Workforce Development System Resource Mapping

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Presentation Roadmap

- Project Goals
- Research Approach
- Findings
  - System by key providers
  - System by key revenue sources
- Questions Raised by the Project
Project Goals

- Inventory funding sources and providers of workforce development services in Region 2 - Multnomah and Washington counties
- Measure the interagency workforce development investment in fiscal year 2005-06
- Reveal resource allocation across key strategic areas
- Develop a database that could be updated
What the project attempts and does not attempt to do...

- **The project attempts to:**
  - Clarify the recent resource allocation decisions of an array of regional partners
  - Provide a *framework* for analyzing and managing future investment decisions
  - Lay a foundation for performance-based budgets

- **The project does not attempt to:**
  - Identify best practices
  - Recommend a reallocation of workforce development resources

*In short, the project provides a tool to aid decision-making but does not make the decisions*
Research Approach

- Define workforce development and its strategic service areas
- Identify key providers and their funding sources
- Collect budget data by funding source, direct provider, and strategic area
What is Workforce Development?

- The study considered targeted workforce activities funded through:
  - WIA, Perkins, CDBG, NAFTA/TAA…
  - Oregon DHS (JOBS, FSET, OVRS, OCB…) and other agencies
  - Community colleges (GED, ESL, customized and contracted training…)
  - Apprenticeships and other public and private resources

- The study did not consider:
  - Training efforts provided independently by businesses
  - General education expenditures
  - Programs not targeted at workforce development (housing assistance, youth gang prevention…)
  - Cash benefits (Food Stamps, TANF)
Strategic Areas within Workforce Development

- Where possible, we asked providers to allocate investments to strategic service areas based on WIA definitions:
  - Core Services
  - Intensive Services
  - Training
  - Youth Services
  - Support Services
  - Everything Else
    - Business Services
    - Administration
    - Uncategorized
Identifying Providers and Mapping the System

- Identified nearly 80 service providers in total including community colleges, state and local government agencies, and nonprofits
- Tracked approximately 2000 expenditure lines
Research Limitations

- Some providers were unable to:
  - Allocate to a specific WIA strategic area
  - Estimate unduplicated client counts or develop measures of per participant cost
- Particular resources were difficult to value (e.g., in-kind and volunteer resources)
- The data include a mix of budgeted and actual expenditures
Project Findings (Part I):
Mapping the System through its Key Providers

- Direct service providers fall into four categories:
  - Community colleges
  - State and local government agencies
  - Nonprofit and private providers
  - Public school districts
Project Findings: Community Colleges

- Key interviewees
  - PCC
  - MHCC

- $80 million, including:
  - Core: 3.0
  - Intensive: 15.5
  - Training: 42.8
  - Youth: 5.1
  - Support: 8.1
  - All other: 5.2

- Largest programs:
  - Professional and technical education: $25.8 million
  - TANF/JOBS: $18.8 million

Running total: $80 million
Project Findings:
State and Local Government Agencies

- Key interviewees and data
  - DHS
  - OED
  - BHCD
  - Mult./Wash. counties

- $39 million including:
  - Core: 7.5
  - Intensive: 2.9
  - Training: 3.2
  - Youth: 0.3
  - Support: 22.7
  - All other: 2.4

- Key investments include childcare assistance and state-provided core services.

- Local governments typically pass funds to local providers rather than provide direct services.

Running total: $119 million
Project Findings: Nonprofit and Private Providers

- Key interviewees and data
  - WSI
  - Local One Stops
  - Labor and Industry partners
- $29 million including
  - Core: 1.4
  - Intensive 1.6
  - Training: 3.0
  - Youth: 13.9
  - All other: 8.9
- Expenditures for comprehensive programs were often difficult or impossible to categorize.
- Total does not include an estimated $13 million spent to provide apprenticeships.

Running total: $148 million
Project Findings: Public School Districts

- Key interviewees and data
  - PPS
  - WIA youth providers
  - Perkins

- Investment summary (millions of dollars)
  - Core: 0.0
  - Intensive 0.0
  - Training: 0.0
  - Youth: 2.3
  - All other: 0.0

- In addition to Perkins, districts offer workforce focused curriculum.

- The 05-06 budget for Benson HS, a workforce focused high school, was $6.4 million.
Project Findings: The Role of Worksystems, Inc.

Investment summary (millions of dollars):
- WSI: 16.1 (11%)
- All other: 133.6 (89%)

Running total: $150 million
Project Findings (Part II): Mapping the System by its Revenue Sources

- Key revenue streams in the regional workforce system
  - Federal
  - State
  - Local government, school districts, community colleges
  - Private foundations and nonprofits
Project Findings:
Revenue Sources

- **Investment summary (millions of dollars):**
  - Federal: 71.6
  - State: 34.2
  - Local: 37.4
  - All other: 6.1

- **Major funding streams:**
  - Federal: TANF, WIA, CCDF
  - State: State match for federal funds
  - Local: Community College general fund, city and county general fund
  - Nonprofit/Private: foundation grants, fees, and donations

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**Running total:** $150 million
Questions Raised by the Project

- How many individuals are served by the system and at what cost?
  - Standard measures of clients served within agencies were difficult to obtain
  - Agencies struggled to characterize costs per participant
  - No unduplicated count of clients served across the system exists
Questions Raised by the Project

Will the system’s revenue portfolio match the demand for services during the next decade and beyond?

### Revenue Projection

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>10-Year Growth Projection</th>
<th>Share of System’s Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal</td>
<td>1.8%</td>
<td>48.7%</td>
</tr>
<tr>
<td>State</td>
<td>5.5%</td>
<td>22.8%</td>
</tr>
<tr>
<td>Local</td>
<td>4.6%</td>
<td>25.7%</td>
</tr>
<tr>
<td>Nonprofit/ Private</td>
<td>3.0%</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

**Predicted Annual Revenue Growth:** 3.4%

### Demand Projection

- Annual workforce growth: 1.1%
- Annual change in cost of services: 3.3%
- **Predicted annual growth in need:** 4.4%
Questions Raised by the Project

- In an era of increased competition for resources, can the regional system better characterize what the public is buying and what would be gained or lost through increased investments or budget cuts?
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