

Cross-system Analytics and Assessment for Learning and Skills Attainment

CAAL-Skills Workforce Metrics Dashboard Report 2022

CAAL-Skills Legislative Report Executive Summary The California Workforce Development Board (CWDB) assists the Governor in setting and guiding policy in the area of workforce development. The CWDB is responsible for assisting the Governor in performing the duties and responsibilities required by the federal Workforce Innovation and Opportunity Act (WIOA) of 2014. California's <u>Unified Strategic Workforce Development Plan</u> directs its work in providing guidance to the statewide workforce development system.

The production of this report would not have been possible without the ongoing support and participation of the CAAL-Skills partner agencies and the diligent work of the Employment Development Department (EDD) Labor Market Information Division.

This document can be found on the CWDB's website at <u>cwdb.ca.gov</u>

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# **1 EXECUTIVE SUMMARY**

The California Workforce Development Board prepared this report (CWDB) pursuant to the requirements of Assembly Bill (AB) 1336 (K. Mullin, Chapter 211, Statutes of 2017) and AB 2148 (K. Mullin, Chapter 385, Statutes of 2014), which required the creation of a workforce metrics "dashboard" to present information on participant outcomes for the state's workforce education and training programs.

The first Cross-System Analytics and Assessment for Learning and Skills Attainment (CAAL-Skills) Workforce Metrics Dashboard Report, <u>AB 2148 Workforce Metrics Dashboard Report 2018</u>, can be found on the CWDB website.

The CAAL-Skills Workforce Metrics Dashboard Report 2022 is the first Dashboard Report to use data from the CAAL-Skills program. The CAAL-Skills program is an interagency and multi-departmental data-sharing and program evaluation initiative supported by the Governor's Office and the Labor and Workforce Development Agency that utilizes detailed information from federal and state-funded workforce, education, and human services programs to measure participation and associated outcomes for program participants. Participating programs include:

- Workforce Innovation and Opportunity Act (WIOA) Title I Programs (Adult, Dislocated Worker, and Youth), operated by the local workforce boards and overseen by the Employment Development Department (EDD).
- WIOA Title II Program (Adult Basic Education), operated by the local agencies and overseen by the California Department of Education in partnership with the California Community Colleges Chancellor's Office (CCCCO).
- WIOA Title III Program (Wagner-Peyser / Job Services), operated by American Job Centers of California (AJCCs) and overseen by the EDD.
- WIOA Title IV Program (Vocational Rehabilitation), operated and overseen by the California Department of Rehabilitation (DOR).
- Career Technical Education Programs, offered through the community college system and overseen by the California Community Colleges Chancellor's Office (CCCCO).
- Incumbent Worker Training Programs, overseen and funded by the Employment Training Panel (ETP).
- State Certified Apprenticeship Programs, overseen by the Department of Industrial Relations, Division of Apprenticeship Standards (DIR-DAS).
- Trade Adjustment Assistance Program, operated and overseen by the Employment Development Department (EDD).
- California Workforce Opportunity and Responsibility to Kids (CalWORKs) Welfare-to-Work Program), operated by the counties and overseen by the CDSS.

 Supplemental Nutrition Assistance Program - Employment and Training Program (CalFresh), operated by the counties and overseen by the California Department of Social Services (CDSS).<sup>1</sup>

Each program chapter includes a short description of the program followed by outcome tables that were approved by each program and accompanying narratives describing the data:

- Participation in the program (numbers of participants in a specified fiscal year).
- Training completion (numbers of participants to complete training within a specified fiscal year).
- Employment rates at the second and fourth quarters following program exit.
- Median earnings at the second and fourth quarters following exit.
- Credential attainment rate within one year (four quarters) of exit.

An additional chapter (Chapter 4) of the report displays intersection in enrollments between workforce programs. An opportunity to visualize patterns of cross-enrollment not only provides information about the workforce system as a whole but may show how and where funding or other supports could best be leveraged to help participants succeed through braiding of existing resources.

Participant outcomes are disaggregated by participant demographic characteristics, training completion status, whether an individual earned a recognized credential and of what type, and the industry in which the participant became employed.

Throughout the report, state-level statistics are used to benchmark representation of underserved populations in each workforce program and to compare shares of program participants employed in both lower- and higher-paying industries in relation to employment in these industries across the state as a whole. Use of Census Bureau survey data on the state's labor force and employer data from the EDD and Bureau of Labor Statistics' Quarterly Census of Employment and Wages enables the report to identify where particular populations may be underserved and provide a benchmark for employment outcomes.

To illustrate: if women make up nearly one-half of the labor force but represent a much smaller share of participants in workforce programs, particularly those associated with pathways to high-quality jobs, this indicates a need to increase access to training. Comparing employment outcomes of former workforce program participants by industry with industry employment for the state as a whole provides insights about the kind of jobs participants are finding, and whether those jobs are unusually concentrated in certain sectors.

# **Purpose of this Report**

This report is intended to provide a greater understanding of the programs for which outcome data is presented. It is not intended to provide a direct comparison of programs, and methods

<sup>&</sup>lt;sup>1</sup> CalFresh program data could not be included in the present report.

used (presentation of descriptive outcomes) are not equipped or intended to isolate impacts of program participation upon participant outcomes.

#### **Report Structure**

The CAAL-Skills Workforce Metrics Dashboard Report 2022 is divided into six sections of which the present Executive Summary is the first. Section II (Chapters 1 and 2) provides an overview of AB 1336 and AB 2148, general background information on report data, and a list of data limitations that provide context for understanding the data presented later in the report.

Section III (Chapter 3) provides information on the data sources used to compare program-level data and presents statewide labor force data, which is used as a reference for program outcome tables in the following section.

Section IV (Chapter 4) provides data on the extent of overlapping participation in the various workforce programs covered in this report, along with descriptive text. Information in this chapter is intended to provide policymakers with insights surrounding levels and patterns in individuals' cross-participation in workforce programs, which may provide an opportunity to inform future investments and policy decisions based on data.

Finally, Section V, representing the body of the report (Chapters 5-15), provides detailed data breakouts and accompanying narrative for participant outcomes in each of the 11 workforce programs covered in this report.

The Conclusion (Chapter 16) briefly reiterates key findings and discusses next steps.

# Caveats

Outcome data in the CAAL-Skills Workforce Metrics Dashboard Report 2022 are descriptive, meaning program statistics and outcomes are presented without inferring causality. No control processes are implemented to identify and adjust for potentially systematic pre-program differences between participant groups (for example, in pre-service levels of earnings or skill attainment) that would enable isolating causal effects of program participation and testing their statistical significance. Report tables and figures display data while accompanying narrative sections offer important information, caveats, and context.

A separate impacts evaluation has been conducted by social science researchers from the University of California's California Policy Lab.

The impacts evaluation employs the same data set as the one analyzed here to estimate, assess, and isolate impacts from ten workforce training programs (the eleven covered in the present outcomes report excepting the Title III Wagner-Peyser program) on participant employment and earnings outcomes.

#### 1.1 Highlighted Findings for All Programs

Highlights from descriptive outcomes for all eleven programs and seven parent agencies include observations about program demographics and outcomes. Program-specific findings are also provided in the section that follows this one.

**Training Completion** 

 In a majority of programs where data on training completion is available (including CTE, SCA, Title I Adult and DW programs and ETP), employment and/or earnings outcomes among participants who completed training were more favorable than among participants who did not complete training. While outcomes data do not show causality or control for the possibility of pre-program differences between participants, findings are suggestive of benefits from enrolling in and completing a training program.

Demographics

- In most workforce programs in the report, women and members of racial and ethnic groups with higher-than-average unemployment rates were found to be participating at levels at or exceeding the same groups' representation in the statewide labor force population. This may be a positive indicator, suggesting that programs are serving those most in need by correcting for inequalities of access. Research consistently finds racebased, ethnic, and gender-based inequalities in outcomes to be partly caused by unequal access to education, training, and resulting work experience.<sup>2</sup>
- Overrepresentation of structurally disadvantaged groups in some public workforce and anti-poverty programs may, on the other hand, simply reflect racial and gendered stratification of poverty and life chances in the broader population.<sup>3</sup> In specific cases,

<sup>&</sup>lt;sup>2</sup> Rates of unemployment and poverty, representation in low-wage jobs, and income levels, are persistently stratified by race, ethnicity, and gender. For concise data illustrating many of these issues in California, see the <u>Future of Work Commission's Final Report</u>. While causes of multiple and intersecting, a portion of inequality is due to unequal access to education, training, and (resulting) inequality of workforce experience. <u>NBER researchers</u> <u>Francine Blau and Lawerence Kahn</u> found that education and workforce experience accounted for 8% of the total gender wage gap in 2010, while industry and occupation explained 51% of the difference. Sociologists <u>Eric Grodsky</u> and <u>Devah Pager</u> found that education and workforce experience accounted for 52% of the wage gap between black and white men working in the public sector in 1990, and that adding occupational differences explained approximately 20% of the wage gap. A greater proportion of White (46%) and Asian (64%) adults have an associate's degree or higher, compared to 21% of Latinx adults and 31% of Black adults (Carnevale et al 2021). Recent findings from researchers at the Georgetown Center on Education and the Workforce suggest that equalizing postsecondary educational attainment would reduce earnings inequality, including a 17-percentage-point reduction in inequality between white & Latino men (Carnevale et al 2021, p. 7-8). This might have implications for workforce training, as well.

<sup>&</sup>lt;sup>3</sup> Employer-provided access to skills training has typically been offered to skilled workers who are already in a position of relative advantage in labor markets, while low-wage workers typically lack access to private on-the-job training and may therefore be more likely to be concentrated in public programs. To the extent that access to high-paying jobs is itself subject to race- and gender-based inequalities, this may exacerbate inequalities in private training access. See: Holzer, Harry J., Julia I. Lane, David B. Rosenblum, and Fredrik Andersson. 2011. Where Are All the Good Jobs Going? What National and Local Job Quality and Dynamics Mean for U.S. Workers. New York: Russell Sage Foundation. Holzer, Harry J. 2013. Good Workers for Good Jobs: Improving Education and Workforce Systems in the US. Institute for Research on Poverty Discussion Paper No. 1404-13. (Published online in the IZA Journal of Labor Policy, 1:5, http://link.springer.com/article/10.1186/2193-9004-1-5); Heinrich, Carolyn (2016)

programs' eligibility requirements (such as having dependent children in the home) shape demographics of participants.

 In certain cases (such as training for incumbent workers where contracts are awarded based in part on statewide industry priority), participant makeup may reflect demographics of an industry or set of industries (e.g. low representation of women in construction) or other eligibility characteristics.

WIOA Title I Program Outcome Highlights

- Participants in the WIOA Title I Adult program who received and completed training services experienced higher rates of employment than their peers. Training-completers also out-earned other participants.
- The same was true for participants in the WIOA Title I Dislocated Worker program.

# Other Program Highlights

- Participants in State Certified Apprenticeship experienced rates of employment both while participating in the program and following successful completion that were between eighty and ninety percent employed. Median quarterly earnings of between \$19,400 and \$19,600 two quarters after completion and between \$22,300 and \$22,600 one year after completion suggest apprentices who successfully complete are finding work in good-paying jobs. Quarter-to-quarter aggregate increases in earnings of active apprentices appear to bear out apprenticeship's unique model of skill and wage progression during the training period.
- Participants in incumbent worker training through the Employment Training Panel experienced post-exit rates of employment of above 90%, suggesting<sup>4</sup> that retention extends well beyond the 90-day mandatory period. As a unique approach to training that "socializes" costs of worker training among statewide employers through a payroll tax, ETP provides a model that extends on-the-job training to many workers in key statewide industries.
- CalWORKS-enrolled students in community college career technical education (CTE) who received supportive services through their CalWORKS grant earned more credentials than other CTE participants. Given high barriers facing CalWORKS participants (i.e. income requirements for eligibility), this finding appears striking if it suggests the value of supportive services in facilitating program completion.

Findings are consistent with an ever-expanding body of literature that links stratification to levels of human capital development and educational attainment as well as with other CAAL-Skills program data that show linkages between levels of program participant skills attainment,

<sup>&</sup>lt;u>"Workforce Development in the United States: Changing Public and Private Roles and Program Effectiveness,"</u> prepared for the book Labor Activation in a Time of High Unemployment: Encouraging Work while Preserving the Social Safety-Net.

<sup>&</sup>lt;sup>4</sup> Because employment is calculated based on a records-linking process with EDD's Base Wage File, the figure includes all individuals with reported earnings in the period regardless of the employer with which they were employed.

higher wages, and better employment outcomes, especially for those programs that build skills through on the job training and apprenticeship.

They also suggest importance of supportive services like childcare, transportation, to enable those in greatest need of training to complete their programs.

Program tables also indicate areas for continued focus

- A significant percentage of participants in many of the workforce programs analyzed in this report are becoming employed in industry sectors (such as retail and food service) that afford individuals low pay, precarity, little chance for upward mobility, such that workers are often reliant on public assistance despite being employed,<sup>5</sup> and face high rates of involuntary under-employment (working part-time when full-time hours are desirable).<sup>6</sup> The retail and food services industry are consistent growth sectors in the statewide economy. However, as a basis for comparison with outcome data, only about 9% and 10% of the state's labor force during each FY 14-15 and FY 15-16 was employed in each of these sectors. Data for participants in a number of programs in this report indicate much larger shares of former participants working in both sectors.
- Inequality in earnings by gender was seen among exited participants in every program, with men consistently out-earning women (although the size of the discrepancy varied by program and might reflect differences in the sector or occupational profiles of participant employment). This inequality parallels the same gendered earnings imbalance seen in the wider economy.
- African American participants and Native American participants in many programs earned less than participants of other racial backgrounds, regardless of the program of enrollment.
- In both cases, earnings inequalities reflect imbalances seen in the wider economy. Design of the report, which measures only outcomes without examining participants' pre-program earnings, does not make it possible to assess the extent to which individual programs are removing barriers.

Taken as a whole, report findings indicate both a significant opportunity and mandate for continued research and focus on improving equity in access and outcomes for California's workforce system.

<sup>&</sup>lt;sup>5</sup> <u>Research</u> by the UC Labor Center on public assistance seeking among low-wage workers in sectors that include fast food (where, <u>in 2013, 52% of families of front-line workers were enrolled in one or more public programs</u>, compared to 25% of the workforce as a whole); and other sectors. In the most recent data from the Bureau of Labor Statistics, retail salespersons nationally had <u>median earnings of only \$27,070</u>, while median earnings in the top five occupations in <u>Food and Accommodation ranged from \$23,440 to \$28,720</u> (the latter representing earnings of hotel cooks). See also, <u>201911 Brookings-Metro low-wage-workforce Ross-Bateman.pdf</u>

<sup>&</sup>lt;sup>6</sup> For an overview of the low-wage workforce and issues faced, see: Ross, Martha and Nicole Bateman (2019) "<u>Meet the Low-Wage Workforce</u>" Metropolitan Policy Program at Brookings Institute.

#### 1.2 Summary Results by Program

Results are presented for two state fiscal years, FY 14-15 and FY 15-16. The purpose of presenting these years together is simply to provide a fuller picture of data available at the time of the report.

The presentation of FY 14-15 and FY 15-16 statistics back-to-back in no way implies a progression ("wage gain" or "loss") from one year to the next.

As discussed under report caveats, outcomes shown do not contain information that would be needed to isolate and attribute impacts of a program to participant earnings and employment. They are descriptive, only.

The California Policy Lab evaluation provides such an evaluation of programs, using statistically rigorous methods to parse out impacts from services themselves upon participant success.

1.3 California Employment Development Department (EDD) – Workforce Innovation and Opportunity Act (WIOA) Title I Program – Adults

#### 1.3.1 WIOA Title I Program – Adult

#### 1.3.1.1 Table Set – WIOA Title 1 Adult Program Summary for FY 14-15 and FY 15-16

	FY 2014-2015												
				2 Quarters	After Exit	4 Quarters After Exit							
Program	# Served	# Exited	# Completed Training	% Employed	Median Quarterly Earnings	% Attained Credential	% Employed	Median Quarterly Earnings					
WIOA Title I (Adults)	56,274	38,311	8,426	63.1	\$5,171	12.1	62.6	\$5,658					

	FY 2015-2016												
			# Completed Training	2 Quarters	s After Exit	4 Quarters After Exit							
Program	# Served	# Exited		% Employed	Median Quarterly Earnings	% Attained Credential	% Employed	Median Quarterly Earnings					
WIOA Title I (Adults)	61,398	45,093	9,014	63.8	\$5,290	10.8	62.7	\$5,772					

Table Set 1.3.1.1 provides a summary of enrollments, exits, and outcomes for participants in the WIOA Title I Adult Program served during State Fiscal Years (FY) 2014-2015 and 2015-2016 (hereafter, FY 14-15 and FY 15-16).

As shown in the first column (following program name) of both years' tables, the program served 56,274 individuals in FY 14-15 and 61,398 the following year, FY 15-16. Of these (second column), 38,311 (FY 14-15) and 45,093 exited the program, with 8,426 (FY 14-15) and 9,014 (FY 15-16) also completing some type of workforce training (third column). Rates of employment at the two- and fourquarter stage following exit are shown in the fourth and seventh columns. Median earnings are shown in the fifth and eight columns, and rates of credential attainment within one year of exit are provided in the sixth column.<sup>7</sup>

<sup>&</sup>lt;sup>7</sup> Table layout is consistent for each program.

The WIOA Title I Adult program is a funding stream provided through the Workforce Innovation and Opportunity Act (2014) via direct allocation to Local Workforce Development Boards (Local Boards) to support career and training services for eligible adults.

In California, 45 Local Boards throughout the state serve their local populations through a combination of direct and contracted service provision.

WIOA requires that AJCC staff prioritize serving recipients of public assistance, other lowincome individuals, and individuals who are basic skills deficient for certain career services and training services funded by the WIOA adult funding stream.<sup>8</sup>

Under WIOA, individual needs and goals dictate whether a jobseeker received career services or is enrolled in training. Is this an individual with a long work history who happened to be laid off, and only requires help formatting a resume or performing a job search? Or, is this a person who has not received prior skill training and/or may be new to the formal job market altogether? Do they have structural or legal barriers (like former incarceration status) to being employed? Were they employed before but in a field that is becoming obsolete? This person might benefit from more intensive interventions like skill training.

#### Career services include:

- Basic services such as eligibility determinations for other services or trainings, skills assessments, labor exchange or job search services, and information and/or referrals concerning available programs. Basic services are further distinguished based upon whether they are accessed by an individual ("self-service") directly or involve staff assistance ("staff-assisted").
- Individualized services are provided following determination of Title I eligibility and include: specialized assessments, developing an individual employment plan, counseling, and work experiences, including transitional jobs.<sup>9</sup>

*Training services* are available for individuals who, after an interview, evaluation or assessment, and case management are determined to be unlikely or unable to obtain or retain employment that leads to self-sufficiency or higher wages than previous employment through career services alone. They include:

- Occupational skills training, including training for nontraditional employment
- On-the-job training
- Incumbent worker training

<sup>&</sup>lt;sup>8</sup> WIOA Section 134 (3)(E): "With respect to funds allocated to a local area for adult employment and training activities under paragraph (2)(A) or (3) of section 133(b), priority shall be given to recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient for receipt of career services described in paragraph (2)(A)(xii) and training services. The appropriate local board and the Governor shall direct the one-stop operators in the local area with regard to making determinations related to such priority". Basic career services can be provided outside of priority of service requirements.

<sup>&</sup>lt;sup>9</sup> TEGL 19-16

- Programs that combine workplace training with related instruction, which may include cooperative education programs
- Training programs operated by the private sector
- Skill upgrading and retraining
- Entrepreneurial training
- Job readiness training provided in combination with any of the services above
- Adult education and literacy activities provided concurrently or in combination with training services including "occupational training" or with "transitional jobs."
- Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training

Training is most often obtained through approval of programs funds for an individual to seek training with a local entity (training academy, adult school, etc.) certified through an eligibility list maintained by EDD. A provider is selected in consultation with a career planner at the AJCC, including discussion of program quality and performance information on the available eligible training providers.<sup>10</sup>

<sup>&</sup>lt;sup>10</sup> Under WIOA Section 122—but not under the same section of WIA— providers must meet eligibility criteria that include performance accountability; access to training throughout the state including rural areas; the degree to which training relates to in-demand industry sectors and occupations; ways in which criteria can encourage use of industry-recognized certificates or certifications, and the ability of providers to offer recognized postsecondary credentials. Training services for eligible individuals are typically provided by training providers who receive payment for their services through an ITA. The ITA is a payment agreement established on behalf of a participant with a training provider. WIOA Title I adult and dislocated workers purchase training services from State eligible training providers they select in consultation with the career planner, which includes discussion of program quality and performance information on the available eligible training providers. Payments from ITAs may be made in a variety of ways, including the electronic transfer of funds through financial institutions, vouchers, or other appropriate methods. Payments also may be made incrementally, for example, through payment of a portion of the costs at different points in the training course. Under limited conditions, as provided in §680.320 and WIOA sec. 134(d)(3)(G), a Local WDB may contract for these services, rather than using an ITA for this purpose. In some limited circumstances, the Local WDB may itself provide the training services, but only if it obtains a waiver from the Governor for this purpose, and the Local WDB meets the other requirements of §679.410 of this chapter and WIOA sec. 107(g)(1). (20 CFR Section 680.300).

# Participant Demographics Ethnicity

# 1.3.1.2 Figure Set - Hispanic/Latino Participants in the WIOA Title 1 Adult Program & Percentage of the Statewide Labor Force that is Hispanic/Latino



Figure Set 1.3.1.2 displays the percentage of participants in the WIOA Title I Adult program who are Hispanic or Latino, next to the percentage of the state labor force population that is Hispanic or Latino.<sup>11</sup> Data shown are for FY 14-15 and 15-16.

About 38% of participants in the Title I Adult program identified as Hispanic or Latino in FY 14-15, and about 39% in FY 15-16. These shares were close to but slightly larger than labor force shares (of approximately 37% and 36%).

<sup>&</sup>lt;sup>11</sup> The state labor force population represents all Californians who were either employed or actively seeking employment. Further detail is provided in Chapter Three of the full report. The Report Appendix provides a detailed overview of categories of race and ethnicity at conceptual, statutory, and program-reporting levels.

# Race

# 1.3.1.3 Figure Set - WIOA Title 1 Adult Program Participants by Race and Statewide Labor Force by Race



Figure Set 1.3.1.3 displays the percentage distribution of participants in the WIOA Title I Adult program served in FY 14-15 and FY 15-16 by participant race, next to the racial distribution of the state labor force population for the same years.

As displayed in Figure Set 1.3.1.3, percentage shares of participants in the WIOA Title I Adult program who identified as Black/African American, 23% of all participants in FY 14-15 and 25% of all participants in FY 15-16, were notably larger than in the labor force as a whole (6%). The same was true of American Indian/Alaskan Native participants, respectively 3% of all Title I Adult participants in FY 14-15 and 2% of the total in FY 15-16.<sup>12</sup>

On the other hand, Asian participants were represented at only about half their labor force share in the second year of data, and about 60% of the labor force share in the first year.

Participants who were Native Hawaiian or Other Pacific Islander were represented at close to their labor market shares, about one percent of each year's total.

<sup>&</sup>lt;sup>12</sup> Part of the discrepancy with state labor force levels may be due to reporting differences between the Current Population Survey and participant selection of race and/or ethnicity categories in the CalJOBS system used for Title I reporting. Specifically, it appears that many Title I participants who identify as Hispanic do not also select a race category.

#### Gender

# 1.3.1.4 Figure Set - WIOA Title 1 Adult Program Participants by Sex/Gender & Statewide Labor Force by Sex/Gender



Figure Set 1.3.1.4 displays the percentage distribution of participants in the WIOA Title I Adult program served in FY 14-15 and FY 15-16 by participant gender, next to the gender distribution of the state labor force population for the same years.

Compared with shares of the statewide labor force, women represented a larger share of all Title I Adult program enrollments: 54% in FY 14-15 and 53% in FY 15-16.

These shares, which are similar to women's shares in the state's working-age population, may reflect women's greater levels of barriers (such as low income and single parenthood), leading to a greater need for assistance from public workforce programs.<sup>13</sup> If so, overrepresentation of women in Title I may be a positive indication that the program is meeting the priority of service requirements.

<sup>&</sup>lt;sup>13</sup> See Nan Maxwell, Heinrich Hoch, Natalya Verbitsky-Savitz and Davin Reed (2012) <u>"How are women served by</u> <u>the WIA Adult and Dislocated Worker Programs? Findings from Administrative Data"</u> Mathematic Policy Institute)

#### **Employment Outcomes**



# 1.3.1.5 Figure Set – Employment Rate of WIOA Title 1 Adult Program Participants 2 and 4 Quarters after Exit

Employment and earnings calculations rely on matching an individual's records to any employer-reported earnings in the base wage file that is prepared by the Employment Development Department. Rates for this and all other programs therefore excludes certain forms of employment, such as gig, day labor, self-employment, as well as employment with any non-UI-reporting employer.

As displayed in Figure Set 1.3.1.5, between 63% and 64% of participants exiting the WIOA Title I Adult program in FY 14-15 and FY 15-16 were employed after exit. Rates were slightly lower one year following exit compared with two quarters.

Other Notable Findings: participants who received training, or training in combination with supportive services, had the highest earnings.

# 1.3.1.6 Figure Set –WIOA Title I Adult Program Participant Median Quarterly Earnings 2 and 4 Quarters after Exit by Type of Services Received





Figure Set 1.3.1.6 displays median earnings among WIOA Title I Adult participants who were employed two and four quarters following exit in both fiscal years of reporting, disaggregated according to the types of services they received.<sup>14</sup>

Two quarters after exit in FY 14-15, Title I participants who had received both training and supportive services experienced highest earnings of \$6,573, which were +\$1,402 (27%) above the overall median.

Recipients of only training services had the highest earnings from the second quarter after exit in FY 15-16, which at \$8,270 were +\$2,980 or 56% higher than the program-wide median.

One year after exit in FY 14-15, participants who received training and supportive services were highest at \$9,123 a year after exit. Their earnings exceeded the overall median (\$5,658) by some \$3,465 or by more than 60%.

Among participants to exit in the second year, earnings of training recipients (\$8,164) were +\$2,392 or 41% higher than the overall median of \$5,772. These earnings were highest of any group, besides participants for whom type of service information was unavailable.

<sup>&</sup>lt;sup>14</sup> The Report Appendix contains detailed service descriptions for all programs.

Much higher earnings of training and training-with-supportive service recipients suggest interest in further research to isolate service impacts.

Findings of the California Policy Lab's impact evaluation shed greater light on the impact of training in the Title I program.

# 1.4 California Employment Development Department (EDD) – Workforce Innovation and Opportunity Act (WIOA) Title I Program – Dislocated Workers

# 1.4.1 WIOA Title I Program – Dislocated Worker

#### 1.4.1.1 Table Set - WIOA Title 1 Dislocated Worker Program Summary for FY 14-15 and FY 15-16

	FY 2014-2015													
				2 Quarte	rs After Exit	4 Quarters After Exit								
Program	# Served	# Exited	# Completed Training	% Employed	Median Quarterly Earnings	% Attained Credential	% Employed	Median Quarterly Earnings						
WIOA Title I (DW)	33,802	21,189	4,610	69.3	\$7,282	14.2	68.6	\$7,953						

	FY 2015-2016												
	# Served	# Exited	# Completed Training	2 Quarte	rs After Exit	4 Quarters After Exit							
Program				% Employed	Median Quarterly Earnings	% Attained Credential	% Employed	Median Quarterly Earnings					
WIOA Title I (DW)	33,590	23,928	4,842	70.1	\$7,522	13.8	69.9	\$8,091					

Table Set 1.4.1.1 provides a summary of enrollments, exits, and outcomes for participants in the WIOA Title I Dislocated Worker program served during FY 14-15 and FY 15-16.

The Dislocated Worker program under Title I of WIOA is designed to provide quality employment and training services to individuals who have been terminated from their last employment and are unlikely to return to their previous industry or occupation. Displaced homemakers, self-employed individuals, and the spouse of a member of the Armed Forces on active duty may also qualify for dislocated worker services. Adults and dislocated workers are provided with employment related services, training, education, and other programs and services through locally based America's Job Center of California<sup>SM</sup> (AJCC) locations. While WIOA requires AJCCs to provide specific services, Local Workforce Development Areas (Local Areas) may design programs and provide services that reflect

the unique needs of their area. AJCCs use varied strategies in providing the appropriate services to meet the needs of their customers. Services parallel those in the Title I Adult program.

#### Participant Demographics Ethnicity

1.4.1.2 Figure Set - Hispanic/Latino Participants in the WIOA Title 1 Dislocated Worker Program & Percentage of the Statewide Labor Force that is Hispanic/Latino



Figure Set 1.4.1.2 displays the percentage of participants in the WIOA Title I DW program who are Hispanic or Latino, next to the percentage of the state labor force population that is Hispanic or Latino. Data shown are for FY 14-15 and 15-16.

The percentage of all participants who were Hispanic or Latino was close to labor force shares in both years, 37% (identical to labor force share) in FY 14-15 and 39% or about 3 percentage points higher than the Hispanic/Latino share of the labor force in FY 15-16.

# Race

# 1.4.1.3 Figure Set - WIOA Title 1 Dislocated Worker Program Participants by Race & Statewide Labor Force by Race



Figure Set 1.4.1.3 displays the percentage distribution of participants in the WIOA Title I DW program served in FY 14-15 and FY 15-16 by participant race, next to the racial breakdown of the state labor force population for the same years.

More than 50% of participants did not identify a race. Most individuals in this category identify as Hispanic or Latino (See Appendix for a discussion of ethnicity and race terms and concepts).<sup>15</sup>

Representation of American Indian and Pacific Islander populations appeared similar to labor force shares.

Black or African American participants were slightly overrepresented in the DW program, in which they represented about 12% of participants in each year, compared with 6% of the labor force.

Unemployment rates are stratified by race, reflecting the influence of various forms of structural inequality. Therefore, overrepresentation is likely to reflect service population needs. Asian participants were underrepresented, at 11% of all participants, by between 4 and 5 percentage points which again could indirectly reflect lower aggregate unemployment rates among this population.

<sup>&</sup>lt;sup>15</sup> Because a majority of those identifying as Hispanic or Latino in the state are white, this difference in capture also impacts the size of race categories (mainly, white individuals) in the Dislocated Worker program compared with estimated labor force shares in the CPS.

#### Gender

# 1.4.1.4 Figure Set – WIOA Title 1 Dislocated Worker Program Participants by Sex/Gender & Statewide Labor Force by Sex/Gender



Figure Set 1.4.1.4 displays the percentage distribution of participants in the WIOA Title I DW program served in FY 14-15 and FY 15-16 by participant gender, next to the gender breakdown of the state labor force population for the same years.

Women were the majority of all served in both fiscal years, 56% of all participants in FY 14-15 and a slightly smaller share but still over half (52%) in FY 15-16. Shares exceeded women's participation in the labor force, which was about 45% in both years.

Higher poverty rates and other employment barriers among women suggest that their "overenrollment" in Title I programs represents a greater need for services within this population and indirectly, that programs are fulfilling their statutory obligations to serve those with the greatest barriers.

#### **Employment Outcomes**

# 1.4.1.5 Figure Set – Employment Rate of WIOA Title 1 Dislocated Worker Program Participants 2 and 4 Quarters after Exit



As displayed in Figure Set 1.4.1.5, 69% of participants to exit in FY 14-15 had reported earnings from the second quarter following program exit. A similar 70% of the following year's participants had reported earnings at the same point in time relative to exit.

One year following exit, earnings were found for 69% of participants with an exit date in FY 14-15 and 70% with an exit date in FY 15-16.

Other Notable Findings: Participants who completed training had higher rates of employment and higher earnings compared with other participants.

# 1.4.1.6 Figure Set – Employment Rate and Median Earnings of WIOA Title 1 Dislocated Worker Program Participants 4 Quarters after Exit by Training Completion Status



Figure Set 1.4.1.6 displays rates of employment and median quarterly earnings of participants in the WIOA DW program in the fourth quarter following exit in FY 14-15 and FY 15-16.

Both six months and a year after their exit from the Dislocated Worker program, participants who completed a training program had higher earnings and rates of employment compared with their peers who had received only lighter-touch services or were enrolled in but failed to complete job training. Employment rates of 75.3% (FY 14-15) and 76.4% (FY 15-16) were between 8 and 9 percentage points higher than among non-training-completers.

These descriptive outcomes are substantiated by findings of a recent (2021) California Policy Lab impact evaluation that show Title I training's positive and statistically significant effects on outcomes for Adult and Dislocated Worker trainees alike. The evaluation used a form of propensity score matching that enabled researchers to isolate impacts of training through comparison with an otherwise similar-at-entry pool of Wagner-Peyser recipients.

Findings are of particular policy interest, given that they appear to suggest contrast with past findings of lesser training impacts for this population (for whom the opportunity costs associated with training might be higher given their higher levels of employability) (Andersson et al. 2012; Decker et al. 2011; Heinrich et al. 2008; Hollenbeck and Huang 2006; Social Policy Research Associates 2013).

Earnings of training-completers (\$8,436 in the fourth quarter after exit in FY 14-15 and \$8,904 in the fourth quarter following exit in FY 15-16) were also higher than those of DW participants who did not complete training, by a difference of +\$669 (9%) in the first year and +\$1,094 (14%) in the second.

Findings of the California Policy Lab (University of California) expand on these preliminary observations to provide rigorous evidence for the effectiveness of training in this and the Adult programs.

# 1.5 California Employment Development Department (EDD) – Workforce Innovation and Opportunity Act (WIOA) Title I Program – Youth

#### 1.5.1 WIOA Title I Program – Youth

#### 1.5.1.1 Table Set – WIOA Title 1 Program Youth Summary for FY 14-15 and FY 15-16

	FY 2014-2015													
			щ	2 Quarters After Exit			4 Quarters After Exit							
Program	# Served	# Exited	# Completed Training	# Employed	% Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings			
WIOA Title I (Youth)	25,036	18,291	7,580	9,305	50.9	\$2,483	6,687	36.6	10,222	55.9	\$2,906			

	FY 2015-2016														
			4	2 Quarters After Exit			4 Quarters After Exit								
Program	# Served	# Exited	# Completed Training	# Employed	% Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings				
WIOA Title I (Youth)	19,078	14,454	7,328	8,133	56.3	\$2,886	5,303	36.7	8,426	58.3	\$3,263				

Table Set 1.5.1.1 provides a summary of enrollments, exits, and outcomes for participants in the WIOA Title I Youth program served during FY 14-15 and FY 15-16.

The WIOA Title I Youth program emphasizes the attainment of basic skills, enhanced academic and occupational training opportunities, and exposure to the job market and employment. Youth program activities may include instruction leading to completion of secondary school, tutoring, internships, job shadowing, work experience, adult mentoring, financial literacy education, entrepreneurial skills training, supportive services, and comprehensive guidance and counseling.<sup>16</sup>

<sup>&</sup>lt;sup>16</sup> Employment Development Department. WIOA – Fact Sheet. <u>https://www.edd.ca.gov/pdf\_pub\_ctr/de8714g.pdf</u>

The WIOA Title I Youth program serves both youth who are in school and those who have become disconnected from school, with an emphasis on the latter. This reflects an awareness that, once an individual becomes disconnected from school, they face steep barriers to employment and mobility. Gaining a high school diploma or GED is also important as a prerequisite for gaining further credentials including both four-year degrees and sub-baccalaureate credentials, both of which are shown to deliver lifetime earnings gains.<sup>17</sup>

Unemployment rates are also higher for individuals without a high school degree, suggesting that finding a job at all becomes difficult for these individuals.<sup>18</sup> Even if OS youth find work, employment in low-wage jobs with high turnover means that the chances of increasing skills and thus earnings power while on the job are slim.

The WIOA Title I Youth program utilizes public funding to provide training, educational, and job-search services to address these barriers to upward mobility for both OS and IS youth.

Detailed service descriptions along with additional context, are provided for this program in both the Report Chapter and Report Appendix.

<sup>&</sup>lt;sup>17</sup> See, for instance: Tamborini, Christopher, Changhwan Kim, and Arthur Sakamoto. "Education and Lifetime Earnings in the United States" *Demography*. vol. 52, no. 4, 2015, pp. 1383–1407, and summary of key findings here; notably, measurable earnings gains have been shown for sub-baccalaureate degrees and completion of some college (particularly when in technical fields), not merely for four-year degrees. See: Changhwan Kim and Christopher Tamborini. "Are They Still Worth It? The Long-Run Earnings Benefits of an Associate Degree, Vocational Diploma or Certificate, and Some College" *The Russell Sage Foundation Journal of the Social Sciences* vol. 5, no. 3, 2019, pp. 64-85; Bahr, Peter. <u>"The labor market return in earnings to community college credits and credentials in California,"</u> Ann Arbor, Michigan: Center for the Study of Higher and Postsecondary Education, School of Education, University of Michigan, 2014.

<sup>&</sup>lt;sup>18</sup> See change in unemployment since 2010 compiled by the California Employment Development Department and included in the <u>CWDB's 2020-2023 State</u> <u>Plan</u> (p. 22) show that, despite marked decreases in unemployment rates for individuals at all educational attainment levels during the recovery from the 2008-2009 economic downturn, the rate of unemployment among individuals in the labor force 16 and older without a high school degree consistently exceeded the rate among all other educational levels.

# Participant Demographics Ethnicity





Figure Set 1.5.1.2 displays the percentage of participants in the WIOA Title I Youth program who are Hispanic or Latino, next to the percentage of the state labor force population that is Hispanic or Latino. Data shown are for FY 14-15 and 15-16.

More than half of all participants enrolled in the WIOA Title I Youth program were Hispanic or Latino: 61% of all participants in FY 14-15 and 59% in FY 15-16.

Because income levels and wealth are unequally distributed by race and ethnicity, <sup>19</sup> school disconnection is also racially and ethnically stratified.

<sup>&</sup>lt;sup>19</sup> A 2000 study by researchers from the University of Wisconsin, Madison that utilized 20 years of census data examine racial and ethnic differentials in high school dropout rates found that while dropout rates among Hispanic and Black students remained consistently higher than those among non-Hispanic whites throughout this period, controlling for (i.e., holding constant) socioeconomic and family factors reversed the relationship: "That is," in researchers' words, "among persons of equivalent social origins, minorities are less likely to drop out than are whites" Particularly striking is that home ownership was found to have "a consistently large and salutary effect on dropout in every race-ethnic group". The effects from this single variable were large enough as to surprise researchers, who hypothesized that "they may indicate influences of neighborhood quality or stability or of family wealth" In other words: in these researchers' findings, it is the aggregate race-based differences in wealth, home ownership, and other socioeconomic characteristics created by structurally unequal conditions that appear to explain much of the variance in drop-out rates. Robert M. Hauser. Solon J. Simmons, and Devah I. Pager "High School Dropout, Race-Ethnicity, and Social Background from the 1970s to the 1990s". University of Wisconsin, Madison, 2000. Socioeconomic inequality by race and ethnicity has multiple, intersecting causes. Inequality in incomes by race and ethnicity (see: Rakesh Kochar and Anthony Ciluffo ("Key findings on the rise in income inequality within America's racial and ethnic groups," Pew Research Center, July 12, 2018), is caused by direct discrimination in hiring and pay, as well as inequalities of access to education and training. Immigrants and children of immigrants may face additional legal and linguistic barriers.

Lower aggregate rates of high school graduation among Hispanic or Latino youth might be a factor in being overrepresented in the Youth program. Or, this might be an effect of geographic concentration of participants in regions of the state with larger Hispanic populations (in particular, the Los Angeles region).

To the extent that program enrollment reflects higher levels of population need for services, overrepresentation of these individuals would indicate that the Youth program is reaching targeted populations.

#### Race

1.5.1.3 Figure Set – WIOA Title 1 Youth Program Participants by Race & Statewide Labor Force by Race



Figure Set 1.5.1.3 displays the percentage distribution of participants in the WIOA Title I Youth program served in FY 14-15 and FY 15-16 by participant race, next to the racial breakdown of the state labor force population for the same years.

Asian participants were noticeably underrepresented as a share of all Youth program participants (by a difference from labor force shares of approximately 9 and 11 percentage points). Black or African American participants were overrepresented by close to the same amount.

American Indian participants were also overrepresented by about a percentage point (translating to 75% larger shares compared with their labor force share of just 1.5%) in each year.

Pacific Islanders were represented consistently with labor force shares.

To a large extent, representation in the Youth program (as with other WIOA programs) is likely to reflect need. As noted above, high school graduation rates are stratified by race and ethnicity. In California, four-year graduation rates ranged from 76% among American

Indian/Alaskan Native students and 77% among Black students to 82% among Hispanic students and 84% among Pacific Islander students, to 88% among White and 93% among Asian students.<sup>20</sup>

Most individuals who did not identify a race category positively identified as Hispanic or Latino.

# Gender

# **1.5.1.4** Figure Set – WIOA Title 1 Youth Program Participants by Sex/Gender & Statewide Labor Force by Sex/Gender



Figure Set 1.5.1.4 displays the percentage distribution of participants in the WIOA Title I Youth program served in FY 14-15 and FY 15-16 by participant gender, next to the gender breakdown of the state labor force population for the same years.

Female participants were a larger share of each year's total compared with male participants, 54% compared with just 47% in both years.

Compared with women's share of the state's labor force, their program representation was approximately 8 percentage points larger in each year (with male participants underrepresented by the same margin).<sup>21</sup>

<sup>&</sup>lt;sup>20</sup> California Department of Education 2019-2020 Four-Year Adjusted Cohort Graduation Rates.

<sup>&</sup>lt;sup>21</sup> The option for "did not self-identify" was added 7/1/16. This does not affect the quality, but may change completeness levels from 7/1/16 forward due to participants having the option to not answer this question. This data is not validated.

#### **Employment Outcomes**



#### **1.5.1.5** Figure Set - Employment Rate of WIOA Title I Youth Program Participants 2 and 4 Quarters After Exit

As Figure Set 1.5.1.5 shows, 51% of participants to exit the WIOA Title I Youth program had reported earnings. Fifty-six percent of the following year's participants had reported earnings at the same point in time relative to exit.

One year following exit, earnings were found for 56% of participants with an exit date in FY 14-15 and 58% with an exit date in FY 15-16.

For this program, participant post-exit employment tells only part of the story. Federal reporting for the Youth program looks at the percentage of exited participants who are employed, but it also considers the percentage of participants who are reported during post-exit follow-up to be in continuing education or training. The policy intent behind this is clear: WIOA Youth participants are persons of school age or young adults, who are likely to benefit from either traditional postsecondary education, or from programs of vocational training.

Data continues to show substantial earnings gains from both four-year and two-year-degrees,<sup>22</sup> and research also provides evidence for gains from completing coursework in career technical fields (whether or not it results in a degree)<sup>23</sup>. Long-term vocational or occupational training and apprenticeship have been shown to be pathways to stable and well-paying employment.<sup>24</sup>

In this report (as discussed), data was only available to show Youth program participants' employment outcomes. Therefore, interpretation of these outcomes must proceed carefully—

<sup>&</sup>lt;sup>22</sup> See: Abel, Jason and Richard Deitz. <u>"Do the benefits of college still outweigh the costs?"</u> Federal Reserve Bank of New York: Current Issues in Economics and Finance, vol. 20, no. 3, 2014.

<sup>&</sup>lt;sup>23</sup> see Bahr (2014); Changhwan and Tamborini (2019).

<sup>&</sup>lt;sup>24</sup> Evidence from vocational training programs for youth finds particular benefit from programs that combine training and education, such as apprenticeship (see review of literature in Heinrich (2016), especially Damon and Fahr (2001); Fersterer et al (2008) Reed et al (2012).

particularly because (as is discussed in introductory chapters of this report) whether or not a participant was employed is established on the basis of wage-match with state employer unemployment insurance records, and does not exclude those who may be underemployed, employed part-time, or employed in "dead-end" jobs.

Given this, and the age of these participants, immediate employment may not always be the most desirable outcome.

It is hoped that in future reporting, information will be available to show participants' enrollment in further training or education will be included alongside employment data, providing a fuller context of participant outcomes, including possible patterning by ethnicity, race, or other demographic characteristics.

Other Notable Findings: Youth Program participants receiving a combination of training, career, and supportive services had highest rates of credential attainment.

# 1.5.1.6 Figure Set – Credential Attainment Rate of WIOA Title I Youth Program Participants by Services Received



Figure 1.5.1.6 displays rates of credential attainment among WIOA Title I Youth program participants within one year of exit during FY 14-15 and FY 15-16.

Youth participants who received a combination of career, training, and supportive services had the highest rates of credential attainment, with more than one-half of participants in this category (51% and 55%) earning a credential within a year of exit.

Enrollment in a training program is typically a prerequisite for credential attainment, a factor that explains higher rates among service categories that include training. However, rates of over 50% are still higher compared with outcomes for other training-enrolled participants. While information about pre-program profiles of participants would be necessary to reach any conclusions about the role of the service intervention in outcomes, outcomes suggest an interest in investigating whether combining services offers benefits to Youth participants.

#### 1.6 California Department of Education – Adult Education and Family Literacy Act (WIOA Title II) Program

#### **1.6.1** WIOA Title II Program – Adult Education and Family Literacy Act

1.6.1.1 Table Set – WIOA Title II Adult Education and Family Literacy Program Summary for FY 14-15 and FY 15-16

	FY 2014-2015														
			"	2 Qua	arters After Exi	it		4 Qı	uarters After E	xit					
Program	# Served	# Exited	# Completed Training	# Employed	% Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings				
WIOA Title II (AEFLA)	351,294	302,869	NA	62,117	20.5	\$4,475	60,536	20.0	64,995	21.5	\$4,744				

	FY 2015-2016													
			#	2 Qua	irters After Exi	t		4 Qı	uarters After E	xit				
Program	# Served	# Exited	# Completed Training	# Employed	% Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings			
WIOA Title II (AEFLA)	364,833	312,561	NA	65,514	21.0	\$4,773	56,782	18.2	66,558	21.3	\$5,112			

Table Set 1.6.1.1 provides a summary of enrollments, exits, and outcomes for participants in the WIOA Title I Dislocated Worker program served during FY 14-15 and FY 15-16.

The federal Adult Education and Family Literacy Act (AEFLA), enacted as Title II of the Workforce Innovation and Opportunity Act, provides funding to supplement adult education programs in public and private non-profit institutions. These funds supplement Adult Basic Education (ABE), English as a Second Language (ESL), and Adult Secondary Education (ASE) programs. This program aims to enable adults to become more employable, productive, and responsible citizens through literacy.<sup>25</sup> Title II funds are used to assist eligible adults (16 years and older) with obtaining postsecondary education, training, or employment. Specifically, the funds serve people with barriers to employment, including English language learners, low-income individuals, and immigrants.

<sup>&</sup>lt;sup>25</sup> California Department of Education. <u>Program Overview: Adult Education – Federal Program</u>.
During the FY 15-16 time period, the profile of California adult education providers included four coalitions (comprised of local educational areas in partnership with county offices of education and community college districts), 142 local school districts, 17 community-based organizations (CBOs), 23 community college districts (CCDs), five county offices of education (COE), five library literacy programs, one correctional institution, and two state agencies (California Department of Corrections & Rehabilitation and California Department of Developmental Services). There are 26 agencies serving institutionalized adults under Section 225 of AEFLA. These include two state agencies, one correctional institution, two CBOs, four CCDs, three COEs, and 14 jail programs provided by local school districts. Local school districts with adult schools comprise the majority of AEFLA agencies and enroll more than 60 percent of all learners served by California.<sup>26</sup>

The California Department of Education (CDE) Title II funded program provides educational opportunities and support services to one-fifth of adults enrolled in AEFLA programs in the United States. These programs address the unique needs of individuals and communities by providing adults with the literacy skills and knowledge necessary to become positive contributors to their families and local economies. California adult education programs help learners (a) gain employment or better their current employment; (b) obtain a high school diploma (HSD) or high school equivalency (HSE) certificate; (c) attain skills necessary to enter postsecondary education and training; (d) exit public welfare and become self-sufficient; (e) learn to speak, read, and write the English language; (f) master basic academic skills to help their children succeed in school; and (g) become U.S. citizens, exercise their civic responsibilities, and participate in a democratic society.<sup>27</sup>

 <sup>&</sup>lt;sup>26</sup> California Adult Education, <u>Annual Performance Report – Federally Funded Workforce Innovation and</u>
<u>Opportunity Act, Title II, Program Year July 1, 2017 to June 30, 2018</u> (prepared by Comprehensive Adult Student Assessment Systems for the California Department of Education Adult Education Office). Note that precise numbers and composition of providers may have changed from that period to the present.
<sup>27</sup> Ibid

# Participant Demographics *Ethnicity*

# 1.6.1.2 Figure Set - Hispanic/Latino Participants in WIOA Title II & Percentage of the Statewide Labor Force that is Hispanic/Latino



Figure Set 1.6.1.2 displays the percentage of participants in the WIOA Title II program who are Hispanic or Latino, next to the percentage of the state labor force population that is Hispanic or Latino. Data shown are for FY 14-15 and 15-16.

Between 62% and 63% of all participants in the Title II program were Hispanic or Latino. The Title II program serves a population that is largely Limited English Proficient (LEP) individuals, a majority of whom are immigrants.

According to CDE's adult education annual performance report for Program Year 2015-2016, More than 3.5 million California adults "do not speak English well or not at all." More than onefourth of the national non-English speaking population resides in California, and more than 2.3 million of that group lack a high school credential.<sup>28</sup>

<sup>&</sup>lt;sup>28</sup> California Department of Education. <u>California Annual Performance Report: Federally Funded Workforce</u> <u>Innovation and Opportunity Act, Title II</u>, Program Year July 1, 2015 – June 30, 2016; <u>Statewide Performance Report</u> <u>– WIOA Title II Adult Education Program</u> (PY 2016).

#### Race

### 1.6.1.3 Figure Set – WIOA Title II Program Participants by Race & Statewide Labor Force by Race



Figure Set 1.6.1.3 displays the percentage distribution of participants in the WIOA Title II program served in FY 14-15 and FY 15-16 by participant race, next to the racial breakdown of the state labor force population for the same years.

Program representation of other groups by race appeared, for the most part, consistent with labor force shares.<sup>29</sup>

However, American Indian or Alaskan Native and Pacific Islander populations appeared to be underrepresented compared with labor force shares. Program shares of 0.3% were only about one-fifth the size of the same group's share in the statewide labor force.

<sup>&</sup>lt;sup>29</sup> The size of the discrepancy between the 72-74% of the labor force identifying as white with the 12-13% in Title II data is likely only partly due to the program's minority representation. It is likely due in significant part to data collection and reporting differences between the survey methodology of the Current Population Survey and the reporting practices of Title II grantees. See Report Appendix for detail.

### Gender



# 1.6.1.4 Figure Set - WIOA Title II Program Participants by Sex/Gender & Statewide Labor Force by Sex/Gender

Figure Set 1.6.1.4 displays the percentage distribution of participants in the WIOA Title II program served in FY 14-15 and FY 15-16 by participant gender, next to the gender distribution of the state labor force population.

Women in Title II were overrepresented by about 10 percentage points. This might reflect greater need, and/or other characteristics of the program and/or participants. One note is that individuals may participate in the Adult Education program for a variety of ends, of which employment is only one (acculturation/language education, enrichment, and civic integration are other key aspects of the program). It may be that women's participation at levels closer to their share of the working-age population (51%) than the active labor force simply reflect multifaceted goals.

For example: parents may enroll in AEFLA in order to gain the language skills needed to communicate with childrens' teachers and actively participate in school (e.g., parent-teacher conferences). Given Title II's myriad goals, it may not be surprising that the gender composition of enrollments differ from that of the labor force population – those actively working or seekign work.

### **Employment Outcomes**

## 1.6.1.5 Figure Set - Employment Rate of WIOA Title II Program Participants 2 and 4 Quarters After Exit



As shown in Figure Set 1.6.1.5, only about 21% of all participants to exit from the Title II program had reported earnings two and four quarters after their exit.

As noted elsewhere in this report, employment is reported based on employer-supplied data. This data therefore excludes any participant earnings from informal employment, or any employment with a non-UI reporting employer.

Especially relevant to this program's data, employment and earnings figures are obtained by matching employer-reported earnings with participant identifying information using participant Social Security Number, meaning that any earnings for individuals employed by non-UI reporting employers are not captured, and data may be incomplete in other ways<sup>30</sup>. Given that collection of participant SSNs is not statutorily required for the Title II program, it is likely that both the definition of employment (employment with a UI-reporting employer) and the methodology underestimate employment among former Title II participants.

<sup>&</sup>lt;sup>30</sup> Use of UI data matching is considered to be the "gold standard" in workforce evaluation studies. Unlike studies that rely on survey data, issues with response bias are avoided. Notwithstanding, no methodology is perfect and use of UI data (or other administrative data for wage matching) entails its own set of limitations. Chief among these is the incentive employers have to underreport earnings (and thus face lower payout obligations in the event a former employee files a UI claim). See a discussion of these issues in: Mastri, Annalisa, Dana Rotz and Elias Hanno. (2018) "Comparing Job Training Impact Estimates using Survey and Administrative Data" Mathematica Policy Research. <a href="https://www.mathematica.org/our-publications-and-findings/publications/comparing-job-training-impact-estimates-using-survey-and-administrative-data">https://www.mathematica.org/our-publications-and-findings/publications/comparing-job-training-impact-estimates-using-survey-and-administrative-data.</a>

The Title II program serves participants with substantial employment barriers, including those who are English-language learners, low-income individuals, and immigrants, to obtain postsecondary education, training, or employment.

An additional point concerns the multifaceted aims of the Title II program (discussed above), of which employment is only one.

# Other Notable Findings: employment was higher among Title II participants who earned credentials.

# 1.6.1.6 Figure - Employment Outcomes of WIOA Title II Program Participants by Type of Credential Earned



Figure 1.6.1.6 displays employment outcomes two and four quarters after exit from the Title II program according to the type of credential(s) a participant earned.

In the Title II program, participants work to gain basic skills, literacy, and other forms of competencies that are prerequisites to their ability to enroll in postsecondary education, build general and occupationally-specific skills, and earn both educational and/or occupational credentials down the road.

The key credential tracked by the program is, therefore, a high school diploma (HDS) or equivalency (HSE) as the culmination of this multi-year process. In addition, non-program credentials may be optionally reported by local grantees.

Employment was consistently higher among participants who earned a high school degree (whether alone or in combination with a non-program credential) compared with those who did not.

### 1.7 California Employment Development Department (EDD) – Workforce Innovation and Opportunity Act (WIOA Title III) Program

## 1.7.1 WIOA Title III Program – Wagner-Peyser

### 1.7.1.1 Table Set – WIOA Title III Wagner-Peyser Program Summary for FY 14-15 and FY 15-16

				FY 2014-201	.5				
			2 Quarters After I	Exit		4 C	Quarters After Ex	cit	
Program	# Completed Training	# Employed	% Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings
WIOA Title III (WP)	NA	535,402	59.7	\$5,825	NA	NA	547,531	61.0	\$6,349

				FY 2015-201	.6				
			2 Quarters After	Exit		4 C	Quarters After Ex	kit	
Program	# Completed Training	# Employed	% Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings
WIOA Title III (WP)	NA	551,824	61.2	\$6,234	NA	NA	561,988	62.3	\$6,781

Table Set 1.7.1.1 provides a summary of enrollments, exits, and outcomes for participants in the WIOA Title III program served during FY 14-15 and FY 15-16.

The Wagner-Peyser Act of 1933 provides for the establishment of a nationwide system of public employment offices. Services provided include job search assistance, job referrals, placement assistance to jobseekers, reemployment services to unemployment insurance recipients, and assistance in identifying candidates for job openings to employers.

# Participant Demographics *Ethnicity*

# 1.7.1.2 Figure Set – WIOA Title III Hispanic/Latino Participants & Percentage of the Statewide Labor Force that is Hispanic/Latino



Figure Set 1.7.1.2 displays the percentage of participants in the WIOA Title III program who are Hispanic or Latino, next to the percentage of the state labor force population that is Hispanic or Latino. Data shown are for FY 14-15 and 15-16.

Hispanic or Latino shares of all Title III participants were very similar to shares of the state labor force as a whole, 37% in each year.

## Race

# 1.7.1.3 Figure Set - WIOA Title III Program Participants by Race & Statewide Labor Force by Race



Figure Set 1.7.1.3 displays the percentage distribution of participants in the WIOA Title II program served in FY 14-15 and FY 15-16 by participant race, next to the racial breakdown of the state labor force population for the same years.

The largest category of participants did not identify a race category: 59% of all Title III participants in FY 14-15 and 60.5% in FY 15-16.

Many of these individuals identified (only) as Hispanic/Latino, explaining the much smaller shares (34.2% and 32.7%) of participants identifying as white compared with the state labor force (74.1%, 72.9%).

Black and Native American populations were overrepresented among Wagner-Peyser participants. Black participants were about 11% of all FY 14-15 participants in Wagner-Peyser and about 10% of the total the following year, shares that were more than 50% larger than representation in the state labor force of about 6%. Native Americans also appeared to be a slightly larger percentage of all Wagner-Peyser participants than in the labor force as a whole, more than 2% of the former compared with about 1.5% of the latter.

Asian participants were 6.7% and 6.8% of all Wagner-Peyser participants compared with much larger shares (14.9% and 16.1%) of the labor force.

The racial distribution of Wagner-Peyser enrollments may reflect racial stratification of unemployment rates, which are themselves rooted in multiple structural sources of unequal opportunity as well as direct discrimination.

## Gender

1.7.1.4 Figure Set – WIOA Title III Program Participants by Sex/Gender & Statewide Labor Force by Sex/Gender



Figure Set 1.7.1.4 displays the percentage distribution of participants in the WIOA Title II program served in FY 14-15 and FY 15-16 by participant gender, next to the gender breakdown of the state labor force population for the same years.

Women were 44.1% of all Title III participants in FY 14-15 and 44.4% in FY 15-16. Men were 48.5% (FY 14-15) and 49.5% (FY 15-16) respectively. Participants who did not self-identify as male or female made up each year's remainder.

Unlike many other workforce programs, women's enrollments in Wagner-Peyser thus closely reflect labor force shares (45.4%).

The Wagner-Peyser program is often utilized by mid-career workers who have been recently displaced from employment. With its focus on light-touch labor exchange services, demographics of workers able and likely to access such services may be likelier to reflect the demographics of the existing labor force more closely than for either educational or antipoverty programs. While this appeared to hold less in the case of race (discussed in the previous section), it does appear to have held true in the context of gender.

## **Employment Outcomes**

## 1.7.1.5 Figure Set – Employment Rate of WIOA Title III Program Participants 2 and 4 Quarters After Exit



As Figure Set 1.7.1.5 displays, employment rates of Wagner-Peyser participants were 60% and 61% in the second quarter after exit in each respective fiscal year.

One year after exit, employment rates were slightly higher at 61% and 62%.

Other Notable Findings: the highest levels of multi-program participation were found between Title III and Trade Adjustment Assistance, followed by WIOA Title I.

				FY 2014	-2015						
					Р	rogram					
Program			State			WIOA	WIOA	WIOA			WIOA
Fiografii			Certified		Welfare	Title I	Title I	Title I	WIOA	WIOA	Title IV
	CTE	ETP	Apprentice.	TAA	to Work	(Adults)	(DW)	(Youth)	Title II	Title III	(Adults)
Program Totals	924,633	93,850	53,749	1911	221,391	56,274	33,802	25,036	351,294	958,818	73,049
Career Technical Education	N/A	5.7%	24.3%	5.0%	6.1%	9.0%	6.2%	11.6%	0.2%	4.8%	13.0%
Employment Training Panel	0.6%	N/A	14.5%	0.6%	0.1%	0.5%	0.6%	0.1%	0.0%	0.3%	0.1%
State Certified Apprenticeship	1.4%	8.3%	N/A	0.2%	0.2%	1.3%	0.9%	0.1%	0.0%	0.4%	0.1%
Trade Adjustment Assistance	0.0%	0.0%	0.0%	N/A	0.0%	0.5%	3.0%	0.0%	0.0%	0.2%	0.0%
Welfare to Work	1.5%	0.3%	0.9%	1.5%	N/A	5.4%	2.5%	2.9%	0.5%	3.0%	1.1%
WIOA Title I (Adults)	0.5%	0.3%	1.4%	4.1%	1.4%	N/A	5.9%	2.7%	0.1%	3.4%	2.1%
WIOA Title I (Dislocated											
Workers)	0.2%	0.2%	0.5%	53.2%	0.4%	3.5%	N/A	0.0%	0.0%	2.7%	0.4%
WIOA Title I (Youth)	0.3%	0.0%	0.1%	0.0%	0.3%	1.2%	0.0%	N/A	0.0%	1.1%	0.7%
WIOA Title II	0.1%	0.0%	0.1%	0.5%	0.8%	0.6%	0.3%	0.6%	N/A	0.2%	0.2%
WIOA Title III	5.0%	3.2%	7.2%	88.0%	13.2%	58.6%	75.2%	43.8%	0.6%	N/A	12.0%
WIOA Title IV	1.0%	0.0%	0.2%	0.3%	0.4%	2.7%	0.9%	2.0%	0.0%	0.9%	N/A

1.7.1.6 Table Set – Cross-Program Participation by Percentage of Program Participants Served by a Second Program

				FY 2015	-2016						
					Р	rogram					
Program			State			WIOA	WIOA	WIOA			WIOA
riogram			Certified		Welfare	Title I	Title I	Title I	WIOA	WIOA	Title IV
	CTE	ETP	Apprentice.	TAA	to Work	(Adults)	(DW)	(Youth)	Title II	Title III	(Adults)
Program Totals	1,036,045	134,746	68,170	1392	201,272	61,398	33,590	19,078	364,833	916,841	72,916
Career Technical Education	N/A	4.6%	27.2%	6.5%	6.4%	9.2%	6.4%	11.1%	0.2%	4.9%	14.1%
Employment Training Panel	0.6%	N/A	10.6%	1.1%	0.1%	0.7%	0.8%	0.1%	0.0%	0.5%	0.1%
State Certified Apprenticeship	1.8%	5.4%	N/A	0.0%	0.3%	1.1%	1.0%	0.2%	0.0%	0.4%	0.2%
Trade Adjustment Assistance	0.0%	0.0%	0.0%	N/A	0.0%	0.1%	2.4%	0.0%	0.0%	0.1%	0.0%
Welfare to Work	1.2%	0.2%	0.8%	1.1%	N/A	5.3%	2.6%	3.9%	0.6%	2.8%	1.0%
WIOA Title I (Adults)	0.5%	0.3%	1.0%	4.6%	1.6%	N/A	5.7%	3.2%	0.2%	3.8%	2.4%
WIOA Title I (Dislocated											
Workers)	0.2%	0.2%	0.5%	57.8%	0.4%	3.1%	N/A	0.1%	0.0%	2.9%	0.4%
WIOA Title I (Youth)	0.2%	0.0%	0.0%	0.0%	0.4%	1.0%	0.1%	N/A	0.1%	0.9%	0.6%
WIOA Title II	0.1%	0.1%	0.1%	0.6%	1.0%	1.0%	0.4%	1.0%	N/A	0.2%	0.3%
WIOA Title III	4.4%	3.1%	6.0%	85.2%	12.9%	57.2%	78.4%	42.9%	0.6%	N/A	11.0%
WIOA Title IV	1.0%	0.0%	0.2%	0.4%	0.4%	2.9%	0.8%	2.1%	0.1%	0.9%	N/A

Each cell within each of the two tables in Table Set 1.7.1.6 displays the percentage of participants in a program (named in the column heading at top) who were also enrolled in a second program (identified in the row heading at left) at any point within the specified fiscal year.

In both fiscal years, the densest cross-program participation was found among participants in WIOA Title III and the Trade Adjustment Assistance program. About 88% of participants in TAA in FY 14-15, and about 85% of participants in the same program in FY 15-16, were also enrolled in Title III during the same fiscal year period.

Participation of Title III participants in the Title I Dislocated Worker program was also relatively high in each year, about 75% of all Dislocated Worker participants in FY 14-15 and about 78% in FY 15-16 also Title III-enrolled.

### 1.8 California Department of Rehabilitation – Vocational Rehabilitation (WIOA Title IV) Program

### 1.8.1 WIOA Title IV Program – Vocational Rehabilitation

1.8.1.1 Table Set – WIOA Title IV Vocational Rehabilitation Program Summary for FY 14-15 and FY 15-16

					FY 201	4-2015					
				2 0	Quarters After E	xit		4 0	Quarters After Ex	cit	
Program	# Served	# Exited	# Completed Training	# Employed	% Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings
WIOA Title IV (VR)	73,049	26,903	NA	11,509	42.8	\$3,467	NA	NA	11,475	42.7	\$3,784

					FY 201	15-2016						
	2 Quarters After Exit 4 Quarters After Exit											
Program	# Served	# Exited	# Completed Training	# Employed	% Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings	
WIOA Title IV (VR)     72,916     26,076     NA     12,049     46.2     \$3,810     NA     NA     11,891     45.6									\$4,109			

Table Set 1.8.1.1 provides a summary of enrollments, exits, and outcomes for participants in the WIOA Title I IV program served during FY 14-15 and FY 15-16.

The Department of Rehabilitation (DOR) works in partnership with consumers and other stakeholders to provide services and advocacy resulting in employment, independent living, and equality for individuals with disabilities in California. DOR administers the largest vocational rehabilitation (VR) program in the country. Employment services are currently provided annually by approximately 1,300 staff in over eighty-five offices in California over an extended period of time to approximately 100,000 individuals<sup>31</sup> with disabilities to assist them in preparing for and obtaining competitive employment in integrated work settings at or above minimum wage.

<sup>&</sup>lt;sup>31</sup> CWDB, <u>Unified State Plan</u> for Program Years 2016-2019 (VR Portion), pp. 66-67.

In federal fiscal year 2014, DOR provided services to approximately 98,000 eligible individuals with disabilities, <sup>32</sup> including 6,500 who were blind or visually impaired; 13,300 with cognitive disabilities; 18,200 with learning disabilities; 4,900 with intellectual or

<sup>&</sup>lt;sup>32</sup> This figure encompasses all individuals who submitted an application for services during the federal fiscal year period, as well as all participants who received services (inclusive of those whose cases were closed at some point during the same fiscal year, and those whose cases remained open). This is consistent with DOR's reporting methodology. It will be observed that the participant totals in the CAAL-Skills data tables are smaller, in each fiscal year. This is because the CAAL-Skills definition of "served" applies only to those participants who received an authorization for service during the specified time period. As a result, individuals who did not receive an authorization were excluded. Additionally, CAAL-Skills data excludes individuals under the age of 18 at the time of service, who were estimated to be approximately 7.9% of the total.

developmental disabilities; 6,500 deaf or hard of hearing individuals; 19,100 with physical disabilities; 26,100 with psychiatric disabilities; 1,200 with traumatic brain injury; and 2,200 individuals with other disabilities.<sup>33</sup>

In 2016, the Department of Finance reported that 10.9% of people residing in California had a disability. The American Community Survey<sup>34</sup> (ACS) is the source for data used in this report to benchmark and evaluate program performance. In 2016, the American Community Survey of California indicates that the employment rate of working-age people with disabilities in California was 35.0%— compared with an employment rate of working-age people without a disability of 76.5%.<sup>35</sup>

While the ACS is utilized as the benchmarking source for this report, the CDOR continues to actively research other methodologies and datasets for benchmarking and evaluating program performance.

# Participant Demographics *Ethnicity*





Figure Set 1.8.1.2 displays the percentage of participants in the WIOA Title IV program who are Hispanic or Latino, next to the percentage of the state disability population that is Hispanic or Latino. Data shown are for FY 14-15 and 15-16.

<sup>&</sup>lt;sup>33</sup> CWDB, Unified State Plan for Program Years 2016-2019, pp. 66-67.

<sup>&</sup>lt;sup>34</sup> The American Community Survey or ACS is an ongoing, national survey carried out by the Census Bureau on an annual basis. For more about the ACS, please see "<u>About the American Community Survey</u>" on the U.S. Census Bureau website.

<sup>&</sup>lt;sup>35</sup> <u>California Department of Rehabilitation, Vocational Rehabilitation Services Program and Supplement for the</u> <u>Supported Employment Services Program State Plan for Program Years 2018-2020, pp. 61-62.</u>

The share of Hispanic or Latino participants in Title IV was smaller by between 6 and 7 percentage points than the same population as a percentage of the statewide disability population.

## Race

# 1.8.1.3 Figure Set –WIOA Title IV Program Participants by Race & Statewide Disability Population by Race



Figure Set 1.8.1.3 displays the percentage distribution of participants in the WIOA Title IV program served in FY 14-15 and FY 15-16 by race, next to the racial breakdown of the California disability population in the same years.

By race, the distribution of enrollment in the Title IV program exhibited both similarities and differences from the statewide disability population.<sup>36</sup>

Native Hawaiian or Other Pacific Islander individuals appeared represented at the same level in the program as in the state disability population as a whole.

Black and American Indian populations were both represented at levels that were much higher than respective disability population shares: Black or African American participants were nearly 20% of all participants in Vocational Rehabilitation, compared with just under 6% of the statewide disability population in 2015—over three times the statewide share. American Indian or Alaskan Natives were represented in Title IV at over four times their representation in the state disability population.

<sup>&</sup>lt;sup>36</sup> Comparing program enrollments with the distribution of the same categories in the statewide population with a disability is a way to benchmark program representation in a way that is meaningful given this program's target population. Therefore, for this program alone, comparisons are made using data from the American Community Survey providing estimates of the noninstitutionalized population of California with a disability.

The share of Asian participants in the Title IV program (5.3% and 5.6%) was only about one-third of the size of the state disability population.

Factors discussed at the beginning of this report may contribute to these differences between program enrollment and population demographics.

#### Gender

## 1.8.1.4 Figure Set – WIOA Title IV Program Participants by Sex/Gender & Statewide Disability Population by Sex/ Gender



Figure Set 1.8.1.4 displays the percentage distribution of participants in the WIOA Title IV program served in FY 14-15 and FY 15-16 by participant gender, next to the gender distribution of the state disability population.

Women's share of all Title IV participants was about 6 percentage points lower than their share of the disability population.

#### **Employment Outcomes**





As displayed in Figure Set 1.8.1.5, employment among former participants in the Title IV program was approximately 43% at both stages following exit in FY 14-15 and approximately 46% at both stages following exit in FY 15-16.

Other Notable Findings: Participants who received training services in combination with other services experienced better employment outcomes.

# 1.8.1.6 Figure Set – Employment Rate of WIOA Title IV Program Participants 2 and 4 Quarters after Exit by Services Received



Figure Set 1.8.1.6 displays employment outcomes for Title IV participants two and four quarters after exit, according to the type(s) of services they received.

Employment rates appeared consistently higher among participants who had received training in conjunction with other services. As with all outcome data in this report, the fact that statistics are descriptive (no controls were implemented to account for effects of possible preprogram differences between participants) means that differences in outcomes cannot be reliably attributed to service impacts.

Also consistent across both years of data, recipients of only career services – any of the typically lighter-touch interventions described above– appeared to fare worst in their employment outcomes, with only about one-third of participants to exit in this service category employed in the second quarter after exit. This is not surprising, given that for barrier-facing participants, in particular, supportive services in conjunction with training would be expected to lead to better outcomes.

Similar outcomes were evident one year (four quarters) after program exit.

## 1.9 California Community Colleges Chancellor's Office (CCCCO) – Career Technical Education (CTE) Program

### 1.9.1 Career Technical Education Program

### 1.9.1.1 Table Set – CCCO-CTE Program Summary for FY 14-15 and FY 15-16

			FY 20	)14-2015										
	2 Quarters After Exit 4 Quarters After Exit													
Program	# Served	# Exited	# Completed Training	% Employed	Median Quarterly Earnings	% Attained Credential	% Employed	Median Quarterly Earnings						
Career Technical Education	Career Technical Education 942,633 322,037 40,879 61.3 \$6,263 15.7 61.8 \$6,867													

			FY 20	)15-2016								
2 Quarters After Exit 4 Quarters After Exit												
Program	# Served	# Exited	# Completed Training	% Employed	Median Quarterly Earnings	% Attained Credential	% Employed	Median Quarterly Earnings				
Career Technical Education	Career Technical Education 1,036,045 415,253 53,194 61.6 \$6,136 15.1 62.1 \$6,727											

Table Set 1.9.1.1 provides a summary of enrollments, exits, and outcomes for participants in the CCCCCO CTE program served during FY 14-15 and FY 15-16.

California Community Colleges lead the state and nation in providing postsecondary career technical education (CTE) and training. Serving more than 2.1 million students, the 115 community colleges offer workforce training, basic skills education, and transfer preparation. Students can enroll in associate degree and certificate programs in 350 fields of study. The colleges also offer apprenticeship programs, short-term training aligned to third-party credentials, and incumbent worker training to upgrade skill sets in various industry sectors.

California's community colleges, which comprise the nation's largest system of higher education and its largest workforce development trainer, supply the means for a skilled workforce by providing certificate and degree programs in more than

350 different fields of study. The community colleges offer approximately 8,000 certificate programs—including over 200 programs in CTE which operate under the purview of the Chancellor's Office—and 4,500 associate degree programs.<sup>37</sup> Apprenticeship programs, short-term training aligned to third-party credentials, and incumbent worker training to upgrade skill sets in various industry sectors are also available. Colleges also deliver contract education to provide employer-supported, customized instruction for incumbent workers.<sup>38</sup>

CTE refers to a sequence of courses that integrate core academic knowledge with technical and occupational knowledge to provide students with a pathway to both postsecondary education and careers.<sup>39</sup> CTE instruction is offered in ten priority and emerging industry sectors and five major "career cluster" areas.<sup>40</sup> CTE objectives include teaching academic subjects in a hands-on manner linked to career interest areas. CTE courses may also emphasize instruction in soft skills, such as teamwork, time management, and communication; providing students with technical skills leading to postsecondary education or jobs; and helping the state to meet workforce goals of producing more workers trained for middle-skill careers (i.e., careers requiring training beyond high school but less than a four-year degree) within the next decade.<sup>41</sup>

<sup>&</sup>lt;sup>37</sup> California Community Colleges. <u>Key Facts</u>.

<sup>&</sup>lt;sup>38</sup> California Community Colleges Task Force on Workforce: Job Creation and a Strong Economy (2015).

<sup>&</sup>lt;sup>39</sup> California Department of Education. "Career Technical Education."

<sup>&</sup>lt;sup>40</sup> Legislative Analyst's Office, "<u>Overview of High School Career Technical Education</u>," February 21, 2018. The areas are: Agriculture and Natural Resources; Arts, Media, and Entertainment; Building and Construction Trades; Business and Finance; Education, Child Development, and Family Services; Energy, Environment and Utilities; Engineering and Architecture; Fashion and Interior Design; Health Science and Medical Technology; Hospitality, Tourism, and Recreation; Information and Communication Technologies; Manufacturing and Product Development; Marketing, Sales, and Service; Public Services; Transportation.

<sup>&</sup>lt;sup>41</sup> Legislative Analyst's Office, "Overview of High School Career Technical Education," October 2, 2017.

# Participant Demographics *Ethnicity*

# 1.9.1.2 Figure Set - Hispanic/Latino Participants in CTE & Percentage of the Statewide Labor Force that is Hispanic/Latino



Figure Set 1.9.1.2 displays the percentage of participants in the CCCCO CTE program who are Hispanic or Latino, next to the percentage of the state labor force population that is Hispanic or Latino. Data shown are for FY 14-15 and 15-16.

Participants in CTE who were Hispanic or Latino made up larger shares of all CTE participants (about 42% in FY 14-15 and about 43% in FY 15-16) compared with labor forces shares of about 37% and 36%, respectively.

## Race

1.9.1.3 Figure Set - CTE Participants by Race & Statewide Labor Force by Race



Figure Set 1.9.1.3 displays the percentage distribution of participants in the CCCCO CTE program served in FY 14-15 and FY 15-16 by participant race, next to the racial breakdown of the state labor force population for the same years.

Individuals who were American Indian or Alaskan Native made up 3.3% of all participants in community college career education in each year, more than twice their labor force share of 1.4% (FY 14-15) and 1.5% (FY 15-16).

Black or African American participants were also represented in CTE at higher than labor force levels, about 9% of each year's participants compared with labor force shares of 6%. Unemployment rates among all three groups are higher than those of non-Hispanic whites.<sup>42</sup>

Given CTE's focus on providing skill training and education in in-demand fields, overrepresentation could be interpreted as a positive indicator.

# *Gender* 1.9.1.4 Figure Set - CTE Participants by Sex/Gender & Statewide Labor Force by Sex/Gender



Figure Set 1.9.1.4 displays the percentage distribution of participants in the CCCCO CTE program served in FY 14-15 and FY 15-16 by participant gender, next to the gender breakdown of the state labor force population for the same years.

In both years, women in CTE programs also exceeded their labor force representation by about 4 percentage points. To the extent that CTE is focused on in-demand fields and other benefits noted, women's above-labor-force representation can also be seen as a positive indicator.

<sup>&</sup>lt;sup>42</sup> For rates of unemployment by race and ethnicity during the period in question, see the California Workforce Development Board's State Plan (PY 2016-2020), <u>Appendix F: Labor Market Analysis by EDD's LMID</u>.

### **Employment Outcomes**



### 1.9.1.5 Figure Set - Employment Rate of CTE Participants 2 and 4 Quarters After Exit

As Figure Set 1.9.1.5 displays, employment rates of CTE participants following their exit from the program ranged between 61% (FY 14-15) and 62% (FY 15-16) six months after exit and were closer to 62% a year after exit in both years.

Other Notable Findings: CalWORKS-enrolled participants receiving a combination of services experienced positive outcomes.

#### 1.9.1.6 Figure - Credential Attainment Rate of CTE Participants by Type of Service



A small number of participants in CTE received services in addition to CTE training as a result of being enrolled in the CalWORKS Welfare to Work program (approximately 7,000 individuals of all 322,037 to exit in FY 14-15 and approximately 9,000 of the to 415,253 to exit in FY 15-16, or about 2% of all to exit in each year).

These individuals represent the only group of CTE participants for whom services other than training was reported in this data, making this program a unique case. The information indirectly provided by CalWORKS enrollment (high barriers faced) allows extra insights into outcomes.

Additional services these CalWORKS-enrolled participants received included career services and supports (such as transportation, money for books and supplies, and other forms of assistance).

CalWORKS is a means-tested antipoverty program serving the state's very poor, including a disproportionate number of women and single parents.

As Figure 1.9.1.6 displays, the rate of credential attainment among these (CalWORKS-enrolled) participants in CTE who received the combination of career, support, and training services was the highest overall.

CalWORKS-enrolled participants who received supportive services in tandem with training had the second-highest earnings of all groups both two and four quarters following exit from a CTE program.

No conclusions can be drawn from this data about the causality of support services on impacts, and many unknowns exist.

However, the noted high credential rate apparently associated with some of the most barrierfacing participants is suggestive of a need for further study into barrier-removing effects of supportive services.

Results of the Workforce, Education and Training Subcommittee of the Lifting Children and Families out of Poverty Task Force established by AB 1520 (Burke, Chapter 415, Statutes 2017) identified supportive services as key to enabling low-income individuals to complete training. Findings of this Task Force, which brought together representatives from state agencies responsible for health and human services, workforce, education, and housing programs together with community organizations, justice agencies, and support of researchers Goldman School of Public Policy, University of California, Berkeley, and Stanford Center on Poverty and Inequality, are echoed in numerous academic and policy studies of the role of supportive services for TANF recipients.<sup>43</sup>

<sup>&</sup>lt;sup>43</sup> Shaefer, H. Luke, and Kathryn Edin. (2012). Extreme Poverty in the United States, 1996 to 2011. National Poverty Center Policy Brief #28; Heather Hahn, Gina Adams, Shayne Spalding, and Caroline Heller (2016) "<u>Supporting the</u> <u>Child Care and Workforce Development Needs of TANF Families</u>." Urban Institute.

#### **1.10** California Employment Training Panel (ETP) – Incumbent Worker Training Program

#### 1.10.1 Incumbent Worker Training Program

1.10.1.1 Table Set – ETP Incumbent Worker Training Program Summary for FY 14-15 and FY 15-16

					FY 2014	4-2015					
				2 (	Quarters Afte	r Exit		4 Qı	arters After	Exit	
Program	# Served	# Exited	# Completed Training	# Employed	% Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings
Incumbent Worker Training	93,850	54,818	38,544	51,461	93.9	\$15,755	NA	NA	49,738	90.7	\$16,252

					FY 2015	-2016					
				2	Quarters Afte	r Exit		4 Qı	uarters After	Exit	
Program	# Served	# Exited	# Completed Training	# Employed	% Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings
Incumbent Worker Training	134,746	83,360	56,467	79,041	94.8	\$16,559	NA	NA	75,804	90.9	\$17,081

Table Set 1.10.1.1 provides a summary of enrollments, exits, and outcomes for participants in the ETP program served during FY 14-15 and FY 15-16.

The Employment Training Panel (ETP) provides funding to employers to assist in upgrading the skills of their workers through training that leads to good-paying, long-term jobs. The ETP was created in 1982 by the California State Legislature and is funded by California employers through a special payroll tax. ETP does not use Federal or State General Funds to fund its core program.<sup>44</sup>

<sup>&</sup>lt;sup>44</sup> The Employment Training Tax (ETT) funds the core ETP program. The ETT is exacted on all California companies that participate in the Unemployment Insurance system. ETT revenues are then deposited into the Employment Training Fund (ETF), which money is used to fund ETP and its training programs. In addition, ETP has access to much smaller pools of funds for special funding initiatives, in particular the Alternative and Renewable Fuel and Vehicle Technology Program, a program created in 2007 via AB 118 to fund training in new transportation technologies to help attain the workforce needs of companies engaged in the development and/or deployment of alternative fuels and vehicle technologies (ETP Annual Report for FY 2016-2017, p. 2).

ETP is governed by eight Panel members consisting of three gubernatorial appointees, two Speaker of the Assembly appointees, two Senate Pro Tem appointees, and an ex-officio member representing the Governor's Office of Business and Economic Development (GO-Biz). The ETP is a funding agency, not a training agency. Businesses determine their own training needs and how to provide training. ETP staff is available to assist in applying for funds, proposal development, and assistance in monitoring the progress of a contract. In general, to qualify for retraining funds, a business must demonstrate that the jobs to be retrained are threatened by out-of-state competition.

In addition to employers and groups of employers, ETP also contracts with other entities, including training agencies (for example, community colleges and adult schools) and local workforce development boards. More information on eligible entities can be found <u>here</u>.

Overall, the ETP program helps to ensure that California businesses will have the skilled workers they need to remain competitive.

ETP supports job creation and workforce development activities throughout California by supporting projects with the greatest impact on the economy. Key priorities include: <sup>45</sup>

- Job creation projects
- Projects with a demonstrated investment in California's economy
- Projects serving drought-impacted regions of the state
- Critical Proposals GO-BIZ References
- Projects serving veteran trainees
- Small business projects

The Panel also prioritizes industries critical to the state's economy, including

- Agriculture
- Allied Healthcare
- Biotechnology and Life Sciences
- Construction
- Goods Movement and Transportation Logistics
- Green/Clean Technology Services
- Manufacturing
- Multimedia/Entertainment
- Technical Services

<sup>&</sup>lt;sup>45</sup> For further information, see the ETP <u>Annual report</u> for FY 2015-2016, p. 4.

## Participant Demographics Ethnicity

# 1.10.1.2 Figure Set - Set – Hispanic/Latino Participants in ETP & Percentage of the Statewide Labor Force that is Hispanic/Latino



Figure Set 1.10.1.2 displays the percentage of participants in the ETP program who are Hispanic or Latino, next to the percentage of the state labor force population that is Hispanic or Latino. Data shown are for FY 14-15 and 15-16.

Hispanic or Latino participants were 34% and 33% of all ETP enrollees in FY 14-15 and FY 15-16, compared with 37% and 36% of the statewide labor force.

## Race

1.10.1.3 Figure Set - ETP Participants by Race & Statewide Labor Force by Race



Figure Set 1.10.1.3 displays the percentage distribution of participants in the ETP program served in FY 14-15 and FY 15-16 by participant race, next to the racial breakdown of the state labor force population for the same years.

By race, enrollments in ETP appeared generally similar to labor force levels, although Asian participants appeared slightly over- and Black participants slightly under-represented. (The discrepancy between numbers of participants identifying as white in ETP training versus in the labor force may be due to differences in reporting of Hispanic/Latino individuals).

### Gender





Figure Set 1.10.1.4 displays the percentage distribution of participants in the ETP program served in FY 14-15 and FY 15-16 by participant gender, next to the gender breakdown of the state labor force population for the same years.

Women were represented at levels between about 10 and 15 percentage points below labor force shares.

Gendered patterns of underrepresentation might be linked with *occupational segregation*, or the uneven concentration of men and women in differing jobs—with men frequently concentrated in relatively more higher-paying jobs—in many sectors in which ETP contracts are typically awarded: ETP, whose role in the economy is derived from its 1982 dual mandate of moving unemployed workers into employment as well as saving jobs of workers threatened with displacement, has expanded the latter role to include increased support of retraining incumbent workers of businesses in basic industries challenged by out-of-state competition, primarily the manufacturing and high technology sectors. The composition of ETP participants is therefore shaped, in part, by the demographics of the incumbent workforces of these respective industry sectors. However, such disparities appear to warrant further investigation. The contract-based nature of ETP funding suggests that variability in who is served might be subject to year-to-year fluctuation, making it desirable to look at data over a longer period of time.

Women were also overrepresented in sectors – including some areas of public employment and healthcare – which may in some cases be ineligible for ETP contracts.<sup>46</sup>

## **Employment Outcomes**





As Figure Set 1.10.1.5 displays, employment rates for all participants in ETP training were consistently above 90%, with 94% and 95% of participants employed two quarters after exiting the program in the first and second fiscal year, respectively, 91% a year after exit in both years.

These outcomes suggest that workers remain employed following their training, well beyond the contractually required period.

Highlights of a 2004 independent evaluation study by researchers at the Management and Organization Development Center at California State University, Northridge, previously found ETP training to benefit workers and employers, which included reshaping employer attitudes

<sup>&</sup>lt;sup>46</sup> Under its core program, ETP can only fund training for employers that are subject to paying the Employment Training Tax. The core-funded ETP Program is supported by this tax. Public and nonprofit entities may elect to pay UI through a reimbursement method instead, rendering them ineligible for ETP employer contracts. For more on ETP's funding structure and the types of entities – employer and non-employer - with whom it contracts, please see: <u>Employment Training Panel – Eligible Entities</u>. For more on state payroll taxes and the distinction between taxrated and reimbursable employers, see: <u>Employment Development Department – California State Payroll Taxes</u>. Finally, for detail on the exemption that enables some nonprofit and public employers to become reimbursable employers, see: <u>Employment Development Department – Information Sheet: Nonprofit and/or Public Entities</u>.

about the desirability of continued investment in workers, including a continued commitment to training.<sup>47</sup>

Other Notable Findings: ETP Trainees who completed training had higher employment and earnings than non-completers.





<sup>&</sup>lt;sup>47</sup> Richard Moore, Philip Gorman, Daniel Blake, G. Michael Philips, Gerard Rossy, Eileen Cohen, Tara Grimes and Michael Abad (2004) "Management and Organization Development Center, CSU Northridge. "Lessons from the Past and New Priorities: A multi-method evaluation of ETP". Earnings gains (adjusted to 1995 dollars) among retrainee (incumbent) participants who completed training averaged +\$4,272 dollars annually, a \$2,087 advantage over gains of non-completers. Among new hire trainees, the size of the advantage was even greater, +\$6,073 for completers versus only +\$1,326 for non-completers. In terms of benefits accruing to companies that participated in ETP contracts, the same independent evaluation determined that participation in ETP training also had benefits, both perceived (as reported in an employer survey) and material (measured through employment and total payroll growth). Employers noted positive impacts in product quality, interdepartmental communication, increased use of new technology/methods, reduced error rates, and improved customer satisfaction (p. VIII-1). In payroll and employment, ETP-participating companies experienced larger growth rates than a control group of non-ETP companies (p. VIII-22-23). Given these benefits, the same study's finding based on a survey of participating companies that over 56% of employers involved in multi-employer contracts and about 9% involved in singleemployer contracts would not have provided employee training absent the ETP program is striking (p. VIII-3). The study also determined that, following completion of the ETP contract, most companies were willing to participate in another ETP contract (p. VIII-1).

Figure 1.10.1.6 displays median quarterly earnings from the fourth quarter after exit from the ETP program in FY 14-15 and FY 15-16, according to whether participants completed training.

While employment of all participants in ETP training was consistently above 90%, employment and earnings were higher for those who completed training.

Employment rates of training completers were about 5 percentage points higher than those of non-completers, in each year of exit. Earnings of those who completed training were between +7% and +14% larger than those of non-completers a year after exit.

While more analysis would be necessary to rule out other differences between participants, these outcomes suggest benefits to completion of ETP training.

# 1.11 California Department of Industrial Relations (DIR), Division of Apprenticeship Standards (DAS) – State Certified Apprenticeship Program

## 1.11.1 State Certified Apprenticeship Program

1.11.1.1 Table Set – DIR-DAS State Certified Apprenticeship Program Summary for FY 14-15 and FY 15-16

					FY 2	2014-2015					
			щ	2 0	Quarters After	Exit		4 Qı	uarters After I	Exit	
Program	# Served	# Exited	# Completed Training	# Employed	# Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings
SCA	SCA 53,749 13,458 2,980 9,633 71.58 \$10,083							22.12	9,556	71.01	\$10,797

					FY 2	2015-2016					
			4	2 0	Quarters After	Exit		4 Qu	uarters After I	Exit	
Program	# Served	# Exited	# Completed Training	# Employed	% Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings
SCA	68,170	22,843	7,329	17,222	75.39	\$12,625	7,276	31.85	17,100	74.86	\$13,629

Table Set 1.11.1.1 provides a summary of enrollments, exits, and outcomes for participants in the DAS State Certified Apprenticeship program served during FY 14-15 and FY 15-16.

State Certified Apprenticeship represents a collaboration of industry, an educational institution, government, and the apprentice. Within the Department of Industrial Relations (DIR), the Division of Apprenticeship Standards (DAS) works closely with industry to develop apprenticeship programs that train apprentices to employers' specific requirements.

Apprenticeship is an opportunity for workers to learn skills necessary for a career in a chosen field on the job, in the culture and environment of the workplace, while studying the theory behind their trade or profession. Without leaving the workforce, apprentices are trained using specifically designed classroom instruction and directly apply their newly developed skills on-the-job.

To be considered a program of apprenticeship, three criteria must be fulfilled: program design must combine classroom instruction in the skill or craft with concurrent on-the-job training at a worksite, and apprentices must receive regular and formally scheduled wage progression as they advance.

California leads the nation in apprenticeship. During the period covered in this report, the state had 74,441 apprentices registered in over 640 programs recognized by DAS. Minorities numbered 45,796, or 61.5% of all apprentices, and women apprentices numbered 4,683, or 6.3% of all apprentices.<sup>48</sup>

A majority of DAS-approved apprenticeship programs are in the construction sector. Still, programs continue to expand within both "traditional" apprenticeship sectors (defined in the state Labor Code as occupations in the building trades and firefighting) and into nontraditional and in-demand areas, including early childhood education, hospitality, healthcare, IT, and other fields. In 2015, for example, DAS approved 20 new programs in apprenticeship, shorter-duration "trainee" programs (which comprise an on-the-job component only), and so-called journeyperson upgrade (upskilling or recertification programs for those already certified in their field). Of these, 13 were in the service industry, three were in the maintenance or manufacturing industry, three were in civil service, and one was in the construction industry. All apprenticeship combines on-the-job experiential training with an instructional or classroom-based component-- the "earn" and the "learn" components of apprenticeship as an institution.

While the training curriculum is in all cases <u>certified by a local educational agency</u>, the physical site of instruction is in many cases a dedicated training center that may be run by either a joint apprenticeship training committee (JATC) in the case of a joint (labor and business-run) program (the model which predominates in the building trades, where over 80% of DAS apprenticeship enrollments are concentrated). In some cases, a unilateral (employer- or more rarely union-run) apprenticeship program may have a training center. Alternatively, some apprenticeship programs enter into arrangements with a local educational agency (LEA) to allow the instructional component of the program to be fulfilled at a local community college or adult school.

<sup>&</sup>lt;sup>48</sup> Data are for 2015. See <u>State of California Department of Industrial Relations Division of Apprenticeship</u> <u>Standards 2016 Legislative Report (2016)</u>.

# Participant Demographics Ethnicity

# 1.11.1.2 Figure Set - Hispanic/Latino Participants in Apprenticeship & Percentage of the Statewide Labor Force that is Hispanic/Latino



Figure Set 1.11.1.2 displays the percentage of participants in the SCA program who are Hispanic or Latino, next to the percentage of the state labor force population that is Hispanic or Latino. Data shown are for FY 14-15 and 15-16.

Nearly one-half participants in DAS programs were Hispanic or Latino. Given that apprenticeship training represents a sustainable pathway to employment, this appears to represent a positive contrast with national data indicating persistent underrepresentation of racial and ethnic minorities in apprenticeship programs.<sup>49</sup>

<sup>&</sup>lt;sup>49</sup> Hanks, Angela, Annie McGrew and Daniella Zessoules (July 11, 2018) <u>"The Apprenticeship Wage and Participation Gap"</u>. Center for American Progress.

## *Race* 1.11.1.3 Figure Set – Apprenticeship Participants by Race & Statewide Labor Force by Race



Figure Set 1.11.1.3 displays the percentage distribution of participants in the SCA program served in FY 14-15 and FY 15-16 by participant race, next to the racial breakdown of the state labor force population for the same years.

Native Hawaiian or Other Pacific Islander participants were the smallest share in both years, 0.5% of all participants. This is 44% smaller than the share of the same population -0.9% – in the state's labor force population.

## Gender





Figure Set 1.11.1.4 displays the percentage distribution of participants in the SCA program<sup>50</sup> served in FY 14-15 and FY 15-16 by participant gender, next to the gender breakdown of the state labor force population for the same years.

Women made up 6% of all participants in DAS programs, which comprises a substantial underrepresentation compared with women's share of the state labor force (45%).

Factors accounting for women's underrepresentation may include occupational segregation, a phenomenon in which women are concentrated in different occupations or industries (generally lower-paying) than men. The fact that women make up an even smaller share of construction apprentices (2.3%) suggests a need to improve equity in access to apprenticeship and the trades.<sup>51</sup>

However, records indicate that the percentage of women enrolled in apprenticeship programs under DAS has been increasing in recent years.<sup>52</sup>

CWDB's suite of <u>High Road Construction Careers</u> (HRCC) projects builds pathways through preapprenticeship into apprenticeship in the skilled trades, prioritizing the enrollment of traditionally underrepresented groups—including women and people of color.

In data from the past year for SB 1-funded HRCC projects, women were 20% (213 individuals) of the total (1,066 individuals) served –and in some regions, they represented as much as 30% or more of all enrollees. These figures represent an enormous source of promise to reverse past patterns of underrepresentation.

<sup>&</sup>lt;sup>50</sup> In each year, trivial numbers of DAS participants were enrolled not in apprenticeship but shorter-duration, onthe-job-training only, trainee programs.

<sup>&</sup>lt;sup>51</sup> <u>State of California Department of Industrial Relations Division of Apprenticeship Standards 2017 Legislative</u> <u>Report.</u>

<sup>&</sup>lt;sup>52</sup> See <u>State of California Department of Industrial Relations Division of Apprenticeship Standards 2016 Legislative</u> <u>Report.</u>
#### **Employment Outcomes**

## 1.11.1.5 Figure Set – Employment Outcomes of Apprenticeship Participants by Participant Status (Participating, Withdrawn, Completed)



As shown in Figure Set 1.11.1.5, employment rates for those who successfully completed a program in registered apprenticeship were between 87% and 89% in the second quarter and between 83% and 87% in the fourth quarter. (Rates of employment for all programs in this report are based on a match with employer records and likely to represent an undercount). Availability of data on continuing apprentices bears out the unique value of earn-and-learn programs such as apprenticeship: reported employment rates for these individuals were also extremely high, between 82% and 90%.<sup>53</sup>

<sup>&</sup>lt;sup>53</sup> In the figures shown, "second" and "fourth" quarter indicates the second and fourth quarter *following exit* for participants who either completed or withdrew. For continuing participants, these terms represent the second and fourth quarter of the fiscal year period.

#### Other Notable Findings: better outcomes for apprenticeship completers

## 1.11.1.6 Figure Set – Median Quarterly Earnings of Apprenticeship Participants 2 and 4 Quarters After Exit<sup>54</sup> by Participant Status



Figure Set 1.11.1.6 displays participant earnings two and four quarters after exit by completion status (whether a continuing apprentice, a participant who withdrew, or a participant who successfully completed their program).

Earnings of participants who successfully completed an apprenticeship program ranged from about \$19,600 quarter two quarters after completion in FY 14-15 and about \$19,400 two quarters after completion in FY 15-16 to about \$22,300 and \$22,600 in the fourth quarter after completion in each year. If extrapolated annually (a total range of from just under \$77,600 to \$90,400), the earnings of these participants appear to be highly competitive.

<sup>&</sup>lt;sup>54</sup> For participants actively participating in the program, earnings are reported for the 2<sup>nd</sup> and 4<sup>th</sup> quarter of the fiscal year.

#### 1.12 California Employment Development Department (EDD) – Trade Adjustment Assistance

#### 1.12.1 Trade Adjustment Assistance Program

1.12.1.1 Table Set – EDD Trade Adjustment Assistance Program Summary for FY 14-15 and FY 15-16

	FY 2014-2015												
			#	2 Quarters After Exit			4 Quarters After Exit						
Program	# Served	# Exited	Training	# Employed	% Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings		
TAA	1,911	1,106	509	719	65.0	\$8,233	360	32.5	731	66.1	\$8,716		

	FY 2015-2016												
			#	2 Quarters After Exit			4 Quarters After Exit						
Program	# Served	# Exited	Training	# Employed	% Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings		
TAA	1,392	753	336	466	61.9	\$8,153	213	28.3	478	63.5	\$8,761		

Table Set 1.12.1.1 provides a summary of enrollments, exits, and outcomes for participants in the EDD Trade Adjustment Assistance program served during FY 14-15 and FY 15-16.

The Trade Adjustment Assistance (TAA) program is a federal program administered by the U.S. Department of Labor (DOL) and, at the state level in California, by the Employment Development Department (EDD). The TAA program was established under the Trade Act of 1974 to assist workers who are laid off as a result of foreign trade, such as increased imports or a shift in production to a foreign country. The program provides eligible workers with wage subsidies and income support during periods of unemployment. It assists workers in obtaining employment through employment and case management services, classroom and/or on-the-job training, job search assistance, and relocation allowances.

# Participant Demographics Ethnicity



1.12.1.2 Figure Set – Hispanic/Latino Participants in TAA & Percentage of the Statewide Labor Force that is Hispanic/Latino

Figure Set 1.12.1.2 displays the percentage of participants in the TAA program who are Hispanic or Latino, next to the percentage of the state labor force population that is Hispanic or Latino. Data shown are for FY 14-15 and 15-16.

Just under 30% of all participants in TAA in FY 14-15 and 32% of participants in FY 15-16 were Hispanic or Latino. These shares were somewhat smaller than the same population's shares of the labor force, 37%, and 36%.

## Race

## 1.12.1.3 Figure Set – TAA Participants by Race & Statewide Labor Force by Race



Figure Set 1.12.1.3 displays the percentage distribution of participants in the TAA program served in FY 14-15 and FY 15-16 by participant race, next to the racial breakdown of the state labor force population for the same years.

Participants who did not identify a race represented nearly one half of all TAA participants in each year. Most of these individuals positively identified as Hispanic or Latino.

Asian participants were a noticeably larger share of participants in TAA (by almost 10 percentage points) than they were of the state's labor force as a whole. Black or African American participants were represented just above labor force levels in TAA, by about 2.5 percentage points in FY 14-15 and about 1 percentage point in FY 15-16. Shares of Native Hawaiian/Other Pacific Islander as well as American Indian/Alaskan Native participants were also higher than in the labor force.

#### Gender





Figure Set 1.12.1.4 displays the percentage distribution of participants in the TAA program served in FY 14-15 and FY 15-16 by participant gender, next to the gender breakdown of the state labor force population for the same years.

Nearly even shares of men and women were enrolled in TAA training in each year. Women were therefore overrepresented in relation to their share of the labor force by about 5 percentage points.

### **Employment Outcomes**



1.12.1.5 Figure Set - Employment Rate of TAA Participants 2 and 4 Quarters After Exit

As shown in Figure Set 1.12.1.5, two quarters after exit from TAA in FY 14-15, 65.0% of former participants were employed. Two quarters after exit in FY 15-16, 62% of former participants were employed. Four quarters after exit, employment rates were 66% and 64%, respectively.

Other Notable Findings: after exit, large numbers of TAA participants were employed in Manufacturing or the Administrative and Support and Waste Management Sector.





As shown in Figure Set 1.12.1.6, the two largest sectors of employment for former participants in TAA were manufacturing and a sector known as Administrative and Support and Waste Management. The latter employed about 21% of all TAA participants who had reported earnings from the second quarter after exit in FY 14-15, and 23% of their peers to exit in FY 15-16.

While the sector comprises a number of different occupational categories related to both waste management and clerical business-supportive functions, the top four occupations listed by size in Bureau of Labor Statistics data include typically low-paying occupations:<sup>55</sup> janitors (the largest occupation within this sector); laborers (including freight, stock, and material movers); and security guards.<sup>56</sup>

The share of former TAA participants employed in this sector was far higher than sector employment statewide, just 6.5%.

Manufacturing was the other large employer of participants in TAA, likely reflecting TAA's mandate to serve workers in competition-threatened sectors. Fourteen percent of TAA participants with earnings from two quarters after exit in FY 14-15, and 19% of the same population to exit in FY 15-16, worked in manufacturing. In comparison, manufacturing employed just under 8% percent of working Californians in FY 14-15 and FY 15-16.

<sup>&</sup>lt;sup>55</sup> Exceptions exist. See, as a key example, a <u>synopsis of the work of the Building Skills Partnership</u> to upskill and improve conditions and pay of janitorial workers through credentialing and training, worker voice, and coordination with employers.

<sup>&</sup>lt;sup>56</sup> B.L.S. Industries at a Glance: "<u>Administrative and Support and Waste Management and Remediation Services:</u> NAICS 56."

### **1.13** California Department of Social Services – CalWORKs Welfare-to-Work Program

#### 1.13.1 CalWORKs Welfare-to-Work Program

#### 1.13.1.1 Table Set – CalWORKs Welfare-to-Work Program Summary for FY 14-15 and FY 15-16

FY 2014-2015												
			#	2 Quarters After Exit			4 Quarters After Exit					
Program	# Served	# Exited	Training	# Employed	# Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings	
WTW	221,391	207,999	NA	93,813	45.1	\$4,051	NA	NA	97,264	46.8	\$4,430	

	FY 2015-2016												
			#	2 Quarters After Exit			4 Quarters After Exit						
Program	# Served	# Exited	Training	# Employed	% Employed	Median Quarterly Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Quarterly Earnings		
WTW	201,272	187,556	NA	87,421	46.6	\$4,150	NA	NA	88,020	46.9	\$4,604		

Table Set 1.13.1.1 provides a summary of enrollments, exits, and outcomes for participants in the CalWORKs Welfare-to-Work program served during FY 14-15 and FY 15-16.

California Work Opportunity and Responsibility to Kids or CalWORKs is a public assistance program that provides cash aid and services to eligible families with children in the home. The program serves all 58 counties in the state and is operated locally by county welfare departments.<sup>57</sup>

The CalWORKs program is California's version of the federal Temporary Assistance for Needy Families (TANF) program. CalWORKs provides temporary cash assistance to meet a family's basic needs. It also provides education, employment, and training programs to assist the family's progress toward self-sufficiency. Components of CalWORKs policy include time limits on eligibility, work requirements, supportive services to encourage program participation, and parental responsibility.

<sup>&</sup>lt;sup>57</sup> California Department of Social Services. <u>CalWORKs</u>.

California is among a minority of states that provide TANF benefits to children in need even after their adult caregiver reaches the lifetime 48-month time limit for cash aid. California continues to provide assistance to children when adults are not aided due to failure to meet program requirements.

#### Participant Demographics Ethnicity

1.13.1.2 Figure Set – Hispanic/Latino Participants in Welfare-to-Work & Percentage of the Statewide Labor Force that is Hispanic/Latino



Figure Set 1.13.1.2 displays the percentage of participants in the WTW program who are Hispanic or Latino, next to the percentage of the state labor force population that is Hispanic or Latino. Data shown are for FY 14-15 and 15-16.

The largest shares of participants served were Hispanic or Latino, about 43% of each year's total. This was a larger share than the same population's share in the statewide labor force, between 36% and 37%.<sup>58</sup>

<sup>&</sup>lt;sup>58</sup> Differences in how racial and ethnic categories are defined and participant information reported might play a role in observed discrepancies between Hispanic/Latino shares in the labor force (estimates based on Current Population Survey results) and program shares. For more detail on both general issues as well as detailed descriptions of program reporting methodology, please see Appendix.

## **Race** 1.13.1.3 Figure Set - Welfare-to-Work Participants by Race & Statewide Labor Force by Race



Figure Set 1.13.1.3 displays the percentage distribution of participants in the WTW program served in FY 14-15 and FY 15-16 by participant race, next to the racial breakdown of the state labor force population for the same years.

Black or African American participants were also overrepresented relative to labor force shares: about 6% of the California labor force, Black participants made up about 15% of all CalWORKS participants.

Racially stratified poverty and unemployment rates stemming from multiple sources of structural inequality impact the demographics of the CalWORKs service population. Poverty rates and rates of unemployment among Black and Hispanic Californians are higher than among other groups in the state.<sup>59</sup>

Other populations were represented at below labor force shares, including Asian participants who made up about 6% of CalWORKs participants compared with 15-16% of the labor force. In the aggregate, Californians of Asian descent experience higher incomes and educational attainment rates than other populations. However, these aggregate statistics mask some of the most extensive intragroup heterogeneity of all populations (including by ethnic origin, area of residence, class, etc.), which should not be overlooked from a policy perspective.<sup>60</sup>

Both Native American and Pacific Islander enrollments in CalWORKs also appeared lower than labor force shares, despite the fact that both populations may face employment barriers.

<sup>&</sup>lt;sup>59</sup> See, <u>Who's in Poverty in California? - Public Policy Institute of California (ppic.org)</u>. See also information on unemployment rates stratified by race in the <u>LMID 2020-2023 State Plan (ca.gov)</u>, p. 45-46.

<sup>&</sup>lt;sup>60</sup> See, for instance: <u>Key facts about Asian Americans | Pew Research Center</u>; see, <u>Reports shows Asians in</u> <u>California working and struggling with poverty | The Sacramento Bee (sacbee.com)</u>.

### Gender



1.13.1.4 Figure Set – Welfare-to-Work Participants by Sex/Gender & Statewide Labor Force by Sex/Gender

Figure Set 1.13.1.4 displays the percentage distribution of participants in the WTW program served in FY 14-15 and FY 15-16 by participant gender, next to the gender breakdown of the state labor force population for the same years.

Almost 70% of CalWORKs participants were women, substantially larger than their share of the statewide labor force (45%).

CalWORKs is a public assistance program targeted to the state's poorest residents. Having dependent children in the home is also a condition for eligibility. Women are more likely than men to be the primary caregiver of a child, a single parent, and a single parent in poverty, factors that jointly explain women's overrepresentation in the CalWORKS program.

#### **Employment Outcomes**





As Figure Set 1.13.1.5 displays, just under one-half of former participants in CalWORKs were employed at both stages following exit.

Employment rates appeared stable and even somewhat higher a year following exit compared with two quarters after exit.

On the one hand, employment rates of under 50% may be cause for concern. A more positive outcome is apparently stable retention from Q2 to Q4 after exit, which provides a positive contrast with early findings following the TANF program implementation indicating rapid job attainment but less than one-third retention at the year mark.<sup>61</sup> Stable rates may indicate that the half of WTW participants who are able to maintain employment two quarters after exiting the CalWORKs program retain their employment into the longer term. Although this interpretation cannot be stated with certainty (participants employed in the fourth post-exit quarter may not be the same individuals employed in the second), it appears to indicate retention in the aggregate.

More research should be performed to explore employment outcomes for this program, including the more than one-half of participants who were not found to have any reported earnings at either stage following exit from the program.

Other Notable Findings: stable employment rates post-exit suggest participants in Welfareto-Work are retaining employment.

<sup>&</sup>lt;sup>61</sup> See, Sharon Hays (2003) *Flat Broken With Children: Women in the Age of Welfare Reform*. Oxford University Press: New York.

As shown in the figures above (Figure Set 1.13.1.5), 45.1% of Welfare-to-Work participants to exit in FY 14-15 and 46.6% to exit in FY 15-16 had reported earnings two quarters after program exit. These rates were higher one year after exit, 46.8% and 46.9% respectively.

This outcome provides a positive contrast with past research from the period shortly following enactment of the Personal Responsibility and Welfare Reform Act (PRWORA), which found that individuals often lost the jobs they gained soon after exiting TANF (Hays 2003).

As noted, WTW participants in California may participate in many activities that may increase employability, as well as receive appropriate supports.

## 1.14 Lessons Learned & Next Steps

Data analyzed in the CAAL-Skills Workforce Metrics Report show that the state's workforce programs serve a diverse array of participants, including enrollments of women and persons of color at or above labor force levels. In some cases, this may indicate that programs positively impact equity in job training access. It may also reflect existing stratification in the labor market.

Other findings included positive labor market outcomes among participants who completed training and a higher rate of credential attainment among CalWORKs-enrolled participants in CTE who also received supportive services. Findings also show high rates of employment among participants in ETP and State Certified Apprenticeship.

The process of gathering, compiling, and analyzing the data contained in this report resulted in lessons learned in three discrete areas, each of which is discussed below, along with next steps.

## 1.14.1 Technological Lessons Learned & Next Steps

A key area of learning during Phase I of CAAL-Skills concerned building the technological infrastructure needed to house program data for maximum utility.

Key objectives of CAAL-Skills were to:

- Establish an organization with the resources, tools, and technology capable of fulfilling the intent of state and federal law.
- Establish processes that will enable the efficient cleansing and standardization of dissimilar data received from data partners.
- Establish a technical environment where standardized partner data can be used to:
  - Create canned and ad hoc reporting of workforce system participation and outcomes.
  - Perform statistical analysis and evaluate the workforce system holistically.
  - Effectively establish, track, and report on large and small cohorts of individuals across programs, through time, and into the labor market (based on participant characteristics, program participation, providers, and outcomes).

• Unite senior executives from workforce system partner organizations behind a program where all organizations contribute, and all programs benefit.

During Phase I, the focus was on securely gathering and housing program data, overcoming challenges (data siloing, system interconnectivity, etc.).

CAAL-Skills successfully addressed these challenges through a process that involved careful data protocols alongside a participatory process of sustained partner engagement.

CAAL-Skills has two important projects planned for Phase II:

### **Migrating Current Infrastructure to Cloud**

- Current infrastructure is siloed and not accessible online.
- Migrate the infrastructure to Cloud.
- Support the Cloud First policy (TL 14-04) for all new reportable and non-reportable IT projects.
- Flexible work schedules CalHR guidance on the Emergency Temporary Standards from Division of Occupational Safety & Health (Cal/OSHA) issued on December 18, 2020.
- Development of public accessible Workforce Metrics Dashboard portal.
- Provide partners with a secure mechanism to exchange workforce metrics data.

### Interactive Workforce Metrics Dashboard Portal

Development of an interactive dashboard web portal accessible to the public is underway, funded through a Workforce Data Quality Initiative (WDQI) grant.

Web portal objectives will include:

- Providing direct public access to the Workforce Metrics Dashboard Reports (WMDRs).
- Providing comparative analysis of program performance.
- Providing an interactive dashboard that allows users to query information by workforce program, population characteristics, program year, and participant region.

## 1.14.2 Methodological Lessons Learned & Next Steps

In addition to technological improvements in the capture and display of workforce data in developing an interactive dashboard and in the housing of data in a cloud-based platform, CWDB staff and researchers are partnering with data-sharing agencies to improve the methodology of the data model or how the relationship of inputs (participants), processes (services, and approaches to service delivery), outputs (e.g., credentials awarded) and substantive outcomes, is construed.

This effort reflects a desire to accurately and comprehensively capture the work of the state's workforce and training programs.

Programs in the report serve participants who may have a number of aims, in addition to or in place of immediate employment. For example:

- The Adult Education and Family Literacy program promotes employment as only one of a set of intended outcomes—which include language skills, literacy, acculturation, and civic integration. It may not be the case that all participants in this program seek employment as an end goal.
- Participants in career technical education through the California Community Colleges may seek to "build skills," gain exposure to a new area, or other goals that are either not immediately employment-related or a complement to seeking employment.
- The WIOA Title I Youth program is designed to promote continuing education and training for those who seek it, in addition to supporting the placement of participants into employment where desired and appropriate.

Performing this work will ensure consistent and meaningful identification of the type of service or treatment participants in each of the diverse workforce programs receives, through what entity, and with what outcomes.

## 1.14.3 Policy Lessons Learned & Next Steps

The CAAL-Skills Workforce Metrics Dashboard Report 2022 has provided valuable insights, summarized above, into the state's workforce and training investments. In particular, data have revealed important information about enrollment levels as well as the labor market outcomes of participants once they exit.

However, extensive discussion between CWDB staff and researchers with program partners has led to greater awareness of a need for broader definitions of success.

Many CAAL-Skills programs, as discussed, are oriented toward multiple aims, including but not limited to immediate employment outcomes. Self-development, skills-building, acculturation, civic engagement, as well as formal placement in continuing education and/or training characterize the aims of many programs. A broader but related insight concerns the need for sensitivity to individuals' own career pathways and goals – which past research has observed often follow a non-linear path.

In developing both the dashboard tool discussed and future reports, CWDB and external researchers are embracing these lessons learned to ensure future reporting and metrics provide as rich and comprehensive a picture of the California workforce training and education system as possible.