall, the EARN program demonstrated increased cost efficiency over the scope of our analysis, with costs per outcome decreasing by an average of 60.1 percent.

Effectiveness. The EARN program's effectiveness over time was mixed. Across the four performance indicators, the EARN program reached 31.3 percent of its benchmarks from FY 2020-21 to FY 2023-24. Despite consistently being below benchmark levels, the EARN program observed increased performance outcomes from FY 2020-21 to FY 2023-24, indicating an upward trend in program performance.

SNAP EARN

The SNAP EARN program serves eligible SNAP recipients who participate voluntarily in a WFD program and offers the same programming as the EARN program.

Efficiency. Overall, the SNAP EARN program demonstrated increased cost efficiency over the scope of our analysis, with costs per outcome decreasing by an average of 69.0 percent.

Effectiveness. The SNAP EARN program's effectiveness over time was mixed. The program met 50.0 percent of its performance benchmarks from FY 2020-21 to FY 2023-24. Despite being below half of its benchmark levels, the SNAP EARN program observed increased performance outcomes from FY 2020-21 to FY 2023-24, indicating an upward trend.

The exhibit below shows the percentage of SNAP recipients referred to and enrolled in the SNAP EARN program and the percentage of total SNAP EARN program participants who achieved each of the four performance indicators.

[8] RESET requires recipients to be enrolled in one of several activities to maintain eligibility for TANF benefits, for example, part-time employment, community service programs, or vocational education.

SNAP JETS

The objective of the SNAP JETS, formerly known as SNAP 50/50 Program, is to connect eligible individuals receiving SNAP benefits to WFD activities in various industries and sectors.

The key feature of the SNAP JETS program is its funding mechanism. The SNAP JETS funding model is based on a fund reimbursement agreement with the US Department of Agriculture (USDA). This funding model allows DHS to substitute provider expenditures on training services for SNAP recipients enrolled in SNAP JETS for state expenditures within the fund reimbursement agreement. USDA will then reimburse 50 percent of total SNAP JETS expenditures acting in place of state funds.

This approach allows DHS to receive a 50 percent reimbursement from the USDA's Food and Nutrition Service (FNS). These reimbursements are then redirected to the providers, increasing their available financial resources. DHS can access federal reimbursements without upfront state funding by allowing providers to claim training expenses as state expenditures.

Efficiency. Overall, the SNAP JETS program demonstrated increased cost efficiency over the scope of our analysis, with costs per outcome decreasing by an average of 66.2 percent.

Effectiveness. The SNAP JETS program's effectiveness over time was improved. Across the three performance indicators, the SNAP JETS program reached 58.3 percent of its benchmarks from FFY 2020-21 to FFY 2023-24. Despite reaching one-third of its benchmark levels, the SNAP JETS program observed increased performance outcomes from FFY 2020-21 to FFY 2023-24, indicating a trend of increasing program performance.

WorkReady

The WorkReady program provides WFD services to adult Extended TANF (ETANF) individuals, those who have received more than 60 months or 1,830 days of TANF benefits. According to DHS, WorkReady serves ETANF individuals in 14 locations statewide. The program includes case management, licensed counseling, and assistance in developing a career pathway through job placement and retention goals for ETANF participants.

Efficiency. Overall, the program demonstrated increased cost efficiency, with costs per outcome decreasing by an average of 80.8 percent over the scope of our analysis.

Effectiveness. The WorkReady program's effectiveness over time was mixed. Across the four performance indicators, the WorkReady program reached 31.3 percent of its benchmarks from FY 2020-21 to FY 2023-24. However, program performance showed some improvement over the same period. Six and 12-month retention outcomes increased by 47.5 and 57.1 percent, respectively. However, Secondary Equivalent and Credentialing and Job Placement decreased by 1.1 and 20.5 percent, respectively.

Department of Community and Economic Development (DCED)

DCED's role in workforce development is to aid businesses and job seekers through career training and barrier remediation. In the context of our audit, direct workforce development programs administered by DCED include WEDnetPA, the Manufacturing-to-Career Grant program, and the Foundations in Industry Program. These programs assist employers with incumbent worker training and apprenticeships to stay competitive and keep workers up to date with relevant skills.

Workforce and Economic Development Network of Pennsylvania (WEDnetPA)

WEDnetPA is a grant program created by DCED to provide training funds for new and existing employees, which collaborates with 22 partner educational institutions across Pennsylvania. The WEDnetPA program trains incumbent employees and serves businesses of varying sizes. WEDnetPA monitors the number of employees trained, the number of companies served, and the number of workers each grantee company employs. WEDnetPA primarily awards grants to smaller businesses with lower overall employee counts.

Efficiency. To determine the efficiency of WEDnetPA, the LBFC identified the program's total grants funded and individuals trained. The cost per individual trained increased steadily over the five years, from $267 in FY 2019-20 to $436 in FY 2023-24.

WEDnetPA 2023-2024 Cost per Individual Trained

Fiscal Year	Cost Per Individual Trained
2019-20	$267
2020-21	394
2021-22	451
2022-23	422
2023-24	436

Source: Developed by LBFC staff from information obtained from the Department of Community and Economic Development.

Effectiveness: The WEDnetPA program provides training to thousands of incumbent employees and serves businesses of varying sizes. During the scope of our study, the program trained an average of 22,695 employees in 700 companies. To further determine the effectiveness of WEDnetPA, the LBFC believes that WEDnetPA would benefit from tracking job retention rates of trained individuals and wage increases within the first year of training.

Manufacturing PA Training-to-Career Grant Program

The Manufacturing PA Training-to-Career Grant Program is designed to assist companies in identifying and training a skilled workforce for existing or near-future open positions in manufacturing. The program engages youth or those with barriers to career opportunities. Training-to-Career creates short-term work readiness with direct input from manufacturers. Grants are administered specifically to assist with training or to provide awareness of manufacturing career opportunities.

Funding is distributed in two-year grants to allow for program development and implementation. Funding for these grants is set at $4.7 million per year from the Manufacturing PA appropriation in the state budget.

Efficiency and Effectiveness. Currently, DCED does not track employment after program completion. For effectiveness, DCED only tracks the grantees' proposed goals for the number of trained individuals and individuals exposed as part of awareness grants. The number of individuals trained is not tracked, so a "cost per individual trained" efficiency measure cannot be calculated.

Foundations in Industry Training (FIT)

The Foundations in Industry Training Grant Program is a DCED initiative to support registered apprenticeship programs across the commonwealth. This program collaborates with L&I's Apprenticeship and Training Office (ATO) to enhance the availability of apprenticeships for Pennsylvania employers, aiding in talent recruitment and development.

FIT aims to increase apprenticeship availability to Pennsylvania employers and assist them with recruitment. Due to the program's recent implementation, no data is available to assess its effectiveness and efficiency.

Other State Agencies with Workforce Development Programs

Three other state agencies are involved with workforce development. The Department of Aging serves low-income individuals aged 55 and older; the Department of Corrections serves incarcerated individuals, incarcerated individuals reentering the community, or those otherwise involved in the justice system; and the Department of Conservation and Natural Resources has one program open to youth and young adults.

Department of Aging

The Department of Aging administers one WFD program, the Senior Community Service Employment Program (SCSEP), a job training program for Pennsylvania residents who are 55 or older and have income no more than 125 percent of the federal poverty level.

Program participants gain work experience in various community service training assignments at nonprofit and public facilities, including schools, libraries, hospitals, daycare centers, and senior centers that serve as a bridge to outside employment opportunities. They engage in work such as customer service, maintenance, janitorial, and clerical. Participants work an average of 20 hours per week and are paid the federal, state, or local minimum wage – whichever is greater.

Department of Corrections

The Department of Corrections administers workforce development programs through Correctional Industries (CI), vocational programming, and career pathways. In addition to these workforce development programs, inmates are offered the opportunity to learn skills through employment within a correctional facility in positions such as electrician, plumber, and carpenter.

Correctional Industries. CI jobs grew an average of 4.4 percent each year, ranging from 2,251 in FY 2019-20 to 3,374 in FY 2023-24. CIs are job opportunities within correctional facilities that allow inmates to gain on-the-job experience. CIs may include printing processing, furniture refurbishing, optical prescriptions, braille transcription, metal fabrication, license plates, chemical manufacturing, laundry, and other career paths.

Vocational Training. The Division of Correctional Education within the DOC helps reentrants utilize career services and provides vocational training for inmates seeking nationally recognized certifications, including auto technology, barbershop, cosmetology, business education, carpentry, construction, custodial maintenance, electrical, horticulture, HVAC, machine shop, masonry, optical, print shop, plumbing, restaurant trades, furniture, warehousing, and welding.

A DOC official informed us that the department is currently conducting an internal study using wage data gathered from L&I for those who have completed a vocational program or worked in a CI to determine when reentrants are becoming employed, how much they are making on average, and whether they are working in fields in which they received certifications while incarcerated.

Pathways to Success. Pathways to Success is a course used as an introduction to all inmates who wish to pursue vocational programming within the DOC. The course allows inmates to orient themselves to in-demand careers using recent labor market information and guides them through identifying career goals and developing plans to pursue credentials for in-demand jobs. Effectively, this course helps inmates develop the soft skills needed to reenter the workforce.

Department of Conservation and Natural Resources

The Pennsylvania Department of Conservation and Natural Resources (DCNR) manages 124 state parks and maintains over two million acres of state forest land. The department operates one youth workforce development program, the Pennsylvania Outdoor Corps, which provides a paid training experience for young adults and youth seeking careers in conservation work.

The Pennsylvania Outdoor Corps restores public land and waters by assembling crews to conduct environmental conservation projects. The program provides hands-on experience and training in stewardship to assist participants in acquiring employment within DCNR or other related organizations dedicated to conservation. The Student Conservation Association, a national nonprofit partner in conservation programs across the United States, helps to manage the program.

Outdoor Corps can monitor placements from the program into employment within the workforce. Outdoor Corps participants must register with PA CareerLink; their employment outcomes may be tracked using their CareerLink identification number and other unique identifiers, such as social security numbers. Outdoor Corps can track where the participant has gained employment, their job titles, and the year they were employed versus the year they were in the program. In 2023, 117 individuals participated in the Outdoor Corps at 18 project locations.

SECTION I
OBJECTIVES, SCOPE, AND METHODOLOGY

Why we conducted this study…

This study is in response to Senate Resolution 2023-169, adopted by the Senate on December 11, 2023.

Objectives

Our objectives for this study were:

1. To evaluate the effectiveness and efficiency of the various workforce development programs administered by commonwealth agencies, including:

    - Department of Labor and Industry.
    - Department of Education.
    - Department of Human Services.
    - Department of Community and Economic Development.

2. To issue findings and recommendations to improve the effectiveness and efficiency of workforce development programs.

Scope

This study focused on the four Pennsylvania departments in SR 169: Labor and Industry, Human Services, Education, and Community and Economic Development. We narrowed our review to programs within each department with direct training or skill development elements.

Unless otherwise noted, the data for each agency covers fiscal years 2018-19 to 2022-23 or 2023-24.

Methodology

This study used several approaches to evaluate the efficiency and effectiveness of workforce development agencies in Pennsylvania. Our research focused on three primary data sources: (1) interviews with state workforce agencies, (2) an analysis of program funding and expenditures, and (3) an examination of key outcome measures across multiple years.

We interviewed representatives from various state agencies involved with workforce development to gather insights on program implementation, priorities, and challenges. The interview protocol included questions

about program goals, resource allocation, inter-agency collaboration, and outcome measures.

We collected financial data on the allocation and utilization of funds across workforce programs from state budget records and agency-provided data.

Within the Department of Labor and Industry (L&I), we reviewed programming required under the Workforce Innovation and Opportunity Act (WIOA). We used the federally required performance outcomes data to compare funding for WIOA programming for Title I (Adult, Youth, and Dislocated Worker), Title III (Employment Services), and Title IV (Vocational Rehabilitation). For apprenticeship programming, we used L&I-defined goals and associated performance measures used by the department.

We reviewed career and technical education (CTE) data and performance measures from the Department of Education (PDE) as defined by PDE, as well as funding and expenditures.

For the Department of Human Services (DHS), we reviewed workforce development programming designed to impact those who receive Temporary Assistance to Needy Families and Supplemental Nutrition Assistance benefits. These programs included Employment, Advancement, and Retention Network and WorkReady. We used program outcomes data, DHS-defined performance measures, and funding and expenditure figures to evaluate these programs.

Within the PA Department of Community and Economic Development, we reviewed data from WEDnetPA, the Manufacturing-to-Career Grant, and the Foundations in Industry Training Grant. We used various effectiveness and efficiency measures to evaluate performance, although in some cases, data was not available.

Finally, we provide a brief informational review of workforce development programs in the Departments of Aging, Corrections, and Conservation and Natural Resources.

Frequently Used Abbreviations

This report uses several abbreviations for government-related agencies, terms, and functions. These abbreviations are defined as follows:

Abbreviation	Meaning
AAP	Adult Affidavit Program
ADM	Average Daily Membership
ATO	Apprenticeship and Training Office
AVTS	Area Vocational-Technical Schools
CAO	County Assistance Office
CAR	Consolidated Annual Report
CIP	Classification of Instructional Programming
COPOS	Community Organization Planning and Outcome System
CSBG	Community Services Block Grant
CTC	Career and Technical Center
CTE	Career and Technical Education
DCED	Pennsylvania Department of Community and Economic Development
E&T	Employment and Training
EARN	Employment Advancement and Retention Network
ED	US Department of Education
ETANF	Extended Temporary Assistance for Needy Families
FIT	Foundations in Industry Training
FPL	Federal Poverty Level
FPIG	Federal Poverty Income Guidelines
IDOL	In-Demand Occupation List
LBFC	Legislative Budget and Finance Committee
LEA	Local Education Agency
L&I	Pennsylvania Department of Labor and Industry
LWDB	Local Workforce Development Board
NAP	Neighborhood Assistance Program
OCS	Office of Community Services
OGA	Occupational Gap Analysis
OJT	On-the-Job Training
PACTA	Pennsylvania Association for Career and Technical Administrators
PDE	Pennsylvania Department of Education
PREP	Partnership for Regional Economic Performance
Pre-RA	Pre-Registered Apprenticeship
PS	Post-Secondary School
RA	Registered Apprenticeship

RESET	Road to Economic Self-Sufficiency Through Employment and Training
RSA	Rehabilitation Service Agency
SCSEP	Senior Community Service Employment Program
SCTES	Secondary Career and Technical Education Subsidy
SEC	Secondary School
SNAP	Supplemental Nutritional Assistance Program
SOAR	Students Occupationally and Academically Ready
SPP	Special Program Priorities
SWA	State Workforce Agency
TANF	Temporary Assistance for Needy Families
USDOL	US Department of Labor
WEDnetPA	Workforce and Economic Development Network of Pennsylvania
WFD	Workforce Development
WIOA	Workforce Innovation and Opportunity Act
WR	WorkReady

Acknowledgments

We acknowledge and appreciate the cooperation and assistance we received from officials from the Departments of Labor and Industry, Education, Human Services, and Community and Economic Development. We also thank officials from the Departments of Aging, Corrections, and Conservation and Natural Resources.

Important Note

This report was developed by the Legislative Budget and Finance Committee staff, including Project Manager Anne Witkonis and analysts James Wynne and Josh Ballard. The release of this report should not be construed as an indication that the LBFC as a whole or its individual members necessarily concur with the report's findings, conclusions, or recommendations.

Any questions or comments regarding the contents of this report should be directed to:

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SECTION II
BACKGROUND INFORMATION

Fast Facts...

- *The federal Workforce Innovation Opportunity Act dictates most workforce development programming.*
- *The State Workforce Development Board and local workforce development boards develop policies and strategies regarding workforce development*
- *PA CareerLink® offices are one-stop centers through which the state provides many employment services.*

Pennsylvania's workforce development programs and services are offered through multiple state agencies employing many tools and strategies. This report focuses on workforce development programming in the Departments of Labor and Industry, Education, Community and Economic Development, and Human Services. Workforce development activities also occur in the Departments of Corrections, Aging, and Conservation and Natural Resources.

Workforce Innovation Opportunity Act (WIOA)

The Workforce Investment Act (WIA), enacted in 1998, was the first major federal workforce legislation in nearly two decades. It sought to streamline employment services by consolidating several federal job training programs and creating one-stop career centers where job seekers could access various services. However, as the labor market evolved, WIA faced criticism for being outdated, overly bureaucratic, and lacking sufficient stakeholder collaboration.

In response, Congress developed the Workforce Innovation Opportunity Act (WIOA) to address these issues. Signed into law on July 22, 2014, WIOA succeeded WIA. Its primary goal is to help individuals, particularly those from marginalized or underserved groups, secure and retain meaningful employment while simultaneously meeting the evolving needs of employers. The WIOA authorizes six core programs:

- Adult.
- Dislocated Worker.
- Youth.
- Adult Basic Education.
- Employment Service.
- Vocational Rehabilitation (VR).

Six Core Programs

Title I Adult. The Adult program authorized under the WIOA is designed to assist those aged 18 or older with employment. Veterans, recipients of public assistance, other low-income individuals, and those with basic skill deficiencies receive priority for these services.

Title I Dislocated Worker. The Dislocated Worker program assists workers before or after job layoffs to facilitate prompt reemployment. Dislocated workers are triaged at the point of entry to find programs they are eligible for. This streamlined service strategy aims to maximize the funding of all agencies carrying out reemployment services.

Title I Youth. The Youth program supports educational attainment for youth. This primarily includes guidance, work opportunities, and internships. The goal of the Youth program is either advancement to postsecondary education or employment with a self-sustaining wage. The program prioritizes out-of-school youth (OSY) or those with significant barriers to advancement, such as disability, pregnancy, or parenting youth, or those subject to the juvenile justice system.

Title II Adult Basic Education. The Adult Basic Education program assists adults with improving basic math, reading, writing, digital literacy, and self-management skills. The program provides opportunities for English language learners, and participants may earn high school equivalency credentials.

Title III Wagner-Peyser Act. The Wagner-Peyser Employment Service program, established by the Wagner-Peyser Act of 1933, is a core federal funding source for workforce development. Its mission is to connect job seekers with employers to address labor supply and demand. Employment Service (ES) activities, often referred to as "Wagner-Peyser services" or "labor exchange services," are accessible to all job seekers and employers. Title III of WIOA amends the Wagner-Peyser Act to integrate the ES into the one-stop system established by WIOA.

The ES is a required partner under the WIOA American Job Center (AJC) network. AJC delivers ES services designed to increase job seekers' employment opportunities and address businesses' needs by ensuring universal access to labor exchange services. Pennsylvania's Wagner-Peyser services are delivered through PA CareerLink® offices and PA CareerLink® Online, which aim to connect job seekers and employers.

Title IV Vocational Rehabilitation. The Office of Vocational Rehabilitation (OVR) administers funds to provide services to people with disabilities and assist them in finding and maintaining employment. Services include, for example, connection to accessible job training

and counseling. OVR counselors collaborate with businesses and individuals with disabilities through PA CareerLink® offices.

Pennsylvania Workforce Development Boards

WIOA requires both statewide and local workforce development boards.

State Workforce Development Board (SWDB)

The WIOA provides a framework for state governments to develop and change workforce development policies. The SWDB is an advisory group for the governor on workforce development policies and programs. Its mission is to "ensure Pennsylvania's workforce development system, across programs and agencies, helps job seekers advance their careers and economic standing, and helps employers connect with skilled workers."[9]

WIOA dictates the SWDB members, which include:

- The governor.
- A member of each chamber of the state legislature.
- The lead state official with primary responsibility for each core program in the WIOA.
- Two county elected officials (city and county).
- No less than 20 percent of the board members must be from the workforce (labor organizations and registered apprenticeship programs within the state).
- A majority of the board members must be from the business sector (executives with policymaking or hiring authority within their organization), including one member representing small businesses as defined by the US Small Business Administration.

As required by the WIOA, the SWDB develops the PA State Combined Plan, which outlines the vision and goals of Pennsylvania's workforce development system and specifies how each program will operate and deliver workforce development services over the designated four-year period.

[9] Pennsylvania Department of Labor and Industry, *WIOA 2024-2028 Combined State Plan*

The SWDB establishes committees and interagency work groups that regularly meet to consider ideas, develop agency initiatives and strategies, and discuss how partner agencies can achieve the goals outlined in the State Combined Plan. The SWDB currently has 11 committees:

1. Agriculture.
2. Apprenticeship and Career & Technical Education.
3. Barrier Remediation.
4. Construction Workforce.
5. Continuous Improvement of the PA CareerLink® System.
6. Education Workforce Shortage.
7. Healthcare Workforce.
8. Industry Partnerships and Employer Engagement.
9. Manufacturing.
10. Reentry.
11. Youth.

These committees and inter-agency work groups are comprised of executive and program-level staff from the

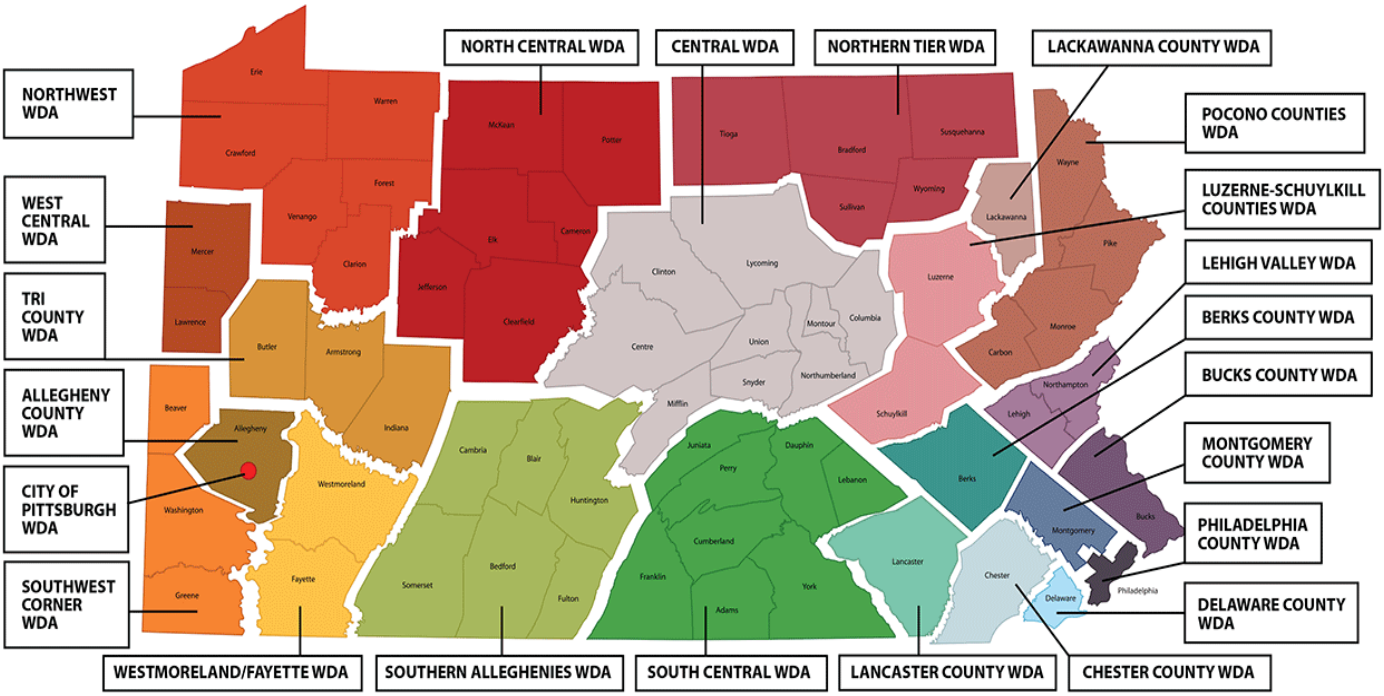
- Governor's Office.
- Pennsylvania Department of Aging (Aging).
- Department of Education (PDE).
- Department of Human Services (DHS).
- Department of Labor and Industry (L&I).
- Department of Agriculture (PDA).
- Department of Community and Economic Development (DCED).
- Department of Military and Veterans Affairs (DMVA).
- Department of Corrections (DOC).

Local Workforce Development Boards (LWDBs)

As shown in Exhibit 1, Pennsylvania is divided into 23 local workforce development areas (WDAs), which are served by 22 LWDBs, each administered by an executive director. There is one WDA for each local board, except for the Allegheny County and the City of Pittsburgh WDAs, which are separate WDAs operated by the Partner4Work WDB.

Exhibit 1

Local Workforce Development Areas



Source: Obtained from the Pennsylvania Workforce Development Association.

LWDBs develop regional policies and strategies regarding workforce development in the area in which they serve. The boards oversee and coordinate the workforce services offered in the region and the PA CareerLink® centers. These boards include business executives, labor officials, education leaders, economic development practitioners, and local elected officials. Local elected officials also have the authority to request local area designation, appoint members of local boards, and serve as or designate local grant recipients.

WIOA also requires LWDBs to develop a comprehensive four-year local plan, with strategies and goals that align with the State Plan, to build and manage effective workforce development. LWDBs also collaborate to develop regional workforce development plans.

The SWDB does not oversee or have authority over the LWDBs. The LWDBs and the SWDB operate collaboratively, with members of local boards sitting on SWDB committees to offer input on statewide policy and program development from a local workforce perspective.

Pennsylvania WIOA Combined State Plan

WIOA requires each state to submit a State Plan to the appropriate federal secretaries that outlines a four-year strategy for the State's workforce development system.[10] Pennsylvania's Combined State Plan includes six core programs (Adult, Dislocated Worker, Youth, Wagner-Peyser, Adult Basic Education, Vocational Rehabilitation) and other optional programs.

In addition to the state plan, Pennsylvania's 10 planning regions and 22 LWDBs submit plans and strategies to implement the WIOA Combined State Plan at the regional and local levels.

The Combined State Plan outlines six broad goals addressing specific areas of focus for the state's workforce development strategy:

Apprenticeship and Career and Technical Education (CTE). Expand opportunities for individuals to enter into Registered Apprenticeship and Pre-Apprenticeship programs, assist employers in building registered Pre-Apprenticeship and Apprenticeship programs, and increase coordination with CTE in these efforts. The SWDB maintains a standing committee on apprenticeship and CTE.

Sector Strategies and Employer Engagement. Engage employers and industries to improve the connection and responsiveness of workforce programs and services to labor market demand, including recruiting, training, and retaining talent.

Youth. Increase opportunities for youth to experience work-based learning through summer employment, Pre-Apprenticeships, Registered Apprenticeships, internships, job shadowing, mentoring, and other experiences in the workplace, including developing employability skills.

Continuous Improvement of the PA CareerLink®. Implement system changes and improvements regarding partnerships between agencies and partners in the workforce development system.

Barrier Remediation. Develop strategies to ensure the workforce development system is equipped to support individuals with barriers to employment in finding and maintaining self- and family-sustaining jobs.[11]

[10] According to WIOA, appropriate secretary means, with respect to the portion of a combined plan relating to any core programs, the Secretary of Labor and the Secretary of Education.

[11] Federal law (29 USC § 3102(24)) defines an "individual with a barrier to employment" as a member of a vulnerable population, including low-income individuals, ex-offenders, long-term unemployed individuals, English learners/individuals facing substantial cultural barriers, single parents, and individuals with disabilities.

Address Worker Shortages in Critical Industries.

Prioritizing investment in industries is critical to Pennsylvania's economy, which is experiencing worker shortages.

PA CareerLink®

PA CareerLink® offices throughout Pennsylvania are the one-stop centers through which the state provides many employment services. These one-stop centers:

- Provide career services and access to training.
- Provide access to programs and activities carried out by one-stop partners.
- Provide access to workforce and labor market information, job search, placement, recruitment, and labor exchange services authorized under the Wagner-Peyser Act.

Key functions include providing self-service databases for job searches, assistance with resume preparation through software tools and personalized support, and helping employers recruit qualified candidates. Additional activities involve matching jobseekers to suitable opportunities, referring candidates to employers for interviews, and supplying labor market data to employers and job seekers. PA CareerLink® offices also provide counseling to assess jobseeker aptitudes and interests, facilitate unemployment insurance claims, and refer customers to relevant training programs and services.

PA CareerLinks® provides computer access for individuals to search for and apply for jobs and host classroom space for various certification and training programs.

Each WDA must have at least one physical comprehensive one-stop center where programs and services are accessible. Depending on location, a WDA may have one central or several satellite offices.

WIOA requires that certain partner programs provide access to career services in the one-stop system and allow additional programs to operate. The required partner programs are listed in Exhibit 2. These partner programs ensure that anyone who walks into a CareerLink® can simultaneously receive assistance through any resources they qualify for.

Exhibit 2

PA CareerLink® Required Partners

Required Partner
Youth Workforce Investment Activities
Adult Employment and Training Activities
Dislocated Worker Employment and Training Activities
Job Corps
Native American Programs
Migrant and Seasonal Farmworker Programs
YouthBuild Program
Employment Service
Adult Education and Literacy Activities
Vocational Rehabilitation State Grant Programs
Senior Community Service Employment Program

Source: Developed by LBFC staff from information obtained from the Congressional Research Service.

In addition to hosting the required partners, PA CareerLinks® can provide other workforce development programming access, including:

- Career and Technical Education.
- Temporary Assistance for Needy Families.
- Trade Adjustment Assistance for Workers.
- Jobs for Veterans State Grants.
- Senior Community Service Employment.
- Reintegration of Ex-Offenders.
- Community Services Block Grant.
- Unemployment Insurance.

Commonwealth Workforce Transformation Program

Governor Shapiro signed Executive Order 2023-17 on July 31, 2023, creating the Commonwealth Workforce Transformation Program (CWTP). The order tasks L&I and the Governor's Office of Critical Investments with implementing this initiative. The CWTP is the umbrella program for significant portions of funds available for workforce development initiatives under the Infrastructure Investment and Jobs Act (IIJA) of 2021 and the Inflation Reduction Act (IRA) of 2022. Eligible entities include but are not limited to those who have received a contract, grant, or tax credit to carry out an IIJA or IRA project in Pennsylvania.

Within state agencies with a federal workforce development funding stream, the Office of Critical Investments and L&I work with the agency to dedicate three percent of the federal funding for that project or program to workforce development efforts that will support the individual program within that specific commonwealth agency.

The CWTP provides funding for programs across the workforce pipeline based on industry workforce needs. The programs vary at each state agency based on federal programmatic requirements and agency workforce needs.

CWTP Trainees facing systemic barriers to employment may also be eligible for supportive services, including, but not limited to, housing, child and dependent care, work-related tools and clothing, educational testing, and transportation.

The CWTP has piloted two programs, which have both been approved for five years:

- **ConnectU2Jobs Program** – connects justice-involved young adults between 18 and 24 with careers in the heavy highway construction industry. The Federal Highway Administration (FHWA) has approved a five-year program.
- **Disadvantaged Business Enterprise Construction Academy** – trains disadvantaged businesses to obtain PennDOT preconstruction qualification status.[12] FHWA has approved a five-year program.

[12] The federal Department of Transportation's Disadvantaged Business Enterprise (DBE) program is designed to remedy ongoing discrimination and the continuing effects of past discrimination in federally assisted transportation contracting markets.

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SECTION III
MAJOR WORKFORCE DEVELOPMENT AGENCIES

Fast Facts…

- *WIOA workforce development programs exceeded their negotiated goals by as much as 41 percentage points and fell short by as much as 14.5 percentage points over the scope of our analysis.*
- *DHS offers workforce development programs to adult Pennsylvanians receiving SNAP and TANF benefits.*
- *Since its implementation in 1999, WEDnetPA has assisted with training 1.3 million incumbent workers.*
- *Pennsylvania supports Career and Technical Education in more than 1,746 secondary programs and 21 postsecondary institutions.*

Senate Resolution 2023-169 directed the LBFC to determine the effectiveness and efficiency of Pennsylvania's workforce development (WFD) programs.

Key Findings:

1. Pennsylvania has not updated its workforce development definition since 2002, and agencies within the workforce development system have varying definitions, with one agency having no formal definition.

We recommend that:

1. **Recommendation: We recommend that the State Workforce Development Board develop and recommend a definition of workforce development to clarify all programming, including training, education, skills development, and employment assistance and supports.**

Department of Labor and Industry (L&I)

1. WIOA Title I programs collectively achieved 84 percent of their negotiated goals from FY 2019 to FY 2023-24. The WIOA Title III program achieved 73 percent of its negotiated goals in the same period.

2. From FY 2019-20 to FY 2022-23, the Pennsylvania Title I programs increased their nationwide performance outcome rank by an average of 3.6 rankings. The Title III program decreased its nationwide performance outcome rank by an average of eight rankings.

3. Title I and Title III program participants experienced lower employment rates compared to statewide and national employment figures from FY 2019-20 to FY 2023-24.

4. The annualized FY 2023-24 earnings of Adult and Dislocated Worker program participants (Title I) were $33,510 lower than the Pennsylvania per capita personal income of $70,344. The annualized FY 2023-24 earnings of Title III program participants were $38,684 lower.

5. Currently, L&I does not collect and report a performance indicator that compares program participant earnings before program entry to earnings after program exit for Title I programs.

6. A complete analysis of the efficiency and effectiveness of the Title IV program requires additional years of program performance data than currently available.

7. Programs in the manufacturing and building trades sectors represent most Registered Apprenticeship (RA) programs and Pre-Apprenticeship (Pre-RA) programs in Pennsylvania, making up 84 percent of all apprenticeship programs and 76 percent of all pre-apprenticeship programs in FY 2023-24.

8. From FY 2019-20 to FY 2023-24, the number of RA and Pre-RA programs increased by 12 percent, from 1,562 to 1,755.

9. From FY 2019-20 to FY 2023-24, the number of apprenticeship completers per year increased by 38.2 percent. There were 13,503 total apprenticeship completers in that period.

10. Seven of nine sectors, or 77.8 percent, observed multiple fiscal years with no new Pre-RA programs.

We recommend that:

1. L&I should develop internal benchmarks for required performance indicators related to employment and earnings that keep pace with statewide and national employment and earnings figures for the WIOA Title I programs to better assess the programs' performance compared to the general workforce.

2. L&I develops a performance indicator that compares the earnings of individuals prior to entering Title I programs to their earnings after. This performance indicator would better assess the program's ability to increase participants' earnings through workforce development activities and services.

3. L&I should develop internal benchmarks for required performance indicators related to employment and earnings that keep pace with statewide and national employment and earnings figures for the WIOA Title III program to better assess the program's performance compared to the general workforce.

4. The Apprenticeship and Training Office (ATO) focuses effort and resources on increasing the number of unduplicated occupation-specific program sponsors for Apprenticeship and Pre-Apprenticeship programs, specifically in sectors outside of manufacturing and building trades, to diversify and expand the occupational training opportunities for apprentices and pre-apprentices.

Pennsylvania Department of Education (PDE)

1. We found the number of industry credentials earned increased yearly; from FY 2018-19 to FY 2021-22, there were 6.3 percent, 6.7 percent, 9.1 percent, and 19.6 percent increases, respectively.

2. The overall cost per industry credential earned has decreased by 10 percent from FY 2018-19 to FY 2021-22.

3. We found that data on gainful placements and outcomes of career and technical education programs is unreliable due to the survey methodology of collection and low response rate.

4. We found that assessing the effectiveness of gainful placements over time is difficult due to the inability to distinguish first-year and fifth-year post-program participants within gainful placement data. Additionally, data regarding the average salary post-program completion was unavailable.

5. We found that data regarding individuals gainfully placed within career fields related to their industry credentials was unavailable but would be a helpful effectiveness measure.

We recommend that:

1. **PDE collect accurate and reliable performance data from career and technical education centers accredited by the State Board of Career and Technical Education and other education facilities that receive public funding under the Secondary Career and Technical Education Subsidy (SCTES).**

2. **PDE continues making its post-CTE survey more user-friendly and finding methods to increase the response rate. To better understand CTE students' career paths, PDE should consider differentiating between one-year and five-year survey participants. Additionally, PDE should track whether an individual is "gainfully placed" within a career field related to the industry credential received through CTE.**

3. **PDE tracks data to determine CTE program participants' employment status and average salary post-program completion. These measures should be the same as those required by WIOA, including second and fourth-quarter employment rates, median earnings (second quarter), credential attainment, and measurable skill gain. Collecting this data via social security numbers would require a data sharing agreement between L&I and PDE, in accordance with 20 CFR Part 603 and Pennsylvania's Unemployment Compensation statute.**

Department of Human Services (DHS)

1. Our cost analysis of all DHS WFD programs found a decrease in the cost per outcome for all performance measures over the scope of our analysis.

2. DHS uses internal benchmarks to assess the performance levels of their WFD programs. From FY 2020-21 to FY 2023-24, the EARN, SNAP EARN, SNAP JETS, and WorkReady programs reached 31.3, 50.0, 58,3, and 31.3 percent of their benchmark levels, respectively.

3. The SNAP JETS program's unique funding mechanism allows training providers to carry out workforce development activities at a 50 percent lower cost by leveraging provider expenditures as a substitute for state funds within a reimbursement agreement with the US Department of Agriculture's Food and Nutrition Service.

4. Despite having wage requirements within the Job Placement performance indicator, DHS does not track the earnings of program participants before and after program exit in its EARN, SNAP EARN, and WorkReady programs. Similarly, the department's WFD program uses varying time frames for its retention indicators, with some programs using 90-day periods and others using six-and 12-month periods.

We recommend that:

1. **DHS develops a performance indicator that compares the earnings of individuals prior to entering WFD programs to their earnings after. This performance indicator would better assess the program's ability to increase participants' earnings through WFD training and services.**

2. **DHS collects program participant employment retention within three-, six-, and 12-month periods for all programs. This would allow the department to assess the participants' ability to retain employment shortly after program exit and over time.**

Department of Community and Economic Development (DCED)

1. We found that from FY 2019-20 to FY 2023-24, WEDnetPA helped train an average of 22,715 people annually. Within the same period, the cost of training per individual increased 63 percent, from $267 to $436.

2. We found that WEDnetPA does not collect job retention and wage increase data annually, despite the program's goal of increasing job retention and wages.

3. We found that DCED does not currently track employment after program completion for the Manufacturing-to-Career Grant program or the Foundations in Industry Training program.

We recommend that:

1. **DCED collects and tracks annual WEDnetPA job retention and wage increase data. Because WEDnetPA focuses on incumbent worker training, these outcome measures would better evaluate the program's success. Tracking these outcome measures annually would be a proper measure of effectiveness.**

2. **We recommend that WEDnetPA track company retention in Pennsylvania one, two, and three years after receiving grant funding. To accomplish this, the program would require using FEIN or other data to determine whether the company remained within Pennsylvania. This would require an interdepartmental agreement with L&I for data sharing.**

3. **For the Manufacturing-to-Career Grant program, DCED should require training-grant grantees to conduct a follow-up employment survey with individuals one year after completion to determine whether that employment is in a field related to the program.**

4. **For the Foundations in Industry Training (FIT) Program, DCED considers monitoring apprentices one year after program exit for job placement and starting wage for the FIT**

program and compares those measures to those in similar fields from non-FIT programs.

Pennsylvania Workforce Development Overview

Pennsylvania offers workforce development (WFD) programs and services through multiple state agencies. This report focuses on WFD programming in the Departments of Labor and Industry (L&I), Education (PDE), Community and Economic Development (DCED), and Human Services (DHS).

A 2002 amendment to Act 114 of 2001 defines workforce development as "Information access and lifelong learning activities. The term includes vocational education programs; programs in community colleges, technical colleges and postsecondary education institutions authorized to grant diplomas and certificates, specialized associate, associate, baccalaureate and advanced degrees; and transitional support and work support services or activities which enable customers to engage in or prepare for employment opportunities."

We asked each of the four departments for their definitions of workforce development and three agencies provided one.

L&I: L&I defines WFD as "a comprehensive strategic approach undertaken by the department and partners to equip individuals with the skills, knowledge, and opportunities necessary to succeed in the labor market and to expedite the connection among those individuals, training providers, and employers."[13]

L&I also defines WFD as a system established and primarily funded under the federal Workforce Innovation and Opportunity Act (WIOA), signed into law in 2014, overhauling its predecessor, the Workforce Investment Act of 1998 (WIA).

DHS: DHS defines WFD as "a suite of human-centered services and supports designed for individuals accessing public benefits to help connect those able and willing to work to family-sustaining careers."[14]

DCED: "Workforce development at DCED is designed to support businesses in the long term to ensure they have the talent they need to grow, retain talent, and create jobs. Workforce development programming at DCED is business-focused to ensure Pennsylvania's businesses remain competitive and that those employed have the room to receive training,

[13] As provided by L&I in a response to an LBFC information request.
[14] As provided by DHS in a response to an LBFC information request.

get upskilled, and grow with that business, supporting retention efforts."[15]

PDE: PDE did not have a formal definition for WFD.

Pennsylvania's definition of workforce development has not been updated since a 2002 amendment to the Workforce Development Act, and the agencies providing services have different definitions. The definition does not specifically take into account training, skills development, barriers to employment, and other opportunities for both individuals and businesses in Pennsylvania.

Recommendation: We recommend that the State Workforce Development Board develop and recommend a definition of workforce development to clarify all programming, including training, education, skills development, employment assistance, and support.

Eligible Participants. Much of the workforce development system targets those with barriers to employment, and each agency serves somewhat different populations. Exhibit 3 shows the targeted groups within each agency's WFD programming.

[15] As provided by DCED in a response to an LBFC information request.

Exhibit 3

Eligible Participants for Workforce Development Programs

Labor and Industry						
WIOA Title I	Adults aged 18 and older	Dislocated Workers	Youth aged 14-24	Veterans (given priority of service).	Low-income Individuals	Basic Skills-Deficient Individuals
WIOA Title III	General Population					
WIOA Title IV	Individuals with disabilities					
Apprenticeships	General Population					
Education						
Career and Technical Education	General Population					
Non-Credit Programs	General Population					
Human Services						
EARN	SNAP Recipients	TANF Recipients				
SNAP JETS	SNAP Recipients					
WorkReady	Extended TANF Recipients					
Community and Economic Development						
WEDnetPA	Employers	Incumbent Workers				
Manufacturing PA	Technical & Trade Schools WFD Boards	Community Colleges	School Districts	Post-Secondary Schools	Nonprofits	Economic Development Orgs.
Foundations in Industry Training	Sponsors of registered apprenticeship and pre-apprenticeship programs					

Source: Developed by LBFC staff from information obtained from WFD agencies.

Collaboration Between Agencies. As noted above, workforce development within Pennsylvania involves multiple state agencies. Agencies collaborate in several ways, starting with the State Workforce Development Board, where all agencies discussed in this report have a

seat.[16] Agencies indicated to LBFC how they collaborate outside of their membership on the State Workforce Development Board. Some examples include:

- The Office of Vocational Rehab (OVR) within L&I collaborates with PDE and local education agencies to deliver pre-employment transition services for students with disabilities.
- L&I works with the Department of Corrections to provide workforce services for incarcerated individuals nearing release, including reentry job fairs and PA CareerLink® services.
- For older workers, L&I partners with the Department of Aging's Senior Community Service Employment Program (SCSEP) sponsors to connect individuals aged 55 and older with PA CareerLink® services and workforce opportunities.
- In the economic development sector, L&I collaborates with DCED and local Community Action Agencies (CAAs) to provide supportive services, including childcare and transportation, that help individuals overcome barriers to employment.
- PDE collaborates with colleges through the Students Occupationally and Academically Ready program (SOAR). SOAR is a CTE plan aligned through articulation agreements between colleges and CTE programs. SOAR allows students in CTE programs to receive post-secondary college credits toward a degree.
- PDE works with L&I to conduct occupational gap analysis (OGA) to identify workforce needs and tailor programs towards specific professions based on labor market trends. The departments work to align CTE with apprenticeships, post-secondary education, and careers.
- WEDnetPA collaborates with 22 educational institutions across Pennsylvania, including community colleges, State System universities, Pennsylvania College of Technology, and the North Central PA Regional Planning & Development Commission.
- Foundations in Industry Training (FIT) collaborates with L&I's Apprenticeship and Training Office (ATO) to enhance the availability of apprenticeships for Pennsylvania employers, aiding in talent recruitment and development.
- DHS coordinates with local Workforce Development Boards and other community agencies to refer eligible clients to programs and supports specific to public assistance recipients.
- DHS collaborates with the Office of Childhood Development and Early Learning (OCDEL), a state agency jointly administered under DHS and PDE, to refer SNAP Employment and Training (E&T) participants in need of childcare to OCDEL's local Early Learning Resource Center (ELRC) offices.

[16] The Pennsylvania Workforce Development Board is discussed in the Background Section of this report.

Employment Services. The scope of this study included only WFD programs that provide training and skills development; however, state agencies discussed in this report offer many employment support services in addition to training and skills development. Although we do not include data for these services in our report, we believe these services can be essential in workforce development, especially for targeted populations with barriers to employment.

These types of services include, for example:

- Career Ready PA focuses on developing social and soft employment skills such as teamwork, problem-solving, communication, initiative, and critical thinking.
- PA CareerLink® centers provide clients with general employment support, such as job search assistance, resume writing, computer access for employment searching, mock interviews, and current job market data and information.
- WIOA-funded programs provide information about their services, such as assistance with housing, childcare, elder care, food, transportation, financial planning, veterans' services, and crisis intervention.
- DHS caseworkers refer SNAP recipients to various employment support services, such as:
    - Job search assistance.
    - Job readiness and preparation.
    - English as a Second Language (ESL) education.
    - GED/high school diploma preparation
    - Special allowances grants for items needed to successfully participate in workforce development activities, such as clothing, transportation, and tools and equipment.
- EARN and Work Ready provide supportive services and incentives to TANF participants in job retention support continued work participation.
- SNAP JETS providers offer case management, supervised job search, and job retention services.
- SNAP and TANF recipients receive childcare through a partnership with the Office of Childhood Development and Early Learning.
- SNAP and TANF recipients may also be eligible for special allowances, which are need-based grants that cover the cost of items needed to participate successfully in education and training activities. Examples include transportation needs, clothing, tools, and equipment.

A. Department of Labor and Industry (L&I)

Pursuant to 29 U.S.C. 49, a governor has the authority to designate an agency as a state's workforce agency (SWA), which is L&I in Pennsylvania. L&I serves as the central state agency for administering workforce development and support programs for job seekers and businesses seeking to hire and retain workers.

In this section, we include WIOA workforce development programs with training and skill development components. However, L&I administers other workforce development programming and grant activities.

L&I operates within a framework of federal, regional, and local responsibilities defined by WIOA and other legislation, such as the Wagner-Peyser Act and the Rehabilitation Act of 1973, to support workforce development programming in Pennsylvania.

The Workforce Development Deputate within L&I is responsible for the following:

Bureau of Workforce Development Administration (BWDA). The BWDA manages public workforce development funds at the state level, processes the operating budgets for each of the PA CareerLink® centers, assists Local Workforce Development Boards (LWDBs) to create strategic plans aligned with the governor's goals, and coordinates policies to ensure regulatory compliance and alignment with agency objectives.

Bureau of Workforce Partnerships & Operations (BWPO). BWPO supports businesses through workforce needs analyses, job postings, screenings, and referrals. The BWPO helps individuals achieve career goals through assessment, employment programs, and referrals to training opportunities and ensures legislative compliance through programmatic oversight, data analysis, staff training, and research. Additionally, the bureau operates the PA CareerLink® network and provides layoff-aversion assistance and rapid response services to connect dislocated workers with training and employment services.

Apprenticeship and Training Office (ATO). As the State Apprenticeship Agency (SAA), the ATO oversees the development and registration of all Registered Apprenticeship (RA) and Pre-Apprenticeship (Pre-RA) programs.[17] It also reviews each program's policies and ensures all registered programs comply with state regulations and standards.

[17] The USDOL designates State Apprenticeship Agencies.

Center for Workforce Information and Analysis (CWIA). The Governor's Office designates CWIA as the commonwealth's primary source of labor market information. Statisticians, analysts, and economists within L&I staff the CWIA. Its mission is to "produce and provide timely, objective, and credible workforce and economic statistics and analysis to help our customers make informed policy, business and career decisions that strengthen Pennsylvania's economic security." The CWIA provides the LWDBs with local economic and labor market statistics that the boards must include in their workforce development plans.

Workforce Innovation and Opportunity Act (WIOA) Title Funding, Programs, and Performance Measures

WIOA, enacted in July 2014, succeeded the Workforce Investment Act of 1998 as the primary federal workforce development law to increase coordination among federal workforce development and related programs.

WIOA workforce development programs provide funding for a combination of education and vocational training services to prepare individuals for work and to help them improve their prospects in the labor market. These services may include job search assistance, career counseling, occupational skill training, classroom training, or on-the-job training (OJT).

Of the WIOA title programs, L&I administers:

- Title I: Workforce Development Activities.
- Title III: Amendments to the Wagner-Peyser Act.
- Title IV: Amendments to the Rehabilitation Act of 1973.

Funding. Exhibit 4 shows the funds allocated to Pennsylvania for WIOA Title I and Title III programs from FY 2019-20 to FY 2023-24.

Exhibit 4

WIOA Program Funding Allocations to L&I
(FY 2019-20 to FY 2023-24)

Funding Source	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
WIOA Adult Worker Local Area Formula (Title I)	$28,624,745	$26,615,384	$33,217,212	$30,136,899	$33,895,759
WIOA Dislocated Worker Local Area Formula (Title I)	38,410,211	36,847,623	35,356,849	32,384,076	41,736,251
WIOA Youth Local Area Formula (Title I)	31,129,967	29,022,715	35,897,110	32,668,424	36,475,843
Wagner-Peyser (Title III)	25,781,572	25,924,310	25,873,748	25,780,925	25,998,063

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

WIOA Title IV activities are categorized as vocational rehabilitation. The Pennsylvania Vocational Rehabilitation Program (VR) is a state/federal match program that funds vocational rehabilitation activities in Pennsylvania. The state contributes 21.3 percent while the Rehabilitation Services Agency (RSA) provides 78.7 percent of VR funding. To access federal funding, states must show sufficient expenditures of state dollars by the end of the fiscal year. Exhibit 5 shows federal and state funding allocations for the VR program.

Exhibit 5

Vocational Rehabilitation Funding Allocations to L&I
(FY 2019-20 to FY 2023-24)

Fiscal Year	Federal	State
2019-20	$159,750,447	$44,028,118
2020-21	114,604,994	44,863,204
2021-22	136,191,182	44,628,135
2022-23	144,731,271	45,712,412
2023-24	144,731,271	45,712,413

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

Available Training. Individuals access most WFD programming through PA CareerLink® comprehensive centers or affiliated offices, each associated with a LWDB. Clients receive services funded by various WIOA title funding streams based on each program's eligibility criteria. Consequently, individuals may simultaneously qualify for multiple WIOA title programs, allowing them to access different funding streams. For example, a person may be eligible for both the Adult and Dislocated Worker programs if they meet the criteria for each program, thus receiving support from multiple funding sources to address their employment needs.

Various types of training may be available to PA CareerLink® customers, including:

- **Occupational Skills Training (OST): A** structured program that teaches specific vocational skills to prepare students for entry-level, intermediate, or advanced technical and task-based roles in a particular occupational field. This could include training provided in the classroom, online, or in a blended format.

- **On-the-Job Training (OJT):** An OJT program is a work-based training program delivered while an individual performs tasks within employment to acquire the necessary skills to become qualified for said employment.

- **Customized Job Training (CJT):** CJT is designed to meet the special requirements of a single employer or a group of employers. A training provider, a single employer, or a group of employers may conduct the training. The employer must hire the worker upon completion of the training.

- **Incumbent Worker Training (IWT):** IWT assists businesses and employees by training existing employees who may need updated skills to remain productive.

Required Performance Indicators. L&I evaluates WIOA programs using the following outcome measures required by WIOA legislation. We consider these effectiveness measures for all WIOA programs.[18]

- **Employment Rate (Second Quarter)** – The percentage of program participants in unsubsidized employment in the second quarter after exit. Outcomes for the Youth program also include

[18] Credential Attainment and Measurable Skill Gain are not applicable to Title III because it does not provide training services.

those who were in education or training during the second quarter after exit.

- **Employment Rate (Fourth Quarter)** -The percentage of program participants in unsubsidized employment in the fourth quarter after exit. Outcomes for the Youth program also include those in education or training during the fourth quarter after exit.

- **Median Earnings (Second Quarter)** – The median earnings of program participants with unsubsidized employment during the second quarter after exit.[19]

- **Credential Attainment** – The percentage of program participants who, during participation or within one year from exit, either:
    - Attain a high school diploma or equivalent in addition to employment or enrollment in postsecondary training.
    - Attain an industry-recognized postsecondary credential.

- **Measurable Skill Gain**- Percent of program participants in an education or training program who achieve milestone skill gains, including but not limited to an increase in basic skills or completion of on-the-job training (OJT) within the fiscal year.

Negotiating Performance Goals. WIOA requires specific goals to be established in negotiations between federal, state, and local entities for each required performance measure. Negotiations for the Title I and Title III programs occur between L&I and the USDOL Employment and Training Administration (ETA) Regional Office for Pennsylvania. L&I and the State Monitoring and Program Improvement Division of the Rehabilitation Service Agency (RSA) within the US Department of Education negotiate the Title IV program performance goals.

The process begins when L&I submits anticipated performance levels as part of the WIOA Combined State Plan. L&I then negotiates with the appropriate federal agency to finalize these performance levels. This negotiation must be completed before each program year begins, and the agreed-upon levels are included in the approved State Plan.

Several factors are considered in negotiations, including comparisons with the performance levels of other states, adjustments based on a statistical adjustment model (SAM) that uses 59 variables, and the emphasis on continuous improvement in program outcomes. The federal agencies

[19] According to L&I, median earnings are based on earnings reported by the employer as being paid to the employee in a specific quarter and it is not unusual for the earnings reported to be representative of only a portion of the quarter, depending upon the date of hire. This fact artificially lowers the median of what is being used in this report to represent full quarterly earnings.

also ensure that the negotiated levels align with the broader objectives established by the Government Performance and Results Act (GPRA), which assesses the effectiveness of federal programs.

L&I, LWDBs, Chief Elected Officials, and the Governor's Office negotiate performance goals for the LWDBs for two fiscal years at a time, based on factors such as prior performance, labor market conditions, and regional economic needs. The state must notify the ETA Regional Office when negotiations are complete and include the agreed-upon performance levels for each local board in the notification.

WIOA Title I Program Performance[20]

Within the WIOA Title I program, there are three workforce development programs for different populations of job seekers:

Adult. The Adult Program serves participants aged 18 or older in need of employment or career advancement, with priority of service given to veterans, recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient.

Individuals who are assessed as ready for work are provided with career services to assist them in finding existing employment opportunities. Individuals not skilled enough for employment or seeking employment in a new field can receive training to prepare them with the skills necessary to meet employers' needs.

Dislocated Worker. WIOA defines a dislocated worker as a person who has been terminated or laid off or has been notified of a termination or layoff; is sufficiently attached to the workforce, demonstrated either through eligibility for/exhaustion of unemployment compensation, and is unlikely to return to the previous industry or occupation. The Dislocated Worker program assists workers before or after a layoff to help facilitate reemployment. Dislocated workers with requisite skills may be directly referred to employers with hiring needs. Other dislocated workers may require training and other services to meet employers' skill requirements.

Youth. The Youth program serves those aged 14-24 through case management support toward educational attainment, including career guidance and exploration, summer and year-round work experience opportunities, and skills training along a career pathway for in-demand industries and occupations.

To be eligible, youth must be aged 14-24 and face barriers to education, training, and employment. These barriers are:

[20] Performance measure data by LWDB is available in Appendix C.

- Being within compulsory school age but not attending school.
- Deficiencies in basic skills or an English language learner.
- Low-income.
- Homelessness.
- In foster care or having aged out of the foster care system.
- Being pregnant or parenting.
- Having a disability.
- School dropout.

Exhibit 6 contains the WIOA Title I program's results for the Employment Rate in the Second Quarter After Exit performance measure compared to the negotiated goals.

Exhibit 6

WIOA Title I Program: Employment Rate in the 2nd Quarter After Exit Statewide Performance Results
(FY 2019-20 to FY 2023-24)

Fiscal Year	Individuals Em-ployed	Individuals Measured	Per-cent	Goal	% Point Difference
Adult Program					
2019-20	4,763	6,213	76.7%	73%	**3.7**
2020-21	3,516	5,094	69.0	73	**-4.0**
2021-22	2,604	3,686	70.6	75	**-4.4**
2022-23	3,725	4,802	77.6	73	**4.6**
2023-24	4,805	6,342	75.8	75	**0.8**
Dislocated Worker Program					
2019-20	4,664	5,520	84.5	75	**9.5**
2020-21	3,327	4,341	76.6	75	**1.6**
2021-22	2,805	3,621	77.5	78	**-0.5**
2022-23	2,743	3,365	81.5	77	**4.5**
2023-24	1,469	1,798	81.7	79	**2.7**
Youth Program					
2019-20	2,299	3,266	70.4	65	**5.4**
2020-21	1,838	2,882	63.8	66	**-2.2**
2021-22	1,694	2,526	67.1	66	**1.1**
2022-23	2,158	2,975	72.5	66	**6.5**
2023-24	2,127	2,947	72.2	67	**5.2**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

- The Adult program met its goals in three out of five years. The program exceeded its goals by as much as 4.6 percentage points and fell short by as much as 4.4 percentage points.
- The Dislocated Worker Program met its goals in four out of five years. The program exceeded its goals by as much as 9.5 percentage points and fell short by as much as 0.5 percentage points.
- The Youth program met its goals in four out of five years. The program exceeded its goals by as much as 6.5 percentage points and fell short by as much as 2.2 percentage points.

Exhibit 7 contains the WIOA Title I program's results for the Employment Rate in the Fourth Quarter After Exit performance measure compared to the negotiated goals.

Exhibit 7

WIOA Title I Program: Employment Rate in the 4th Quarter After Exit Statewide Performance Results
(FY 2019-20 to FY 2023-24)

Fiscal Year	Individuals Employed	Individuals Measured	Percent	Goal	% Point Difference
Adult Program					
2019-20	4,777	6,386	74.8%	70%	**4.8**
2020-21	4,036	5,998	67.3	70	**-2.7**
2021-22	2,605	3,849	67.7	71	**-3.3**
2022-23	3,152	4,205	75.0	71	**4.0**
2023-24	4,325	5,658	76.4	72	**4.4**
Dislocated Worker Program					
2019-20	5,122	6,125	83.6	76	**7.6**
2020-21	3,969	5,160	76.9	76	**0.9**
2021-22	2,690	3,557	75.6	78	**-2.4**
2022-23	3,221	3,977	81.0	76	**5.0**
2023-24	1,808	2,246	80.5	77	**3.5**
Youth Program					
2019-20	2,415	3,450	70.0	58	**12.0**
2020-21	2,033	3,242	62.7	58	**4.7**
2021-22	1,608	2,558	62.9	60	**2.9**
2022-23	1,883	2,602	72.4	62	**10.4**
2023-24	2,081	2,948	70.6	64	**6.6**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

- The Adult program met its negotiated goals in three out of five years. The program exceeded its goals by as much as 4.8 percentage points and fell short by as much as 3.3 percentage points.
- The Dislocated Worker Program met its goals in four out of five years. The program exceeded its goals by as much as 7.6 percentage points and fell short by as much as 2.4 percentage points.
- The Youth program met its goals in all years. The program exceeded its goals by as much as 12 percentage points.

Exhibit 8 contains the WIOA Title I program's results for the Median earnings in the Second Quarter After Exit performance measure compared to the negotiated goals.

Exhibit 8

WIOA Title I Program: Median Earnings in 2nd Quarter After Exit
(FY 2019-20 to FY 2023-24)

Fiscal Year	Median Earnings	Goal	Variance	% Varience
Adult Program				
Varience2019-20	$6,625	$5,300	**$1,325**	**25%**
2020-21	6,040	5,800	**240**	**4**
2021-22	7,182	5,800	**1,382**	**24**
2022-23	7,820	6,250	**1,570**	**25**
2023-24	8,047	6,500	**1,547**	**24**
Dislocated Worker Program				
2019-20	9,206	7,300	**1,906**	**26**
2020-21	8,819	7,800	**1,019**	**13**
2021-22	9,545	8,000	**1,545**	**19**
2022-23	10,022	8,500	**1,522**	**18**
2023-24	10,370	8,750	**1,620**	**19**
Youth Program				
2019-20	4,201	Baseline[a]	N/A	N/A
2020-21	3,253	2,750	**503**	**18**
2021-22	3,890	2,750	**1,140**	**41**
2022-23	4,130	3,000	**1,130**	**38**
2023-24	4,111	3,500	**611**	**17**

[a] The Department of Labor and Industry indicated that during the initial years of WIOA program performance, the establishment of goals was not mandatory, so some programs did not have an established negotiated goal for each performance indicator.

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

- The Adult program met its goals in all years and exceeded them by as much as 25 percent.
- The Dislocated Worker program met its goals in all years and exceeded them by as much as 26 percent.
- The Youth program met its goals in all years and exceeded them by as much as 41 percent.

Exhibit 9 contains the WIOA Title I program's results for the Credential Attainment One Year After Exit performance measure compared to the negotiated goals.

Exhibit 9

WIOA Title I Program: Credential Attainment One Year After Exit
(FY 2019-20 to FY 2023-24)

Fiscal Year	Individuals with Credential	Individuals Measured	Percent	Goal	% Point Difference
Adult Program					
2019-20	993	1,400	70.9%	55%	**15.9**
2020-21	1,260	1,678	75.1	56	**19.1**
2021-22	892	1,308	68.2	58	**10.2**
2022-23	999	1,372	72.8	67	**5.8**
2023-24	1,324	1,857	71.3	69	**2.3**
Dislocated Worker Program					
2019-20	1,680	2,237	75.1	57	**18.1**
2020-21	1,415	1,890	74.9	58	**16.9**
2021-22	1,110	1,455	76.3	59	**17.3**
2022-23	1,505	1,923	78.3	70	**8.3**
2023-24	927	1,197	77.4	72	**5.4**
Youth Program					
2019-20	1,641	2,386	68.8	72	**-3.2**
2020-21	1,457	2,142	68.0	72	**-4.0**
2021-22	958	1,666	57.5	72	**-14.5**
2022-23	1,198	1,847	64.9	65	**-0.1**
2023-24	1,262	1,923	65.6	66	**-0.4**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

- The Adult program met its goals in all years and exceeded them by as much as 15.9 percentage points.
- The Dislocated Worker program met its goals in all years and exceeded them by as much as 18.1 percentage points.
- The Youth program failed to meet its goals in all years. The program fell short of its goals by as much as 14.5 percentage points.

Exhibit 10 contains the WIOA Title I program's results for the Measurable Skill Gains performance measure compared to the negotiated goals.

Exhibit 10

WIOA Title I Program: Measurable Skill Gains
(FY 2019-20 to FY 2023-24)

Fiscal Year	Individuals with Measurable Skill Gains	Individuals Measured	Percent	Goal	% Point Difference
Adult Program					
2019-20	1,255	2,646	47.4%	Baseline	N/A
2020-21	1,379	2,156	64.0	38%	**26.0**
2021-22	1,762	2,901	60.7	38	**22.7**
2022-23	2,719	3,831	71.0	50	**21.0**
2023-24	2,591	3,590	72.2	51	**21.2**
Dislocated Worker Program					
2019-20	1,090	2,881	37.8	Baseline	N/A
2020-21	1,868	2,861	65.3	32	**33.3**
2021-22	1,419	2,073	68.5	33	**35.5**
2022-23	778	1,108	70.2	44	**26.2**
2023-24	1,004	1,309	76.7	46	**30.7**
Youth Program					
2019-20	1,409	2,636	53.5	Baseline	N/A
2020- 21	1,585	2,503	63.3	57	**6.3**
2021-22	1,764	2,706	65.2	57	**8.2**
2022-23	1,989	2,704	73.6	58	**15.6**
2023-24	1,703	2,666	63.9	60	**3.9**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

- The Adult program met its goals in all years and exceeded them by as much as 26 percentage points.
- The Dislocated Worker program met its goals in all years and exceeded them by as much as 35.5 percentage points.
- The Youth program met its goals in all years and exceeded them by as much as 15.6 percentage points.

Efficiency. Determining the efficiency of WIOA programs is complex due to the nature of title program eligibility within the WFD system. PA CareerLink® centers receive different WIOA title funding streams for program participants based on the specific eligibility requirements of the respective programs, such as the Adult, Dislocated Worker, and Youth programs. Each program is designed to serve distinct populations, with the Adult program targeting unemployed or underemployed adults and low-income veterans; the Dislocated Worker program focusing on individuals who have been laid off or are facing layoff; and the Youth program aimed at serving young people aged 14-24, who face barriers to employment. Individuals may simultaneously qualify for multiple WIOA Title programs, meaning they could be served from various funding streams. The braided funding streams complicate accurately assessing the overall efficiency of the WIOA programs.

However, with the information provided by L&I, we calculated a simple cost-per-outcome measure by dividing a program's federal funding allocation by the number of individuals who achieved a specific outcome. Exhibit 11 shows the cost per outcome for Title I programs' four appropriate WIOA performance indicators.[21]

We note that while cost per outcome helps determine program efficiency, it does not fully capture the actual cost of generating an additional successful outcome. Instead, it can provide a simple analysis of the relationship between a program's funding and its performance outcomes.

[21] We calculated the cost per outcome for four of the WIOA Title I performance measures. Cost per outcome was not calculated for the median earnings indicator because it reflects the median wage value among program participants who are employed after exiting the program, rather than a discrete count of individuals achieving an outcome.

Exhibit 11

WIOA Title I Program: Cost per Outcome
(FY 2019-20 to FY 2023-24)

Fiscal Year	Cost per Employment (Q2)	Cost per Employment (Q4)	Cost per Credential	Cost per Individual with MSG[a]
Adult Program				
2019-20	$6,010	$5,992	$28,827	$22,809
2020-21	7,570	6,594	21,123	19,300
2021-22	12,756	12,751	37,239	18,852
2022-23	8,090	9,561	30,167	11,084
2023-24	7,054	7,837	25,601	13,082
Dislocated Worker Program				
2019-20	8,235	7,499	22,863	35,239
2020-21	11,075	9,284	26,041	19,726
2021-22	12,605	13,144	31,853	24,917
2022-23	11,806	10,054	21,518	41,625
2023-24	28,411	23,084	45,023	41,570
Youth Program				
2019-20	13,541	12,890	18,970	22,094
2020- 21	15,790	14,276	19,920	18,311
2021-22	21,191	22,324	37,471	20,350
2022-23	15,138	17,349	27,269	16,425
2023-24	17,149	17,528	28,903	21,419

[a] Measurable Skills Gains.
Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

The cost per outcome for Title I programs varies. The Adult program's cost efficiency over the scope of our analysis was mixed, with the cost per employment in the fourth quarter after exit increasing by 31 percent and the cost per individual with measurable skill gains decreasing by 43 percent from FY 2019-20 to FY 2023-24.

The Dislocated Worker program's cost efficiency generally declined over the scope of our analysis, with all cost per outcome measures increasing from FY 2019-20 to FY 2023-24. The highest increase was the cost per employment in the second quarter after exit, with a 245 percent increase.

The Youth program's cost efficiency generally declined over the scope of our analysis, with all cost per outcome measures increasing from FY

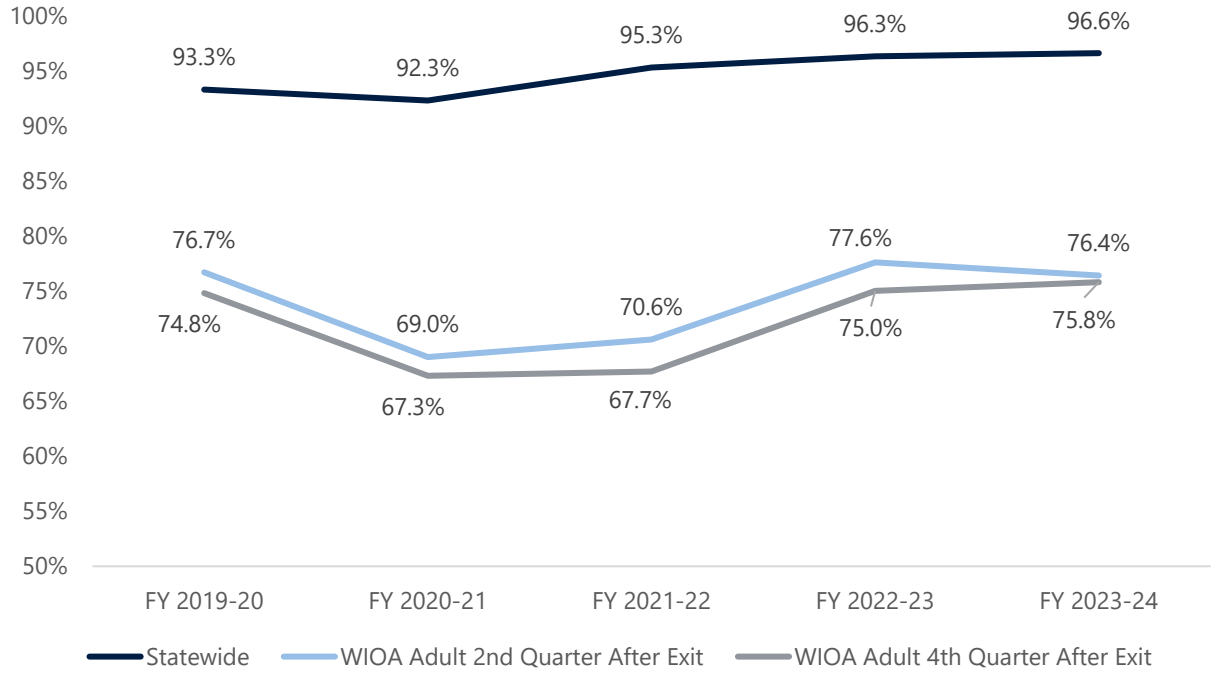
2019-20 to FY 2023-24 except for cost per individual with measurable skill gains, which decreased by three percent over the same period.

Effectiveness. WIOA Title I programs successfully met most of their negotiated goals. Title I programs consistently met or exceeded their negotiated goals for the Employment Rate in the Second and Fourth Quarters After Exit, Median Earnings, and Measurable Skills Gains performance indicators. Regarding Credential Attainment, the Adult and Dislocated Worker programs consistently met their goals, while the Youth program did not meet them in any year. The Adult, Dislocated Worker, and Youth programs collectively met 84 percent of their goals across the scope of our analysis.

While Title I programs met most of their negotiated goals, another measure of their effectiveness is how well participants perform in the labor market compared to the general workforce. Exhibit 12 compares the employment rates of the Adult program participants to the statewide employment rate.

Exhibit 12

WIOA Adult Program and Statewide Employment Rates
(FY 2019-20 to FY 2023-24)



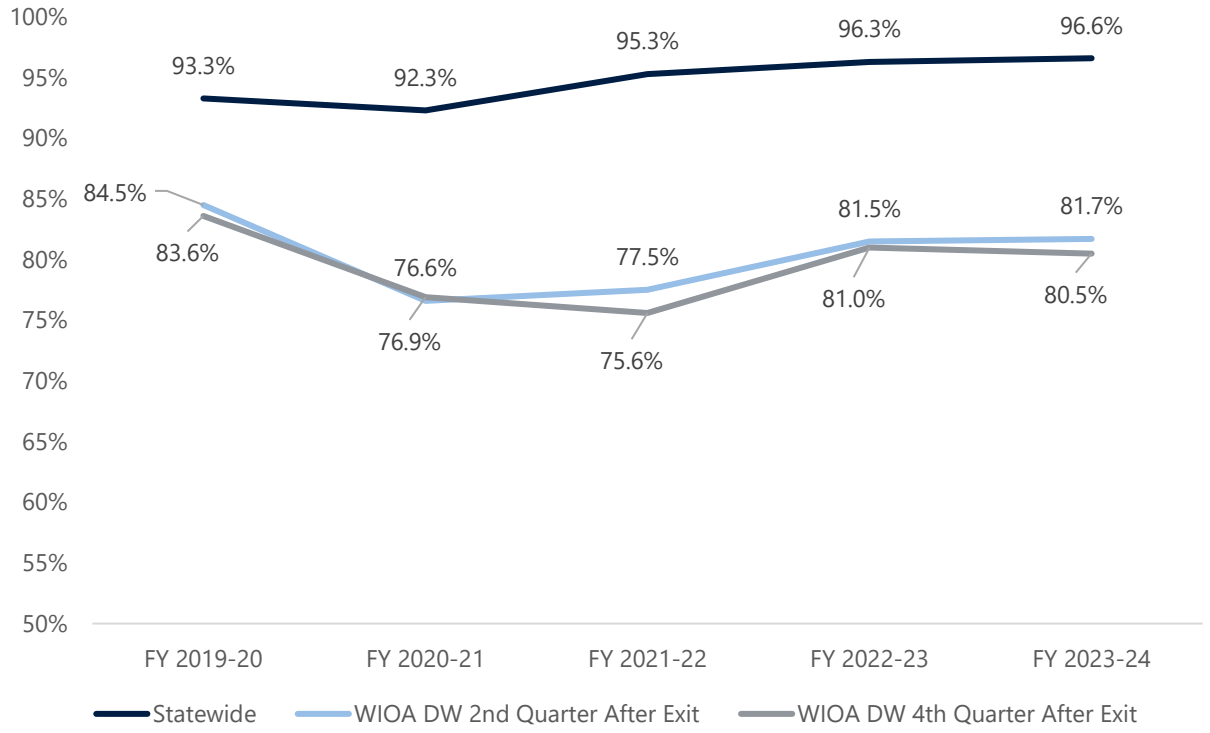
Source: Developed by LBFC staff from information obtained from the US Department of Labor.

According to the USDOL Bureau of Labor Statistics, the employment rate in Pennsylvania FY 2023-24 was 96.6 percent. The Adult program participants experienced an average employment rate of 76.1 percent in the same year.[22] This indicates a difference of approximately 21 percentage points for FY 2023-24.

Exhibit 13 compares the employment rates of the Dislocated Worker program participants to the statewide employment rate.

Exhibit 13

WIOA Dislocated Worker Program and Statewide Employment Rates
(FY 2019-20 to FY 2023-24)



Source: Developed by LBFC staff from information obtained from the US Department of Labor.

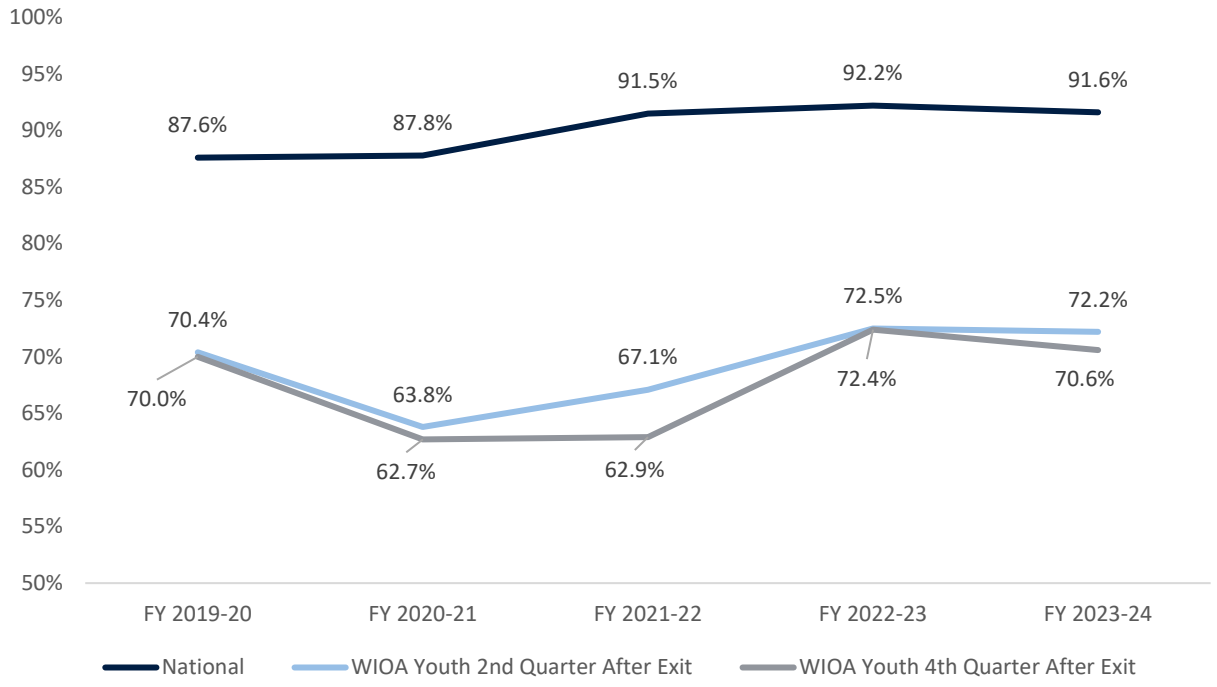
Dislocated Worker program participants experienced an average employment rate of 81.5 percent, which indicates a difference of approximately 16 percentage points for FY 2023-24.

Exhibit 14 compares the employment rates of the Youth program participants to the national youth employment rate.

[22] Calculated by taking the average of the Adult program participant employment rate in the second and fourth quarters after exit in FY 2023-24. The same methodology was used for the Dislocated Worker and Youth programs.

Exhibit 14

WIOA Youth Program and National Youth Employment Rates
(FY 2019-20 to FY 2023-24)



Source: Developed by LBFC staff from information obtained from the US Department of Labor.

Youth program participants experienced an average employment rate of 71.4 percent. Compared to national employment rates of youth aged 16-24, this indicates a difference of approximately 20 percentage points for FY 2023-24.[23]

Overall, the Title I programs experienced lower employment rates compared to statewide and national employment figures across the scope of our analysis. This could suggest that the program may not adequately prepare participants for obtaining employment. However, since the primary goal of WIOA programming is to assist participants with barriers to employment, lower employment rates may reflect these pre-existing challenges rather than program ineffectiveness.

Exhibit 15 shows how Pennsylvania ranks among other states across the WIOA-required performance indicators from FY 2019-20 to FY 2022-23.[24]

[23] Employment figures for 14-24 year old individuals were not available at the state level. USDOL's Bureau of Labor Statistics collects national data for this age group.
[24] FY 2022-23 state rankings were the most recent available by the US Department of Labor.

Exhibit 15

Pennsylvania WIOA Title I Programming Ranks Nationwide

(Ranks out of 52)[a]
(FY 2019-20 to FY 2022-23)

Fiscal Year	Emp. Rate 2nd Quarter	Emp. Rate 4th Quarter	Median Earnings	Credential Attainment	Measura-ble Skill Gain	Average[b]
Adult Program						
2019-20	27	27	38	28	37	**31**
2020-21	37	38	41	18	26	**32**
2021-22	36	36	33	27	32	**33**
2022-23	26	30	21	37	23	**27**
Dislocated Worker Program						
2019-20	18	21	23	21	46	**26**
2020-21	24	25	23	25	35	**26**
2021-22	25	33	25	16	23	**24**
2022-23	18	20	16	24	28	**21**
Youth Program						
2019-20	36	37	39	13	18	**29**
2020-21	40	40	42	13	15	**30**
2021-22	43	47	35	29	14	**34**
2022-23	37	38	16	38	7	**27**

[a] Rankings includes Puerto Rico and the District of Columbia.
[b] Averages are rounded to the nearest whole number.

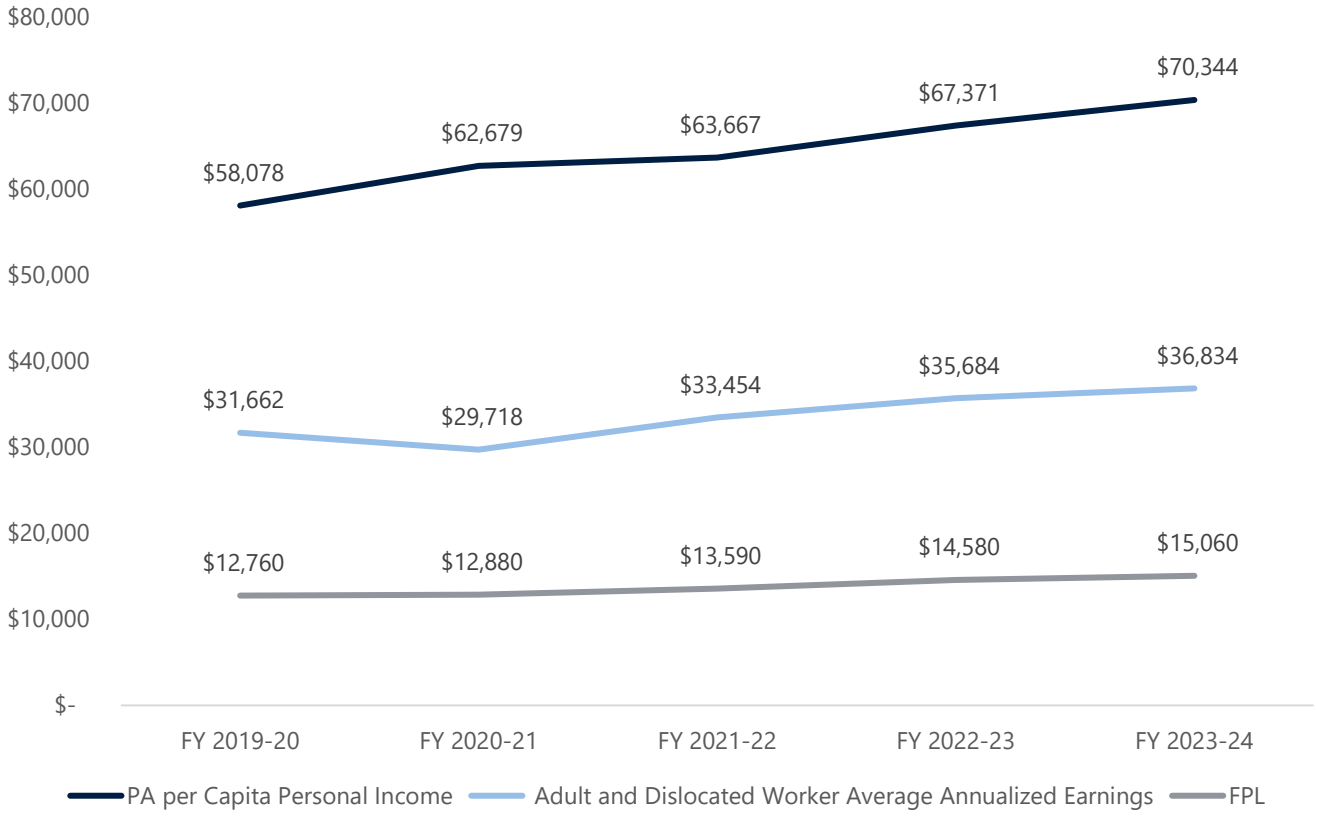
Source: Developed by LBFC staff from information obtained from the US Department of Labor.

The Adult, Dislocated Worker, and Youth programs' average rankings across performance outcomes were 31st, 26th, and 29th respectively in FY 2019-20. In FY 2022-23, the programs' rankings were 27th, 21st, and 27th respectively. During the scope of our analysis, the Pennsylvania Title I programs increased their nationwide performance outcome rank by an average of 3.6 rankings. This indicates the programs' performance improved rank over time and was close to the median rank (26th) compared to other US states and territories.

Another indicator of effectiveness is program participant earnings. Exhibit 16 shows Adult and Dislocated Worker program participants' average annualized earnings compared to statewide and national earnings figures.

Exhibit 16

Adult and Dislocated Worker Earnings, PA per Capita Personal Income, and Federal Poverty Level (FPL)
(FY 2019-20 to FY 2023-24)



Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

During FY 2023-24, the median quarterly earnings for Adult and Dislocated Worker program participants averaged $9,209, yielding an annual income of $36,834. In the same year, Pennsylvania's per capita personal income was $70,344, $33,510 higher than the annualized earnings of program participants. The annual income for Adult and Dislocated Worker program participants was also more than double the 2024 FPL, which was $15,060 for one person.

For additional comparison, the Massachusetts Institute of Technology living wage calculator shows that individuals in Pennsylvania must earn $21.95 per hour to support themselves, working full-time or 2,080 hours per year (40 hours per week). This would result in an annual income of $45,656, $8,822 more than the average yearly wage for adults and dislocated workers.

Since a primary goal of WIOA programming is to assist participants with significant barriers to employment, lower earnings may reflect these pre-existing challenges rather than program ineffectiveness. Currently, L&I does not collect and report a performance indicator that compares program participant earnings before program entry to earnings after program exit for Title I programs.

Title I programs achieved most of their negotiated goals (84 percent) across the scope of our analysis. However, when some outcome results are compared to statewide and national employment and earnings figures, there is potential to increase negotiated goals to encourage more optimal outcomes for all Title I participants.

Recommendation: We recommend that L&I should develop internal benchmarks for required performance indicators related to employment and earnings that keep pace with statewide and national employment and earnings figures for the WIOA Title I programs to better assess the programs' performance compared to the general workforce.

Recommendation: We recommend that L&I develops a performance indicator that compares the earnings of individuals before entering Title I programs to their earnings after. This performance indicator would better assess the program's ability to increase participants' earnings through workforce development training and services.

WIOA Title III Program Performance

The WIOA Title III program serves all job seekers and employers through PA CareerLink® offices and PA CareerLink® Online. Although Title III does not directly provide training and skill development, we included it because it is the gateway to training opportunities under WIOA. Additionally, we can assess the efficiency and effectiveness of the Title III program with the three required WIOA performance indicators L&I collects, as Credential Attainment and Measurable Skill Gains do not apply to non-training programs.

Activities funded under the Title III program are the general PA CareerLink® services universally offered under the Wagner-Peyser Act. These services, referred to as labor exchange services, range from job search and career counseling for job seekers to customized labor market information and job fairs for employers.

Exhibit 17 contains the WIOA Title III program results for the Employment Rate in the Second Quarter After Exit measure compared to the negotiated goals.

Exhibit 17

WIOA Title III Program: Employment Rate in the 2nd Quarter After Exit Statewide Performance Results

(FY 2019-20 to FY 2023-24)

Fiscal Year	Individuals Employed	Individuals Measured	Percent	Goal	% Point Difference
2019-20	54,527	78,555	69.4%	62%	**7.4**
2020-21	41,132	70,277	58.5	64	**-5.5**
2021-22	11,886	18,520	64.2	65	**-0.8**
2022-23	23,341	33,615	69.4	62	**7.4**
2023-24	31,762	46,517	68.3	64	**4.3**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

The Title III program met its negotiated goals in three out of five measured years. It exceeded its goals by as much as 7.4 percentage points and fell short by as much as 5.5 percentage points.

Exhibit 18 contains the WIOA Title III program's results for the Employment Rate in the Fourth Quarter After Exit performance measure compared to the negotiated goals.

Exhibit 18

WIOA Title III Program: Employment Rate in the 4th Quarter After Exit Statewide Performance Results

(FY 2019-20 to FY 2023-24)

Fiscal Year	Individuals Employed	Individuals Measured	Percent	Goal	% Point Difference
2019-20	63,686	90,592	70.3%	62%	**8.3**
2020-21	49,782	80,060	62.2	64	**-1.8**
2021-22	21,811	37,040	58.9	66	**-7.1**
2022-23	18,819	27,304	68.9	62	**6.9**
2023-24	24,754	35,834	69.1	64	**5.1**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

The Title III program met its negotiated goals in three of the five years. It exceeded its goals by as much as 8.3 percentage points and fell short by as much as 7.1 percentage points.

Exhibit 19 contains the WIOA Title III program's results for the Median Earnings in the Second Quarter After Exit performance measure compared to the negotiated goals.

Exhibit 19

WIOA Title III Program: Median Earnings in the 2nd Quarter After Exit Statewide Performance Results
(FY 2019-20 to FY 2023-24)

Fiscal Year	Median Earnings	Goal	Variance	% Variance
2019-20	$6,043	$5,000	**$1,043**	**21%**
2020-21	6,321	5,400	**921**	**17**
2021-22	7,332	5,500	**1,832**	**33**
2022-23	7,535	6,250	**1,285**	**21**
2023-24	7,915	6,500	**1,415**	**22**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

The Title III program met its negotiated goals in all years and exceeded its goal by as much as 33 percent.

Efficiency. Determining the efficiency of WIOA programs is complex due to the nature of title program eligibility within the WFD system. PA CareerLink® centers receive different WIOA title funding streams for program participants based on the specific eligibility requirements of the respective programs, such as the Adult, Dislocated Worker, Youth, and Title III programs. Each program is designed to serve distinct populations, with the Adult program targeting unemployed or underemployed adults and low-income veterans; the Dislocated Worker program focusing on individuals who have been laid off or are facing layoffs; and the Youth program aiming at serving young people aged 14-24, who face barriers to employment, as well as the general employment services offered under Title III. Individuals may simultaneously qualify for multiple WIOA Title programs, meaning they could be served from various funding streams. The braided funding streams complicate accurately assessing the overall efficiency of the WIOA programs.

However, using the information provided by L&I, we calculated a simple cost-per-outcome measure by dividing a program's federal funding allocation by the number of individuals who achieved a specific outcome.

We note that while cost per outcome helps determine program efficiency, it does not fully capture the actual cost of generating an additional successful outcome. Instead, it can provide a simple analysis of the

relationship between a program's funding and its performance outcomes.

Exhibit 20 shows the cost per outcome for the two appropriate WIOA performance indicators for the Title III program.[25]

Exhibit 20

WIOA Title III Program: Cost per Outcome
(FY 2019-20 to FY 2023-24)

Fiscal Year	Cost per Employment (Q2)	Cost per Employment (Q4)
2019-20	$473	$405
2020-21	630	521
2021-22	2,177	1,186
2022-23	1,105	1,370
2023-24	819	1,050

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

The Title III program's cost efficiency generally declined over the scope of our analysis, with all cost-per-outcome measures increasing from FY 2019-20 to FY 2023-24. The highest increase was the cost per employment in the fourth quarter after exit, with a 159 percent increase.

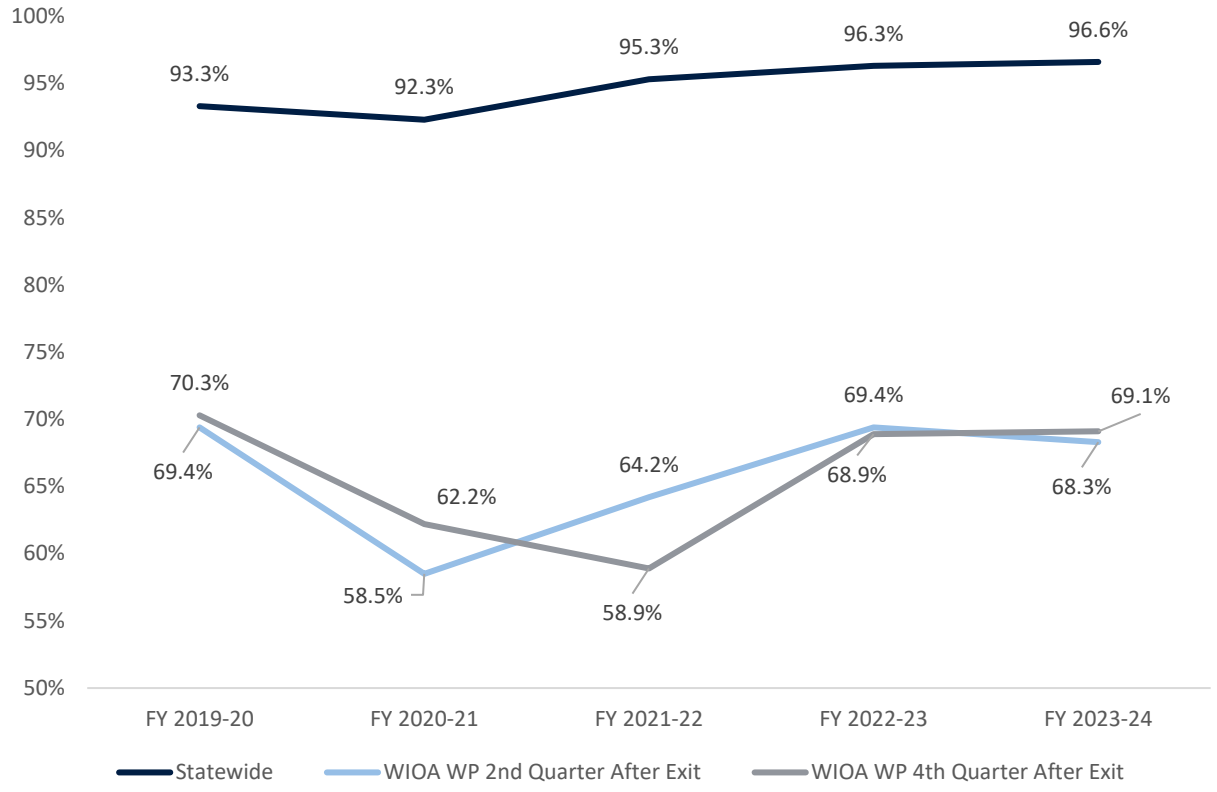
Effectiveness. The WIOA Title III program successfully met most of its negotiated goals, meeting 73 percent of its goals across the scope of our analysis. The Title III program consistently met or exceeded its negotiated goals for all performance indicators.

While the Title III program met most of its negotiated goals, another measure of its effectiveness is how well participants perform in the labor market compared to the general workforce. Exhibit 21 compares the employment rates of the Title III program participants to the statewide employment rate.

[25] We calculated the cost per outcome for two of the WIOA Title III performance measures. Cost per outcome was not calculated for the median earnings indicator because it reflects the median wage value among program participants who are employed after exiting the program, rather than a discrete count of individuals achieving an outcome.

Exhibit 21

WIOA Title III (WP) Program and Statewide Employment Rates
(FY 2019-20 to FY 2023-24)



Source: Developed by LBFC staff from information obtained from the US Department of Labor.

According to the USDOL Bureau of Labor Statistics, the employment rate in Pennsylvania FY 2023-24 was 96.6 percent. In the same year, the Title III program participants experienced an average employment rate of 68.7 percent.[26] This indicates a difference of approximately 28 percentage points for FY 2023-24.

The Title III program participants experienced lower employment rates compared to statewide employment figures across the scope of our analysis. However, since a primary goal of WIOA programming is to assist participants with barriers to employment, lower employment rates may reflect these pre-existing challenges rather than program ineffectiveness.

[26] Calculated by taking the average of the Title III program participant employment rate in the second and fourth quarters after exit in FY 2023-24.

Exhibit 22 shows how Pennsylvania ranks among other states across the WIOA-required performance indicators from FY 2019-20 to FY 2022-23.[27]

Exhibit 22

Pennsylvania WIOA Title III Programming Ranks Nationwide
(Ranks out of 52)[a]
(FY 2019-20 to FY 2022-23)

Fiscal Year	Emp. Rate 2nd Quarter	Emp. Rate 4th Quarter	Median Earnings	Average[b]
2019-20	19	17	23	**20**
2020-21	39	30	24	**31**
2021-22	16	30	32	**26**
2022-23	20	32	32	**28**

[a] Rankings includes Puerto Rico and the District of Columbia.
[b] Averages are rounded to the nearest whole number.

Source: Developed by LBFC staff from information obtained from the US Department of Labor.

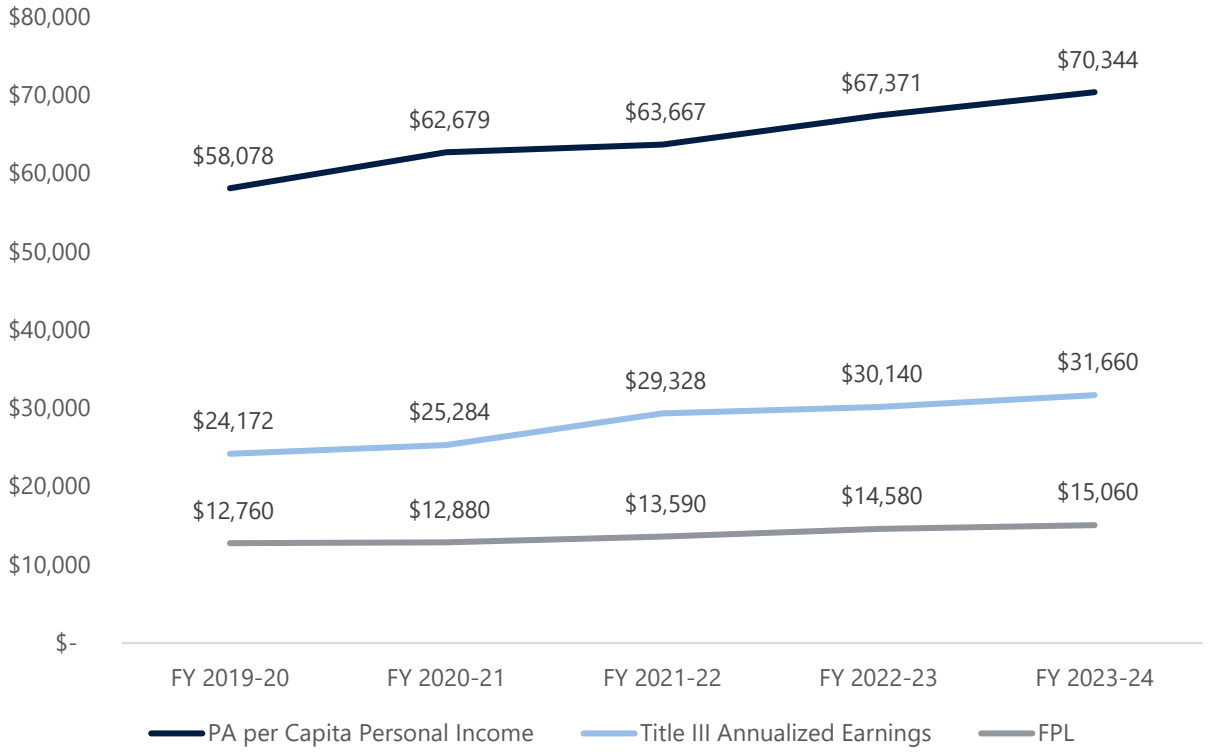
The Title III program's average ranking across performance outcomes was 20th in FY 2019-20. In FY 2022-23, the program's ranking was 28th. During the scope of our analysis, the Pennsylvania Title III program decreased its nationwide performance outcome rank by an average of eight rankings. This indicates that the program's performance rank declined over time and was close to the median rank (26th) compared to other US states and territories.

Another indicator of effectiveness is program participant earnings. Exhibit 23 shows Title III program participants' annualized earnings compared to statewide and national earnings figures.

[27] FY 2022-23 state rankings were the most recent available by the US Department of Labor.

Exhibit 23

Title III Earnings, PA per Capita Personal Income, and Federal Poverty Level (FPL)
(FY 2019-20 to FY 2023-24)



Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

During FY 2023-24, the median quarterly earnings for Title III participants was $7,915, yielding an annual income of $31,660. In the same year, Pennsylvania's per capita personal income was $70,344, $38,684 higher than the annualized earnings of program participants. The annual income for Title III program participants was also more than double the 2024 FPL, which was $15,060 for one person.

For additional comparison, the Massachusetts Institute of Technology living wage calculator shows that individuals in Pennsylvania must earn $21.95 per hour to support themselves, working full-time or 2,080 hours per year (40 hours per week). This would result in an annual income of $45,656, $13,996 more than the average yearly wage for Title III program participants.

Since the primary goal of WIOA programming is to assist participants with significant barriers to employment, lower earnings may reflect these pre-existing challenges rather than program ineffectiveness.

Title III program achieved most of its negotiated goals (73 percent) across the scope of our analysis. However, when some outcome results are compared to statewide and national employment and earnings figures, there is potential to increase negotiated goals to encourage more optimal outcomes for all Title III participants.

Recommendation: We recommend that L&I should develop internal benchmarks for required performance indicators related to employment and earnings that keep pace with statewide and national employment and earnings figures for the WIOA Title III program to better assess the program's performance compared to the general workforce.

WIOA Title IV Program Performance

As the Vocational Rehabilitation Act of 1988 outlines, the Office of Vocational Rehabilitation (OVR) provides vocational rehabilitation services to help those with disabilities prepare, secure, retain, advance in, or regain employment.

Eligibility for vocational rehabilitation requires a determination that the applicant has a physical or mental impairment constituting or resulting in a substantial impediment to employment and requires vocational rehabilitation services. Eligibility determination is based on an assessment of existing information, which includes OVR staff counselor observations, education records, and information provided by the individual or the individual's family.

Title IV services include but are not limited to connection to accessible job training, counseling and guidance, diagnostic services, assessments, information and referral, job development and placement, personal services such as sign language interpreters, and helping employers achieve and maintain site accessibility for those with disabilities.

OVR could only provide two years of performance data with established negotiated goals for Title IV programming. The lack of performance outcomes and negotiated goals for some fiscal years of the Title IV performance indicators can be attributed to the Rehabilitation Services Administration's (RSA) phased timeline of data collection and the gradual development of measurement tools.

OVR staff informed LBFC staff that RSA did not collect data on the five WIOA-required performance indicators until February 25, 2022. RSA established negotiated levels of performance with the release of the Negotiations Tool on April 1, 2022.

Exhibit 24 shows the WIOA Title IV program's results for the Employment Rate in the Second Quarter After Exit performance measure compared to the negotiated goals.

Exhibit 24

WIOA Title IV Program: Employment Rate in the 2nd Quarter After Exit Statewide Performance Results
(FY 2022-23 to FY 2023-24)

Fiscal Year	Employment Rate	Goal	% Point Difference
2022-23	61.8	56%	**5.8**
2023-24	57.2	57	**0.2**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

The Title IV program met its negotiated goals in the two fiscal years for which there were goals. The Title IV program exceeded its goals by as much as 5.8 percentage points.

Exhibit 25 contains the WIOA Title IV program's results for the Employment Rate in the Fourth Quarter After Exit performance measure compared to the negotiated goals.

Exhibit 25

WIOA Title IV Program: Employment Rate in the 4th Quarter After Exit Statewide Performance Results
(FY 2022-23 to FY 2023-24)

Fiscal Year	Employment Rate	Goal	% Point Difference
2022-23	56.8	47%	**9.8**
2023-24	45.0	48	**-3.0**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

The Title IV program met its negotiated goals in one of the two fiscal years for which there were goals. The Title IV program exceeded its goals by as much as 9.8 percentage points and fell short by as much as 3 percentage points.

Exhibit 26 contains the WIOA Title IV program's results for the Median Earnings in the Second Quarter After Exit performance measure compared to the negotiated goals.

Exhibit 26

WIOA Title IV Program: Median Earnings in the 2nd Quarter After Exit Statewide Performance Results
(FY 2022-23 to FY 2023-24)

Fiscal Year	Median Earnings	Goal	Variance	% Variance
2022-23	5,814	$4,800	**$1,014**	**21%**
2023-24	6,060	4,900	**1,160**	**24**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

The Title IV program met its negotiated goals in the two fiscal years for which there were goals. The Title IV programs exceeded their goals by as much as 24 percent.

Exhibit 27 contains the WIOA Title IV program's results for the Credential Attainment performance measure compared to the negotiated goals.

Exhibit 27

WIOA Title IV Program: Credential Attainment Statewide Performance Results
(FY 2022-23 to FY 2023-24)

Fiscal Year	Credential Attainment	Goal	% Point Difference
2022-23	19.0	20%	**-1.0**
2023-24	36.5	21	**16.5**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

The Title IV program met its negotiated goals in one of the two fiscal years for which there were goals. The Title IV program exceeded its goals by as much as 16.5 percentage points and fell short by as much as one percentage point.

Exhibit 28 contains the WIOA Title IV program's results for the Measurable Skill Gains performance measure compared to the negotiated goals.

Exhibit 28

WIOA Title IV Program: Measurable Skill Gain Statewide Performance Results
(FY 2022-23 to FY 2023-24)

Fiscal Year	Measurable Skill Gain	Goal	% Point Difference
2022-23	36.5	39.0	**-2.5**
2023-24	44.2	40.0	**4.2**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

The Title IV program met its negotiated goals in one of the two fiscal years for which there were goals. The Title IV program exceeded its goals by as much as 4.2 percentage points and fell short by as much as 2.5 percentage points.

Efficiency and Effectiveness. The efficiency and effectiveness of the WIOA Title IV Vocational Rehabilitation program are challenging to assess due to the limited availability of fiscal years with both monitored performance results and negotiated goals.

However, the national employment rate for individuals with disabilities was 21.9 percent and 22.8 percent in FY 2022-23 and FY 2023-24, respectively. In those years, Title IV program participants' employment rates averaged 60 percent in the second quarter after program exit and 51 percent in the fourth quarter after program exit.

A complete analysis of the efficiency and effectiveness of the Title IV program requires additional years of program performance data than currently available.

Apprenticeship and Pre-Apprenticeship Programs

The Apprenticeship Training Office (ATO) oversees and supports the state's registered apprenticeship (RA) and pre-apprenticeship (Pre-RA) programs.

The goals of the ATO are to:

- Increase the number of RA opportunities in Pennsylvania.
- Expand apprenticeship into non-traditional occupations and serve underrepresented populations.
- Raise awareness about the benefits of Registered Apprenticeships and how to access them.

- Advocate for apprenticeship as a solution to meeting workforce needs.
- Provide programs with the support and resources needed to align with Pennsylvania standards and practices.
- Ensure compliance with all regulations, standards, and guidance.

Exhibit 29 below shows the funding allocations for FYs 2019-20 to 2023-24 apprenticeship training.

Exhibit 29

Apprenticeship Training Budget Allocation to L&I
(FY 2019-20 to FY 2023-24)

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Allocation	$7,000,000	$7,000,000	$7,000,000	$7,500,000	$10,500,000

Source: Developed by LBFC staff from information obtained from the 2024-2025 Executive Budget.

RA and Pre-RA programs must be registered with the ATO but are directly operated by program sponsors. A sponsor can be a business, corporation, community college, or a community-based organization.

Some examples of apprenticeship program sponsors in Pennsylvania are:

- German American Chamber of Commerce, Pittsburgh Chapter
- Philly Shipyard, Inc.
- Pennsylvania College of Technology
- The Pennsylvania Recovery Organizations - Alliance (PRO-A)
- District 1199C Training & Upgrading Fund Healthcare

Sponsors design and administer apprenticeship programs, provide jobs to apprentices, and provide hands-on learning and technical instruction. Sponsors often receive support by collaborating with community-based organizations, educational institutions, the ATO, other state agencies, and other stakeholders.

Registered Apprenticeship Programs (RA). RA programs aim to provide apprenticeships combining paid on-the-job training with a skills-based education to prepare workers for careers in various industries. L&I indicated that apprentices are considered full-time employees.

Exhibit 30 shows active apprentices, new apprentices, and apprenticeship completers by fiscal year.[28]

Exhibit 30

Active Apprentices, New Apprentices, and Apprenticeship Completers
(FY 2019-20 to FY 2023-24)

Fiscal Year	Active Apprentices	New Apprentices	Completers
2019-20	18,174	4,519	2,130
2020-21	16,964	4,100	2,772
2021-22	17,065	4,796	2,857
2022-23	16,755	4,825	2,800
2023-24	16,960	5,738	2,944
Total		**23,978**	**13,503**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

The total number of active apprentices declined from 18,174 in FY 2019-20 to 16,960 in FY 2023-24, representing a decrease of 6.7 percent. The number of new apprentices per year increased from 4,519 in FY 2019-20 to 5,738 in FY 2023-24, an increase of 26.9 percent. The number of apprenticeship completers also increased from 2,130 in FY 2019-20 to 2,944 in FY 2023-24, a growth of 38.2 percent.

Exhibit 31 shows active unduplicated and new unduplicated sponsors by fiscal year.

Exhibit 31

Active Unduplicated Sponsors and New Unduplicated Sponsors
(FY 2019-20 to FY 2023-24)

Fiscal Year	Active Unduplicated Sponsors	New Unduplicated Sponsors
2019-20	833	23
2020-21	861	36
2021-22	871	20
2022-23	873	10
2023-24	876	19
Total		**108**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

[28] Depending on the occupation and sponsor, individuals may be apprentices for one to six years. Subsequently, if an individual has been an apprentice for multiple years, they will be counted under Active Apprentice for multiple fiscal years.

The total number of active sponsors grew from 833 in FY 2019-20 to 876 in FY 2023-24, an increase of 5.2 percent. The number of new unduplicated sponsors decreased from 23 in FY 2019-20 to 19 in FY 2023-24, a decrease of 17.4 percent.

Exhibit 32 shows active registered apprenticeship programs by sector.

Exhibit 32

Active Registered Apprenticeship Programs by Sector
(FY 2019-20 to FY 2023-24)

Sector	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Healthcare	39	44	44	59	65
Technology	11	13	16	20	24
Manufacturing	713	735	742	753	758
Building Trades	588	601	603	606	612
Hospitality/Tourism	21	27	27	27	27
Education	20	24	25	28	31
Agriculture	8	11	11	11	13
Transportation	36	37	37	38	39
Other	68	68	69	71	71
Total	**1,504**	**1,560**	**1,574**	**1,613**	**1,640**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

The total number of active apprenticeships increased from 1,504 in FY 2019-20 to 1,640 in FY 2023-24, an increase of nine percent. All sectors observed an increase in the number of active apprenticeships. The manufacturing and building trades sectors have the highest number of active programs, with manufacturing rising by six percent from 713 in FY 2019-20 to 758 in FY 2023-24 and building trades increasing by four percent from 588 to 612 over the same period. The technology sector observed the most significant increase, increasing by 118 percent from 11 programs in FY 2019-20 to 24 in FY 2023-24.

Registered Pre-Apprenticeship Programs (Pre-RA). Pre-apprenticeship programs provide instruction, preparation, and support to help individuals gain the necessary skills to succeed in an RA program. Pre-RA programs are linked with existing RA programs, creating a pipeline of qualified workers to fill open positions.

Various entities, including community-based organizations, high schools, labor organizations, workforce agencies, or community colleges, can deliver pre-RA training activities. Employers and RA sponsors are often involved in creating and facilitating the pre-RA programs, ensuring that the training is applicable to existing RA programs.

Pre-RA programs were first introduced in Pennsylvania in 2018. Because the ATO recently developed the Pre-RA program, data on the total number of participants in Pre-RA programs is not currently available. Unlike RA programs, which L&I tracks through the Registered Apprenticeship Partners Information Database System (RAPIDS) system maintained by the USDOL, there is no centralized system for recording Pre-RA participant data.[29] ATO estimates a participant tracking system for Pre-RA programs will be in place in 2025.

Exhibit 33 shows active registered Pre-RA programs by sector.

Exhibit 33

Active Pre-Apprenticeship Programs by Sector
(FY 2019-20 to FY 2023-24)

Sector	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Healthcare	3	3	3	3	4
Technology	2	3	10	10	8
Manufacturing	33	38	40	44	47
Building Trades	8	18	23	27	40
Hospitality/Tourism	1	1	1	3	2
Education	3	3	3	5	6
Agriculture	1	2	2	2	3
Transportation	3	3	3	3	2
Other	4	4	4	4	3
Total	**58**	**75**	**89**	**101**	**115**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

The total number of active Pre-RA programs grew from 58 in FY 2019-20 to 115 in FY 2023-24, representing a 98 percent increase. The manufac-

[29] RAPIDS serves as the primary data and management platform for RA sponsors. Sponsors, USDOL, and ATO can use RAPIDS to track the number of apprentices, occupations, job openings, and other program information.

turing and building trades sectors have the highest number of active programs, with manufacturing programs increasing from 33 in FY 2019-20 to 47 in FY 2023-24, a 42 percent increase. Building trades programs also observed the highest increase, from eight in FY 2019-20 to 40 in FY 2023-24, or 400 percent.

Exhibit 34 shows new registered pre-RA programs by sector.

Exhibit 34

New Pre-Apprenticeship Programs by Sector
(FY 2019-20 to FY 2023-24)

Sector	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Healthcare	3	0	0	0	1
Technology	0	1	7	0	0
Manufacturing	22	5	2	4	8
Building Trades	2	10	5	4	13
Hospitality/Tourism	0	0	0	2	0
Education	3	0	0	2	1
Agriculture	0	1	0	0	1
Transportation	1	0	0	0	0
Other	0	0	0	0	1
Total	**31**	**17**	**14**	**12**	**25**

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

The total number of new Pre-RA programs decreased from 31 in FY 2019-20 to 25 in FY 2023-24, a decrease of 19 percent. The manufacturing sector observed a decline in new programs, dropping from 22 in FY 2019-20 to eight in FY 2023-24, a decrease of 64 percent. The building trades sector increased from two new FY 2019-20 programs to 13 in FY 2023-24.

Seven of the nine, or 77.8 percent, sectors observed consecutive fiscal years with no new Pre-RA programs.

Efficiency. Between FYs 2019-20 and 2023-24, funding for apprenticeship activities increased from $7 million to $10.5 million, or 50 percent. Similarly, the number of apprenticeship completers per year increased from 2,130 in FY 2019-20 to 2,944 in FY 2023-24, a growth of 38.2 percent. Exhibit 35 shows the estimated cost efficiency for apprenticeship program completion, calculated by dividing total funding by the

number of completers in each year. From FY 2019-20 to FY 2023-24, the estimated cost per apprenticeship completer increased from $3,286 to $3,567, or 8.5 percent.

Exhibit 35

Cost per Apprenticeship Program Completer
(FY 2019-20 to FY 2023-24)

FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
$3,286	$2,525	$2,450	$2,679	$3,567

Source: Developed by LBFC staff from information obtained from the Department of Labor and Industry.

Effectiveness. Active RA programs increased by nine percent from FY 2019-20 to FY 2023-24, and Pre-RA programs increased by 98 percent. Collectively, the number of RA and Pre-RA programs increased by 12 percent, from 1,562 to 1,755. The total number of active apprentices decreased by 6.7 percent, from 18,174 to 16,960.

However, the distribution of programs was uneven across sectors. Programs in the manufacturing and building trades sectors represent most apprenticeship programs and pre-apprenticeship programs in Pennsylvania, making up 84 percent of all apprenticeship programs and 76 percent of all pre-apprenticeship programs in FY 2023-24.

Other sectors, such as education and agriculture, observed some increases in RA programs, while some sectors, like technology and hospitality/tourism, experienced stagnation or decline. Similarly, seven of the nine, or 77.8 percent, sectors observed multiple fiscal years with no new Pre-RA programs.

Increasing the number of programs or participants is not the only measure of effectiveness for RA and Pre-RA programs. The ATO is also responsible for sponsor compliance with Pennsylvania regulations and laws for apprenticeship and pre-apprenticeship programs. If sponsors fail to meet these requirements, they may be penalized, or the ATO can terminate their programs. The number of such non-compliant programs was not included in the information provided by ATO and L&I.

Recommendation: We recommend that the Apprenticeship and Training Office (ATO) focuses effort and resources on increasing the number of unduplicated occupation-specific program sponsors for Apprenticeship and Pre-Apprenticeship programs, specifically in sectors outside of manufacturing and building trades, to diversify and expand the occupational training opportunities for apprentices and pre-apprentices.

B. Pennsylvania Department of Education (PDE)

Overview

PDE has several roles related to workforce development, including career and technical education and equipment grants. The scope of this performance audit focuses on workforce development programs with direct training or skills development components. As such, we did not include WIOA Title II programs. This section concentrates on career and technical education, as this programming fits within the audit's scope.

We intend to include non-credit programming, which is short-term and industry-driven, to train workers in specific skills and training directly related to a job without granting traditional college credits. Career and technical centers, nonprofit organizations, and community colleges offer this type of training.[30]

Examples of this type of education include computer and information technology, healthcare, manufacturing and trades, transportation and logistics, and early childhood education.

We asked for PDE for performance data for these programs. According to PDE, data collection for non-credit programs is not standardized. Therefore, while it could attempt to collect data, the Department has no confidence in its accuracy and reliability.

Recommendation: We recommend that the Pennsylvania Department of Education collect accurate and reliable performance data from career and technical education centers accredited by the State Board of Career and Technical Education and other education facilities that receive public funding under the Secondary Career and Technical Education Subsidy (SCTES).

Career and Technical Education (CTE)

Career and Technical Education (CTE) refers to programs that prepare individuals for their careers. These programs combine academic knowledge with technical and practical skills tailored to specific industries, such as carpentry, electrical, construction, and other trade programs. CTE is available at high schools, community colleges, colleges,

[30] Some data for non-credit programs provided in career and technical centers is included in the Career and Technical Education section below.

and Career and Technical Centers (CTCs). Students at CTCs can be in secondary schools (SEC), pursuing post-secondary (PS) education, or adults in adult affidavit programs (AAPs).[31]

The Pennsylvania Department of Education highlighted two goals in its *Pennsylvania Career and Technical Center 2022-2023 Annual Report*::

- Increasing the number of students earning industry certifications.
- Increasing student skill attainment.

The Carl D. Perkins Career and Technical Education Act, commonly called the Perkins Act, is a source of federal funding for CTE in the United States. First enacted in 1984 and reauthorized most recently as the Strengthening Career and Technical Education for the 21st Century Act (Perkins V) in 2018—the Act is designed to provide funding, guidance, and accountability for CTE programs at the secondary and postsecondary levels.

PDE measures goals through various performance indicators determined by the Pennsylvania Four-Year Perkins State Plan. The Perkins State Plan outlines Pennsylvania's strategic approach to enhancing CTE under the federal Strengthening Career and Technical Education for the 21st Century Act (Perkins V). It establishes measurable indicators to track the success of CTE programs. Metrics include student academic performance, program completion rates, industry credentials earned, employment or further education placement, and workforce readiness.[32] The primary indicators used for this study include the industry credentials earned and gainful placement.

The Bureau of Career and Technical Education.

PDE's Bureau of Career and Technical Education develops curriculum and standards related to CTCs, previously known as area vocational-technical schools (AVTS). Specifically, PDE aims to improve the delivery of CTE programs by engaging school districts and increasing industry-relevant occupational training programs. PDE works with L&I to conduct occupational gap analysis (OGA) to identify workforce needs and tailor programs towards specific professions based on labor market trends.

Pennsylvania has 88 CTCs and 142 high schools that offer CTE programs.[33] One of PDE's goals is to increase the number of students earning industry certifications and skill attainment. As shown in Exhibit 36, in

[31] AAPs are non-credit short-term programs typically geared towards developing a specific skill or industrial credential.

[32] We did not include student academic proficiency (reading/writing/math) because those are related to GDE measures rather than direct training or skill attainment.

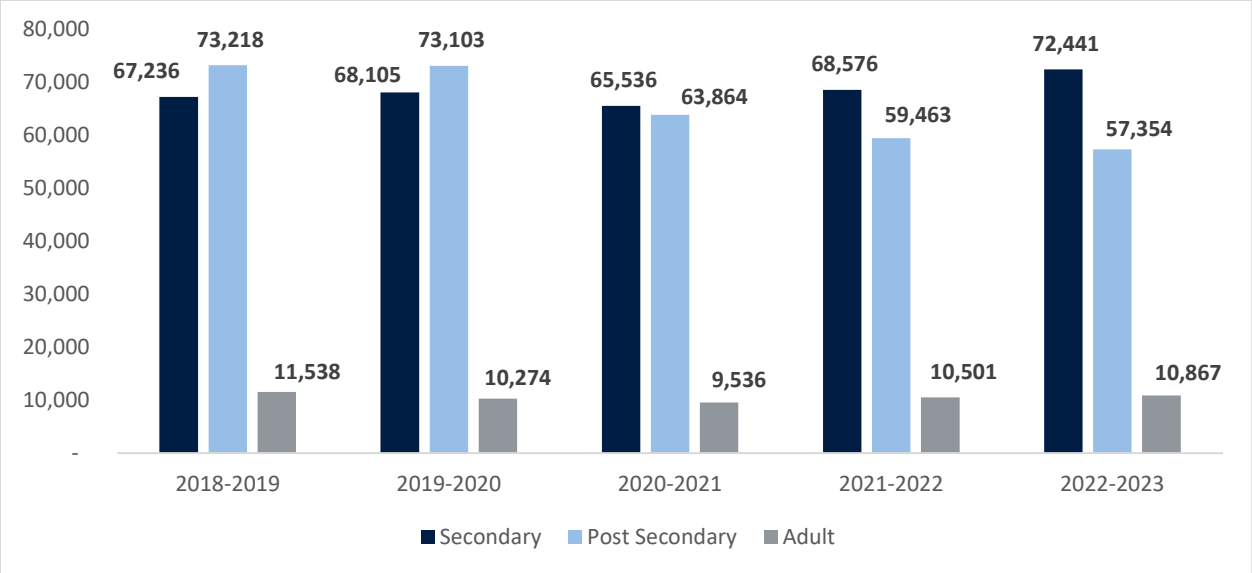
[33] A listing of PA CTCs can be found in Appendix D.

FY 2021-2022, there were 1,418 approved programs, with 138,540 enrollments. This includes all enrolled students within CTCs and all 10th-12th grade students enrolled in a program while in secondary school.

Some school districts have approved programs that do not require participation with a CTC to administer.[34] CTCs generally administer approved CTE programs due to funding and proper equipment access necessary for developing skills needed to complete the program.

Exhibit 36

Enrolled CTE Population by Year
(FY 2018-19 to FY 2022-23)



Source: Developed by LBFC staff from data obtained from the Pennsylvania Department of Education.

Students Occupationally and Academically Ready (SOAR). PDE collaborates with colleges through the SOAR program (SOAR). The department is connecting CTE technical program content and standards to allow students to earn college credit for their secondary CTE coursework in high school. SOAR is a CTE plan aligned through articulation agreements between colleges and CTE programs.

Through SOAR, CTE instructors work with college and university professors to develop curriculum and standards that allow students to transfer

[34] Title 22 Chapter 339.4 of the Pennsylvania Code, issued under the Public School Code of 1949, details the requirements for approving vocational education programs within the commonwealth.

work they have done in a CTE program towards a post-secondary degree; however, the SOAR program is not universal. Under the Perkins Statewide Credit Transfer Agreement, colleges must award transcripted technical post-secondary semester credit to a matriculated student and apply that credit toward completing a PDE-approved program of study leading to a post-secondary credential or degree. Under Perkins, a minimum of nine credits may be transferred; however, some institutions have locally articulated credit agreements with specific CTC programs through SOAR, which may allow transferring more credits.

Career Clusters. PDE divides CTE programs by career cluster, which groups different specialties within a job sector. For example, the Architecture and Construction cluster includes carpenters and civil engineer jobs, and the Health Science cluster includes nurses and laboratory technicians.

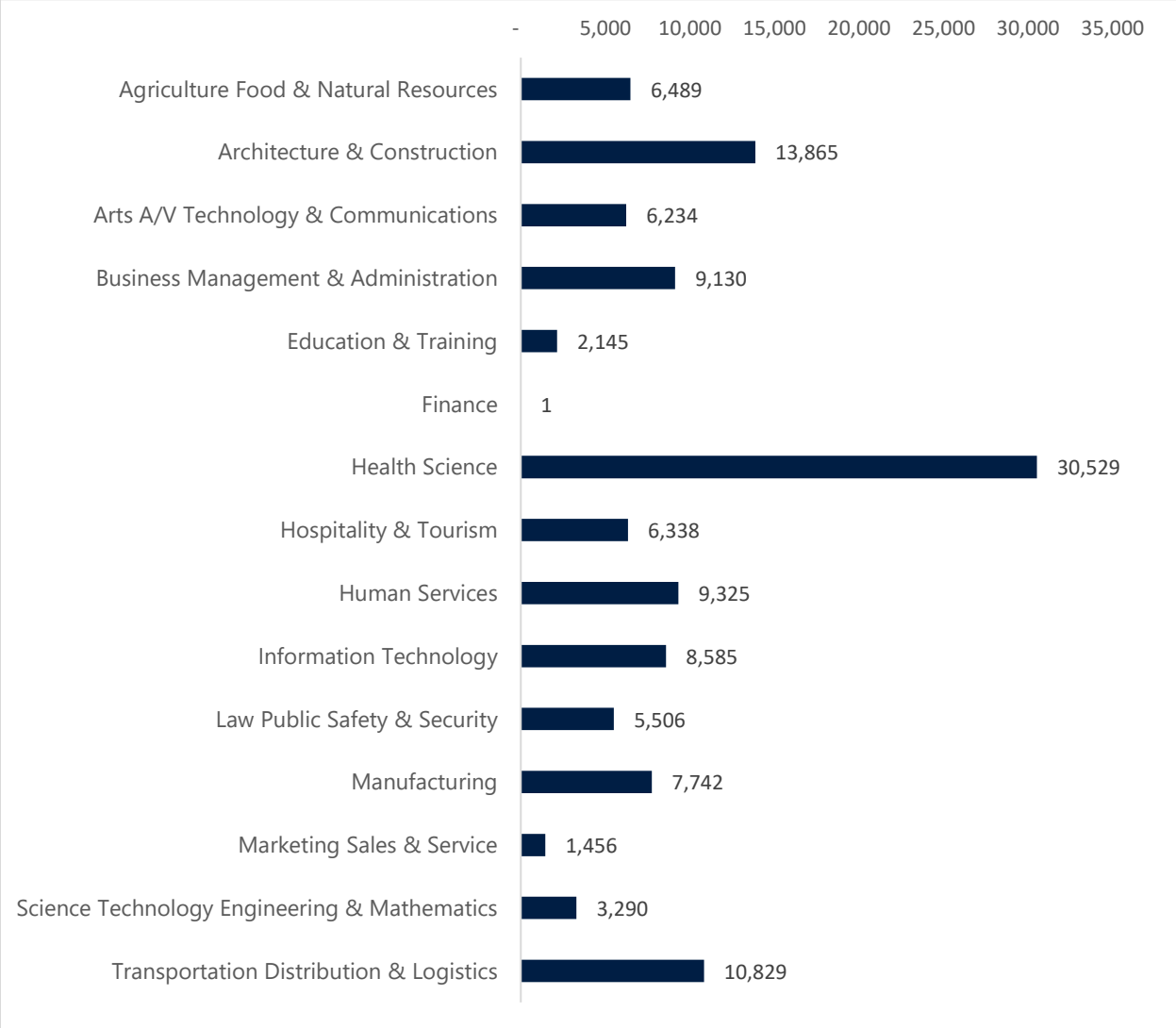
Each cluster has a Classification of Instructional Programming (CIP), which designates the names of industry credentials students can earn and the providers who issue them. For example, the Architecture and Construction Cluster includes a CIP of Carpentry/Carpenter, under which a participant may earn a forklift credential issued by the National Safety Council.

Exhibit 37 shows CTE career clusters. Healthcare sciences have the most participants, over 30,000, while others have between 1,500 and 14,000.[35] In FY 2022-23, the total number of CTE program participants was 140,662. Program participation varies depending on the availability of program space.

[35] The finance career cluster only had one participant for 2022-2023.

Exhibit 37

CTE Program Participants by Career Clusters [a]
(FY 2022-2023)



[a] Participants include all post-secondary, secondary, and adult affidavit program participants.

Source: Developed by LBFC staff from data provided by the Pennsylvania Department of Education.

Many programs face lengthy waitlists for acceptance, which indicates that some programs are at capacity and unable to serve the workforce's demands. Waitlists vary based on career clusters and demand and may inhibit those looking for a specific professional career path. PDE responded to preliminary survey results regarding waitlists for CTE programs:

"A recent survey is being administered by the Pennsylvania Association for Career and Technical Administrators (PACTA) to determine the 2024-2025 waitlists. The survey currently has a 48 percent response rate with over 3,500 students on the waitlist, ranging from 5-475 per institution. Nearly 45 percent of Centers have had a waitlist for over 5 years. Over 45 percent of Centers have more than five programs of study with a waitlist. Center Directors cited facilities, staffing, and funding as the primary barriers to increasing the number of participants in their local programs."

Funding. Exhibit 38 shows the state Secondary Career and Technical Education Subsidy for fiscal years 2018-19 to 20-23-24.

Exhibit 38

CTE Allocations
(FY 2018-19 to FY 2023-24)

Fiscal Year	SCTES Subsidy (State)
2018-19	$66,687,368
2019-20	69,248,060
2020-21	72,631,389
2021-22	72,888,089
2022-23	80,094,618
2023-24	105,060,937

Source: Developed by LBFC staff from information obtained from the Pennsylvania Department of Education.

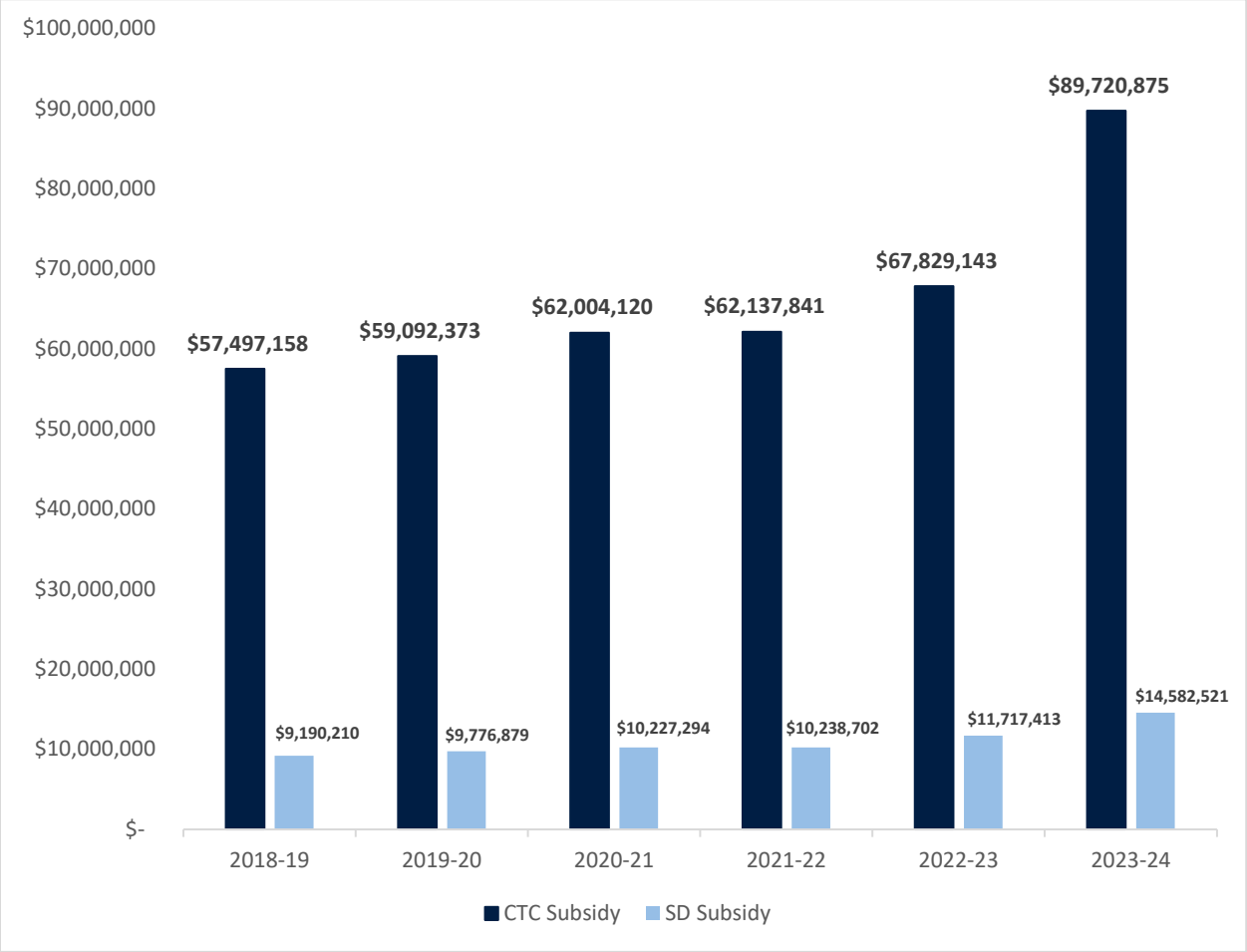
Schools and CTCs receive the Secondary Career and Technical Education Subsidy (SCTES) based on their average daily membership (ADM) in CTC-approved CTE programs. SCTES is a state-funded subsidy funded through the state budget's career and technical education line item.[36] SCTES is allocated to school districts and CTCs in Pennsylvania based on the formula outlined in Section 2502.8 of the Pennsylvania Public School Code. Exhibit 39 displays the SCTES funds distributed from FYs 2018-19 to 2023-24 to CTCs and school-district (SD) operated programs.[37]

[36] Average Daily Membership (ADM) for Career and Technical Centers (CTCs) refers to the average number of students enrolled and attending a CTC daily over a specific reporting period. ADM for those in school district CTE programs has the same definition.

[37] Total SCTES distributions in Exhibits 38 and 39 do not match. Exhibit 39 does not include distributions to charter schools, which amounted to $2.6 million from 2019-20 to 2023-24.

Exhibit 39

SCTES Distribution
(FY 2018-19 to FY 2023-24)



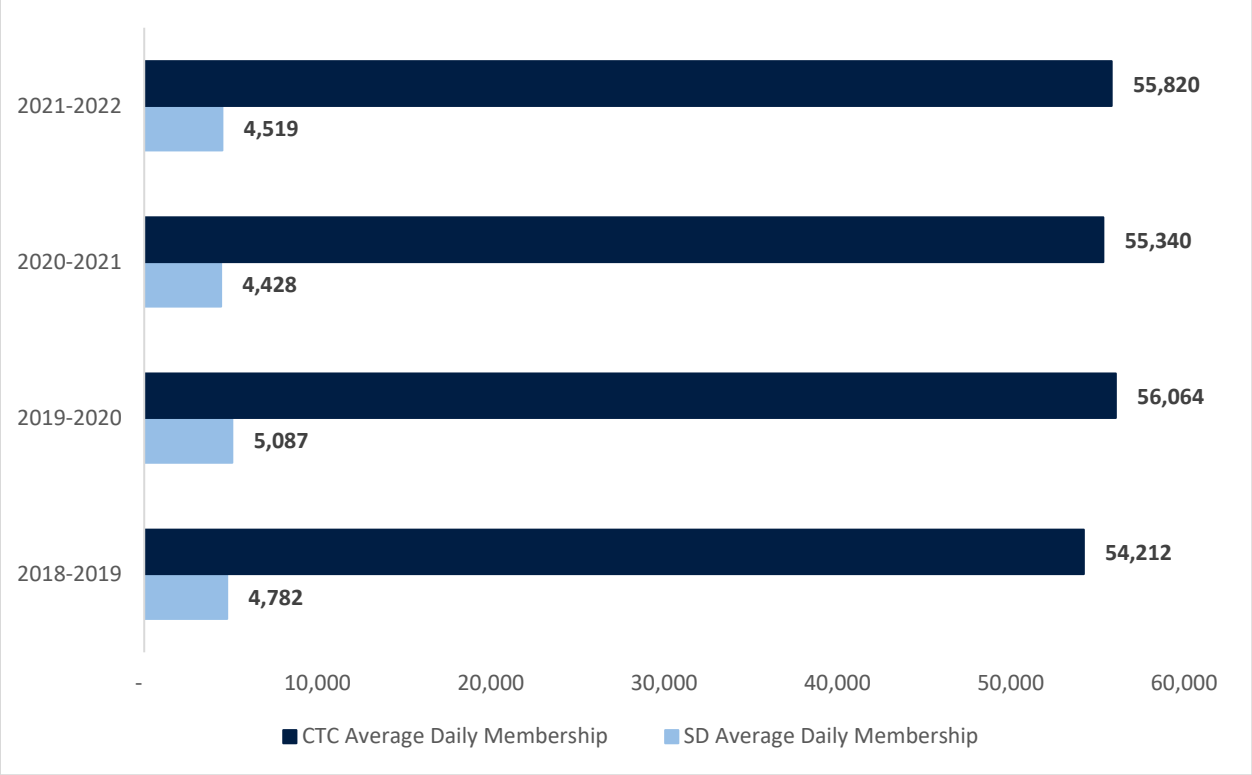
Source: Developed by LBFC staff from information obtained from the Pennsylvania Department of Education.

Exhibit 40 shows the ADM for CTE in school districts and CTCs. Per the funding formula, the PDE reimburses CTC-operated programs slightly higher than school district-operated programs.[38]

[38] Per the funding formula found in Section 2502.8 of the Pennsylvania Public School Code.

Exhibit 40

CTC Average Daily Membership[a]
(FY 2018-19 to FY 2021-22)



[a] ADM data for 2022-23 will become available in June 2025 with the release of the consolidated annual report (CAR) on CTE to the U.S. Department of Education.

Source: Developed by LBFC staff from information obtained from the Pennsylvania Department of Education.

Efficiency. The LBFC identified expenditures per credential obtained as an appropriate efficiency measure for evaluating CTE programs. This metric shows how PDE uses financial resources to produce tangible outputs, specifically attaining industry-recognized credentials. By focusing on this measure, the analysis links resource allocation directly to program outputs, providing a basis for comparing the cost-effectiveness of different CTE programs. We believe an additional measure would be determining the cost per job obtained within the field of employment in which someone received their credentials; however, this data was unavailable.

Exhibit 41 shows the state cost per credential earned by the school year for CTE programs by dividing the SCTES funding by the total number of credentials earned. While this calculation provides a straightforward

metric to evaluate cost efficiency, it may not accurately reflect the complexity of program efficiency. For instance, credentials earned vary widely regarding the resources required for attainment.

Some credentials, such as those in health science or advanced manufacturing, may require costly equipment, specialized instructors, and extended training periods. In contrast, others may have lower costs due to less intensive requirements. This does not include funding spent on those who start CTE programs and leave the program before earning an industry credential. The overall cost per credential has decreased over time, 46.4 percent, from FYs 2018-19 to 2022-23.

Exhibit 41

Cost per Credential
(FY 2018-19 to FY 2022-23)

Fiscal Year	State Cost Per Credential	Cost per Credential Percent Change from the Previous Year
2018-19	$1,888	N/A
2019-20	1,837	-2.7%
2020-21	1,765	-4.1
2021-22	1,481	-19.2
2022-23	1,290	-14.8

Source: Developed by LBFC staff from information obtained from the Pennsylvania Department of Education.

Due to data constraints, the cost per gainful placement would be unreliable as an efficiency measure, although it may provide a more comprehensive approach to understanding the efficiency of CTE programs if data were more readily available. PDE measures gainful placements through a survey methodology that depends on students' responses, making that finding ungeneralizable to the entire population.

Effectiveness. To determine the effectiveness of CTE programs, the LBFC identified two outcome measures:

- Number of industry credentials obtained: industry credentials demonstrate that students have acquired specific, employer-recognized skills that align with workforce needs, making them job-ready upon program completion.

- Number of gainful placements: PDE determines students as "gainfully placed" if they fall into one of the following categories:

    - Enrolled in further education.

- Employed.
- Serving in the armed forces.
- Participating in National Community Service or the Peace Corps.

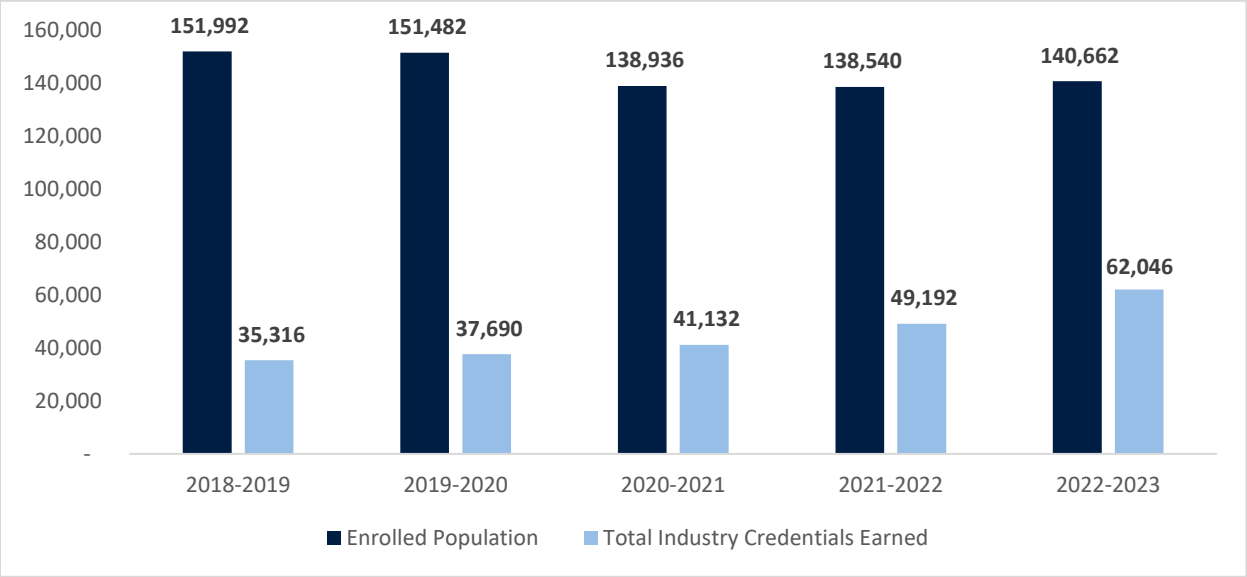
Gainful placements prove how well CTE programs prepare participants for successful transitions into the workforce, higher education, or military service, ensuring alignment with real-world economic demands and career pathways.

Much like post-secondary colleges awarding degrees, CTE programs award credentials to those who have completed the requirements outlined by the program. CTE programs call these requirements "task lists" within CTE programs, updated every three years.

As shown in Exhibit 42, the LBFC compared the total enrolled CTE population with the industry credentials earned annually. The ratio of industry credentials earned to the enrolled population provides a snapshot of how well CTE programs translate enrollment into tangible qualifications employers value.

Exhibit 42

Enrolled CTE Population and Industry Credentials Earned by Fiscal Year
(FY 2018-19 to FY 2022-23)



Source: Developed by LBFC staff from data provided by the Pennsylvania Department of Education.

From FY 2018-19 to FY 2022-23, the number of industry credentials obtained by CTE students increased by 75.6 percent. Between FYs 2021-22

and 2022-23, the number increased by 26.1 percent. CTE education facilities are achieving PDE's goal of increasing the number of students earning industry credentials. Although enrollment has remained relatively constant, there was a 1.5 percent increase between FYs 2021-22 and 2022-23.

We found that the amount of industry credentials earned increased each year. In FY 2019-20, there was a 6.7 percent increase, a 9.1 percent increase in FY 2020-21, and a 19.5 percent increase in FY 2021-22.

PDE defines gainful placements as any further education, employment, or participation in the Peace Corps or National Community Service for a program participant; however, these include participants who did not complete a program. PDE records this information through self-reported surveys administered to participants one year and five years after program exit.[39] Currently, PDE's survey methodology consists of multiple emails to the individual. PDE has expressed that the survey has a low response rate, ranging from 28 percent in 2019 to 44 percent in 2024. According to the department, a mobile-friendly version of this survey is being developed to increase response rates.

Recommendation: We recommend that PDE continues making its post-CTE survey more user-friendly and finds methods to increase the response rate. PDE should consider differentiating between one-year and five-year survey participants to better understand CTE students' career paths. Additionally, PDE should track whether an individual is "gainfully placed" within a career field related to the industry credential received through CTE.

Recommendation: We further recommend that PDE tracks data to determine the employment status and average salary of CTE program participants post-program completion. These measures should be the same as those required by WIOA, including second and fourth-quarter employment rates, median earnings (second quarter), credential attainment, and measurable skill gain. Collecting this data via social security numbers would require a data sharing agreement between L&I and PDE, in accordance with 20 CFR Part 603 and Pennsylvania's Unemployment Compensation statute.[40]

PDE provided data for gainful placements from FYs 2018-19 to 2021-22, as shown in Exhibit 43. PDE also delineates the data by:

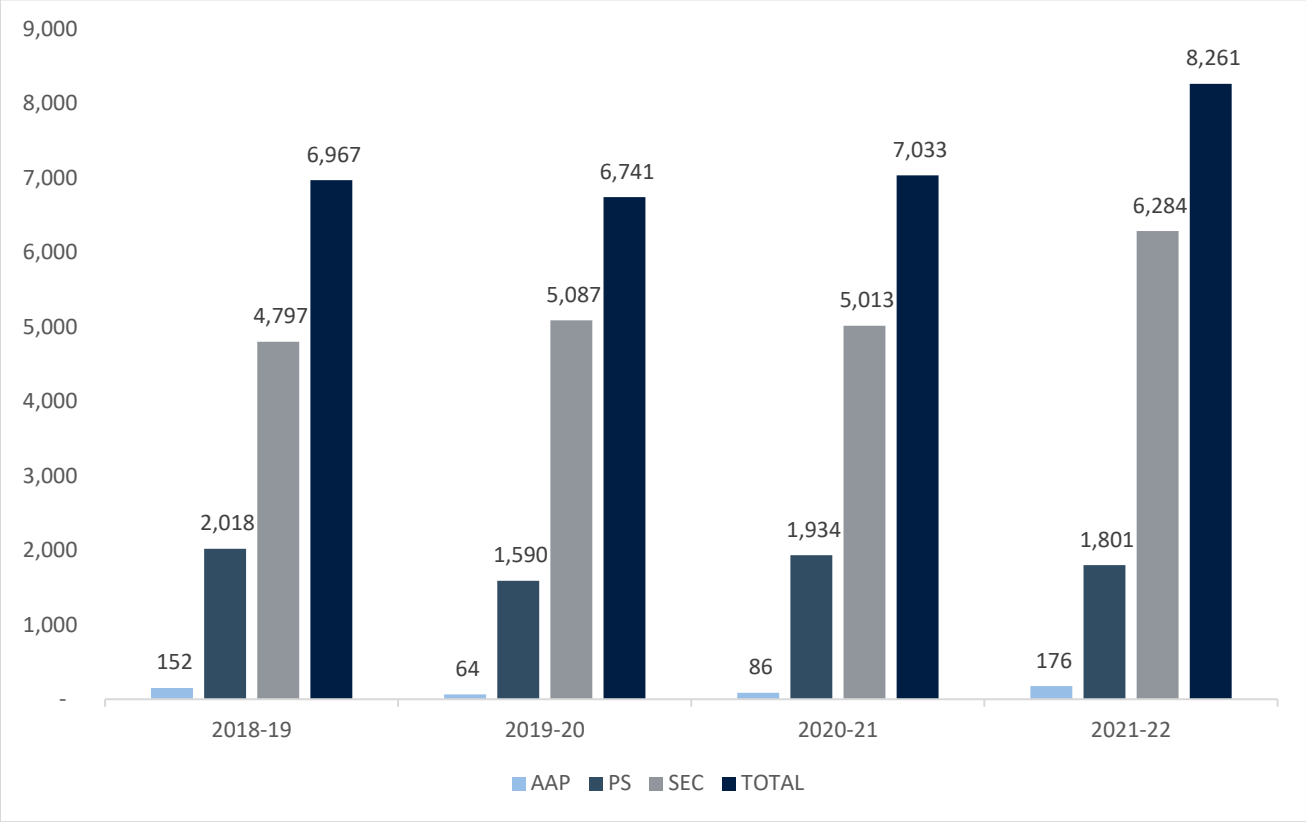
- Post-secondary (PS): includes community colleges, colleges, or technical institutions (such as CTCs).

[39] PDE does not differentiate between one-year and five-year participants within the survey data.
[40] 20 CFR Part 603 is the federal-state unemployment compensation (UC) program and includes confidentiality and disclosure of state UC information.

- Secondary (SEC): includes high schools with CTE students or students attending CTE programming.
- Adult Affidavit Programs (AAPs): non-credit, non-accredited, short-term programs typically geared towards developing a specific skill or industrial credential.[41]

Exhibit 43

Gainful Placements by Fiscal Year and School Level[a]
(FY 2018-19 to FY 2021-22)



[a] PDE was only able to provide gainful placements up until the 2021-22 school year at the time of this study.

Source: Developed by LBFC staff from information obtained from the Pennsylvania Department of Education

In Exhibit 44, the LBFC determined a "placement rate" by dividing the number of gainful placements by the industry credentials earned. This

[41] Generally, short-term non-accredited programs cannot receive Pell Grants or short-term loans for their participants; however, programs may open these resources through state accreditation from PDE. AAPs tend to be industry-driven, training workers for specific skills needed at the time, such as training individuals on a specific manufacturing machine.

approach ties the acquisition of skills (credentials) directly to its application in the workforce (placements), ensuring a balanced evaluation of the training quality and its real-world impact. An average of 17.9 percent of industry credential earners were in a gainful placement annually.

Exhibit 44

Effectiveness Measures
(FY 2018-19 to FY 2021-22)

Fiscal Year	Enrollments	Credentials Earned	Gainful Placements	Placement by Credential Rate
2018-19	151,992	35,316	6,967	19.7%
2019-20	151,482	37,690	6,741	17.8
2020-21	138,936	41,132	7,033	17.1
2021-22	138,540	49,192	8,261	16.8

Source: Developed by LBFC staff from information obtained from the Pennsylvania Department of Education.

Gainful placements decreased 3.2 percent from FY 2018-19 to FY 2019-20, followed by an increase of 4.3 percent in FY 2020-21 and a 17.5 percent increase in FY 2021-22. Notably, the placement-to-credential ratio has decreased over time due to the annual increase in credentials.

However, this methodology has limitations. Placement rates do not indicate whether the job obtained is related to the training provided by the program. For example, a student may gain employment in an unrelated field, which does not reflect the program's effectiveness in preparing them for their intended career. Additionally, tracking participants after program completion can be difficult if they relocate, change industries, or pursue informal employment.

Competitive and Supplemental Equipment Grants

Equipment Grants allow school districts with eight or more PDE-approved CTE programs and CTCs to update equipment used to train students. CTC and high school applicants may seek grants of up to $85,000 and must propose an existing program that aligns with an occupation on the In-Demand Occupation List (IDOL).

The IDOL is a list of "in-demand" jobs that offer more job openings and have an above-average growth rate without already having an over-sup-

ply of workers.[42] The occupation must meet the state average entry annual wage, currently $29,860 or higher, and the employment projections must demonstrate that the expected number of job openings in the state will be 1,000 or greater.

The grant application process requires that applicants address the alignment of national or state industry standards, industry credentials, and the curriculum to PA Core Standards, as well as engage local businesses and the workforce.[43] The grant applicant must explain how it will use new equipment purchases in professional development and any credentialing examinations once a student is trained on new equipment. The applicant must show how it will revise the curriculum to incorporate newly acquired equipment and that local employers were engaged with curriculum revisions and equipment purchases.

Eligible Expenditures. Equipment expenditures must meet the following requirements:

- Meet industry standards based on Occupational Advisory Committee recommendations.[44]
- Cost $3,000 or more per unit of equipment.
- Discussed and recommended by the Occupational Advisory Committee.
- Retain original shape, appearance, and character with use.
- Does not lose its identity through fabrication or incorporation into a different or more complex piece of equipment.
- Are nonexpendable, which means that if an item is damaged or some parts are lost or worn out, it is more feasible to repair the item than to replace it with an entirely new unit.
- Can be expected to serve its principal purpose for more than a 12-month fiscal period under normal conditions of use, including reasonable care and maintenance.
- No vehicle purchased may be used for transporting students, and using the vehicle outside the classroom is prohibited.

[42] IDOL jobs are divided into today, tomorrow, and future. "Today," jobs usually involve short-period on-the-job training to become proficient and require no formal post-secondary training. "Tomorrow" jobs generally require post-secondary training (i.e., certificate or associate degree). "Future" jobs require at least four years of post-secondary training.

[43] The Pennsylvania Board of Education developed Core Standards in reading, writing, mathematics, and technical careers as a result of national and state initiatives to help teachers prepare American school students to compete internationally in a global economy.

[44] An Occupational Advisory Committee (OAC), as outlined in Title 22 of the Pennsylvania Code, Chapter 339.14, is a group that provides guidance to CTE programs. The committee includes representatives from business and industry that are actively engaged in the occupations for which training is provided. The OAC advises on performance objectives and ensures that the curriculum aligns with current industry standards and workforce needs.

All grant recipients must submit final expenditure reports to PDE's Bureau of Career and Technical Education, which reviews them for completeness, accuracy, and budget compliance. PDE returns incomplete reports to the recipient for further correction.

C. Department of Human Services (DHS)

DHS's primary goal in its workforce development (WFD) programming is to assist adult recipients of Temporary Assistance for Needy Families (TANF) and Supplemental Nutrition Assistance Program (SNAP) benefits to find and maintain employment that allows them to be independent of public assistance.

TANF is a block grant program that uses federal TANF funds and state maintenance of effort (MOE) funds to provide cash assistance for essential costs to needy families experiencing poverty.[45,46] TANF recipients are subject to conditions through the Road to Economic Self-Sufficiency through Employment and Training (RESET) program. RESET requires that recipients are enrolled in one of the following activities to maintain eligibility for TANF benefits:

- Part-time or full-time employment.
- Unpaid work experience, such as an internship or a pre-apprenticeship program.
- Job search and job readiness assistance.
- Community service programs.
- Vocational education.

Some TANF recipients are exempt from RESET requirements but may participate in WFD programs voluntarily.[47]

SNAP is a federally funded and state-administered program that provides low-income individuals and families with supplemental funds to purchase food and nutritional items. SNAP recipients are not subject to work requirements in Pennsylvania but may voluntarily participate in SNAP-specific WFD programs.[48]

[45] These costs include, but are not limited to, food, housing, childcare, and home energy.

[46] The TANF MOE requires that a state must spend at least a specified amount of state funds for benefits and services for members of needy families each year to receive federal funds.

[47] According to 55 Pa. Code § 165.21, an individual may be exempt from RESET participation. Exemptions include:

- An individual with a verified physical or mental disability that temporarily or permanently prevents employment or participation in a work activity.
- A single custodial parent in a one-parent household, caring for a child under the age of 12 months. The months do not need to be consecutive, and the child is not required to be on TANF. This exemption is limited to a maximum of 12 months during the parent's lifetime.
- An individual under 18 years of age who is pursuing a high school diploma or GED unless the individual is married or is the single head of household.
- A TANF parent who cares for a disabled family member living in the home.

[48] Those eligible for SNAP WFD programming are work registrants, who may have an exemption from work requirements.

Exhibit 45 shows the total number of TANF and SNAP recipients in Pennsylvania. These figures include children within households receiving public assistance who are not eligible for WFD programming. LBFC's program analyses in this section use eligible adult population figures for program outcome contextualization.

Exhibit 45

Total TANF and SNAP Recipients in Pennsylvania
(FY 2020-21 to FY 2023-24)

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
TANF Recipients	85,297	59,251	72,031	65,725
SNAP Recipients	1,904,139	1,793,271	1,891,456	1,982,872
Total	**1,989,436**	**1,793,330**	**1,963,487**	**2,048,597**

Source: Developed by LBFC staff from information obtained from the US Department of Health and Human Services.

DHS offers four primary WFD programs to eligible public assistance recipients in Pennsylvania:

- **EARN**: Available to TANF recipients.
- **SNAP EARN**: Available to SNAP recipients.
- **SNAP JETS:** Available to SNAP recipients.
- **WorkReady**: Available to Extended TANF (ETANF) recipients.[49]

Performance Indicators.[50] DHS uses various indicators to measure the performance of its WFD programs. In addition to program referrals and enrollments, the performance indicators for the EARN, SNAP EARN, and WorkReady programs are:

Secondary Equivalent and Credentialing: This indicator measures the number of individuals who receive an industry-recognized certification in a marketable skill directly related to the employment goals listed in their Individual Employment Plan (IEP).[51]

[49] ETANF recipients are those who have received more than 60 months or 1,830 days of TANF benefits. They are also required to meet hardship requirements, referenced in 55 Pa. Code § 141.51(b) ,and enumerated in §§ 141.53, 141.54, 141.55, 141.56.

[50] As of October 1, 2024, DHS implemented federal reporting requirements for TANF in accordance with Section 304 of the Fiscal Responsibility Act. Performance measures mainly mirror those required by WIOA, including Employment Rate-Second Quarter After Exit, Employment Rate – Fourth Quarter After Exit, Median Earning – Second Quarter After Exit, and Secondary School Diploma or its Recognized Equivalent Attainment Rate.

[51] Prior to FY 2023-24, the definition of the Secondary Equivalent and Credentialing indicator measure for the EARN, SNAP EARN, and WorkReady programs included the number of individuals referred, when deemed necessary, from a WFD program to one of the department's educational support programs, such as ELECT or KEYS, and subsequently

$$X = \frac{Individuals\ with\ Earned\ Credential}{Eligible\ Individuals}$$

The numerator represents the number of individuals who successfully met the criteria described above.

The denominator represents all eligible individuals, which includes the number of individuals who successfully met the criteria and those who were eligible to earn a credential but failed to or did not earn a credential in a skill directly related to their IEP.

Job Placement: This indicator measures the number of individuals in unsubsidized employment for an average of at least 20 hours per week in a consecutive four-week period, with a wage at least two dollars above the federal or state minimum wage (whichever is higher as of July 1 of the program year).

$$X = \frac{Individuals\ with\ Job\ Placement}{Eligible\ Iniividuals}$$

The numerator represents the number of individuals who successfully met the criteria described above.

The denominator represents all eligible individuals, which includes the number of individuals who successfully met the criteria and those who indicated employment of any sort that may not have met the wage or hours criteria.

Retention (Six- and 12-month benchmarks):[52] These indicators measure the number of individuals who retain employment for six and 12 months. Retention begins when an individual no longer receives TANF or ETANF benefits due to earned income from employment.

$$X = \frac{Individuals\ with\ Job\ Retention}{Eligible\ Individuals}$$

The numerator represents the number of individuals who successfully met the criteria described above.

The denominator represents all eligible individuals, which includes the number of individuals who successfully met the criteria and those who

enroll in that program. After updating their performance indicators in FY 2023-24, this data is collected under a separate "Successful Referral to Educational Programming" performance indicator. We did not include the outcomes for this measure, as there is currently only one year of performance data.

[52] The SNAP EARN program uses a 90-day retention period instead of six- and 12-month periods.

gained employment but failed to meet the retention criteria and/or re-enrolled to receive public assistance benefits.

In addition to program referrals and enrollments, the performance indicators for the SNAP JETS program are:

Completions: This indicator measures the number of individuals who completed and obtained the relevant certification from their enrolled program.

$$X = \frac{Individuals\ with\ Completions}{Eligible\ Individuals}$$

The numerator represents the number of individuals who successfully met the criteria described above.

The denominator represents the number of total SNAP JETS enrollments in that year.

Enter Employment: This indicator measures the number of individuals employed upon program exit within a job search period of up to 75 days.

$$X = \frac{Individuals\ who\ Enter\ Employment}{Eligible\ Individuals}$$

The numerator represents the number of individuals who successfully met the criteria described above.

The denominator represents the number of total SNAP JETS completions in that year.

Job Retention: This indicator measures the number of individuals who retain employment for 90 days after program exit and subsequent job search period of up to 75 days.

$$X = \frac{Individuals\ with\ Job\ Retention}{Eligible\ Individuals}$$

The numerator represents the number of individuals who successfully met the criteria described above.

The denominator represents the number of total SNAP JETS participants who found employment in that year.

We note that the performance outcomes for DHS programs have potential for overlap since the indicators represent the different stages of program completion, employment obtainment, and employment retention.

For example, if a participant graduates from a program with an industry credential, finds employment, earns two dollars above minimum wage, and retains employment for a year, that individual would be counted as an independent outcome for each of the Credential, Job Placement, and both Retention measures.

Despite having wage requirements within the Job Placement indicator, DHS does not track the earnings of program participants before and after program exit. Similarly, the department's WFD program uses varying time frames for its retention indicators, with some programs using 90-day periods and others using six—and 12-month periods.

Recommendation: We recommend that DHS develops a performance indicator that compares the earnings of individuals prior to entering WFD programs to their earnings after. This performance indicator would better assess the program's ability to increase participants' earnings through WFD training and services.

Recommendation: We recommend that DHS collects program participant employment retention within three-, six-, and 12-month periods for all programs. This would allow the department to assess the participants' ability to retain employment shortly after program exit and overtime.

Employment, Advancement, and Retention Network (EARN)

The EARN program serves TANF recipients who are required to be enrolled in WFD programming through RESET and recipients who are exempt from RESET but volunteer to participate in work-related activities. EARN provides participants with WFD activities and employment supports to achieve economic self-sufficiency. Specifically, EARN offers case management, education opportunities (with emphasis on individuals with limited English proficiency), skills training, and job placement assistance.

EARN also provides supportive services such as payment for childcare, transportation, and assistance with applying for disability and/or unemployment.

County Assistance Office (CAO) staff primarily refer eligible clients to EARN. Department staff develop an IEP with EARN participants to:

- Describe the goals, objectives, and interests of the participant.
- Describe the planned services for the participant.

- Promote strategies to address the participant's barriers and achieve goals to gain and maintain family economic security.[53]
- Measure goals by specifying desired outcomes, the time frame for achieving them, available resources to support outcomes, and the participant's desires and motivation.

Exhibit 46 shows the funding allocations and expenditures from FY 2020-21 through FY 2023-24; it consists of federal TANF and state TANF MOE obligations. If there is excess TANF funding, the US Department of Health and Human Services (HHS) adjusts the federal allocation to match the state's final expenditure.

Exhibit 46

EARN Program Allocations and Expenditures
(FY 2020-21 to FY 2023-24)

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Allocation	$69,994,351	$70,021,870	$70,021,870	$70,021,870
Expenditure	56,148,325	55,603,116	58,862,484	63,699,627

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

The EARN program's allocation remained consistent since FY 2020-21, with an average allocation of about $70 million per year. Expenditures increased from $56.2 million in FY 2020-21 to $63.7 million in FY 2023-24, an increase of 13.5 percent.

Exhibit 47 shows the EARN program's referrals and enrollments.

Exhibit 47

EARN Program Referrals and Enrollments
(FY 2020-21 to FY 2023-24)

Measure	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Individuals Referred	5,089	9,665	10,765	13,900
Individuals Enrolled	3,477	7,684	10,484	11,739
Referral-Enrollment Ratio	**0.68**	**0.80**	**0.97**	**0.84**

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

[53] Strategies can include substance use disorder, mental health, and other rehabilitative treatments; crisis mitigation and barrier remediation interventions; education; employment training and credentialing; work experience; community service opportunities; and job readiness, soft skills, employment tools, basic life skills, barrier remediation, career exploration, assessments, and aptitude testing.

Program referrals increased from 5,089 in FY 2020-21 to 13,900 in FY 2023-24, or 173.1 percent. Program enrollments increased from 3,477 in FY 2020-21 to 11,739 in FY 2023-24, or 237.6 percent. The average referral-enrollment ratio from FY 2020-21 to FY 2023-24 was 0.82.

DHS compares program performance with internal performance benchmarks determined by a cross-sector work group comprised of WFD and human services experts. Exhibit 48 shows performance outcomes and benchmarks for the EARN program.

Exhibit 48

EARN Program Performance Outcomes and Benchmarks
(FY 2020-21 to FY 2023-24)

Fiscal Year	Individuals Who Met Criteria / Eligible Individuals	Percent	Benchmark	% Point Variance
Secondary Equivalency and Credentialing				
2020-21	492/884	55.7%	50%	**5.7**
2021-22	649/1,628	39.9	50	**-10.1**
2022-23	651/1,075	60.6	50	**10.6**
2023-24	1,045/1,695	61.7	50	**11.7**
Job Placement				
2020-21	835/2,574	32.4	70	**-37.6**
2021-22	1,436/3,379	42.5	70	**-27.5**
2022-23	2,028/4,301	47.2	70	**-22.8**
2023-24	1,757/2,916	60.3	70	**-9.7**
6-Month Retention				
2020-21	108/219	49.3	50	**-0.7**
2021-22	418/798	52.4	50	**2.4**
2022-23	834/1,689	49.4	50	**-0.6**
2023-24	923/1,453	63.5	70	**-6.5**
12-Month Retention				
2020-21	0/2	0.0	75	**-75.0**
2021-22	200/552	36.2	75	**-38.8**
2022-23	376/1,231	30.5	75	**-44.5**
2023-24	588/1,067	55.1	50	**5.1**

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

The EARN program:

- Reached its performance benchmark for the Secondary Equivalency and Credentialing indicator in three out of the four years measured. The program exceeded its benchmarks by as much as 11.7 percentage points and fell short by as much as 10.1 percentage points.
- Failed to reach its performance benchmark for the Job Placement indicator in all years measured. The program fell short of its benchmarks by as much as 37.6 percentage points.
- Reached its performance benchmark for the Six-month Retention indicator in one of the four years measured. The program exceeded its benchmarks by as much as 2.4 percentage points and fell short by as much as 6.5 percentage points.
- Reached its performance benchmark for the Twelve-month Retention indicator in one of the four years measured. The program exceeded its benchmarks by as much as 5.1 percentage points and fell short by as much as 75 percentage points.

Efficiency. The EARN program received a stable annual allocation of approximately $70 million from FY 2020-21 to FY 2023-24. During this period, expenditures increased by 13.5 percent, rising from $56.2 million in FY 2020-21 to $63.7 million in FY 2023-24.

With the information provided by DHS, we calculated a simple cost-per-outcome measure by dividing a program's expenditures by the number of individuals who achieved a specific outcome. Exhibit 49 shows the cost per outcome for the EARN program's performance indicators.

We note that while cost per outcome helps determine program efficiency, it does not fully capture the actual cost of generating an additional successful outcome. Instead, it can provide a simple analysis of the relationship between a program's expenditures and its performance outcomes.

Exhibit 49

EARN Program Cost Analysis
(FY 2020-21 to FY 2023-24)

Performance Indicator	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Cost Per Credential Earned	$114,123	$85,675	$90,419	$60,957
Cost Per Placement	67,244	38,721	29,025	36,255
Cost Per 6-Month Retention	519,893	133,022	70,579	69,014
Cost Per 12-Month Retention	N/A	278,016	156,549	108,333

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

- The cost per credential earned decreased by 46.6 percent, from $114,123 in FY 2020-21 to $60,957 in FY 2023-24.
- The cost per placement decreased by 46.1 percent, from $67,244 in FY 2020-21 to $36,255 in FY 2023-24.
- The cost per six-month retention decreased by 86.7 percent, from $519,893 in FY 2020-21 to $69,014 in FY 2023-24.
- The cost per 12-month retention decreased by 61.0 percent, from $278,016 in FY 2021-22 to $108,333 in FY 2023-24.

Overall, the EARN program demonstrated increased cost efficiency over the scope of our analysis, with costs per outcome decreasing by an average of 60.1 percent.

Effectiveness. The EARN program's effectiveness over time was mixed. Across the four performance indicators, the EARN program reached 31.3 percent of its benchmarks from FY 2020-21 to FY 2023-24. However, program performance showed improvement over the same period:

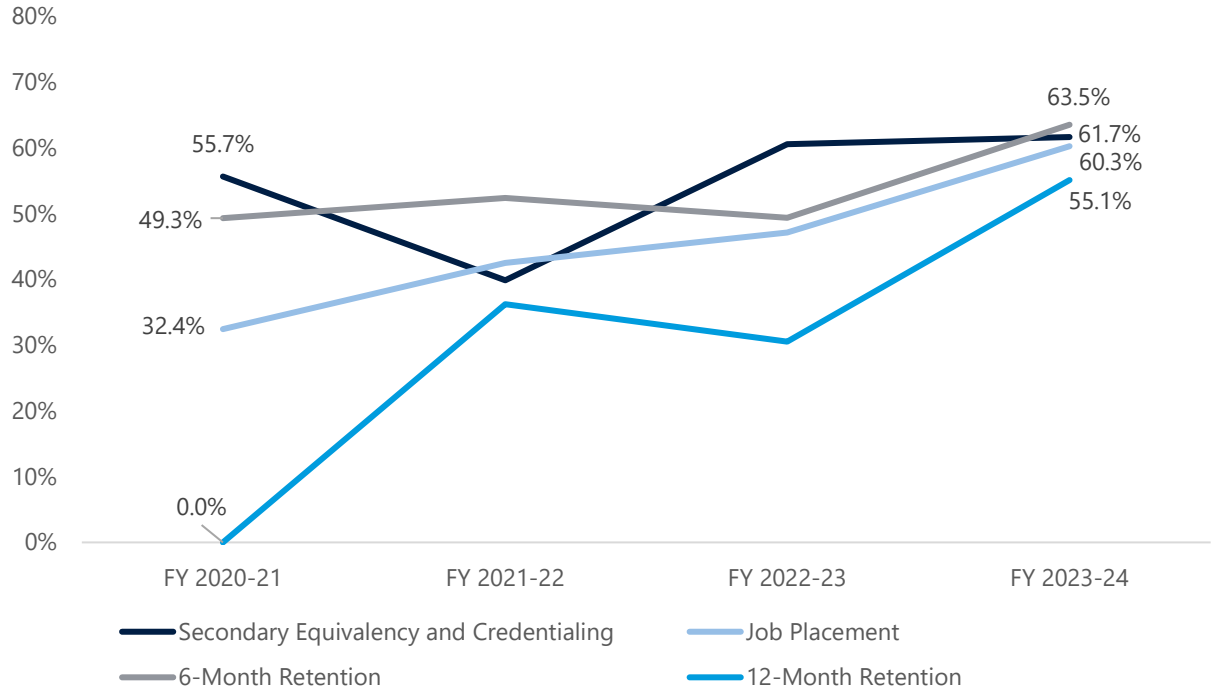
- Total individuals referred increased by 173.1 percent, from 5,089 in FY 2020-21 to 13,900 in FY 2023-24.
- Total individuals enrolled increased by 237.6 percent, from 3,477 in FY 2020-21 to 11,739 in FY 2023-24.
- Total credentials earned increased by 112.4 percent, from 492 in FY 2020-21 to 1,045 in FY 2023-24.
- Total job placements increased by 110.4 percent, from 835 in FY 2020-21 to 1,757 in FY 2023-24.
- Total six-month retentions increased by 754.6 percent, from 108 in FY 2020-21 to 923 in FY 2023-24.

- Total 12-month retentions increased by 194.0 percent, from 200 in FY 2020-21 to 588 in FY 2023-24.

Overall, the EARN program outputs increased by an average of 263.7 percent from FY 2020-21 to FY 2023-24. Exhibit 50 shows the EARN program performance outcomes over time.

Exhibit 50

EARN Program Performance Outcomes
(FY 2020-21 to FY 2023-24)



Source: Developed by LBFC staff from information obtained from the Department of Human Services.

The EARN program performance outcomes increased by an average of 25.8 percentage points from FY 2020-21 to FY 2023-24, with 12-month retentions increasing by 55.1 percentage points.

Exhibit 51 shows the percentage of adult TANF recipients referred to and enrolled in the EARN program and the percentage of total EARN program participants who achieved each of the four performance indicators.

Exhibit 51

EARN Outcomes Compared to Adult TANF Population and Program Metrics
(FY 2020-21 to FY 2023-24)

Performance Indicator	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Total Adult TANF Recipients	**29,268**	**30,629**	**33,497**	**30,877**
Individuals Referred	17%	32%	32%	45%
Individuals Enrolled	12	25	31	38
Total Enrolled in EARN	**3,477**	**7,684**	**10,484**	**11,739**
Earned Credential	14%	9%	6%	9%
Job Placement	24	19	19	15
6-Month Retention	3	5	8	8
12-Month Retention	N/A	3	4	5

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

Despite consistently being below benchmark levels, the EARN program observed increases in all performance outcomes from FY 2020-21 to FY 2023-24, indicating a trend of increasing program performance.

The EARN program's impact relative to the total adult TANF population remained modest, suggesting potential limitations in reaching non-required eligible individuals.

SNAP EARN

The SNAP EARN program serves eligible SNAP recipients who participate voluntarily in a WFD program and offer the same programming as the EARN program. Exhibit 52 shows the funding allocations and expenditures from FY 2020-21 through FY 2023-24, which consist of federal SNAP funds. Any excess SNAP funding expires at the end of the fiscal year.

Exhibit 52

SNAP EARN Program Allocations and Expenditures
(FY 2020-21 to FY 2023-24)

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Allocation	$1,692,499	$1,717,499	$1,692,499	$1,565,499
Expenditure	575,174	1,354,024	1,414,946	1,388,061

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

The SNAP EARN program's allocation remained consistent since FY 2020-21, with an average allocation of about $1.6 million per year. Expenditures increased from $575,174 in FY 2020-21 to $1.4 million in FY 2023-24, or 141.3 percent.

Exhibit 53 shows the SNAP EARN program referrals and enrollments.

Exhibit 53

SNAP EARN Program Referrals and Enrollments
(FY 2020-21 to FY 2023-24)

Measure	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Individuals Referred	278	470	754	766
Individuals Enrolled	208	467	643	697
Referral-Enrollment Ratio	**0.75**	**0.99**	**0.85**	**0.91**

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

Program referrals increased from 278 in FY 2020-21 to 766 in FY 2023-24, or 175.5 percent. Program enrollments also increased from 208 in FY 2020-21 to 697 in FY 2023-24, or 235.1 percent. The average referral-enrollment ratio from FY 2020-21 to FY 2023-24 was 0.88.

DHS compares program performance with internal performance benchmarks. Exhibit 54 shows performance outcomes and benchmarks for the SNAP EARN program.

Exhibit 54

SNAP EARN Program Performance Outcomes and Benchmarks
(FY 2020-21 to FY 2023-24)

Fiscal Year	Individuals Who Met Criteria / Eligible Individuals	Percent	Benchmark	% Point Variance
Secondary Equivalency and Credentialing				
2020-21	9/77	11.7%	50%	**-38.3**
2021-22	80/160	50.0	50	**0.0**
2022-23	66/114	57.9	50	**7.9**
2023-24	70/137	51.1	50	**1.1**
Job Placement				
2020-21	28/52	53.8	70	**-16.2**
2021-22	99/195	50.8	70	**-19.2**
2022-23	135/262	57.9	70	**-12.1**
2023-24	146/242	63.5	65	**-1.5**
90 Day Retention				
2020-21	7/29	24.1	50	**-25.9**
2021-22	92/135	68.1	50	**18.1**
2022-23	130/209	62.2	50	**12.2**
2023-24	108/170	63.5	50	**13.5**

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

The SNAP EARN program:

- Reached its performance benchmark for the Secondary Equivalency and Credentialing indicator in three out of the four years measured. The program exceeded its benchmarks by as much as 7.9 percentage points and fell short by as much as 38.3 percentage points.
- Failed to reach its performance benchmark for the Job Placement indicator in all years measured. The program fell short of its benchmarks by as much as 19.2 percentage points.
- Reached its performance benchmark for the 90 Day Retention indicator in three of the four years measured. The program exceeded its benchmarks by as much as 18.1 percentage points and fell short by as much as 25.9 percentage points.

Efficiency. The SNAP EARN program received a stable allocation of approximately $1.6 million per year from FY 2020-21 to FY 2023-24. Expenditures increased by 143.4 percent, from $575,174 in FY 2020-21 to $1.4 million in FY 2023-24.

With the information provided by DHS, we calculated a simple cost-per-outcome measure by dividing a program's expenditures by the number of individuals who achieved a specific outcome. Exhibit 55 shows the cost per outcome for the SNAP EARN program's performance indicators.

We note that while cost per outcome helps determine program efficiency, it does not fully capture the actual cost of generating an additional successful outcome. Instead, it can provide a simple analysis of the relationship between a program's expenditures and its performance outcomes.

Exhibit 55

SNAP EARN Program Cost Analysis
(FY 2020-21 to FY 2023-24)

Performance Indicator	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Cost Per Credential Earned	$63,908	$16,925	$21,439	$19,829
Cost Per Placement	20,542	13,677	10,481	9,507
Cost Per 90 Day Retention	82,168	14,718	10,884	12,852

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

- The cost per credential earned decreased by 69.0 percent, from $63,908 in FY 2020-21 to $19,829 in FY 2023-24.
- The cost per placement decreased by 53.7 percent, from $20,542 in FY 2020-21 to $9,507 in FY 2023-24.
- The cost per 90-day retention decreased by 84.4 percent, from $82,168 in FY 2020-21 to $12,852 in FY 2023-24.

Overall, the SNAP EARN program demonstrated increased cost efficiency over the scope of our analysis, with costs per outcome decreasing by an average of 69.0 percent.

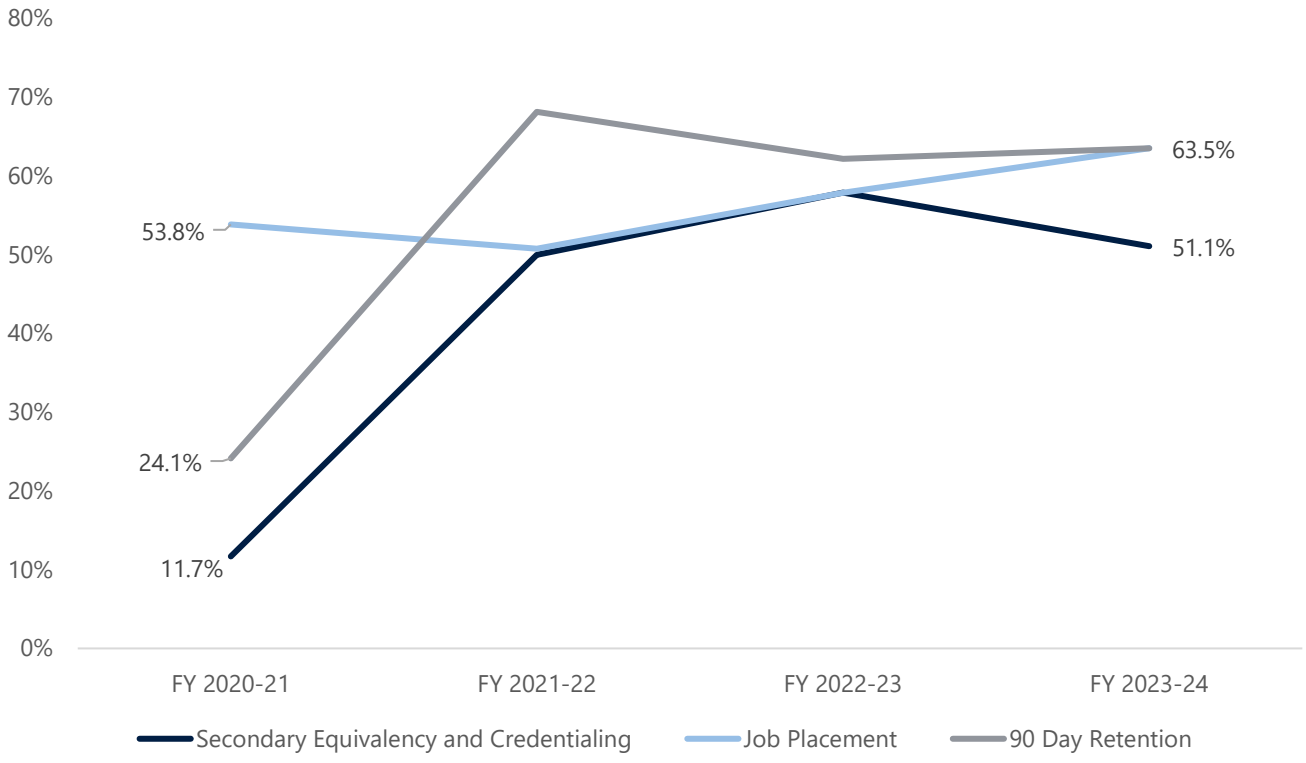
Effectiveness. The SNAP EARN program's effectiveness over time was mixed. Across the three performance indicators, the SNAP EARN program reached 50.0 percent of its benchmarks from FY 2020-21 to FY 2023-24. However, performance showed improvement over the same period:

- Total individuals referred increased by 175.5 percent, from 278 in FY 2020-21 to 766 in FY 2023-24.
- Total individuals enrolled increased by 235.1 percent, from 208 in FY 2020-21 to 697 in FY 2023-24.
- Total placements made increased by 421.4 percent, from 28 in FY 2020-21 to 146 in FY 2023-24.
- Total credentials earned increased by 1,442.9, from seven in FY 2020-21 to 108 in FY 2023-24.
- Total 90-day retentions increased by 754.6 percent, from 108 in FY 2020-21 to 923 in FY 2023-24.

Overall, the SNAP EARN program outputs increased by an average of 605.9 percent from FY 2020-21 to FY 2023-24. Exhibit 56 shows the SNAP EARN program performance outcomes over time.

Exhibit 56

SNAP EARN Program Performance Outcomes
(FY 2020-21 to FY 2023-24)



Source: Developed by LBFC staff from information obtained from the Department of Human Services.

The SNAP EARN program performance outcomes increased by an average of 29.5 percentage points from FY 2020-21 to FY 2023-24, with Secondary Equivalent and Credentialing increasing by 39.4 percentage points.

Exhibit 57 shows the percentage of total SNAP EARN program participants who achieved each of the four performance indicators.

Exhibit 57

SNAP EARN Outcomes Compared to Program Metrics[a]
(FY 2020-21 to FY 2023-24)

Performance Indicator	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Total Enrolled in SNAP EARN	**208**	**467**	**643**	**697**
Earned Credential	4%	17%	10%	10%
Placement Made	13	21	21	21
90 Day Retention	3	20	20	20

[a] Program referrals and enrollments were not compared to the total eligible SNAP population in Pennsylvania due to the availability of SNAP population data by federal fiscal year and program outcomes data by state fiscal year.

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

The program only met 50.0 percent of its performance benchmarks from FY 2020-21 to FY 2023-24. Despite being below half of its benchmark levels, the SNAP EARN program observed increases in all performance outcomes from FY 2020-21 to FY 2023-24, indicating a trend of increasing program performance.

SNAP Job Experience and Training Services (JETS).

The SNAP JETS program's objective is to connect individuals receiving SNAP benefits to WFD activities in a variety of industries and sectors, which include but are not limited to:

- Culinary Arts.
- Welding.
- Heating, Ventilation, and Air Conditioning (HVAC).
- Certified Nurse's Assistant (CNA).

Formerly known as SNAP 50/50, SNAP JETS launched in 2016 with five community-based organization (CBO) partners serving as training providers in Philadelphia and Pittsburgh. Since then, the program has grown to

27 CBO partners in 13 counties. The program operates through a partnership between DHS and various non-profit third-party providers, which deliver vocational education and training to eligible participants enrolled in SNAP. These providers offer industry-recognized credentials or on-the-job experience to improve participants' employability at the conclusion of vocational courses.

In addition to training, third-party providers offer case management, supervised job search, and job retention services for up to 90 days.

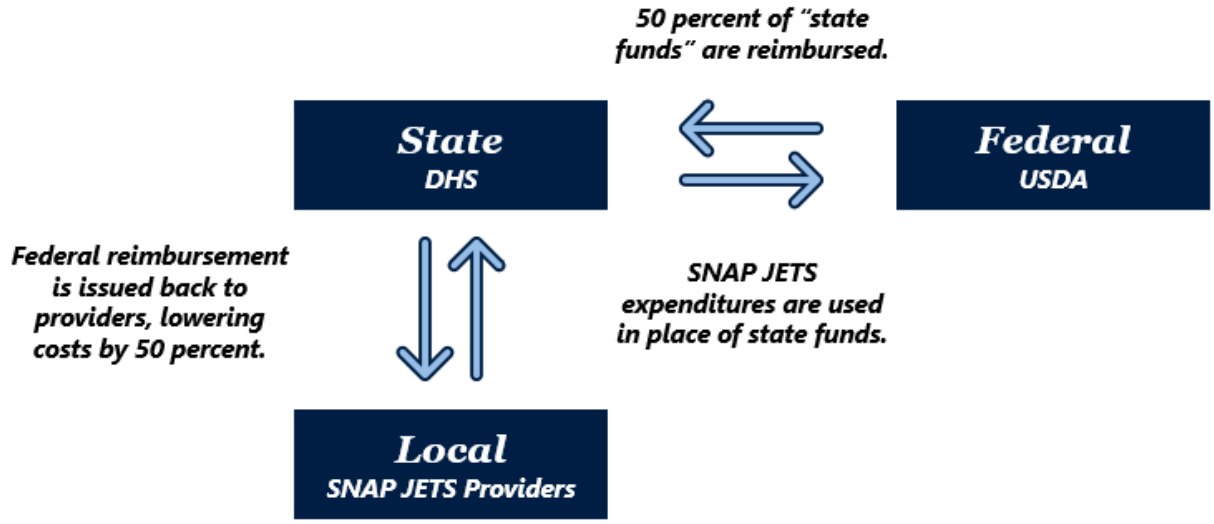
The key feature of the SNAP JETS program is its funding mechanism. The SNAP JETS funding model is based on a fund reimbursement agreement with the US Department of Agriculture (USDA). This funding model allows DHS to substitute provider expenditures on training services for SNAP recipients enrolled in SNAP JETS for state expenditures within the fund agreement. USDA will then reimburse 50 percent of total SNAP JETS expenditures, which are acting in place of state funds.

This approach allows DHS to receive a 50 percent reimbursement from the USDA's Food and Nutrition Service (FNS). These reimbursements are then redirected to the providers, increasing their available financial resources. DHS can access federal reimbursements without upfront state funding by allowing providers to claim training expenses as state expenditures.

A simplified visualization of the SNAP JETS program's funding mechanism is shown in Exhibit 58.

Exhibit 58

SNAP JETS Funding Mechanism



Source: Developed by LBFC staff from information obtained from the Department of Human Services.

DHS staff indicated that SNAP JETS is primarily a reverse referral program. Third-party training providers identify individuals interested in the SNAP JETS program and refer them to the CAO for enrollment. CAO staff can also directly refer individuals.

Exhibit 59 shows the SNAP JETS program's funding allocations and expenditures from federal fiscal years (FFY) 2020-21 through 2023-24.

Exhibit 59

SNAP JETS Program Allocations and Expenditures
(FFY 2020-21 to FFY 2023-24)

	FFY 2020-21	FFY 2021-22	FFY 2022-23	FFY 2023-24
Allocation	$9,235,574	$11,963,356	$12,966,280	$12,450,310
Expenditure	3,356,174	4,904,544	6,960,704	5,466,502

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

The SNAP JETS program's allocations increased from $9.2 million in FFY 2020-21 to $12.5 million in FFY 2023-24, or 35.9 percent. Expenditures increased from $3.4 million in FFY 2020-21 to $5.5 million in FFY 2023-24, or 61.8 percent.

Exhibit 60 shows the SNAP JETS program's referrals and enrollments.

Exhibit 60

SNAP JETS Program Referrals and Enrollments
(FFY 2020-21 to FFY 2023-24)

Measure	FFY 2020-21	FFY 2021-22	FFY 2022-23	FFY 2023-24
Individuals Referred	476	782	807	1,033
Individuals Enrolled	577	924	1,110	1,318
Referral-Enrollment Ratio[a]	**1.21**	**1.18**	**1.38**	**1.28**

[a] The number of individuals enrolled is higher than the number of individuals referred because the number enrolled may be counted in multiple federal fiscal years.

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

Program referrals increased from 476 in FFY 2020-21 to 1,033 in FFY 2023-24, or 117.0 percent. Program enrollments also increased from 577 in FFY 2020-21 to 1,318 in FFY 2023-24, or 128.3 percent. The average referral-enrollment ratio from FFY 2020-21 to FFY 2023-24 was 1.26.

DHS compares program performance with internal performance benchmarks. Exhibit 61 shows performance outcomes and benchmarks for the SNAP JETS program.

Exhibit 61

SNAP JETS Program Performance Outcomes and Benchmarks
(FFY 2020-21 to FFY 2023-24)

Federal Fiscal Year	Individuals Who Met Criteria / Eligible Individuals	Percent	Goal	% Point Variance
Completions				
2020-21	155/577	26.9%	50%	**-23.1**
2021-22	307/924	33.2	50	**-16.8**
2022-23	439/1,110	39.5	50	**-10.5**
2023-24	494/1,318	37.5	50	**-12.5**
Enter Employment				
2020-21	63/155	40.6	50	**-9.4**
2021-22	173/307	56.4	50	**6.4**
2022-23	307/439	69.9	50	**19.9**
2023-24	312/494	63.2	50	**13.2**
90 Day Retention				
2020-21	20/63	31.7	25	**6.7**
2021-22	52/173	30.1	25	**5.1**
2022-23	148/307	48.2	25	**23.2**
2023-24	188/312	60.3	25	**35.3**

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

The SNAP JETS program:

- Failed to reach its performance benchmark for the Completions indicator in all years measured. The program fell short of its benchmarks by as much as 23.1 percentage points.
- Reached its performance benchmark for the Enter Employment indicator in three of the four years measured. The program exceeded its benchmarks by as much as 19.9 percentage points and fell short of its benchmarks by as much as 9.4 percentage points.
- Reached its performance benchmark for the 90 Day Retention indicator in all years measured. The program exceeded its benchmarks by as much as 35.3 percentage points.

Efficiency. The SNAP JETS program's allocations increased from $9.2 million in FFY 2020-21 to $12.5 million in FFY 2023-24, or 35.9 percent. Expenditures increased from $3.4 million in FFY 2020-21 to $5.5 million in FFY 2023-24, or 61.8 percent.

With the information provided by DHS, we calculated a simple cost-per-outcome measure by dividing a program's expenditures by the number of individuals who achieved a specific outcome. Exhibit 62 shows the cost per outcome for the SNAP JETS program's performance indicators.

We note that while cost per outcome helps determine program efficiency, it does not fully capture the actual cost of generating an additional successful outcome. Instead, it can provide a simple analysis of the relationship between a program's expenditures and its performance outcomes.

Exhibit 62

SNAP JETS Program Cost Analysis
(FFY 2020-21 to FFY 2023-24)

Performance Indicator	FFY 2020-21	FFY 2021-22	FFY 2022-23	FFY 2023-24
Cost Per Completion	$21,653	$15,976	$15,856	$11,066
Cost Per Enter Employment	53,273	28,350	22,673	17,521
Cost Per 90 Day Retention	167,809	94,318	47,032	29,077

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

- The cost per completion decreased by 48.9 percent, from $21,653 in FFY 2020-21 to $11,066 in FFY 2023-24.
- The cost per employment decreased by 67.1 percent, from $53,273 in FFY 2020-21 to $17,521 in FFY 2023-24.
- The cost per 90-day retention decreased by 82.7 percent, from $167,809 in FFY 2020-21 to $29,077 in FFY 2023-24.

Overall, the SNAP JETS program demonstrated increased cost efficiency over the scope of our analysis, with costs per outcome decreasing by an average of 66.2 percent.

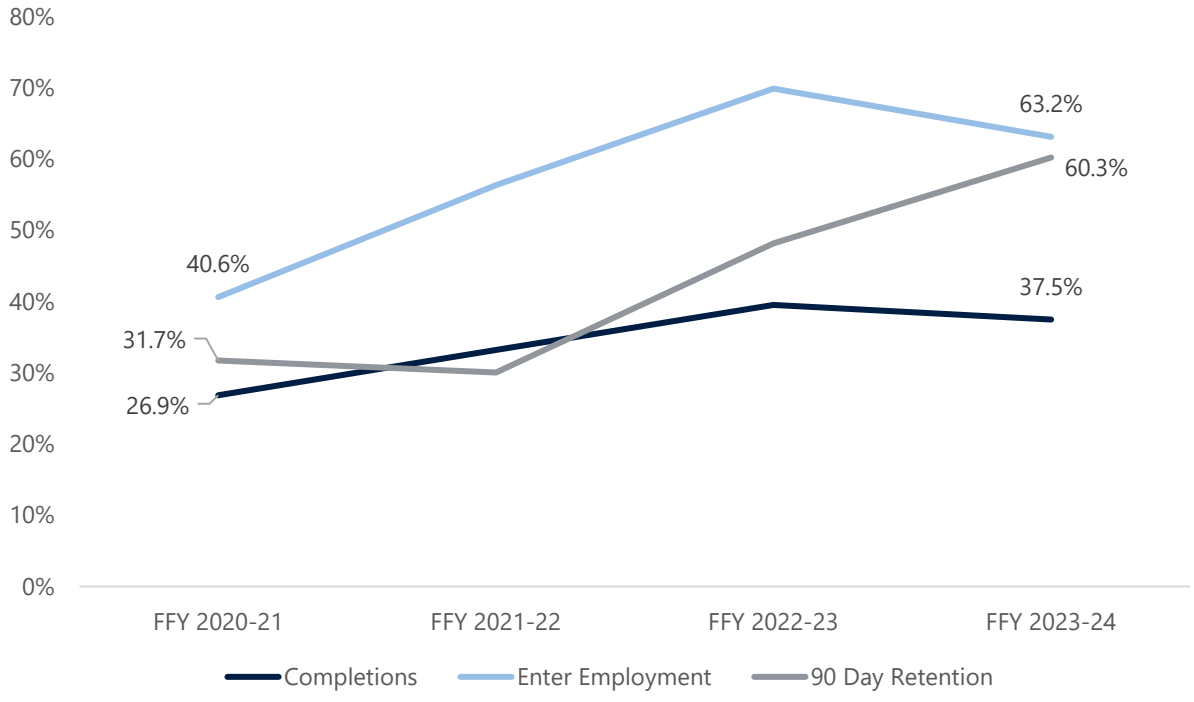
Effectiveness. The SNAP JETS program's effectiveness over time was mixed. Across the three performance indicators, the SNAP JETS program reached 58.3 percent of its benchmarks from FFY 2020-21 to FFY 2023-24. Program performance showed improvement over the same period:

- Total individuals referred increased by 117.0 percent, from 476 in FFY 2020-21 to 1,033 in FFY 2023-24.
- Total individuals enrolled increased by 128.3 percent, from 577 in FFY 2020-21 to 1,318 in FFY 2023-24.
- Total completions increased by 218.7 percent, from 155 in FFY 2020-21 to 494 in FFY 2023-24.
- Total employments increased by 395.3 percent, from 63 in FFY 2020-21 to 312 in FFY 2023-24.
- Total 90 day retentions increased by 840.0 percent, from 20 in FFY 2020-21 to 188 in FFY 2023-24.

Overall, the SNAP JETS program outputs increased by an average of 263.7 percent from FFY 2020-21 to FFY 2023-24. Exhibit 63 shows the SNAP JETS program performance outcomes over time.

Exhibit 63

SNAP JETS Program Performance Outcomes
(FFY 2020-21 to FFY 2023-24



Source: Developed by LBFC staff from information obtained from the Department of Human Services.

The SNAP JETS program performance outcomes increased by an average of 20.5 percentage points from FY 2020-21 to FY 2023-24, with 90-Day Retention increasing by 28.5 percentage points.

Exhibit 64 shows the percentage of eligible SNAP recipients referred to and enrolled in the SNAP JETS program and the percentage of total SNAP JETS program participants who achieved each of the three performance indicators.

Exhibit 64

SNAP JETS Outcomes Compared to Eligible SNAP Population and Program Metrics[a]
(FFY 2020-21 to FFY 2023-24)

Performance Indicator	FFY 2020-21	FFY 2021-22	FFY 2022-23	FFY 2023-24
Total Eligible SNAP Recipients	**200,833**	**270,192**	**268,236**	**268,958**
Individuals Referred	0.2%	0.3%	0.3%	0.4%
Individuals Enrolled	0.3	0.3	0.4	0.5
Total Enrolled in SNAP JETS	**577**	**924**	**1,110**	**1,318**
Completion	27%	33%	40%	37%
Enter Employment	11	19	28	24
90 Day Retention	3	6	13	14

[a] SNAP population data is reported by the number of eligible individuals as of Q4 of each federal fiscal year.

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

The program demonstrated improved cost efficiency, with costs per outcome decreasing over time with increasing funding and expenditures. The program met 58.3 percent of its performance benchmarks from FFY 2020-21 to FFY 2023-24. In addition to SNAP JETS meeting most of its benchmark levels, the program observed increases in all performance outcomes from FFY 2020-21 to FFY 2023-24, indicating a trend of increasing program performance.

The program's impact relative to the total eligible SNAP population remained modest, suggesting potential limitations in reaching eligible individuals.

WorkReady

The WorkReady program provides WFD services to Extended TANF (ETANF) individuals, those who have received more than 60 months or

1,830 days of TANF benefits. According to DHS, WorkReady serves ETANF individuals in 14 locations statewide. The program includes case management, licensed counseling, and assistance with developing a career pathway through job placement and retention goals for ETANF participants.

Participants are:

- Required to enroll through RESET.
- Exempt from the RESET requirement but are participating voluntarily.
- Required to participate through the Maximizing Participation Project (MPP).[54]

DHS noted that ETANF recipients have extensive barriers to employment and education, ranging from long-term disabilities, educational deficits, and behavioral health challenges. These barriers take longer to resolve and require more extensive case management interventions.

Exhibit 65 shows the WorkReady program's funding allocations and expenditures for FYs 2020-21 through 2023-24. WorkReady is funded with federal TANF funds and state TANF MOE funds.

Exhibit 65

WorkReady Program Allocations and Expenditures
(FY 2020-21 to FY 2023-24)

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Allocation	$22,498,452	$22,498,452	$22,498,452	$22,498,452
Expenditure	13,808,355	16,210,380	19,229,418	18,926,230

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

[54] The primary goal of MPP is to help ETANF adults become economically independent and set goals by providing services and encouragement that will help the family remediate or stabilize barriers that may hinder them from achieving self-sufficiency. The program accomplishes this through appropriate assessments, evaluations, services, and activities.

The WorkReady program's allocation remained the same from FY 2020-21 to FY 2023-24 at $22.5 million annually. Expenditures increased from $13.8 million in FY 2020-21 to $18.9 million in FY 2023-24, or 37.0 percent.

Exhibit 66 shows the WorkReady program's referrals and enrollments.

Exhibit 66

WorkReady Program Referrals and Enrollments
(FY 2020-21 to FY 2023-24)

Performance Indicators	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
Individuals Referred	1,269	3,530	3,705	3,433
Individuals Enrolled	872	3,204	3,631	3,119
Referral-Enrollment Ratio	**0.69**	**0.91**	**0.98**	**0.91**

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

Program referrals increased from 1,269 in FY 2020-21 to 3,433 in FY 2023-24, or 170.5 percent. Program enrollments also increased from 872 in FY 2020-21 to 3,119 in FY 2023-24, or 257.7 percent. The average referral-enrollment ratio was 0.87.

DHS compares program performance with internal performance benchmarks. Exhibit 67 shows performance outcomes and benchmarks for the WorkReady program.

Exhibit 67

WorkReady Program Performance Outcomes and Benchmarks
(FY 2020-21 to FY 2023-24)

Fiscal Year	Individuals Who Met Criteria / Eligible Individuals	Percent	Benchmark	% Point Variance
Secondary Equivalency and Credentialing				
2020-21	21/38	55.3%	50%	**5.3**
2021-22	100/286	35.0	50	**-15.0**
2022-23	174/352	49.4	50	**-0.6**
2023-24	175/323	54.2	50	**4.2**
Job Placement				
2020-21	162/265	61.1	70	**-8.9**
2021-22	399/836	47.7	70	**-22.3**
2022-23	564,/1,362	41.4	70	**-28.6**
2023-24	527/1,297	40.6	65	**-24.4**
6-Month Retention				
2020-21	6/32	18.8	50	**-31.3**
2021-22	69/126	54.8	50	**4.8**
2022-23	188/312	60.3	50	**10.3**
2023-24	245/370	66.2	70	**-3.8**
12-Month Retention				
2020-21	0/0	0.0	75	**-75.0**
2021-22	26/81	32.1	75	**-42.9**
2022-23	64/180	35.6	75	**-39.4**
2023-24	200/350	57.1	50	**7.1**

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

The WorkReady program:

- Reached its performance benchmark for the Secondary Equivalency and Credentialing indicator in two out of the four years measured. The program exceeded its benchmarks by as much as 5.3 percentage points and fell short by as much as 15.0 percentage points.
- Failed to reach its performance benchmark for the Job Placement indicator in all years measured. The program fell short of its benchmarks by as much as 28.6 percentage points.

- Reached its performance benchmark for the Six-month Retention indicator in two of the four years measured. The program exceeded its benchmarks by as much as 10.3 percentage points and fell short by as much as 31.3 percentage points.
- Reached its performance benchmark for the 12-month Retention indicator in one of the four years measured. The program exceeded its benchmarks by as much as 7.1 percentage points and fell short by as much as 75 percentage points.

Efficiency. The WorkReady program received an annual allocation of $22.5 million from FY 2020-21 to FY 2023-24. During this period, expenditures increased by 37.0 percent, from $13.8 million in FY 2020-21 to $18.9million in FY 2023-24.

With the information provided by DHS, we calculated a simple cost-per-outcome measure by dividing a program's expenditures by the number of individuals who achieved a specific outcome. Exhibit 68 shows the cost per outcome for the WorkReady program's performance indicators.

We note that while cost per outcome helps determine program efficiency, it does not fully capture the actual cost of generating an additional successful outcome. Instead, it can provide a simple analysis of the relationship between a program's expenditures and its performance outcomes.

Exhibit 68

WorkReady Program Cost Analysis
(FY 2020-21 to FY 2023-24)

Performance Indicators	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
Cost Per Credential Earned	$657,540	$162,104	$110,514	$108,150
Cost Per Placement	85,237	40,627	34,095	35,913
Cost Per 6-Month Retention	2,301,392	234,933	102,284	77,250
Cost Per 12-Month Retention	N/A	623,476	300,460	94,631

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

- The cost per credential earned decreased by 83.6 percent, from $657,540 in FY 2020-21 to $108,150 in FY 2023-24.
- The cost per placement decreased by 58.0 percent, from $85,237 in FY 2020-21 to $35,913 in FY 2023-24.
- The cost per six-month retention decreased by 96.6 percent from $2.3 million in FY 2020-21 to $77,250 in FY 2023-24.
- The cost per 12-month retention decreased by 84.8 percent, from $623,476 in FY 2021-22 to $94,631 in FY 2023-24.

Overall, the WorkReady program demonstrated increased cost efficiency over the scope of our analysis, with costs per outcome decreasing by an average of 80.8 percent.

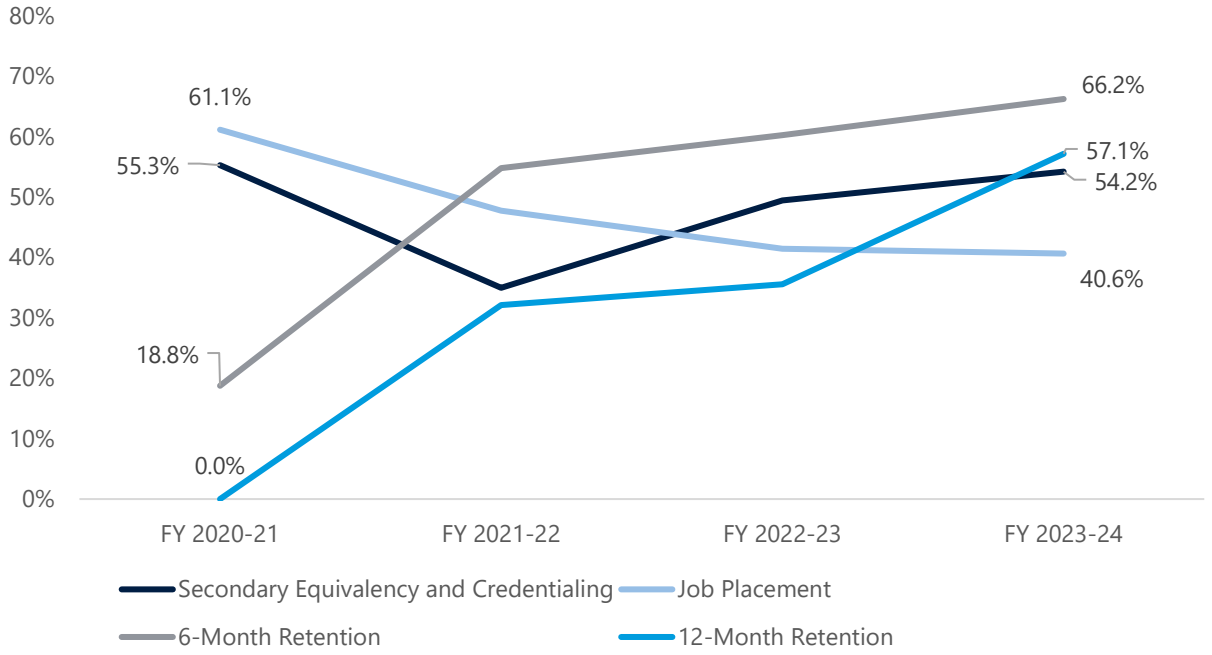
Effectiveness. The WorkReady program's effectiveness over time was mixed. Across the four performance indicators, the WorkReady program reached 31.3 percent of its benchmarks from FY 2020-21 to FY 2023-24. However, program performance showed some improvement over the same period:

- Total individuals referred increased by 170.5 percent, from 1,269 in FY 2020-21 to 3,433 in FY 2023-24.
- Total individuals enrolled increased by 257.7 percent, from 872 in FY 2020-21 to 3,119 in FY 2023-24.
- Total job placements increased by 225.3 percent, from 162 in FY 2020-21 to 527 in FY 2023-24.
- Total credentials earned increased by 733.3 percent, from 21 in FY 2020-21 to 527 in FY 2023-24.
- Total six-month retention outcomes increased by 3,983.3 percent, from six in FY 2020-21 to 245 in FY 2023-24.
- Total 12-month retentions increased from zero in FY 2020-21 to 200 in FY 2023-24.

Overall, the WorkReady program outputs increased by an average of 263.7 percent from FY 2020-21 to FY 2023-24. Exhibit 69 shows the WorkReady program performance outcomes over time.

Exhibit 69

WorkReady Program Performance Outcomes
(FY 2020-21 to FY 2023-24)



Source: Developed by LBFC staff from information obtained from the Department of Human Services.

The WorkReady program performance outcomes were mixed from FY 2020-21 to FY 2023-24. Six and 12-month retention outcomes increased by 47.5 and 57.1 percentage points, respectively. However, Secondary Equivalent and Credentialing and Job Placement decreased by 1.1 and 20.5 percentage points, respectively.

Exhibit 70 shows the percentage of ETANF recipients referred to and enrolled in the WorkReady program and the percentage of total WorkReady program participants who achieved each of the four performance indicators.

Exhibit 70

WorkReady Outcomes Compared to Adult ETANF Population and Program Metrics
(FY 2020-21 to FY 2023-24)

Performance Indicator	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Total Adult ETANF Recipients	**8,503**	**8,595**	**8,446**	**7,364**
Individuals Referred	16%	41%	48%	40%
Individuals Enrolled	11	37	43	36
Total Enrolled in WorkReady	**872**	**3,204**	**3,631**	**3,119**
Credentials Earned	2%	3%	5%	6%
Placements Made	19	12	16	17
6-Month Retention	1	2	5	8
12 Month Retention	N/A	1	2	6

Source: Developed by LBFC staff from information obtained from the Department of Human Services.

The WorkReady program demonstrated improvements in cost efficiency, with costs per outcome decreasing over time. However, the program only met 31.3 percent of its performance benchmarks from FY 2020-21 to FY 2023-24. In addition to consistently being below benchmark levels, the WorkReady program observed mixed trends in its performance outcomes.

The WorkReady program's impact relative to the total adult ETANF population remained modest, suggesting potential limitations in reaching non-required eligible individuals.

D. Pennsylvania Department of Community and Economic Development (DCED)

DCED's role in workforce development is to aid businesses and job seekers through career training and barrier remediation. In the context of our audit, direct workforce development programs administered by DCED include WEDnetPA and the Manufacturing-to-Career Grant program. These programs assist employers with incumbent worker training and apprenticeships to stay competitive and keep workers up to date with relevant skills.

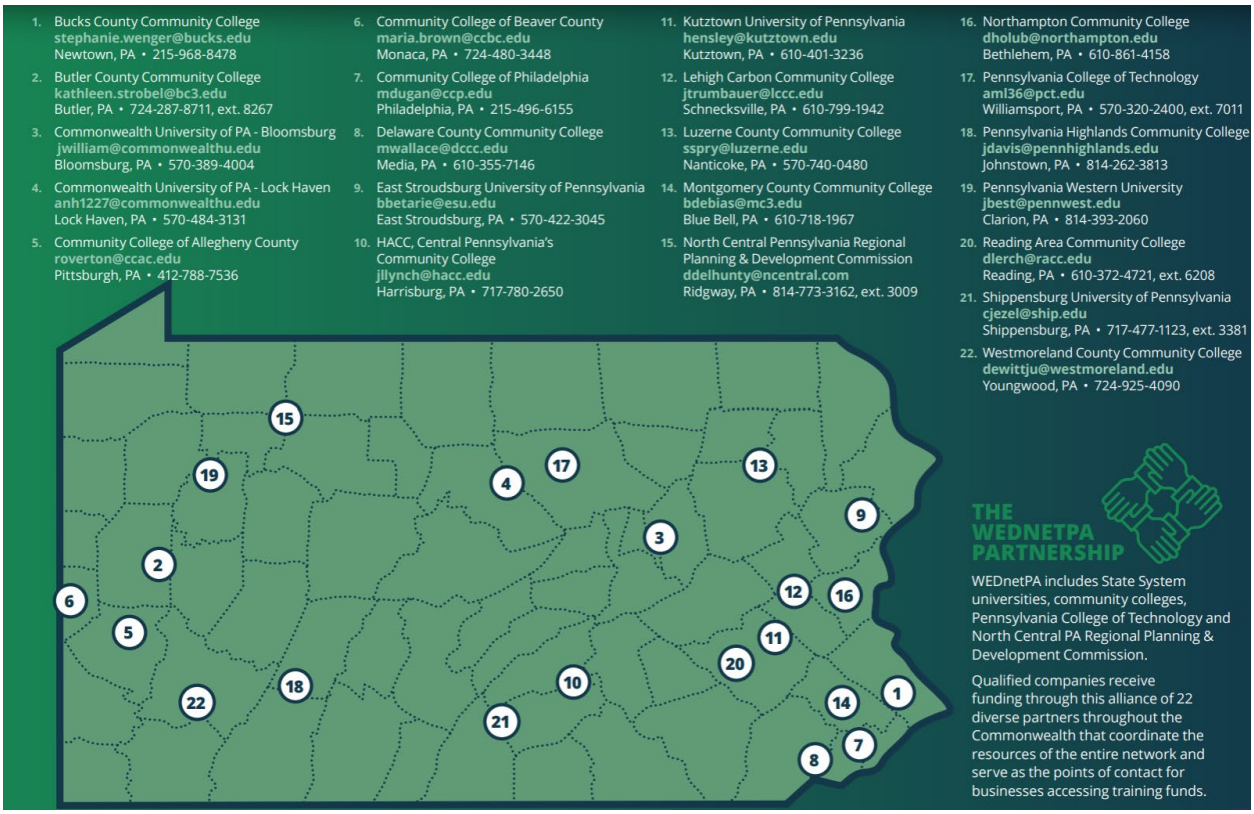
Workforce and Economic Development Network of Pennsylvania (WEDnetPA)

WEDnetPA is a grant program created by DCED to provide training funds for new and existing employees. WEDnetPA collaborates with 22 partner educational institutions across Pennsylvania, displayed in Exhibit 71, including community colleges, state system universities, Pennsylvania College of Technology, and the North Central PA Regional Planning & Development Commission. These partners serve as local points of contact, assisting businesses in applying for training funds and providing support throughout the process.

Training funded through WEDnetPA may be completed onsite at the place of business, offsite, or online through a private trainer, WEDnetPA partner, or qualified in-house staff. Training funds are capped at $2,000 per eligible employee, not to exceed $100,000 per company.

Exhibit 71

Map of WEDnetPA Partners



Source: Pennsylvania Department of Community and Economic Development, *WEDnetPA 2023-2024 Program Report.*

Eligibility. WEDnetPA provides funds for businesses and employees to conduct a wide array of training; however, there are specific eligibility requirements for companies, employees, and training. Companies must meet the following requirements:

- Must be in Pennsylvania.
- Must be in an eligible industry, primarily industrial.[55]
- Cannot be explicitly ineligible as defined by company guidelines.
- Cannot receive funding more than two years in a row or three years out of any five-year period.
- Companies with an employee turnover rate of 25 percent or more may not be eligible.

Additionally, WEDnetPA has specific requirements for an employee:

- Must be a resident of and employed in Pennsylvania.

[55] The following businesses types are eligible: agriculture and food production, bio-medical, building and construction, business services, energy, specific healthcare facilities, logistics and transportation, manufacturing, real estate, bank headquarters, insurance, wood, wood products, and publishing businesses.

- Must earn at least $16.74 per hour, excluding benefits.
- Must be permanently employed full-time and eligible for full-time benefits.
- Must be an employee of the specific company location for which the contract is awarded.
- Must be legally eligible to work in the United States.

WEDnetPA aspires to make companies more competitive and productive by providing funding for this training; however, there are additional eligibility requirements for the types of training:

- Must be skill-building for current job, advancement, or promotion.
- Must be completed within the fiscal year (July 1 through June 30) for which the funds are awarded.
- Partial training cannot be reimbursed.
- Training costs must be "reasonable" as defined by market rates and other criteria.
- Each training session must be a minimum of 30 minutes in length.
- Company orientation and on-the-job training are not eligible.

Funding. WEDnetPA funding is appropriated yearly in the state budget; in FY 2023-24, WEDnetPA was approved for $13,750,000 with a carryover of $866,896 from the previous fiscal year. Additionally, DCED is using $1.5 million of FY 2023-24 funding to develop and implement a new system to accept employer grant applications and manage the program. Exhibit 72 shows WEDnetPA expenditures. Grants to companies increased over the scope of our audit by 61.2 percent.

Exhibit 72

WEDnetPA Expenditures by Fiscal Year
(2019-20 to 2023-24)

Fiscal Year	Personnel & Operation Expenses	Grants to Companies	Partner Administrations[a]	Total
2019-20	$709,280	$6,500,964	$638,026	$7,848,270
2020-21	682,920	8,180,966	818,097	9,681,983
2021-22	696,441	8,301,567	830,157	9,828,165
2022-23	661,730	10,079,282	1,007,928	11,748,940
2023-24	1,000,629	10,483,461	1,039,987	12,524,077

Partners receive up to 10 percent of their allocation to administer the program. For example, if a partner receives a $200,000 allocation, it receives up to a $20,000 administration fee for training it invoiced. The partner may receive a reduced administration fee if it has not met performance metrics in the past.

Source: Developed by LBFC staff from information obtained from the Department of Community and Economic Development.

WEDnetPA monitors the number of employees trained, the number of companies served, and the number of workers each grantee company employs. WEDnetPA primarily awards grants to smaller businesses with lower overall employee counts, as shown in Exhibit 73. The number of trained individuals decreased during the COVID-19 pandemic; however, as of FY 2023-24, the number of individuals increased to pre-pandemic levels, with 24,055 individuals utilizing WEDnetPA-funded training.

Exhibit 73

WEDnetPA Grantee Company Size by Fiscal Year
(2019-20 to 2023-24)

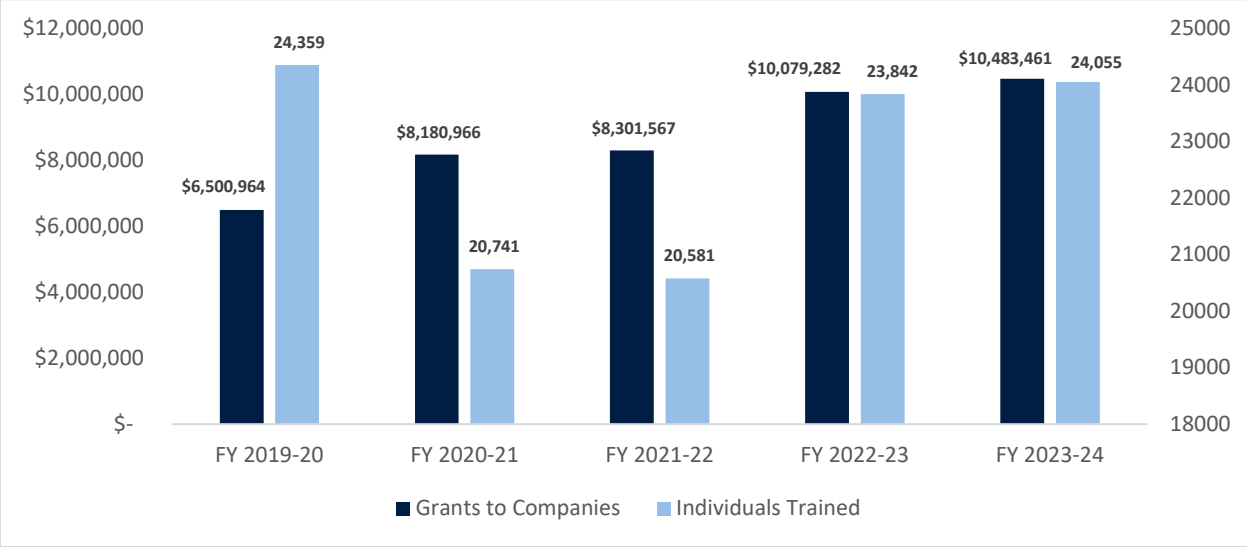
Fiscal Year	Individuals Trained	100< Employees	101-250 Employees	251-500 Employees	>500 Employees	Total Companies Served
2019-20	24,359	369	186	86	74	715
2020-21	20,741	407	181	95	54	737
2021-22	20,581	409	134	56	42	641
2022-23	23,842	400	179	75	52	706
2023-24	24,055	391	175	87	50	703

Source: Developed by LBFC staff from information obtained from the Department of Community and Economic Development.

Efficiency. To determine the efficiency of WEDnetPA, the LBFC identified the program's total grants funded and individuals trained, as shown in Exhibit 74. In FY 2019-20, WEDnetPA trained 24,359 individuals, which dropped by 14.8 percent to 20,741 during the COVID-19 pandemic in FY 2020-2021. Most recently, during FY 2023-24, WEDnetPA achieved pre-pandemic levels of training, with 24,055 individuals trained.

Exhibit 74

WEDnetPA Individuals Trained vs. Grants to Companies by Fiscal Year
(FY 2019-20 to FY 2023-24)



Source: Developed by LBFC staff from information obtained from the Department of Community and Economic Development.

Although the number of trained individuals declined during the COVID-19 pandemic, funding levels remained consistent and increased slightly over our study period. The amount of grant funding provided to companies has increased steadily, initially $6.5 million in FY 2019-20 and approximately 61 percent more to $10.5 million in FY 2023-24.

The cost per individual trained increased steadily over the five years, from $267 in FY 2019-20 to $436 in FY 2023-24, shown in Exhibit 75, suggesting reduced efficiency in grant utilization for training purposes. Lower participation during the COVID-19 pandemic may create a perceived cost inefficiency as available resources remain consistent and spread among the fewer remaining participants.

Exhibit 75

WEDnetPA 2023-2024 Cost per Individual Trained

Fiscal Year	Cost Per Individual Trained
2019-20	$267
2020-21	394
2021-22	451
2022-23	422
2023-24	436

Source: Developed by the LBFC staff from information obtained from the Department of Community and Economic Development.

WEDnetPA currently tracks the type of training and the amount spent on each type of training, as shown in Exhibit 76. Business operation training used an average of 23 percent of funding by fiscal year, and workplace behavior skills training used an average of 17 percent. Manufacturing technology training funding decreased by 39 percent from FY 2020-21 to FY 2023-24, the largest decrease of each type of training. Decreased funding may indicate a reduced demand on those training types over time. Conversely, increased or consistent funding over time may indicate the demand for specific training and skills.

Exhibit 76

Types of Training

Type of Training	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Business Operations	$1,909,051	$1,704,098	$2,497,413	$2,287,506
Workplace Behavior Skills	1,187,045	1,370,290	1,739,689	2,209,681
Workplace Health and Safety	1,110,964	1,143,835	1,283,198	1,418,643
Manufacturing Fundamentals	936,114	1,057,814	1,285,161	1,173,243
Manufacturing Technology	708,269	590,168	714,095	508,426
Machine Operations and Maintenance	665,159	770,948	856,777	1,083,204
Computer Operations	473,374	418,296	491,576	577,731
Product and Process Control	505,028	534,481	667,846	705,837
Software Implementation	525,902	438,556	319,426	345,079
Health and Science Applications	160,060	273,081	224,101	174,111
Total	**8,180,966**	**8,301,567**	**10,079,282**	**10,483,461**

Source: Developed by LBFC staff from information obtained from the Department of Community and Economic Development.

Effectiveness. The WEDnetPA program provides training to thousands of incumbent employees and serves businesses of varying sizes. During the scope of our study, the program trained an average of 22,695 employees in 700 companies.

To further determine the effectiveness of WEDnetPA, the LBFC believes that WEDnetPA would benefit from tracking job retention rates of trained individuals and wage increases within the first year of training. The Department of Labor and Industry (L&I) Center for Workforce Information Analysis did a one-time analysis in 2022 and found that companies utilizing WEDnetPA training experience an 86 percent retention rate, and those employees experience an average 10 percent wage increase within the first year.

Recommendation: We recommend that DCED collect and track annual WEDnetPA job retention and wage increase data. Because WEDnetPA focuses on incumbent worker training, these outcome measures would better evaluate the program's success.

Recommendation: We recommend that WEDnetPA track company retention in Pennsylvania one, two, and three years after receiving grant funding. To accomplish this, the program would require using FEIN or other data to determine whether the company remained within Pennsylvania. This would require an interdepartmental agreement with L&I for data sharing.

WEDnetPA administers a survey to participating companies to gauge the effectiveness and perceived effects of the program. During the FY 2023-24, 259 of 703 (36 percent) companies responded to the survey question, "Which of the following do you think happened or is likely to happen as a result of the training your employees completed through the WEDnetPA program?" Exhibit 77 shows their responses. According to the WEDnetPA survey, some of the top perceived benefits from training are improved quality of products/services (81.5 percent), increased employee morale (76.5 percent), and improved communications/teamwork (71.4 percent).

Exhibit 77

WEDnetPA 2023-2024 Company Results Satisfaction Survey

Answer Choice	Survey Response
Improved product/service quality	211
Increased employee morale	198
Improved communications and/or teamwork	185
A safer workplace, fewer accidents	140
Employees promotion	125
Employees pay raise	115
Job retention (layoff avoidance)	111
New customers and/or contracts	45
No impact	2
Other	16

Source: Developed by LBFC staff from information obtained from the Department of Community and Economic Development.

Manufacturing PA Training-to-Career Grant Program

The Manufacturing PA Training-to-Career Grant Program is designed to assist companies in identifying and training a skilled workforce for existing or near-future open positions in manufacturing. The program engages youth or those with barriers to career opportunities. Training-to-Career creates short-term work readiness with direct input from manufacturers. Grants are administered specifically to assist with training or to provide awareness of manufacturing career opportunities.

This program aims to collaborate with local manufacturers to identify and teach skills missing from entry-level applicants. Consequently, it expects trainees to secure employment upon completing the training. Additionally, this program measures how many people were exposed to manufacturing as a career pathway due to awareness-focused grants.

Eligibility. This grant program is available to Pennsylvania technical schools, trade schools, community colleges, school districts, post-secondary academic institutions, and nonprofit organizations such as local workforce development boards and economic development organizations. Proposals may not exceed $200,000. Eligible uses of grant funding include:

- The implementation of new and innovative training programs.

- Internships at small-to-medium sized companies.[56]
- Equipment purchases or shop modifications less than $25,000 to enhance worker training.
- Staff salaries and fringe benefits attributable to the project.
- Contracted professional services directly related to implementing the activities outlined in the proposal.
- Preparation and publishing costs for educational and marketing materials, including expenses associated with their dissemination.

Funding. Funding is distributed in two-year grants to allow for program development and implementation. Funding for these grants is set at $4.7 million per year from the Manufacturing PA appropriation in the state budget. Individuals could be trained as, for example, machine operators, welders, and quality control associates. Exhibit 78 shows the FYs 2019-20 through 2023-24 expenditures.

Exhibit 78

Manufacturing-to-Career Grant Program Expenditures
(FY 2019-20 to 2023-24)

Fiscal Year	Manufacturing-to-Career Grant Program Expenditures
2019-20	$3,002,729
2020-21	3,241,259
2021-22	3,581,936
2022-23	3,542,206
2023-24	5,168,112

Source: Developed by LBFC staff with data received from the Department of Community and Economic Development.

Efficiency and Effectiveness. Currently, DCED does not track employment after program completion. For effectiveness, DCED only tracks the grantee's proposed goals for the number of trained individuals and the number of individuals exposed as part of awareness grants. The number of individuals trained is not tracked, so a "cost per individual trained" efficiency measure cannot be calculated.

Grantees submit the proposed goals, shown in Exhibit 79, which may vary based on the approved grant projects. This is particularly true for awareness-focused grants.[57] For example, in FY 2021-22, the proposed goal

[56] DCED defines small companies as 1-100 employees and medium companies as 101-250 employees.
[57] Per the Awareness Grant Guidelines, "Awareness program projects support the advancement of the manufacturing industry through the engagement of youth or those with barriers to employment in awareness-building activities related to career opportunities in manufacturing."

was 5,510; in FY 2022-23, the proposed goal was 50,340, a 914 percent increase from the previous year.

Recommendation: To properly assess the effectiveness of training-related grants, for the Manufacturing-to-Career Grant program, DCED should require training-grant grantees to conduct a follow-up employment survey with individuals one year after completion to determine whether that employment is in a field related to the program.

Exhibit 79

Manufacturing-to-Career Grant Program Proposed Goals
(2019-20 to 2023-24)

Fiscal Year	Number of Proposed Trained	Number of Proposed Exposed[a]
2019-20	1,007	2,300
2020-21	714	17,400
2021-22	832	5,510
2022-23	800	50,340
2023-24	1,070	148,990

[a]"Proposed exposed" means the number of people the Grantee proposes will be exposed to manufacturing career pathways due to the grant

Source: Developed by LBFC staff with data received from the Department of Community and Economic Development.

Foundations in Industry Training (FIT)

The Foundations in Industry Training Grant Program is a DCED initiative to support registered apprenticeship programs across the commonwealth. This program collaborates with L&I's Apprenticeship and Training Office (ATO) to enhance the availability of apprenticeships for Pennsylvania employers, aiding in talent recruitment and development.

FIT's goal is to increase apprenticeship availability to Pennsylvania employers and assist them with recruitment. The program operated for the first time in FY 2023-24 with a $3 million budget. Since its implementation, the program has funded 14 projects on a three-year grant cycle.

Eligibility. The FIT program administers grants to any sponsor of an operating apprenticeship program in the commonwealth. The apprenticeship program must be registered with L&I's ATO. Every registered apprenticeship program has a sponsor who may apply for the FIT grant. Proposals are accepted from:

- Single Employers.
- Employer Consortiums.
- Workforce Development Boards.
- Economic Development Organizations.
- Labor Organizations.
- Career and Technical Education Institutions.
- Post-Secondary Academic Institutions.
- Community Organizations or Associations.

FIT funds may be used for in-house instructors, book costs, and other general education requirements related to the apprenticeship. Total funding cannot exceed DCED's mandated employer cap of $3,000 per apprentice per year. Each employer may request funding for up to five apprentices per year for up to three years.

Efficiency and Effectiveness. Due to the program's recent implementation, no data is available to assess its effectiveness and efficiency.

Recommendation: DCED should consider monitoring apprentices one year after program exit for job placement and starting wage and compare those measures to those of apprentices in similar fields coming out of non-FIT programs.

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SECTION IV
OTHER STATE AGENCIES WITH WORKFORCE DEVELOPMENT PROGRAMS

Fast Facts...

- *The Department of Aging administers one workforce development program, the Senior Community Service Employment Program.*
- *The Department of Corrections engages in several programs to assist individuals involved with the justice system.*
- *The Department of Conservation and Natural Resources operates the Pennsylvania Outdoor Corps.*

Senate Resolution 2023-169 identified the four state agencies discussed in Section III of this report. However, others are involved with workforce development to varying degrees, including the Department of Aging, which serves low-income individuals aged 55 and older, and the Department of Corrections, which serves incarcerated individuals, incarcerated individuals reentering the community, or those otherwise involved in the justice system. The Department of Conservation and Natural Resources has one program open to youth and young adults.

The Pennsylvania Department of Agriculture has a peripheral role in workforce development as its secretary serves on the State Workforce Development Board.

A. Department of Aging (PDA)

The Department of Aging administers one WFD program, the Senior Community Service Employment Program (SCSEP), a work-based job training program for Pennsylvania residents who are 55 or older, unemployed, and have income no more than 125 percent of the federal poverty level. Enrollment priority is given to individuals who:

- Are aged 65 and older.
- Are veterans or eligible spouses of veterans.
- Have limited English proficiency.
- Have low literacy skills.
- Reside in a rural area.
- Have low employment prospects
- Have failed to find employment after using WIOA services
- Are homeless or at risk for homelessness
- Are reentering the community from incarceration.

Program participants gain work experience in a variety of community service training assignments at nonprofit and public facilities, including schools, libraries, hospitals, daycare centers, and senior centers that serve as a bridge to outside employment opportunities. They engage in on-the-job training in areas such as customer service, maintenance, janitorial, and clerical. Participants train an average of 20 hours per week and are paid the federal, state, or local minimum wage – whichever is greater.

For FY 2023-24, Pennsylvania was awarded 441 slots for the program; the number of slots is based on county populations and can change yearly.[58]

Seven Pennsylvania Area Agencies on Aging (AAAs), and one subgrantee administer locally developed SCSEP training programs. The programs focus on job skills rather than specific employment opportunities.

Exhibit 80 shows statistics for the SCSEP program, some of which are the same as required by WIOA.[59]

Exhibit 80

Performance Measures for SCSEP
FYs 2018-19 to 2022-23

	FY 2018-19	FY 2019-20	FY 2020-21	FY2021-22	FY 2022-23
Number of Participants Served	730	662	575	678	666
Exits for employment	138	104	53	89	70
Employment after 6 Months	127	104	40	58	39
Employment after 12 months	86	82	44	16	28

Source: Developed by LBFC staff from information obtained from PFBC Financial Statements.

Exhibit 81 shows SCSEP funding. About 90 percent of funding is from a federal US Department of Labor Employment and Training Administration Grant; the remainder is through a local match, which can be accounted for in one of two ways: the department uses approximately $14,000 per year of PA Lottery funds for administrative purposes; the remainder of the match is from in-kind contributions, for example, salaries for supervisors of program participants.

[58] Other national SCSEP organizations are awarded participant slots in PA; however, the department does not have access to their data.

[59] Average quarterly earnings, another WIOA measure, were unavailable for SCSEP as the US Department of Labor collected earnings data as an average hourly wage but will be reported for SCSEP as quarterly earnings from FY 2023-2024 onward.

Exhibit 81

SCSEP Funding
FYs 2018-19 to 2022-23

Fiscal Year	Grant Award	Local Match	Total
2018-19	$4,242,302	$471,367	$4,713,669
2019-20	4,248,055	472,006	4,720,061
2020-21	4,281,104	475,678	4,756,782
2021-22	4,296,818	477,424	4,774,242
2022-23	4,269,060	474,340	4,743,400

Source: Developed by LBFC staff from data obtained from the PA Department of Aging.

B. Department of Corrections (DOC)

The Department of Corrections administers workforce development programs through Correctional Industries (CI), vocational programming, and career pathways. In addition to these workforce development programs, inmates are offered the opportunity to learn skills through employment within a correctional facility in positions such as electrician, plumber, and carpenter.

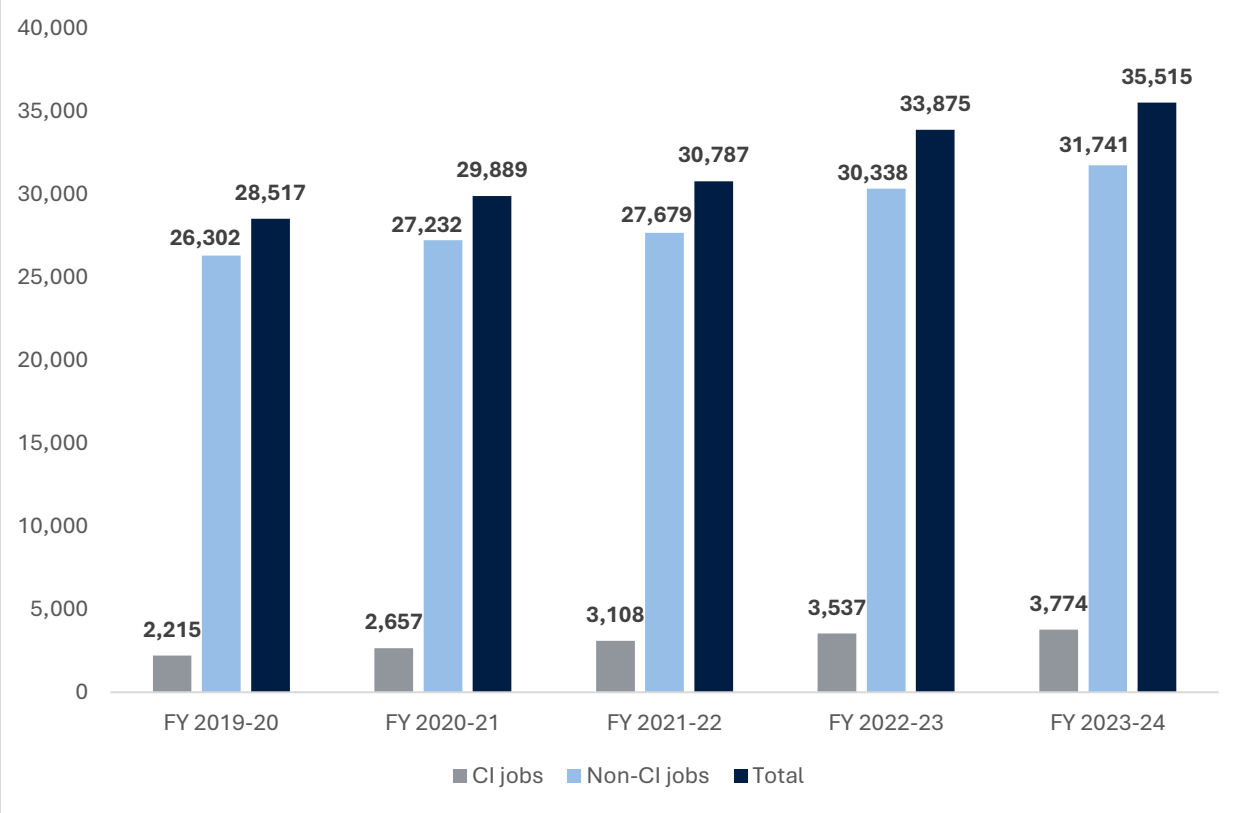
Correctional Industries

CIs are job opportunities within correctional facilities that allow inmates to gain on-the-job experience. CIs may include printing processing, furniture refurbishing, optical prescriptions, braille transcription, metal fabrication, license plates, chemical manufacturing, laundry, and other career paths. Exhibit 82 displays the number of CI and non-CI jobs fulfilled yearly from FYs 2019-20 to 2023-24. Non-CI jobs employ inmates but don't contribute to a specific industry certification, for example, commissary workers and clerks.

CI jobs grew an average of 4.4 percent each year. Non-CI jobs have grown an average of five percent per year.

Exhibit 82

Correctional Industry and Non-Correctional Industry Jobs



Source: Developed by LBFC staff from information obtained from PA DOC

Vocational Programming

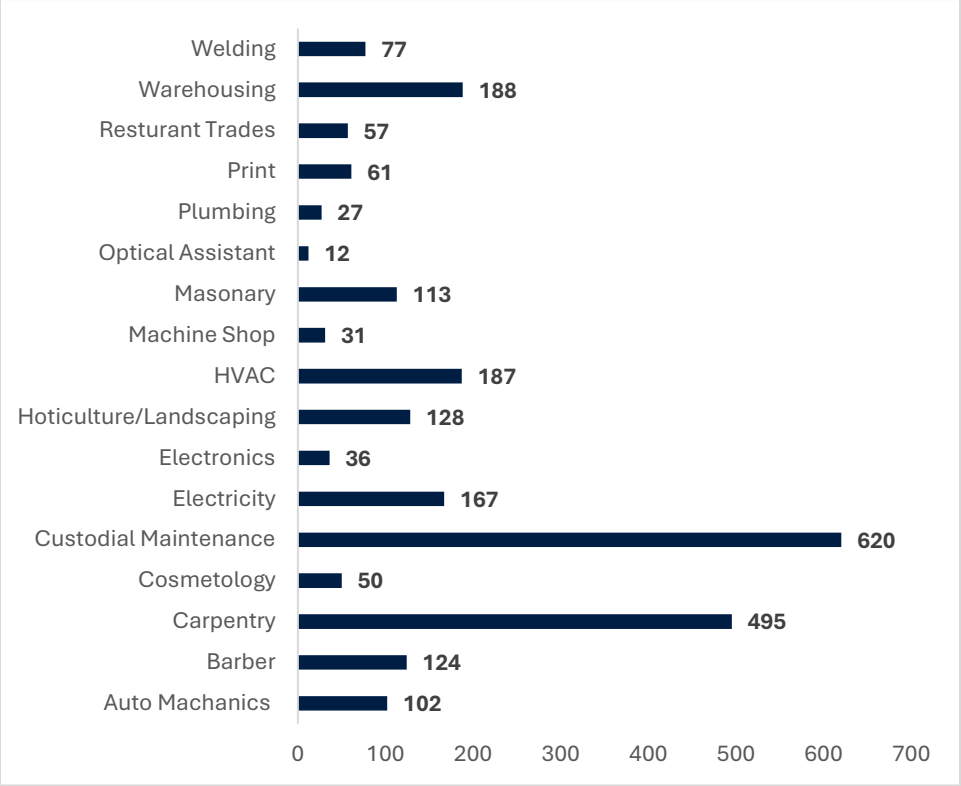
The Division of Correctional Education within the DOC helps reentrants utilize career services and provides vocational training for inmates seeking nationally recognized certifications, including auto technology, barbershop, cosmetology, business education, carpentry, construction, custodial maintenance, electrical, horticulture, HVAC, machine shop, masonry, optical, print shop, plumbing, restaurant trades, furniture, warehousing, and welding.

A DOC official informed us that the department is currently conducting an internal study using wage data gathered from L&I for those who have completed a vocational program or worked in a CI to determine when reentrants are becoming employed, how much they are making on average, and whether they are working in fields in which they received certifications while incarcerated.

The department provided the number of program participants for each vocational program offered by the DOC for FY 2022-23, shown in Exhibit 83. Vocational programming had 2,475 participants across all SCIs; the custodial maintenance program had the most participants, with 620. [60]

Exhibit 83

Vocational Programming Participants
2022-2023



Source: Developed by LBFC staff from information obtained from PA DOC

Pathways to Success

"Pathways to Success" is a course used as an introduction to all inmates who wish to pursue vocational programming within the DOC. The course allows inmates to orient themselves to in-demand careers using recent labor market information. It guides them through identifying career goals and developing plans to pursue credentials for in-demand jobs. Effectively, this course helps inmates develop the soft skills needed to reenter the workforce.

[60] The average SCI population for all facilities was 39,624 in FY 2022-23.

Career pathways models blend work experience with soft skills and technical education to prepare incarcerated individuals for success in the workforce. This includes training, counseling, and work opportunities to support inmates in building those skills. Additionally, non-CI job opportunities are afforded to inmates to allow them to gain experience in common professions. The "Career Pathways" model, shown in Exhibit 84, provides insight into how the DOC blends vocational programming with supportive services to allow reentrants the opportunity to establish a successful career post-incarceration.

Exhibit 84

Pathways to Success Model

Source: Kelly Martini and Francie Genz, *Building Career Pathways Systems within a Corrections Setting, Lessons Learned from the Pennsylvania Department of Corrections,* 2018

Additional Programming

The Bureau of Community Corrections operates community corrections centers that provide individualized training and support. In collaboration with PA CareerLink, these centers provide an on-site case manager, computer lab access, and workforce services referrals. These services include strategies for overcoming barriers to employment and resume and interview preparation.

C. Department of Conservation and Natural Resources

The Pennsylvania Department of Conservation and Natural Resources (DCNR) manages 124 state parks and maintains over two million acres of state forest land. The department operates one youth workforce development program, the Pennsylvania Outdoor Corps, which provides a paid training experience for young adults and youth seeking careers in conservation work.

The Pennsylvania Outdoor Corps restores public land and waters by assembling crews to conduct environmental conservation projects. The program provides hands-on experience and training in stewardship to assist participants in acquiring employment within DCNR or other related organizations dedicated to conservation. The Student Conservation Association, a national nonprofit partner in conservation programs across the United States, helps to manage the program.

Eligible Participants. Outdoor Corps administers a six-week summer program and nine-month young adult crews. The locations and number of crews vary yearly based on funding, partnership, and project opportunities. Outdoor Corps averaged 167 participants per year from 2018 to 2023. Participants for the summer program are aged 15-18, and participants for the nine-month crews are aged 18-25. Young adult crews consist of five crew members and two adult crew leaders, and youth crews consist of six crew members and an adult crew leader. Additionally, Outdoor Corps has created a nine-month cultural resources crew composed of three members with varying degrees in history, archaeology, and anthropology.

Program Funding. Funding for Outdoor Corps is supported by DCNR, the Pennsylvania Department of Labor and Industry's Reemployment Program, and private contributions through non-profit foundations. Outdoor Corps funding from FY 2018 to FY 2023 averaged $2.4 million per year. Program funding goes towards pay, lodging, and transportation for crews. Outdoor Corps pays all crew members a minimum of 15

dollars per hour; additionally, the nine-month young adult crew receives paid time off, optional benefits, and professional training opportunities.

Workforce Outcomes. Outdoor Corps can monitor placements from the program into employment within the workforce. As Outdoor Corps participants must register with PA CareerLink; their employment outcomes may be tracked using their CareerLink identification number and other unique identifiers such as social security numbers. In partnership with the Department of Labor and Industry, Outdoor Corps can track where the participant has gained employment and the year they were employed versus the year they were in the program.[61] In 2023, 117 individuals participated in the Outdoor Corps at 18 project locations.

While these outcomes can be tracked, DCNR advised that it infrequently monitors subsequent employment after Outdoor Corps. Since there is no formal requirement for DCNR to monitor employment outcomes, career placement after program completion is not measured consistently.

[61] The Outdoor Corps is working with L&I on a data sharing MOU to enable quarterly aggregate workforce data analysis on all program participants, which is expected to run the first report in the third quarter of 2025.

SECTION V. APPENDICES

Appendix A – House Resolution 2023-169

PRIOR PRINTER'S NO. 1153 PRINTER'S NO. 1272

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE RESOLUTION

No. 169 Session of 2023

INTRODUCED BY COLEMAN, ROTHMAN, MASTRIANO AND DUSH, OCTOBER 4, 2023

AS AMENDED, DECEMBER 11, 2023

A RESOLUTION

~~Requesting that the Legislative Budget and Finance Committee conduct a program evaluation to assess the effectiveness and efficiency of workforce development programs administered by various Commonwealth agencies.~~

DIRECTING THE LEGISLATIVE BUDGET AND FINANCE COMMITTEE TO CONDUCT A STUDY EVALUATING THE EFFECTIVENESS AND EFFICIENCY OF THE VARIOUS WORKFORCE DEVELOPMENT PROGRAMS ADMINISTERED BY COMMONWEALTH AGENCIES.

WHEREAS, A well-trained workforce is essential for this Commonwealth's CITIZENS, families and economy; and

WHEREAS, Employers in many industries face immense challenges in finding qualified employees; and

WHEREAS, ~~Numerous State agencies, including the~~ THE Department of Labor and Industry, the Department of Education,

the Department of Human Services and the Department of Community and Economic Development ~~administer their own~~ EACH ADMINISTER SEPARATE workforce development programs; and

WHEREAS, Governor Shapiro requested $400 million in appropriations for an additional workforce training program targeting infrastructure projects; therefore be it

~~RESOLVED, That the Senate request that the Legislative Budget and Finance Committee conduct a program evaluation to assess the effectiveness and efficiency of workforce development programs administered by various Commonwealth agencies; and be it further~~

RESOLVED, THAT THE SENATE DIRECT THE LEGISLATIVE BUDGET AND FINANCE COMMITTEE TO CONDUCT A STUDY EVALUATING THE EFFECTIVENESS AND EFFICIENCY OF THE VARIOUS WORKFORCE DEVELOPMENT PROGRAMS ADMINISTERED BY COMMONWEALTH AGENCIES; AND BE IT FURTHER

RESOLVED, That the Legislative Budget and Finance Committee submit a report with its findings and recommendations to the General Assembly within 12 months of the adoption of this resolution.

Appendix B – Other Department of Labor and Industry Workforce Development Programs

Apprenticeship and Training Office(ATO) Outgoing Grant Initiatives.

This section provides an overview of grant initiatives administered by ATO to support apprenticeship programs. These initiatives are designed to strengthen and expand apprenticeship programs, providing funding to employers, training providers, and community organizations.

PASmart Growing Registered Apprenticeships and Pre-RAs in Pennsylvania[62]
Performance Period: January 1, 2022 through June 30, 2024

The PASmart Growing Registered Apprenticeships and Pre-RAs in Pennsylvania initiative made $11.5 million in funding available to build, support, and expand Registered Apprenticeship and Pre-RA Programs with a focus on supporting diverse talent pipelines and underserved populations, non-traditional occupations, alignment with secondary or post-secondary educational institutions, and expedited growth through multi-county or statewide initiatives. Twenty-six grantees are funded under this initiative.

PASmart Building, Supporting and Expanding Registered Apprenticeship and Pre-RA Programs in the Building and Construction Trades
Performance Period: July 1, 2022 through December 31, 2024

The PASmart grant made over $4.9 million in funding available to build, support, and expand apprenticeship programs, specifically focusing on supporting diverse talent pipelines and underserved populations. Fourteen grantees are funded under this initiative.

Pennsylvania Nursing Pathway Apprenticeship Industry Partnership
Performance Period: April 1, 2023 through June 30, 2026

This initiative made approximately $700,000 in funding available to LWDBs to support Nursing Pathway Apprenticeship Industry Partnerships in low- or moderate-income communities and guide the develop-

[62] PASmart is an L&I grant program that supports the development of pre-apprenticeship and apprenticeship programs in industries such as healthcare, IT, manufacturing, and education. Since 2018, $28 million has funded 124 projects, creating over 100 apprenticeship programs.

ment and registration of healthcare apprenticeship programs, emphasizing nursing occupations through group sponsorships. Five grantees are funded under this initiative.

Increasing Diversity, Equity, and Inclusion in the Building and Construction Trades through Apprenticeships and Pre-RAs
Performance Period: July 1, 2023 through March 31, 2025

To prepare for increased job opportunities from the Infrastructure Investment and Jobs Act (IIJA) in construction trades, the Increasing Diversity, Equity, and Inclusion in the Building and Construction Trades initiative invested $1 million to diversify apprenticeships and expand training opportunities for underrepresented groups. This initiative funded five grantees.

PASmart Supporting Broadband Infrastructure through Registered Apprenticeships and Pre-RAs
Performance Period: September 1, 2023 through March 31, 2026

In anticipation of increased employment opportunities resulting from the IIJA and investments in broadband expansion, this initiative made $800,000 in funding available to organizations to align, expand, and diversify the apprenticeship model with a specific focus on the broadband industry and associated occupations. Four grantees are funded under this initiative.

Supporting Pennsylvania's Organic Agriculture through Registered Apprenticeships and Pre-RAs
Performance Period: June 2024 through June 30, 2026.

This initiative aims to align, expand, and diversify the apprenticeship model, focusing on organic agriculture and associated occupations. One grantee is funded under this initiative.

Other L&I Workforce Development Programs.

L&I has other programs that support workforce development in Pennsylvania.

Migrant and Seasonal Farmworker Program. A program of services for migrant and seasonal farm workers and their dependents to assist them in acquiring the necessary skills to either stabilize or advance in agricultural careers or obtain employment in new industries.

Trade Adjustment Assistance (TAA) Program. TAA is a federal program that assists workers adversely affected by foreign trade. The TAA

Program provides trade-affected workers with opportunities to obtain the skills, credentials, resources, and support to help them obtain reemployment.

Reemployment Trade Adjustment Assistance (RTAA). RTAA assists eligible Trade-affected workers, aged 50 or older, who obtain new employment that pays less than their trade-affected employment.

Unemployment Compensation (UC). This program provides temporary income support if employees lose their jobs through no fault of their own or if they are working less than their full-time hours. A qualified claimant will receive money for a limited time to help meet expenses while seeking new employment.

Business Education Partnership. The Business Education Partnership program supports collaboration among LWDBs, businesses, and school districts to create opportunities for youth to engage in vocational learning. These activities include summer employment, pre-apprenticeships, registered apprenticeships, internships, job shadowing, mentoring, and workplace experiences that develop employability skills.

Digital Literacy and Workforce Development Grant. This grant enhances digital literacy skills to increase employability. Job seekers use grant funds to expand or develop digital literacy training.

Federal Bonding Program. The Federal Bonding Program provides employers with federal bonds to encourage hiring individuals who face barriers to employment, such as ex-offenders, individuals with substance abuse histories, or those dishonorably discharged from the Armed Forces. These bonds protect employers against losses caused by fraudulent or dishonest acts of a bonded employee. Coverage ranges from $5,000 to $25,000 and is available for six months at no cost.

First Step/PROWD. USDOL funds the First Step program, which supports re-entry services for individuals incarcerated in federal prisons. Pennsylvania was awarded $9.5 million in grants to improve employment outcomes, reduce recidivism, and address labor shortages through job training and support services.

H-2A Program. The H-2A Program permits agricultural employers to seek approval to recruit and hire nonimmigrant foreign workers for temporary or seasonal agricultural work. This program is accessible exclusively when a shortage of domestic agricultural workers is anticipated.

H-2B Program. The H-2B Program enables non-agricultural employers to request approval to recruit and hire nonimmigrant foreign workers for temporary or seasonal non-agricultural work. This program is accessible exclusively when a shortage of domestic workers is anticipated.

Industry Partnerships. The Industry Partnership program supports regional collaborations of business leaders, LWDBs, and community organizations within specific industries to address workforce needs.

New Choices New Options. This program, administered by PA Women Work, supports economically disadvantaged adults in pursuing family-sustaining careers through employment or further education. For the 2023-2024 fiscal year, Pennsylvania allocated $1 million to serve over 1,300 clients.

National Dislocated Worker Opioid Grant. This federal grant addresses the workforce impacts of the opioid crisis by providing employment support to affected individuals, helping employers support workers in recovery, and developing the healthcare workforce. Eleven LWDBs serve as subgrantees, leveraging grant funds and partnerships with organizations to deliver training and support.

Rapid Response Services. Rapid Response Services provide early intervention for employers and employees affected by layoffs or business closures. Rapid Response teams work with employers and employees to quickly maximize public and private resources to minimize disruptions associated with job loss. State workforce agencies and LWDBs carry out Rapid Response with local CareerLinks.

Reemployment Services and Eligibility Assessment (RESEA). The RESEA program offers individualized reemployment services to unemployment claimants, including career guidance, resume assistance, and access to training.

SkillUp™ PA. SkillUp™ PA is a self-directed online learning platform offering job seekers access to training courses that enhance their employability and career prospects. The platform is accessible through PA CareerLink® Online.

Schools-to-Work. The Schools-to-Work program bridges the gap between high school and employment or post-secondary education by fostering partnerships to develop pre-apprenticeship and apprenticeship career pathways.

Employment First. Employment First is a national initiative to support all individuals with disabilities in full participation in Competitive Integrated Employment (CIE). Under this approach, publicly financed agencies and programs that interact with individuals with disabilities are urged to align policies, regulatory guidance, and reimbursement structures to commit to CIE as a priority for individuals with disabilities. The Employment First Oversight Commission reviews regulations and policies to recommend improvements and ensure the initiative's success.

Native American Program. The Native American Program provides federally funded employment and training services to Native American, Alaska Native, and Native Hawaiian individuals. The program seeks to improve employment outcomes, reduce poverty, and promote self-sufficiency.

Veterans Programs. The Jobs for Veterans State Grant (JVSG) is a federally funded initiative that supports state-level efforts to assist veterans in securing employment. Through JVSG, states hire specialized staff within PA CareerLink® offices to provide targeted services for veterans, particularly those facing significant barriers to employment (SBEs). Two key roles funded by JVSG are Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representatives (LVERs).

LVERs focus on employer engagement, promoting veteran hiring, organizing job fairs, and connecting veterans to job opportunities. While JVSG provides staffing support, it does not offer dedicated funding for training or other supportive services to address barriers to employment.

The Veterans Employment Program (VEP) was established as a complementary initiative to enhance the services provided through JVSG. The VEP is designed to help veterans, especially those facing challenges transitioning to civilian jobs, by providing support beyond the scope of JVSG.

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Appendix C – WIOA Workforce Development Outcomes Measures by Local Workforce Development Area

FY 2023-24

	Pennsylvania	Allegheny	Berks	Bucks	Central	Chester	City of Pittsburgh	Delaware	Lackawanna	Lancaster	Lehigh Valley	Luzerne-Schuylkill	Montgomery	North Central	Northern Tier	Northwest	Philadelphia	Pocono Counties	South Central	Southern Alleghenies	Southwest Corner	Tri-County	West Central	Westmoreland-Fayette
Adult																								
Employment (Second Quarter after Exit)	76%	77%	82%	76%	80%	55%	76%	61%	84%	79%	81%	70%	72%	77%	86%	84%	72%	74%	68%	70%	79%	86%	86%	84%
Employment (Fourth Quarter after Exit)	76%	77%	80%	74%	83%	85%	76%	61%	83%	81%	80%	75%	76%	77%	85%	78%	72%	69%	72%	73%	84%	78%	86%	81%
Median Earnings (Second Quarter after Exit)	$8,047	$7,953	$8,783	$6,963	$9,108	$8,443	$6,962	$6,388	$6,260	$8,605	$8,650	$7,635	$7,860	$7,429	$9,936	$8,382	$7,935	$6,626	$8,454	$6,709	$9,907	$8,732	$8,836	$9,574
Credential Attainment Rate	71%	67%	82%	76%	52%	71%	74%	84%	77%	74%	84%	88%	86%	69%	63%	77%	48%	87%	78%	76%	69%	85%	70%	77%
Measurable Skill Gains	72%	64%	97%	85%	67%	81%	70%	56%	99%	93%	85%	80%	75%	90%	87%	76%	53%	50%	85%	75%	75%	90%	90%	60%
Dislocated Workers																								
Employment (Second Quarter after Exit)	82%	77%	82%	86%	87%	85%	72%	81%	85%	86%	83%	75%	72%	79%	86%	90%	74%	85%	82%	85%	91%	86%	77%	82%
Employment (Fourth Quarter after Exit)	80%	78%	81%	87%	73%	83%	72%	80%	79%	79%	84%	72%	77%	79%	78%	88%	78%	81%	77%	82%	88%	87%	87%	90%
Median Earnings (Second Quarter after Exit)	$10,370	$10,948	$12,406	$10,871	$10,507	$11,888	$9,857	$10,345	$9,510	$9,390	$12,840	$9,573	$9,685	$9,909	$8,317	$11,279	$9,093	$10,989	$10,333	$8,877	$11,230	$13,298	$10,689	$11,673
Credential Attainment Rate	77%	70%	100%	94%	73%	88%	73%	81%	69%	81%	81%	85%	84%	87%	54%	65%	65%	86%	64%	78%	81%	85%	71%	86%
Measurable Skill Gains	77%	52%	95%	89%	44%	77%	64%	43%	97%	92%	86%	84%	80%	97%	85%	84%	48%	48%	96%	86%	83%	89%	93%	54%
Youth																								
Employment (Second Quarter after Exit)	72%	69%	66%	73%	76%	72%	63%	72%	82%	84%	77%	75%	64%	74%	60%	74%	72%	61%	72%	71%	88%	81%	75%	72%
Employment (Fourth Quarter after Exit)	71%	64%	67%	56%	62%	63%	74%	75%	76%	75%	77%	75%	63%	72%	67%	75%	74%	56%	74%	70%	89%	77%	81%	71%
Median Earnings (Second Quarter after Exit)	$4,111	$3,040	$3,540	$7,127	$3,691	$2,816	$3,209	$3,685	$5,859	$3,703	$4,270	$4,056	$3,899	$5,198	$6,402	$3,554	$4,987	$5,343	$3,846	$4,177	$4,547	$4,826	$4,395	$4,049
Credential Attainment Rate	66%	91%	48%	100%	48%	43%	87%	25%	84%	91%	68%	45%	57%	48%	44%	29%	64%	45%	44%	59%	92%	92%	57%	66%
Measurable Skill Gains	64%	67%	60%	75%	66%	75%	81%	6%	94%	67%	84%	54%	82%	82%	58%	73%	38%	17%	45%	64%	84%	84%	60%	50%

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Appendix D – Career and Technical Centers (CTCs) in Pennsylvania

South Central Pennsylvania CTCs

- Admiral Peary Area Vocational Technical School
- Bedford County Technical Center
- Greater Altoona Career & Technology Center
- Greater Johnstown Career and Technology Center
- Somerset County Technology Center
- Fulton County Center for Career and Technology
- Mifflin County Academy's Practical Nursing Program
- Huntingdon County Career and Technology Center
- Cumberland-Perry Area Vocational Technical School
- Dauphin County Technical School
- Franklin County Career and Technology Center
- York County School of Technology
- Lancaster County Career & Technology Center
- Lebanon County Career & Tech

Central/North Central Pennsylvania CTCs

- Seneca Highlands Career and Tech Center
- Central PA Institute (CPI)
- Clearfield County Career & Technology Center
- Keystone Central Vo-Tech School
- Lycoming Career & Tech Center
- Northern Tier Career Center
- Northumberland County Career & Technology Center
- Columbia-Montour Area Vocational Technical School
- SUN Area Technical Institute

Southwest Pennsylvania CTCs

- Connellsville Area Career & Technical Center
- Fayette County Career & Technical Institute
- Greene County Career & Technology Center
- Western Area Career & Technology Center
- Mon Valley Career & Technology Center
- Central Westmoreland Career and Technology Center
- Eastern Westmoreland CTC
- Northern Westmoreland Career
- Pittsburgh AVTS
- A.W. Beattie Career Center
- Forbes Road CTC
- McKeesport Area Tech Center
- Parkway West Career & Technology Center
- Steel Center for Career and Technical Education
- Beaver County Career & Technology Center
- Lenape Technical School
- Indiana County Technology Center

Southeast Pennsylvania CTCs

- Chester County Intermediate
- Delaware County Technical High School - Folcroft Campus
- Philadelphia AVTS
- Central Montco Technical High School
- Eastern Center for Arts & Technology
- North Montco Tech Career Center
- Western Center for Technical
- Bucks County Technical School
- Middle Bucks Institute of Technology

- Upper Bucks County Technical School
- Berks Career and Technology Center - East Campus
- Reading Muhlenberg Career and Technology Center
- Schuylkill Technology Center - North Campus
- Schuylkill Technology Center - South Campus

Northeast Pennsylvania CTCs

- Susquehanna County Career & Technology Center
- The Career Technology Center of Lackawanna County
- Hazleton Area Career Center
- West Side Career & Technology Center
- Monroe Career & Technical Institute
- Career Institute of Technology
- Bethlehem Area Vocational-Technical School
- Carbon Career & Technical Institute
- Lehigh Career & Technical Institute
- Wilkes-Barre Area CTC

Northwest Pennsylvania CTCs

- Butler County Area Vocational-Technical School
- Regional Career & Technical Center
- Clarion County Career Center
- Crawford County Career & Technical Center
- Erie County Technical School
- Jefferson County-DuBois AVTS
- Lawrence County Career Tech
- Mercer County Career Center
- Venango Technology Center
- Warren County AVTS

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Appendix E – Department Responses to this Report

March 14th, 2025

General Statement from L&I:

WIOA performance accountability metrics were officially implemented on July 1, 2016. Titles II and IV were granted a period to make the necessary system adjustments for accurate data collection, whereas the WIOA Title I and Title III programs were mandated to start reporting the required data immediately. The interval between the finalization of the reporting requirements and the implementation was only a few days, which provided the Department of Labor & Industry (L&I) with limited time to execute complex system modifications. As a result, some of the essential changes were still in progress as late as 2018, which affected our capacity to gather the data needed for precise performance evaluations for the program years that fall within the scope of this report.

Throughout the report, the LBFC refers to the amount programs exceeded or fell short of their goals by xx percent. In reality, these calculations are based on a percentage point difference – subtracting the percent achieved from the negotiated goal.

General Comments – Key Findings

1. ***WIOA Title I programs collectively achieved 84 percent of their negotiated goals from FY 2019 to FY 2023-24. The WIOA Title III program achieved 73 percent of its negotiated goals in the same period.***

- The LBFC has evaluated whether WIOA Title I and Title III programs achieved their negotiated goals by determining the number of goals exceeded between RY 2019 and FY 2023-24. However, in accordance with WIOA regulations (Training and Employment Guidance 11-19, Change 3), Pennsylvania's programs are evaluated based on three criteria. Based on all of those criteria, Pennsylvania's programs were determined to have successfully achieved performance goals in each of the years.
- Negotiations for the Title I and Title III programs occur between L&I and the USDOL employment and Training Administration (ETA) every two years for the forthcoming two program years. (correction to language on pg. 11) While several factors are considered when projecting the potential outcomes to be achieved, changes to labor market conditions as was evidenced from March 2020 through May 2023 greatly impacted the workforce system's ability to provide the complete array of services necessary for some participants to achieve their employment and education goals. Excluding the fiscal years 2020-21 and 2021-22, the WIOA Title I and Title III programs achieved over 93 percent of their negotiated goals.

3. Title I and Title III program participants experienced lower employment rates compared to statewide and national employment figures from FY 2019-20 to FY 2023-24.

- *The 'statewide employment rate' as quoted by the LBFC is sourced to the US Department of Labor's Bureau of Labor Statistics. We are assuming this to be defined as the inverse of the unemployment rate, roughly 4%. A majority of the individuals served by our programs are unemployed (part of the referenced 4 percent), many of whom encounter significant barriers to employment. The fact that the L&I workforce programs place, on average, over 70 percent of these individuals in employment is noteworthy and should be referenced in any comparison to a 'statewide employment rate'. In addition, it is unrealistic to expect similar employment rates for the general population and the populations of focus for WIOA programs.*

4. The annualized FY 2023-24 earnings of Adult and Dislocated Worker program participants (Title I) was $33,510 lower than the Pennsylvania per capita personal income of $70,344. The annualized FY 2023-24 earnings of Title III program participants were $38,684 lower.

- The LBFC has evaluated effectiveness of program participant earning outcomes by comparing an average median earnings of adult and dislocated worker participants to the Pennsylvania per capital personal income levels. Median earnings are based on earnings reported by the employer as being paid to the employee in a specific quarter. It is not unusual for the earnings reported to be representative of only a portion of the quarter, depending upon the date of hire. This fact artificially lowers the median of what is being used in this report to represent full quarterly earnings. The added factor of annualizing the median earnings of program participants exacerbates this issue.

5. Currently, L&I does not collect and report a performance indicator that compares program participant earnings before program entry to earnings after program exit for Title I programs.

- Implementation of this recommendation would need to be done carefully, as individuals who were not employed prior to program entry will greatly increase the 'earnings gains' while those who were employed prior but found not to be employed after would negatively impact any gains.

Recommendations:

We recommend that L&I develops a performance indicator that compares the earnings of individuals prior to entering Title I programs to their earnings after. This performance indicator would better assess the program's ability to increase participant's earnings through workforce development activities and services.

We recommend that the negotiated goals for all required performance measures for the WIOA Title III program be increased over time to better reflect the program's performance history and to keep pace with the statewide and national employment and earnings figures.

- These recommendations go beyond current WIOA statute and DOL guidance. PA does increase this indicator over time; however, PA cannot keep pace with statewide and national employment focuses because the population being served has significant

barriers to employment. Trying to implement this recommendation would put PA at risk of not meeting this measure in the future, which could result in PA being sanctioned and the reduction of WIOA funding to the state. If anything, we recommend the state set internal indications with a goal of increasing employment and earnings over time.

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF EDUCATION

March 13, 2025

Christopher Latta, Executive Director
Legislative Budget and Finance Committee
Commonwealth of Pennsylvania
613 North Street, 400A Finance Building
Harrisburg PA, 17105-8737

Dear Mr. Latta,

Thank you for your collaboration as we work to create a better understanding of how the Department's efforts have contributed to expanding the Commonwealth's workforce. I appreciate you providing the opportunity to review your drafted report. I am happy to share that the Department of Education does not have any recommended changes.

Unfortunately, we are unable to have a department representative present at your scheduled March 24th public meeting. That being said, if a member of the General Assembly who sits on the committee has any questions pertaining to the report or the Department's efforts to expand our workforce, they are more than welcome to reach out to my Government Relations Director, Stephen Latanishen.

I appreciate your coordination and look forward to working with the committee in the future.

Sincerely,

C. Rowe

Carrie Rowe, Ed.D.
Acting Secretary of Education

Office of the Secretary
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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF HUMAN SERVICES

March 19, 2025

Mr. Christopher R. Latta, MBA
Executive Director
Legislative Budget and Finance Committee
613 North Street, 400 A Finance Building
Harrisburg, Pennsylvania 17105-8737

Dear Mr. Latta:

Thank you for providing a draft of the Department of Human Services' section of the Legislative Budget and Finance Committee's (LBFC) report on the effectiveness of workforce development programs in Pennsylvania and providing the opportunity for the Department of Human Services to submit comments.

The Department defines workforce development as a suite of human-centered services and supports designed for individuals accessing public benefits to help connect those able to work to family-sustaining careers. The Department is committed to creating bridges to success for our most vulnerable Pennsylvanians, which is why we offer a vast array of job training and workforce development programs for public assistance recipients. These programs provide tools for success that help people identify and pursue their goals, excel in education and job training programs, overcome barriers to finding and sustaining gainful employment, and build careers and independence. Without access to quality health care, nutritious food, and/or safe and stable housing, a person may struggle entering and staying in the workforce. By supporting Pennsylvanians and helping them meet their needs, DHS contributes to workforce development every day. Further, by supporting Pennsylvanians and helping them connect to gainful employment, DHS helps employers across the Commonwealth find and retain a stable workforce.

The focus of the section of the report provided to the Department is on DHS' programs that provide job training that aim to build program participants' technical skills for in-demand jobs. These programs are provided in parallel with direct assistance programs and are typically administered through contracted providers. Although some DHS assistance programs have a workforce development component, enrollment in the workforce component is contingent on being eligible for cash and/or food assistance.

For example, the Office of Income Maintenance (OIM) offers Employment and Training (E&T) programs to individuals receiving cash assistance (also known as Temporary Assistance for Needy Families, or TANF), who are required to participate in E&T as a condition of receiving cash assistance unless DHS determines they are exempt or have good cause. OIM also offers E&T programs on a voluntary basis to individuals receiving Supplemental Nutrition Assistance Program (SNAP) benefits.

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In discussions with LBFC staff, the LBFC identified Employment, Advancement, & Retention Network (EARN), Work Ready, and SNAP Job Experience and Training Services (SNAP JETS, formerly SNAP 50/50) as the specific programs for inclusion in the report. OIM also provides E&T programs that did not meet the LBFC's criteria for this report, including:

- Keystone Education Yields Success (KEYS) - a collaborative program between DHS and 14 community colleges across Pennsylvania. The program helps people who receive SNAP or TANF pursue a community college education and succeed in higher education by providing academic and peer support, financial assistance, career counseling, and much more. KEYS pairs TANF and SNAP recipients with a dedicated "student facilitator" to provide supports necessary for students to complete education activities, and graduate with a career-specific, credit-bearing certification or an associate's degree. Students participating in the KEYS Program may be eligible for supportive services like assistance with school supplies, transportation, and child care.
- Education Leading to Employment and Career Training (ELECT) - available in select counties for people aged 22 or younger who want to get their high school diploma or high school equivalency. ELECT provides vocational, career, and job readiness training.

In addition to OIM programs, DHS Medicaid (called Medical Assistance in Pennsylvania) waiver programs provide employment supports to participants. These employment services are essential for Office of Developmental Programs and Office of Long-Term Living participants. For example, Community HealthChoices Managed Care Organizations (CHC-MCOs) must include employment-related needs and service requirements of participants as part of the person-centered service plan. CHC-MCOs will offer services that promote or lead to securing or maintaining competitive-integrated employment, including, but not limited to, job coaching and job finding, customized employment, discovery (for participants with to-be-defined challenging needs), benefits counseling, and transportation.

The Office of Children, Youth, and Families (OCYF) Bureau of Juvenile Justice Services (BJJS) offers vocational training to their youth. This is offered through the Intermediate Units (IUs) or the Local Educational Agency (LEA) which provide the educational services. Some of the program is also offered through the Office of Vocational Rehabilitation (OVR). In addition to the IUs and LEAs, BJJS' program staff also deliver vocational training to youth.

As the largest state agency in the Commonwealth and the oversight agency for a wide range of essential service sectors, workforce challenges affect both DHS employees, our partners, and, ultimately, the Pennsylvanians we serve. The human services workforce – caring and social service professionals in health care, home care, direct support, child care, and child welfare – are the backbone of a functioning economy, allowing others to work and contribute in other ways. DHS has invested in our own workforce through providing grantees funding to recruit, hire, and train community health workers to do outreach, screenings, and navigation. By supporting programs such as the Maternity Care Coalition's Doula and Lactation Support Community Health Training program and by

assisting individuals with lived experience becoming certified peer specialists by providing scholarships to cover full tuition and testing costs, DHS has worked to fill roles in the human services sector.

Collectively these programs support Pennsylvanians and their ability to participate in the workforce in meaningful and sustainable ways.

The Department offers the following general comments on this report.

The Department was only provided with Section III: Major Workforce Development Agencies of the report to review. Our comments are limited to the section of the report provided by the LBFC. We also note that this report should not be considered inclusive of all DHS programming that supports workforce development. The Department deferred to the LBFC on what programs would be included in the report and provided information related to those programs. For example, the collaboration between agencies section is not an exhaustive catalog of our efforts to improve workforce development. We appreciate that the report recognizes the limits to the scope of this report.

We also would like to note that the data provided encompasses years during the COVID-19 pandemic. Specifically, E&T programs were impacted in SFYs 2020-2021 and 2021-2022 with some programs experiencing service disruptions and many participants experiencing new and unprecedented barriers to employment. This impacted both the number of people served and the expenditures. Only beginning in SFY 2022-2023 did we begin to see recovery in our workforce development programs from the impact of the COVID-19 pandemic and public health emergency. While the pandemic, and resulting economic instability, may be covered in other sections of the report, it is not part of the section of the report provided to DHS. We request that there are footnotes included for data covering years during the height of the pandemic. The pandemic years cannot serve as a baseline for determining trends or benchmarks.

The Department disagrees with the recommendation that DHS develop "a performance indicator that compares the earnings of individuals prior to entering WFD programs to their earnings after." Although we understand why the LBFC makes this recommendation, because EARN, Work Ready, and SNAP JETS enrollment is contingent on enrollment in TANF and/or SNAP, which have specific financial eligibility requirements, any earnings from WFD programs count against the income limits for the program. Increased earnings would mean that the individual may no longer qualify for SNAP or TANF—any new earnings would be an improvement. The Department believes that the credentialing and job retention performance indicators are data-supported proxies for earnings.

For EARN and Work Ready, the Department has included employment with an hourly wage at least $2 above the minimum wage for the performance outcomes for program years 2023-2024 and 2024-2025. This metric is measured by the number of cases where the individual is employed with hourly wage and meeting the employment measurement during the program year divided by the number of cases with active unsubsidized employment who are eligible for placement during the program year. The

target goal is 65% of cases with employment with an hourly wage at least $2 above the minimum wage.

The second recommendation included by the LBFC is that "DHS collects program participant employment retention within three-, six-, and 12-month periods for all programs." The Department agrees that job retention is an important performance indicator. One of the performance outcomes for TANF EARN and Work Ready for program years 2023-2024 and 2024-2025 is that grantees provide documentation of the participant's job retention, which tracks ongoing employment for E&T participants. Through the end of State Fiscal Year (SFY) 2019-2020, this tracked individuals from month to month, requiring 80 hours or more of employment across a four consecutive week period in employment. From SFY 2020-2021 onward, TANF retention is monitored at 6 and 12 months after leaving TANF benefits due to gaining employment. Success at 6 and 12 months is measured against whether the individual has continued employment and did not return to TANF benefits. Additionally, starting this FFY (10/1/2024), this is also a federal TANF measurement.

The SNAP EARN and SNAP JETS job retention performance metric is for a 90-day period. This reflects the federal limitation on E&T programing for job retention, which is limited to 90 days post-employment.[1] After the 90 days, the program is complete and does not have the authority to compel proof of employment from former participants.

Given that the Department already includes job retention as a performance metric, the recommendation on collecting employment retention for the specific intervals outlined by the LBFC is duplicative and not necessary.

The Department also emphasizes that the performance indicators—also referred to as program outcome measures—are set internally. They are what DHS uses to hold ourselves accountable, which is why there may be differences in the target goals for different years. These goals were designed by a cross-sector workgroup including subject matters experts from workforce development, human services, and grantees in 2019. They are reviewed periodically for appropriateness and intention. The outcome measures are designed to be difficult to achieve. If DHS is regularly meeting the targets, the targets are reviewed so that DHS and grantees are constantly striving to improve outcomes for our clients.

In addition to the performance indicators, the Department also has federal reporting requirements. In accordance with Section 304 of the Fiscal Responsibility Act, on October 1, 2024, Pennsylvania began collecting and submitting information necessary to determine the following four indicators of performance for TANF:

- Employment Rate—2nd Quarter After Exit: The percentage of individuals who were work-eligible as of the time of exit from the program, who are in unsubsidized employment during the second quarter after the exit;
- Employment Retention Rate—4th Quarter After Exit: The percentage of individuals who were work-eligible as of the time of exit from the program who were in unsubsidized employment in the second quarter after the exit, who are also in unsubsidized employment during the fourth quarter after the exit;

[1] 7 U.S.C. §2015(d)(4)(B)(i)(VII))

- Median Earnings—2nd Quarter After Exit: The median earnings of individuals who were work-eligible as of the time of exit from the program, who are in unsubsidized employment during the second quarter after the exit; and
- Secondary School Diploma or its Recognized Equivalent Attainment Rate: The percentage of individuals who are under 24 years of age, are attending high school or enrolled in an equivalency program, and are work-eligible individuals or were work-eligible individuals as of the time of exit from the program, who obtain a high school degree or its recognized equivalent while receiving assistance under the state program funded under this part or within one year after the exit.

The Department reports the following information to the U.S. Department of Agriculture quarterly:

- The total number of SNAP recipients who do not meet an exemption from work registrant requirements in 7 CFR 273.7(b).
- The number of non-exempt Able-Bodied Adults Without Dependents (ABAWDs) living in a non-waived area who are participating in a SNAP E&T program.
- The number of non-ABAWDs (including ABAWDs who live in a waived area) who are participating in a SNAP E&T program.
- The number of non-exempt Able-Bodied Adults Without Dependents (ABAWDs) living in a non-waived area to whom the state has granted a discretionary exemption.

DHS includes the following information annually:

- The number of SNAP recipients who participated in the E&T program during the federal fiscal year.
- The number of SNAP recipients who participated in each E&T component (e.g., Vocational Education, Job Search) during the federal fiscal year.
- The number and percentage of SNAP E&T exiters who are in unsubsidized employment during the second quarter after completion of participation in E&T.
- The number and percentage of SNAP E&T exiters who are in unsubsidized employment during the fourth quarter after completion of participation in E&T.
- Median average quarterly earnings of SNAP E&T exiters who are in unsubsidized employment during the second quarter after completion of participation in E&T.
- The total number and percentage of participants that completed an educational, training work experience, or an on-the-job training component.

The Department was disappointed that a summary of DHS' engagement with the LBFC, our recommendations for improvement, and external factors that impacted our data were not included in the section of the report provided to DHS to review. DHS met with LBFC at least twice, provided over 20 pages of information on our programs and data, and toured one of our E&T providers in Lancaster with LBFC staff. The Department also provided four recommendations for improvements to our workforce development programs. This engagement with the LBFC provides important background and context that was not included in the report.

Mr. Christopher R. Latta, MBA - 6 -

The Department offers the following specific comments and edits:

- Some of the descriptions of the employment services provided are more nuanced in practice. For an overview of special allowances and supportive services, please refer to the Policy Handbooks available on the DHS website and the special allowances desk guide.[2,3]
- As noted in the report, exhibit 45 Total TANF and SNAP Recipients in Pennsylvania (FY 2020-21 to FY 2023-24) does not reflect the number of people who would be eligible for DHS' workforce development programs. These numbers include children, who may not be appropriate to include for workforce development programs. The numbers below are what the LBFC used for exhibits 51, 64, and 70 to show outcomes compared to the adult population enrolled in these programs.
    - TANF adult ongoing recipients per SFY:
        - SFY 23-24 - 30,877
        - SFY 22-23 - 33,497
        - SFY 21-22 - 30,629
        - SFY 20-21 - 29,268
        - These numbers reflect TANF individuals based on eligibility status, rather than ages. This removes child recipients from the count because they would not volunteer or be mandatory to participate in TANF E&T.
    - ETANF adult ongoing recipients per SFY:
        - SFY 23-24 - 7,364
        - SFY 22-23 - 8,446
        - SFY 21-22 - 8,595
        - SFY 20-21 - 8,503
        - These numbers reflect TANF individuals based on eligibility status, rather than ages. This removes child recipients from the count because they would not volunteer or be mandatory to participate in TANF E&T.
    - SNAP Q4 FFY Work Registrant counts:
        - FFY 23-24 - 268,958
        - FFY 22-23 - 268,236
        - FFY 21-22 - 270,192
        - FFY 20-21 - 200,833
        - Work registrant requirements are outlined in 7 CFR 273.7(b). Work Registrants include individuals who may have an exemption to a work requirement, they are still adults who are able to be served by SNAP E&T programs. All Able-Bodied Adults Without Dependents (ABAWDs) are Work Registrants, but not all Work Registrants are ABAWDs.
- The cost analyses in exhibits 49, 55, 62, and 68 are extremely flawed because the LBFC calculated cost per performance indicator by taking the total amount for the expenditure for each year and dividing by the number of people meeting the performance indicator. This is too simplistic because it supposes that those who accomplished a performance measure is an adequate denominator when compared to the entirety of funds expended on the program in question. However, this would

[2] Policy Handbooks and Manuals | Department of Human Services | Commonwealth of Pennsylvania
[3] SPAL_Desk_guide.pdf

not be the correct takeaway because not all enrolled attempt to gain one of these performance measures - and thus, not all funds should be attributed to each performance measure, nor should all those enrolled in the given timeframe.

- A potential alternate way to calculate would be the following: [(FY expenditure/number enrolled)*number eligible]/the number that met the goal.
  - For example, for 6 month retention in EARN FY 2021-2022: [(**$55,603,116** Expend / **7,684** enrolled) * **798** 6 month retention denominator]/ **418** 6 month retention numerator = **$13,814** cost per six month retention
  - Under this approach, costs are an estimated average cost per reached performance indicator by evaluating cost expenditures against how many enrollments were served, multiplied by the number of individuals who attempted a performance measure, divided by those who achieved it, in order to appropriately weight the costs of the longer-term service often entailed when services are seen through to their successful conclusion.
- **The cost analyses by the LBFC cannot be used to form any conclusions about the cost effectiveness of the Department's WFD programs.** We appreciate that the LBFC includes the limitations of the cost per outcome analysis before exhibits 49, 55, 62, and 68.

Thank you again for the opportunity to contribute to this important study evaluating the effectiveness and efficacy of EARN, Work Ready, and SNAP JETS. The Department sincerely appreciates the LBFC's comprehensive approach and your staff's dedication to understanding these complex and multifaceted issues. Through continued partnership, we look forward to addressing these challenges and advancing initiatives that promote workforce development, while upholding fiscal responsibility and continuing to deliver SNAP and TANF benefits across the Commonwealth.

Sincerely,

Valerie A. Arkoosh, MD, MPH
Secretary

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DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT

The following is supplemental information in response to the Legislative Budget and Finance Committee's draft report on workforce development – specifically as it relates to the Department of Community and Economic Development.

Workforce Definition:

Per the governor's policy office – 2001 Act 114 - PA General Assembly: "Workforce development." Information access and lifelong learning activities. The term includes vocational education programs; programs in community colleges, technical colleges and postsecondary education institutions authorized to grant diplomas and certificates, specialized associate, associate, baccalaureate and advanced degrees; and transitional support and work support services or activities which enable customers to engage in or prepare for employment opportunities.

Having broad definition of workforce development is important as it allows for the different agencies who are involved in workforce development, customize the services and programming they provide to the constituency they serve. For DCED, that is the employer, and our programing is focused on ensuring we are providing the support a company needs to grow and thrive in Pennsylvania.

Exhibit 1 – Eligible Participants for Workforce Development Programs

Under Community and Economic Development section, the information should be as follows:

WEDnetPA	Employers	Incumbent Workers
Manufacturing PA Training-to-Career	Technical schools, trade schools, community colleges, school districts, post-secondary academic institutions, nonprofit organizations, workforce development boards, and economic development organizations	
Foundations in Industry Training	Sponsors of registered apprenticeship and pre-apprenticeship programs	

WEDnet Recommendation: ***We recommend that DCED collect and track annual WEDnetPA job retention and wage increase data. Because WEDnetPA focuses on incumbent worker training, these outcome measures would better evaluate the program's success. Tracking these outcome measures annually would be a proper measure of effectiveness.***

See attached documentation from Shannon Munro, Executive Program Officer, WEDnetPA

Manufacturing Training-to-Career Recommendation: ***To properly assess the effectiveness of training-related grants, DCED should track employment one year after completion of the program and track whether that employment is in a field related to the program.***

DCED awards Training-to-Career funds to create and implement short-term training programs as well as awareness programming geared to informing students about the opportunities within the manufacturing industry. Training and awareness figures vary from year to year based on the type of programming. For example, awareness programming can be implemented in a specific school or an entire school district, which would have vastly different figures. Due to the unique programming each grantee has, these figures, especially in awareness will always fluctuate.

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Grantees have two-years to spend these funds, which for some, they do spend the first year setting up the program and then the second conducting programming (either awareness or training). When it comes to awareness, most grantees do conduct surveys to measure how much a student is aware of manufacturing before the programming begins and after the program is conducted.

This program requires at least two manufacturers (especially important when it comes to training) to be a part of program development and to be participatory in the program (i.e. donate equipment, host visits/tours to company, offer job shadowing/internships, interview successful completers of the program, etc.). The grantees for the program do have relationships with area manufacturers and most do help with participants in the training program with resume writing, interviewing skills, as well as setting up times for the trainees to interview with employers following completion of the program.

Metric Suggestion – Awareness: As a part of the program guidelines, we could include under reporting that grantees are required to conduct before and after surveying to gauge the impact the programming had on students.

Metric Suggestion – Training: As a part of the program guidelines, we could include under reporting, that grantees are required to conduct follow up surveying of individuals who participated in the training program to see if they secured employment based on the training and if that employment was in the manufacturing industry.

Foundations in Industry Training (FIT) Recommendation: ***To assess effectiveness in the future, DCED should consider monitoring apprentices one year after program exit for job placement and starting wage and compare those measures to those of apprentices in similar fields coming out of non-FIT programs.***

Apprenticeship is an industry-driven, high-quality training approach that allow employers to develop and prepare their future workforce. Completely customizable and utilized in industries ranging from manufacturing and the building trades to healthcare and information technology, apprenticeship is a solution to the growing need for skilled labor.

Registered Apprenticeship (RA) is a structured education and training program that takes place in the workplace and includes formal on-the-job training (OJT) and classroom-based, related technical instruction (RTI). An apprentice is a **full-time, paid employee** of the sponsoring organization from the start of the program. An apprenticeship must include at least 2,000 hours of OJT and a required **144 hours of RTI** but can last anywhere from 1 to 6 years.

An apprenticeship is not an internship or a short-term training program. Apprentices work full-time and are paid a wage. As the apprentice hits milestones such as completing a certain number of program hours or demonstrating job competencies, their wages increase according to the agreement signed by the employer and the apprentice at the beginning of the program.

FIT grant funds are awarded to the sponsor of a registered apprenticeship program to help with the costs of the RTI portion of the apprenticeship program. Award amounts are based on the

number of apprentices the program will train. These are three-year grants, where the grantee determines if the funds will be used for one cohort over three years, or the incoming cohort for three years. Most RA's are not completed within three years. The FIT program is a way to help retain and recruit apprentices into a program and help with the costs to the sponsor of running an apprenticeship.

Metric Suggestion – Apprenticeship: It would be difficult to monitor apprentices one year after exiting an apprenticeship program, as stated above, programs range in length and our investment into the program is for a portion of the entirety of the program. We do collect the following data: number of grants awarded, number of apprentices associated with the grant, and industry of the program. We could add to the collection of the wage schedule for the apprentices.

Metric Suggestion – Pre-Apprenticeship: Similar to an apprenticeship program, it would be difficult to monitor pre-apprentices status one year after exiting a program, but we could request information on if the pre-apprentices are working in the industry they trained in or transitioned into an apprenticeship program.

WEDnetPA
UPSKILLING PENNSYLVANIA'S WORKFORCE

BLOOMSBURG UNIVERSITY OF PENNSYLVANIA
BUCKS COUNTY COMMUNITY COLLEGE
BUTLER COUNTY COMMUNITY COLLEGE
COMMUNITY COLLEGE OF ALLEGHENY COUNTY
COMMUNITY COLLEGE OF BEAVER COUNTY
COMMUNITY COLLEGE OF PHILADELPHIA
DELAWARE COUNTY COMMUNITY COLLEGE
EAST STROUDSBURG UNIVERSITY OF PENNSYLVANIA
HACC – CENTRAL PENNSYLVANIA'S COMMUNITY COLLEGE
KUTZTOWN UNIVERSITY OF PENNSYLVANIA
LEHIGH CARBON COMMUNITY COLLEGE
LOCK HAVEN UNIVERSITY OF PENNSYLVANIA
LUZERNE COUNTY COMMUNITY COLLEGE
MONTGOMERY COUNTY COMMUNITY COLLEGE
NORTH CENTRAL PA REGIONAL PLANNING & DEVELOPMENT COMMISSION
NORTHAMPTON COMMUNITY COLLEGE
PENNSYLVANIA COLLEGE OF TECHNOLOGY
PENNSYLVANIA HIGHLANDS COMMUNITY COLLEGE
PENNSYLVANIA WESTERN UNIVERSITY
READING AREA COMMUNITY COLLEGE
SHIPPENSBURG UNIVERSITY OF PENNSYLVANIA
WESTMORELAND COUNTY COMMUNITY COLLEGE

March 4, 2025

Response to the draft report of DCED workforce development programming sent to Secretary Rick Siger on February 28, 2025 from Christopher Latta, MBA, Executive Director, Legislative Budget and Finance Committee.

The WEDnetPA, Workforce and Economic Development Network, program staff appreciates the opportunity to provide feedback on this report.

During the 26 years of WEDnetPA's continuous operation in Pennsylvania, funding ranged from a low of $5.7M during the first year of the pandemic to $22.5M in the program's early years. The program's resources are equitably dispersed across the geography of Pennsylvania using a network of 22 partner entities. The WEDnetPA program provides financial resources to eligible companies that invest in upskilling their employees, whether the identified need is for technical or durable skills like communication, critical thinking, collaboration, resilience, and leadership.

Definitions of workforce development are broad and should be identified for each intended audience and purpose. WEDnetPA serves to benefit Pennsylvania companies in retaining their business and incumbent workforce through reimbursements for upskilling costs.

WEDnetPA has received bipartisan support every year of operation and successfully performed under the leadership of six governors. ***The key differentiator for this program is that its primary customers are eligible Pennsylvania companies***.

Pennsylvania is facing a significant population decline in the coming decades. WEDnetPA is well-positioned to impact the retention of companies in Pennsylvania by offsetting a portion of the training costs associated with upskilling their workforce so that they can invest resources in equipment, infrastructure, salaries and other improvements. The WEDnetPA program strengthens the long-term economic foundation of Pennsylvania while not burdening the recipients with unnecessary paperwork and metrics that do not align with the goal of the program.

Section III, DCED Point 1 re: WEDnetPA

1. It is important to highlight that the data referenced in the report originates from the 2019/20 fiscal year, which coincided with the onset of the COVID-19 pandemic. If the report timeline began one year later, the analysis shows an increase in training funds to companies of only 28.1%. If the analysis had begun in 20/21 through to this fiscal year it would have shown flat WEDnetPA funding.

In FY 23/24, 703 companies were served for an average award per company of $14,912. This amount is only 14.9% of the company cap of $100,000 established in the

program guidelines. These metrics over time would be useful to demonstrate the impact of the program and the volume of companies served. This data is available.

Additionally, FY 19/20 marked significant changes to program eligibility. WEDnetPA offered two reimbursement options for companies based on type of training in 19/20. The maximum amount of reimbursement was either $600 or $1,200. With the adjustment to a single streamlined eligibility criterion, the reimbursement amount was increased to $2,000 per employee. The average reimbursement outlined in the report is $436 per employee which is 21.8% of the per person cap. In FY 19/20, an employee could have been in both eligibility categories and they would have counted twice vs once after eligibility changed. These metrics, on their own, are not useful in demonstrating company impact.

2. Additional WEDnetPA metrics should reflect the broader economic impact of the program. Pennsylvania's long-term economic growth depends on the ability to keep companies in the state, particularly those investing in employee development. When companies can upskill their workforce with the program's assistance, they are more likely to remain competitive and stay in Pennsylvania, contributing to job creation and economic stability.

   Collecting job retention and wage increase data per individual employee, as suggested, will not effectively capture the success of the WEDnetPA program. It would be difficult to determine what a good benchmark is for wage increases and retention. While individual employee outcomes are important, they are not the most meaningful indicator of whether this program is achieving its primary objective: the retention of Pennsylvania employers.

   The key purpose of WEDnetPA is to provide financial assistance to Pennsylvania employers, helping them upskill their workforce and, in turn, retain their businesses in the state. By focusing on the retention of companies—rather than individual employees—we can better measure the program's success in fulfilling this critical mission.

   Currently, WEDnetPA requires companies to pay a minimum wage of $16.74 per hour for employees receiving training. This is significantly higher than the state's minimum wage, which suggests that employers are paying competitive wages that attract skilled workers. While individual wage increases and retention are important, these factors are secondary to the overarching goal of company retention.

   Tracking employer retention would provide a clearer picture of the program's effectiveness in maintaining a thriving, skilled workforce in Pennsylvania. The real value of WEDnetPA lies in its ability to help businesses grow, create jobs, and retain talent in the state. If the companies that receive funding remain in Pennsylvania and continue to upskill their employees, the state's economy benefits.

   Six months into new leadership for the WEDnetPA program has provided time to evaluate the program with a different lens. Conversations have been ongoing about adding metrics that demonstrate program success, while not negatively impacting the delivery of the program. ***A metric that tracks company retention in Pennsylvania —1, 2, and 3 years after receiving funding is an option. This approach would allow for a more accurate reflection of the program's success in supporting businesses and ensuring their long-term viability in Pennsylvania, which is the true measure of the program's impact. To accomplish this, the program would require using FEIN or***

other data to determine whether the company remained in Pennsylvania. This would require interdepartmental agreements for data sharing.

The program currently collects company FEINs but does not collect individual social security numbers (SSNs) for several reasons including privacy and confidentiality concerns, public perception, data breaches, legal and compliance issues, increasing the administrative burden on companies with no alignment to program goals, risk of identity theft and difficulty obtaining consent. Adding the collection of SSNs is not recommended which is the only way to secure wage records. Wage data is often reported on a delayed basis (e.g., quarterly or annually) meaning that metrics based on wage records might not reflect the most current trends or conditions in the workforce. This delay can hinder real-time decision-making which we believe is necessary for employer-focused programs. WEDnetPA currently uses a unique identifier for incumbent workers. FEINs, which are already collected, are unique company identifiers that can be used to track company retention as outlined above.

Additionally, the WEDnetPA program does collect annual employee turnover rates for every company that applies for funding. The program conducts annual customer satisfaction surveys. The WEDnetPA program voluntarily conducted an Agreed Upon Procedures Audit for FY 23/24 to document administrative, partner and company compliance with established guidelines.

Lastly, an important element that was omitted from the report is the partnership between BusinessPA and WEDnetPA. As new companies move to or expand in Pennsylvania, they are often provided with funding to support on-ramping and training their employees. These funds are included in the WEDnetPA budget.

3. Exhibit 3-

It is important to address the issue of funding consistency. WEDnetPA has faced fluctuations in funding in recent years, which has hindered its ability to operate at peak efficiency. Providing consistent and predictable funding would allow the program to expand its reach and assist even more Pennsylvania companies. For example, with additional resources, the program could support more businesses, particularly those in key sectors critical to Pennsylvania's economic development, such as agriculture, energy, life sciences, manufacturing, robotics and technology. Governor Shapiro's Economic Development Strategy is aligned with these industries and we are committed to further refining our program's eligibility criteria to prioritize these sectors.

Governor Shapiro's 10 Year Economic Development Strategy was made public after the FY24/25 Guidelines for the program were developed. In the next fiscal year, the WEDnetPA program is evaluating full alignment of program company eligibility to those key industries identified in the strategy. While the program is closely aligned, full alignment is possible and will prioritize those industry sectors critical to the growth of Pennsylvania's economy.

Rather than considering rear-view mirror metrics that make it difficult to adjust and make improvements to the program in real-time, alignment to key industries is part of a forward-thinking plan to prioritize serving companies critical to a strong Pennsylvania economy.

Submitted by:
Shannon Munro
Executive Program Officer, WEDnetPA

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Appendix F – LBFC Response to DHS

On page 6 of its response, DHS noted the TANF and SNAP recipient figures for those eligible for WFD programming. As DHS states, these are the numbers used in the report, where we use them for analysis.

On page 6 of its response, DHS states the cost analyses in exhibits 49, 55, 62, and 68 are flawed because the LBFC calculated cost per performance indicator by taking the total amount for the expenditure for each year and dividing by the number of people meeting the performance indicator. Within the DHS section of the report, we provided the following explanation: with the information provided by DHS, we calculated a cost-per-outcome measure by dividing a program's expenditures by the number of individuals who achieved a specific outcome. We note that while cost per outcome helps determine program efficiency, it does not fully capture the actual cost of generating an additional successful outcome. Instead, it can analyze the relationship between a program's expenditures and performance outcomes.