

FY 2012

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

TAA Community College and Career Training Grant Fund

**TAA COMMUNITY COLLEGE AND CAREER TRAINING GRANT
FUND**

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AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2010 Enacted		FY 2011 Authority		FY 2012 Authority	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	\$0	0	\$500,000	0	\$500,000
Other Supplementals and Rescissions	0	\$0	0	\$0	0	\$0
Appropriation, Revised	0	\$0	0	\$500,000	0	\$500,000
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$500,000</i>	<i>0</i>	<i>\$500,000</i>
Comparative Transfer To:	0	\$0	0	\$0	0	\$0
Comparative Transfer From:	0	\$0	0	\$0	0	\$0
Offsetting Collections From:						
Reimbursements	0	\$0	0	\$0	0	\$0
Advances	0	\$0	0	\$0	0	\$0
Fees	0	\$0	0	\$0	0	\$0
<i>Subtotal Offsetting Collections From:</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
B. Gross Budget Authority	0	\$0	0	\$500,000	0	\$500,000
Offsetting Collections						
Deduction	0	\$0	0	\$0	0	\$0
Reimbursements	0	\$0	0	\$0	0	\$0
Advances	0	\$0	0	\$0	0	\$0
<i>Subtotal Offsetting Collections</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
C. Budget Authority Before Committee	0	\$0	0	\$500,000	0	\$500,000
Legislative Proposal	0	\$0	0	\$0	0	\$0
Offsetting Collections From:						
Reimbursements	0	\$0	0	\$0	0	\$0
Advances	0	\$0	0	\$0	0	\$0
Adjustment for Appropriated	0	\$0	0	\$0	0	\$0
<i>Subtotal Budget Authority</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$500,000</i>	<i>0</i>	<i>\$500,000</i>
D. Total Budgetary Resources	0	\$0	0	\$500,000	0	\$500,000
Other Unobligated Balances	0	\$0	0	\$0	0	\$0
Unobligated Balance Expiring						
E. Total, Estimated Obligations	0	\$0	0	\$500,000	0	\$500,000

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SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2011 Authority	FY 2012 Authority	Net Change					
Budget Authority								
General Funds	\$500,000	\$500,000	\$0					
Trust Funds	\$0	\$0	\$0					
Total	\$500,000	\$500,000	\$0					
Full Time Equivalents								
General Funds	0	0	0					
Trust Funds	0	0	0					
Total	0	0	0					
Explanation of Change	FY 2011 Base	Trust Funds	FY 2012 Change	Total				
	FTE	Amount	General Funds	FTE	Amount	FTE	Amount	
Increases:								
A. Built-Ins:								
To Provide For:								
Grants, subsidies, and contributions	0	\$500,000	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	0	+\$500,000	0	\$0	0	\$0	0	\$0
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Increase	0	+\$500,000	0	\$0	0	\$0	0	\$0
Decreases:								
A. Built-Ins:								
To Provide For:								
Built-Ins Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Decrease	0	\$0	0	\$0	0	\$0	0	\$0
Total Change	0	+\$500,000	0	\$0	0	\$0	0	\$0

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SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY						
(Dollars in Thousands)						
	FY 2010 Enacted		FY 2011 Authority		FY 2012 Authority	
	FTE	Amount	FTE	Amount	FTE	Amount
TAA Community College and Career Training Grant Fund	0	0	0	500,000	0	500,000
General Funds	0	0	0	500,000	0	500,000
Total	0	0	0	500,000	0	500,000
General Funds	0	0	0	500,000	0	500,000

Note: The Department is not requesting an additional \$500,000,000 for TAA Community College and Career Training Grant Fund in FY 2012. These funds are already provided by a mandatory appropriation. This table is intended to demonstrate budgetary resources only.

**TAA COMMUNITY COLLEGE AND CAREER TRAINING GRANT
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BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2010 Enacted	FY 2011 Authority	FY 2012 Authority	Change FY 12 Auth. / FY 10 Enacted
41.0	Grants, subsidies, and contributions	0	500,000	500,000	500,000
	Total	0	500,000	500,000	500,000

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APPROPRIATION HISTORY (Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2002	0	0	0	0	0
2003	0	0	0	0	0
2004	0	0	0	0	0
2005	0	0	0	0	0
2006	0	0	0	0	0
2007	0	0	0	0	0
2008	0	0	0	0	0
2009	0	0	0	0	0
2010	0	0	0	0	0
2011... 1/	0	0	0	500,000	0
2012	0	0	0	500,000	0

1/ - These funds were a mandatory appropriation in the Health Care and Education Affordability Reconciliation Act of 2010 for FY 2011 – FY 2014.

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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2010 Enacted	FY 2011 Authority	FY 2012 Authority	Diff. FY 12 Auth. / FY 10 Enacted
Budget Authority	0	500,000	500,000	500,000

Note: ETA is not requesting an additional \$500,000,000 for TAA Community College and Career Training Grant Fund in FY 2012. These funds were appropriated by the Health Care and Education Affordability Reconciliation Act of 2010. This table is intended to demonstrate budgetary resources only.

Introduction

The Trade Adjustment Assistance (TAA) Community College and Career Training program is authorized by Division B of the American Recovery and Reinvestment Act of 2009 (P.L. 111-5). It is funded through a mandatory appropriation in the Health Care and Education Reconciliation Act of 2010 (P.L. 111-152), which provides \$500,000,000 annually in Fiscal Years 2011–2014 for competitive grants to eligible institutions of higher education. The program aims to improve education and employment outcomes for students at community colleges and other higher education institutions, helping more Americans prepare to succeed in growing, high-skilled occupations.

This grant program addresses the college graduation goals set by President Barack Obama and the need to increase the number of workers who attain degrees, certificates, and other industry-recognized credentials. In an increasingly competitive world economy, America’s economic strength depends upon the education and skills of its workers. Jobs requiring at least an associate’s degree are projected to grow twice as fast in the coming years as those requiring no college experience. In particular, community colleges are significant and rapidly growing contributors to the nation’s higher education system, enrolling more than 11.8 million students. They create tailored education and training programs to meet employers’ needs and give students the skills required to obtain good jobs, earn family-sustaining wages, and advance along a career pathway. Grants will allow community colleges and other eligible entities to expand and improve education and training programs that can be completed in 2 years or less, result in skills and credentials necessary for high-wage, in-demand jobs, and are suited for workers who are eligible for training under the TAA for Workers program.

Community colleges and other institutions of higher education sometimes struggle to effectively serve TAA-eligible workers, who tend to be older and often lack experience in post-secondary education. Traditional higher education programs and policies—created in an era when the 18- to 22-year-old, dependent, full-time student coming right out of high school was seen as the core market for higher education—are not well-designed for the needs of adult learners, most of whom are “employees who study” rather than “students who work” (Richard Kazis et al. *Adult Learners in Higher Education: Barriers to Success and Strategies to Improve Results*. Jobs for the Future. March 2007).

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The TAA Community College and Career Training grants help community colleges and other institutions of higher education to develop innovative methods and replicate evidence-based practices to effectively serve TAA-eligible workers and other students. For example, grants will support the delivery of online education that can allow students balancing the competing demands of work and family to acquire new skills at convenient time, place and pace. The program also encourages grantees to work closely with employers, the workforce system, and other organizations in their communities to coordinate services and help reach out to potential students. Collaboration with employers is particularly important, because it ensures that curricula meet industry needs and result in industry-recognized credentials, thus improving the employment prospects of program graduates.

This program, implemented in coordination with the Department of Education, is one of several new Federal grant programs funding projects that use evidence to design program strategies. These initiatives award grants to eligible institutions that will use data to continuously improve the effectiveness of their strategies, and will participate in evaluations that determine program impacts. The Department believes community colleges are an ideal place to apply this new approach, because they have been leaders in seeking out strategies that get results. Community colleges have innovated in many ways, crossing traditional boundaries to collaborate with employers, the public workforce system, Registered Apprenticeship programs, and other service organizations; and have continuously adapted their programs to respond to local economic needs and produce better outcomes for their students.

Funding Mechanism

These funds will be awarded competitively through one or more Solicitations for Grant Applications (SGAs). The language appropriating funds included a requirement that every state, as well as the District of Columbia and the commonwealth of Puerto Rico, will receive at least \$2.5 million in grant awards through eligible institutions in those jurisdictions.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2007	\$0	0
2008	\$0	0
2009	\$0	0
2010	\$0	0
2011	\$500,000	0

FY 2012

The Health Care and Education Affordability Reconciliation Act of 2010 appropriated \$500,000,000 per year to the Department for the TAACCCT grants program in fiscal years 2011 through 2014. This funding will enable DOL to fund between 75-150 grants annually. The

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grants will help eligible institutions of higher education expand and improve their ability to deliver education and career training programs that can be completed in two years or less, are suited for workers who are eligible for training under the Trade Adjustment Assistance for Workers program, and prepare program participants for employment in high-wage, high-skill occupations.

The Department will update, improve, and adjust the FY 2012 grant competition based on experience gained during the FY 2011 competition.

In 2012, \$438,000 for 3 FTE's is proposed in the Program Administration account. Staff is essential in monitoring the progress of grantees and ensuring that the initiative is operating efficiently and effectively.

FY 2011

FY 2011 was the first year that funds for this program were appropriated. The Department announced a competition on January 20, 2011, which will close on April 21, 2011. Awards will be made no later than September 30, 2011. DOL worked with the Department of Education on the grant competition, which will support activities from among the following four priority areas:

1. *Accelerating progress for low-skill and other workers.* This priority addresses the need to develop and implement strategies that increase success rates for students with basic skills deficiencies by redesigning developmental education, mitigating the need for developmental courses, and/or improving student services that improve retention.
2. *Improving retention and achievement rates to reduce time to completion.* Many non-traditional students are hoping to quickly acquire skills and credentials that allow them to get a job. For example, grantees may use innovative scheduling to make classes more accessible and reduce time to program completion, or develop articulation agreements that give credit for prior work experience, internships, or apprenticeship training.
3. *Building programs that meet industry needs, including developing career pathways.* Grants under this priority will support programs that engage in meaningful employer partnerships to ensure relevance to area workforce needs, offer credit for both academic and occupational training, integrate industry-driven competencies, and result in degrees, certificates, and other industry-recognized credentials that are portable, stackable, and support placement into employment in a career pathway and/or further education.
4. *Strengthening online and technology-enabled learning.* These strategies can help students learn more in less time than they would with traditional classroom instruction alone. Interactive software can tailor instruction and tutoring to individual students, while simulations and multimedia software offer experiential learning. With the creation of new online, open-source courses that can ultimately be shared and distributed nationwide, community colleges and other eligible institutions across the country can offer more classes without building more classrooms. New online courses can create new routes for

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workers and other students to gain knowledge, skills and credentials, and earn academic credit based upon achievement rather than class hours, all while providing continuous feedback to students and instructors.

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DETAILED WORKLOAD AND PERFORMANCE		
	FY 2011 Authority	FY 2012 Authority
	Target	Target
TAA Community College and Career Training Grant Fund		
Strategic Goal 1 – Prepare workers for good jobs and ensure fair compensation.		
Outcome Goal 1.1 – Increase workers’ incomes and narrow wage and income inequality.		
Average earnings in the second and third quarters after exit	(base)	TBD
Strategic Goal 1 – Prepare workers for good jobs and ensure fair compensation.		
Outcome Goal 1.2 – Assure skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like “green” jobs.		
Number of participants enrolled in training	(base)	TBD
Number of participants completing training	(base)	TBD
Number of participants receiving certifications	(base)	TBD
Total Participants	(base)	TBD
Cost per Participant	(base)	TBD
Strategic Goal 1 – Prepare workers for good jobs and ensure fair compensation.		
Outcome Goal 1.3 – Help workers who are in low-wage jobs or out of the labor market find a path into middle class jobs.		
Percent of participants employed in the first quarter after exit	(base)	TBD
Strategic Goal 1 – Prepare workers for good jobs and ensure fair compensation.		
Outcome Goal 1.4 – Help middle-class families remain in the middle class		
Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit	(base)	TBD
Career Pathways Innovation Fund		
Strategic Goal 1 – Prepare workers for good jobs and ensure fair compensation.		
Outcome Goal 1.1 – Increase workers’ incomes and narrow wage and income inequality.		
Average earnings in the second and third quarters after exit	(base)	TBD

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined

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Workload and Performance Narrative

The first Solicitation for Grant Applications was released January 20, 2011. It requires grantees to track participant characteristics, progress measures and performance outcomes that will be used by grantees and the Department to continuously monitor and improve program performance.

The projects funded through the TAACCT program may help identify effective education and training strategies, which can be broadly adopted and, in the long-term, lead to substantial improvements in programs for trade-impacted workers and others. Tracking outcomes is crucial to determine program success, so, grantees will be required to track employment, retention, earnings, attainment of credits toward degree(s), attainment of industry-recognized certificates, and graduation rates for program participants and a comparison cohort. Tracking outcomes for a comparison group is necessary to assess whether the funded program is more or less effective than other program models. The Department anticipates that baseline data on the first grant awards will become available in FY 2012, and that these data will be used to establish targets for funding that is awarded with FY 2012 – FY 2014 funds.

The Department monitors grantee performance regularly through Federal Project Officers in our regional offices to ensure that they are on target to meet performance goals. Such monitoring informs the design and delivery of technical assistance to improve performance. In addition, the Department provides grantees the opportunity to share information and learning with one another while providing them with ongoing support based on monitoring of grantee performance.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2010 Enacted	FY 2011 Authority	FY 2012 Authority	Change FY 12 Auth. / FY 10 Enacted
41.0	Grants, subsidies, and contributions	0	500,000	500,000	500,000
	Total	0	500,000	500,000	500,000

Note: The Department is not requesting an additional \$500,000,000 for TAA Community College and Career Training Grant Fund in FY 2012. These funds were appropriated by the Health Care and Education Affordability Reconciliation Act of 2010. This table is intended to demonstrate budgetary resources only.

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CHANGES IN FY 2012
(Dollars in Thousands)

Activity Changes		
Built-In		
To Provide For:		
Grants, subsidies, and contributions		\$0
Built-Ins Subtotal		\$0
Net Program		\$0
Direct FTE		0
	Estimate	FTE
Base	\$500,000	0