

*Estimating Public and Private Expenditures on Occupational Training  
in the United States*

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## Executive Summary

Retraining and upgrading the skills of incumbent workers and providing training to new labor force entrants, dislocated workers, and unemployed persons can help increase the efficiency and effectiveness of the workforce. Funding for occupational training comes from many sources—the federal government, state and local governments, private employers, philanthropic foundations, and individual workers themselves. This report examines occupational training to present a preliminary picture of the total spending on job training in the United States.

The information presented is particularly timely because employment programs have new challenges related to demographic, economic, and policy developments. For example, there may be more demand for training. The aging of the nation's population means that the characteristics of the workforce are also changing, with more older workers than in the past—some of whom need retraining. The changing structure of the labor market suggests an increasing demand for certain types of workers in sectors such as health care, who might require special training. There is also increasing demand generally for highly skilled workers, especially workers with technological skills.

On the federal policy side, the Workforce Investment Act (WIA) of 1998 dramatically altered the nature and mission of public programs, providing local Workforce Investment Boards and agencies with greater flexibility than in the past to respond to local labor market conditions—by, for instance, linking workforce development, economic development, and services through other public agencies as well as private employers.

These demographic, economic, and policy changes have altered the profile of the workforce, the labor market, and the training delivery system, potentially creating a new set of demands on both employers that provide training and on workforce development programs seeking to address the occupational training needs of a changing workforce, especially by coordinating resources available through various sources. To provide context for the ongoing policy discussions about workforce preparation, the findings in this report provide information about the investment in job training in the nation.

### Limitations and Qualifications

There are some important limitations and qualifications to the data and findings presented.

***Cross-program reporting differences.*** First, it is extremely difficult to precisely calculate the amount of federal spending on job training with readily available data, in large part because there are many different programs and funding streams, located in several different federal departments, often funded for different time periods (e.g., fiscal year, program year, multiple years). Most provide other services in addition to job training and do not routinely separate out the costs that are just for training. It is also difficult to calculate the total number of persons trained, since at the local level, programs increasingly blend and leverage funds from multiple sources to pay for training, but typically must report their activity separately for each program even if multiple sources are used. The estimates in this report are based on the best-available

data at the time of the analysis, using information provided by officials in various federal agencies and programs, supplemented with published statistics and informed judgments of officials and the analysts and authors of this report.

***Variations in operational definitions of “training.”*** A second qualification regards the definition of “training” used in this report, which differs from the definition used in some programs. For the purposes of this study, a literal definition of job training is used to specifically capture vocational and/or occupational skills instruction. This means that job readiness training, education, adult education, and pre-training counseling are not included. Training under this definition is directly related in setting, focus or content to specific jobs or careers, and may occur in a number of settings, including: on-the-job, classroom, online or computer-based, work experience, internships, workplace-based training and apprenticeships.<sup>1</sup> We exclude soft skills instruction, safety and health training, degree programs, and adult education (such as GED or high school courses) not related directly in setting, focus or content to specific jobs or careers.

Basic education, post-secondary degree programs, adult education, pre-training preparation, and social and behavioral skills (the so-called “soft skills”) are important to skills development; however, they are not included in the definition of job training used in this report. Many individuals’ ability to participate in job training and gain job skills depend on such activities, and some programs are mandated to emphasize those skills in a comprehensive format. For example, the Job Corps Program’s Annual Report defines training as having three components: basic education, vocational skills, and social skills, and the program devotes over 44 percent of its resources to such training. The estimates presented in this report for Job Corps, therefore, substantially understate expenditures on training as defined and operationalized in that program; the Job Corps program reports indicate nearly three times as much spending on training as estimated in this report.

In addition, the shift from the Job Training Partnership Act (JTPA) to WIA has resulted in increasing variation at the local service delivery level. The operational definition of “intensive services” versus “job training” for WIA purposes may not be the same across localities; some activities that are referred to as training in one site might be called intensive services in another. Unlike Job Corps, where the estimates presented in this report understate the programs’ investments in training, the effect of variation in One-Stop Centers’ definitions of training in reported data is unknown.

***Federal programs included.*** The third qualification relates to the programs included in this analysis. Programs in seven federal departments that can fund job training were examined:

- Department of Labor
- Department of Education
- Department of Health and Human Services
- Department of Housing and Urban Development

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<sup>1</sup> Apprenticeship training is defined as “a structured process combining classroom instruction and on-the-job training.” See Pindus, Nancy and Kellie Isbell. *Involving Employers in Training: Literature Review*. Washington, DC: DOL/ETA Research and Evaluation Report Series 97-K, 1997, p. 4.

- Department of Veterans Affairs
- Department of the Interior
- Department of Justice

Other departments may also provide funds for employment-related activities, but are not included in this study for various reasons. The Department of Defense, for example, devotes considerable resources to training for specific occupations and skills, but this study is limited to non-Defense programs. Veterans Education Benefits programs are also excluded since individuals make some contributions to their educational fund while on active duty, and since over 90 percent of beneficiaries enroll in undergraduate degree programs. Certain employment-related programs are not included either because they do not provide job or occupational training *per se*. The Job Service in DOL provides employment and job placement services, but not job training. The Department of Agriculture's Food Stamp Employment and Training Program is also excluded. Although it can fund any type of employment-related activity, the Food Stamp Employment and Training funds are primarily used for workfare/work experience and job search assistance. Fewer than two percent of Food Stamp Employment and Training participants begin job training and those that do are primarily funded by WIA or Vocational Education programs.<sup>2</sup>

Recognizing these limitations, we were asked to isolate the spending specifically going to job training, using a definition that allows comparability across programs, and defined literally as vocational and/or occupational skills training provided in a classroom, on-line, at the workplace, or through internships or apprenticeships. The results, therefore, should be viewed as approximations and as conservative lower bound estimates of total federal spending on training. The estimates are based on the computation methods and assumptions that are explicitly presented in the chapters, developed to provide a general overview of the scale of spending on job training in the United States. Further analysis and data collection would be needed to provide more precise and detailed estimates.

### **Highlights of Major Findings**

- *In 2002, between \$3.2 billion and \$5.3 billion was spent on job training by the federal government (excluding administrative costs). About one-third of this was through DOL programs, one-third was through the Department of Education's (DOE) Pell Grants (at public and proprietary two-year institutions), and the final third was through dozens of programs in five other federal departments.*
- *States spend perhaps another \$500 million to \$700 million a year on training, or about 13 to 16 percent as much as the federal government.*

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<sup>2</sup> Gundersen, Craig, "State Use of Funds to Increase Work Slots for Food Stamp Recipients: Report to Congress," U.S. Department of Agriculture, Economic Research Service, ERS-FANRR No. 15, August 2001.



- *Businesses spend considerably more on training than do the federal and state governments combined--between \$46 billion and \$54 billion a year in total training-related spending excluding administrative costs (or about 9 to 12 times as much as the government). Of this, between \$8 billion and \$17 billion represents direct training expenditures, excluding salaries as well as administrative costs (or about two to three times as much as the government if one were to use this restricted definition of training).*
- *The average spending per trainee ranges from less than \$1000 for some state and business programs, to between \$100 and \$3000 for most DOL workforce programs, and over \$6000 for some programs that primarily train individuals with physical or mental disabilities.*

**Federal Spending on Job Training in 2002,  
by Department**  
(excluding administrative costs)  
(millions of dollars)

Department	Low Estimate		High Estimate	
	\$	%	\$	%
Labor	\$ 1,147.4	36.0	\$ 1,747.3	33.2
Education—Pell Grants	1,250.0	39.2	1,875.0	35.6
Education—all other	628.8	19.7	1,318.6	25.1
Health and Human Services	93.8	2.9	169.6	3.2
Veterans Affairs	40.4	1.3	121.1	2.3
Housing and Urban Development	26.9	0.1	26.9	0.1
Interior	3.1	<0.1	5.1	<0.1
Justice*	0	0	0	0
<b>TOTAL FEDERAL</b>	<b>\$ 3,190.4</b>	<b>100.0%</b>	<b>\$ 5,263.6</b>	<b>100.0%</b>

\* DOJ's Serious and Violent Offender Program was not yet operational.

### Highlights about Federally-funded Job Training Expenditures through DOL

- *In 2002, DOL spent between \$1.1 billion and \$1.7 billion specifically on job training. This represents somewhere between 18 and 27 percent of the \$6.5 billion total spending in DOL employment-related programs in which a portion of expenditures are used for job training (non-training services include job search assistance, job placement, general education, life skills preparation and general employment services (Exhibit 2)<sup>3</sup>. (About another billion dollars was spent on job placement and other employment-related services through the Employment Service (ES), which does not fund training. This means that*

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<sup>3</sup> Some of the exhibits are several pages long. Therefore, all exhibits, sequentially numbered, are at the end of the narrative section of this report.

between 15 and 23 percent of all DOL expenditures on all employment-related DOL programs, including the Job Service, was for job training).

- ***The top three DOL programs in terms of spending on job training are WIA Adult Services, WIA Dislocated Worker Programs, and the Jobs Corps.*** Together these three programs represent about two-thirds of all DOL spending on job training.
- ***In 2002, nearly 500,000 trainees participated in DOL programs*** (Exhibit 3). This number includes some for whom training may have been funded by other programs (e.g., Pell Grants) as well as by DOL programs.
- ***Approximately 35 percent of all funds spent on job training by DOL in 2002 was for training in programs targeting dislocated workers and incumbent workers*** (Exhibit 6), such as WIA Dislocated Worker Programs, Skills Shortages Demonstrations, and Trade Adjustment Assistance.

### **Highlights about Federal Job Training Expenditures through Non-DOL Departments**

***In addition to the spending through DOL, about \$2.0 to \$3.5 billion was spent in 2002 on training through programs in six other federal departments, nearly half of which was through Pell Grants*** for persons enrolled in two-year post-secondary programs in community colleges and proprietary schools. (The analysis of Pell Grant spending excludes degree programs at four-year colleges on the assumption that most job training occurs through two-year and proprietary schools.)

- **Department of Education (DOE).** In 2002, DOE spent between \$1.9 and \$3.2 billion on occupational or vocational training. This represents about 12 to 20 percent of the total spending of \$16.3 billion in DOE programs that fund some training. More than half of DOE's training expenditures were through Pell Grants, and another 15 to 20 percent were through Carl Perkins Vocational and Technical or Tech Prep grants (about two-thirds of which is used in secondary schools).
- **Department of Health and Human Services (HHS).** In 2002, HHS spent between \$94 and \$170 million on job training. This represents about 1 percent of the \$15.8 billion spent in programs that fund at least some job training. Over two-thirds of HHS's job training spending was through the Temporary Assistance for Needy Families (TANF) program.
- **Department of Housing and Urban Development (HUD).** About \$27 million was used for job training in 2002 through HUD programs, all of which was through the Youth Build program. This represents about 45 percent of all Youth Build spending that year. While other HUD programs can potentially fund employment-related services, HUD encourages grantees to fund housing-related

services and to link with other agencies and programs to fund other services, including job training and education.

- **Department of Veterans Affairs (DVA).** Veterans Affairs administers the Vocational Rehabilitation and Employment program which spent \$270 million in 2002 on services, including between an estimated \$40 to \$121 million on job training.
- **Department of the Interior (DOI).** Between \$3.1 and \$5.1 million was spent in 2002 through three DOI programs that include some funding for job training.
- **Department of Justice (DOJ).** Within the Justice Department, the Serious and Violent Offenders program can fund some training, but as of 2004, that component was not yet operational. In addition, employment-related services, education, work assignments, and life preparation skills are provided to incarcerated individuals, and some facilities may use those funds, which represent a very small portion of DOJ's budget, for some job skills training.

#### **Highlights about State-funded Job Training:**

- *About \$500 million was spent by states on job training in 2003* (excluding financial matching required by some federal programs). The National Governors' Association (NGA) estimated that states spent about \$710 million on job training in 1998, about half of which was in eight states.<sup>4</sup> We contacted administrators and officials in those eight states that had the greatest spending on training in 1998, and learned that about \$230 million was spent on training by these states in 2003. This suggests that perhaps \$500 million was spent on job training by all states in 2003, with the decrease from 1998 attributable to less favorable fiscal conditions.

#### **Highlights about Privately-funded Job Training:**

- *Businesses spent about \$46 to \$54 billion on training in 2003*, according to surveys of firms (the Survey of Employer Provided Training (SEPT) and *Training Magazine*). Of this, between \$8 and \$17 billion was for training only, excluding salaries paid.
- *There is wide variation in the reported percentage of workers that receive formal training, with firms reporting somewhat more training than workers*

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<sup>4</sup> Bosworth, Brian, Dan Broun, Eric Foreman, and Cynthia Liston, "A Comprehensive Look at State-Funded, Employer-Focused Job Training Programs." National Governors' Association, Center for Best Practices. Washington, DC, 1999.

**report.** Estimates range from a high of 70 percent of workers in 1995, according to the SEPT survey of firms, to a low of 20 percent in the 2001 Survey of Income and Program Participation (SIPP) as reported by workers, down from 24 percent in the 1996 SIPP. (Exhibit 10) Lerman, McKernan, and Riegg (2004) explain that some of the difference in these estimates can be attributed to varying samples and differences in the duration of training being measured. Workers' reported receipt of training did not substantially change between the mid-90s and 2001, based on the updated analysis using the SIPP and the National Household Education Survey (NHES)—between one-fifth (SIPP) and one-third (NHES) of persons 18 and older report receiving some employer-sponsored job training (Exhibit 12).

- ***More-educated workers are more likely than less-educated workers to receive employer-provided training,*** according to NHES analyses. Workers with some college were twice as likely as workers with a high school degree or less to report receiving employer-sponsored training in 1995; this gap grew somewhat by 2001 as the percentage of workers with high school education or less who received training declined. Asian/Pacific Islanders saw an increase (7 percentage points) in employer-provided training from 1995 to 2001, while other race/ethnicity groups remained constant or decreased marginally (Exhibit 12).
- ***Unions often collaborate with businesses on job training.*** For example, the Building and Construction Trades Department (BCTD) of the AFL-CIO estimates that over \$500 million in apprenticeship training is organized annually through the 15 international unions affiliated with the BCTD. Some of this is funded by DOL's apprenticeship training programs, but much comes from businesses. Guaranteed as part of the collective bargaining agreements, apprenticeship programs are operated by private and public entities, including employers, employer associations, and labor-management organizations.
- ***Some private funders (philanthropic foundations and corporations) provide funds to local community programs providing employment services,*** but their expenditures on training represent a very small share of foundation spending.
- ***Individuals pay for some of their own job training, using savings, family resources, or student loans.*** For example, students may have obtained loans in the amount of .5 billion to 1 billion in 2002 for job training in post-secondary institutions.

## I. Introduction

In the 21<sup>st</sup> century, the United States must maintain a skilled and productive workforce to remain competitive in the increasingly global economy. Retraining and upgrading skills of incumbent workers as well as training new labor force entrants and dislocated workers are important strategies to that end. In addition to individuals investing in their own training, funding for workforce training comes from many sources—the federal government, state and local governments, private employers, and philanthropic foundations. The purpose of this report is to examine each of these sources and provide a general overall estimate of the total spending on job training in the United States.

This study examines *both* publicly- and privately-funded job training. While the amount of literature estimating private expenditures on occupational training is relatively scant, there is evidence that most job training is funded privately.<sup>5</sup> By examining occupational training funded from any source, the analysis here presents a preliminary picture of the total amount of money spent on job training for workers in the United States.

Specifically, in the following chapters, estimates are provided of expenditures on occupational training by federal agencies, eight states with sizable expenditures, and private and/or employer-provided training. Given the possible scope of each of these areas, this report should be viewed as a preliminary scan. While the focus is primarily on federally-funded occupational training, particularly in programs funded through the U.S. Department of Labor's (DOL) Employment and Training Administration (ETA), the report provides an overall picture of the funding for occupational training in the United States.

The federally-funded programs discussed are those *where at least some portion of funding is spent on job training*. As described in more detail below, programs that provide employment-related services but not job training *per se*, such as the Job Service, are not included in the estimates or discussed in this paper.<sup>6</sup> Where possible, estimates of occupational training expenditure trends are shown from the late 1990s through 2003. Estimates are provided for *actual* expenditures on training, excluding administrative and other non-training costs. Most

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<sup>5</sup> See Exhibit 8.

<sup>6</sup> In consultation with DOL staff, programs within DOL that provide job training were identified. For programs in the other six federal agencies (i.e., Departments of Education, Health and Human Services, Housing and Urban Development, Veterans Affairs, Interior, Justice), some agencies provided more detail and explanation than others, but we have identified training programs in each department that are a major source of funding for job training.

importantly, the estimates are intended to be transparent, with a full documentation of sources and explanations of any assumptions made.

### *A. Background and Policy Context*

Retraining and upgrading the skills of incumbent workers and providing training to new labor force entrants, dislocated workers, and unemployed persons are important to the efficiency and effectiveness of the workforce of the United States. The information presented in subsequent chapters is particularly timely because recent demographic, economic, and policy developments have created a new set of challenges and opportunities for workers, employers, and training programs. For example, there may be an increasing demand for retraining. The aging of the nation's population means that the characteristics of the workforce are also changing, with more older workers than in the past—some of whom need retraining—and an increasing demand for certain types of workers in sectors such as health care, who might require special training. In addition, the structure of the economy has changed with more modest demand than in previous decades for workers in the manufacturing sector, and increasing demand generally for highly skilled workers, especially those with technological skills. While economic changes vary from region to region, from state to state, and within states, employers are seeking employees with the skill sets they need to remain competitive in the 21<sup>st</sup> century.

On the federal policy side, the *Workforce Investment Act* (WIA) of 1998 dramatically altered the nature and mission of public employment programs. Local Workforce Investment Boards have greater flexibility than in the past to respond to local labor market conditions—by linking workforce development, economic development, and services through other public agencies and through private employers. Local workforce agencies and boards can and do structure their occupational training dollars to target industries and sectors where demand for workers is increasing. The U.S. Congress is preparing to reauthorize WIA, and that may involve further changes to program funding and priorities.

These demographic, economic, and policy changes have altered the profile of the workforce, the labor market, and the training delivery system, potentially creating a new set of demands on both employers that provide training and on workforce development systems seeking to address the occupational training needs of a changing workforce, especially by coordinating resources available through various sources. To provide context for the ongoing policy discussions about workforce preparation, the findings in this report present information about the total investment in job training in the nation.

## ***B. Objectives, Methodology, and Limitations***

***Objectives.*** It is within this policy context that this study was initiated. The report provides a preliminary scan of the spending on training, and can serve as a framework on which other, more detailed, analyses of job training expenditures can build. There are two general objectives for this study:

1. Estimate public expenditures on occupational training, the number of trainees, and per trainee costs by federal government agencies and for selected states.
2. Estimate private, employer-sponsored expenditures on occupational training using estimates from published sources, discussions with representatives of selected private entities (e.g., foundations, labor-management partnerships, and non-profit organizations), and new analysis of large national databases.

***Methodology.*** In the estimates of the spending devoted to training by the federal government, state governments, and private businesses, the following uniform definition of job training, developed in conjunction with ETA officials, was used:

For the purposes of this study, a literal definition of job training is used—specifically, vocational and/or occupational skills development. The occupational training included may occur in any of the following settings: on-the-job, classroom, online or computer-based, work experience, internships, or through an apprenticeships,<sup>7</sup> through training institutions, schools, community colleges, programs, and at the workplace. We are excluding from our definition of occupational training activities that do not relate directly in setting, focus, or content to specific jobs, occupations, or careers: behavioral or “soft skills,” safety and health training, high school diplomas, post-secondary degree programs, and adult education (such as GED or high school courses) are, therefore, excluded. Job readiness “training,” skills upgrading, and adult education are included as training under this definition only if they relate directly in setting, focus or content to specific jobs or careers.<sup>8</sup> We are including training-related expenditures (e.g., training books, trainers, supplies, certification tests, etc.), but excluding general administrative costs (e.g., facilities, supervisory costs).

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<sup>7</sup> Apprenticeship training is defined as “a structured process combining classroom instruction and on-the-job training.” See Pindus, Nancy and Kellie Isbell. *Involving Employers in Training: Literature Review*. Washington, DC: DOL/ETA Research and Evaluation Report Series 97-K, 1997, p. 4.

*Federal job training estimates.* Data on federal expenditures on job training were obtained through an email request sent to administrators in relevant federal agencies, in order to compile consistent spending data across programs. The following seven federal departments were included: Department of Labor (DOL), Department of Education (DOE), Department of Health and Human Services (HHS), Department of Housing and Urban Development (HUD), Department of Veterans Affairs (DVA), Department of the Interior (DOI), and Department of Justice (DOJ).<sup>9</sup>

Other departments also provide funds for training, but are not included in this study for various reasons.<sup>10</sup> The Department of Defense, for example, devotes considerable resources to training for specific occupations and skills, but this study is limited to non-Defense programs. Veterans Education Benefits programs, mainly the Montgomery GI Bill, are also excluded since individuals make some contributions to their educational fund while in service and since over 90 percent of beneficiaries enroll in undergraduate degree programs. Certain employment-related programs are not included either because they do not provide job or occupational training *per se*. The Job Service in DOL, for example, provides employment and job placement services, but not job training. The Department of Agriculture's Food Stamp Employment and Training Program is also excluded, although it can fund any type of employment-related activity. Food Stamp Employment and Training funds are primarily used for workfare/work experience and job search assistance. Fewer than 2 percent of Food Stamp Employment and Training participants begin job training and those that do are primarily in WIA or Vocational Education programs.<sup>11</sup>

Federal agency representatives were asked to estimate, by program, the total annual expenditures on job training *only* (excluding all non-training and administrative costs), the annual number of trainees, and per trainee costs for each year from 1998 through 2003.

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<sup>8</sup> Macro, Bronwen, Sherry Almandsmith, and Megan Hague. "Creating Partnerships for Workforce Investment: How Services are Provided under WIA." Berkeley Policy Associates. Washington, DC: DOL/ETA Occasional Paper 2003-08, December 2003, p. 8-1.

<sup>9</sup> A report by the Mercatus Center also determined that, with the exception of Veterans Affairs, these are the primary federal departments that fund job training. See Ellig, Jerry, Maurice McTigue, and Steve Robinson, "Putting a Price on Performance: A Demonstration Study of Outcome-Based Scrutiny," George Mason University: Mercatus Center, December 2000.

<sup>10</sup> The Mercatus Center report similarly excluded programs that primarily provided job placement or job search assistance or that were economic development in nature. That study also excluded the GI Bill. See Ellig, et al, 2000.

<sup>11</sup> Gundersen, Craig, "State Use of Funds to Increase Work Slots for Food Stamp Recipients: Report to Congress," U.S. Department of Agriculture, Economic Research Service, ERS-FANRR No. 15, August 2001.



Where estimates were unavailable from federal program sources, training expenditures were estimated using information available from several sources including, but not limited to:

- U.S. Department of Labor, Employment and Training Administration. “Summary of Budget Authority, Fiscal Years 2002-2003.” Washington, DC, May 2003. [http://www.doleta.gov/budget/03req\\$.pdf](http://www.doleta.gov/budget/03req$.pdf). (Accessed July 27, 2004).
- U.S. Department of Labor, Employment and Training Administration. “State Reporting of Formula Spending for Program Years 2000-2003 for Dislocated Workers, Adults, and Youth.” This series of 12 reports can be found at the 12 websites listed in the References. (Accessed July 27, 2004):
- U.S. Government Printing Office. *Budget of the United States Government, Fiscal Year 2005—Appendix*. Washington, DC, January 2004.
- U.S. Government Printing Office. *Catalog of Federal Domestic Assistance, 2003*. Washington, DC, October 2003. [http://12.46.245.173/pls/portal30/SYSTEM.PDF\\_CATALOG\\_DYN.show](http://12.46.245.173/pls/portal30/SYSTEM.PDF_CATALOG_DYN.show) (Accessed March 17, 2004).

All sources and assumptions are documented, by program, in Exhibits 1, 3, and 4. It should be noted that the estimates were calculated using the best available information, which varies by program. For programs where actual or estimated expenditures on job training *only* were not provided, we used informed judgments to make assumptions and develop estimates, usually presenting a high estimate and a low estimate. This often involved discussions with agency staff. When the entries in Exhibits under the columns labeled “high estimate” and “low estimate” are the same, that means there was specific information or program reports that yielded a definitive figure and it was not necessary to develop approximate estimates. Readers are cautioned that these ranges should not be interpreted as an average of the low and the high estimates; instead they are an approximate range within which the actual spending may be. Averaging the low and high estimates would be inaccurate and inappropriate given the available data.

*State expenditures on training.* This report also provides estimates of state-funded occupational training expenditures, the number of trainees, and per trainee costs for eight (8) states in 1998 and 2003. A National Governor’s Association (NGA) 1999 study entitled *A Comprehensive Look At State-Funded, Employer-Focused Job Training Programs* was the basis

for the examination of state-funded job training programs.<sup>12</sup> The NGA study surveyed 47 states identified as operating state-funded employer-focused job training programs. The survey was conducted in April and May 1998. Using the NGA study, we selected for further examination the top eight ranked states in terms of the amount of state funds spent in 1998 on incumbent worker training programs. In rank order, they are: California, Texas, Iowa, Michigan, New Jersey, Pennsylvania, Missouri, and North Carolina. According to the NGA study, these eight states spent over \$375 million dollars on state funded job training programs in 1998—this amounts to over half of the over \$710 million<sup>13</sup> spent on state-funded job training programs by all 50 states that year. These eight states were also eight of the top nine states in terms of total number of trainees statewide in 1998. Through telephone calls and emails, we obtained 2003 (or the most recent year available) information on *any* major state-funded job training programs in these eight states. By 2003, funding by the eight top ranked states had dropped from over \$375 million in 1998 to about \$230 million. In cases where state-funded programs began after the NGA report was released, we provide the information for the program’s initial year.

*Privately-funded job training.* To estimate private- or employer-sponsored job training expenditures, we reviewed estimates from published sources and available surveys of firms (see Exhibit 8). We report estimates from four sources: the American Society for Training and Development (ASTD), the Survey of Employer Provided Training (SEPT), *Training Magazine*, and the National Employer Survey (NES).<sup>14</sup> Where available, we report estimates for more than one year and compare years across different sources.

In addition, new statistical analysis was conducted to update prior Urban Institute estimates of privately-funded job training as reported by individuals, rather than firms. Using methodology developed by Lerman, McKernan, and Riegg,<sup>15</sup> the 2001 Survey of Income and Program Participation (SIPP) and the 2001 National Household Education Survey (NHES) were analyzed.

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<sup>12</sup> Bosworth, Brian, Dan Broun, Eric Foreman, and Cynthia Liston, “A Comprehensive Look at State-Funded, Employer-Focused Job Training Programs.” National Governors’ Association, Center for Best Practices. Washington, DC, 1999.

<sup>13</sup> The authors summed the figures for all 50 states reported in Table 3 of the NGA report and found that 1998 state funding for job training amounted to \$707,991,522. The top eight ranked states spent \$375,880,999 on job training programs in 1998, according to Bosworth, et al.

<sup>14</sup> See Galvin, Tammy, “Industry Report 2003,” *Training Magazine*, October 2003, pp. 21-45; and American Society for Training and Development (ASTD), “State of the Industry: ASTD’s Annual Review of U.S. and International Trends in Workplace Learning and Performance,” 2003.

<sup>15</sup> Lerman, Robert I., Signe-Mary McKernan, and Stephanie Riegg, “The Scope of Employer-Provided Training in the U.S.: Who, What, Where, and How Much?” in *Job Training in the United States: History, Effectiveness, and Prospects*, O’Leary, Christopher J., Robert A. Straits, and Stephen A. Wandner, Editors, Kalamazoo, MI: The Upjohn Institute, 2004.

*Other sources of training funds.* Telephone discussions were held with representatives of selected foundations, labor-management partnerships, and non-profit training providers to obtain information about non-public funding for job training spent or received in the past few years.

Topics covered included:

1. How much was spent/received in each of the past three to four years from non-public sources?
2. For what types of training was funding spent/received?
3. Who are the training providers?
4. What are the types of trainees?
5. What are the per participant costs?

***Limitations and Qualifications.*** There are some important limitations and qualifications to the data and findings presented. First, all programs included fund training as well as other employment-related services, but most programs do not break out costs by activity. With readily available data, it is extremely difficult to precisely calculate the amount of federal spending on job training, in large part because there are many different programs and funding streams, located in several different federal departments, often funded for different time periods (e.g., fiscal year, program year, multiple years). It is also difficult to calculate the total number of persons trained, since at the local level, programs increasingly blend and leverage funds from multiple sources to pay for training, but typically must report their activity separately for each program even if multiple sources are used. The estimates in this report are based on the best-available data at the time of the analysis, using information provided by officials in various federal agencies and programs, supplemented with published statistics and informed judgments of officials and the analysts and authors of this report.

The second qualification relates to the programs included in this analysis. Programs in seven different federal departments than can potentially fund job training were examined. Other departments also provide funds for training, but are not included in this study for various reasons. The Department of Defense, for example, devotes considerable resources to training for specific occupations and skills and other employment-related services for military personnel and spouses, but this study is limited to non-Defense programs. Certain other employment-related programs are not included either because they essentially do not provide job or occupational

training *per se*. The Department of Commerce, for instance, supports training for individuals interested in starting businesses, but that program is not included here since it is more geared towards business and economic development rather than individual skills development. Similarly, some funds through the Federal Emergency Management Agency (FEMA) can be used for employment services. The Job Service, in DOL, provides employment and job placement services, but not job training. The Department of Agriculture administers the Food Stamp Employment and Training Program, but since that primarily funds workfare/work experience and job search assistance, it is not included. Fewer than 2 percent of Food Stamp Program participants begin job training, and most of those are served through cooperative arrangements with WIA or Vocational Education.<sup>16</sup>

Finally, many students receive loans subsidized by the government, but public expenditures associated with those loan programs are not included here, since those expenditures are primarily related to administrative costs.<sup>17</sup>

A third qualification regards the definition of “training” used in this report, which differs from the definition used in some programs. Basic education, post-secondary degree programs, adult education, pre-training preparation, and social and behavioral skills (the so-called “soft skills”) are critically important to skills development. Many individuals’ ability to participate in job training and gain necessary job skills depend on such activities, and some programs are mandated to emphasize those skills in a comprehensive format. For example, the Job Corps Program’s Annual Report defines training as having three components: basic education, vocation, and social skills, and the program devotes over 44 percent of its resources on such training. The estimates presented in this report for Job Corps, therefore, substantially understate expenditures on training as defined and operationalized in that program.

In addition, the shift from the Job Training Partnership Act (JTPA) to WIA has resulted in increasing variation at the local service delivery level. The operational definition of “intensive services” versus “job training” for WIA purposes may not be the same across localities; some activities that are referred to as training in one site might be called intensive services in another. Unlike Job Corps, where the estimates here understate the programs’ investments in training, the effect of variations in One-Stop Centers’ definitions of training in reported data is unknown.

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<sup>16</sup> Gundersen, Craig, “State Use of Funds to Increase Work Slots for Food Stamp Recipients: Report to Congress,” U.S. Department of Agriculture, Economic Research Service, ERS-FANRR No. 15, August 2001.

<sup>17</sup> The Mercatus Center study also excluded loan programs in its analysis. See Ellig, et al (2000).

Recognizing these limitations, we were asked to isolate the spending specifically going to job training, using a definition that allows comparability across programs, and defined literally as vocational and/or occupational skills training provided in a classroom, on-line, at the workplace, or through internships or apprenticeships. The results, therefore, should be viewed as approximations and as conservative lower bound estimates of total federal spending on training. The estimates are based on the computation methods and assumptions that are explicitly presented in the chapters, developed to provide a general overview of the scale of spending on job training in the United States. Further analysis and data collection would be needed to provide more precise and detailed estimates.

***Structure of the Report.*** Section II of this report examines federally-funded job training expenditures and state-funded job training expenditures. Section III provides estimates of privately-funded job training expenditures from the three sources: a review of past analysis of surveys of firms, new statistical estimates of employer-provided training as reported by workers, based on the SIPP and NHES, and estimates of training expenditures from private entities. In both Sections II and III, the limitations of the resulting estimates are discussed. Section IV synthesizes the information presented in prior sections.



## II. Estimating Expenditures on Publicly-funded Job Training

This section describes federal expenditures on job training through programs funded in seven different federal agencies. The estimates discussed in this chapter were obtained from federal program staff via an email request and follow up telephone calls, from various federal budget sources described in greater detail below, from published reports and evaluations, or from assumptions made by the authors. The sources and assumptions for each program's estimates are provided in Exhibit 1.

Exhibits 1 through 4 catalogue federally-funded programs *where at least some portion of program funding is spent on job training*. Programs that do not fund *any* job training are not included or discussed in this paper. Exhibits 1 through 4 provide estimates of total expenditures, expenditures on job training *only*, the number of training participants, and per trainee costs.

Exhibit 5 presents the 2002 DOL job training expenditures by target group. It shows a low and a high estimate of total job training expenditures, number of training participants,<sup>18</sup> and per trainee spending for each DOL program that provides *at least some* job training. Exhibit 6 shows the percentage of training expenditures attributable to each target group and the percentage of training participants within each target group.

### A. Federally-funded Job Training Expenditures

The U.S. Department of Labor funds a number of programs that help individuals gain employment or career advancement through occupational skills training. Programs in other federal agencies can also support occupational training to individuals. Administrators in seven (7) federal departments<sup>19</sup> were contacted about their job training programs, and sixty-nine programs that fund some job training were identified:

- Department of Labor (DOL) (34 programs)
- Department of Education (DOE) (13 programs)
- Department of Health and Human Services (HHS) (16 programs)
- Department of Housing and Urban Development (HUD) (1 program)

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<sup>18</sup> Individuals may participate in one or more programs, therefore, the total number of participants reported likely exceeds the number of separate individuals trained. Exhibit 5 reports the number of participants, *not the number of individuals*. Likewise, the percentage estimates in Exhibit 6 show the percent of participants (*not individuals*) attributable to each target group.

<sup>19</sup> The Department of Defense is also a job training provider (e.g., Transition Assistance Program, Spouse Telework Employment Program, Military Spouse Resource Center project, Advanced Distributed Learning Centers, Career Advance Centers), however, this report is limited to non-Defense agencies.

- Department of Veterans Affairs (DVA) (1 program)
- Department of the Interior (DOI) (3 programs)
- Department of Justice (DOJ) (1 program)

For DOL and HHS programs, all data were verified by agency representatives. In programs in the other five federal departments, similar verifications were done for some programs. When program information was not available from agencies, public reports and material were used (e.g., written reports, the Internet) and, in some cases, estimates are based on informed assumptions made by the analysts based on available information, as noted on the Exhibits.

Exhibit 1 shows estimates of total job training expenditures by program and by year.<sup>20</sup> The far right column notes, for each program, the source of data and assumptions made to produce the estimates when that was necessary. Each agency was asked for the amount spent on training by program for each year from 1998 through 2003. Since it was difficult to obtain the annual training expenditures data for many programs, we focused on 2002. In programs where complete cost data were not available, high and low estimates of training expenditures were developed to suggest the possible range of spending based on the assumptions used (rather than a single-point estimate).

The time periods for which data were available are also noted on Exhibit 1. In all cases, twelve-month time frames are used. Data were requested for program years<sup>21</sup> or fiscal years<sup>22</sup> 1998 through 2003, or for the years in which the program was operating if it started after 1998. In general, the Department of Labor's program funding is measured using a July-June program year while other federal agencies' programs are measured using the federal fiscal year; rare exceptions are noted in Exhibit 1. However, a twelve-month period is used to report spending for each program. Grant programs are included even though some have low or fairly modest funding levels, because together they represent a substantial resource to local programs. Since grant programs typically provide funding for more than one year, annual estimates of training expenditure for grant programs are prorated in some cases, as noted.

As shown at the top of Exhibit 1, between \$3.2 and \$5.3 billion was spent by the federal government on occupational job training in 2002. These are, respectively, the low and high estimates of training expenditures, calculated by totaling up the expenditures for the 69 programs

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<sup>20</sup> Since some tables, such as Exhibit 1, are several pages long, all Exhibits are presented at the end of the narrative sections of this report.

<sup>21</sup> The Department of Labor's program year begins July 1<sup>st</sup> and ends June 30<sup>th</sup>. For example, Program Year 1998 is from July 1, 1998 through June 30, 1999.

<sup>22</sup> The federal fiscal year begins October 1<sup>st</sup> and ends September 30<sup>th</sup>. For example, Fiscal Year 1998 is from October 1, 1997 through September 30, 1998.



from the seven federal departments shown on Exhibit 1. About one-third of the federal spending is in DOL programs, or between \$1.2 and \$1.7 billion in 2002. Another one-third of federal job training spending is through Pell Grants in DOE, or between \$1.9 and \$3.2 billion in 2002. The final one-third of federal spending on training was spread across dozens of other programs in DOE and five other departments as shown in Exhibit 1. Key findings for each department are presented in the following sections.

***Department of Labor.*** In 2002, DOL spent between \$1.2 and \$1.7 billion on job training, as indicated on Exhibit 1 (page 1-1, the Department of Labor shaded area). The three DOL job training programs with the greatest expenditures are the WIA Adult Programs, WIA Dislocated Worker programs, and Job Corps. Together these three programs represent about two-thirds of all DOL job training expenditures. Dislocated Worker programs spent between \$280 million (low estimate) and \$467 million (high estimate) on training in 2002. The Adult WIA program spent between \$303 million and \$505 million on training, and Job Corps spent \$207 on training as defined in this study. It is worth noting again that this understates training expenditures in Job Corps using that program's definition.

***Department of Education.*** DOE spent between \$1.9 and \$3.2 billion on occupational training in 2002, as detailed in Exhibit 1 (page 1-9, Department of Education shaded area). More than half of DOE's total training spending is attributed to Pell Grants, which is estimated to have spent between \$1.3 billion (low estimate) and \$1.9 billion (high estimate) on training in 2002. In addition, Perkins Act Vocational and Technical (Title I) and Technical Prep (Title II) grants spent between \$386 million and \$644 million, representing about 20 percent of DOE's training expenditures. It is also estimated that between \$203 million and \$615 million was spent on training by Vocational Rehabilitation programs (state grants). Since we were not able to obtain job training expenditure figures for all DOE programs, estimates were produced using informed assumptions based on information obtained from DOE's website, the Federal Budget, and selected research reports, as noted in Exhibit 1.

***Department of Health and Human Services.*** According to estimates developed for this study and reviewed by HHS officials, HHS programs spent between \$94 million (low estimate) and \$170 million (high estimate) on occupational job training in 2002, as shown on Exhibit 1 (page 1-12, Department of Health and Human Services shaded area). While DHHS has many programs that can fund job training, the greatest expenditure on training in that department is the Temporary Assistance for Needy Families (TANF) program for welfare recipients, with expenditures between \$64 million and \$107 million, representing about two-thirds of all HHS funding of job training in 2002. The next highest job training spending is for the combined

Refugee and Entrant Assistance Programs, which together spent between \$17 million and \$27 million in 2002.

***Department of Housing and Urban Development.*** One HUD program—Youth Build —was identified that specifically provides training and other employment-related services, and this program is included in the inventory in Exhibit 1 (page 1-16, Department of Housing and Urban Development shaded area). The Youth Build program expended about \$27 million on occupational training for disadvantaged youth aged 16 to 24 in 2003. HUD also administers several special housing assistance and community development programs that can fund employment-related services. These include: HOPE VI, Family Self-Sufficiency Program, Supportive Housing Program, Homeless Assistance Grants, the Community Development Block Grant, Resident Opportunity and Self-Sufficiency Grants, Section 3 program, Jobs Plus and Moving to Work. These other programs are encouraged to use their HUD funds for housing-related assistance and services and to link with other non-HUD service agencies to provide non-housing services such as job training. Therefore, these programs are not included in our inventory since it is unlikely much funding is used for direct occupation-specific training.

***Department of Veterans Affairs.*** We also identified one program in the DVA—the Vocational Rehabilitation and Employment program—with total expenditures of \$270 million, as shown on Exhibit 1 (page 1-16, Department of Veterans’ Affairs shaded area). It is estimated that between \$40 million and \$120 million is for non-degree job training, although this is a very rough approximation. The other major program in the DVA that funds education and training is the Montgomery GI Bill, funded in part by monthly contributions to personal accounts by active duty personnel contribute. Since nearly all GI Bill beneficiaries are enrolled in undergraduate degree programs and since some of the spending is derived from individual contributions while in service, it is excluded from this study.

***Department of the Interior.*** The DOI has three job training programs, primarily for Native Americans. As shown on Exhibit 1 (page 1-17, Department of Interior shaded area), we estimate, using DOI web-site data reports, that approximately \$3.1 to \$5.1 million was expended on job training in 2002 by the DOI. Two of the three programs serve only Native Americans while the third, the Ironworker Training Program, serves primarily Native Americans.

***Department of Justice.*** One program in DOJ can fund job training among other services—the Serious and Violent Offenders program. However, the funds allotted to the job training component of this program have not yet been spent. DOJ also administers other employment-related programs for incarcerated individuals, but they are not included here since they primarily fund education, prison industry work, life skills preparation and religious and social services.

### ***B. Shares of Federal Program Funding Devoted to Job Training***

Using the information and details from Exhibit 1, Exhibit 2 shows the percentage of each program's total funding that was used for job training in 2002, versus all other activities in the relevant program. The second column of Exhibit 2 is total program expenditures, the third and fourth columns are the high and low estimates of training expenditures, and the final two columns indicate the percentage of total expenditures that were devoted to job training (high and low estimates).

Across all 69 programs identified in the seven federal departments that provide at least some funding for job training, between 8.2 percent and 13.5 percent of program funds were used for job training in 2002. The share of funds going to training varies by agency and program, with some special purpose programs, for example those providing vocational rehabilitation training for veterans and Native Americans, having a higher share of spending going to job training, compared to some larger more comprehensive programs such as WIA or Pell Grants.

DOL's expenditures on training accounted for nearly one-third of all federal job training expenditures in 2002. Among DOL programs that provide at least some occupational training, several programs spend a very small percentage of their funds on job training, as defined for this study. The Welfare-to-Work Grants Program, spent between 4 and 7 percent of the total expenditures in 2002 on training. Likewise, the Youth Offender Demonstration Project is estimated to have spent about 5 percent of expenditures on training while 9 percent of the Youth Opportunity Grant Program expenditures went to provide occupational training. These grant programs are focused on employment preparation and education and related services, more than on pre-employment training. Programs with a high percentage of program expenditures spent on training include the Trade Adjustment Assistance Training and the North American Free Trade Agreement Transitional Adjustment Assistance programs, with an estimated 82 to 85 percent of expenditures in 2002, respectively. This reflects the emphasis in these programs on retraining dislocated workers.

### ***C. Number of Trainees in DOL Programs***

Exhibit 3 shows the number of trainees for DOL programs. In 2002, nearly 500,000 trainees participated in DOL programs. The Adult Employment and Training Activities under WIA served the largest number of training participants with just over 100,000. Job Corps had over 50,000 trainees. The three major WIA programs—adults, dislocated workers, and youth—collectively served slightly over one quarter of a million trainees (program exiters). It is important to note that the WIA exiters as measured in the Workforce Investment Act

Standardized Record Data (WIASRD) represent unduplicated counts of individuals. Other programs, such as the H-1B Technical Skills Training Grants,<sup>23</sup> record the number of enrollees per year, and these numbers are likely to include duplicate counts of some individuals.

There were over 30 percent more WIA trainees (exiters) from the three major WIA programs in 1998 than in 2002, probably reflecting the transition from JTPA to WIA, which occurred during this period. The very small decrease in overall training participants in DOL between 1998 and 2002 reflects the fact that some non-WIA DOL programs increased enrollment and new programs began. New programs included the H-1B Technical Skills Training Grants, and the Incumbent/Dislocated Worker Skills Shortages II Demonstration Grants. Similarly, enrollments in some existing programs increased, such as those funded with ETA Earmark grants<sup>24</sup> and those through the Homeless Veterans Reintegration Program.

#### *D. Per Trainee Expenditures*

As shown in Exhibit 4, the average per trainee expenditure for DOL training was about \$3200 in 2002 (Exhibit 4). However, it is particularly difficult to estimate per trainee expenditures for most programs. In some programs where states have primary authority (e.g., Trade Adjustment Assistance, North American Free Trade Agreement-Transitional Adjustment Assistance), variations in internal state practices make determining per trainee expenditures at the national level extremely difficult without a more comprehensive research study. In many grant-funded programs (e.g., ETA Earmarks, High Growth Job Training Initiative), each program grantee may track per trainee costs, but this information is not available in the aggregate at the national level. Thus, some grant program national offices were able to provide per trainee costs for grantees, although not aggregated across all their grantees. Therefore, for some programs we computed a weighted average of costs per trainee and noted this accordingly in Exhibit 4 (e.g., Sectoral Employment Demonstration Grant, Incumbent/Dislocated Worker Skills Shortage II Demonstration Grant).

Costs per trainee vary substantially from one training program to another. For example, the Disability IT Training program per trainee costs are estimated to be \$8,490 in 2002. On the other hand, the Incumbent/Dislocated Worker Skills Shortages II Demonstration Grants average

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<sup>23</sup> The H-1B Grants program has ended, with the last grants awarded in January 2004.

<sup>24</sup> Congressionally-designated provisions appropriate funds, called earmarks, in the annual federal budget for particular purposes, projects, or organizations. Earmarked workforce development projects are administered by DOL. Earmark appropriations increased substantially during the study period.

\$1,007 per trainee—clearly a reflection of differences across programs in the types of services provided, the needs of the target population, and/or the duration of the training provided.

### *E. DOL Training by Target Group*

DOL's training programs serve many different target groups including:

- Dislocated and incumbent workers
- Adults
- Youth
- Older workers
- Migrant and seasonal workers
- Unemployed/underemployed/hard-to-employ (including welfare recipients)
- Native Americans/Hawaiians/Alaskans
- Veterans
- Persons with physical and mental disabilities; and
- Other miscellaneous groups

According to the data compiled for each program, dislocated and incumbent workers receive more of DOL's federal funding for occupational training than any other group (Exhibit 5). Approximately 35 percent of all funds spent on job training by DOL in 2002 funded training in programs that targeted dislocated and incumbent workers (Exhibit 6), or between \$409 million and \$603 million (Exhibit 5). These funds were used to train approximately 180,000 participants (Exhibit 5).

The second largest category for DOL's training dollars was programs serving adults through the Adult Employment and Training Activities under WIA; an estimated \$300 to \$510 million, or 26 to 29 percent of 2002 expenditures on job training by DOL, was spent on approximately 100,000 participants. Given that WIA training services are focused on those who are determined to need it most, presumably most of these trainees have barriers to employment or low skills.

An estimated 4-5 percent (about \$42 to \$83 million) of DOL's funds for job training in 2002 were through the program specifically for older workers, in addition to older workers served through WIA adult and dislocated workers. In general, persons age 55 and older participate in community service work experience jobs through the Senior Community Service Employment Program (SCSEP), some of which also incorporate training for the job. Legislative changes in 2000 shifted the program to emphasize training even more than in the past. In future years, data on number of trainees will be available. SCSEP is the only program specifically targeting older adults, and program funds can be used for on-the-job training or occupational training. SCSEP staff estimate that about 25 percent of participants received some training before the 2000

changes, rising to about 30 percent in 2001, 2002, and 2003 as programs began to implement the new changes. This suggests that in 2002, about 33,000 SCSEP participants received some occupation-specific training. In addition, some older workers may, instead, participate in WIA adult and dislocated worker programs, and some older worker programs may use both WIA and SCSEP funds for an individual's activities.

#### *F. State-funded Job Training Expenditures*

According to a 1999 study<sup>25</sup> conducted for the National Governors Association (NGA), states spent about \$710 million on job training in 1998, with eight states accounting for about half of that spending (California, Iowa, Michigan, Missouri, New Jersey, North Carolina, Pennsylvania, and Texas). Officials in those eight states, which had the highest levels of state-funded training in 1998 as reported in the 1999 study, were contacted as part of this current study and queried about their levels of state-funding, trainees, and costs per trainee in 2003, or the most recent year for which data are available. Based on the information those state officials provided for this study, two general conclusions can be drawn. First, state-funded job training programs in the top eight states (ranking based on 1998 funding) declined 38 percent in five years—from approximately \$380 million in 1998 to about \$230 million in 2003. Second, assuming these eight states continue to represent about half of all state funding on job training, it is likely that state funding on job training in 2003 was between about \$500 million (low estimate) and \$700 million (high estimate), or about 12 to 13 percent of the amount spent by the federal government. The actual spending by state sources may be slightly higher since the estimates provided by state officials probably do not include federally-required matching funds required by some programs such as vocational rehabilitation and some grant programs.

The updated information obtained from the eight states appears in Appendix A, Exhibits A-1 through A-8, and is summarized in Exhibit 7. A few interesting points emerge. First, while the total of state spending on training in these eight states declined over the five years, some states maintained or even increased their spending. Over the five years, four states (California, Iowa, Michigan, Texas) substantially reduced state funding for occupational training by more than half, one state (Missouri) remained about same, and three states (New Jersey, North Carolina, and Pennsylvania) increased their spending on occupational training programs from 12 percent in Pennsylvania to 46 percent in North Carolina.

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<sup>25</sup> Bosworth, Brian, Dan Broun, Eric Foreman, and Cynthia Liston, "A Comprehensive Look at State-Funded, Employer-Focused Job Training Programs." National Governors' Association, Center for Best Practices. Washington, DC, 1999.

The second point is that the number of state-funded training programs varies across states. Of the eight states contacted, three states have one major state-funded job training program (California, Michigan, and Pennsylvania), three states have two major programs (Iowa, Missouri, and New Jersey), Texas has three major programs, and North Carolina has four major programs. New Jersey was the only state to have a new job training program begin operating since 1998—in 2003, the Supplemental Workforce Fund for Basic Skills was implemented to provide training in basic skills such as English as a Second Language, basic communication skills and basic personal computer software training. And, while half of the states reduced their state funding in job training programs between 1998 and 2003, Texas was the only state to discontinue a program entirely. The Texas program that was eliminated (the Smart Jobs Fund) as well as cuts in funding for the two other Texas job training programs resulted in an 80 percent reduction in overall state funding for job training programs in the state.

The third interesting point is that despite the reduction in state-funded job training expenditures for these states combined, states' strategies for funding job training remain largely unchanged among the top eight states. In 1998, over two-thirds of the state-funded programs were funded using general-fund appropriations while the majority of the remaining programs were funded using monies obtained through an assessment on employers that is based on the Unemployment Insurance (UI) fund tax. Beginning with California in 1983, states assessed a per-employee tax on employers covered by the UI program while reducing UI taxes at the same time. This separate tax is collected at the same time as UI taxes.<sup>26</sup> Our discussions with state officials in 2004 determined that of the 15 job training programs funded by the eight states in 2003, about half (7.5 programs) are funded using general-fund appropriations. Three and one-half programs are funded using an employer tax based on the UI program tax. Two programs in Iowa and Missouri rely on funding from the sale of bonds, and two are funded from other sources.

Finally, the eight states were selected because they had relatively high levels of training *spending* in 1998. However, as summarized in the chart below, seven of the eight were also the top seven states ranked by the number of *trainees* in 1998. The number of trainees increased by about 19 percent across the eight states, even in some states where spending declined. By 2003, as shown on Exhibit 7, four of these states report that the number of trainees in their state-funded programs between 1998 and 2003 decreased (California, Iowa, and New Jersey), and four report an

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<sup>26</sup> Bosworth, Brian, Dan Broun, Eric Foreman, and Cynthia Liston, "A Comprehensive Look at State Funded, Employer-Focused Job Training Programs." Report prepared by Regional Technology Strategies, Inc. and the National Governors' Association, Center for Best Practices. Washington, DC, 1999, p. 6.

increase (Michigan, North Carolina, Pennsylvania, and Texas). Of the three states that increased their overall spending on job training between 1998 and 2003, two also increased the number

**Table 1.**  
**Rankings of Selected States on Spending on Training,**  
**Number of Trainees, and Cost Per Trainee**

	Total State Funding		Number of Trainees		Average Cost Per Trainee	
	1998 Rank	2003 Rank (out of 8)	1998 Rank (out of 50)	2003 Rank (out of 8)	1998 Rank (out of 50)	2003 Rank (out of 8)
California	1	1	2	6	5	3
Iowa	3	7	14	8	2	NA
Michigan	5	8	4	4	15	4
Missouri	8	5	5	5	23	1
New Jersey	4	3	6	7	21	5
North Carolina	6	2	1	1	NA	6
Pennsylvania	7	4	7	2	27	7
Texas	2	6	9	3	6	2

Source: Exhibit 7.

of trainees. For example, North Carolina increased state funding by 46 percent, and the number of trainees increased by 17 percent over the five-year period. Of the four states where overall funding decreased between 1998 and 2003, in California and Iowa the number of trainees also decreased by 46 and 38 percent, respectively. In the case of Michigan, while state funding decreased by 65 percent, the number of trainees increased by 31 percent.



### **III. Estimating Expenditures on Privately-funded Job Training**

Privately-sponsored job training programs are those funded *primarily* using any non-public source of funds—such as businesses, industry groups, unions, and private foundations. Private training may be administered and funded in different ways. For example, private job training may be funded through one or more private employers directly or industry/employer organizations. Private- or employer-funded job training may be delivered by a private training provider, an employer on-the-job or at an offsite location, or through an employer’s contract with an otherwise publicly-funded state or local agency such as a local community college or One Stop Career Center. Finally, job training may be funded through private sources not related to an employer such as a foundation, individual, or organization.

This section presents estimates of total annual expenditures on training by private sources, along with information on spending per firm and per trainee expenditures, percent of workers trained, and number of hours per year workers receive employer-funded training. The incidence and intensity of employer-provided training by various demographic characteristics of workers is also described. In addition to conducting some new statistical analysis of national databases, semi-structured discussions were also held with representatives of a few private organizations that provide and/or fund occupational training. In order to describe private- or employer-provided job training, three activities were carried out over the eight-month period from mid-February to mid-August 2004:

1. Reviewed published information and reports from past relevant research on the extent of job training and private funding of training;
2. Updated statistical analysis of private sector funding of training based on recently released public-use data for the Survey of Income and Program Participation (SIPP) for 2001 and the National Household Education Survey (NHES) for 2001, applying methodologies developed by Lerman, McKernan, and Riegg (2004) for a prior Urban Institute study; and
3. Telephone discussions with officials at seven private organizations to obtain information about non-public funding for job training.

#### ***A. Estimates of Employer-Provided Training: Firm Perspective***

A canvassing of the literature indicates that there are very few published reports or articles that provide annual estimates of the amount of private spending on job training. A few were identified, however, and they are all based on four surveys of businesses:

- (1) Surveys of samples of companies conducted by the trade organization, the American Society for Training and Development (ASTD).
- (2) The Survey of Employer-Provided Training (SEPT), administered to a sample of businesses.
- (3) Surveys of samples of businesses with 100 or more employees conducted by *Training Magazine*, a trade publication.
- (4) The National Employer Survey (NES), administered to a sample of businesses.

The surveys vary in terms of the amount and types of information analyzed, the number or times the surveys have been conducted, and the years for which the information was collected. Exhibit 8 summarizes the features of each of the four surveys of firms and key findings from published articles and summaries that analyzed data from each survey. Exhibit 8 includes, for each survey:

- The sample and methodology used to obtain the employer-provided training estimates;
- Total expenditures on employer-funded job training *including* non-training costs (e.g., salaries paid to trainees);
- Total expenditures on employer-funded job training *excluding* non-training costs (e.g., salaries paid to trainees);
- Estimated average per firm expenditures *including* non-training costs (e.g., salaries paid to trainees);
- Estimated average per firm expenditures *excluding* non-training costs (e.g., salaries paid to trainees);
- Estimated per trainee expenditures;
- Percentage of workers who are trainees per firm; and
- Percentage of firms providing training.
- Citations for the articles and sources of the above findings based on analysis of two waves (years) of data from each survey.

All four surveys collected job training information by surveying a sample of firms. The SEPT, NES, and *Training Magazine* weighted surveys are designed to be nationally representative,

while the ASTD unweighted surveys are not. The number of firms surveyed ranged from a low of 276 U.S. companies in the 2002 ASTD survey to a high of 4,501 firms in the 1993 SEPT. The size of firms surveyed also varied by survey—the NES surveyed businesses with 20+ employees (both years), and the SEPT (both years) surveyed firms with 50+ employees, and the *Training Magazine* surveyed firms with 100+ employees (both years). In general, for each survey, the methodology did not change significantly from the earlier to the later year. However, for the ASTD survey, the average firm size more than doubled from 3,281 employees in 1996 to 6,661 employees in 2002; that is, unlike the other surveys, the ASTD surveyed very large firms.

Each of the surveys have been analyzed and reported in the referenced citations noted at the bottom of Exhibit 8. Each of the surveys contributes some knowledge about the extent to which firms fund job training, as shown on Exhibit 8 and Exhibit 9 and summarized in the following sections.

***Total Expenditures on Job Training.*** It appears that, since about the mid-1990s, businesses have been spending between \$46 billion and \$54 billion a year on job training, including all activities related to training (e.g., costs of training as well as some non-training costs such as salaries, but excluding administrative and overhead costs). As summarized on Exhibit 8, studies that have analyzed the *Training Magazine* survey and the SEPT report that total expenditures on job training *including* salary costs (but excluding general administrative costs) in 1995 was \$53.7 and \$45.5 billion dollars, respectively. The SEPT figure is higher, in part because that sample included more businesses--the SEPT survey included businesses with 50+ employees while the *Training Magazine* included businesses with 100+ employees.

The *Training Magazine* survey is the only one of the four that asked firms about overall training expenditures for multiple years. Results from the study that analyzed that survey are shown on Exhibit 9, which indicates that employer-provided expenditures gradually increased each year from 1986 through 2001, then declined slightly in 2002 and 2003. In 2003, about \$51.3 billion was spent by firms in total on all training (i.e., training plus salaries, but excluding administrative and overhead costs, shown on the top line). Of this, \$13.9 billion in 2003 was spent by businesses on training only, excluding non-training costs such as salaries and administrative and overhead costs (shown on the bottom line), or about 76 percent more than in 1995. The trend in Exhibit 9 shows expenditures on training *excluding* non-training costs (bottom line) increased overtime with a small jump between 1999 and 2000. This jump can be explained by the changes in the way the survey measured administrative costs—administrative costs in the post-2000 period includes only salaries while in the pre-2000 period administrative costs include salaries, facilities/overhead, and hardware costs. Training expenditures as measured without

administrative costs also declined after 2001, though it is not clear whether this trend will continue.

Thus, of the \$46 billion to \$54 billion a year that firms spend on training, between \$8 billion and \$17 billion a year is spent specifically on training and related costs (e.g., including trainer salaries, books, materials, but excluding trainee salaries and excluding general administrative costs). This means that, depending on whether one uses the figure that excludes costs such as trainee salaries or the figure that represents total training expenditures, private firms spend between 2 and 12 times as much on training as the federal and state governments combined.

***Average Training Costs Per Firm.*** Estimates of the average training costs per firm appear to vary greatly depending on the sample of firms studied. Both the *Training Magazine* survey and the ASTD surveys asked firms about their training costs including and excluding administrative costs. Analysis of the ASTD survey reports that the average per firm training costs in 1996 were \$1.6 million *including* administrative costs and \$1.1 million *excluding* administrative costs. Analysis of the broader sample of firms surveyed by *Training Magazine* found somewhat lower spending per firm, averaging \$334,515 including administrative costs, and \$58,726 excluding administrative costs. The discrepancy in these estimates can be attributed to the larger size of the firms surveyed by ASTD. The ASTD survey further found that training costs more than tripled between 1996 and 2002 among these very large companies. The *Training Magazine* survey found that training costs *excluding* administration costs increased by 78 percent between 1995 and 2003.

***Firm Training Expenditures Per Trainee.*** Reports suggest that firms spent between \$700 and \$800 per trainee in 1996, and that the spending increased to about \$1000 per trainee in 2002. Estimates of job training expenditures per trainee are reported in studies based on the ASTD survey and SEPT. The analysis of the ASTD estimated that \$726 was spent per trainee in 1996, and the analysis of SEPT reported that firms spent \$798 per trainee in 1995. Analysis of subsequent ASTD surveys reports that per trainee costs had grown to \$1043 in 2002, a 44 percent increase. (Neither the *Training Magazine* survey nor the NES included questions on the per trainee costs of training.)

***Percentage of Workers Trained.*** About 70 percent of workers reportedly receive some firm-sponsored training, according to the reports reviewed. Reported estimates of the percentage of workers that are trainees was about 69 percent based on the ASTD 1996 survey, and 70 percent based on the SEPT for 1995. Reports from subsequent ASTD surveys suggest that the percentage of workers that receive training increased by about 10 percent—from 69 to 79 percent—between 1996 and 2002.

**Percentage of Firms that Provide Training.** Nearly all firms provide some employee training, according to the reports that are based on the four surveys. Estimates of the percentage of firms providing training ranged from 71 percent (from the 1995 SEPT survey of firms of all sizes), to 81 percent (from the 1994 NES survey of firms with 10 or more employees) to 98 percent (from the 1993 SEPT survey of firms with 50 or more employees) and 100 percent (from ASTD's 1996 and 2002 survey of firms with 50 or more employees). Reports based on both NES and SEPT estimated that the percentage of firms providing training declined in the mid-1990s by about 4 and 6 percent, respectively, while analysis using the ASTD surveys reported 100 percent of firms trained in 1996 and 2002.

### ***B. Estimates of Employer-Provided Training: Worker Perspectives***

The previous section summarized what analysis of selected surveys of employers found regarding firm-sponsored training. To examine the extent of employer-provided training from both the perspectives of employees and employers, we reviewed findings from an earlier Urban Institute study by Lerman, McKernan and Riegg,<sup>27</sup> who analyzed three large data files that surveyed individuals and one, that surveyed employers. The three surveys of individuals they analyzed are: the Survey of Income and Program Participation (SIPP), the National Household Education Survey (NHES), and the Current Population Survey (CPS). (They also analyzed the Survey of Employer-Provided Training (SEPT), which was described in the prior section.) We then updated the analysis of SIPP and NHES, using the same statistical methods as used in the earlier study to identify any changes that may have occurred over time, by updating some results of that earlier study. Before describing the updated results, we briefly describe the SIPP and NHES surveys and questions.

***The SIPP and NHES Data Files.*** The SIPP is a large-scale, national, longitudinal survey sponsored by the U.S. Census Bureau. The SIPP's core survey collects monthly information from a stratified sample of the U.S. civilian non-institutionalized population. The 1996 panel includes interview data from April 1996 through March 2000 and started with a sample of 40,188 households including 95,402 individuals. The 2001 panel includes interview data from February 2001 through January 2004 and started with a sample of 36,700 households including 91,105 individuals. Both the 1996 and 2001 SIPP ask about incidence of training in the past

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<sup>27</sup> Lerman, Robert I., Signe-Mary McKernan, and Stephanie Riegg, "The Scope of Employer-Provided Training in the U.S.: Who, What, Where, and How Much?" a chapter in *Job Training in the United States: History, Effectiveness, and Prospects*, O'Leary, Christopher J., Robert A. Straits, and Stephen A. Wandner, Editors, Kalamazoo, MI; The W.E. Upjohn Institute for Employment Research, 2004.

twelve months and the amount of time spent in training. Using various demographic variables from the SIPP, we examine individuals' characteristics by incidence and amount of training received.

The NHES is a cross-sectional telephone survey of employed persons age 18+ who were not enrolled in elementary or secondary school. The Adult Education component of the NHES was conducted in 1991, 1995, 2001, and 2003 (the 2003 data have not yet been released). The NHES surveyed about 20,000 adults in 1995 and 10,873 adults in 2001. The 1995 and 2001 NHES provide information about employer-sponsored, work-related, classroom training in five categories: (1) credit courses/programs; (2) career or job-related classes; (3) apprenticeship; (4) basic skills or GED preparation; and (5) English as a Second Language (ESL). We examine the incidence of classroom training and hours spent on classroom training by various demographic characteristics. The 1995 and 2001 NHES ask the same questions, however, unlike the 1995 NHES, the 2001 NHES computes a variable that provides total hours of classroom training in the past year across all five categories.<sup>28</sup> Also, the 1995 NHES asks for *actual* hours in each employer-sponsored, college credit class while the 2001 NHES asks for the *credit* hours in each employer-sponsored, college credit class.

**Updated Findings.** Exhibit 10 shows the combined results from the earlier Urban Institute analysis of the four data bases (including the SEPT which surveyed employers) plus the new updated analysis of the SIPP and NHES. The first pattern to note is that while the SEPT survey of employers found that in 1995, 70 percent of workers ages 16 and older in firms with 50 or more employees received employer-provided training in the prior year, based on employer reports. The analysis of the 1995 and 2001 NHES survey of individuals, however, found that 37 percent of workers age 18 and older reported having received formal training in the prior year, up from 19 percent in 1991. The CPS analysis indicates that the percentage of workers 16 and older who received training with their current employer increased from 5 percent in 1981 to 12 percent in 1983 and 16 percent in 1991. Finally, the SIPP analysis shows that, in 2001, 20 percent of all respondents age 18-64 received employer-provided training, up from 13 percent in 1993 but down from 24 percent in 1996.

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<sup>28</sup> The 2001 documentation does not provide information about how the computed variable is created.

Lerman et al. explain that some of the difference in these estimates can be attributed to varying samples—for example, the SEPT includes only firms with 50 or more employees, the NHES focused on classroom training and the duration of training.<sup>29</sup>

The second finding is that, while total training may have increased, according to workers' reports, employer-provided classroom training received within the prior year declined by more than half between 1995 and 2001, from 65 to 30 hours for all workers age 18 and above (Exhibit 11). This finding should be viewed cautiously, though, since it is not clear that the estimate of employer-provided classroom training was measured exactly the same way in the NHES in 1995 and 2001. In particular, while the estimate of classroom training is presented as part of the public-use file for 2001, each analyst must calculate the total number of classroom training hours for the 1995 NHES.

The third finding is that, according to workers in both 1995 and 2001, the majority of training hours was in credit courses or programs, rather than basic skills preparation, apprenticeships, or other activities (Exhibit 11). Among workers who said they did receive employer-provided classroom training, in 1995 workers reported attending for about 178 hours, compared to about 82 hours in 2001. Furthermore, workers in career or job-related courses spent considerably fewer hours in training, especially for apprenticeships, basic skills instruction, GED preparation, and English-as-a-Second Language (ESL). About 63 to 64 percent of workers reported zero hours of classroom training.

Overall the incidence of employer-provided training does not appear to have changed significantly from the mid-1990s to 2001 according to NHES and SIPP analyses (see Exhibit 12), although there have been some notable demographic shifts. The NHES examines employer-provided classroom training among employed persons age 18 and older while the SIPP examines employer-provided training for all persons age 18-64, regardless of employment status. Therefore, it is not surprising that the NHES finds higher rates of training in both 1995 and 2001—about 13-17 percentage points higher. Given the different samples and questions, rather than compare the NHES with the SIPP, we examine the changes from the mid-1990s to 2001 for each survey.

Slightly over one-third of all employed persons ages 18 and older received employer-provided classroom training according to the NHES data. And, while the overall percentage of worker

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<sup>29</sup> Lerman, Robert I., Signe-Mary McKernan, and Stephanie Riegg, "The Scope of Employer-Provided Training in the U.S.: Who, What, Where, and How Much?" a chapter in *Job Training in the United States: History, Effectiveness, and Prospects*, O'Leary, Christopher J., Robert A. Straits, and Stephen A. Wandner, Editors, Kalamazoo, MI; The W.E. Upjohn Institute for Employment Research, 2004.

receiving employer-provided training did not increase between 1995 and 2001, there were a few notable demographic shifts as measured in the NHES (Exhibit 12):

- On average, more-educated workers are increasingly likely to receive employer-provided training compared to those who have less education. Workers with some college were twice as likely as workers with a high school degree or less to receive employer-sponsored training in 1995, and this gap grew somewhat by 2001 as the percentage of workers with high school education or less who received training declined.
- On average, the incidence of training increased somewhat for those in the second (+2.4 percentage points) and third (+4.6 percentage points) quartile earnings ranges. Meanwhile employer-provided training decreased by 5 percentage points for workers with earnings in the first quartile and decreased marginally (-0.5 percentage points) for workers with earnings in the fourth quartile.
- Younger workers (24 and under) were much less likely to receive employer-provided training in 2001 (28 percent) than six years earlier (43 percent). Some of this shift may be explained by the aging of America's workforce; however, it is unlikely that this explains the entire shift. Workers in all of the other age cohorts were more likely to receive training, on average, in 2001 than in 1995.
- While the amount of training received by full-time workers (35+ hours per week) remained constant (38 percent), part-time workers (less than 35 hours per week) were 6 percentage points less likely to receive training in 2001.
- The gender gap in training developed according to the 2001 NHES, with one-third of men and 41 percent of women receiving employer-provided classroom training.
- Asian/Pacific Islanders saw an increase (+7 percentage points) in employer-provided training from 1995 to 2001, while other race/ethnicity groups remained constant or decreased marginally.

The SIPP data indicate that closer to one-quarter or one-fifth of all persons age 18-64 received employer-provided training in 1996 and 2001 data, respectively. According to SIPP data, nearly every demographic category saw some decline in employer-provided training; however, there are a few declines in training worth noting (Exhibit 12):

- Small declines (by 3-5 percentage points) in training occurred across all educational categories.



- Workers with earnings in the second, third, and fourth quartile had employer-provided average training hours decrease somewhat (by 2.5 to 3.8 percentage points) while average training hours remained constant for workers with earnings in the first quartile between 1996 and 2001.
- Persons age 35 to 54 saw employer-provided training decline by about 5 percentage points between 1995 and 2001, on average, while older and younger age cohorts saw marginal declines.
- Full-time workers (35+ hours per week) saw modest declines of 5 percentage points while part-time workers (less than 35 hours per week) saw little or no decline in employer-provided training between 1995 and 2001.
- As with the NHES, the SIPP indicates that Asian/Pacific Islanders were the only racial and ethnic group to see an increase in the percentage receiving employer-provided training, however, the shift is marginal and may not be statistically significant.

Exhibit 13 shows the average number of hours of employer-provided training as measured in the NHES in 1995 and 2001 and the SIPP in the 1996 and 2001 panels. Again, we examine changes over time in employer-provided *within* each survey. Overall the average number of hours of employer-provided training has declined from nearly 33 hours within the past 6 months in 1995 to 15 hours in the 2001 NHES. However, as we discussed earlier, the change in the NHES between 1995 and 2001 are likely largely due to the change in the way hours of training are computed in the NHES survey. Therefore, we focus our discussion of the results on the 2001 NHES.

According to the 2001 NHES:

- Respondents with some college (45 hours) or a Bachelor's of the Arts degree or higher (42 hours) receive many more hours of employer-provided classroom training as measured in the 2001 NHES than respondents with a high school education or less (12 hours).
- Workers with earnings in the first quartile receive nearly 38 hours of training while workers with greater earnings receive many fewer hours of classroom, employer-provided training (26 to 30 hours).
- Hours of classroom training decline with age, on average, with workers 25 and under reporting attending 74 hours per year compared to 50 percent of that figure for workers

age 25 to 34. The number of hours continues to decline precipitously with age with workers 55+ reporting receiving 9 hours, on average, within the past year.

- Part-time workers report 53 hours of employer-provided training compared to 25 hours for full-time workers. This discrepancy may be because part-time workers are also often part-time students, though one might have thought that part-time workers might have less access to employer-provided training.
- There is a small gender gap in training hours with women reporting 33 hours and men 28 hours, on average.
- There is a great amount of variance in hours of training reported by different ethnic and racial groups. Asian/Pacific Islanders report receiving 46 hours per year, the highest of any ethnic group, while American Indian/Alaskan Natives report 15 hours, the lowest of any group. Whites and blacks receive similar amounts of employer-provided training annually, 30 and 28 hours, respectively, while Hispanics receive 23 hours per year according to the 2001 NHES data.

The analysis of SIPP data for 1996 and 2001 shows a decline in the number of hours of employer-provided training received by nearly every demographic group, except Asian/Pacific Islanders who saw a marginal increase and Hispanics and those with 1<sup>st</sup> quartile earnings who stayed about the same. Some changes within demographic group are of interest:

- The declines in employer-provided training were greater for persons with some college or a Bachelor's degree or higher than those with a high school education or less, though higher educated persons reported more training hours, on average, to begin with.
- Higher income persons reported greater declines in the number of hours of employer-provided training, for example, those with third quartile earnings reported 6 percentage point decline in hours of training, on average.
- All age cohorts experienced declines in training hours, and no discernable pattern emerges from the SIPP data.
- White, black, and American Indian/Alaskan Natives all saw small decreases in the average number of hours of employer-provided training received. And, while the number of hour remained the same for Hispanics, Asian/Pacific Islanders saw a marginally increase of 2 hours.

### *C. Job Training Expenditures through Other Private Sources*

To complement the estimates of the amount of training sponsored by private employers, we spoke with representatives from seven private entities to obtain their perspectives and information about non-public funding received or spent on job training through their institutions in the past several years. The entities contacted included:<sup>30</sup>

- Labor-management partnerships (i.e., Wisconsin Regional Training Partnership, Building and Trades Department of the AFL-CIO);
- Non-profit organizations (i.e., Center for Employment and Training (CET), Seedco and the Non-Profit Assistance Corporation, and Morgan Memorial Goodwill Industries, Inc.); and
- Foundations (i.e., The Abell Foundation, The Robert Wood Johnson Foundation).

Officials in labor-management partnerships and non-profit organizations were asked the following:

1. How much, if any, was spent by your organization in the past year from non-public sources? What percentage is this of overall expenditures on job training?
2. If non-public funding was NOT used for job training, why is so? What amount/percentage of the organizations annual budget is non-public funding? And what are the types of activities non-public funds would be spent on?
3. If non-public funds were used for job training, what types of training was funded?
4. What types of training are provided?
5. What are the per participant costs?

Foundation representatives were asked:

1. How much was spent by your company or foundation on training in the past year? What percentage of the operating budget was spent on training?

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<sup>30</sup> Despite several efforts, we were unable within the scope of this study to obtain comments from private businesses that fund their own incumbent worker or new hire training.

2. In general, what types of training were funded?
3. Was training provided by public or private outside contractors (e.g., community college, private provider, etc.)? [Businesses only]
4. What were the approximate per trainee costs (excluding administrative costs)? [Businesses only]

***Labor-Management Partnerships.*** Two major labor-management partnerships that provide job training were contacted—the Building and Construction Trades Department (BCTD) of the AFL-CIO and the Wisconsin Regional Training Partnership (WRTP). While the AFL-CIO does not fund occupational training itself, the 15 international unions affiliated with the BCTD do provide job training opportunities for their members. These 15 unions provide apprentice and journeyworker<sup>31</sup> training in the United States and abroad. Guaranteed as part of the collective bargaining agreements, the apprenticeship programs are operated by private and public sponsors, including employers, employer associations, and labor-management organizations.<sup>32</sup> It is estimated that over \$500 million is spent annually on apprenticeship training by the 15 international unions.<sup>33</sup>

According to data tracked by the U.S. Department of Labor’s Office of Apprenticeship Training, Employer and Labor Services, there are increasing numbers of apprentices in registered programs—an increase of 41 percent from 346,000 in 1997 to 489,000 in 2003.<sup>34</sup> And, though data are only available for 27 states, over three-quarters of the apprenticeships are in the construction trades.<sup>35</sup>

Officials at BCTD explained that given the cyclical need for workers coupled with the need for highly skilled labor in construction, the construction trade lends itself to apprenticeship programs. And all employees covered by one of the 15 international unions have access to apprenticeship training as part of the collective bargaining agreement. The funds to pay for training come from private employers, though these funds may be earned by employers from

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<sup>31</sup> Journeyworker training refers to training available to building and construction trades union members after an apprenticeship to upgrade and/or increase a union member’s skills.

<sup>32</sup> Building and Construction Trades Department. “Apprenticeship Q&A.” <http://www.bctd.org/training/training.html> (Accessed June 17, 2004).

<sup>33</sup> Ibid.

<sup>34</sup> Bennici, Frank J. with Jeff Strohl and Deborah Posner. “The Status of Registered Apprenticeship: An Analysis Using Data from the Registered Apprenticeship Information System.” Report prepared for the U.S. Department of Labor, Office of Apprenticeship Training, Employer and Labor Services by Westat, April 2004, p. vi.

<sup>35</sup> Ibid., Table A-5.

privately- or publicly-funded construction projects. Training and/or apprenticeship costs are paid for through monies that are allocated to labor costs. Labor costs include funds for wages, pension funds, health and welfare, and training/apprenticeships; the exact proportions are decided by the collective bargaining agreement.

Located in Milwaukee, Wisconsin, the WRTP is an association of 125 employers and unions that sponsors programs to increase job skills and retention and advancement for incumbent workers.<sup>36</sup> Approximately 12 percent of WRTP's funding is from the private sector and this will increase to about 25 percent in 2005 as the construction industry provides \$300,000 to \$350,000 per year in additional funding. These private funds are used for pre-employment training in the form of a tutoring program for apprenticeship test preparation and to pay for pre-employment training for individuals not eligible for private funds.<sup>37</sup> Employers also fund post-employment and incumbent worker training programs at WRTP.

WRTP contracts with local technical colleges (equivalent to community colleges), apprenticeship training centers, and individual skilled workers in the Milwaukee metropolitan area. WRTP's trainees include incumbent, dislocated, disadvantaged and workers as well as youth. Per trainees costs vary considerable depending on the program, but Independent Training Accounts (ITAs) typically allows training up to a cost of \$1,500 to \$2,500, according to DOL officials. Pre-employment training programs are typically 160 hours depending on the skill requirements of the job.

***Non-Profit Organizations.*** Three non-profit organizations that provide job training and related services were contacted—Seedco, CET, and Morgan Memorial Goodwill Industries.<sup>38</sup> Though similar in many respects, Seedco provides a range of services from economic development initiatives to affordable homeownership to workforce development while CET is focused on providing basic skills and vocational training in a simulated work environment. The core component of Goodwill's job training and work programs is Employment Services providing services including job readiness, job-specific skills training, placement and retention support.

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<sup>36</sup> For more information see The Wisconsin Regional Training Partnership's website at <http://www.wrtp.org>.

<sup>37</sup> These types of pre-training activities would not be considered training according to the definition used in this study, but it is important to describe precisely what the program contacted provides.

<sup>38</sup> For-profit training and post-secondary institutions also provide training, but were not contacted. According to U.S. Department of Education reports, about 75 percent of the students in non-degree post-secondary programs are in for-profit institutions, and over 80 percent of students receive federal or state grants and over 80 percent receive loans. See U.S. Department of Education, National Center for Educational Statistics 2005-168.

Founded in 1986 and headquartered in New York City, Seedco (the Structured Employment Economic Development Corporation) operates programs in 15 states, and had an annual operating budget of approximately \$7 million. Of the \$7 million, approximately \$600,000 (8.6 percent) of Seedco's annual operating budget is from private sources. None of Seedco's private funding dollars are spent on occupational training, and officials there indicated that private funders specify how their donations should be spent and generally would not allow their funds to be spent on training, mainly because training can be funded using public monies. Private funds at Seedco are spent on activities the public/government will not support, such as: infrastructure, technology, developing curricula, outcome driven management processes, investing in new approaches, and research and development.

The CET is headquartered in San Jose, California, operates 22 vocational education and training centers in 11 states, and has an annual operating budget of \$28 million. Of the \$28 million, approximately 20 percent (\$5.6 million) of CET's annual operating budget is from private sources (corporations, foundations, and individuals), though the amount of private funding varies from year to year depending on the economy.

CET officials indicated that their organization pays tuition for individuals in training programs in demand occupations such as teachers for child care centers, healthcare occupations, building trades (e.g., construction, electrical), and truck driver training. The average tuition cost—\$6,500 per trainee—is paid for with a mix of public and private funds. Tuition pays for five activities: job training, job preparation, human development (i.e., soft skills), retention services, and outreach/recruitment. Of the total \$6,500 tuition costs, the Executive Director of CET estimated that at least 75 percent (\$4,875 per trainee) goes for job training. In fact, he explained that they provide “only training,” not job search, case management, or referral services. Therefore, 75 percent of CET's operating budget is spent on training, or approximately \$4.2 million. CET estimates that it has served 3,500 clients across all 22 locations; this amounts to nearly \$17.1 million spent on job training.

CET training is designed to reach disadvantaged persons and, therefore, has no minimum requirements for education (e.g., minimum reading level), or prior work experience, and accepts persons who have criminal records. CET officials feel that they are filling a niche that WIA cannot fill, and, in fact, One Stop Career Centers refer clients they are unable to serve to CET. In large urban areas where, for example, healthcare workers are in highest demand, CET works in conjunction with the One Stop Career Centers.

Morgan Memorial Goodwill's employment services program, located in Roxbury, one of Boston's poorest communities, provides job-specific skills training and related services including

basic and core computer skills training, paid work experiences within Goodwill, placement, and career retention and advancement services. In each of the past three fiscal years (July 1 to June 30), Boston's Goodwill raised between \$2 and \$2.8 million from private sources. Of this, between 9 and 18 percent has been spent on job training and related services in each fiscal year. Goodwill uses this money to provide services to some of the hardest to serve individuals—those facing barriers to self-sufficiency including physical and cognitive disabilities, low educational achievement and illiteracy, homelessness, substance abuse, welfare dependency, limited English, and histories of domestic violence. Goodwill's goal is independence and economic self-sufficiency, and their Employment Services program costs approximately \$850 per person including both job training and related services.

***Foundations.*** Two foundations—The Abell Foundation and The Robert Wood Johnson Foundation—were contacted to determine whether and how much was spent on funding occupational funding programs. These foundations were selected because they were listed in *The Foundation Directory*, as providing grants for employment and training programs, suggesting that the foundation grants may also be used for occupation-specific training.

Located in Baltimore, The Abell Foundation was founded over 50 years ago, and its primary focus today is providing services to very disadvantaged persons in an effort to break the cycle of urban poverty. The Abell Foundation has six program areas: education, health and human services, workforce development, community development, arts and culture, and conservation and environment. With an annual operating budget of about \$11-12 million, the workforce development program area has a budget of approximately \$1 million.

Though it is difficult to separate out, an estimated 20 percent (\$200,000) of the workforce development area dollars are spent on training itself, rather than non-training activities and other services (e.g., soft skills, retention, placement, and related services). Abell's funds for occupational training are targeted towards training programs that serve individuals "outside the system." That is, funded programs target individuals that do not meet the eligibility requirements for many publicly-funded training programs, which might require participants to have a high school diploma or GED, no criminal record, or a minimum reading level.

The Abell Foundation has also funded research and evaluations of the Baltimore Workforce System to identify gaps in training and services that might be addressed by foundation grants.

Some of the job training programs Abell is currently funding include:

- Good Samaritan Hospital—Certified Nursing Assistants (CNAs) training program

- A 12-week culinary arts training program—Moveable Feast—developed for unemployed and underemployed Baltimore City residents. Graduates are then placed into employment with local restaurants and caterers.
- STRIVE—a training program that provides primarily soft skills—has an apprenticeship program run by Associated Builders and Contractors (ABC) for those participants who have completed core services.

The Robert Wood Johnson Foundation’s (RWJF) Human Capital division spent \$55.79 million in 2003 for programs that “center on attracting, developing and retaining high-quality leadership and a workforce to improve health and health care.”<sup>39</sup> With a mission to improve the health and health care of Americans, the RWJF does not sponsor job training programs. Their emphasis is on leadership training in the healthcare field and they provide leadership awards for mid-career healthcare professionals. While RWJF does sponsor a medical education summer program for undergraduates enrolling in medical school, scholarships are not available for schooling. The spokesperson for the RWJF said they are most concerned with increasing the number of doctors and nurses providing care and, to that end, they provide skill enhancements for people already in the health care field. While there may be a possibility of funding job training programs in the future, to date job training has not been a part of RWJF’s mission.

***Other private spending.*** In addition to the public expenditures on training and the spending provided by employers or by foundations that support local training programs, some of the costs of job training are borne by the individual workers themselves, say from savings, loans, or family resources.<sup>40</sup> While it was not possible in this study to precisely estimate individual spending, some information about the scale of private financing was obtained from published reports about participation in post-secondary education. For example, of the 6.95 million students enrolled in two-year or less than two-year post-secondary institutions in the 2002 academic year, about 195,000 had student loans that year averaging between \$2400 (for public two-year schools) and \$6000 (for private for-profit two-year schools). This means that students in two-year institutions obtained loans totaling between \$468 million and \$1.17 billion that year. If one were to apply the same assumptions as used earlier in Exhibit 1 to estimate what share of this might be for

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<sup>39</sup> For more information see the Robert Wood Johnson Foundation’s website at <http://www.rwjf.org/about/funding.jhtml>.

<sup>40</sup> See U.S. Department of Education, National Center for Educational Statistics, *Enrollment in Postsecondary Institutions, Fall 2002 and Financial Statistics Fiscal Year 2002*, Institute of Education Statistics, NCES 2005 168; and U.S. Department of Education, National Center for Education Statistics, *Student Financing of Undergraduate Education: 1999-2000 Statistical Analysis Report*, Office of Educational Research and Improvement NCES 2002-167.



training (versus degree programs), this suggests that between \$234 million and \$877 million in student loans were used for training (i.e., a low estimate assumption is that 50 percent is for training and a high estimate assumption is that 75 percent is for training).

#### ***D. Summary about Privately-funded Job Training***

There are several limitations to the privately-funded estimates of job training discussed in this chapter. Some limitations are inherent to the methodology or to the data examined, as already noted. The existing employer surveys, for example, are based on different samples of firms, or that cover different time periods. To supplement the firm surveys, we contacted representatives of a few select organizations and institutions, although they cannot be viewed as representative of all training organizations. Despite the obvious limitations, the information presented in this chapter from the various surveys of employers, reports, firms, and agencies suggests a few important points:

- According to the published articles that summarize employer surveys, it appears that ***private spending by businesses on job training has been increasing in the past decade*** in terms of total expenditures, per firm expenditures, per trainee costs, and the percentage of workers per firm who are trained.
- Using both the surveys of workers and firms, ***there is considerable discrepancy between workers and firms about how much training workers receive--firms report somewhat more training than workers report.*** Firms report that about 70 percent of their workers receive training in a given year. This compares to about 20 to 25 percent of workers in firms with more than 100 employees who report receiving training, and 37 percent of workers in firms with more than 50 employees. Both employers and workers, though, report that the incidence of employer-provided training has increased in the past several years.
- ***More-educated workers are increasingly likely to receive employer-provided training,*** according to NHES analyses. Workers with some college were twice as likely as workers with a high school degree or less to receive employer-sponsored training in 1995; this gap grew somewhat by 2001 as the percentage of workers with high school education or less who received training declined.
- ***Private funders (philanthropic foundations and corporations) generally do not have detailed information about how much of their grant funding is going to training, however, it represents a very small share of foundation spending.*** Private foundations

also provide operating grants to local organizations implementing programs that might be used for job training, at the discretion of the grantee organizations.

- *Individual post-secondary education students obtain loans for vocational training, which may have totaled between \$234 million and \$877 million in 2002.*

#### **IV. Conclusion: Making Sense of Estimated Public and Private Expenditures on Job Training in the United States**

The previous sections presented information on the level of investment devoted to job training in the United States. This section provides a general summary of that information and trends observed.

First, it is important to emphasize again that there are several limitations involved with producing these estimates. There is currently no precise way to calculate federal spending on job training, in large part because there are many different programs and funding streams, in seven federal departments,<sup>41</sup> often funded for different times periods (e.g., fiscal year, program year, multiple years). It is even more difficult to calculate the number of persons trained, since at the local level, programs increasingly blend and leverage funds from multiple sources (federal, state, local, and private) to pay for training. The estimates in this report are based on the best-available data at the time of the analysis, using reports provided by officials in various agencies and programs, supplemented with published data reports, and informed judgments of those officials and the analysts and authors of this report. The results, therefore, should be viewed as approximations, developed to provide a general overview of the scale of spending on job training in the U.S.

In order to better understand the broad scope of job training, a mixed methodology was used to extract information from program data systems, longitudinal data files, and the federal budget. Then discussions were held with a small number of select federal and state officials and representatives of a few foundations, labor-management partnerships, and non-profit organizations, to determine their best judgment about training expenditures. The results were presented in the previous sections.

Those results are synthesized here:

- Federal expenditures on training in 2002 are estimated at between \$3.2 and \$5.3 billion—about one-third of that is through DOL programs, one-third through Pell Grants (at two-year and proprietary post-secondary schools), and one-third through dozens of other programs in six other federal departments. (See Table 2.)

**Table 2.**  
**Federal Spending on Job Training in 2002,**  
**by Department**

(excluding administrative costs)  
(millions of dollars)

Department	Low Estimate		High Estimate	
	\$	%	\$	%
Labor	\$ 1,147.4	36.0	\$ 1,747.3	33.2
Education—Pell Grants	1,250.0	39.2	1,875.0	35.6
Education—all other	628.8	19.7	1,318.6	25.1
Health and Human Services	93.8	2.9	169.6	3.2
Veterans Affairs	40.4	1.3	121.1	2.3
Housing and Urban Development	26.9	0.1	26.9	0.1
Interior	3.1	<0.1	5.1	<0.1
Justice*	0	0	0	0
<b>TOTAL FEDERAL</b>	<b>\$ 3,190.4</b>	<b>100.0%</b>	<b>\$ 5,263.6</b>	<b>100.0%</b>

\* DOJ's Serious and Violent Offender Program was not yet operational.

- Within the federal government, DOL programs represent about one-third of all training expenditures. Within DOL, the WIA Adult Programs and Dislocated Worker Programs spend the most on training (50 to 56 percent of all job training spending in DOL), followed by Job Corps (which represents about 12 to 18 percent of DOL's training expenditures). Aside from DOL and Pell Grants, the next highest spending on training is through Vocational Rehabilitation and the Perkins Act Vocational and Technical Programs and Tech Prep Program. (See Table 3.)
- States spend perhaps another \$500 to \$700 million a year on training, or about 12 to 17 percent as much as the federal government.
- Businesses spend between \$46 and \$54 billion a year on training for employees—perhaps more than ten times as much as the federal government and state governments combined. Of that amount, between \$8 and \$17 billion is spent specifically on training, excluding salaries, or about three times as much as the federal and state government combined spending.

In summary, we estimate that roughly \$50 to \$60 billion is spent on job training in the united states annually (excluding training provided by the department of defense and excluding training paid for by individual workers themselves). The majority of that—perhaps over 90percent—is

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<sup>41</sup> The Department of Defense also provides training, but this study focuses only on non-defense departments and expenditures.

spent by private companies and employers to train their employees. The federal government represents about 6 to 8 percent of the total training expenditures, and states contribute about 1 percent.

While the private sector is the primary source of funds for training, it is important to bear in mind that higher level and higher income workers are considerably more likely to receive employer-funded training than other workers. There is also some evidence that private spending on training has declined somewhat in the past few years, perhaps due to the slow down in the economy after 2001. The federal government and, to a lesser extent, state governments are the primary sources of training funds for retraining incumbent and dislocated workers, training lower-level workers and, especially, new labor force entrants.

Even within the primary programs that fund training, training itself is not the primary activity. The exceptions are the Trade Adjustment Assistance and the NAFTA Transitional Adjustment Assistance programs, where about 85 percent of the spending is for training. In DOL's dislocated worker programs, for example, between 22 and 36 percent of total spending is for training; the rest is for other employment-related activities including job placement, job search assistance, testing, assessment, counseling, and life skills preparation. Even with Pell Grants, most funds go to students in four-year institutions or general liberal arts degree programs in two-year schools, not to vocational training; we estimate that less than 20 percent of Pell Grant funds are for vocational training in two-year public or private schools.

Thus, the private sector is the primary funder of worker training in general, especially for those with higher levels of education. The federal government, on the other hand, through a variety of programs—especially those in DOL and the Pell Grants--is the primary funding source for training low-income workers and students enrolled in vocational or occupational training. Training *per se* represents about one-fifth of all employment-related federal spending.

**Table 3. Estimated Expenditures on Job Training and Number of Trainees in DOL Programs, 2002\***

<b>Program/Funding Source</b>	<b>Low Estimate (\$000's)</b>	<b>High Estimate (\$000's)</b>	<b>Approximate Number of Trainees</b>
WIA-Dislocated Worker Programs	\$280,215.0	\$467,025.0	93,400
WIA-Adult Activities	303,237.0	505,395.0	101,000
WIA-Youth Activities	47,801.4	159,338.0	63,700
Job Corps	207,100.0	207,100.0	52,800
Senior Community Service Employment-National Programs	33,050.4	66,100.8	26,100
Senior Community Service Employment-State Programs	8,678.8	17,357.6	6,900
Welfare-to-Work Competitive Grants	3,720.2	7,440.4	2,700
Welfare-to-Work Formula Grants	11,641.1	23,282.6	12,300
Welfare-to-Work Tribal Grants	32.0	64.0	not available
Trade Adjustment Assistance	79,823.2	79,823.2	40,700
North American Free Trade Agreement Transitional Adjustment Assistance	30,000.0	30,000.0	9,100
Migrant and Seasonal Farmworker Program	30,894.5	60,416.0	15,900
Native American Employment and Training	20,291.4	20,291.4	10,600
Youth Opportunity Grant Programs	17,820.0	17,820.0	not available
ETA Earmarks	26,596.3	26,596.3	7,200
H-1B Technical Skills Training Grants	12,071.2	19,752.9	29,500
Youth Offender Demonstration Project	2,695.0	2,695.0	not available
High Growth Job Training Initiative/Business Relations Group	4,976.9	10,014.8	not available
Disability Employment and IT Grants combined	6,711.0	6,711.0	900
Incumbent/Dislocated Worker Skills Shortages II Demonstration Grants	6,161.8	6,161.8	6,100
Quality Child Care Initiative	2,351.3	2,351.3	1,800
Sectoral Employment Demonstration Grant	463.8	463.8	500
Homeless Veterans Reintegration Program	8,603.8	8,603.8	10,000-13,000
Veterans' Workforce Investment Program	2,453.2	2,453.2	2,800-3,700
<b>Total Estimate for DOL Programs</b>	<b>\$1,147,389.5</b>	<b>\$1,747,258.0</b>	<b>496,000+</b>

\*Other programs that either had no funding in 2002 or funded no job training were also reviewed and are on Exhibits 1 and 2.

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  2. PY 2003 Adults <http://www.doleta.gov/budget/033104adultspend.pdf>
  3. PY 2003 Youth <http://www.doleta.gov/budget/033104youthspend.pdf>
  4. PY 2002 Dislocated Workers <http://www.doleta.gov/budget/063003diswkrspend.pdf>
  5. PY 2002 Adults <http://www.doleta.gov/budget/063003adultspend.pdf>
  6. PY 2002 Youth <http://www.doleta.gov/budget/063003youthspend.pdf>
  7. PY 2001 Dislocated Workers <http://www.doleta.gov/budget/063002diswkrspend.pdf>
  8. PY 2001 Adults <http://www.doleta.gov/budget/063002adultspend.pdf>
  9. PY 2001 Youth <http://www.doleta.gov/budget/063002youthspend.pdf>
  10. PY 2000 Dislocated Workers <http://www.doleta.gov/budget/063001diswkrspend.pdf>
  11. PY 2000 Adults <http://www.doleta.gov/budget/063001adultspend.pdf>
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**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
<b>Total for Federal Programs from 7 Agencies that Provide at least some Occupational Training (High Estimate)</b>	NA	NA	NA	NA	\$5,263,514,029	NA	
<b>Total for Federal Programs from 7 Agencies that Provide at least some Occupational Training (Low Estimate)</b>	NA	NA	NA	NA	\$3,190,306,867	NA	
<b>Department of Labor</b>							
<b>Total for DOL Programs that Provide at least some Occupational Training (High Estimate)</b>	\$1,879,943,129	\$1,712,835,940	\$1,338,476,072	\$1,562,186,781	\$1,747,257,929	NA	
<b>Total for DOL Programs that Provide at least some Occupational Training (Low Estimate)</b>	\$1,281,897,233	\$1,194,193,334	\$911,698,067	\$1,056,758,861	\$1,147,389,530	NA	
<b>Employment Training and Administration</b>							
<i>Workforce Investment Act of 1998</i>							
<b>Dislocated Worker</b> Employment and Training Activities (incl. admin)			\$956,124,342	\$1,331,681,114	\$1,302,031,085	\$807,901,735	Total expenditures for WIA adult and dislocated workers were obtained from online State Reporting for Formula Spending reports (see References for full citation); number trained also provided by DOL staff. Costs of training were not available, therefore assumptions were used to create estimates (see below).
<b>Disl. Worker</b> --high estimate of training expenditures (excl. admin)	\$674,980,000	\$552,405,000	\$282,655,000	\$348,745,000	\$467,025,000		
<b>Disl. Worker</b> --low estimate of training expenditures (excl. admin.)	\$404,988,000	\$331,443,000	\$169,593,000	\$209,247,000	\$280,215,000		PY 2003 expenditures are for 7/1/03-3/31/04 (as of 6/14/04).
<b>Adult</b> Employment and Training Activities total expenditures (incl. Admin)			\$741,965,220	\$1,052,453,491	\$1,089,853,396	\$683,481,856	Admin. costs assumed at 7.5%. High est. of expenditures on training (excl. admin) based on analysts' assumptions. For number of dislocated workers trained see Exhibit 3. High est. assumes ave. cost of training to WIA at \$5000 (ave. cost of training funded by an ITA, per evaluation as provided by ETA staff), assumes half of the cost of training to WIA enrollees is from other sources. Low est. assumes ave. cost of training to WIA at \$3000 (analysts' judgment based on discussions with researchers).
<b>Adult</b> --high estimate of training expenditures (excl. admin.)	\$591,840,000	\$496,735,000	\$264,010,000	\$430,015,000	\$505,395,000		
<b>Adult</b> --low estimate of training expenditures (excl. admin)	\$355,104,000	\$298,041,000	\$158,406,000	\$258,009,000	\$303,237,000		
<b>Youth</b> Activities--total expenditures (incl. admin)			\$792,299,114	\$1,087,295,759	\$1,173,388,196	\$807,929,364	Total expenditures on WIA Youth were obtained from online State Reporting of Formula Spending reports. Training expenditures were not available, therefore, analysts' judgments were used to create high and low estimates, see below.
<b>Youth</b> --high est. of expenditures on training (excl. admin.)			\$187,050,240	\$167,898,788	\$159,338,020		High est. expenditures on training based on analysts' judgments (PY2000: 62.4% of 119,904 total participants in summer program and assume 50% included some training at ave. cost of \$5000 (ITA ave. per eval.). See Exhibit 3 for number assumed receiving some training (used Summer Employment component, highest possible number who might have some training). PY2001: 45.3% of 148,255; PY2002: 38.8% of 164,266. More precise estimates would require calling state/local programs.  Source of expenditures: USDOL-ETA "State Reporting of Formula Spending"

**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
Youth--low est of expenditures on training (excl. admin.)			\$56,115,072	\$50,369,636	\$47,801,406		Low est. expenditures on training based on analysts' judgment (PY2000: 62.4% of 119904 in summer program and assume 25% included some training at ave. cost of \$3000 (analysts' judgment; PY2001: 45.3% of 148,255; PY2002: 38.8% of 164,266. More precise estimates would require calling state/local programs.

**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)								Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003		
<b>Senior Community Service Employment Program (SCSEP)--National Programs</b> total expenditures (excl. admin.)	\$270,968,563	\$269,512,432	\$271,065,830	\$260,454,505	\$264,396,351	\$266,280,000	DOL program officials provided total expenditures (excl. admin) on community service/occupational training, which is 75% of the all expenditures. Also provided # in training/cs (see Exhibit 3).	
SCSEP National--high estimate of training expenditures (excl. admin.)	\$67,740,738	\$67,387,652	\$67,771,369	\$65,120,080	\$66,100,804	\$66,575,400	Program does not track amounts spent solely on training costs separate from community service alone without training.	
SCSEP National--low estimate of training expenditures (excl. admin.)	\$33,870,369	\$33,693,826	\$33,885,685	\$32,560,040	\$33,050,402	\$33,287,700	Analysts' judgments were used to create high and low estimates of training expenditures. To approximate the share that is training along with cs (rather than cs alone), high estimate assumes 50% of cs/ot participants receive some training and that half the average cost is for training and the other half for community service; low estimate assumes 25% of cs/ot participants receive some training and that half the average cost is for training. More precise estimates would require contacting local programs. Ave. cs/ot costs calculated based on expenditures and number of participants provided by DOL program officials (1998=\$3268, 1999=\$3211, 2000=\$3142, 2001=\$3079, 2002=\$3038, 2003=\$3210).	
<b>Senior Community Service Employment Program (SCSEP)--State Programs</b> total expenditures (excl. admin.)	\$59,181,437	\$60,637,568	\$59,084,170	\$69,695,495	\$69,428,649	\$66,570,000		
SCSEP State-high estimate of training expenditures (excl. admin.)	\$14,795,053	\$15,161,539	\$14,772,113	\$17,425,601	\$17,357,613	\$16,643,850		
SCSEP State--low estimate of training expenditures (excl. admin.)	\$7,397,527	\$7,580,770	\$7,386,057	\$8,712,800	\$8,678,807	\$8,321,925		
Job Corps spending on training (excl. admin.)	\$163,600,000	\$171,500,000	\$176,100,000	\$188,100,000	\$207,100,000	NA	Sources: Job Corps Annual Reports PY 1998, PY 1999, PY 2000, PY 2001 and PY 2002; Job Corps VES-10 National Summary Reports PY 2000 through PY 2002; and Job Corps Data Center records for vocational completion PY 1998 - PY 1999.	
Welfare-to-Work Grants to States and Localities--Competitive Grants total estimated cumulative competitive grantee expenditures=\$469,720,850(incl. admin.)	\$0	\$103,338,587	\$103,338,587	\$103,338,587	\$103,338,587	\$103,338,587	All WtW grantees, both formula and competitive, are required to use the financial quarterly status report to report grant expenditures. This report only provides for reporting total spending and does not differentiate by type. Analysts' judgments were used to estimate training expenditures based on National Evaluation. Admin costs est. at 10%, subtracted from DOL-reported expenditures. 16% of grantee costs were for work experience/supported work; assumption for high estimate is that half of these costs were training-related; assumption for low estimate is that 25% were training related. Funds were appropriated for FY98 and FY99 to be used over five years; grantees reported cumulative spending each quarter, therefore all costs are evenly distributed across 5 years (1999-2003).	
WtW-Competitive-- high estimate training expenditures (excl. admin.)	\$0	\$7,440,378	\$7,440,378	\$7,440,378	\$7,440,378	\$7,440,378		
WtW-Competitive--low estimated training expenditures (excl. admin.)	\$0	\$3,720,189	\$3,720,189	\$3,720,189	\$3,720,189	\$3,720,189		
Welfare-to-Work Grants to States and Localities--Formula Grants total estimated cumulative formula grantee expenditures=\$1,469,861,811 (incl. admin.)	\$0	\$323,369,598	\$323,369,598	\$323,369,598	\$323,369,598	\$323,369,598		
WtW-Formula-high estimate federal training costs (excl. admin.)	\$0	\$23,282,611	\$23,282,611	\$23,282,611	\$23,282,611	\$23,282,611		
WtW-Formula--low estimate federal training costs (excl. admin.)	\$0	\$11,641,306	\$11,641,306	\$11,641,306	\$11,641,306	\$11,641,306		
Welfare-to-Work Grants to Federally Recognized Tribes and Alaska Natives total estimated cumulative	\$0	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	Analysts' judgments are used here to approximate spending. \$2 million went to tribes, assume 10% went for admin.; of the remaining, high estimate is 16% for training, low estimate is 8% for training (assumes tribal rate of training might be double that of non-tribal grantees--see above).	
WtW Tribal high estimate of training costs (excl. admin.)	\$0	\$64,000	\$64,000	\$64,000	\$64,000	\$64,000		
WtW Tribal low estimate of training costs (excl. admin.)	\$0	\$32,000	\$32,000	\$32,000	\$32,000	\$32,000		
Trade Adjustment Assistance --total expenditures (incl. admin.)	\$96,700,000	\$94,300,000	\$92,665,343	\$94,345,730	\$94,494,164	\$220,050,000	For 1998-2000, DOL officials provided expenditures for the total allocations provided to states by ETA; these figures include training costs, job search, and relocation costs. For 2001-2003, expenditures were provided for training only (representing 85% of total expenditures). The 85% share was applied to the 1998-2000 years to get estimated training expenditures for those years. These programs operate on a fiscal year cycle.	
TAA--training expenditures (excl. admin.)	\$82,195,000	\$80,155,000	\$78,765,542	\$80,000,000	\$79,823,235	\$190,000,000		
North American Free Trade Agreement Transitional Adjustment Assistance--total expenditures	\$30,659,213	\$36,888,399	\$34,744,443	\$35,653,584	\$36,512,472	\$36,997,999	The NAFTA-TAA program was repealed in November 2002.	
NAFTA Transitional Adjustment Assistance--training expenditures (excl. admin.)	\$26,060,331	\$31,355,139	\$29,532,777	\$30,000,000	\$29,999,955	\$30,000,000		

**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)								Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003		
Migrant and Seasonal Farmworkers total expenditures (incl. admin.)	\$73,000,000	\$80,000,000	\$75,000,000	\$41,000,000	\$80,770,000	\$25,371,582	According to ETA-MSFW staff, \$74,965,000 in 2002 was spent on "job training" including other related services such as case management, counseling, job placement and employment services. Of that 15% was for administrative costs. High estimate of the portion of the remaining amount (\$72,693,000) that was for training (versus other related services) is that 88% was for training; low estimate is that 45% was for training. PY 2003 information only represents activity from 7/1/03 through 12/31/03. 1999-2001 figures are obligations from the U.S. Budget, Appendix tables.	
Migrant and Seasonal Farmworkers total expenditures (excl. admin.)	\$62,050,000	\$68,000,000	\$63,750,000	\$34,850,000	\$68,654,500			
Migrant and Seasonal Farmworkers high estimate-spending on training (excl. admin.)	\$54,604,000	\$59,840,000	\$56,100,000	\$30,668,000	\$60,415,960			
Migrant and Seasonal Farmworkers low est.spending on training (excl. admin.)	\$48,051,520	\$52,659,200	\$49,368,000	\$26,987,840	\$30,894,525			
Native American Employment and Training--training expenditures (excl. admin.)	\$21,528,044	\$19,760,388	\$31,593,164	\$31,541,541	\$20,291,353		ETA-DINAP provided these expenditure data for occupation-specific training (classroom training, OJT, Work Experience/CSE).	
School-to-Work Grants--estimated total grantee expenditures (incl. admin.)	\$286,000,000	\$240,000,000	\$105,000,000	\$50,000,000	\$0	\$0	Expenditure data are not available at the national level. Analysts' judgments were used to produce estimates: \$236 million obligated in 1998, \$190 million in 1999, and \$55 million in 2000--all spent by 2001 (some spending in each year could be for prior year grants, assumed to be about \$50 million in 1998, 1999, 2000, 2001; assume 10% was for admin and 20% for national activities; of remainder (\$200 million in 1998, \$168 million in 1999, \$100 million in 2000, and \$50 million in 2001) high estimate is that 75% of the grants was for training; low estimate is that 50% was training.	
School-to-Work--high estimate of training expenditures (excl. admin.)	\$150,150,000	\$126,000,000	\$55,125,000	\$26,250,000	\$0	\$0		
School-to-Work-low estimate of training expenditures (excl. admin.)	\$100,100,000	\$84,000,000	\$36,750,000	\$17,500,000	\$0	\$0		
Faith-Based and Community Initiatives					All grants are for capacity building and program development, not direct training		Three rounds of faith-based and community initiative grants were made in 2002: states, intermediaries, and small local areas. All were to be used for program capacity development and expansion and linkages to One-Stops. No spending expected on direct training.	
<b>Other ETA Demonstration Grants and Earmarks</b>								
Youth Opportunity Grant Program--total expenditures by grantees (incl. Admin.)	No funding	\$221,000,000	\$220,000,000	\$220,000,000	\$198,000,000	\$39,600,000	Expenditure data are not available at the national level. In discussion with DOL staff, analysts' assumptions were used to produce estimates: FY1999, 2000, and 2001: of \$250 million in funding each year, \$221 million (1999), \$220 million (2000) and \$220 million (2001) went to grantees for operations (rest was for national research and TA). Expenditures are shown in the years the grantees received funds, although some spending may cross into subsequent years. Based on a survey DOL staff did of YO sites, they "estimated that 9 percent of Youth Opportunity funds go towards occupational training. Most of the remaining Youth Opportunity funds go towards staffing costs for youth development specialists and job developers, maintaining youth centers, providing GED instruction and remedial education, and providing summer jobs and work experience."	
Youth Opportunity Grant Program--estimated expenditures on training (excl. admin.)	\$0	\$19,890,000	\$19,800,000	\$19,800,000	\$17,820,000	\$3,564,000		
ETA Earmarks total (incl. Admin.)	\$0	\$13,675,000	\$36,262,000	\$58,957,000	\$62,649,000	\$41,351,000	The total funding amount for each program year is listed. Given the number of earmark grants, it would be difficult to determine, for each earmark grant in program years 1999 -2003, the amount or percentage of funding spent on occupational training versus other costs. Therefore, the Earmark Center has provided the number of earmark grants that focus on providing occupational training and the total grant amount and the center estimates of spending on training (see next rows).	

**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
Total Number of ETA Earmark Grants	0	13	42	89	106	116	The total number of organizations that have received earmark funding for each program year is listed; this information is obtained from the conference reports, per Earmark Center instructions for developing estimates of training expenditures
Number of ETA Earmark Grants focused on providing occupational training	0	0	1	51	45	82	There are approximately 179 (49%) earmark grants in program years 1999 - 2003 that focus on occupational training. Estimates created per Earmark Center instructions.
Percent of ETA Earmark Grants focused on providing occupational training	0	0.0%	2.4%	57.3%	42.5%	70.7%	
Estimated Amount of ETA Earmark funds spent on occupational training (excl. admin.)	0	\$0	\$863,381	\$33,784,348	\$26,596,274	\$29,230,879	
H-1B Technical Skills Training Grants total expenditures (incl. admin)	Program not operating	Program not operating	\$12,001,632	\$44,207,937	\$54,869,243	NA	Figures shown are estimated training expenditures and exclude administrative costs estimated to be 10%. Grantees are required to use the Federal Government's Financial Status Report (SF269) to report grant expenditures. The SF269 report only provides for reporting total spending and does not provide for differentiating expenditures by type. Administrative costs are legislatively capped at 10% for H-1B grants.
H-1B Grants--high estimate of training expenditures (excl. admin.)			\$4,320,588	\$15,914,857	\$19,752,927	NA	Information on training expenditures not available, but assumption is that the majority of funds would be for training in demand occupations. Therefore, analysts' assumptions were used; high estimate of training costs is that 36% went for training and the low estimate is that 22% went for training (same high and low % as WIA dislocated worker program).
H-1B Grants--low estimate of training expenditures (excl. admin.)			\$2,640,359	\$9,725,746	\$12,071,233	NA	
Youth Offender Demonstration Project (YODP)--total expenditures by grantees (incl. Admin.)	\$10,500,000	No new funding	\$11,760,000	\$53,900,000	\$53,900,000	\$53,900,000	Expenditure data are not available at the national level. In discussion with DOL staff, analysts' judgments were used to produce estimates: 1998 and 1999--of the 12.5 million, 1 million each year was TA, research and the remainder (10.5 million) went to grantees, each for a year of operations; 2000-2003--of the 55 million each year, 2% went for research, TA and the remainder went to grantees for annual operations. Based on a survey DOL staff did of YODP sites, they "estimated that 5 percent of YODP funding goes to occupational training, with the bulk of the remaining funds going towards youth development specialists working with youth."
YODP--estimated expenditures on training (excl. admin.)	\$525,000	\$0	\$588,000	\$2,695,000	\$2,695,000	\$2,695,000	
High Growth Job Training Initiative/Business Relations Group (BRG) total funding (incl. Admin.)	Program not operating	Program not operating	Program not operating	\$23,910,396	\$30,533,048	\$25,776,267	PY 2003 information represents funding to date; anticipated amount is \$60 million for the entire PY 2003. Expenditures on training were not available.
BRG-high estimate of training expenditures (excl. admin.)				\$7,842,610	\$10,014,840	\$8,454,616	While the investments for this initiative sometimes result in actual training, the bigger focus is on the development of new approaches and solutions to workforce challenges that enable training, such as the development of competency models and curriculum or developing new methods to promote skill development from K-12 to community college to 4-year institutions. Therefore, analysts' assumptions are that the same percentage of funds will probably be used for training as in the WIA adult programs noted above. High estimate of training: 32.8% of total expenditures; low estimate of training: 16.3% of total expenditures
BRG-low estimate of training expenditures (excl. admin.)				\$3,897,395	\$4,976,887	\$4,201,532	
Disability Employment Grants and Disability IT Grants-grant awards totals (incl. Admin.)	\$6,800,000	\$6,800,000	\$6,800,000	No DEG or DITI Funding	\$8,485,423	\$8,485,423	Disability Employment Grants were awarded to 12 grantees in 2002. Disability IT Grants were awarded to 6 grantees in 2001. The total grants program funding (incl. admin) noted here

**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
Disability Employment Grants training expenditures (excl. admin.)	\$6,011,700	\$6,011,700	\$6,011,700	No Funding	\$4,936,639	\$4,936,639	combines both grant programs since 2002 included both; the training figures excluding admin are presented separately. Figures were provided by ETA-ODEP staff.
Disability IT Training grants training expenditures (excl. admin.)	No funding	No funding	No funding	No funding	\$1,774,392	\$1,774,392	There was no Disability IT funding until 2002 and no Disability Employment Grant funding in 2001.
Incumbent/Dislocated Worker Skills Shortages II Demonstration Grants-expenditures on training (excl. admin.)	Program not operating	Program not operating	Program not operating	\$6,161,809	\$6,161,809	\$6,161,809	19 grantees were awarded a total of \$32,421,679. Of these 19 grants, 12 ended 6/30/04; 1 ended 8/31/03; 1 ended 9/30/03; 4 ended 12/31/03; and 1 was terminated 8/15/03). Of the total amount, \$18,485,427 was spent on occupational training, divided here evenly across the three years. The grants ranged from a low of \$448,900 to a high of \$2,860,000.
Quality Child Care Initiative--estimated expenditures on training (excl. admin.)	Program not operating	\$3,248,788	No new funding	\$3,066,846	\$2,351,307	No new funding	Grants to 32 states (11 in 1999, 10 in 2001, 11 in 2002). Grant duration ranged from 1 to 5 years.  These values are calculated as total grant amounts minus remaining grant balances. They may include non-training costs, but most spending was on training so all is included here.
Sectoral Employment Demonstration Grant expenditures on training (excl. admin.)	Program not operating	Program not operating	Program not operating	\$463,832	\$463,832	No new funding	11 grantees were awarded a total of \$1,499,734 for 7/1/01-9/30/02 (1 of these grants ended 12/31/02; 2 others ended 3/31/03). Of this amount, a total of \$927,664 was spent on occupational training (divided here evenly between the 2 years). The grants were all exactly or approximately \$150,000, and the amount spent on training ranged from a low of \$46,897 to a high of \$144,286.
Minority Colleges and Universities Workforce Partnerships and Training Strategies to Address Skill Shortages Demonstration Program - estimated expenditures on training (excl. admin.)	Program not operating	Program not operating	\$2,619,744	\$0	\$0	\$0	Grants to 8 Minority Colleges and Universities were awarded in 2000 for a 30 month period--totaling \$14,252,901. The dollars were awarded for the life of the grant. The percentage of training in the total grant was estimated by DOL with the caution that it may be slightly high because training costs are not broken down by the grantee and, therefore, this figure may include childcare and other supportive services. One grantee did not estimate job training expenditures.
Dislocated Worker Hardmark Grants total funds (incl. Admin.)	Program not operating	\$2,275,113	\$3,259,803	\$6,029,341	No new funding	NA	Information shown is for the program year in which the hardmark grant began, however, periods of performance vary and may be 1, 2, or 3 years long. Some hardmark grants received additional funding in later years; additions are included in these estimates. The period of performance often does not coincide with the beginning or ending of a particular program year. DOL officials provided information on occupational training expenditures and number of training participants for the grants, all costs are shown for the year in which the grants began.
Dislocated Worker Hardmark Grants--high estimate of training expenditures (Excl. admin.)	Program not operating	\$819,041	\$1,173,529	\$2,170,563	No new funding	NA	Information on training expenditures not available, therefore, analysts' judgments were used to estimate training costs--
Dislocated Worker Hardmark Grants--low estimate of training expenditures (excl. admin.)	Program not operating	\$500,525	\$717,157	\$1,326,455	No new funding	NA	applying the average percentage of funding under the WIA dislocated workers high estimate: 36%; low estimate: 22%



**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)								Notes
Federally Funded Program		1998	1999	2000	2001	2002	2003	
	Comprehensive Incumbent/Dislocated Worker Retraining Demonstration Grants-expenditures on training (excl. admin.)	Program not operating	Program not operating	\$3,018,157	\$3,018,157	No new funding	No new funding	6 grantees were awarded a total of \$9,100,863 for 6/30/00 - 6/30/02. Of this amount, a total of \$6,036,314 was spent on occupational training, divided here evenly across 2 years. The grants ranged from a low of \$936,812 to a high of \$2,000,000, and the amount spent on training ranged from a low of \$582,381 to a high of \$1,527,124.
	Innovation in Apprenticeship for Women--total funding (incl. admin.)	\$748,000	No new funding	No new funding	No new funding	No new funding	No new funding	8 grants awarded in 1998, totaling \$748,000 to prepare women for and support them in apprenticeships, some included training. No information available on spending, or training. All funds appear in year of funding, but some may have been spend in subsequent year. Analysts' judgment assumes est. of 50% of expenditures were for training (rough approximation)
	Innovation in Apprenticeship for Women--estimated expenditure on training (excl. admin.)	\$374,000	\$0	\$0	\$0	\$0	\$0	
	Dislocated Worker Technology Demonstration Program - estimated expenditure on training(excl. admin.)	\$3,582,295	\$3,582,295	No new funding	No new funding	No new funding	No new funding	12 grantees were awarded a total of \$7,164,590 for 7/1/98-6/30/00. Of this amount, a total of \$4,672,519 was spent on occupational training, divided evenly here across 2years. The grants ranged from a low of \$217,654 to a high of \$1,150,000, and the amount spent on training ranged from a low of \$64,641 to a high of \$750,000.
	Contextual Learning Demonstration Program-total funding (incl. admin.)	Program not operating	\$6,195,699	No new funding	No new funding	No new funding	No new funding	7 grants awarded in 1999, totaling \$6,195,699, to combine English training and job skills training. No information available on spending, or training, therefore all funds appear under year of funding. Analysts' judgment was used to estimate training at 50% of expenditures.
	Contextual Learning Demonstration Program-estimated expenditure on training (excl. admin.)	\$0	\$3,097,850	\$0	\$0	\$0	\$0	
	Labor Organization Adjustment Assistance - total funding (incl. admin.)	\$1,973,935	No new funding	No new funding	No new funding	No new funding	No new funding	4 grantees received a total of \$1,973,935 in 1998. No information on spending or training expenditures. Analysts' judgment was used to estimate training: 50% of total expenditures (rough approximation).
	Labor Organization Adjustment Assistance-estimated expenditure on training (excl. admin.)	\$986,968	No new funding	No new funding	No new funding	No new funding	No new funding	
<b>Veterans' Employment and Training Service</b>								
	Homeless Veterans Reintegration Program (HVRP)--total expenditures (incl. Admin.)	Program not operating	\$3,000,000	\$9,500,000	\$16,900,000	\$17,900,000	\$17,600,000	Annual expenditures on job training only are not available, therefore analysts' assumptions were used to approximate training expenditures based on discussions with VETS officials. In 1999 85% of participants (see Exhibit 3) got CT or OJT. Since 80% of participants (see Exhibit 3) must be in training (paid either by grant or referral agency/program), assume 85% also got CT or OJT in 2000, 2001, and 2001. Also, since most grantees use grant funds for CT or OJT, sometimes supplementing other funding sources (e.g., state training funds), perhaps 60% of those who get training get some HVRP funds for the training. Therefore, the est. of training costs using the HVRP funds assumes 60% of training participants get grant-funded training at \$1100 per person (the average cost per enrollee for HVRP for the five year period). 2003 figures are preliminary as projected by VETS officials.
	HVRP--estimated expenditures on training (excl. admin.)	\$0	\$2,082,960	\$4,375,800	\$7,938,480	\$8,603,760	\$7,155,060	

**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)								Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003		
Veterans' Workforce Investment Program (VWIP) total spending (incl. Admin.)	\$6,100,000	\$7,300,000	\$6,500,000	\$5,800,000	\$6,400,000	NA	Annual expenditures on job training only are not available, therefore analysts' assumptions were used to approximate training expenditures based on discussions with VETS officials. In 1998 and 1999 85% of participants (see Exhibit 3) got CT or OJT. Since 80% of participants (see Exhibit 3) must be in training (paid either by grant or referral agency/program), assume 85% also got CT or OJT in 2000, 2001, and 2001. Also, since most grantees use grant funds for CT or OJT, sometimes supplementing other funding sources (e.g., state training funds), perhaps 60% of those who get training get some HVRP funds for the training. Therefore, the est. of training costs using the HVRP funds assumes 60% of training participants get grant-funded training at \$1500 per person (the average cost per enrollee for HVRP for the five year period).	
VWIP--estimated expenditures on training (excl. admin.)	\$2,574,000	\$2,856,600	\$2,542,980	\$2,447,280	\$2,453,220	\$0		

**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Federally Funded Program		Annual Expenditures on Training (excluding administrative costs)						Notes
		1998	1999	2000	2001	2002	2003	
<b>Department of Education</b>								
Total for DOE Programs that provide at least some Occupational Training (High Estimate)		NA	NA	NA	NA	\$3,193,564,209	NA	
Total for DOE Programs that provide at least some Occupational Training (Low Estimate)		NA	NA	NA	NA	\$1,878,842,743	NA	
<b>Office of Vocational and Adult Education</b>								
	Carl D. Perkins Vocational and Technical Education-basic grant to states (Title I) and Tech Prep grants (Title II)-total funds (incl. Admin)					\$1,288,000,000		For PY 2001-2002, according to DOE Report to Congress on State Performance (Perkins Vocational and Technical Education Act), states received \$1,288,000,000, of which 9% was for state leadership, state administration and reserves. The remaining \$1,180,737,772 was allocated to states. Analysts' assumptions used to estimate spending on training; high estimate assumes 50% was for direct training costs (versus facilities, support, management, curriculum development, etc.); low estimate is that 30% was for direct training. According to Report to Congress, about 30% of total was used for post-secondary and 70% was for secondary programs.
	Voc. Tech and Tech Prep expenditures on training (excl. admin.)--high estimate					\$644,000,000		
	Voc. Tech and Tech Prep expenditures on training (excl. admin.)--low estimate					\$386,400,000		
	State Grants for Incarcerated Youth Offenders--total funding (incl. Admin.)	Program not operating	Program not operating	Program not operating	\$17,000,000	\$17,000,000	\$18,380,000	These figures are Fiscal Year appropriations that do not separate out non-training costs. For consistency with other programs in this chart, analysts' assumptions are high estimate is that 50% is for direct training and low estimate is that 30% is for direct training (versus management, literacy, life skills, job placement, counseling).
	State Grants for Incarcerated Youth Offenders--expenditures on training (excl. admin.)--high estimate					\$8,500,000		
	State Grants for Incarcerated Youth Offenders--expenditures on training (excl. admin.)--low estimate					\$5,100,000		
	Native American Vocational and Technical Education Program (NAVTEP)					\$14,750,000		According to USDE web site, FY2002 appropriations were \$14,750,000. Analysts' assumptions are the same as for the regular Perkins voc ed and tech prep programs (see above). High estimate is that 50% of total is for direct training; low estimate is that 30% is for direct training.
	NAVTEP-expenditures on training-high estimate					\$7,375,000		
	NAVTEP-expenditures on training-low estimate					\$4,425,000		
	Tribally Controlled Postsecondary Vocational Institutions--total spending	\$2,919,000	\$4,067,028	\$4,599,940	\$5,588,287	\$7,500,000	\$6,954,500	Administrative costs are not broken out under the Tribally Controlled program since support is provided to the whole schools for support of their vocational training programs. Analysts' assumptions are the same as with non-tribal voc and tech programs (above); high estimate is that 50% is for direct training (versus, admin, management, curriculum development, facilities, etc). (Assumptions are made to have consistency with non-tribal program estimates in this chart).
	Tribally Controlled Postsecondary Vocational Institutions--estimated spending on training (excl. admin)	\$2,627,100	\$3,660,325	\$4,139,946	\$5,029,458	\$6,750,000	\$6,259,050	
	Native Hawaiian Vocational Education	\$2,590,489	\$2,602,618	\$2,579,625	\$2,639,618	\$2,759,000	\$2,950,000	For the Native Hawaiian Program about \$475,000 is set aside for administrative costs. The rest of the funds go to the 12 to 17 projects administered by the program. Operates on an annual cycle of July 1 to July 31. Projects have their own administrative costs. Estimates here exclude admin costs, as provided by DOE officials. Project dates are August 1 through July 31 in each year.

**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
<b>Office of Special Education and Rehabilitative Services</b>							
Vocational Rehabilitation-State Grants--Total Expenditures(excl. admin)					\$2,349,796,388		2002 data from U.S. Department of Education, Rehabilitation Services Administration, Program Data and Statistics 2002 Table 16. Note: Table 16 includes federal spending plus state match spending totalling \$2,985,761,152; federal share is 78.7% for VR, therefore this estimate of federal spending on VR state grants, excl. admin. is 78.7% of that amount.
Vocational Rehabilitation--State Grants-Expenditures on Services to Individuals (excl. admin)					\$1,351,434,108	NA	Services to individuals expenditures for 2002 source: U.S. Department of Education, Rehabilitation Services Administration, Program Data and Statistics, FY2002 Data Table 17" Services include broad range of activities, counseling, adaptations, coaching, education, training, some provider by referral to other agencies such as One-Stop Career Centers. Note: Table 17 includes both federal spending and state match spending totalling \$1,717,197,088. Given the match rate for VR, the estimate of federal spending on services entered here is 78.7% of that amount.
Vocational Rehabilitation--State Grants-Expenditures on Training to Individuals (excl. admin)--high estimate					\$614,568,919		High estimate of the share of VR services dollars is based on VR Program Data and Statistics FY2002 Table 17, reports \$780,900,787 to "all training"; given the VR match rate, the estimate of federal spending on total training entered here is 78.7% of that amount.
Vocational Rehabilitation--State Grants-Expenditures on Training to Individuals (excl. admin)--low estimate					\$202,715,116		Low estimate of the share of VR services dollars is based estimate that 15% off VR services dollars in 8 states go to vocational training or OJT. Source: Susan Stoddard, Stuart Hanson, and Tanya Temkin, "An Evaluation of Choice Demonstration Projects," Berkeley, CA: InfoUse, 1999. Represents 33% of VR "total all training" as noted in the high estimate above.
Supported Employment State Grants--total funding (incl. Admin)					\$37,000,000		Funding info. not available for FY2002 on USDE web site or CFDA website, therefore FY03 amount of \$37 million was assumed for FY2002. Analysts' assumption is that most of the funds are for job development, coaching, supervision, and followup, as well as training. Analysts' assumptions are high estimate is that 50% is for training; low estimate is 30% for training.
Supp. Empl. Grants-expenditures on training-high estimate (excl. admin.)					\$18,500,000		
Supp. Empl. Grants-expenditures on training-low estimate (excl. admin.)					\$11,100,000		Source of FY2003 Amount: "Catalog of Federal Domestic Assistance," 2003
Rehabilitation Services--American Indians with Disabilities--total funding (incl. Admin)					\$28,000,000		Funding info. not available for FY2002 on USDE web site or CFDA web site, therefore FY03 amount of \$28 million was assumed for FY2002. Analysts' assumption is that most of the funds are for health rehabilitative services, counseling, job placement, job accommodations, management, admin; little is for direct occupational training. High estimate is that 1% is for training; low estimate is that .5% is for training.
Rehab. Services Am. Ind. With Disabilities-expenditures on training-high estimate (excl. admin.)					\$280,000		
Rehab. Services Am. Ind. With Disabilities-expenditures on training-low estimate (excl. admin.)					\$140,000		Source of FY2003 Amount: "Catalog of Federal Domestic Assistance," 2003

**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
Projects with Industry-total funding (incl. Admin.)			\$22,071,000	\$22,071,000	\$22,017,000	\$21,927,538	These figures are annual expenditures; the percentage used for occupational training/any training is not tracked. PY is Oct. 1 - Sept. 30. For consistency with other programs on this chart, analysts' assumptions are high estimate is that 50% is used for direct training; low estimate is that 30% is for direct training (versus job search, placement, outreach, counseling, management, program development)
PWI-expenditures on training-high estimate (excl. admin)					\$11,008,500		
PWI-expenditures on training-low estimate (excl. admin)					\$6,605,100		Source of FY2003 Amount: "Catalog of Federal Domestic Assistance," 2003
Independent Living State Grants-total funding (incl. Admin.)					\$22,000,000		FY2002 funding not available on CFDA website, analysts assume FY2002 is same as 2003-2005, \$22,000,000. Funds can be used for range of activities including program development, capacity building, program development, demonstrations, outreach some training. Analysts assume only a small portion is for direct occupational training, so assumptions are high estimate: 10% is for training; low estimate is 5%.
ILSG expenditures on training -high estimate					\$2,200,000		
ILSG expenditures on training -low estimate					\$1,100,000		Source of FY2003 Amount: "Catalog of Federal Domestic Assistance," 2003
<b>Office of Student Financial Assistance</b>							
Pell Grant Program-total amt. of grants					\$11,600,000,000		FY2002 aid available to students for Pell Grants was \$11,600,000,000 (USED Budget Summary FY2004), of this amount, \$2.5 billion went to two-year or proprietary institutions. Analyst assumptions are that a high estimate is 75% of this was for occupation-specific training; low estimate is that 50% was occupational training (rather than general or liberal arts AA degree program)
Pell Grants-expenditures on training-high estimate					\$1,875,000,000		
Pell Grants-expenditures on training-low estimate					\$1,250,000,000		
Federal Supplemental Education Opportunity Grants-total amt. of grants					\$918,000,000		FY2002 aid available to students for Suppl. Grants was \$918,000,000. USDEpt. Of Education "Campus Based Programs Data Book 2003" reported that \$3,497,053 was at 2-year or proprietary schools. Analysts' estimate assumes for high estimate that 75% of this was for occupational training and low estimate assumes 50% (versus general, liberal arts AA programs).
FSEOG-expenditures on training-high estimate					\$2,622,790		
FSEOG-expenditures on training-low estimate					\$1,748,527		
							Source: U.S. Department of Education, "2003 Campus-Based Programs Data Book"

**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Federally Funded Program		Annual Expenditures on Training (excluding administrative costs)					Notes
		1998	1999	2000	2001	2002	
<b>Department of Health and Human Services</b>							
Total for HHS Programs that provide at least some Occupational Training (High Estimate)		NA	NA	NA	NA	\$169,623,491	NA
Total for HHS Programs that provide at least some Occupational Training (Low Estimate)		NA	NA	NA	NA	\$93,771,035	NA
<b>Administration for Children and Families</b>							
	Temporary Assistance for Needy Families--total funds available to states (incl. Admin.) (incl. carryover)					\$13,897,481,863	
	TANF-expenditures on training--high estimate (excl. admin.)					\$106,976,141	ACF TANF Financial Data Table A FY2002 reports total funds spent "available for TANF" (Line 4) (current year and carryover, excludes transfers to CCDF and SSBG), total expenditures, and expenditures for "education and training" (Line 6a 2) (\$213,952,282, excluding admin costs). High estimate of spending on training assumes 50% of education and training spending was training; low estimate assumes 30% (analysts' judgment, rough approximation).  Source: DHHS, "FY2002 TANF Financial Data"
	TANF-expenditures on training--low estimate (excl. admin.)					\$64,185,685	
	Tribal Work Programs (TANF and NEW) total spending (incl. Admin.)					\$37,000,000	
	Tribal Work Programs-expenditures on training--high estimate (excl. admin.)					\$5,920,000	In 1999-2000 yr, \$7247285 TANF and \$3219532 NEW grants to tribes; by 2003, Catalog of Fed Dom Assistance estimates \$7633287 in NEW and HHS ANA estimates 27 tribes (rather than 6 in 1999-2000) will have TANF, so analysts' judgment is that 2002 was about \$7 million NEW and \$30 million TANF. HHS-ANA estimates about 8% of TANF participants received training, work education or OJT. Analysts' judgment is used to estimate training expenditures: high estimate is 16% and low estimate is 8% (similar to WtW spending on training, excluding admin costs)  Source: "Catalog of Federal Domestic Assistance," 2003
	Tribal Work Programs-expenditures on training--low estimate (excl. admin.)					\$2,960,000	
	Social Services Block Grant-total spending (SSBG plus TANF transfers) (excluding admin.)					\$2,408,770,000	
	Social Services Block Grant-total spending on education/training (excl. admin)(SSBG plus TANF transfers)					\$18,000,000	Program is administered by HHS-OCS. Spending amounts are from OCS web site, SSBG Annual Report FY2002, Ch. 3. Expenditures for all states of SSBG plus TANF transfer funds was \$2,647,000,000, less 9% admin. Costs = \$2,408,770,000. Of this, \$18 million (excl. admin) was spend on Education and Training services (Figure 3-6). No data on how much of this was for training vs. educ., therefore analysts' assumptions for high estimate is that 50% was for training, low estimate is that 30% was for training.  Source: DHHS, "SSBG 2002, Annual Report"
	SSBG (incl. TANF transfers)-spending on training-high estimate (excl. admin.)					\$9,000,000	
	SSBG-spending (incl. TANF transfers) on training-low estimate (excl. admin.)					\$5,400,000	

**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
Community Services Block Grant total (incl. Admin.)					\$579,000,000	\$635,561,383	Program is administered by the Office of Community Services (OCS). Budget amounts are from OCS website. According to FY2001 First Annual Report of Performance Outcomes, about 12,000 persons a year complete "post-secondary education or training". Analysts' judgment used to estimate expenditures on training: high estimate is that ave. training cost is \$5000 (ITA average) and that CSBG paid for 10% of that per person (\$500x12000) and rest was "leveraged" by accessing other sources (e.g., community colleges, WIA, TANF, union programs); low estimate is that CSBG paid for 10% per person at 2000 per person estimate (\$200x12000). Thus, high estimate is that 1% of total is for training; low estimate is that .5% is for training.
CSBG-training expenditures high estimate (excl. admin.)					\$6,000,000	\$6,000,000	
CSBG-training expenditures low estimate (excl. admin.)					\$2,400,000	\$2,400,000	
Refugee and Entrant Assistance (REA)--State Grants total spending (incl. Admin.)					\$230,000,000	\$230,000,000	2003 estimate of total spending from Catalog of Fed Dom Assistance and same amount was assumed for 2002 (rough approximation). Analysts' judgment estimates training expenditures (excluding admin) at high of 8% of total and low of 4% of total (half the rate of WtW programs).
REA State Grants-expenditures on training--high estimate (excl. admin.)					\$18,400,000		
REA State Grants-expenditures on training--low estimate (excl. admin.)					\$9,200,000		Source: "Catalog of Federal Domestic Assistance," 2003
Refugee and Entrant Assistance Discretionary Grants total spending (incl. Admin.)					\$85,000,000	\$85,000,000	2003 estimate of total spending from Catalog of Fed Dom Assistance and same amount was assumed for 2002 (rough approximation). Analysts' judgment estimates training expenditures (excluding admin) at high of 8% of total and low of 4% of total (half the rate of WtW).
REA Discretionary-expenditures on training-high estimate (excl. admin.)					\$6,800,000		
REA Discretionary-expenditures on training-low estimate (excl. admin.)					\$3,400,000		Source: "Catalog of Federal Domestic Assistance," 2003

**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
Developmental Disabilities Programs-total spending (incl. admin.)					\$140,800,000		HHS-ACF-Administration on Developmental Disabilities has 4 grant programs (total : 1) State Councils on Developmental Disabilities (\$69.8 million spent in FY2002), 2) State Protection and Advocacy Agencies (\$35 mill. spent in FY2002), 3) Network of University Centers for Excellence (\$24 mill. spent in FY2002), and 4) Projects of National Significance (\$12 mill. spent in FY2002). Most of the funds are for advocacy, capacity building, program development, tech. asst.. Some of funds under grants 1) and 4) might be used for education and training (e.g., demonstration projects). Spending totals for FY2002 are from Federal Budget FY2004 and ADD website. No data on spending specifically on training. Analysts' assumptions for spending on training: high estimate: 3% of State Council grants and National Significance grants less 10% assumed for admin costs; low estimate: .5% of State Council Grants and National Significance grants spending less 10% assumed for admin costs.  Source: DHHS, Administration on Developmental Disabilities Fact Sheet."
DD Programs-expenditures on training high est. (excl. admin.)					\$2,208,600		
DD Programs-expenditures on training low est. (excl. admin.)					\$368,100		
Foster Care Independent Living Program-total fed funding (incl. Admin.)	\$137,900,000	\$137,900,000	\$137,900,000	\$137,900,000	\$137,900,000	\$137,900,000	Program funding has been \$140 mill./year in each of these years, of which \$137,900,000 is for service grants to states(excludes admin and program support);and can be used for a wide range of services for children 16 and over aging out of foster care. Most funds are for housing, education, health/treatment, life skills, and employment-related services; no data on amount spent on employment-related services, but it is limited and most of that is likely for job search and job placement assistance and retention, and only a small portion is for job search and job placement assistance; coordinates with other programs (e.g., Job Corps, Pell Grants, Community Colleges) for training. Some funds are used for tuition, materials, fees for voc. training. Analysts' judgement was used: assume high estimate of 3% of funds are used for training and low estimate of .5% for training.  Source: "Catalog of Federal Domestic Assistance," 2003
ILP-expenditures on training-high est. (excl. admin.)					\$4,137,000		
ILP-expenditures on training-low est. (excl. admin.)					\$689,500		
Refugee Assistance--Voluntary Agency Programs total spending (incl. Admin.)					\$59,000,000	\$53,000,000	in CY2001 (put here under 2002) about \$59 million in voluntary grants was distributed to be used between 1 and 5 years. 8 voluntary agencies. Can be used for training but data not yet provided. Analysts' judgment was used to estimate training expenditures (excluding admin): high estimate is 8% of total, low estimate is 4% of total (half the WtW rate).  Source: "Catalog of Federal Domestic Assistance," 2003
REA-VolAg--expenditures on training high est. (excl. admin.)					\$4,720,000		
REA-VolAg--expenditures on training low est. (excl. admin.)					\$2,360,000		



**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
Refugee and Entrant Assistance--Targeted Assistance total spending (incl. Admin.)					\$44,000,000	\$44,000,000	REA-targeted had \$44 million a year for 3 years beginning in 2002 for 3-yr grants. Can be used for training but data not yet provided. Analysts' judgment was used to estimate training expenditures (excluding admin): high estimate is 8% of total, low estimate is 4% of total (half the WtW rate).  Source: "Catalog of Federal Domestic Assistance," 2003
REA-Targeted- expenditures on training--high estimate (excl. admin.)					\$3,520,000		
REA-Targeted- expenditures on training--low estimate (excl. admin.)					\$1,760,000		
Individual Development Accounts (IDA)--grantee award totals (incl. Admin.)	program not operating	\$7,600,000	\$6,900,000	\$21,200,000	\$20,000,000	\$20,000,000	Program is administered by OCS. OCS material indicates 123 withdrawals for post-sec. edu. Between 2000 and 2002. For rough estimation, analysts' judgment was used: assume 25% of those were for occupation-related post-sec. edu/training at ave. cost of \$5000 (ETA's ITA average)=-\$153750, all of which appears here under 2002.  Source: DHHS. "Program Overview: Individual Development Accounts"
IDA estimated expenditure on training (post-sec. ed. Occupation-related) (excl. admin.)					\$153,750		
Community Services Discretionary (CED) total spending (incl. Admin.)					\$14,000,000	\$14,000,000	FY2003 estimate of total grants as reported in OCS web site (\$14 million). Earlier years' not provided, so estimate of \$14 million is used for 2002 here as well. Analysts' judgment used to estimate training expenditures using same assumptions as for CSBG above--high estimate is that 1% of total is for training; low estimate is that .5% is for training.  Source: DHHS, "Urban and Rural Community Economic Development"
CED-expenditures on training--high est. (excl. admin.)					\$140,000	\$140,000	
CED-expenditures on training--low est. (excl. admin.)					\$70,000	\$70,000	
Refugees and Entrant--Wilson/Fish Program total spending (incl. Admin.)					\$12,000,000	\$12,000,000	To promote early employment of refugees. Can be used for training but data not yet provided. Analysts' judgment was used to estimate training expenditures (excluding admin): high estimate is 8% of total, low estimate is 4% of total (half the WtW rate).  Source: "Catalog of Federal Domestic Assistance," 2003
REA-Wilson/Fish--expenditures on training--high est (excl. admin.)					\$960,000		
REA-Wilson/Fish--expenditures on training--low est (excl. admin.)					\$480,000		
Job Opportunities for Low-Income Individuals (JOLI)--grants awarded (incl. Admin.)	\$4,374,277	\$4,122,235	\$7,713,625	\$3,418,296	\$4,300,000	\$4,300,000	Program is administered by OCS. JOLI grants support local programs designed to provide training, self-employment, business-development, micro-business devel. Most plan to provide at least some training or education related to an occupation, but amt. is unknown. Analysts' judgment used here to estimate training: high estimate assumes 16% of grant might be used for training, low estimate assumes 8% (based on WtW cost estimates for similar programs) --general assumption is that most will access other sources for actual training (WIA, community college, union programs). Grants can be used for up to 3 years, but all amounts are shown here in year of award. 2002 and 2003 not reported on OCS website; Catalog of Federal Domestic Assistance estimates grants in those years to be about \$4,300,000, so that is used here.  Source: "Catalog of Federal Domestic Assistance," 2003
JOLI--expenditures on training-high est. (excl. admin.)	\$699,884	\$659,558	\$1,234,180	\$546,927	\$688,000	\$688,000	
JOLI--expenditures on training-low est. (excl. admin.)	\$349,942	\$329,779	\$617,090	\$273,464	\$344,000	\$344,000	

**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
Chafee Independent Training Vouchers (aging out of foster care)	program not operating	program not operating	program not operating	program not operating	program not operating	program not operating	No funds for education and training vouchers/foster care until 2003; 2003 obligation est. is \$60 million
Unaccompanied Alien Children Program total appropriation for FY2003					Program not operating	\$16,000,000	Special services including employment preparation. Authorized in 2002.  Source: "Catalog of Federal Domestic Assistance," 2003
<b>Department of Housing and Urban Development</b>							
<b>Total for HUD Programs that provide at least some Occupational Training</b>	<b>\$14,895,000</b>	<b>\$17,595,000</b>	<b>\$18,000,000</b>	<b>\$22,970,250</b>	<b>\$26,887,500</b>	<b>\$24,219,900</b>	
Youth Build Program--total expenditures awarded by HUD (includes admin)	\$33,100,000	\$39,100,000	\$40,000,000	\$51,045,000	\$59,750,000	\$53,822,000	The Youth Build program targets socially disadvantaged youth between the ages of 16 and 24 (inclusive), who are from very low-income families, and who have dropped out of high school. However, not more than 25% of the participants may be individuals who do not meet the income or educational requirements, but who have educational needs despite attainment of a high school diploma or its equivalent.  The program has a 50/50 split, where by law, at least 50% of the participants time in the Youthbuild program is devoted to educational services and activities. The other 50% of the time is spent on construction (occupational) training. Administrative costs can be up to 10 percent of the overall grant award, which could be spread out over both the educational and occupational training.
Youth Build Program--expenditures on training (includes admin)	\$16,550,000	\$19,550,000	\$20,000,000	\$25,522,500	\$29,875,000	\$26,911,000	
Youth Build Program--expenditures on training (excludes admin)	\$14,895,000	\$17,595,000	\$18,000,000	\$22,970,250	\$26,887,500	\$24,219,900	
<b>Department of Veterans' Affairs</b>							
<b>Total for DVA Programs that provide at least some occupational training--high estimate</b>	<b>\$101,610,900</b>	<b>\$101,079,900</b>	<b>\$113,467,950</b>	<b>\$104,240,250</b>	<b>\$121,096,800</b>	<b>\$125,913,150</b>	
<b>Total for DVA Programs that provide at least some Occupational Training--low estimate</b>	<b>\$33,870,300</b>	<b>\$33,693,300</b>	<b>\$37,822,650</b>	<b>\$34,746,750</b>	<b>\$40,365,600</b>	<b>\$41,971,050</b>	
Vocational Rehabilitation and Employment (VR&E) program--total expenditures on employment/training, excluding subsistence allowances and admin. Costs	\$225,802,000	\$224,622,000	\$252,151,000	\$231,645,000	\$269,104,000	\$279,807,000	The VR&E program specifically targets disabled veterans with a disability rating of 20% or higher. Figures shown are for non-subsistence funding which includes expenditures on training and related services and needs (e.g., counseling, referral, books, supplies, equipment, job search assistance, and tuition of degree programs). These figures do not include administrative costs. Source: <i>Budget for the U.S. Government, Fiscal Year 2004 Appendix</i> .
Vocational Rehabilitation and Employment (VR&E) program--expenditures on training (high estimate)	\$101,610,900	\$101,079,900	\$113,467,950	\$104,240,250	\$121,096,800	\$125,913,150	In order to stimate the amount of VR&E spending that might be going to training specifically, a high estimate is that 45% of total spending is for voc training, based on three times the estimate suggested by research on the Vocational Rehabilitation Program in DOE, which found that 15% of services spending was for vocational training or OJT.

**Exhibit 1: Federally-funded Job Training:  
Estimated Annual Expenditures on Training for Program Years 1998-2003**

Annual Expenditures on Training (excluding administrative costs)							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
Vocational Rehabilitation and Employment (VR&E) program-expenditures on training (low estimate)	\$33,870,300	\$33,693,300	\$37,822,650	\$34,746,750	\$40,365,600	\$41,971,050	In order to stimate the amount of VR&E spending that might be going to training specifically, a low estimate is that 15% of total spending is for voc training, based on the estimate suggested by research on the Vocational Rehabilitation Program in DOE, which found that 15% of service spending was for vocational training or OJT.
<b>Department of the Interior</b>							
<b>Total for DOI Programs that provide at least some Occupational Training (High Estimate)</b>	NA	NA	NA	NA	<b>\$5,084,100</b>	NA	
<b>Total for DOI Programs that provide at least some Occupational Training (Low Estimate)</b>	NA	NA	NA	NA	<b>\$3,050,460</b>	NA	
Indian Employment Assistance					\$7,800,000		Estimate of total spending is \$7.8 million for 2002 (from CFDA), less estimate of 10% for admin, results in \$7,020,000, high est. is that 50% is for actual training; low estimate is that 30% is for actual training (versus job placement). Very rough approximations.  Source: "Catalog of Federal Domestic Assistance," 2003
IEA-expenditures on training high estimate					\$3,510,000		
IEA-expenditures on training low estimate					\$2,106,000		
Indian Vocational Training--United Tribes Technical College					\$2,980,000		Estimate of total spending is \$2.98 million for 2002 (from CFDA), less estimate of 10% for admin, results in \$2,682,000, high est. is that 50% is for actual training, low estimate is that 30% is for training. Very rough approximations.  Source: "Catalog of Federal Domestic Assistance," 2003
IVT-expenditures on training high estimate					\$1,341,000		
IVT-expenditures on training low estimate					\$804,600		
Ironworker Training Program					\$518,000		Estimate of total spending is \$518,000 for 2002 (from CFDA), less estimate of 10% for admin, results in \$466,200, high est is that 50% is for actual training, low estimate is that 30% is for training. Very rough approximations.  Source: "Catalog of Federal Domestic Assistance," 2003
ITP-expenditures on training high estimate					\$233,100		
ITP-expenditures on training low estimate					\$139,860		
<b>Department of Justice</b>							
<b>Total for DOJ Programs that provide at least some Occupational Training</b>					<b>\$0</b>	<b>\$0</b>	
Serious and Violent Offenders	Program not operating	Program not operating	Program not operating	Program not operating	\$0	\$0	The Serious and Violent Offenders program is intended to spend some portion of its total funding on occupational training. However, due to delays in starting up, as of July 2004, no funds had been spent on job training in 2002 or 2003.
Notes: NA = Not Available.							
Figures for 2003 may be incomplete or missing for some programs since the program year does not end until June 30, 2004.							

**Exhibit 2: Obligations for Federal Programs that Provide Job Training, Estimated Annual Expenditures,  
and Job Training Expenditures as a Percent of Expenditures, 2002**

Federally Funded Program	Annual Obligations 2002 <sup>1</sup>	Annual Total Program Expenditures <sup>2</sup>	Annual Expenditures on Job Training--High estimate (See Exhibit 1) <sup>3</sup>	Annual Expenditures on Job Training Low Estimate (See Exhibit 1)	Job Training Expenditures as a Percentage of Annual Expenditures-- High Estimate	Job Training Expenditures as a Percentage of Annual Expenditures-- Low Estimate
<b>Total for Federal Programs from 7 Agencies that Provide at least some Occupational Training</b>	\$48,580,009,557	\$39,008,559,258	\$5,263,514,029	\$3,190,306,868	13.5%	8.2%
<b>Department of Labor</b>						
<b>Total for DOL Programs that Provide at least some Occupational Training</b>	\$7,729,269,117	\$6,544,985,650	\$1,747,257,929	\$1,147,389,530	26.7%	17.5%
<b>Employment Training and Administration</b>						
<b>Workforce Investment Act of 1998</b>						
Dislocated Worker Employment and Training Activities	\$1,520,000,000 a	\$1,302,031,085	\$467,025,000	\$280,215,000	35.9%	21.5%
Adult Employment and Training Activities	\$951,000,000 a	\$1,089,853,396	\$505,395,000	\$303,237,000	46.4%	27.8%
Youth Activities	\$1,133,000,000 a	\$1,173,388,196	\$159,338,020	\$47,801,406	13.6%	4.1%
Senior Community Service Employment Program (SCSEP)--National Programs	\$345,000,000 a	\$264,396,351	\$66,100,804	\$33,050,402	25.0%	12.5%
Senior Community Service Employment Program (SCSEP)--State Programs	\$100,000,000 a	\$100,000,000	\$17,357,613	\$8,678,807	17.4%	8.7%
Job Corps	\$1,467,000,000 a	\$1,467,000,000	\$207,100,000	\$207,100,000	14.1%	14.1%
Welfare-to-Work Grants to States and Localities--Competitive Grants	\$500,000,000 a	\$103,338,587	\$7,440,378	\$3,720,189	7.2%	3.6%
Welfare-to-Work Grants to States and Localities--Formula Grants	\$1,026,057,658 c	\$323,369,598	\$23,282,611	\$11,641,306	7.2%	3.6%

**Exhibit 2: Obligations for Federal Programs that Provide Job Training, Estimated Annual Expenditures,  
and Job Training Expenditures as a Percent of Expenditures, 2002**

Federally Funded Program		Annual Obligations 2002 <sup>1</sup>		Annual Total Program Expenditures <sup>2</sup>	Annual Expenditures on Job Training--High estimate (See Exhibit 1) <sup>3</sup>	Annual Expenditures on Job Training Low Estimate (See Exhibit 1)	Job Training Expenditures as a Percentage of Annual Expenditures-- High Estimate	Job Training Expenditures as a Percentage of Annual Expenditures-- Low Estimate
	Welfare-to-Work Grants to Federally Recognized Tribes and Alaska Natives	\$1,000,000	c	\$400,000	\$64,000	\$32,000	16.0%	8.0%
	Trade Adjustment Assistance	\$94,000,000	a	\$94,494,164	\$79,823,235	\$79,823,235	84.5%	84.5%
	North American Free Trade Agreement Transitional Adjustment Assistance	\$37,000,000	a	\$36,512,472	\$29,999,955	\$29,999,955	82.2%	82.2%
	Migrant and Seasonal Farmworkers	\$80,770,000	a	\$80,770,000	\$60,415,960	\$30,894,525	74.8%	38.3%
	Native American Employment and Training	\$55,000,000	a	\$55,000,000	\$20,291,353	\$20,291,353	36.9%	36.9%
	School-to-Work Grants	\$0		\$0	\$0	\$0	0.0%	0.0%

**Exhibit 2: Obligations for Federal Programs that Provide Job Training, Estimated Annual Expenditures, and Job Training Expenditures as a Percent of Expenditures, 2002**

Federally Funded Program		Annual Obligations 2002 <sup>1</sup>	Annual Total Program Expenditures <sup>2</sup>	Annual Expenditures on Job Training--High estimate (See Exhibit 1) <sup>3</sup>	Annual Expenditures on Job Training Low Estimate (See Exhibit 1)	Job Training Expenditures as a Percentage of Annual Expenditures-- High Estimate	Job Training Expenditures as a Percentage of Annual Expenditures-- Low Estimate
	Faith-Based and Community Initiatives	Three rounds of faith-based and community initiative grants were made in 2002: states, intermediaries, and small local areas. All were to be used for program capacity development and expansion and linkages to One-Stops. No spending expected on direct training.					
<b>Other ETA Demonstration Grants and Earmarks</b>							
	Youth Opportunity Grant Program	\$225,000,000	\$198,000,000	\$17,820,000	\$17,820,000	9.0%	9.0%
	ETA Earmarks	\$62,649,000	\$62,649,000	\$26,596,274	\$26,596,274	42.5%	42.5%
	H-1B Technical Skills Training Grants	\$90,733,000	\$54,869,243	\$19,752,927	\$12,071,233	36.0%	22.0%
	Youth Offender Demonstration Project (YODP)	NA	\$53,900,000	\$2,695,000	\$2,695,000	5.0%	5.0%
	High Growth Job Training Initiative/Business Relations Group (BRG)	NA	\$30,533,048	\$10,014,840	\$4,976,887	32.8%	16.3%
	Disability Employment and IT Grants combined	\$15,059,459	\$15,059,549	\$6,711,031	\$6,711,031	44.6%	44.6%
	Incumbent/Dislocated Worker Skills Shortages II Demonstration Grants	NA	\$10,807,226	\$6,161,809	\$6,161,809	57.0%	57.0%
	Quality Child Care Initiative	NA	\$3,563,868	\$2,351,307	\$2,351,307	66.0%	66.0%
	Sectoral Employment Demonstration Grant	NA	\$749,867	\$463,832	\$463,832	61.9%	61.9%
	Minority Colleges and Universities Workforce Partnerships and Training Strategies to Address Skill Shortages Demonstration Program	\$0	\$0	\$0	\$0	0.0%	0.0%
	Dislocated Worker Hardmark Grants	\$0	\$0	\$0	\$0	0.0%	0.0%
	Comprehensive Incumbent/Dislocated Worker Retraining Demonstration Grants	\$0	\$0	\$0	\$0	0.0%	0.0%
	Innovation in Apprenticeship for Women	\$0	\$0	\$0	\$0	0.0%	0.0%
	Dislocated Worker Technology Demonstration Program	\$0	\$0	\$0	\$0	0.0%	0.0%
	Contextual Learning Demonstration Program	\$0	\$0	\$0	\$0	0.0%	0.0%
	Labor Organization Adjustment Assistance	\$0	\$0	\$0	\$0	0.0%	0.0%
<b>Veterans' Employment and Training Service</b>							
	Homeless Veterans Reintegration Program	\$18,000,000	\$17,900,000	\$8,603,760	\$8,603,760	48.1%	48.1%
	Veterans' Workforce Investment Program	\$8,000,000	\$6,400,000	\$2,453,220	\$2,453,220	38.3%	38.3%
<b>Department of Education</b>							

**Exhibit 2: Obligations for Federal Programs that Provide Job Training, Estimated Annual Expenditures, and Job Training Expenditures as a Percent of Expenditures, 2002**

Federally Funded Program	Annual Obligations 2002 <sup>1</sup>		Annual Total Program Expenditures <sup>2</sup>	Annual Expenditures on Job Training--High estimate (See Exhibit 1) <sup>3</sup>	Annual Expenditures on Job Training Low Estimate (See Exhibit 1)	Job Training Expenditures as a Percentage of Annual Expenditures-- High Estimate	Job Training Expenditures as a Percentage of Annual Expenditures-- Low Estimate
<b>Total for DOE Programs that provide <i>at least some</i> Occupational Training</b>							
	\$16,907,275,000		\$16,306,822,388	\$3,193,564,209	\$1,878,842,743	19.6%	11.5%
<b>Office of Vocational and Adult Education</b>							
Carl D. Perkins Vocational and Technical Education-basic grant to states (Title I) and Tech Prep grants (Title II)-total funds (incl. Admin)	\$1,780,000,000	a	\$1,288,000,000	\$644,000,000	\$386,400,000	50.0%	30.0%
State Grants for Incarcerated Youth Offenders	\$20,000,000	a	\$17,000,000	\$8,500,000	\$5,100,000	NA	NA
Native American Vocational and Technical Education Program	\$14,750,000	c	\$14,750,000	\$7,375,000	\$4,425,000	50.0%	30.0%
Tribally Controlled Postsecondary Vocational Institutions	\$6,000,000	a	\$7,500,000	\$6,750,000	\$6,750,000	90.0%	90.0%
Native Hawaiian Vocational Education	\$2,950,000	c	\$2,759,000	\$2,759,000	\$2,759,000	NA	NA
State Grants for Community Service for Expelled or Suspended Students							
<b>Office of Special Education and Rehabilitative Services</b>							

**Exhibit 2: Obligations for Federal Programs that Provide Job Training, Estimated Annual Expenditures,  
and Job Training Expenditures as a Percent of Expenditures, 2002**

Federally Funded Program	Annual Obligations 2002 <sup>1</sup>		Annual Total Program Expenditures <sup>2</sup>	Annual Expenditures on Job Training--High estimate (See Exhibit 1) <sup>3</sup>	Annual Expenditures on Job Training Low Estimate (See Exhibit 1)	Job Training Expenditures as a Percentage of Annual Expenditures-- High Estimate	Job Training Expenditures as a Percentage of Annual Expenditures-- Low Estimate	
	Vocational Rehabilitative--State Grants	\$2,481,000,000	a	\$2,349,796,388	\$614,568,919	\$202,715,116	26.2%	8.6%
	Supported Employment State Grants	\$37,000,000	a	\$37,000,000	\$18,500,000	\$11,100,000	50.0%	30.0%



**Exhibit 2: Obligations for Federal Programs that Provide Job Training, Estimated Annual Expenditures,  
and Job Training Expenditures as a Percent of Expenditures, 2002**

Federally Funded Program		Annual Obligations 2002 <sup>1</sup>	Annual Total Program Expenditures <sup>2</sup>	Annual Expenditures on Job Training--High estimate (See Exhibit 1) <sup>3</sup>	Annual Expenditures on Job Training Low Estimate (See Exhibit 1)	Job Training Expenditures as a Percentage of Annual Expenditures-- High Estimate	Job Training Expenditures as a Percentage of Annual Expenditures-- Low Estimate
	Rehabilitation Services--American Indians with Disabilities	\$25,575,000	c \$28,000,000	\$280,000	\$140,000	1.0%	0.5%
	Projects with Industry	\$22,000,000	a \$22,017,000	\$11,008,500	\$6,605,100	50.0%	30.0%
	Independent Living State Grants		\$22,000,000	\$2,200,000	\$1,100,000	10.0%	5.0%
<b>Office of Student Financial Assistance</b>							
	Pell Grant Program	\$11,600,000,000	a \$11,600,000,000	\$1,875,000,000	\$1,250,000,000	16.2%	10.8%
	Federal Supplemental Education Opportunity Grants (FSEOG)	\$918,000,000	a \$918,000,000	\$2,622,790	\$1,748,527	0.3%	0.2%
<b>Department of Health and Human Services</b>							
<b>Total for HHS Programs that provide at least some Occupational Training</b>		<b>\$23,663,063,440</b>	<b>\$15,817,729,020</b>	<b>\$169,623,491</b>	<b>\$93,771,035</b>	<b>1.1%</b>	<b>0.6%</b>
<b>Administration for Children and Families</b>							
	Temporary Assistance for Needy Families	\$23,356,863,440	a \$14,587,709,021	\$106,976,141	\$64,185,685	0.7%	0.4%
	Tribal Work Programs (TANF and NEW)		\$37,000,000	\$5,920,000	\$2,960,000	16.0%	8.0%
	Social Services Block Grant		\$18,000,000	\$9,000,000	\$5,400,000	50.0%	30.0%

**Exhibit 2: Obligations for Federal Programs that Provide Job Training, Estimated Annual Expenditures,  
and Job Training Expenditures as a Percent of Expenditures, 2002**

Federally Funded Program		Annual Obligations 2002 <sup>1</sup>	Annual Total Program Expenditures <sup>2</sup>	Annual Expenditures on Job Training--High estimate (See Exhibit 1) <sup>3</sup>	Annual Expenditures on Job Training Low Estimate (See Exhibit 1)	Job Training Expenditures as a Percentage of Annual Expenditures-- High Estimate	Job Training Expenditures as a Percentage of Annual Expenditures-- Low Estimate
	Community Services Block Grant		\$579,999,999	\$6,000,000	\$2,400,000	1.0%	0.4%
	Refugee and Entrant Assistance--State grants		\$230,000,000	\$18,400,000	\$9,200,000	8.0%	4.0%
	Refugee and Entrant Assistance-Discretionary grants		\$85,000,000	\$6,800,000	\$3,400,000	8.0%	4.0%
	State Councils on Developmental Disabilities	\$140,800,000 a	\$126,720,000	\$2,208,600	\$368,100	1.7%	0.3%
	Foster Care Independent Living Program	\$137,900,000		\$4,137,000	\$689,500		
	Refugee Assistance--Voluntary Agency Programs		\$59,000,000	\$4,720,000	\$2,360,000	8.0%	4.0%
	Refugee and Entrant Assistance--Targeted Assistance		\$44,000,000	\$3,520,000	\$1,760,000	8.0%	4.0%
	Individual Development Accounts	\$20,000,000	\$20,000,000	\$153,750	\$153,750	0.8%	0.8%
	Community Services Discretionary (CED)	\$2,500,000	\$14,000,000	\$140,000	\$70,000	1.0%	0.5%
	Refugees and Entrant--Wilson/Fish Program		\$12,000,000	\$960,000	\$480,000	8.0%	4.0%
	Jobs for Low Income Individuals (JOLI)	\$5,000,000	\$4,300,000	\$688,000	\$344,000	16.0%	8.0%

**Exhibit 2: Obligations for Federal Programs that Provide Job Training, Estimated Annual Expenditures, and Job Training Expenditures as a Percent of Expenditures, 2002**

Federally Funded Program		Annual Obligations 2002 <sup>1</sup>	Annual Total Program Expenditures <sup>2</sup>	Annual Expenditures on Job Training--High estimate (See Exhibit 1) <sup>3</sup>	Annual Expenditures on Job Training Low Estimate (See Exhibit 1)	Job Training Expenditures as a Percentage of Annual Expenditures-- High Estimate	Job Training Expenditures as a Percentage of Annual Expenditures-- Low Estimate
	Chafee Independent Training Vouchers (Aging out of Foster Care)						program not funded until 2003
	Unaccompanied Alien Children Program						program not operating until 2003
<b>Department of Housing and Urban Development</b>							
	Youth Build Program		\$59,750,000	\$26,887,500	\$26,887,500	45.0%	45.0%
<b>Department of Veterans' Affairs</b>							
	Vocational Rehabilitation and Employment program	\$269,104,000	\$269,104,000	\$121,096,800	\$40,365,600	45%	15.0%
<b>Department of the Interior</b>							
	<b>Total for DOI Programs that provide at least some Occupational Training</b>	<b>\$11,298,000</b>	<b>\$10,168,200</b>	<b>\$5,084,100</b>	<b>\$3,050,460</b>	<b>50.0%</b>	<b>30.0%</b>
	Indian Employment Assistance	\$7,800,000	\$7,020,000	\$3,510,000	\$2,106,000	50.0%	30.0%
	Indian Vocational Training--United Tribes Technical College	\$2,980,000	\$2,682,000	\$1,341,000	\$804,600	50.0%	30.0%
	Ironworker Program	\$518,000	\$466,200	\$233,100	\$139,860	50.0%	30.0%
<b>Department of Justice</b>							
	Serious and Violent Offenders	NA	NA	\$0	\$0	0.0%	0.0%
Notes: NA = Not Available.							
<sup>1</sup> Sources: (a) U.S. Government Printing Office. "Budget of the United States Government, Fiscal Year 2004—Appendix." Washington, DC, January 2004. (b) Employment and Training Administration. "Summary of Budget Authority, Fiscal Years 2002-2003." Washington, DC, May 2003. <a href="http://www.doleta.gov/budget/03req\$.pdf">http://www.doleta.gov/budget/03req\$.pdf</a> . (c) U.S. Government Printing Office. Catalog of Federal Domestic Assistance, 2003. Washington, DC, October 2003. <a href="http://12.46.245.173/CFDA/pdf_oct2003/whole.pdf">http://12.46.245.173/CFDA/pdf_oct2003/whole.pdf</a> (Accessed March 17, 2004).							
<sup>2</sup> Source: Figures from Exhibit 1. The sources (U.S. federal government contacts) for Exhibit 1 are listed in Appendix B. Excludes administrative costs							
<sup>3</sup> Source: Figures from Exhibit 1; see Appendix B for sources.							

**Exhibit 3: U.S. Department of Labor Job Training: Number of Training Participants Enrolled for Program Years 1998-2003**

Number of Training Participants Enrolled							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
<b>Department of Labor</b>							
<b>Total for DOL Programs that Provide at least some Occupational Training</b>	493,558	444,866	365,828	434,553	496,241	158,222	
<b>Employment Training and Administration</b>							
<b>Workforce Investment Act of 1998</b>							
Dislocated Worker Employment and Training Activities	134,996	110,481	56,531	69,749	93,405	NA	PY 2002 WIASRD Data Book.
Adult Employment and Training Activities	118,368	99,347	52,802	86,003	101,079	NA	PY 2002 WIASRD Data Book.
Youth Activities	84,997	68,341	74,820	67,160	63,735	NA	Tabulations of SPIR data for 1998-1999 and WIASRD data 2000-2002 by Urban Institute Researchers.
Senior Community Service Employment Program (SCSEP)--National Programs	20,729	20,987	21,570	25,380	26,110	24,888	SCSEP data indicate the following number of participants: 1998: 82,914, 1999: 83,946, 2000: 86,278, 2001: 84,599, 2002: 87,032, 2003: 82,960. Some received training or OJT with community service or separately; after 2000 legislative changes, all in community service will receive some training. SCSEP staff assumptions, shown on this chart, are that 25% of SCSEP participants received some training before 2001, 30% in 2001, 2002, and 2003, as they began to implement 2000 changes.
Senior Community Service Employment Program (SCSEP)--State Programs	4,527	4,722	4,702	6,791	6,856	6,222	SCSEP data indicate the following number of participants: 1998: 18,109, 1999: 18,887, 2000: 18,806, 2001: 22,638, 2002: 22,854, 2003: 20,740. Some received training or OJT with community service or separately; after 2000 legislative changes, all in community service will receive some training. SCSEP staff assumptions, shown on this chart, are that 25% of SCSEP participants received some training before 2001, 30% in 2001, 2002, and 2003, as they began to implement 2000 changes.
Job Corps	57,082	56,448	56,042	53,084	52,826	42,999	PY 2003 covers the period 7/1/03 - 4/30/04.  Sources: Job Corps Annual Reports PY 1998, PY 1999, PY 2000, PY 2001 and PY 2002; Job Corps VES-10 National Summary Reports PY 2000 through PY 2002; and Job Corps Data Center records for vocational completion PY 1998 - PY 1999.
Welfare-to-Work Grants to States and Localities--Competitive Grants	2,727	2,727	2,727	2,727	2,727	0	Analysts estimates of trainees distribute the cumulative number of participants for 1998 - 2002 (136,344) across the five years. Then, using information obtained in the National Evaluation of WtW, it is estimated that 20 percent of participants received employment and training services jointly, and 10 percent received job training only.

**Exhibit 3: U.S. Department of Labor Job Training: Number of Training Participants Enrolled for Program Years 1998-2003**

Number of Training Participants Enrolled							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
Welfare-to-Work Grants to States and Localities--Formula Grants	12,252	12,252	12,252	12,252	12,252		0 Analysts estimates of trainees distribute the cumulative number of participants for 1998 - 2002 (612,575) across the five years. Then, using information obtained in the National Evaluation of WtW, it is estimated that 20 percent of participants received employment and training services jointly, and 10 percent received job training only.
Welfare-to-Work Grants to Federally Recognized Tribes and Alaska Natives							
Trade Adjustment Assistance	24,577	30,910	32,266	32,112	40,745	35,549	
North American Free Trade Agreement Transitional Adjustment Assistance	4,645	4,599	4,880	6,161	9,144	6,714	
Migrant and Seasonal Farmworkers	12,576	11,518	11,937	14,899	15,857	7,178	PY 2003 information represents activity from 7/1/03 through 12/31/03 only.
Native American Employment and Training	11,439	10,737	9,401	10,627	10,625	6,981	PY2003 information represents activity from 7/1/03 through 12/31/04 only
School-to-Work Grants	Data were not reported at the federal level, therefore, there are no data to develop an estimate from.						

**Exhibit 3: U.S. Department of Labor Job Training: Number of Training Participants Enrolled for Program Years 1998-2003**

Number of Training Participants Enrolled							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
Faith-Based and Community Initiatives	Three rounds of faith-based and community initiative grants were made in 2002: states, intermediaries, and small local areas. All were to be used for program capacity development and expansion and linkages to One-Stops. No spending expected on direct training.						
<b>Other ETA Demonstration Grants and Earmarks</b>							
Youth Opportunity Grant Program	NA	NA	NA	NA	NA	NA	
ETA Earmarks	NA	0	80	5,226	7,209	10,817	This is an estimate of the participants scheduled to receive occupational training. The information was obtained from the grant proposals submitted.
H-1B Technical Skills Training Grants	Program not operating	Program not operating	7,977	14,747	29,520	NA	Many participants require more than one year to complete training in the H-1B Grant program.
Youth Offender Demonstration Project (YODP)	Program not operating	363	363	363	NA	NA	Sites generally ran for two years between Summer 1999 and Summer 2001 and served a total of 1,090 trainees.
High Growth Job Training Initiative/Business Relations Group (BRG)	Program not operating	Program not operating	Program not operating	NA	NA	NA	There is not an overall tracking system for trainees that provides aggregate data. This may be tracked on a grant by grant basis.
Disability Employment Grants	861	840	700	No grantees funded this year	731	1,072	People with Significant Disabilities which include: SSI/SSDI Recipients, Deaf/ HH, Native Americans, Epilepsy, Youth, Older Americans, Psychiatric Disabilities, HIV/AIDS, Physical Disabilities, Developmental Disabilities, Recovering Substance Abusers, Learning Disabilities, and Minority Youth.
Disability IT Training	Program not operating	Program not operating	Program not operating	198	209	116	
Incumbent/Dislocated Worker Skills Shortages II Demonstration Grants	Program not operating	Program not operating	Program not operating	6,120	6,120	6,120	19 grantees served a total of 18,361 training participants during the three years beginning 6/29/01 and ending variously 6/30/04, 8/30, 9/30/03, and 12/31/03. The grantees ranged from serving a low of 103 participants to a high of 2500 participants.
Quality Child Care Initiative	Program not operating	894	No new funding	449	1,771	No new funding	
Sectoral Employment Demonstration Grant	Program not operating	Program not operating	Program not operating	539	539	NA	11 grantees served a total of 1,077 training participants during various periods beginning 7/1/01 and ending 9/30/02, 12/31/02, or 3/31/03. The grantees ranged from serving a low of 18 participants to a high of 578 participants.

**Exhibit 3: U.S. Department of Labor Job Training: Number of Training Participants Enrolled for Program Years 1998-2003**

Number of Training Participants Enrolled								Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003		
Minority Colleges and Universities Workforce Partnerships and Training Strategies to Address Skill Shortages Demonstration Program	Program not operating	Program not operating	2,300	NA	NA	NA	Grants to 8 Minority Colleges and Universities were awarded in 2000 for a 30 month period. One grantee did not provide an estimate of job training dollars.  The dollars were awarded for the life of the grant. The percentage of training in the total grant from the attached chart may be inferred, however, this may be inaccurate because training costs are not broken down by the grantee and, therefore, this figure may include childcare and other supportive services.	
Dislocated Worker Hardmark Grants	Program not operating	2,091	3,452	4,304	No new funding	NA	Information given is for the program year in which the hardmark grant began, however, periods of performance vary and may be 1, 2, or 3 years long. The period of performance often does not coincide with the beginning or ending of a particular program year.	
Comprehensive Incumbent/Dislocated Worker Retraining Demonstration Grants	Program not operating	Program not operating	1,778	1,778	Program not operating	Program not operating	6 grantees served a total of 3,555 training participants between 6/30/00 - 6/30/02. The grantees ranged from serving a low of 250 participants to a high of 1,354 participants.	
Innovation in Apprenticeship for Women								
Dislocated Worker Technology Demonstration Program	923	923	Program not operating	Program not operating	Program not operating	Program not operating	12 grantees served a total of 1,846 training participants during 7/1/98-6/30/00. The grantees ranged from serving a low of 76 participants to a high of 350 participants.	
Labor Organization Adjustment Assistance								
<b>Veterans' Employment and Training Service</b>								
Homeless Veterans Reintegration Program	NA	3,516	5,070-6,630	9,198-12,028	9,968-13,036	8,290-10,841	Figures are based on actual % trained figures for 1998 and 1999 and an estimate of 65-85% of all program participants being trained from 2000-2003	
Veterans' Workforce Investment Program	2,860	3,171	2,946-3853	2,835-3,708	2,842-3,717	NA		

Notes: NA = Not Available.

Figures for 2003 may be incomplete or missing for some programs since the program year does not end until June 30, 2004.

Individuals may participate in one or more programs, therefore, the total number of participants reported likely exceeds the number of separate individuals trained.

**Exhibit 4: U.S. Department of Labor Job Training: Estimated Per Trainee Spending for Program Years 1998-2003**

Estimated Per Trainee Spending							Notes
Federally Funded Program	1998	1999	2000	2001	2002	2003	
<b>Department of Labor</b>							
<b>Average Per Trainee Spending for DOL Programs that Provide at least some Occupational Training</b>							
<b>Employment Training and Administration</b>							
<b>Workforce Investment Act of 1998</b>							
Dislocated Worker Employment and Training Activities	NA	NA	NA	NA	NA	NA	Training costs for those who received occupational training and OJT are not available.
Adult Employment and Training Activities	NA	NA	NA	NA	NA	NA	Data not available for training costs to compute or estimate the cost per trainee. An average Individual Training Account is about \$5,000 which may approximate the cost per trainee.
Youth Activities							
Senior Community Service Employment Program (SCSEP)--National Programs							
Senior Community Service Employment Program (SCSEP)--State Programs							
Job Corps	\$2,866	\$3,038	\$3,139	\$3,543	\$3,920	NA	Sources: Job Corps Annual Reports PY 1998, PY 1999, PY 2000, PY 2001 and PY 2002; Job Corps VES-10 National Summary Reports PY 2000 through PY 2002; and Job Corps Data Center records for vocational completion PY 1998 – PY 1999.
Welfare-to-Work Grants to States and Localities--Competitive Grants	NA	NA	NA	NA	NA	NA	It is not feasible to determine the per trainee expenditures on occupational training because WtW grantees did not report only occupational training, therefore, the expenditure levels reflected are on all allowable activities and administration.
Welfare-to-Work Grants to States and Localities--Formula Grants	NA	NA	NA	NA	NA	NA	
Welfare-to-Work Grants to Federally Recognized Tribes and Alaska Natives							
Trade Adjustment Assistance	NA	NA	NA	NA	NA	NA	It is not feasible to determine per trainee costs due to internal state practices.



**Exhibit 4: U.S. Department of Labor Job Training: Estimated Per Trainee Spending for Program Years 1998-2003**

Estimated Per Trainee Spending							Notes	
Federally Funded Program		1998	1999	2000	2001	2002	2003	
	North American Free Trade Agreement Transitional Adjustment Assistance	NA	NA	NA	NA	NA	NA	It is not feasible to determine per trainee costs due to internal state practices.
	Migrant and Seasonal Farmworkers	\$4,163	\$3,962	\$3,734	\$3,798	\$3,493	\$3,535	PY 2003 information only represents activity from 7/1/03 through 12/31/03.
	Native American Employment and Training	\$1,882	\$1,840	\$3,677	\$3,228	\$2,939	\$2,801	<b>ETA-DINAP provided these average cost data for occupation-specific training (classroom training, OJT, Work Experience/CSE).</b>
	School-to-Work Grants	Data were not reported at the federal level, therefore, there are no data to develop an estimate from.						
	Faith-Based and Community Initiatives	Three rounds of faith-based and community initiative grants were made in 2002: states, intermediaries, and small local areas. All were to be used for program capacity development and expansion and linkages to One-Stops. No spending expected on direct training.						
<b>Other ETA Demonstration Grants and Earmarks</b>								
	Youth Opportunity Grant Program							
	ETA Earmarks	NA	NA	NA	NA	NA	NA	The Earmark Center provided the total grant amount for each program year. Using this information to determine the per trainee expenditures would yield an extreme estimate.
	Dislocated Worker Hardmark Grants	Program not operating	\$1,088	\$944	\$1,401	No new funding	NA	Information given is for the program year in which the hardmark grant began, however, periods of performance vary and may be 1, 2, or 3 years long. The period of performance often does not coincide with the beginning or ending of a particular program year.

**Exhibit 4: U.S. Department of Labor Job Training: Estimated Per Trainee Spending for Program Years 1998-2003**

Estimated Per Trainee Spending								Notes
Federally Funded Program		1998	1999	2000	2001	2002	2003	
	H-1B Technical Skills Training Grants	Program not operating	Program not operating	\$1,506	\$2,998	\$1,859	NA	
	Youth Offender Demonstration Project (YODP)							
	High Growth Job Training Initiative/Business Relations Group (BRG)	Program not operating	Program not operating	Program not operating	NA	NA	NA	There is not an overall tracking system for trainees that provides aggregate data. This may be tracked on a grant by grant basis.
	Disability Employment Grants	\$6,982	\$7,157	\$8,588	No grantees funded this year	\$6,753	\$4,605	
	Disability IT Training	Program not operating	Program not operating	Program not operating	No grantees funded this year	\$8,490	\$15,296	
	Incumbent/Dislocated Worker Skills Shortages II Demonstration Grants	Program not operating	Program not operating	Program not operating	\$1,007	\$1,007	\$1,007	19 grantees served a total of 18,361 training participants during the three years beginning 6/29/01 and ending variously 6/30/04, 8/30, 9/30/03, and 12/31/03. Per trainee costs ranged from a low of \$315 to a high of \$6,930.
	Quality Child Care Initiative	Program not operating	\$3,634	No new funding	\$6,830	\$1,328	No new funding	
	Sectoral Employment Demonstration Grant	Program not operating	Program not operating	Program not operating	\$861	\$861	NA	11 grantees served a total of 1,077 training participants during various periods beginning 7/1/01 and ending 9/30/02, 12/31/02, or 3/31/03. Per trainee costs ranged from a low of \$121 to a high of \$8,015.
	Minority Colleges and Universities Workforce Partnerships and Training Strategies to Address Skill Shortages Demonstration Program	Program not operating	Program not operating	\$1,139	NA	NA	NA	Grants to 8 Minority Colleges and Universities were awarded in 2000 for a 30 month period. One grantee did not provide an estimate of job training dollars.  The dollars were awarded for the life of the grant. The percentage of training in the total grant from the attached chart may be inferred, however, this may be inaccurate because training costs are not broken down by the grantee and, therefore, this figure may include childcare and other supportive services.
	Dislocated Worker Technology Demonstration Program	\$2,531	\$2,531	Program not operating	Program not operating	Program not operating	Program not operating	12 grantees served a total of 1,846 training participants during 7/1/98-6/30/00. Per trainee costs ranged from a low of \$539 to a high of \$21,403.

**Exhibit 4: U.S. Department of Labor Job Training: Estimated Per Trainee Spending for Program Years 1998-2003**

Estimated Per Trainee Spending								Notes
Federally Funded Program		1998	1999	2000	2001	2002	2003	
	Comprehensive Incumbent/Dislocated Worker Retraining Demonstration Grants	Program not operating	Program not operating	\$1,698	\$1,698	Program not operating	Program not operating	6 grantees served a total of 3,555 training participants between 6/30/00 - 6/30/02. Per trainee costs ranged from a low of \$863 to a high of \$3,832.
	Contextual Learning Demonstration Program							
	Innovation in Apprenticeship for Women							
	Labor Organization Adjustment Assistance							
<b>Veterans' Employment and Training Service</b>								
	Homeless Veterans Reintegration Program	NA	\$1,326	\$2,340	\$2,050	\$1,972	\$2,092	<b>Annual expenditures on job training only are not available.</b> Figures are cost per placement in employment.
	Veterans' Workforce Investment Program	\$2,452	\$3,453	\$2,382	\$1,999	\$2,579	NA	Annual expenditures on job training only are not available. Figures are cost per placement in employment.

Notes: NA = Not Available.  
 Figures for 2003 may be incomplete or missing for some programs since the program year does not end until June 30, 2004.

<b>Exhibit 5: 2002 U.S. DOL Job Training by Target Group: Expenditures, Number of Program Participants, Per Participant Spending</b>					
<b>Target Group</b>	<b>Program Name</b>	<b>High Estimate of Annual Expenditures on Job Training (See Exhibit 1) <sup>3</sup></b>	<b>Low Estimate of Annual Expenditures on Job Training (See Exhibit 1)</b>	<b>Number of Training Participants (See Exhibit 3)</b>	<b>Per Trainee Spending (See Exhibit 4)</b>
<b>Total for DOL Programs that Provide at least some Occupational Training</b>		<b>\$1,742,229,601</b>	<b>\$1,171,882,637</b>	<b>496,241</b>	<b>\$3,187</b>
Dislocated & Incumbent Workers	Dislocated Worker Employment and Training Activities	\$467,025,000	\$280,215,000	93,405	NA
	Trade Adjustment Assistance Training	\$79,823,235	\$79,823,235	40,745	NA
	North American Free Trade Agreement Adjustment Assistance Training	\$29,999,955	\$29,999,955	9,144	NA
	H-1B Technical Skills Training Grants	\$19,752,927	\$12,071,233	29,520	\$1,859
	Incumbent/Dislocated Worker Skills Shortages II Demonstration Grants	\$6,161,809	\$6,161,809	6,120	\$1,007
	Sectoral Employment Demonstration Grant	\$463,832	\$463,832	539	\$861
	Dislocated Worker Hardmark Grants	\$0	\$0	Program not operating	NA
	Comprehensive Incumbent/Dislocated Worker Retraining Demonstration Grants	\$0	\$0	Program not operating	Program not operating
	Minority Colleges and Universities Workforce Partnerships and Training Strategies to Address Skill Shortages Demonstration Program	\$0	\$0	0	\$0
	Dislocated Worker Technology Demonstration Program	\$0	\$0	Program not operating	Program not operating
<b>Total for All Programs Serving Dislocated &amp; Incumbent Workers</b>		<b>\$603,226,758</b>	<b>\$408,735,064</b>	<b>179,473</b>	<b>\$1,242</b>
Adults	Adult Employment and Training Activities	\$505,395,000	\$303,237,000	101,079	NA
<b>Total for All Programs Serving Adults</b>		<b>\$505,395,000</b>	<b>\$303,237,000</b>	<b>101,079</b>	<b>NA</b>
Youth	Job Corps	\$207,100,000	\$207,100,000	52,826	\$3,920
	Youth Activities	\$159,338,020	\$47,801,406	63,735	NA
	Youth Opportunity Grant Program	\$17,820,000	\$17,820,000	NA	NA
	Youth Offender Demonstration Project (YODP)	\$2,695,000	\$2,695,000	NA	NA
<b>Total for All Programs Serving Youth</b>		<b>\$386,953,020</b>	<b>\$275,416,406</b>	<b>116,561</b>	<b>\$3,920</b>
Older Workers	Senior Community Service Employment Program (SCSEP)--National Programs	\$66,100,804	\$33,050,402	26,110	NA
	Senior Community Service Employment Program (SCSEP)--State Programs	\$17,357,613	\$8,678,807	6,856	\$3,038
<b>Total for All Programs Serving Older Workers</b>		<b>\$83,458,417</b>	<b>\$41,729,209</b>	<b>32,966</b>	<b>NA</b>
Migrant and Seasonal Workers	Migrant and Seasonal Farmworkers Program	\$55,387,632	\$55,387,632	15,857	\$3,493

**Exhibit 5: 2002 U.S. DOL Job Training by Target Group: Expenditures, Number of Program Participants, Per Participant Spending**

Target Group	Program Name	High Estimate of Annual Expenditures on Job Training (See Exhibit 1) <sup>3</sup>	Low Estimate of Annual Expenditures on Job Training (See Exhibit 1)	Number of Training Participants (See Exhibit 3)	Per Trainee Spending (See Exhibit 4)
<b>Total for All Programs Serving Migrant and Seasonal Workers</b>		<b>\$55,387,632</b>	<b>\$55,387,632</b>	<b>15,857</b>	<b>\$3,493</b>
Unemployed/ Underemployed/ Hard to Employ	Welfare-to-Work Grants to States and Localities--Competitive Grants	\$7,440,378	\$3,720,189	2,727	NA
	Welfare-to-Work Grants to States and Localities--Formula Grants	\$23,282,611	\$11,641,306	12,252	NA
<b>Total for All Programs Serving Unemployed/Underemployed/Hard to Employ</b>		<b>\$30,722,989</b>	<b>\$15,361,495</b>	<b>14,978</b>	<b>NA</b>
Native Americans/ Hawaiians/ Alaskans	Native American Employment and Training	\$20,291,353	\$20,291,353	10,625	\$2,939
	Welfare-to-Work Grants to Federally Recognized Tribes and Alaska Natives	\$64,000	\$32,000	NA	
<b>Total for All Programs Serving Native Americans/Hawaiians/Alaskans</b>		<b>\$20,355,353</b>	<b>\$20,323,353</b>	<b>\$10,625</b>	<b>\$2,939</b>
Veterans	Homeless Veterans Reintegration Program	\$8,603,760	\$8,603,760	9,968-13,036	\$1,972
	Veterans' Employment Program (also called Veterans' Workforce Investment Program)	\$2,453,220	\$2,453,220	2,842-3,717	\$2,579
<b>Total for All Programs Serving Veterans</b>		<b>\$11,056,980</b>	<b>\$11,056,980</b>	<b>12,810-16,753</b>	<b>\$2,276</b>
Persons with Physical and Mental Disabilities	Disability IT Training	\$1,774,392	\$1,774,392	209	\$8,490
	Disability Employment Grants	\$4,936,639	\$4,936,639	731	\$6,753
<b>Total for All Programs Serving Persons with Physical and Mental Disabilities</b>		<b>\$6,711,031</b>	<b>\$6,711,031</b>	<b>940</b>	<b>\$7,622</b>
Others	ETA Earmarks	\$26,596,274	\$26,596,274	7,209	NA
	High Growth Job Training Initiative/Business Relations Group (BRG)	\$10,014,840	\$4,976,887	NA	NA
	Quality Child Care Initiative	\$2,351,307	\$2,351,307	1,771	\$1,328
	School-to-Work Grants	\$0	\$0	0	0
	Faith-Based and Community Initiatives	\$0	\$0	0	0
	Innovation in Apprenticeship for Women	\$0	\$0	0	0
	Contextual Learning Demonstration Program	\$0	\$0	0	0
	Labor Organization Adjustment Assistance	\$0	\$0	0	0
<b>Total for All Programs Serving Others</b>		<b>\$38,962,421</b>	<b>\$33,924,467</b>	<b>8,980</b>	<b>\$1,328</b>

Source: These figures are taken from Exhibits 1, 3, and 4. See these exhibits for sources.

Note: Individuals may participate in one or more programs, therefore, the total number of participants reported likely exceeds the number of separate individuals trained. This exhibit reports the number of participants, not the number of individuals.

**Exhibit 6: Percentage of 2002 U.S. DOL Job Training Expenditures  
and Participants by Target Group**

<b>Target Group</b>	<b>Share of Expenditures (High Estimate)</b>	<b>Share of Expenditures (Low Estimate)</b>	<b>Share of Participants</b>
<b>Total for DOL Programs that Provide at least some Occupational Training</b>	100.0%	100.0%	100.0%
Dislocated & Incumbent Workers	34.7%	35.0%	36.2%
Adults	29.1%	26.0%	20.4%
Youth	22.3%	23.6%	23.5%
Older Workers	4.8%	3.6%	6.6%
Migrant and Seasonal Workers	3.2%	4.7%	3.2%
Unemployed/Underemployed/ Hard to Employ	1.8%	1.3%	3.0%
Native Americans/ Hawaiians/Alaskans	1.2%	1.7%	2.1%
Veterans	0.6%	0.9%	3.0%
Persons with Physical and Mental Disabilities	0.4%	0.6%	0.2%
All Other Target Groups	2.2%	2.9%	1.8%

Note: These figures are taken from Exhibits 1, 3, and 4. See these exhibits for sources. Individuals may participate in one or more programs, therefore, the total number of participants reported likely exceeds the number of separate individuals trained. This exhibit shows the percent of participants (not individuals) attributable to each target group.

**Exhibit 7:  
State-funded Job Training Expenditures in 8 States in 1998 and 2003**

State	Estimated Total State Funding for All Programs			Number of Trainees			Average Cost Per Trainee		
	Percent of All Workers (past year)	Percent of All Workers (past year)	Percent Change	Percent of All Workers	Percent of All Workers	Percent Change	1998	2003	Percent Change
California	\$111,765,000	\$50,800,000	-55%	72,469	38,880	-46%	\$1,187	\$1,003	-16%
Iowa	\$37,654,722	\$13,430,261	-64%	16,132	9,994	-38%	\$1,631	NA	NA
Michigan	\$31,000,000	\$10,797,410	-65%	51,909	68,185	31%	\$723	\$513	-29%
Missouri	\$28,020,000	\$27,661,400	-1%	71,771 <sup>1</sup>	47,972	-33%	\$716	\$2,416	237%
New Jersey	\$31,502,954	\$35,900,000	14%	45,127	37,753 <sup>2</sup>	-16%	\$503	\$444 <sup>2</sup>	-12%
North Carolina	\$30,938,323	\$45,247,375	46%	549,226	641,156	17%	\$382	\$377	-1%
Pennsylvania	\$29,000,000	\$32,500,000	12%	39,708	141,508	256%	\$408	\$313	-23%
Texas	\$76,000,000	\$15,500,000	-80%	36,300	131,739 <sup>3</sup>	263%	\$1,131	\$2,167 <sup>3</sup>	92%
<b>Total for 8 States</b>	<b>\$375,880,999</b>	<b>\$231,836,446</b>	<b>-38%</b>	<b>110,330</b>	<b>139,648</b>	<b>19%</b>	<b>\$835</b>	<b>\$904</b>	<b>8%</b>

Source: See Appendix C Exhibits C-1 through C-8 for details about state-funded job training programs and specific sources.

<sup>1</sup> Number of trainees may be duplicated in some cases because a single employee may have been trained in more than one training category.

<sup>2</sup> Figures for New Jersey are not for FY 2003 but are for FY 2004 and are year-to-date through May 7, 2004.

<sup>3</sup> Figures are measured since program inception.

**Exhibit 8: Privately-funded Job Training in the United States: Expenditures, Number of Program Participants, and Per Participant Spending**

American Society for Training & Development <sup>1</sup>		Survey of Employer Provided Training <sup>2</sup>		Training Magazine <sup>3</sup>		National Employer Survey <sup>4</sup>	
<b>What was the methodology used to obtain the privately-provided training estimates?</b>							
1996	An unweighted survey of a representative sample of 367 U.S. companies (p. 36)  [Average Firm Size: 3,281 employees]	1993	A weighted survey of 8,467 employers (p. 5)  Designed to be nationally representative of the universe (257,000) of businesses with 50+ employees (p. 5)	1995	A weighted survey of 1,803 businesses with 100+ employees.  Designed to be nationally representative of the universe (134,523) of businesses with 100+ employees (p. 2)	1994	A weighted survey of 2,945 privately owned businesses.  Designed to be nationally representative of all businesses with 20+ employees
2002	An unweighted survey of a representative sample of 276 U.S. companies (p. 3)  [Average Firm Size: 6,661 employees]	1995	A weighted survey of 1,063 employers (p. 4)  Designed to be nationally representative of the universe of businesses with 50+ employees (p. 4)	2003	A weighted survey of 1,650 businesses with 100+ employees.  Designed to be nationally representative of the universe (149,154) of businesses with 100+ employees (p. 2)	1997	A weighted survey of 4,212 privately owned businesses.  Designed to be nationally representative of all businesses with 20+ employees
<b>Total Expenditures<sup>a</sup> on Privately-funded Job Training Including Non-Training Costs (e.g., Salaries)</b>							
1996	N/A	1993	N/A	1995	\$45.5 Billion (2003 Appendix)	1994	N/A
2002	N/A	1995	\$53.7 Billion (p. 5)	2003	\$51.28 Billion (2003 Appendix)	1997	N/A
% Change	N/A	% Change	N/A	% Change	13%	% Change	N/A
<b>Total Expenditures<sup>a</sup> on Privately-funded Job Training Excluding Non-Training Costs (e.g., Salaries)</b>							
1996	N/A	1993	N/A	1995	\$7.9 Billion (2003 Appendix)	1994	N/A
2002	N/A	1995	\$16.6 Billion (p. 5)	2003	\$13.9 Billion (2003 Appendix)	1997	N/A
% Change	N/A	% Change	N/A	% Change	76%	% Change	N/A
<b>Estimated Average Per Firm Expenditures Including Non-Training Costs (e.g., Salaries)</b>							
1996	\$1,637,219 (p. 41)	1993	N/A	1995	\$334,515 (2003 Appendix)	1994	N/A
2002	\$5,501,986 (p. 4)	1995	N/A	2003	\$338,232 (2003 Appendix)	1997	N/A
% Change	236%	% Change	N/A	% Change	1%	% Change	N/A
<b>Estimated Average Per Firm Expenditures Excluding Non-Training Costs (e.g., Salaries)</b>							
1996	\$1,051,905 (p. 42)	1993	N/A	1995	\$58,726 (2003 Appendix)	1994	N/A
2002	\$3,614,805 (p. 6)	1995	N/A	2003	\$93,192 (2003 Appendix)	1997	N/A
% Change	244%	% Change	N/A	% Change	78%	% Change	N/A
<b>Estimated Expenditures Per Trainee</b>							
1996	\$726 (p. 41)	1993	N/A	1995	N/A	1994	N/A
2002	\$1043 (p. 4)	1995	\$798 (p. 5)	2003	N/A	1997	N/A
% Change	44%	% Change	N/A	% Change	N/A	% Change	N/A
<b>Percentage of Workers Who are Trainees per Firm</b>							
1996	68.7% (p.41)	1993	N/A	1995	N/A	1994	40% + (p. 74)
2002	79.2% (p. 4)	1995	69.8% (p. 5)	2003	N/A	1997	N/A
% Change	11%	% Change	N/A	% Change	N/A	% Change	N/A
<b>Percentage of Firms Providing Training</b>							
1996	100%	1993	98.2% (p. 5), (71% for Firms of All Sizes)	1995	N/A	1994	81.0% (p. 69)
2002	100%	1995	92.5% (p. 6)	2003	N/A	1997	77.6% (p. 34)
% Change	0%	% Change	-6%	% Change	N/A	% Change	-4%

<sup>1</sup> Source of 1996 information: Van Buren, Mark E. and William Erskine, "State of the Industry: ASTD's Annual Review of Trends in Employer-Provided Training in the United States." Washington DC: American Society for Training and Development, February 2002.

Source of 2003 Information: American Society for Training & Development (ASTD), "State of the Industry: ASTD's Annual Review of U.S. and International Trends in Workplace Learning and Performance," 2003.

<sup>2</sup> Source of 1993 information: Frazis, Harley, Diane Herz, and Michael Horrigan, "Employer-Provided Training: Results from a New Survey." *Monthly Labor Review*, May 1995, 118(5), pp. 3-17.  
Source of 1995 information: Frazis, Harley, Maury Gittleman, Michael Horrigan, and Mary Joyce, "Results from the 1995 Survey of Employer-Provided Training." *Monthly Labor Review*, June 1998, 121(6), pp. 3-13.

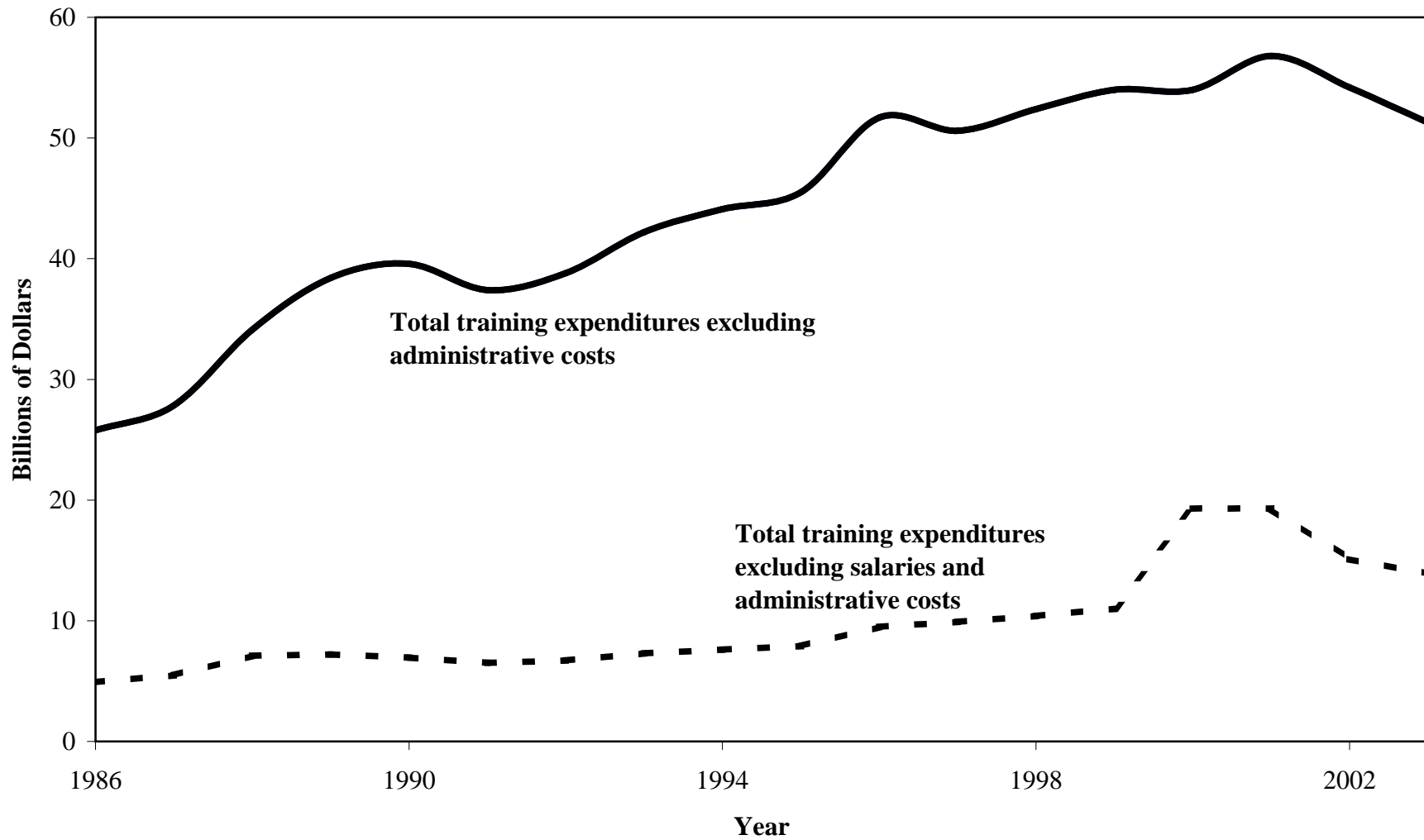
<sup>3</sup> Source of 1995 information: Training Magazine Staff Editors, "Industry Report 1995: A Statistical Picture of Employee Training in America." *Training Magazine*, October 1995.  
Source of 2003 information: Galvin, Tammy, "Industry Report 2003." *Training Magazine*, October 2003, pp. 21-45.

<sup>4</sup> Source of 1995 information: Lynch, Lisa, and Sandra Black, "Beyond the Incidence of Employer-Provided Training." *Industrial & Labor Relations Review*, October 1998, 52(1), pp. 64-81.  
Source of 2003 information: Lerman, Robert I., Signe-Mary McKernan, and Stephanie Riegg, "The Scope of Employer-Provided Training in the U.S.: Who, What, Where, and How Much?" a chapter in *Job Training in the United States: History, Effectiveness, and Prospects* published by The Upjohn Institute, Forthcoming 2004.

<sup>a</sup> Expenditures do not include costs for items such as: Facilities, Hardware (Training Magazine); Equipment, Supplies, Travel, and Facilities (SEPT).



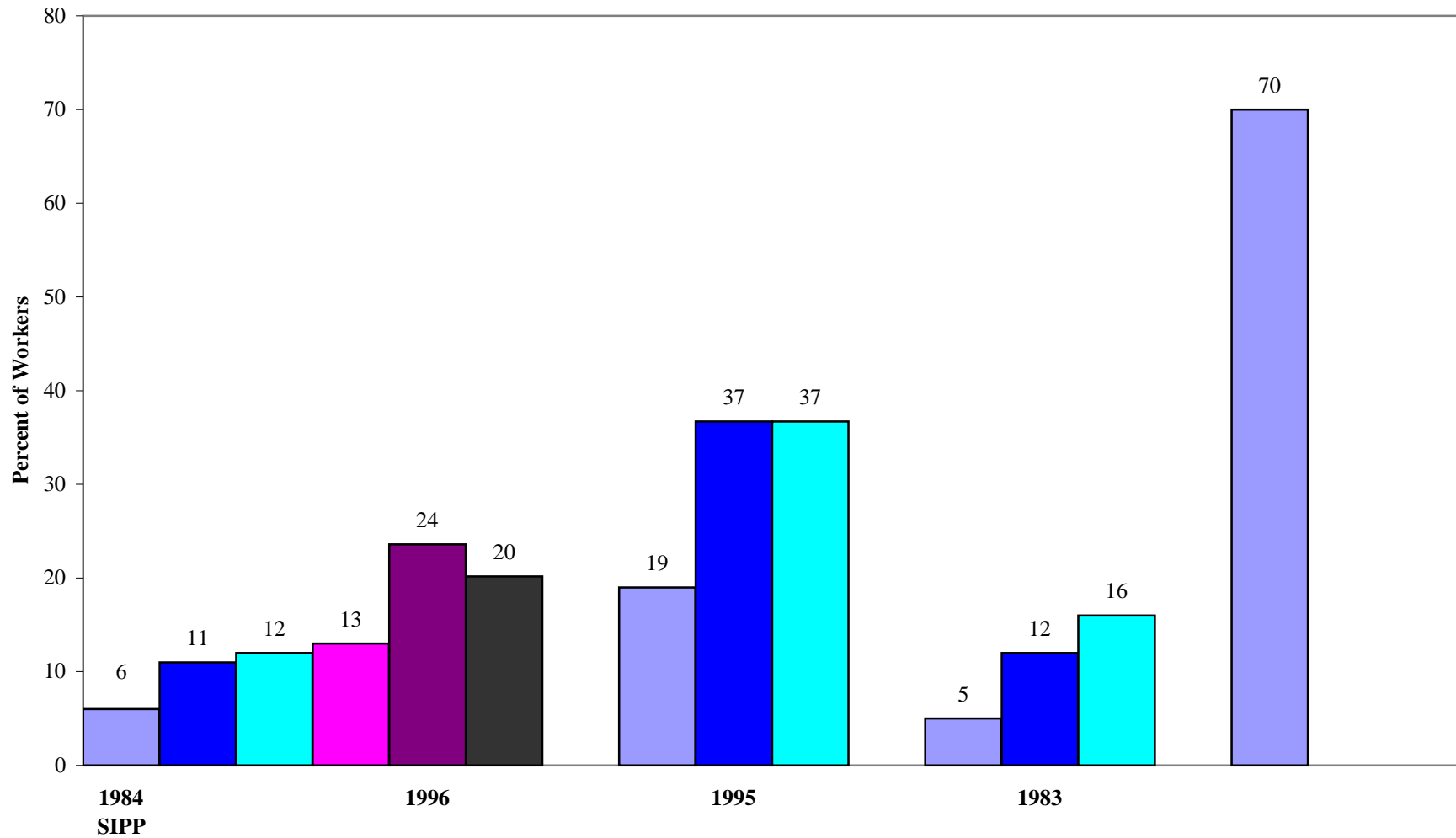
**Exhibit 9: Total Private Training Expenditures: 1986-2003**



Source: Galvin, Tammy, "Industry Report 2003." *Training Magazine*, October 2003, pp. 21-45.

Note: Administrative costs prior to 2000 include salaries, facilities/overhead, and hardware; administrative costs from 2000-2003 include only salaries.

**Exhibit 10: Percentage of Workers Receiving Employer-Provided Training Across Surveys and Over Time**



(All people age 18-64 with most recent training employer-provided)

Source: This exhibit is Figure 2 from Lerman, McKernan, and Riegg (2004) with updated data analyses for the SIPP and NHES. Updated analyses include authors' tabulations of the 2001 SIPP and NHES public-use data.

**Exhibit 11: Number of Hours of Employer-Provided  
Classroom Training Received in One Year**

	<b>1995 NHES</b>	<b>2001 NHES</b>
	<b>Percent of All Workers (past year)</b>	<b>Percent of All Workers (past year)</b>
<b>Total hours per worker over 1-year period (includes all workers)</b>	65.4	30.1
<b>Hours per worker over 1-year period by Category (includes all workers)</b>		
Credit Courses/Programs	41.4	15.7
Career or Job-Related Courses	19.4	13.7
Apprenticeship	3.8	0.5
Basic Skills or GED Preparation	0.6	0.2
English as a Second Language	0.2	0.1
<b>Hours per worker over 1-year period (includes workers who said they received employer-provided classroom training within the past year)</b>	178.2	82.0
<b>Distribution of Classroom Training Received</b>		
0 Hours	63.9%	63.3%
1-40 Hours	15.0%	23.2%
41-80 Hours	6.2%	5.5%
81-120 Hours	3.1%	2.3%
121-160 Hours	2.0%	0.9%
160+ Hours	9.8%	4.9%
<b>Sample Size</b>	13,634	7,879
Notes: (1) The universe for the SIPP includes all persons age 18-64. The universe for the NHES includes employed persons age 18+. The NHES Surveys include only classroom training.		
(2) Differences in mean hours of training in the 1995 and 2001 NHES surveys may be the result of a change in the variables and calculation methods. The 1995 NHES, analyzed by Lerman et. al (2004), contained variables for responses to the the following questions: 1) How many weeks did you attend training? 2) How many hours per time unit did you attend training? In many instances, Lerman et. al (2004) then calculated training hours using the following equation: ( Hours/Day * Weeks * 7 Days/Week). The 2001 NHES asks the same questions, however, the 2001 public-use NHES provides a computed variable for total classroom training in the year. The 2001 documentation does not provide information about how the computed variable is created. Also, the 1995 NHES asks for <i>actual hours</i> in each work-related, college credit class while the 2001 NHES asks for the <i>credit hours</i> in each work-related, college credit class.		
Source: This exhibit updates analyses of the 1995 NHES analyses in Lerman, McKernan, and Riegg (2004). Updated analyses include authors' weighted tabulations of the 2001 NHES public-use data.		

**Exhibit 12: Incidence of Employer-Provided Training by Workers' Characteristics**

	<b>1995 NHES</b>	<b>2001 NHES</b>	<b>1996 SIPP</b>	<b>2001 SIPP</b>
<b>Worker Characteristics</b>	<b>Percent of All Workers (past year)</b>	<b>Percent of All Workers (past year)</b>	<b>Percent of All Workers (past year)</b>	<b>Percent of All Workers (past year)</b>
<b>Total (formal training)</b>	36.7%	36.7%	23.6%	20.2%
<b>Education</b>				
High School or Less	22.2%	19.8%	14.5%	11.8%
Some College	44.1%	44.5%	28.1%	23.7%
BA or Higher	50.0%	54.1%	33.9%	29.0%
<b>Earnings</b>				
First Quartile	27.1%	22.0%	10.9%	10.3%
Second Quartile	31.3%	33.7%	17.8%	15.1%
Third Quartile	42.1%	46.7%	29.2%	24.7%
Fourth Quartile	49.3%	48.8%	35.4%	30.0%
<b>Age</b>				
24 years and younger	43.1%	28.1%	16.4%	14.9%
25 to 34 years	37.3%	40.6%	26.5%	23.9%
35 to 44 years	39.5%	40.3%	27.3%	22.5%
45 to 54 years	36.9%	42.3%	26.2%	21.5%
55 years and older	20.3%	23.5%	14.3%	13.7%
<b>Usual Hours Worked per Week</b>				
Under 35 Hours	34.8%	28.5%	14.7%	13.1%
35 Hours or More	38.6%	38.5%	28.6%	24.1%
<b>Sex</b>				
Men	36.0%	33.1%	22.1%	18.5%
Women	37.5%	40.6%	25.3%	22.1%
<b>Race and Origin</b>				
White	37.8%	38.8%	24.2%	20.6%
Black	32.5%	29.2%	20.9%	17.2%
American Indian/Alaskan Native	36.5%	37.8%	22.3%	19.9%
Asian/Pacific Islander	36.3%	42.9%	17.2%	18.7%
Hispanic	24.6%	24.9%	14.5%	12.4%
<b>Sample Size</b>	13,634	7,879	44,138	35,815

Notes: The universe for the SIPP includes all persons age 18-64. The universe for the NHES includes employed persons age 18+. The NHES Surveys include only in-classroom training

Source: This exhibit updates analyses of the 1995 NHES and 1996 SIPP analyses in Lerman, McKernan, and Riegg (2004). Updated analyses include authors' weighted tabulations of the 2001 NHES and the 2001 SIPP public-use data.

**Exhibit 13: Average Hours of Employer-Provided Training by Workers' Characteristics**

Worker Characteristics	1995 NHES	1995 NHES	2001 NHES	1996 SIPP	2001 SIPP
	Percent of All Workers (past year)	Percent of All Workers (past year)	Percent of All Workers (past year)	Average Hours of Training (past year)	Average Hours of Training (past year)
<b>Total (formal training)</b>	32.7	65.4	30.1	14.2	11.7
<b>Education</b>					
High School or Less	15.0	30.0	11.6	9.9	8.9
Some College	55.6	111.2	45.4	18.0	13.9
BA or Higher	33.8	67.5	42.3	16.9	13.5
<b>Earnings</b>					
First Quartile	41.6	83.2	33.8	6.2	6.5
Second Quartile	25.9	51.8	26.9	12.9	10.4
Third Quartile	27.6	55.1	30.8	18.3	14.5
Fourth Quartile	27.7	55.4	28.4	18.6	15.1
<b>Age</b>					
24 years and younger	83.9	167.8	73.6	12.6	11.2
25 to 34 years	32.5	65.0	37.2	17.0	14.5
35 to 44 years	23.8	47.6	22.2	15.7	12.6
45 to 54 years	17.7	35.4	19.0	14.4	12.2
55 years and older	7.9	15.8	8.5	6.5	5.3
<b>Usual Hours Worked per Week</b>					
Under 35 Hours	52.7	105.4	52.7	7.5	7.3
35 Hours or More	25.4	50.8	25.0	17.5	14.1
<b>Sex</b>					
Men	34.1	68.2	27.5	14.3	11.1
Women	31.2	62.4	33.0	14.0	12.3
<b>Ethnicity/Race and Origin</b>					
White	31.7	63.4	30.1	14.1	11.6
Black	35.3	70.6	28.0	16.2	12.7
American Indian/Alaskan Native	29.9	59.8	15.2	13.3	10.5
Asian/Pacific Islander	44.9	89.8	45.8	10.0	11.7
Hispanic	52.5	105.0	22.6	9.2	9.5
<b>Sample Size</b>	13,634	13,634	7,879	44,138	35,815

Notes: (1) The universe for the SIPP includes all persons age 18-64. The universe for the NHES includes employed persons age 18+. The NHES Surveys include only classroom training.

(2) Differences in mean hours of training in the 1995 and 2001 NHES surveys may be the result of a change in the variables and calculation methods. The 1995 NHES, analyzed by Lerman et. al (2004), contained variables for responses to the the following questions: 1) How many weeks did you attend training? 2) How many hours per time unit did you attend training? In many instances, Lerman et. al (2004) then calculated training hours using the following equation: ( Hours/Day \* Weeks \* 7 Days/Week). The 2001 NHES asks the same questions, however, the 2001 public-use NHES provides a computed variable for total classroom training in the year. The 2001 documentation does not provide information about how the computed variable is created. Also, the 1995 NHES asks for *actual hours* in each work-related, college credit class while the 2001 NHES asks for the *credit hours* in each work-related, college credit class.

Source: This exhibit updates analyses of the 1995 NHES analyses in Lerman, McKernan, and Riegg (2004). Updated analyses include authors' weighted tabulations of the 2001 NHES public-use data.

**Appendix Exhibit A-1:  
State-funded Job Training Expenditures in California: Source of Funding, Estimated Funding,  
Number of Trainees, and Estimated Cost Per Trainee in 1998 and 2003**

**California**

**Employment Training Panel**

**Source of Funding**

1998	Based on Unemployment Insurance (UI)
2003	Based on Unemployment Insurance (UI)  (The source of the funding is the employment training tax, a special tax levied on CA employers who participate in the unemployment insurance system.)

**Estimated State Funding**

1998	\$111,765,000
FY 2003 (July 1, 2003-June 30, 2004)	\$50,800,000
Total Budget	
FY 2003 Training Expenditures	\$39,000,000
FY 2003 Program Administration	\$8,400,000
FY 2003 Manu. & Technology Program	\$2,100,000
FY 2003 Marketing and Research	\$1,300,000
<b>Percent change 1998-2003</b>	<b>-55%</b>

**Number of Trainees**

1998	72,469
2003	38,880
<b>Percent change 1998-2003</b>	<b>-46%</b>

**Estimated Average Cost Per Trainee**

1998	\$1,187
2003	\$1,003
<b>Percent change 1998-2003</b>	<b>-16%</b>

Source of 1998 information:

<sup>1</sup> NGA 1999.

Sources of 2003 information:

(1) California State Governor's Proposed Budget for 2004 - 2005. Labor and Workforce Development Section, Pgs. LWD 1 - LWD 16.

(2) Reports and information received via email (5/14/04) from Mike Rice, Manager of Planning and Research Unit, California Employment Training Panel Program.

**Appendix Exhibit A-2:  
State-funded Job Training Expenditures in Iowa: Source of Funding, Estimated Funding, Number of Trainees, and Estimated Cost Per Trainee in 1998 and 2003**

<b>Iowa</b>			
	<b>Iowa New Jobs Training Program <sup>1</sup></b>	<b>Iowa Jobs Training Program <sup>2</sup></b>	<b>Total</b>
<b>Source of Funding</b>			
1998	sale of bonds <sup>a</sup>	Workforce Development Fund <sup>b</sup>	
2003	sale of bonds <sup>a</sup>	Workforce Development Fund <sup>b</sup>	
<b>Estimated State Funding</b>			
1998	\$34,907,500	\$2,747,222 <sup>c</sup>	\$37,654,722
FY 2003 (June 30, 2002-July 1, 2003)	\$10,255,000	\$3,175,261 <sup>c</sup>	\$13,430,261
<b>Percent change 1998-2003</b>	-71%	16%	-64%
<b>Number of Trainees</b>			
1998	7,322	8,810	16,132
2003	2,031	7,963	9,994
<b>Percent change 1998-2003</b>	-72%	-10%	-38%
<b>Estimated Average Cost Per Trainee</b>			
1998	\$2,820	\$442	\$1,631
2003	<sup>d</sup>	<sup>d</sup>	NA
% change	NA	NA	NA

<sup>a</sup> Community Colleges have the ability to issue federally tax-exempt and taxable certificates on behalf of the industry. Proceeds from the sale of the certificates are held until the actual training programs are completed. The company is then reimbursed after providing documentation of the actual training cost.

<sup>b</sup> A workforce development fund account is established in the office of the treasurer of state, under control of the department of economic development. Upon payment in full of any obligation issued to fund a job training program under Iowa Code chapter 260E, the community college providing the job training program shall notify the department of the amount paid by the employer or business. The department of revenue and finance then credits, to the Workforce Development Account, 25 percent of that amount each quarter for a period of ten years. The maximum amount from all employers which shall be transferred to the workforce development account in any year is \$10,000,000. The legislature makes an annual appropriation from the workforce development account to the workforce development fund.

<sup>c</sup> Administrative costs are not tracked programmatically, up to 17.42% of the funding is charged for each project awarded.

<sup>d</sup> This information is not tracked programmatically.

Source of 1998 information:

<sup>1</sup> NGA 1999.

<sup>2</sup> Email, (6/17/04) Leanne Gerald, Workforce Program Manager, Iowa Department of Economic Development.

Source of 2004 information:

<sup>1</sup> Email, (6/17/04) Leanne Gerald, Workforce Program Manager, Iowa Department of Economic Development.

<sup>2</sup> Ibid.

**Appendix Exhibit A-3:  
State-funded Job Training Expenditures in Michigan: Source of Funding,  
Estimated Funding, Number of Trainees, and Estimated Cost Per Trainee in  
1998 and 2003**

**Michigan**

**Economic Development  
Job Training (EDJT)**

**Source of Funding**

1998	General-fund appropriation
2003	General-fund appropriation

**Estimated State Funding**

1998	\$31,000,000
FY 2003 Oct 1, 2002 - Sept 30, 2003 Total Appropriation <b>Excluding</b> Administration Costs	\$10,797,410
FY 2003 Expenditures on Rapid Response Grants for Economic Development Job Training	\$5,000,000
FY 2003 Expenditures on Competitive Grants	\$4,797,410
FY 2003 Expenditures on Worker Recruitment Grants	\$1,000,000
<b>Percent change 1998-2003</b>	-65%

**Number of Trainees**

1998	51,909
2003	68,185
2003 Year-to-date Trainees	510,281
<b>Percent change 1998-2003</b>	31%

**Estimated Average Cost Per Trainee**

1998	\$723
2003	\$513
<b>Percent change 1998-2003</b>	-29%

Source of 1998 information: NGA 1999.

Source of 2003 information: Telephone interview (4/28/04) and email (4/28/04) with Valerie Hoag, EDJT Managing Director, Michigan Economic Development Corporation.



<b>Appendix Exhibit A-4: State-funded Job Training Expenditures in Missouri: Source of Funding, Estimated Funding, Number of Trainees, and Estimated Cost Per Trainee in 1998 and 2003</b>				
<b>Missouri</b>				
	<b>Missouri Customized Training Program (FY July 1 - June 30)</b>		<b>Community College New Jobs Training Program<sup>3</sup> (FY July 1 - June 30)</b>	<b>Total</b>
	<b>Department of Economic Development<sup>1</sup></b>	<b>Department of Elementary and Secondary Education<sup>2</sup></b>		
<b>Source of Funding</b>				
1998	General-fund appropriation	General-fund appropriation	General-fund appropriation (Funds for the program are generated by the sale of certificates; the certificates are then retired using a portion of the state employer withholding tax on all project-related new jobs that are created.)	
2003	General-fund appropriation	General-fund appropriation		
<b>Estimated State Funding</b>				
1998	\$15,000,000	\$5,020,000	\$8,000,000	\$28,020,000
FY 2003 (July 1, 2002-June 30, 2003) Total Appropriation	\$8,800,000	\$2,861,400	\$16,000,000	\$27,661,400
FY 2003 Governor's Withholding	NA	\$110,000	NA	\$110,000
FY 2003 Administration Costs	\$1,760,000	\$412,710	\$3,200,000	\$5,372,710
FY 2003 Training Expenditures	\$7,040,000	\$2,338,690	\$12,800,000	\$22,178,690
<b>Percent change 1998-2003</b>	-41%	-43%	100%	-1%
<b>Number of Trainees<sup>a</sup></b>				
1998	21,000	37,771 <sup>a</sup>	13,000	71,771
2003	24,639	21,465	1,868	47,972
<b>Percent change 1998-2003</b>	17%	-43%	-86%	-33%
<b>Estimated Average Cost Per Trainee</b>				
1998	\$715	\$132	\$1,300	\$716
2003	\$286	\$111	\$6,852	\$2,416
<b>Percent change 1998-2003</b>	-60%	-16%	427%	238%
<sup>a</sup> Number of trainees may be duplicated in some cases because a single employee may have been trained in more than one training category.				
Source of 1998 information:				
<sup>1</sup> NGA 1999.				
<sup>2</sup> Ibid.				
<sup>3</sup> Ibid.				
Source of 2003 information:				
<sup>1</sup> Telephone interview (5/4/04) and email (5/4/04) with Amy Deem, Assistant Director of Employer Relations, Missouri Department of Economic Development.				
<sup>2</sup> Ibid.				
<sup>3</sup> Ibid.				

**Appendix Exhibit A-5:  
State-funded Job Training Expenditures in New Jersey: Source of Funding, Estimated Funding, Number of Trainees, and  
Estimated Cost Per Trainee in 1998 and 2003**

**New Jersey**

	<b>Customized Training Program<sup>1</sup></b>	<b>The Supplemental Workforce Fund for Basic Skills<sup>2</sup></b>	<b>Total</b>
<b>Source of Funding</b>			
1998	Based on Unemployment Insurance (UI)	Program begun in FY 2003 <sup>a</sup>	
2004	Workforce Development Partnership Fund <sup>b</sup>	Workforce Development Partnership Fund <sup>b</sup>	
<b>Estimated State Funding</b>			
1998	\$29,200,000	\$2,302,954 (FY 2003 <sup>a</sup> )	\$31,502,954
FY 2004 (7/1/03 - 6/30/04)	\$28,300,000 <sup>c</sup>	\$7,600,000 <sup>d</sup>	\$35,900,000
FY 2004 Total Budget Excluding Administrative Costs	\$25,470,000	\$6,840,000	
FY 2004 Total Administrative Costs	\$2,830,000 <sup>c</sup>	\$760,000 <sup>d</sup>	
FY 2004 Obligated Funds as of 5/7/04	\$15,946,211	\$3,053,967	
FY 2004 To Date as of 5/7/04 Excluding Administrative Costs	\$14,351,590	\$2,748,570	\$17,100,160
FY 2004 Administrative Costs as of 5/7/04	\$1,594,621	\$305,397	
<b>Percent change 1998-2004</b>	-51%	19%	14%
<b>Number of Trainees</b>			
1998	40,000	5,127 (FY 2003 <sup>a</sup> )	45,127
FY 2004 Number of Trainees to Date as of 5/7/04	28,297	9,456	37,753
<b>Percent change 1998-2004</b>	-29%	84%	-16%
<b>Estimated Average Cost Per Trainee</b>			
1998	\$557	\$449 (FY 2003 <sup>a</sup> )	\$503
FY 2004 Number of Trainees to Date as of 5/7/04	\$564	\$323	\$444
<b>Percent change 1998-2004</b>	1%	-28%	-12%

<sup>a</sup> FY 2003 was the first year that the state of New Jersey awarded grants under terms of the Supplemental Workforce Fund for Basic Skills program.

<sup>b</sup> Funds for these two programs are allocated annually from a non-lapsing, revolving Workforce Development Partnership Fund managed/invested by the Treasurer, State of New Jersey. Beginning in 1995, the balance in the fund as of 12/31 of the previous year shall not exceed 1.5 times the amount of contributions to the Unemployment Compensation Fund deposited for the calendar year. If the balance exceeds this amount, the excess will be returned to the Unemployment Compensation Fund.

<sup>c</sup> As of 5/7/04, \$15,946,211 has been obligated for Customized Training Programs. Of the Customized Training funds for FY04, not more than 10% of the funds dedicated to the program will be applied to administration of the program.

<sup>d</sup> As of 5/7/04, we have obligated \$3,053,967 for Supplemental Workforce Fund for Basic Skills programs. Of the Supplemental Workforce Fund for Basic Skills funds for FY04, not more than 10% of the funds dedicated to the program will be applied to administration of the program.

Source of 1998 information:

<sup>1</sup> NGA 1999.

<sup>2</sup> Ibid.

Source of 2004 information:

<sup>1</sup> Email (5/7/04) with James Curran, Chief - Workforce Development and Technological Training, New Jersey Department of Labor, Office of Customized Training.

<sup>2</sup> Ibid.

**Appendix Exhibit A-6:  
State-funded Job Training Expenditures in North Carolina: Source of Funding, Estimated Funding, Number of Trainees, and  
Estimated Cost Per Trainee in 1998 and 2003**

<b>North Carolina</b>						
	<b>Focused Industrial Training<sup>1</sup></b>	<b>New and Expanding Industry Program<sup>2</sup></b>	<b>Occupational Continuing Education<sup>3</sup></b>	<b>Human Resources Development Program<sup>4</sup></b>	<b>Total</b>	
<b>Source of Funding</b>						
1998	Half from general state revenue; half from a Worker Training Trust Fund (WTF) supported by interest earned on the state's Unemployment Insurance fund.	General-fund appropriation	General-fund appropriation	State Appropriations <sup>5</sup>		
2003	State Appropriations, House Bill 275, and Worker Training Trust Funds (WTF) <sup>5</sup>	State Appropriations and House Bill 275 <sup>5</sup>	State Appropriations <sup>5</sup>	State Appropriations <sup>5</sup>		
<b>Estimated State Funding</b>						
1998	\$3,708,032	\$10,100,000	\$10,500,000 <sup>a</sup>	\$6,630,291 <sup>5</sup>	\$30,938,323	
FY 2002-2003 (July 1, 2002 - June 30, 2003)	\$2,125,917 <sup>6</sup>	\$4,005,105 <sup>6</sup>	\$35,399,175 <sup>6</sup>	\$3,717,178 <sup>6</sup>	\$45,247,375	
<b>Percent change 1998-2003</b>	-43%	-60%	237%	-44%	46%	
<b>Number of Trainees</b>						
1998	8,943	25,076	490,130	25,077	549,226	
FY 2002-2003 (July 1, 2002 - June 30, 2003)	8,438	10,610	569,372	52,736	641,156	
<b>Percent change 1998-2003</b>	-6%	-58%	14%	110%	17%	
<b>Estimated Average Cost Per Trainee</b>						
1998	\$378	\$385	NA	NA	\$382	
2002-2003 FY (July 1, 2002 - June 30, 2003)	NA <sup>b</sup>	\$377 <sup>5</sup>	NA <sup>b</sup>	NA <sup>b</sup>	\$377	
<b>Percent change 1998-2003</b>	NA	-2%	NA	NA	-1%	

<sup>a</sup> This figure is an estimate by the NGA 1999 Report's authors. The state estimates that 40 percent of the program's total budget (\$31 million) for FY 1998 were spent on training that individuals arranged, and not employer-driven training. In addition, the state received revenue from a \$35 fee charged for each trainee course. The \$10.5 million reported above represents the employer-driven 60 percent of the total budget, minus the state revenue from the \$35 fee. This revenue was subtracted from the total (\$10.5 million) because the money defrays state expenditures.

<sup>b</sup> Cost per trainee for Focused Industrial Training, Occupational Continuing Education, and Human Resources Development is not part of the state reporting requirement. Email (5/14/2004), Dr. Larry Keen, Vice President for Economic and Workforce Development, North Carolina Community College System.

Source of 1998 information:

<sup>1</sup> NGA 1999.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> Email (6/07/2004), Dr. Larry Keen, Vice President for Economic and Workforce Development, North Carolina Community College System.

Source of 2003 Information:

<sup>1</sup> "A Matter of Facts: The North Carolina Community College System Fact Book" 2004, North Carolina Community College System. Section II, page 35.

<sup>2</sup> Ibid. Section II, page 38.

<sup>3</sup> Ibid. Section II, page 39.

<sup>4</sup> Ibid. Section II, page 36.

<sup>5</sup> Email (5/14/2004), Dr. Larry Keen, Vice President for Economic and Workforce Development, North Carolina Community College System.

<sup>6</sup> "A Matter of Facts: The North Carolina Community College System Fact Book" 2004, North Carolina Community College System. Section III, page 49.

**Appendix Exhibit A-7:  
State-funded Job Training Expenditures in Pennsylvania: Source of Funding,  
Estimated Funding, Number of Trainees, and Estimated Cost Per Trainee in 1998 and  
2003**

**Pennsylvania**

**Customized Job Training <sup>a</sup>**

**Source of Funding**

	1998	General-fund appropriation
	2003	General-fund appropriation

**Estimated State Funding**

	1998	\$29,000,000
	FY 2003 (July 1,2002-June 30, 2003)	\$32,500,000
	2003 Administration Costs	\$2,925,000 <sup>b</sup>
	<b>Percent change 1998-2003</b>	12%

**Number of Trainees**

	1998	39,708
	2003	141,508
	<b>Percent change 1998-2003</b>	256%

**Estimated Average Cost Per Trainee**

	1998	\$408
	2003	\$313
	<b>Percent change 1998-2003</b>	-23%

<sup>a</sup> Customized Job Training Program consists of the Customized Job Training and Guaranteed Free Training. Figures shown are combined.

<sup>b</sup> Administration costs are identified in the application but are not tracked programmatically, administrative costs average 9%.

Source of 1998 information:  
NGA 1999.

Source of 2003 information:  
Email (5/5/04) with Dana Bohn, CJT Coordinator, Center for Business & Financing,  
Department of Community and Economic Development.

**Appendix Exhibit A-8:**

**State-funded Job Training Expenditures in Texas: Source of Funding, Estimated Funding, Number of Trainees, and Estimated Cost Per Trainee in 1998 and 2003**

<b>Texas</b>				
	<b>Skills Development Fund<sup>1</sup></b>	<b>Smart Jobs Fund<sup>2</sup></b>	<b>On-the-Job Training and Customized Training<sup>3</sup></b>	<b>Total</b>
<b>Source of Funding</b>				
1998	General-fund appropriation	Based on Unemployment Insurance (UI)	WIA state discretionary money	
2003	General-fund appropriation	This program was discontinued 3-4 years ago. The funds were not reallocated to another program. Remaining funds were used to recruit businesses to Texas.	WIA state discretionary money	
<b>Estimated State Funding</b>				
1998	\$13,000,000	\$54,000,000	\$6-12 Million	\$76,000,000
2003	\$12,500,000	\$0	About \$3,000,000	\$15,500,000
<b>Percent change 1998-2003</b>		-4%	-100%	-50 to 75%
<b>Number of Trainees</b>				
1998	15,300	21,000	NA	36,300
2003 (since inception in Sept. 1995)	117,898	0	13,841	131,739
<b>Percent change 1998-2003</b>		NA	-100%	NA
<b>Estimated Average Cost Per Trainee</b>				
1998	\$862	\$1,400	NA	\$1,131
2003 (since inception in Sept. 1995)	\$937	\$0	\$3,397	\$2,167
<b>Percent change 1998-2003</b>		9%	-100%	NA

Source of 1998 information:

<sup>1</sup> NGA 1999.

<sup>2</sup> Ibid.

<sup>3</sup> Information is appropriated funds for FY 2003 (September 2002-October2003) as reported in the annual report released in May/June 2004.

Source of 2003 information:

<sup>1</sup> Information is appropriated funds for FY 2003 (September 2002-October2003) as reported in the annual report released in May/June 2004.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

## **Appendix B: Private Entities' Estimates of Job Training Expenditures: A List of Persons Contacted**

### ***Non-Profits***

Diane Baillargeon  
President  
Seedco and the Non-Profit Assistance  
Corporation  
915 Broadway, 17th Floor  
New York, New York 10010  
Phone: 212-204-1340

Carol Ishkanian  
Vice President of Development  
President & CEO  
Morgan Memorial Goodwill Industries, Inc.  
1010 Harrison Avenue  
Boston, MA 02119-2540  
Phone: (617) 445-1010

Hermelinda Sapien  
Executive Director  
Center for Employment and Training  
National Headquarters  
Sobrato CET Center  
701 Vine Street  
San Jose, CA 95110  
Phone: (408) 287-7924

### ***Labor-Management Partnerships***

Allen Smith  
Senior Strategic Researcher  
Building & Construction Trades Department  
AFL-CIO  
815 16th Street, NW, Suite 600  
Washington, DC 20006  
Phone: (202) 347-1461  
Email: asmith@bctd.org

Eric Parker  
Executive Director  
Wisconsin Regional Training Partnership  
532 E. Capitol Drive  
Milwaukee, WI 53212  
Phone: 414-906-4204  
Email: eparker@wrtp.org

### ***Foundations***

Melanie Styles  
The Abell Foundation  
111 S. Calvert Street, Suite 2300  
Baltimore, MD 21202-6174  
Phone: (410) 547-1300  
Email: styles@abell.org

Connie Pechura  
Director of the Human Capital Division  
The Robert Wood Johnson Foundation  
PO Box 2316  
College Road East and Route 1  
Princeton, NJ 08543-2316  
Phone: (609) 627-7531 ext. 5795