



# Office of Program Policy Analysis And Government Accountability

James L. Carpenter  
Interim Director

January 9, 1996

## EMPLOYMENT TRAINING PROGRAMS: VARIED PURPOSES AND VARIED PERFORMANCE

### PURPOSE OF REVIEW

The purpose of this review is to assess the performance of the major programs in the state's employment training system. Policy makers at the national and state level have questioned whether employment training programs really help people find jobs. The aim of any reforms of the current system of employment training should be to improve the employment outcomes of program participants. These outcomes impact the ability of individuals to achieve economic independence and contribute to the state's economic development.

National reform of the employment training system could give states more flexibility in administering federally funded programs. Even without such reform, the state could make significant changes in programs, such as vocational education, that are primarily state funded. State policy makers are currently developing options to reorganize employment training assistance, including the vocational education system.

To reform the employment training system, the success of current efforts must be assessed. The best measure of success is how well participants do after they leave programs. We assessed program performance based on the following outcome measures: employment, wages, and use of public assistance. These measures are consistent with the stated purposes of employment training programs.

### FLORIDA'S EMPLOYMENT TRAINING SYSTEM

*Nearly \$1 billion was spent on eight major employment training programs to serve over a million people. These programs include vocational education programs delivered by public schools and community colleges, and employment assistance programs.*

Many programs make up Florida's employment training effort. The state spent approximately \$1 billion on eight major programs in 1993-94 (see Exhibit 1). The Department of Education and the Department of Labor and Employment Security (DLES) administer these major programs. The programs provide vocational education, training in work skills, and a variety of support services to participants. Programs vary greatly in their design, target population served, motivation of program participants, amount and type of occupational or vocational training, and how well participants are prepared to enter the workforce.

**Exhibit 1: Expenditures and Participants 1993-94**

	Expenditures (Millions)	Percent of Expenditures	Number of Participants
<b><i>Vocational Education</i></b>			
High School	\$342.0	35%	691,081
District Certificate	223.5	23%	112,981
Community College Certificate	28.2	3%	21,007
Community College Degree <sup>1</sup>	142.0	15%	60,293
<b><i>Department of Labor and Employment Security Programs</i></b>			
JTPA IIA: Economic Disadvantaged	60.8	6%	26,313
JTPA III: Dislocated Workers	23.9	3%	11,758
Project Independence	30.7	3%	235,221
Vocational Rehabilitation	116.0	12%	47,514
<b>Total</b>	<b>\$967.1</b>	<b>100%</b>	<b>1,206,168</b>

<sup>1</sup> Includes students in college credit certificate programs.

Source: Department of Education and Department of Labor and Employment Security.

**Vocational Education.** Vocational education programs make up the largest segment of the state's employment training system in terms of expenditures and participants. State funds and student fees comprise 95% of vocational education funding. These programs prepare students for employment in a variety of fields, such as business, industry, and medical care by providing classroom instruction and teaching technical skills. School districts provide vocational training to high school students and to adults through their vocational-technical centers. Completers of programs at vocational-technical centers may earn a certificate in a specific field. Community colleges also provide vocational training for adults, awarding both certificates and Associate of Science degrees. The Department of Education tracks the placement rates of these programs to evaluate their success. The Department defines a placement as a person who obtains employment related to their field, enlists in the military, or continues their education.

**Employment Assistance.** DLES administers employment assistance programs under both state and federal law. Federal funds made up 85% of the \$231.4 million spent on four programs in 1993-94 (see Exhibit 1). These programs are targeted to serve people who have one or more barriers, such as poverty or a disability, that negatively impact their ability to find and keep a job. The aim of these programs is to enable the participant to obtain employment that increases their social and economic independence. All four programs offer assessment services, support services, remedial and vocational education, and job placement services. But they vary in the mix and amount of services provided. Depending on participants' experience and skills, vocational training may be provided. Such training is most often provided through a public vocational school or community college. Employment training programs under DLES are evaluated primarily on whether the participant is placed in a job.

There are additional programs that we did not assess in this report. We did not review programs with few participants or expenditures, such as Quick Response (Department of Commerce) or Displaced Homemakers (Division of Community Colleges). We also did not review Supplemental Vocational Education provided to individuals already employed in the field because no outcome information is collected. The programs reviewed in this report, however, account for nearly \$1 billion of the \$1.4 billion appropriated in 1994-95 for employment training.

## VOCATIONAL EDUCATION OUTCOMES

*Vocational education programs vary by occupation, participant completion, and employment outcomes. Many completers obtain good earnings, but completion rates could be improved.*

Among the 224,603 individuals who left a vocational education program in 1993-94, 28% completed a program. To complete a program, a student must finish a sequence of courses and master the competencies associated with the vocation. Completers are awarded a certificate or degree. Some students may leave prior to completing a program and become employed. Our analysis of program performance however is restricted to those students who complete programs.

To determine the employment status of the vocational education completers we used the most recent data available from the Florida Education Training and Placement Information Program (FETPIP). We examined all employment outcomes of completers, regardless of whether the placement was related to their vocational training. FETPIP matched the 1993-94 completers with employment data for the fourth quarter of 1994 (October through December). To annualize wages, we multiplied the quarterly earnings by four. Completers were defined as working full-time if they worked more than 11 weeks and earned more than minimum wage for the quarter (\$2,039). FETPIP also was able to determine if completers received public assistance (Aid for Families with Dependent Children (AFDC) and/or Food Stamps) during this time period.

Among all adults who completed a vocational program in 1993-94, 72% were employed during the follow-up period (October through December 1994). The average annual earnings of completers who worked full-time was estimated to be \$21,432. However, those who work less than full-time averaged \$7,317. In addition, 12% of vocational education completers used public assistance and 21% continued their education at follow-up.

**District High School Programs.** This is the largest area of expenditures for employment training. Most of the 691,081 students served in 1993-94 received instruction in practical arts, consumer and home economics, and technology education. Of those served, 153,009 (21%) were enrolled in programs that prepared them for employment in a specific occupation. These programs are referred to as job preparatory. The Department of Education was not able to separate the expenditures for job preparatory students from the total expenditures for the high school vocational education program.

Completion of the job preparatory programs does not necessarily mean the student has graduated from high school, but rather has completed the necessary courses and mastered the occupational skills. Completion rates were low (20%) for students of job preparatory programs (see Exhibit 2). Further, the combination of entry level employment and a high rate of continuing education (50%) resulted in lower employment outcomes than other vocational programs. While 60% of completers who graduated from high school were employed at follow-up, 19% were employed full-time. Annualized earnings of those employed full-time was \$12,140.

**District Certificate Programs.** This is the second largest category of expenditures in the employment training system and district certificate programs served 112,981 students. The Department of Education establishes the programs that may be offered and their respective curricula. School districts choose the programs to offer adults through their vocational-technical centers. Training is provided in a variety of occupations from nursing and law enforcement to cosmetology and massage. While some occupations are high-wage/high-demand (as defined by the Florida Occupational

Forecasting Conference), others are not. Districts set the length of programs and individual programs vary from one week to two years.

We found that 30% of all students served in 1993-94 completed a program. This completion rate is lower than that for certificate programs offered by community colleges (see Exhibit 2) and cost per completer was \$9,693.<sup>1</sup> A few (10%) of the students served left after obtaining marketable skills, while the others either transferred to another program or dropped out. Earnings for completers however, were higher than for completers for high school programs.

**Community College Certificate Programs.** Although district vocational-technical centers provide most of the vocational training, community colleges provide vocational certificate programs as well. Community colleges served 21,007 participants in certificate programs compared to 112,981 served by school districts. Community colleges offered programs in half as many fields of study. The programs offered by community colleges were more likely to be in high-wage/high-demand occupations, such as health care. Community college completion rates were higher than school district certificate programs and the cost per completer was lower (\$3,318). Earnings of completers of community college certificate programs were higher than for school districts, and participants were more likely to be employed full-time.

<sup>1</sup> Cost per completer was obtained by dividing the total expenditures of the program for a year by the number of completers for that year.

**Exhibit 2: Outcomes of 1993-94 Vocational Education Completers**

Program	Completion of Program		Employed During October Through December 1994		
	Number of Participants Exiting	Of Exiting, Percent Completing	Percent of Completers Employed	Of Completers, Percent Employed Full-Time	Annualized Full-Time Earnings
High School Vocational	98,992	20%	60% <sup>1</sup>	19%	\$12,140
District Certificate	77,955	30%	70%	47%	\$18,534
Community College Certificate	15,394	55%	74%	54%	\$20,457
Community College A.S. Degree <sup>2</sup>	32,262	35%	73%	57%	\$27,018

<sup>1</sup> Follow-up data is on 16,084 completers who graduated from high school.  
<sup>2</sup> Includes students in college credit certificate programs.

Source: Department of Education and the Florida Education and Training Placement Information Program (FETPIP).

**Community College Degree Programs.** Degrees in vocational or technical areas can also be earned through college credit courses. Community colleges award the Associate of Science (A.S.) degree to students who take technical training and general education courses. The programs generally take two years to complete. The programs with the largest number of completers were registered nursing, legal assisting, and business administration and management.

The greater length of the A.S. degree may explain their low completion rates (35%). This also accounts for a relatively high cost per completer (\$12,431). Completers, however, had more successful employment outcomes than completers of other vocational education programs. They were more likely to be employed and employed full-time at follow-up (see Exhibit 2). Average annualized first year earnings were \$27,018 for those employed full-time.

**DLES PROGRAM OUTCOMES**

*DLES programs vary by size, population served, and employment outcomes. The earnings of some participants exceed the poverty level, but others still rely on public assistance.*

**Job Training Partnership Act Programs.** The federal Job Training Partnership Act (JTPA) created several programs. We reviewed the programs for adults (Titles IIA and III). Participation in JTPA programs is voluntary. The programs are delivered through regional Service Delivery Areas (SDAs), each with a governing board called a Private Industry Council (PIC).

The Title IIA program is designed to increase employment and earnings among economically disadvantaged adults. Among the 1993-94 participants, 38% were on welfare. Participants were most often provided job search and assessment services. Over a third of Title IIA participants received occupational or vocational training in 1993-94.

Title IIA placed 60% of the 7,898 participants who left the program in 1993-94. Cost per placement was \$12,756.<sup>2</sup> The fact that the program serves individuals needing remedial education, employment training, and support services may explain the relatively high cost per placement.

Using the most recent data available from the Florida Education Training and Placement Information Program (FETPIP), we found 1993-94 JTPA IIA participants were likely to remain employed. Of those placed, 72% were still employed at the follow-up period (October through December 1994). See Exhibit 3.

The JTPA Title III program serves dislocated workers, including individuals affected by a permanent closure or layoff at a plant or facility. Participants, by definition have an established work history, as well as some occupational skills. Even so, nearly two-thirds of Title III participants received training in occupational skills in 1993-94. Other services often provided included assessment and job search assistance. Title III participants were the most likely to be working full-time and earned the most among the DLES programs (see Exhibit 3).

<sup>2</sup> Cost per placement was determined by dividing the total expenditures of the program for a year by the number of participants placed during that year.

**Exhibit 3: Outcomes of 1993-94 DLES Program Participants**

Program	Initial Placement			Employed During October Through December 1994		
	Number of Participants Exiting	Of Exiting, Percent Placed	Percent Placed Full-Time	Of Placed, Percent Employed	Of Employed, Percent Full-Time	Annualized Full-Time Earnings
Job Training Partnership Act IIA <sup>1</sup>	7,898	60%	73%	72%	61%	\$16,657
Job Training Partnership Act III <sup>1</sup>	5,396	71%	86%	75%	78%	\$22,110
Project Independence	51,274	22% <sup>2</sup>	70%	62%	46%	\$14,052
Vocational Rehabilitation	17,017	53%	64%	57%	53%	\$17,225

<sup>1</sup> Does not include those participants that were assessed but not provided services by the program.

<sup>2</sup> Does not include 13,121 participants who were placed and remained in the program.

Source: Department of Labor and Employment Security and the Florida Education and Training Placement Information Program (FETPIP).

**Project Independence.** This program is based on the federal Job Opportunities and Basic Skills Act (JOBS). With a few exceptions, recipients of AFDC and/or Food Stamps must participate in the program or their benefits are reduced. The program's aim is to help participants gain employment. As seen in Exhibit 1, Project Independence serves the largest number of participants among the DLES programs.<sup>3</sup> The program most often assists participants in job searches, vocational assessments, and remedial education. Less than 10% of the 1993-94 participants received training in occupational skills.

Of the 51,274 cases closed by Project Independence, 11,452 were placed in jobs. This placement rate (22%) is similar to that of other states, according to a recent report by the U.S. General Accounting Office (GAO/HEHS-95-86). The program placed an additional 13,121 participants who continued to receive AFDC and remained in the program. The average cost per placement for all 24,573 placements was \$958.

While the program has the lowest cost per placement, it also has the lowest employment outcomes (see Exhibit 3). We followed up on all 24,573 placements and found that the majority (74%) remained on public assistance. Some of these participants placed by the program did not have earnings above the public assistance eligibility threshold. This would qualify them for AFDC and such participants would be required to remain in Project Independence.

**Vocational Rehabilitation.** The federal Vocational Rehabilitation Act provides medical, social, and occupational training services to persons with disabilities so that they may enter or re-enter the workforce.<sup>4</sup> Participants may have been recently disabled, or have a disability from birth. Participation in the program is voluntary. This program had the highest expenditures among DLES programs and most frequently provided counseling, diagnostic services, transportation and restoration services. Less than 25% of participants received occupational training in 1993-94. Depending on the participant's education and experience, vocational training may not be needed.

Rehabilitating persons with disabilities can be expensive and the cost per placement was \$12,838 for 1993-94. The program serves the most severely disabled persons, some of whom may not be able to work full-time. The state's Vocational Rehabilitation programs placed over half (9,041) of the participants in jobs, and two-thirds of these placements were full-time. The annualized wages of those in full-time employment averaged \$17,225.

To determine if the performance of these employment assistance programs had improved since 1993-94, we reviewed available data for the most recent year, 1994-95. Placement rates improved for the two JTPA programs, but worsened slightly for Project Independence and Vocational Rehabilitation. Follow-up data on participants' employment status is not yet available.

*While only 6% of all DLES program participants completed a vocational education program in 1993-94, those who did worked more and earned more than other participants.*

Employment training assistance programs provide both support services and training in vocational skills. The most frequent providers of vocational training are the local school districts and community colleges. We matched the records of 69,334 participants who were placed or left a DLES program with vocational education records of the Department of Education and the Division of Community Colleges.<sup>5</sup> We found only 4,017 (6%) of these DLES program participants completed a vocational education program as part of their training. Additional participants may have received vocational training, but either did not complete their vocational program, or received training directly from the program or a private provider.

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<sup>3</sup> Our review does not include 142,550 Project Independence participants that received only food stamps because sufficient outcome data was not available.

<sup>4</sup> Most persons receiving Vocational Rehabilitation are served by the DLES Division of Vocational Rehabilitation, but individuals whose primary disability is visual are served by the DLES Division of Blind Services.

<sup>5</sup> The match included the following participants: JTPA IIA (15,469), JTPA III (4,532), Project Independence (32,588), and Vocational Rehabilitation (16,745).

Those participants that completed a vocational education program had better outcomes compared to all participants placed by DLES programs. As seen in Exhibit 3, among those Project Independence participants who were placed and working full-time (see Exhibit 4). Use of public assistance by Project Independence participants who completed a vocational program was also lower (64%). Earnings were higher for those completing a vocational education program. DLES participants who completed vocational education programs were employed at rates similar to those of all adult vocational education completers statewide.

**Exhibit 4: 1993-94 DLES Program Participants Who Also Completed Vocational Education Program**

Program	Number of Completers	Of Employed at Follow-up	Employed, Percent Full-Time	Annualized Full-Time Earnings
JTPA IIA	1,535	70%	64%	\$16,869
JTPA III	836	78%	80%	\$21,366
Project Independence	1,278	68%	57%	\$16,084
Vocational Rehabilitation	368	67%	63%	\$17,012
All Adult Vocational Education Completers	42,049	72%	71%	\$21,432

Source: Department of Labor and Employment Security, Department of Education, and the Florida Education and Training Placement Information Program (FETPIP).

**OBSERVATIONS**

One reason some programs do not perform better may be a consequence of current funding mechanisms and the lack of standards for participants' long-term outcomes. Funding for vocational education is based on student enrollment, while funding for DLES programs is often formula-allocated based on labor market data, census data, and the number of potential clients. These funding systems do not encourage the programs to focus on employment outcomes. In vocational education the state has begun to provide incentives to vocational

education programs to improve outcomes by offering training in high-wage/high-demand occupations. Such occupations are identified by the Occupational Forecasting Conference. For more information, see OPPAGA Report No. 95-16, Review of the Jobs and Education Partnership of Enterprise Florida, Inc.

Due to federal reporting standards, DLES programs focus on short-term outcomes such as participation rates, initial placements, and short-term follow-ups rather than long-term employment. While an important indicator of performance, initial placement does not always predict long-term employment outcomes. Without long-term standards, programs may have little incentive to invest heavily in training in occupational skills. We found that those DLES program participants who completed vocational education programs had higher rates of employment and earnings.

The 1993-94 participants of employment training programs made a significant contribution to the economy of the state. Excluding high school vocational programs, participants who completed programs or were placed, earned an estimated \$806 million in their first year, compared to the \$627 million spent by the programs in 1993-94.

When participants are placed in jobs that allow them to become economically independent, significant state expenditures on public assistance can be avoided. We did not examine the cost savings associated with reduced use of public assistance, but recent studies have found that several of the DLES employment assistance programs yielded a positive return on program expenditures.<sup>6</sup> This return was generated by participants' earnings, a decrease in public assistance, and an increase in taxes paid. For example, TaxWatch found that the public assistance costs that were avoided totaled \$11.7 million for JTPA IIA and \$15.8 million for Project Independence.

<sup>6</sup> "Florida's Job Training Programs: What is the Return on Taxpayers' Investment?," Florida TaxWatch, 1995 and "Florida's Project Independence, Benefits, Costs and Two-Year Impacts of Florida's JOBS Program," Manpower Demonstration Research Corporation, 1995.

## CONCLUSIONS AND RECOMMENDATIONS

Our review of these eight major employment training programs shows varied results. Some vocational education programs had lower costs per completer and led participants to higher earnings than others. Some DLES programs may have avoided public assistance costs, but large numbers of participants remain employed part-time and on public assistance. To provide a context for the performance of these programs, we reviewed data from previous years as well as data from the most recent year (1994-95). We found that, generally, outcomes for 1993-94 participants were similar to other years.

While some participants who completed programs and were placed in jobs had good employment outcomes, others did not. Reform of the employment training system provides the opportunity to redesign these programs. The aim of this reform should be to improve long-term employment outcomes and ensure participants' economic independence. Vocational education programs count those who enter employment in a related field, enlist in the military, or continue their education as a placement. Employment outcomes however, should weigh more heavily than continuing education. Students should be encouraged to enter programs that lead to better employment outcomes through counseling and advising. In addition, programs in areas that do not lead to good employment outcomes could be eliminated. Some DLES programs should consider investing in more vocational and occupational training to provide participants with better long-term employment potential.

Due to the possibility of national reform and the extent to which employment training programs are state funded, state policy makers have an opportunity to redesign the employment training system. In redesigning this system, several factors that may contribute to program performance should be considered.

**Program Design.** The original design of the program has a major influence on the success of the program. Do programs seek short-term or long-term placements for participants? Programs must clearly articulate their goal or purpose and their target population. Key to program design are the assumptions on which the program is based. Assumptions such as, providing a particular set of services to participants will increase their level of employment and earnings, need to be reviewed. Data must be collected on the mix and

amount of services provided to participants to determine what works with which participants.

**Motivation of Participants.** Participants must believe that the program will assist them to achieve meaningful employment. The rewards of participation must be greater than the costs for participants. Those on public assistance for example, must obtain earnings sufficient to offset the loss of that assistance. In addition, mandatory participation may negatively affect motivation of participants. Project Independence for example, requires participants to enter the program to prevent a reduction in their AFDC grant. Students in vocational education programs, on the other hand, make a long-term commitment to attend the program and pay towards the cost of training through tuition and fees because they believe such training will benefit them.

**Targeting Occupational Training.** Despite the need to train and place participants in occupations with wages sufficient to achieve economic independence, training and placements are often made in lower wage jobs. School districts and community colleges continue to offer programs, such as cosmetology, that do not train students for high-wage/high-demand occupations. School districts and community colleges need to continue to use the state's Occupational Forecast's list of demand occupations to better target their programs.

**Preparation for Employment.** How well programs prepare participants for employment also determines the program's effectiveness. Programs often provide a variety of support services such as: job readiness skills, job search skills, and remedial education. Different programs and providers may be more successful than others in providing support services to different groups of participants.

Changes to the state's employment training programs should address the program design, including the motivation of participants, training in occupational skills, work skills, and remedial education. In order to ensure that more participants in the state's employment training programs achieve better long-term employment outcomes, we recommend that the Legislature:

- Increase the portion of vocational education appropriations that are awarded based on performance, through the Performance Based Incentive Funding program established under s. 288.0475, F.S.;
- Direct the Department of Labor and Employment Security, the Department of Education, and other

agencies responsible for employment training to report inputs, outputs, and outcomes for employment training programs in a standardized format; and

- Provide incentives to DLES employment training programs whose participants complete vocational education programs for occupations in demand to improve long-term outcomes for participants.

## **AGENCY RESPONSE**

The Commissioner of Education agreed with the overall concepts and observations of our report, and offered additional clarifying comments.

The Secretary of the Department of Labor and Employment Security agreed with our recommendations and offered additional comments clarifying certain aspects of the Department's programs.

The complete responses are a public record and are available upon request.

This project was conducted in accordance with generally accepted government auditing standards and included appropriate performance auditing and evaluation methods. Copies of this report in alternate accessible format may be obtained by contacting Report Production at (904) 488-0021 or FAX (904) 487-3804.

Review Supervised by: Jane Fletcher

Review Conducted by: Claude Hendon and Glenn Mitchell



January 2, 1996

Mr. James L. Carpenter  
Interim Director  
Office of Program Policy Analysis  
and Government Accountability  
Post Office Box 1735  
Tallahassee, Florida 32302

Dear Mr. Carpenter:

Enclosed are the responses prepared by the Division of Applied  
Technology and Adult Education in the Florida Department of  
Education to the following reports:

Employment Training Programs: Varied Purposes and Varied  
Performance Review of Postsecondary Vocational Programs.

Thank you for your assistance in this matter.

Sincerely,

Joe E. Stephens

/bc

cc: Mr. Claude Hendon  
Mr. Ralph Sharp  
Ms. Loretta Costin

Agency Response  
to Employment Training Programs  
by DATAE

While the Division of Applied Technology and Adult Education is in agreement with the overall concepts and observations of the report, we would like to offer the following comments in response to the report on Employment Training Programs. These include:

- \* The mission of high schools under Goal 2 of the School Improvement and Accountability legislation is to provide students with the skills and competencies needed to obtain employment and to continue on to postsecondary education. Secondary vocational education programs are designed to allow students to select a career major, develop a career plan, and based on their individual needs and goals, either complete the program in high school or continue in a postsecondary program. Thus, there is no state accountability standard for completion at the secondary level and employment is not viewed as the only successful outcome of a high school vocational training program.
- \* The observation that completers of A.S. degree programs had more successful employment outcomes than completers of other vocational education programs could be explained by the very nature of A.S. degree programs which, under law, are programs that are of an increased technical complexity than vocational certificate programs.
- \* Successful outcomes of vocational programs are currently defined as employment, postsecondary education and service in the military. This report recognized only full-time employment. Continued postsecondary education for the purpose of upgrading skills, increases the likelihood of a vocational program completer obtaining high-skill/high-wage employment.
- \* The first Occupational Forecasting Conference was held in November 1993 and regional data was not distributed until Spring 1994. Any resulting program improvement strategies implemented as a result of the conference did not have time to be reflected in the data used for this report.

We have enjoyed working with the OPPAGA staff and look forward to future opportunities to work together to improve vocational education programs.

Agency Response to  
Postsecondary Vocational Programs  
by the  
Division of Applied Technology and Adult Education

While the Division of Applied Technology and Adult Education is in agreement with the overall concepts and observations of the report we would like to offer the following comments in response to the report on postsecondary vocational training programs.

Approximately four years ago, as the result of both state and federal legislation (the School Improvement and Accountability legislation in 1991, Chapter 239, Florida Statutes and the federal Carl D. Perkins legislation) the Division of Applied Technology and Adult Education (DATAE), with input from the vocational community, identified a set of measures to determine acceptable levels for performance of vocational training programs. The use of these "consensus measures," along with a program review and improvement evaluation process, identified many of the same issues and concerns highlighted in this report.

To assist local education agencies to improve vocational programs, the Division began an intensive technical assistance effort through on-site visits and regional workshops. This effort included the development of vocational program profiles, restructuring of vocational programs, including eliminating programs that were no longer meeting the goals of the state, and providing information on performance-based incentive funding and the occupational forecasting list. The local education agencies have been very receptive to this effort and are working diligently to address many of the issues/concerns addressed in this report. Unfortunately, due to the nature of our data collection process, any improvement resulting from these efforts was not yet evident in the information provided for this report.

In addition, several criteria used to determine poor performance and unnecessary program duplication are not consistent with current state accountability measures. Specifically, these include:

\* Five or fewer completers - If the program is new, five or fewer completers in the first year could be expected. If it is a multi-year program, again, one could expect periodic years when low numbers of completers are reported. A trend must be established to use this criterion as an indicator of poor performance. Even then, caution should be exercised, since students may be leaving the program before completion because they are obtaining employment.

- \* Successful outcomes of vocational programs are currently defined as employment, postsecondary education and service in the military. This report recognized only full-time employment.
- \* Enrollment of fifteen students or less may be appropriate depending upon the nature of the program. While this number is used by some local administrators as a "break even" point, it is not mandated and should be determined on a program by program basis.
- \* Placement rates are not compared to state averages, but to individual program improvement targets based on previous year performance and the 70% completer placement rate set by Section 239.233 F.S. Based on this criterion, some conclusions in this report regarding unnecessary duplication may include programs meeting the state standard for accountability.

Several comments should be made about program duplication:

- \* Section 239.109 F. S. requires the development of a vocational and adult education interinstitutional articulation agreement that must include a delineation of the specific vocational and adult programs which will be offered at each institution by school districts and community colleges in each region. (This agreement replaced the regional coordinating councils.)
- \* Conversations with the OPPAGA staff indicate that local education agencies may not realize that one intent of this agreement was to reduce unwarranted duplication. Further technical assistance will be provided to local educational agencies to reinforce this intent.
- \* Federal and state initiatives to establish local work force development boards will provide a locally based business group to analyze the need for program duplication.
- \* The continuation of performance-based funding will provide rewards for those areas that reduce duplicate and poor performing programs.

The philosophy of the Division regarding program lengths is that the number of hours included in the program curriculum frameworks are only recommended and not mandated. This provides the local education agency the flexibility needed to meet the requirements of local employers by adding or deleting competencies, thus increasing or decreasing the needed number of hours. Also, the statement in the framework that the "recommended number of hours is based on the average achieving student" addresses the issue of competency-based instruction that allows students to progress through a program at their own pace. Examples cited in the report

concerning the wide variations in the program lengths do indicate the need for the Division to reexamine this policy.

The first Occupational Forecasting Conference was held in November 1993 and regional data was not distributed until Spring 1994. Any resulting program improvement strategies implemented as a result of the conference did not have time to be reflected in the data used for this report.

We have enjoyed working with the OPPAGA staff on this report and appreciate their willingness to consider our thoughts and viewpoints regarding these issues. We look forward to future opportunities to work together.

December 20, 1995

James L. Carpenter, Interim Director  
Office of Program Policy Analysis  
and Government Accountability  
Post Office Box 2735  
Tallahassee, Florida 32302

Dear Mr. Carpenter:

I have enclosed the Department of Labor and Employment Security's response to your preliminary report entitled Employment Training Programs. We appreciate the effort that went into this project. If there are any questions concerning the content of the responses, please contact Allan Waldron, Director of Internal Auditing, at 487-2730.

Sincerely,

Doug Jamerson

DJ/wmt

Enclosure

RESPONSE TO THE REVIEW OF  
EMPLOYMENT TRAINING PROGRAMS:  
VARIED PURPOSES AND VARIED PERFORMANCE

This response to the Office of Program Policy Analysis and Government Accountability's (OPPAGA's) review of employment training programs is first directed to the three recommendations made in OPPAGA's report. Secondly, we present some issues we have concerning the report's assertions about the Department of Labor and Employment Security's (DLES') programs.

RECOMMENDATIONS:

- o Increase the portion of vocational education appropriations that are awarded on performance, through the Performance Based Incentive Funding (PBIF) program established under s. 288.0475, F.S.

Response: We strongly concur with this recommendation. At the present time, vocational institutions can earn 95 percent of their funding through traditional funding mechanisms. This percentage should decrease over time, so that vocational education truly becomes more of an incentive program, focusing on outcomes rather than processes. While agreeing with this program strategy, the Department also cautions the Legislature to ensure that any funds used for incentives be clearly appropriated for that purpose.

- o Direct the Department of Labor and Employment Security (DLES) and the Department of Education (DOE) to report inputs, outputs, and outcomes for employment training programs in a standardized format.

Response: We concur with this recommendation and are presently pursuing a common care data base that will support standardization among the Department's entities. The Department, however, is not totally free to collect data elements or redefine outcomes for its existing programs. Most of the reporting elements are required by federal agencies and will continue to be required until such time as federal redirection allows more flexibility. In the interim, the Department will continue to pursue reasonable avenues to produce program data in such a way as to allow better comparisons among programs.

- o Provide incentives to DLES training programs whose participants complete vocational education programs for occupations in demand to improve long-term outcomes for participants.

Response: We strongly agree with this recommendation. Small incentive payments are currently being given to the JTPA programs' Service Delivery Areas (SDAs), based on a Governor's goal of increasing the proportion of JTPA participants who complete long-term (600 hours) vocational training and enter training-related jobs at wages higher than the federal poverty level. For the next program year, that goal will be modified to encourage placements in the specific occupations identified by the Florida Occupational Forecasting Conference. While these incentive policies redirect the JTPA programs, focus, they are also limited by federal law to JTPA participants and cannot be applied to clients of Vocational Rehabilitation, Project Independence, and other DLES programs. Further, federal cuts in JTPA funding continue to reduce the funds available for JTPA incentives to such minimal levels as to become uninfluential. Consequently, it is essential that other sources of incentive funding, such as those designated for the PBTF program, be expanded by increasing the portion of vocational education appropriations to be awarded for performance. Those incentives should be extended to DLES programs based on their contributions to positive, measurable employment outcomes.

#### CLARIFICATION OF ASSERTIONS MADE ABOUT THE DEPARTMENT'S PROGRAMS:

##### Project Independence

Project Independence (PI) is operated by DLES under a contract with the Department of Health and Rehabilitative Services. Although federal and state regulations governing the program address employment as a major aim, and the Department supports attention to this outcome, language which dictates the program's operation focuses on process. Federal regulations and performance standards for PI largely emphasize customers' active participation in activities such as job search, education, and work activities. Failure to meet program requirements could result in a reduction in federal funding to support the program.

It is difficult for PI to achieve the desired outcome of employment, given the nature of the program and its customers. OPPAGA's report notes that, "With a few exceptions, recipients of AFDC and/or Food Stamps must participate in the program or their benefits are reduced." PI's requirement of mandatory participation of its customers is in contrast to the other programs reviewed, whose customers voluntarily participate. The impact of mandatory participation on the outcome of employment is not addressed in OPPAGA's report, and should be considered when comparing programs and drawing conclusions about their performance.

The average PI participant is 31 years old, has two children, has achieved a 10th grade education, and has worked less than



four months in the past two years. Much of the training that program participants receive is aimed at giving them employability, skills to address the weaknesses they bring with them into the program.

Many PI customers leave the program prior to completion for reasons beyond the program's control. Of the 51,274 cases that were closed in fiscal year 1993-94, more than 62 percent involved customers who did not complete the program. Among others, this included 8,542 participants who were sanctioned, resulting in a loss of their AFDC grants; 7,953 who became exempt from participation and, therefore, were allowed to leave the program before completion; and 7,302 participants whose grants were canceled, making them ineligible to continue participation prior to gaining employment. These statistics indicate the challenge PI has in keeping its customers in the program until completion.

One of the biggest obstacles that PI customers face is obtaining child care for their children while they (the PI participants) are going to school or are working. Of the 42,000 participants currently in the program, only 11 percent (4,631) receive child care services, though many more need this support. Fortunately, PI participants are eligible for transitional child care for up to 12 months after their grants are closed due to employment. Some of those who are working but do not earn enough to completely close their grants are eligible for AFDC-employed child care.

#### Job Training Partnership Act (JTPA) Programs

The report states that funding for DLES programs is based on the number of persons the program anticipates it will serve. The report further states that this may encourage programs to focus on the enrollment of participants rather than program outcomes. This statement is inaccurate for JTPA programs. JTPA is formula-allocated based on cut labor market data and census data on the number of economically disadvantaged persons in the state. The number of persons served by JTPA has no influence on how much money is awarded to the state or to individual SDAs. Further, the incentive awards provided to SDAs according to their program outcomes are based on proportions and not on absolute numbers. Serving more participants or placing more participants in employment does not result in more money. The intent and design of JTPA is to focus on the individual and provide the appropriate training and education.

Additionally, the report states that, due to federal reporting standards, DLES programs focus on short-term outcomes such as participation rates and initial placements rather than long-term employment. This statement is inaccurate for JTPA programs. The JTPA Title II program's success is primarily measured against

federal performance standards which involve assessing employment status and earnings of participants three months after they have left JTPA programs. Plans are to extend this time period to six months.

#### Vocational Rehabilitation (VR)

The report states that, "Less than 25 percent of participants received occupational training in 1993-94." The implication appears to be that the VR program should be sending more individuals to occupational training. A review of the educational backgrounds of the program's population does not support this proposition.

The VR Division's Fiscal Year 1993-94 RSA-911 Statistics Report shows that over 20 percent of the division's clients had some college education, including graduate school. An additional 44 percent of the division's clients were high school graduates.

Research studies have compared individuals with general high school diplomas with high school graduates who completed vocational education training. Those with general high school diplomas have a beginning salary at a slightly lower rate than their vocational education counterparts, but within two years overtake the earnings of vocationally trained individuals and then outdistance them in earnings over a lifetime. Thus, the finding in the OPPAGA report indicating that vocational education completers had greater earnings than those individuals without vocational training at initial placement is understandable. The OPPAGA report does not provide any comparison of earnings after several years in the work force.

Eight and one half (8.5) percent of VR clients had a background in special education. These individuals generally are enrolled in VR's Supported Employment Program and are not suited to classroom vocational training. Instead, they are provided with on-the-job training in the form of job coaching until they are able to perform their jobs and feel comfortable in their environments. This training is usually contracted by the division through private not-for-profit rehabilitation facilities around the state.

Therefore, just over 27 percent of VR's clients have less than a high school degree and could probably benefit from vocational training. This leaves a difference of approximately 2.5 percent of the program's clients who did not receive vocational training. Because we are federally mandated to allow clients to choose their providers and develop their individual program plans with VR staff, we

cannot force them to select vocational training. The small percentage that did not receive vocational training and who might have benefitted from it appears to be less than significant.

The report further states that, "To determine if the performance of these employment assistance programs had improved since 1993-94, we reviewed available data for the

most recent year, 1994-95. Placement rates improved for the two JTPA programs, but worsened slightly for Project Independence and Vocational Rehabilitation." Although the percentage of placements decreased in 1994-95 in comparison

to 1993-94, the number of placements increased from 7,914 in 1993-94 to 8,277 in 1994-95. The percentage of placements decreased because the number of individuals being accepted into the program has increased dramatically since the liberalization of program eligibility requirements. The number of individuals who leave the program after acceptance without being placed in employment by the program has tripled since the implementation of the 1992 amendments to the Vocational Rehabilitation Act. These numbers count against the program when calculating the placement rate. This phenomenon is not confined to Florida, but has become a national trend in the VR program. The challenge of the program is to stretch limited human and material resources far enough to prevent more individuals from leaving before completing the program.

Some recent statistics of the VR program show that it had some success even with those who left before completing the program. A follow-up of those who left the program in fiscal year 1993-94 before completing it showed that 28 percent of them were still employed a year after they left the program.