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**Training Benefits Program**  
**Annual Report**



**Employment  
Security  
Department**  
WASHINGTON STATE

# 2011 Training Benefits Program Annual Report

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This program performance report was prepared in accordance with the Revised Code of Washington, section 50.20.250.

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# Executive summary

## Background

The Training Benefits Program was created by the Washington State Legislature in 2000.<sup>1</sup> The program provides extended unemployment benefits to dislocated workers whose occupations are in decline and who need training to gain employment in an occupation that is in demand. Training benefits are available to qualifying claimants for up to a year, including the recipient's regular unemployment benefits.

Training benefits provide income support while the dislocated workers are in training; the benefits are paid out of the State Unemployment Insurance Trust Fund. Direct costs of training (tuition, books, transportation, etc.) must be funded through other sources.

## Annual report to the Legislature

*RCW 50.22.157* requires the Employment Security Department to deliver an annual report to the Legislature that includes the following information:

- Participant demographics
- Number of weeks of benefits
- Types of training
- Employment and wages of program participants
- Program administrative costs

Data in this report are primarily from three sources: Employment Security's administrative records, a survey of program participants conducted by Employment Security in spring 2011 and training data from the State Board for Community and Technical Colleges (SBCTC).

## This is a stand-alone report

This report is a descriptive statistical analysis of Training Benefits participants approved for the program during state fiscal year 2010 (FY2010), from July 2009 through June 2010. Data for this cohort of participants should not be compared to previous cohorts for two important reasons.

First, at the time of their eligibility for the program, in addition to the 26 weeks of "regular" unemployment benefits, these participants had access to federal extensions of benefits. Due to the extra weeks of benefits, participants approved for the program may have ended or completed their training program before receiving payments from training benefits funds.

Second, since the original legislative mandate, the legislature has modified the eligibility requirements for the Training Benefits Program. With the characteristics of each cohort being different, accurate comparisons cannot be made. Additional changes to the Training Benefits Program go into effect on July 1, 2012.

Data on the Training Benefits participants approved for the program during FY2010 are supplemented with the results of a survey of Training Benefits participants approved for the Training Benefits Program from Jan. 1, 2007 through Dec. 30, 2009 and SBCTC training data for these survey respondents.

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<sup>1</sup> Engrossed Substitute House Bill 1906

## Key findings

### Participant demographics

Participants approved for the training benefits program in FY2010 have the following characteristics:

- 52 percent of Training Benefits participants were female, compared to 35.5 percent of all unemployment claimants.
- 8.1 percent of Training Benefits participants were age 25 and younger, compared to 15 percent for all claimants.
- 8.2 percent of Training Benefits participants were older than 55 years, compared to 13.6 percent for all claimants.

### Number of weeks of unemployment benefits

To date, Training Benefits participants approved for the Training Benefits Program in FY2010 have received an average of 72 weeks of unemployment benefits. However, that number is due to increase since approximately 72 percent of these Training Benefits participants are still receiving weekly benefits. With federal extensions of benefits, Training Benefits participants are eligible for up to 125 weeks of benefits. Without those extensions, participants are only eligible for up to 52 weeks of benefits.

### Analysis of training

Of the 2,478 Training Benefits participants who responded to the Spring 2011 Training Benefits Survey, SBCTC data indicate that 753 earned a college program completion.

A small percentage of Training Benefits Program participants choose to enroll in training with private educational providers. Training outcomes for these participants are not reflected in SBCTC data.

### Employment and wages of program participants

For the year upon which their unemployment-insurance claims were based, Training Benefits participants approved for the Training Benefits Program in FY2010 earned a median wage of \$36,328. Due to the federal extensions of benefits, it is too soon to see the employment rates and wages for this group following participation in the Training Benefits Program.

Based on the Spring 2011 Training Benefits Survey of participants approved for the Training Benefits Program from Jan. 1, 2007 through Dec. 30, 2009, the median hourly wage reported by survey respondents who also said they were employed was \$19 per hour.

### Program administrative costs

Employment Security spent an average of \$2.6 million in FY2010 and FY2011 to administer the Training Benefits Program. During FY2010 and FY2011, the average cost to process an application was \$357.

# Introduction

## Background on the Training Benefits Program

In 2000, the Washington State Legislature enacted Substitute House Bill 3077, creating the Training Benefits Program. The program allows up to \$20 million each year from the Unemployment Insurance Trust Fund to be used to provide additional weeks of unemployment benefits to qualifying claimants who need training to obtain a new job. Training benefits are available to qualifying claimants for up to a year, including the recipient's regular unemployment benefits.

The Training Benefits Program provides temporary income support while eligible claimants are in training. Participating claimants do not have to look for work as long as they are enrolled and making satisfactory progress in their approved training programs. Direct costs of training (tuition, books, transportation, etc.) are not supported directly by this program. Training Benefits payments are not charged to employers for purposes of calculating experience-rated unemployment taxes.<sup>2</sup>

## Enrollment in and eligibility for Training Benefits

Individuals approved for the Training Benefits Program may enroll in an approved training program and have their work-search requirement waived while receiving "regular" benefits (the first 26 weeks of the unemployment-insurance program).<sup>3</sup> With current federal extensions of benefits, training benefits are paid after regular benefits and emergency unemployment compensation benefits. As of July 1, 2012, legislation specifies that training benefits are also paid after extended benefits.<sup>4</sup> In many cases, participants who were approved for the program may have ended their training course before receiving any payments from training benefits funds.<sup>5</sup>

To be eligible for training benefits, a claimant must:

- Submit a training plan within 90 days after being notified about the program (which occurs at the start of an individual's unemployment claim); and
- Enter an approved training program within 120 days after being notified about the program.<sup>6</sup>

Furthermore, eligibility of the Training Benefits Program requires claimants to be in one of the following categories:

- Dislocated workers.<sup>7</sup>
- Certain low-income workers whose earning potential will be enhanced with training.<sup>8</sup>
- Honorably discharged veterans who served in the military or Washington National Guard in the 12-month period prior to application.

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<sup>2</sup> EHB 1091 of 2011 amended the law so that benefits are not charged to employers beginning with the date of approval rather than upon the first payment from Training Benefits funds, as of FY 2013.

<sup>3</sup> A small percentage of Training Benefits Program participants choose to enroll in training with private educational providers. Training outcomes for these participants are not reflected in the SBCTC data in this report.

<sup>4</sup> EHB 1091 amended the law so that extended benefits are paid out before training benefits beginning in FY 2012.

<sup>5</sup> Commissioner Approved Training is paid through the payments of regular and federally funded unemployment benefits. Commissioner Approved Training is not funded through the funds allocated to the Training Benefits Program.

<sup>6</sup> EHB 1091 waives these deadlines for dislocated workers as of FY 2013.

<sup>7</sup> EHB 1091 expands the definition of "dislocated worker" as of FY 2013.

<sup>8</sup> Low income, prior to Jan. 1, 2011, is considered to be a wage rate of \$11.11 per hour or less. For Training Benefits applications filed Jan. 1, 2011 or later, \$11.27 per hour or less is considered low income. ESD calculates these wage rates by dividing total wages earned in the base year by total hours worked in the base year.

- Individuals currently serving in the Washington National Guard.
- Individuals who are disabled and unable to return to their previous occupations.

Approved program participants must enroll in training as full-time students.<sup>9</sup> Claimants may receive a waiver for missing the submission and enrollment deadlines if the commissioner determines they had good cause for doing so. Enrollment in part-time training is acceptable if a physical, mental or emotional disability prevents full-time enrollment.

## Annual report to the Legislature

*RCW 50.22.157* requires the Employment Security Department to deliver an annual report to the Legislature. The report must include:

- A demographic analysis of participants in the Training Benefits Program, including the number of claimants by industry of their last employer and the gender, race, age and geographic distribution of participants;
- Number of weeks of benefits claimed per claimant;
- An analysis of the training provided to participants, including the occupational category supported by the training, a comparison of participants who complete training in relationship to those who do not, and the reasons for not completing approved training programs;
- The employment and wage history of participants, including the pre-training and post-training wages and whether those participating in training return to their previous employers after training terminates; and
- An identification and analysis of local and state administrative costs for operating this program.

## Data sources

Data in this report are primarily from three sources: Employment Security's administrative records, a survey of program participants conducted by Employment Security in spring 2011 and training data from the State Board for Community and Technical Colleges (SBCTC).

In the spring of 2011, Employment Security conducted a survey of all 4,888 claimants approved for the Training Benefits Program from Jan. 1, 2007 through Dec. 30, 2009. We received 2,478 survey responses, a response rate of 50.6 percent. The survey was conducted via phone and email. In this report, the survey is referred to as the Spring 2011 Training Benefits Survey.

A small percentage of Training Benefits Program participants choose to enroll in training with private educational providers. Training outcomes for these participants are not reflected in the SBCTC data in this report.

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<sup>9</sup> EHB 1091 waives this requirement for dislocated workers as of FY 2013.

## Findings

The Training Benefits participants discussed in this report were approved for the program from July 2009 through June 2010 (state fiscal year 2010, or FY2010). These participants differ from previous annual cohorts due to the availability of federally funded extended benefits and emergency unemployment compensation.

Participants do not receive training benefits payments until they have exhausted their regular and federal emergency unemployment compensation and begin drawing a check through the Training Benefits Program. In many cases, participants approved for the program may have ended their training course before receiving any training benefits payments.

### Participant demographics

While the population of all unemployment-insurance claimants was nearly two-thirds male, the gender distribution of training benefits participants was approximately equal. There was only a one-year difference between the median age of Training Benefits participants and unemployment-insurance claimants. This was in contrast to the higher percentage of Training Benefits participants in the 26-55 age groups compared to all unemployment insurance claimants (*Figure 1*).

### Participant education level

The education level of Training Benefits Program participants differs from all unemployment-insurance claimants. The greatest difference is evident for Training Benefits participants with some college, but no degree. The largest number of Training Benefits participants falls into this category and represents approximately 40 percent of Training Benefits participants compared to 27 percent of all unemployment claimants (*Figure 2*).



Figure 1. Gender, race/ethnicity and age of Training Benefits Program participants approved in FY 2010  
 Source: Employment Security Department administrative data

	Count of TB participants*	Percent of TB participants approved in FY2010	Percent of all unemployment claimants
<b>Gender</b>			
Male	1,537	49.4%	64.5%
Female	1,576	50.6%	35.5%
<b>Total</b>	<b>3,113</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Race and ethnicity</b>			
African American	169	5.4%	4.9%
Asian, Pacific Islander	236	7.6%	6.4%
Caucasian	2,302	74.0%	71.9%
Hispanic	192	6.2%	--
Native American, Alaska native	45	1.5%	2.1%
Other	169	5.4%	14.7%
<b>Total</b>	<b>3,113</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Age</b>			
Younger than 21	17	0.6%	2.7%
21 to 25	240	7.7%	12.3%
26 to 35	944	30.3%	25.4%
36 to 45	912	29.3%	23.2%
46 to 55	743	23.9%	22.8%
56 to 65	247	8.0%	11.8%
Over 65	10	0.3%	1.8%
<b>Total</b>	<b>3,113</b>	<b>100.0%</b>	<b>100.0%</b>
Median Age	40	--	39

\*There were 35 participants for whom demographic data were not available.

Figure 2. Education level of Training Benefits Program participants approved in FY 2010  
 Source: Employment Security Department administrative data

Education level	*Count of TB participants	Percent of TB participants approved in FY2010	Percent of all unemployment claimants
Less than high school diploma	111	3.6%	13.9%
GED	141	4.5%	4.0%
High school diploma	1,100	35.3%	40.1%
Some college, no degree	1,240	39.8%	27.1%
Bachelor's degree and above	521	16.7%	14.9%
<b>Total</b>	<b>3,113</b>	<b>100.0%</b>	<b>100.0%</b>

\*There were 35 participants for whom education level data were not available.

## Geographic distribution of participants

FY 2010 program participants in King, Pierce and Snohomish counties accounted for 59.5 percent of all Training Benefits participants (*Figure 3*). This compares to 51.5 percent of all unemployment insurance claimants in those three counties (*Figure 4*).

Figure 3. Map displaying county of residence of Training Benefits Program participants approved in FY 2010  
Source: Employment Security Department administrative data

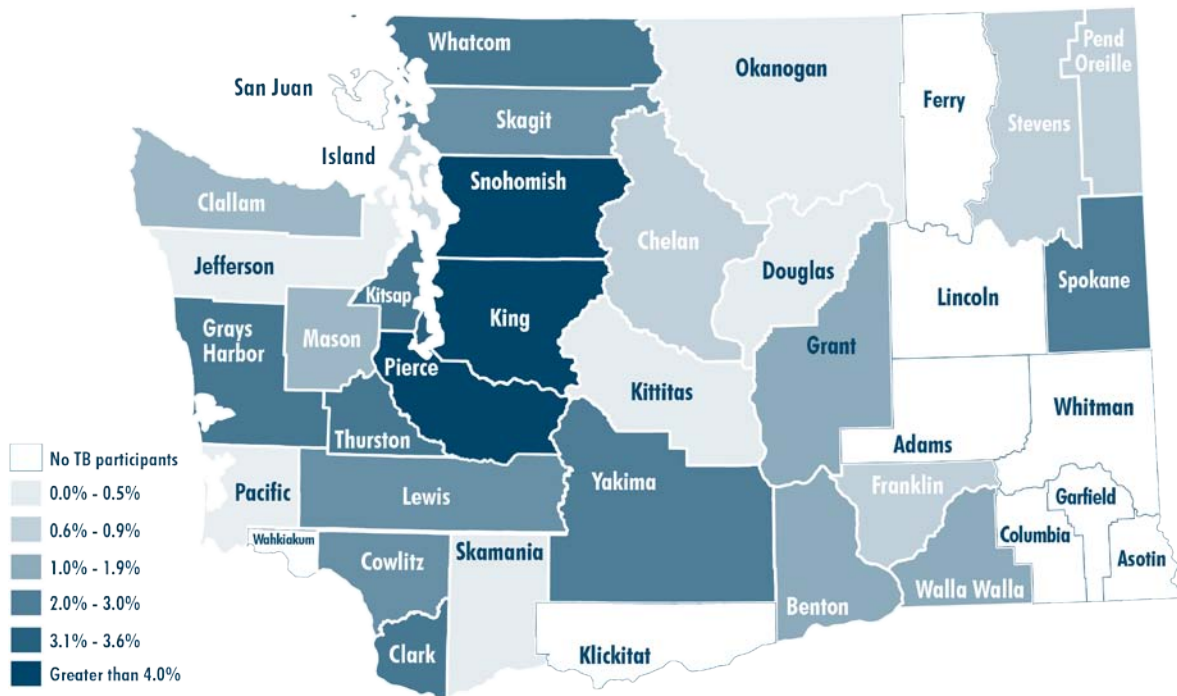


Figure 4. County of residence of Training Benefits Program participants approved in FY 2010  
 Source: Employment Security Department administrative data

County	Count of TB participants*	Percent of TB participants approved in FY2010	Percent of all unemployment claimants*
Benton	51	1.6%	2.2%
Chelan	27	0.9%	1.4%
Clallam	32	1.0%	1.0%
Clark	96	3.1%	4.9%
Cowlitz	61	2.0%	1.8%
Douglas	14	0.4%	0.7%
Franklin	19	0.6%	1.2%
Grant	35	1.1%	1.7%
Grays Harbor	103	3.3%	1.5%
Island	25	0.8%	0.8%
Jefferson	10	0.3%	0.3%
King	1,054	33.9%	26.5%
Kitsap	104	3.3%	2.9%
Kittitas	8	0.3%	0.6%
Lewis	85	2.7%	1.6%
Mason	30	1.0%	1.0%
Okanogan	7	0.2%	0.8%
Pacific	12	0.4%	0.4%
Pend Oreille	21	0.7%	0.2%
Pierce	444	14.3%	13.0%
Skagit	66	2.1%	2.1%
Skamania	7	0.2%	0.2%
Snohomish	353	11.3%	12.0%
Spokane	63	2.0%	7.2%
Stevens	27	0.9%	0.8%
Thurston	112	3.6%	3.3%
Walla Walla	43	1.4%	0.6%
Whatcom	99	3.2%	3.0%
Yakima	81	2.6%	4.9%
Other Counties	24	0.8%	1.5%
<b>Total</b>	<b>3,113</b>	<b>100.0%</b>	<b>100.0%</b>

\*There are 35 participants for whom geographic data were not available.

## Industry and occupation of participants before training

Industry refers to an employer's principal line of business, while an occupation refers to the kind of work a worker does. For example, a secretary working for an aerospace manufacturer has the occupation of secretary, but is classified as working in the aerospace industry.

Occupations in this report are specific to the individual unemployment claimant. Claimants provide occupational data when they file a claim for unemployment.

### *Industry classification of participants prior to training*

Former employees of the manufacturing, construction, retail trade and administrative support industries represented 46.1 percent of all Training Benefits participants approved in FY2010 (Figure 5). Agriculture, utilities and mining were the least represented sectors. More Training Benefits participants came from the manufacturing sector than unemployment-insurance claimants in general, while there were fewer Training Benefits participants from construction compared to all unemployment-insurance claimants.

Figure 5. Industry classification of employment before training for Training Benefits Program participants approved in FY 2010

Source: Employment Security Department administrative data

Industry sector	Count of TB participants*	Percent of TB participants approved in FY2010	Percent of all unemployment claimants
Manufacturing	550	18.6%	14.0%
Construction	282	9.6%	19.7%
Retail trade	268	9.1%	9.5%
Administrative support and waste mgmt.	261	8.8%	9.4%
Professional, scientific and technical	188	6.4%	3.5%
Finance and insurance	183	6.2%	6.0%
Healthcare and social assistance	164	5.6%	2.5%
Government	160	5.4%	4.8%
Wholesale trade	142	4.8%	4.1%
Information	112	3.8%	6.4%
Accommodation and food services	110	3.7%	3.4%
Other services (except public administration)	108	3.7%	1.9%
Educational services	104	3.5%	3.6%
Transportation and warehousing	86	2.9%	1.7%
Real estate rental and leasing	80	2.7%	2.2%
Arts, entertainment and recreation	59	2.0%	1.9%
Management of companies and enterprises	48	1.6%	4.6%
Agriculture, forestry, fishing and hunting	23	0.8%	0.4%
Utilities	16	0.5%	0.3%
Mining	6	0.2%	0.2%
<b>Total</b>	<b>2,950</b>	<b>100.0%</b>	<b>100.0%</b>

\*There were 249 participants for whom industry sector data were not available.

### Occupational classification of participants prior to training

More than 21 percent of Training Benefits participants came from office and administrative support occupations prior to becoming unemployed (*Figure 6*). This was substantially higher than the proportion of all unemployment-insurance claimants who were previously employed in office and administrative support occupations. Management occupations were the next most common at 13.1 percent of all Training Benefits participants.

Figure 6. Occupation prior to training for Training Benefits Program participants approved in FY2010  
Source: Employment Security Department administrative data

Major occupational group	Count of TB participants*	Percent of TB participants approved in FY2010	Percent of all unemployment claimants*
Office and administrative support	668	21.5%	11.8%
Management	407	13.1%	12.0%
Production	328	10.5%	8.0%
Construction and extraction	315	10.1%	18.2%
Sales and related	224	7.2%	6.6%
Business and financial	193	6.2%	2.6%
Installation, maintenance and repair	155	5.0%	8.7%
Transportation and material-moving	132	4.2%	4.9%
Computer and mathematical	125	4.0%	2.1%
Arts, design, entertainment	93	3.0%	2.2%
Food preparation and serving related	85	2.7%	1.6%
Architecture and engineering	52	1.7%	5.0%
Personal care and services	47	1.5%	2.5%
Farming, fishing and forestry	44	1.4%	0.6%
Military specific	42	1.3%	1.5%
Education, training and library	36	1.2%	3.6%
Healthcare support	34	1.1%	1.3%
Protective service	33	1.1%	1.2%
Building and grounds cleaning and maintenance	26	0.8%	1.5%
Community and social services	24	0.8%	0.7%
Life, physical and social science	21	0.7%	2.5%
Healthcare practitioners	18	0.6%	0.7%
Legal	11	0.4%	0.4%
<b>Total</b>	<b>3,113</b>	<b>100.0%</b>	<b>100.0%</b>

\*There were 35 participants for whom prior occupation data were not available.

## Number of weeks of unemployment benefits

To date, Training Benefits participants approved for the Training Benefits Program in FY2010 have received a median of 72 weeks of unemployment benefits. However, that number is due to increase since approximately 72 percent of these Training Benefits participants are still receiving weekly benefits. With federal extensions of benefits, Training Benefits participants are eligible for up to 125 weeks of benefits. Without those extensions, participants are only eligible for up to 52 weeks of benefits.

Due to the availability of federally extended benefits, some program participants may have ended or completed their training program before receiving payments from training benefits funds. At the writing of this report, 171 participants approved for the Training Benefits Program in FY 2010 have received payments from training benefits funds. To date, these payments total \$848,423. The median total benefit amount paid to participants was \$4,046 and the median weekly benefit amount paid was \$457. The total number of weeks paid was 1,898 and the median number of weeks paid per participant was eight weeks.

## Training benefit payments

Training Benefits participants collected a median of \$30,637 in total unemployment insurance compensation. This includes regular unemployment benefits, emergency unemployment compensation, extended benefits and training benefits. The median weekly training-benefit amount is \$444.

These measures of total benefit compensation reflects the federal ARRA stimulus of \$25 and EHB 1906 \$45 state stimulus packages that increased benefit amounts by \$70 per week.

## Types of training and program completions

Since much of the information required for this report is not readily available through administrative records, a survey of Training Benefits program participants was conducted in the spring of 2011. The survey included all 4,888 claimants approved for the Training Benefits Program from Jan. 1, 2007 through Dec. 30, 2009. Information gathered in the survey was augmented with data from the State Board for Community and Technical Colleges (SBCTC) on survey respondents.

A small percentage of Training Benefits Program participants choose to enroll in training with private educational providers. Training outcomes for these participants are not reflected in the SBCTC data in this report.

## Program completions

Of the 2,478 Training Benefits participants who responded to the Spring 2011 Training Benefits Survey, SBCTC data indicate that 968 college program completions were earned by 753 participants (*Figure 7*). The leading Classification of Instructional Programs (CIP) cluster was business, management and administration with 334 completions, 34.5 percent of all college program completions.

Training Benefits participants are approved for one college course of study; however, a Training Benefits participant may have more than one completion. For instance, a participant in a nursing program may achieve an intermediary completion, such as obtaining a certain number of credits or training hours, before attaining a professional license or certificate. Also, participants may take classes in addition to those in their approved Training Benefits training plan, which could result in more than one completion.

Figure 7. Top 10 CIP clusters completions of survey respondents  
 Source: Employment Security Department, Spring 2011 Training Benefits Survey; State Board for Community and Technical Colleges

Top 10 CIP clusters	Count	Percent of total
Business, management and administration	334	34.5%
Information technology	144	14.9%
Manufacturing	117	12.1%
Health services	61	6.3%
Architecture and construction	55	5.7%
Transportation, distribution and logistics	45	4.6%
Education and training	35	3.6%
Marketing, sales and services	35	3.6%
Law, public safety, corrections and security	30	3.1%
Health tech	27	2.8%

### Developmental education to improve employability

To improve their ability to get a job, some Training Benefits participants take developmental education courses in basic language, reading or writing skills.

During state fiscal year 2010, of the Spring 2011 Training Benefits Survey population, 675 participants completed 588 developmental education courses for credit (*Figure 8*). More than 76 percent of the developmental education courses completed for credit were completed in computational education courses. More than 12 percent of developmental education courses completed for credit were in writing courses. The total developmental education courses completed for credit in FY2010 are less than 4 percent of total courses completed for credit in FY2010 (15,838).

Figure 8. Developmental education courses during FY 2010  
 Source: Employment Security Department, Spring 2011 Training Benefits Survey; State Board for Community and Technical Colleges

Developmental education course	Count of completions	Percent of total developmental education enrollment
Computational skills	451	76.7%
Writing	71	12.1%
Reading	24	4.1%
Other	23	3.9%
Coordinated studies	11	1.9%
English as a second language (ESL)	6	1.0%
Career exploration	2	0.3%

## Withdrawal from training

During state fiscal year 2010, of the 2,478 respondents to the Spring 2011 Training Benefits Survey, 407 participants withdrew from courses (*Figure 9*). There have been a total of 968 withdrawals from courses since state fiscal year 2007.

Figure 9. Course withdrawals and vanishes during FY 2010

Source: Employment Security Department, Spring 2011 Training Benefits Survey; State Board for Community and Technical Colleges

	Total courses enrolled	Total withdrawals	Withdrawals as a percent of courses enrolled
FY2010	15,838	407	2.6%

### *Reasons for withdrawing from training*

A total of 293 respondents to the Spring 2011 Training Benefits Survey selected from 10 possible reasons for not completing their Training Benefits Program approved training plan (*Figure 10*). The most frequently reported reason for not completing their training plan cited by those eligible for Training Benefits from Jan. 1, 2007 through Dec. 30, 2009, was that the participant found a job that met their current needs. The next most-frequently cited reason was the need to find a job rather than continue school. Some respondents provided multiple reasons for withdrawal.

Figure 10. Reasons for not completing training plan

Source: Employment Security Department, Spring 2011 Training Benefits Survey

Reasons for withdrawal from training*	Count **	Percent of total
Found a job that met current needs	64	18.4%
Needed to find a job rather than continue school	32	9.2%
Returned to former job	27	7.8%
Insufficient funds for tuition, fees, books etc.	26	7.5%
(UI) Training Benefits ended before completion	22	6.3%
Health reasons	20	5.7%
Other family responsibilities	15	4.3%
Classes were not available	5	1.4%
Remaining in training would have been of little benefit	4	1.1%
No child care	2	0.6%
Other	131	37.6%
<b>Total</b>	<b>348</b>	<b>100.0%</b>

\*There were 53 survey respondents who gave multiple reasons for not completing a training plan.

\*\*Only 93 survey respondents gave dates of training stoppage. Those that gave dates for training stoppage are not necessarily correlated to those that responded to reasons for not in training. The number of reasons for stopping training was greater than the number of survey respondents.



## How program participants paid for training

Most survey respondents (2,128), of those eligible for training benefits from Jan. 1, 2007 through Dec. 30, 2009, cited alternative funding sources for training (*Figure 11*). Of these, 900 reported multiple sources of financial assistance. Training benefits accounted for 29 percent of the primary source of funding for tuition, books and supplies. There were 248 participants who cited three or more funding sources.

Figure 11. Ways participants paid for additional expenses

Source: Employment Security Department, Spring 2011 Training Benefits Survey

Source of funding	Count*	Percent of survey respondents
Training Benefits funds	979	29.4%
Other	732	22.0%
Financial assistance	676	20.3%
Personal funds	536	16.1%
Other governmental assistance	324	9.7%
Family support	82	2.5%
<b>Total responses</b>	<b>3,329</b>	<b>100.0%</b>

*\*Of the 2,128 survey responses to this question, 900 responses cited multiple ways to pay expenses. Therefore, the number of ways was greater than the number of responses.*

## Occupations to which participants returned to work

Of the 1,020 survey respondents who indicated they returned to work, 940 provided information about their occupation after training. There were 153 survey respondents who said they work in office and administrative support occupations. Only 5 survey respondents said they work in farming, fishing or forestry occupations (*Figure 12*).

Of the 1,020 survey respondents who reported they had returned to work, SBCTC data indicate that 589 of these Training Benefits participants had one or more program completions.

Figure 12. Occupations of survey respondents who returned to work  
 Source: Employment Security Department, Spring 2011 Training Benefits Survey

Occupations of survey respondents who returned to work	Count	Percent of total
Office and administrative support	153	16.3%
Computer and mathematical	80	8.5%
Production	73	7.8%
Management	71	7.6%
Business and financial operations	70	7.4%
Healthcare practitioners and technical	61	6.5%
Healthcare support	51	5.4%
Installation, maintenance and repair	46	4.9%
Sales and related	43	4.6%
Transportation and material moving	42	4.5%
Architecture and engineering	41	4.4%
Education, training and library	37	3.9%
Arts, design, entertainment, sports and media	35	3.7%
Construction and extraction	26	2.8%
Legal	20	2.1%
Life, physical and social science	18	1.9%
Community and social services	15	1.6%
Food preparation and serving related	15	1.6%
Protective service	14	1.5%
Personal care and service	12	1.3%
Building and grounds cleaning and maintenance	10	1.1%
Farming, fishing and forestry	5	0.5%
<b>Total</b>	<b>940</b>	<b>100.0%</b>

*\*There were 80 survey respondents who indicated they returned to work but did not provide an occupation.*

### Did you return to your former employer?

Of the 990 survey respondents who said they were now working, only 92, or 9.3 percent, said they returned to the employer they had when they were laid off.

In a related question, 49.9 percent of survey respondents said that their training was “very” related to their current job and another 21.2 percent their training was “somewhat” related their current job. Ten percent said that their training was “not related at all” to their current job.

## Employment and wage history of participants

For the year upon which their unemployment-insurance claims were based, Training Benefits participants approved for the Training Benefits Program in FY2010 earned a median wage of \$36,328. Due to the federal extensions of benefits, it is too soon to see the employment rates and wages for this group following participation in the Training Benefits Program.

According to the 816 employed Spring 2011 Training Benefits Survey respondents who provided hourly wage information, the median pre-tax hourly wage rate for the participants after training completion was \$19 per hour.

## Program administrative costs

The Employment Security Department spent an average of \$2.6 million per state fiscal year in FY2010 and FY2011 to administer the Training Benefits Program. There are two major drivers of program costs.

The first driver of program costs is caseload-associated activities. These are tasks and services associated with claimants seeking and gaining eligibility to the Training Benefits Program. These activities fluctuate with the number of initial claims and overall demand for the program.

The second driver of program costs is general administrative costs and program oversight. These core functions are essential to operating the Training Benefit Program. They include supervisory and administrative activities, fiscal and budget activities, communications and office services.

### Caseload activities

Caseload activities vary, depending on the number of applications the department receives. These activities account for an average of 59 percent of costs per state fiscal year for fiscal years 2010 and 2011:

- Distributing information about and explaining eligibility criteria for the Training Benefits Program and other unemployment programs, including Commissioner Approved Training, emergency unemployment compensation and extended benefits.
- Helping applicants complete the Training Benefits application.
- Communicating and coordinating with the adjudication centers and participants to provide status of applications and advise adjudicators of changes to a claimant's training status.
- Writing decisions and processing appeals.

#### *Current cost assumptions for caseload activities*

For every 320 applications, an Unemployment Insurance Specialist 3 is needed, at a current annual cost of \$64,293. For every six Unemployment Insurance Specialist 3 positions, an Office Assistant 3 is needed, at an annual cost of \$46,966.

### General administrative and oversight activities

General administrative and oversight activities are constant costs. These averaged 40.9 percent of total costs per state fiscal year for FY2010 and FY2011. *Figure 13* outlines the costs for state fiscal years 2008 through 2011 and the projected costs for 2012.

These activities include the indirect overhead costs associated with financial, accounting, budgeting, payroll, personnel, communications, training, computer systems management, research and data analysis, utilities, rent and leases, travel, printing, and facilities services.

The State Board for Community and Technical Colleges reported that there are administrative costs associated with serving any student enrolled in college. A student receiving training benefits does not create additional costs or different costs than any other student.

Figure 13. Administrative costs for FY2010 and FY2011 and projected costs for FY2012  
Source: Employment Security Department administrative data

<b>Training Benefits Program administrative costs</b>	<b>FY2010</b>	<b>FY2011</b>	<b>Projected FY2012</b>
Number of applications processed	8,760	5,440	5,440
<b>Caseload staffing</b>			
Unemployment Insurance (UI) Specialist	16.2	16.8	15.4
Office Assistance	2.6	0.9	0.8
WorkSource Specialist	8.4	8.5	7.8
<i>Total caseload staffing</i>	<i>27.2</i>	<i>26.2</i>	<i>24.0</i>
Claims per UI Specialist	541	324	353
<b>Caseload cost</b>			
Salaries	\$1,165,461	\$1,085,733	\$998,893
Benefits	\$373,661	\$417,191	\$383,815
<i>Total caseload cost</i>	<i>\$1,539,122</i>	<i>\$1,502,924</i>	<i>\$1,382,708</i>
<b>Noncaseload staffing</b>			
Supervisory staff	1.9	1.9	1.7
Research and data analysis	1.8	1.8	1.7
Annual reporting	0.7	0.7	0.6
<i>Total noncaseload staffing</i>	<i>4.4</i>	<i>4.4</i>	<i>4.0</i>
<b>Total staffing</b>	<b>31.6</b>	<b>30.6</b>	<b>28.0</b>
<b>Noncaseload cost</b>			
Salaries	\$142,257	\$169,083	\$155,556
Benefits	\$37,932	\$50,026	\$46,023
Communications	\$47,204	\$76,701	\$70,565
Utilities	\$4,835	\$4,458	\$4,102
Rental and leasing	\$103,869	\$166,263	\$152,962
Repairs and maintenance	\$20,512	\$20,507	\$18,866
Printing and reproduction	\$18,070	\$35,963	\$33,086
Facilities and services	\$6,101	\$4,135	\$3,804
Other goods and client services	\$439,024	\$680,689	\$626,234
Annual reporting	\$53,000	\$53,000	\$48,760
<i>Total noncaseload cost</i>	<i>\$872,804</i>	<i>\$1,260,825</i>	<i>\$1,159,958</i>
<b>Total administrative costs</b>	<b>\$2,411,926</b>	<b>\$2,763,749</b>	<b>\$2,542,666</b>

## Summary of administrative costs

The sum of state and local level administrative costs for FY2010 were \$2,411,927 and administrative costs for FY2011 were \$2,763,768. *Figure 14* compares these total costs with the average number of Training Benefits applications processed.

The 2010 Training Benefits annual report calculated average cost per *approved* application. Because denied applications also require significant staff review, this report reflects average cost per application processed. For comparative purposes, *Figure 14* shows the revised calculations back to 2008. Total costs per application have risen since 2008 for the following reasons:

- Maintained staffing level to prevent an application backlog.
- Anticipated a higher workload based on 2009 legislation.
- Anticipated a higher workload based on 2010 Training Benefits Program marketing campaign.
- Adjudicators assisting newly trained WorkSource Specialists in the field on the new Training Benefits process.
- Maintaining a 24-hour turnaround time from receipt of application to notification to counselor and claimant.

Figure 14. Administrative costs per Training Benefits Program application processed for FY2008 through FY2011 and projected costs for FY2012

Source: Employment Security Department administrative data and administrative data from training providers

	FY 2008	FY 2009	FY 2010	FY 2011	Projected FY2012
Total administrative costs	\$1,126,042	\$1,128,816	\$2,411,927	\$2,763,768	\$2,542,666
Applications processed	2,750	5,440	8,760	5,440	5,440
Applications approved	1,117	2,431	5,687	3,439	3,439
Percentage approved	41%	45%	65%	63%	63%
Cost per application processed	\$409	\$208	\$275	\$508	\$467

# Appendix 1. Survey questions

In spring 2011, Employment Security conducted a survey of Training Benefits participants approved for the Training Benefits Program from Jan. 1, 2007 through Dec. 30, 2009. Following are the questions asked in the survey and the number of responses for each question.

## Introduction to individual:

We are interested in your experience with Employment Security Department's Training Benefits Program.

1. Our records show that you were approved for training with the Training Benefits Program in connection with your unemployment insurance application on:

Month/day/year (This date comes from provided information.)

Have you started your training?

**2,447 Responses; 33 Nonresponses**

	<u>Number</u>	<u>Percent</u>
Yes = 1; Go to Q. 3	2,221	90.8%
No = 0; Go to Q. 2	225	9.2%

2. Why haven't you started your training?  
(Indicate "Yes" for all that apply; circle main reason.)

**300 Responses**

	<u>Yes</u>	<u>Percent</u>
a. You did not plan to start yet	13	4.3%
b. Your unemployment insurance benefits ended before you completed the program	8	2.7%
c. You needed to find a job rather than continue school	24	8.0%
d. You found a job that met your needs	69	23.0%
e. You returned to your former job	11	3.7%
f. The classes you needed were not available	18	6.0%
g. Staying in training was of little benefit to you	2	0.1%
h. You did not have enough money for tuition fees, supplies and/or books	23	7.7%
i. You did not have adequate child care arrangements	7	2.3%
j. You had other family responsibilities	12	4.0%
k. Health reasons	16	5.3%
l. Other reasons; please specify: (In jail, military, etc.)	97	32.3%

**Go to end of questions - closing**

3. How did you pay for your training?  
**3,329 Responses; multiple responses recorded for single candidates**

Did you ... (surveyors will read):

(Note here that more than one answer can apply.)

	<u>Yes</u>	<u>Percent</u>
a. Use personal funds	536	16.1%
b. Receive family support	82	2.5%
c. Receive other governmental assistance, for example an individual training account	324	9.7%
d. Receive financial assistance through the school or college	676	20.3%
e. With training benefits	979	29.4%
f. Other. Please specify: _____	732	22.0%

4. Who was your training provider?  
**2,086 Nonstandardized responses; 394 Nonresponses**

5. What was (is) the name of the training program?  
**2,135 Nonstandardized responses; 345 Nonresponses**

6. Did you complete this training?  
**2,128 Responses; 352 Nonresponses**

	<u>Yes</u>	<u>Percent</u>
Yes =	1,274	59.9%
Go to Q. 7		
No =	351	16.5%
Go to Q. 9		
Still in training =	503	23.6%
Go to Q. 11		

7. Did you receive a degree, certificate or license as a result of your participation in this training?  
**1,266 Responses; 1,214 Nonresponses**

Yes =	1,213	96.8%
No =	53	4.2%

If yes, What did you receive?

**1,187 Nonstandardized responses; 1,293 Nonresponses (Q. 8B)**

8. When did you complete this training?  
**472 Responses; 2,008 Nonresponses (Q. 9)**

Month/day/year \_\_\_\_\_

**Skip to Q. 11**

9. When did you stop taking this training?

Month/day/year \_\_\_\_\_

10. If you had to do it over again, would you take the same training? (Y/N and Why)

**1,263 Responses; 1,217 Nonresponses**

Yes = 951                      75.3%  
 No = 297                        23.5%  
 Unknown = 15                    1.2%

11. When did you stop taking this training?

**93 Responses; 2,387 Nonresponses**

Month/day/year \_\_\_\_\_

12. Next I will read a list of reasons why people have given for NOT completing their training. Please tell me if any of these reasons apply to you. The first reason is (Indicate "Yes" for all that apply.)

**348 Responses**

	<u>Yes</u>	<u>Percent</u>
a. Your unemployment insurance benefits ended before you completed the program	22	6.3%
b. You needed to find a job rather than continue school	32	9.0%
c. You found a job that met your needs	64	18.4%
d. You returned to your former job	27	7.8%
e. The classes you needed were not available	5	1.4%
f. Staying in training was of little benefit to you	4	1.2%
g. You did not have enough money for tuition fees, supplies and/or books	26	7.5%
h. You did not have adequate child care arrangements	2	0.0%
i. You had other family responsibilities	15	4.3%
j. Health reasons	20	5.8%
k. Other reasons; please specify:	131	37.6%

**Current employment history**

13. Are you working now?

**1,872 Responses; 608 Nonresponses**

YES = 989                      (52.8%)  
 NO = 882                        (47.1%)  
 Unknown = 1                    (0.1%)

14. After you completed (dropped out of) this training, did you go back and work for the same employer that you had when you were laid off?

**998 Responses 1,482; Nonresponses**

YES = 94                        (9.4%)  
 NO = 900                        (90.2%)  
 Unknown = 4                    (0.4%)



15. When did you start this job?  
**924 Nonstandardized responses; 1,556 Nonresponses**

Month/day/year \_\_\_\_\_

16. What is your current job title or occupation?

a. Job Title or occupation: \_\_\_\_\_  
**976 Nonstandardized responses; 1,504 Nonresponses**

b. What do you do in this job? \_\_\_\_\_  
**884 Nonstandardized responses; 1,596 Nonresponses**

17. Did the training help you get this job?  
**979 Responses; 1,501 Nonresponses**

	<u>Number</u>	<u>Percent</u>
1 = A major help	466	47.6%
2 = Helped somewhat	179	18.3%
3 = Very little help	74	7.6%
4 = No help at all	261	26.6%

18. Is the training you received related to your current job in any way?  
**976 Responses; 1,504 Nonresponses**

	<u>Number</u>	<u>Percent</u>
1 = Very related	487	49.9%
2 = Only a little related	180	18.4%
3 = Somewhat related	207	21.2%
4 = Not related at all	98	10.0%
5 = Unknown	4	0.4%

19. In a typical week, how many hours a week do you work on this job?

**Mean: 37.3 Hours/Week**  
**Median: 40 Hours/Week**  
**Standard Deviation: 10.5**

20. What is your rate of pay before taxes and deductions?

**Mean Wage: \$17/hr**  
**Median Wage: \$19/hr**

**End of questions – closing**

This completes the questions I have. Do you have any questions or comments concerning this questionnaire?

**Comments**

Thank you very much for all your help and your time.  
 Comments and notes