



Training Benefits Program Report

November 2010

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Executive Summary: Training Benefits Program

November 2010

In 2009, the Legislature directed the Employment Security Department to submit an annual report on the Training Benefits Program¹. The Training Benefits Program extends unemployment benefits to dislocated workers whose occupations are in decline and who need training to obtain a new job. Specifically, the department was directed to provide the following information:

- Participant demographics;
- Training benefits duration;
- Type of training;
- Participant employment and wage history; and
- Administrative costs.

A baseline study was delivered to the legislature on December 1, 2009, that provided data on all participants in the Training Benefits Program through the end of 2008.

The primary source of data for this report was administrative records of people approved for training benefits from July 2008 through June 2009. Information regarding these participants' training programs and subsequent employment experiences was collected using a survey of 421 people who participated in the program in 2006 through 2008.

Demographics

The demographics of unemployment-insurance claimants who were approved for training benefits in the state fiscal year 2009 (July 2008, through June 2009) include:

- Men, 49 percent; women, 50 percent; 1 percent not specified.
- 45 years of age and under, 57 percent; over 55, 11 percent.
- Caucasian, 75 percent.
- Education beyond high school, 58 percent.
- Former manufacturing employment, 25 percent.
- From King, Pierce and Snohomish counties, 57 percent.

Notable changes from the 2009 baseline study include the gender distribution (men 51 percent, women 49 percent), the percentage of employees from manufacturing (43 percent) and the percentage from King, Pierce and Spokane counties (62 percent).

Benefit duration

The average duration of benefits for individuals approved for training benefits was 79 weeks, longer than the usual 52 weeks due to federal emergency and extended-benefit programs. The average weekly training-benefit amount was \$462. This reflects the federal and state stimulus packages that increased benefit amounts by \$70 per week.

¹ Engrossed Substitute House Bill 1906

Training type

While participants had various training goals, 10 percent enrolled in training for accounting and 6 percent for nursing.

Claimant employment and wage history

Of those surveyed who are currently working, 94 percent felt that the training was either “somewhat” related or “very” related to their current job.

The median pre-tax earnings of the participants surveyed after training completion was \$17 per hour.

Administrative costs

Employment Security is spending an average of \$2.4 million a year to administer the Training Benefits Program. For state fiscal year 2009, the average administrative cost was \$424 per approved participant.

The complete report is available online at:

<http://www.esd.wa.gov/newsandinformation/legresources/legislative-contacts.php>

For more information, contact the Office of Government Relations & Executive Operations at 360-902-9394

Introduction

Scope and purpose of report

In 2000, the Washington State Legislature enacted Substitute House Bill 3077, creating the Training Benefits Program. This program allows a certain level of funds from the Unemployment Insurance Trust Fund to be spent on providing additional weeks of unemployment benefits to certain claimants who need training to obtain a new job.

The Training Benefits Program provides temporary income support while eligible claimants are in training. Participating claimants do not have to look for work as long as they are enrolled and making satisfactory progress in their training programs. Direct costs of training (tuition, books, transportation, etc.) must be funded through other sources. Training benefits are not charged to employers for purposes of calculating experience-rated unemployment taxes.

It's important to note that individuals approved for training benefits may enroll in an approved training program and have their work-search requirement waived while receiving "regular" benefits (the first 26 weeks of the unemployment-insurance program). Training benefits are paid only after regular benefits (and federal extended benefits, if they're in effect) are exhausted. Enrollees are not considered to be participants in the Training Benefits Program until they have exhausted other unemployment benefits and begin drawing a check through the Training Benefits Program. In many cases, they may complete their training course before receiving any training benefits.

Thus, to be eligible for training benefits, claimants must:

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

To actually *receive* training benefits, claimants must exhaust regular unemployment benefits.

Along with these criteria, potentially eligible claimants must be in one of the following categories:

- Dislocated workers.
- Certain low-income workers, when earning potential will be enhanced with training (low-income is defined as "earned less than 130 percent of the state minimum wage in their base year").
- Honorably discharged veterans who served in the military or Washington National Guard in the 12-month period prior to applying.
- Individuals currently serving in the Washington National Guard.
- Individuals who are disabled and unable to return to their previous occupations.

Claimants may receive a waiver for missing the submission and enrollment deadlines if the commissioner determines they had good cause for doing so, and enrollment in part-time training is acceptable if a physical, mental or emotional disability prevents full-time enrollment.

Prior to April 5, 2009, claimants had to:

- Have been dislocated workers, defined as laid-off workers who are unlikely to return to their occupation or industry due to a diminishing demand for their skills ([RCW 50.04.075](#));
- Have had a long-term attachment to the labor force (defined as working at least two of the four 12-month periods immediately preceding the base year) in a specific occupation or skill set.

- Submit a training plan within 60 days after receiving the unemployment claims kit, which notifies them about the program; and
- Enter an approved training program within 90 days after receiving the claims kit (if the training course does not start within that period, the applicant is required to enter training as soon as it is available); and
- Enroll as a full-time student.

One of the directives of ESHB 1906 requires the Employment Security Department to prepare an annual report to be presented to the Legislature on December 1 every year. In 2009, the first report covered all participants from 2001 to 2008. This formed a baseline from which all subsequent reports could be measured for changes in the program population and their outcomes. Each report to the Legislature is required to provide the following information.

1. A **demographic analysis** of participants in the Training Benefits Program, including the number of claimants per NAICS (industry) code and the gender, race, age and geographic representation of participants;
2. The **duration of training benefits** received per claimant;
3. An **analysis of the training** provided to participants, including the occupational category supported by the training, a comparison of participants who complete training in relationship to those who do not, and the reasons for not completing approved training programs;
4. The **employment and wage history** of participants, including the pre-training and post-training wages and whether those participating in training return to their previous employers after training terminates; and
5. An identification and analysis of local and state **administrative costs** for operating this program.

This document is divided into five sections that address these areas.

Data sources

This report examines all people who were approved for the Training Benefits Program from July 2008 through June 2009. This includes people whose claims began as early as 2006² but were approved for training benefits in the state's 2009 fiscal year.

Among the most important outcome data associated with the program are the wage data for each employee reported by employers who are covered under the unemployment-insurance program. These data are reported quarterly, and there is up to a six-month delay between the time a training-benefits participant first becomes employed and wages are reported for that individual in the unemployment-insurance wage database. To ensure that wage data were available for this group, the fiscal year was chosen rather than the calendar year. Using the fiscal year also ensures that the program cost data are properly reported.

Administrative data for the program were drawn from the Employment Security Department's data warehouse. Also provided are demographic data at the time each participant entered the program and the training plan that identified the school and program he or she entered.

In many cases, data for all unemployment-insurance recipients were used to compare training-benefits participants to their peers who received unemployment benefits but were required to

² There were only 63 cases with an initial claim before 2008. These were due to extended benefits, appeals and backdates.

engage in work-search activities. These data were pulled from the unemployment-insurance database that is maintained by Employment Security.

Since much of the information requested about training-benefits participants is not readily available through the administrative records, a survey of participants was completed in the summer of 2010 to gather this information. The survey questions were substantially unchanged from the baseline study presented to the legislature on December 1, 2009. The sample population included everyone admitted into the Training Benefits Program from January 2006 through December 2008. This may differ slightly from the participants approved for training benefits in the 2009 fiscal year. The sample frame extends over two years in order to ensure a large enough population from which to pull a representative random sample and in order to obtain results from respondents who have actually completed their studies and returned to work³.

³ The sample excluded anyone who answered the 2009 baseline survey.

Findings

1. Demographic analysis of Training Benefits Program participants

Participant characteristics

While the population of all unemployment-insurance claimants was nearly two-thirds male, the genders were about equally represented for training-benefits participants. The median age for training-benefits participants was higher than that of unemployment-insurance claimants, as demonstrated by the higher percentage of training-benefits participants in the 36 to 45 age group (30.6 percent) compared to unemployment-insurance claimants (23.7 percent).

Table 1
Demographics of Training Benefits Program participants
(State fiscal year 2009 participants)

	Count of participants	Percent of participants	Percent of all UI claimants*
Gender			
Male	1,178	49.2%	65.5%
Female	1,194	49.9%	34.5%
Not identified	20	0.8%	
Race/ethnicity **			
African American	101	4.2%	4.8%
Asian, Pacific Islander	189	7.9%	6.4%
Caucasian	1,805	75.5%	72.6%
Native American, Alaska native	33	1.4%	2.2%
Other	244	10.2%	14%
Not identified	20	0.8%	-
Age			
Less than 21	7	0.3%	2.9%
21 to 25	108	4.5%	12.3%
26 to 35	558	23.3%	24.9%
36 to 45	696	29.1%	23.7%
46 to 55	732	30.6%	23.1%
56 to 65	264	11%	11.5%
Over 65	6	0.3%	1.7%
Not recorded	20	0.8%	-
Total	2,392	100%	100%
Median age	43	-	40

* The percentage of those filing an initial claim in SFY2009.

** Note: Race/ethnicity is self-described by participant

Note: Some of the sub-groups in this table may not add to 100 percent due to rounding.

Source: Employment Security Department, Unemployment Insurance Data Warehouse.

Participant educational attainment

The level of educational attainment differs for the two groups, as well. Training-benefits participants with a high school education or less account for 40.9 percent of the total, while the percentage of unemployment-insurance claimants at that level represents 58.4 percent.

Table 2
Educational attainment of participants
(State fiscal year 2009 participants)

Educational attainment	Count of participants	Percent of participants	Percent of all UI claimants*
No formal education	60	2.5%	9.5%
Some secondary education	25	1%	4.4%
GED	99	4.1%	4.4%
High school graduate	796	33.3%	40.1%
College - no degree	586	24.5%	14.7%
Associate's degree	358	15%	12.6%
Bachelor's degree	372	15.6%	11.4%
Master's degree	71	3%	2.7%
Doctorate	4	.2%	0.3%
Not identified	21	0.9%	-
Total	2,392	100%	100%

Source: Employment Security Department, Unemployment Insurance Data Warehouse.

* Percentage of those filing an initial claim in state fiscal year 2009.

Geographic distribution of participants

King, Pierce and Snohomish counties accounted for more than half of the people in each study group. Adams, Ferry, Garfield and Lincoln counties had no training-benefits participants in the year.

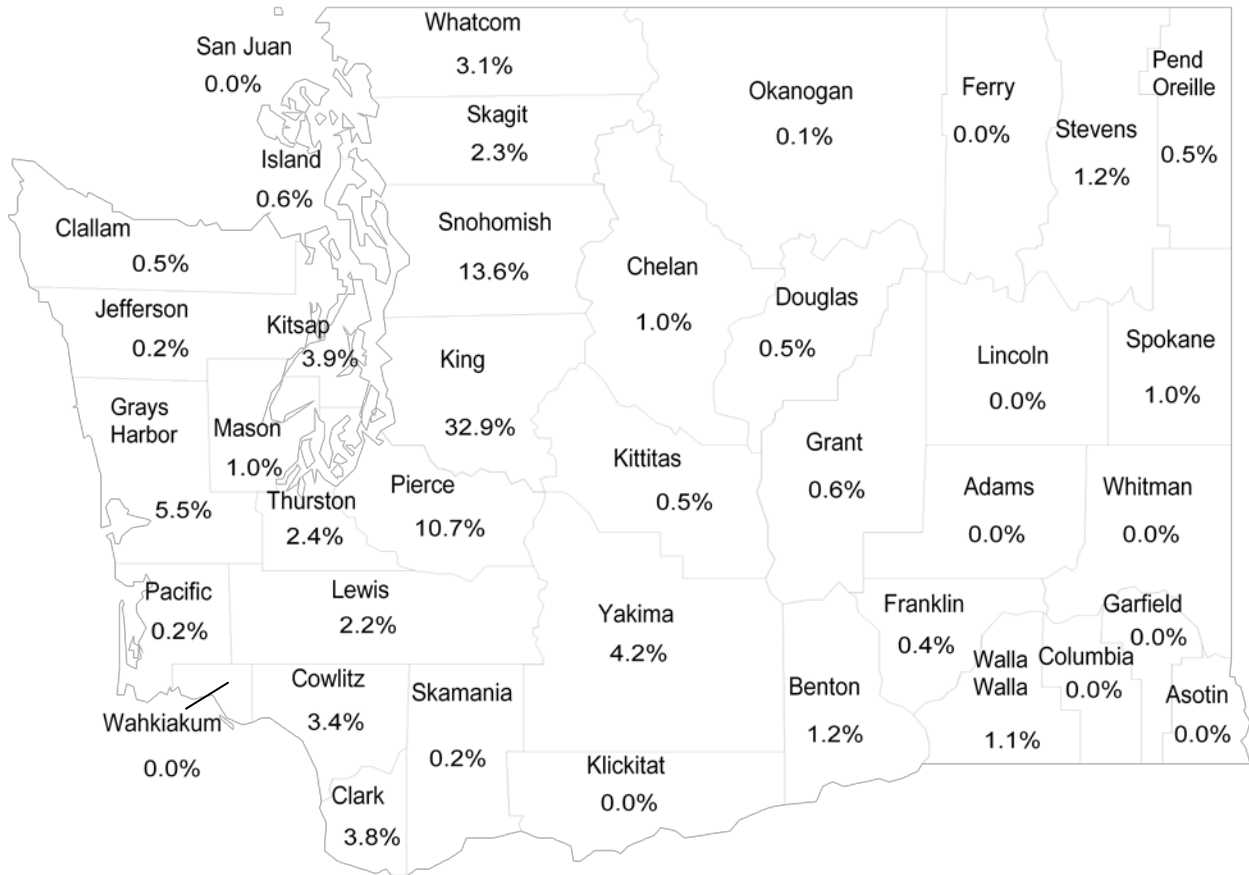
Table 3
County of residence of participants
(State FY 2009 participants)

County	Count	Percent	UI claimant percentages*
Benton	28	1.2%	2.3%
Chelan	25	1%	1.3%
Clallam	12	0.5%	1.1%
Clark	91	3.8%	5.4%
Cowlitz	82	3.4%	2.1%
Douglas	12	0.5%	0.6%
Franklin	10	0.4%	1.2%
Grant	14	0.6%	1.6%
Grays Harbor	131	5.5%	1.6%
Island	14	0.6%	0.8%
Jefferson	4	0.2%	0.4%
King	787	32.9%	26%
Kitsap	93	3.9%	2.9%
Kittitas	13	0.5%	0.6%
Lewis	52	2.2%	1.7%
Mason	24	1%	1.0%
Okanogan	3	0.1%	0.7%
Pacific	5	0.2%	0.4%
Pend Oreille	12	0.5%	0.2%
Pierce	257	10.7%	12.9%
Skagit	55	2.3%	2%
Skamania	4	0.2%	0.2%
Snohomish	326	13.6%	12.3%
Spokane	25	1%	7.1%
Stevens	28	1.2%	0.8%
Thurston	58	2.4%	3.2%
Walla Walla	26	1.1%	0.5%
Whatcom	74	3.1%	3%
Yakima	100	4.2%	4.6%
All other counties	7	0.3%	1.4%
Not identified	20	0.8%	-
Total	2,392	100%	100%

Source: Employment Security Department, Unemployment Insurance Data Warehouse.

* Percentage of those filing an initial claim in state fiscal year 2009.

Figure 1
County of residence of Training Benefits participants
State FY 2009



Industry of participants prior to training

Former employees of the manufacturing, finance and insurance, retail trade and construction sectors, all hit hard by the economic downturn, represented 41.8 percent of all training-benefits participants. Mining and agriculture, fishing and hunting, and forestry were the least represented sectors.

Table 4
Industry of employment before training
(State fiscal year 2009 participants)

Industry sector	Count	Percent of participants	Percent of UI claimants *
Manufacturing	597	25%	15%
Finance and insurance	208	8.7%	2.4%
Retail Trade	195	8.2%	8.8%
Construction	171	7.1%	18.6%
Administrative support and waste mgmt.	150	6.3%	8.9%
Professional, scientific and technical	133	5.6%	4.2%
Information	108	4.5%	1.7%
Health care and social assistance	90	3.8%	4.7%
Wholesale trade	89	3.7%	3.8%
Management of companies and enterprises	75	3.1%	0.5%
Transportation and warehousing	64	2.7%	3.4%
Educational services	64	2.7%	1.8%
Accommodation and food services	57	2.4%	5.5%
Public administration	56	2.3%	2.7%
Other services (except public administration)	49	2%	2.8%
Real estate renting and leasing	45	1.9%	1.5%
Arts, entertainment and recreation	29	1.2%	1.6%
Mining	14	0.6%	0.3%
Agriculture, forestry, fishing and hunting	11	0.5%	4%
INA	187	7.8%	7.7%
Total	2,392	100%	100%

Note: The percentages may not add to 100 percent due to rounding.

** Percentage of those filing an initial claim in state fiscal year 2009.*

Source: Employment Security Department, Unemployment Insurance Data Warehouse

Occupation of participants prior to training

About one-fifth (20.9 percent) of training-benefits participants were in production occupations prior to becoming unemployed. Office and administrative support occupations were a close second, at 20.5 percent of occupations for all training-benefits participants.

Table 5
Occupations prior to training
(State fiscal year 2009 Training Benefits participants)

Occupational categories	Count	Percent of participants	Percent of UI claimants*
Production	500	20.9%	13.5%
Office and administrative-support	491	20.5%	11.8%
Management	294	12.3%	7.8%
Business and financial operations	186	7.8%	2.7%
Construction and extraction	156	6.5%	18.9%
Sales and related	142	5.9%	6.4%
Transportation and material-moving	98	4.1%	9.2%
Arts, design, entertainment, sports and media	93	3.9%	1.5%
Installation, maintenance and repair	92	3.8%	5%
Computer and mathematical	91	3.8%	2.1%
Architecture and engineering	67	2.8%	2.1%
Legal	32	1.3%	0.4%
Farming, fishing and forestry	28	1.2%	3.6%
Personal care and service	20	0.8%	2%
Healthcare practitioners and technical	20	0.8%	1%
Community and Social Services Occupations	14	0.6%	0.6%
Education, training and library	12	0.5%	1.2%
Life, physical and social science	11	0.5%	0.7%
Military specific	11	0.5%	0.4%
Protective service	9	0.4%	1.1%
Food preparation and serving related	8	0.3%	4.3%
Healthcare support	6	0.3%	1.3%
Building and grounds cleaning and maintenance	3	0.1%	2.4%
Not recorded	8	0.3%	-
Total	2,392	100%	100%

Source: Employment Security Department, Unemployment Insurance Data Warehouse

** Percentage of those filing an initial claim in state fiscal year 2009.*

Note: Percentages may not add to 100 percent due to rounding.

2. Duration of training benefits

On average, training-benefits participants collected \$36,498 in benefits, including regular unemployment benefits, emergency unemployment compensation (EUC), extended benefits and training benefits. The average weekly benefit amount for these individuals was \$462, and the total weeks drawn was 79. In 2009, benefit payouts were increased temporarily by a total of \$70 per week with the addition of federal and state stimulus legislation.

3. Analysis of the training provided to participants

Participant training goals

Of the 421 respondents to the survey, 271 indicated that they had either graduated from their training program or they were still taking classes toward their degree. Of the 421, 338 provided the name of their training program. Table 6 below shows the top 25 training programs reported.

Table 6
Top 25 training goals of survey respondents

Program	Frequency	Percent
Accounting	34	10.03
Information technology	23	6.78
Nursing	21	6.19
Business administration	15	4.42
Medical assistant	13	3.83
Web design	13	3.83
Automotive technology	12	3.54
General classes	12	3.54
Network administrator	11	3.24
Admin assistant	8	2.36
Business management	8	2.36
Electrical technology	8	2.36
Welding	8	2.36
Civil engineering technology	7	2.06
Graphic design	7	2.06
MS certification	7	2.06
Paralegal	7	2.06
Medical administration	6	1.77
Project management	6	1.77
Computer-aided design/drafting	5	1.47
Carpentry	5	1.47
Computer network administration	4	1.18
Dental assistant	4	1.18
Early-childhood education	4	1.18
Interior design	4	1.18

Withdrawal from training

There were 242 of the 2,392 participants who withdrew from training, based on data that were available from administrative records.

Table 7
Program withdrawals
(State fiscal year 2009)

State fiscal year	Withdrawals	Approved training plans	Withdrawals as a percent of approved plans
2009	242	2,392	10.1%

Source: Employment Security Department, Unemployment Insurance Data Warehouse.

Reasons for withdrawing from training

In the 2010 survey, training-benefits participants were asked to select from 10 possible reasons for withdrawing from their program of study. The most frequent response was that they needed to find a job rather than continue their education. The next most-frequently cited reason was that their training benefits ended before they could complete their studies. These answers are consistent with the responses from the 2009 baseline survey.

What differs most significantly from the baseline survey is the increase in the percentage of people who stated that remaining in training would have been of little benefit (6 percent in the 2009 survey and 16 percent in this survey).

Table 8
Reasons for not completing a training plan

Reason Given	Count
Needed to find a job rather than continue school	14
Training benefits ended before completion	13
Health reasons	11
Remaining in training would have been of little benefit	10
No child care	9
Classes were not available	4
Found a job that met current needs	3
Returned to former job	3
Insufficient funds for tuition, fees, books etc.	2
Other family responsibilities	2
Total	71 responses

* *Note: The 63 participants gave multiple reasons for not completing a training plan; the number of reasons will be greater than the number of respondents.*

Source: 2010 LMEA Survey of Training Benefits Participants

How training participants paid for expenses

Of the 390 people who answered the survey question regarding how they paid for expenses, 37 percent cited unemployment/training benefits as the primary source of funding for tuition, books and supplies. Of those who claimed “other sources,” 16 respondents said they had part-time jobs in addition to their unemployment. Four claimed veteran-related benefits and six received Trade Adjustment Act funding.

Table 9
Ways participants paid for books, tuition, etc.
(Survey of 2006 through 2008 participants - some gave multiple reasons)

Source of funding	Count	Percent of respondents
With Training Benefit funds	146	37%
Other	128	33%
Financial assistance	95	24%
Personal funds	93	24%
Other governmental assistance	58	15%
Family support	19	5%
Total Respondents	390	

** The 348 participants gave multiple ways to pay expenses; the number of ways will be greater than the number of respondents. Source: 2010 LMEA Survey of Training Benefits Participants*

Occupations to which participants returned to work

“Health-care support” went from being the fourth-ranked occupation of training-benefits participants in the baseline study, to the top occupation in 2009. It trades places with “office and administrative support,” which was the top occupation for the period 2002 through 2008 of the baseline survey. Office and administrative support moved to the fourth-most cited occupation.

Table 10
Occupations of participants who returned to work

Occupations	Count	Percent
Health-care support	28	15%
Business and finance	26	14%
Management	17	9%
Office and administrative support	14	8%
Computer and mathematical	12	6%
Production	12	6%
Installation, maintenance and repair	10	5%
Health-care practitioner	9	5%
Arts, design, entertainment	7	4%
Sales	7	4%
Transportation	7	4%
Legal	6	3%
Education	5	3%
Food preparation	5	3%
Construction	5	3%
Architecture and engineering	3	2%
Protective services	3	2%
Building and grounds maintenance	3	2%
Personal care	3	2%
Farming, fishing and forestry	2	1%
Life, physical and social sciences	1	1%
Community and social services	1	1%

** Note: The sum of the cell percents do not add to 100 percent due to rounding.*

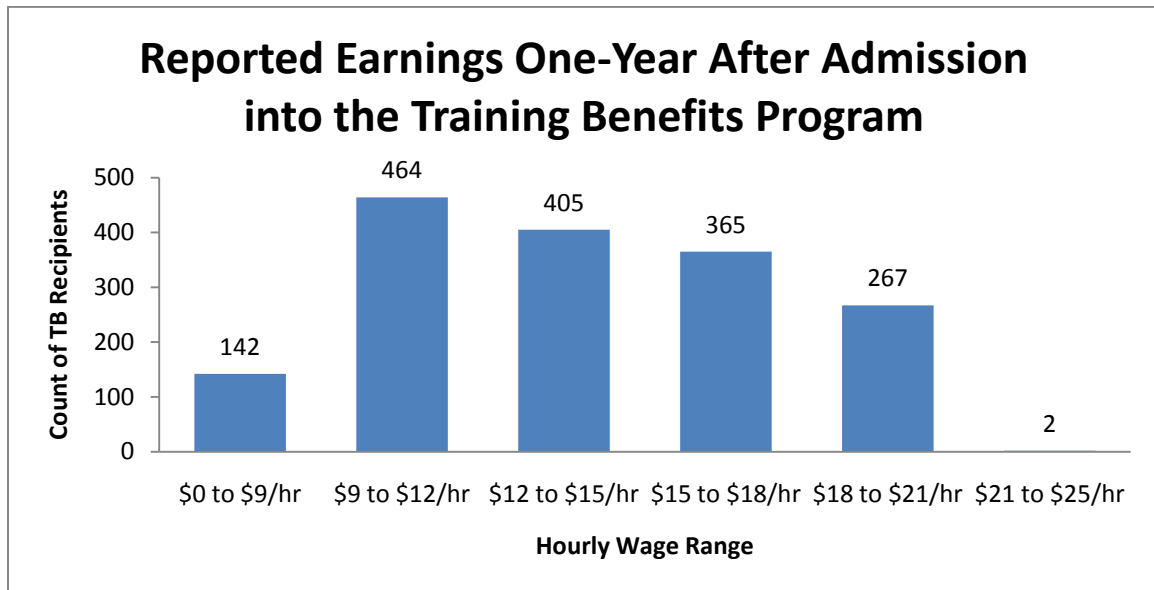
Source: 2010 LMEA Survey of Training Benefits Participants

4. Employment and wage history of participants

Earnings data are available for each of the training-benefits participants from the wage file of the unemployment-insurance database. Because these data are reported only quarterly, there is no way to distinguish wages earned before or after the date of admission to the program, as it likely occurs in the middle of a quarter. It is also not possible to identify precisely the wages earned after completing their training.

Wage data for the four completed quarters after entering the program is reported in this section as a way to reflect the experience of the training-benefits participants in response to the fourth question posed by the legislature: the employment and wage history of participants, including the pre-training and post-training wages and whether those participating in training return to their previous employer after training terminates.

Figure 2



On average, training-benefits participants earned \$14.60 per hour in the four quarters after the quarter in which they were admitted into the program. They reported earnings averaging \$17.46 prior to being laid off. Because many of these reported earnings are a mixture of employment situations, such as work-study, part-time jobs, quarters with no employment and employment, the survey may present a more realistic portrait of the average experience after graduating from the Training Benefits-sponsored training program. Therefore, we have provided data using both the wage reports and responses to the survey.

From the survey, of the 193 respondents who said they were currently working, their mean reported wage was \$19.33 an hour, and the median wage was \$17 an hour.

Of those surveyed, 181 people answered the question “Did you return to your former employer?” Only 6.1 percent of them responded “yes.” In a related question, 50.5 percent said that their training was “very” related to their current job, and another 43.5 percent it was “somewhat” related. Only 6 percent said it was not related at all to their current job.

5. Administrative costs of the program

The Employment Security Department is spending about \$2.4 million a year to administer the Training Benefits Program. There are two major functions that drive program costs.

1) Caseload-associated activities ~ tasks and services associated with clients seeking and gaining eligibility to the Training Benefits Program. These activities fluctuate as demand occurs.

2) General administrative/oversight ~ core functions essential to operating the Training Benefit Program, which includes supervisory and administrative roles, human resources, fiscal and budget, communications and office services.

Employment Security caseload activities

Caseload activities vary, depending on the number of applications the department receives. These activities account for 63.8 percent of costs per year and include:

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

Current cost assumptions for caseload activities

For every 320 applications, an Unemployment Insurance Specialist 3 is needed, at an annual cost of \$66,282.

For every six Unemployment Insurance Specialist 3 positions, an Office Assistant 3 is needed, at an annual cost of \$46,966.

The activities and administrative costs included in this report reflect historical staffing assumptions used to implement the Training Benefit Program. The department has launched a process-improvement project to redesign the application and approval process. The design will provide claimants with more-comprehensive services, provide greater efficiencies and improve customer service. To accomplish this, the department adopted the following changes:

- Simplified the application form.
- Made WorkSource staff available to help applicants complete the Training Benefits application form.
- WorkSource staff review an individual's claim status and help prepare the application form so that it is ready for the Training Benefits Unit to make a decision.
- Simplified the determination letter that is sent to applicants.
- Track progress daily, rather than weekly, so the effect of the procedure changes can be monitored.
- Increased awareness of training benefits through outreach, advertising and other communication efforts.

Employment Security general administrative and oversight activities

General administrative and oversight activities are constant costs and represent about 36.5 percent of the costs per year for implementing the Training Benefits Program.

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

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

Table 11 outlines the costs for state fiscal years 2009 and 2010 and the projected costs for 2011.

**Table 11
Administrative costs at the state level**

Training Benefits administrative cost			
	FY09	FY10	*FY11
Number of applications	2,431	6,687	7,000
Caseload staffing			
Unemployment insurance specialist	6.8	16.2	24.9
Office assistant	1.0	2.6	2.6
WorkSource specialist	7.5	8.4	6.9
Total caseload staffing	15.3	27.2	34.4
Claims per UI specialist	358	413	281
Caseload cost			
Salaries	643,183	1,165,461	1,405,940
Benefits	198,206	373,661	526,953
Total caseload cost	841,389	1,539,123	1,932,893
Non-caseload staffing			
Supervisory staffing	1.0	1.9	1.9
Research & data analysis	1.1	1.8	1.8
Annual reporting	--	0.7	0.7
Total non-caseload staffing	2.1	4.4	4.4
	17.4	31.6	38.8
Non-caseload cost			
Salaries	87,273	142,258	142,258
Benefits	23,347	37,932	37,932
Communications	36,292	47,204	47,204
Utilities	4,015	4,835	4,835
Rental & leases	98,305	103,869	103,869
Repairs & maintenance	12,159	20,512	20,512
Printing & reproduction	5,860	18,070	18,070
Facilities and services	2,184	6,101	6,101
Other goods & client services	17,992	439,024	118,435
Annual reporting	-	53,000	53,000
Total non-caseload cost	287,427	872,805	552,216
Total Training Benefit administrative cost	1,128,816	2,411,927	2,485,108
*FY11 estimates			

Source: Employment Security Administrative File

Summary of administrative cost

The sum of state and local level administrative costs for fiscal year 2009 was \$1,128,816; for fiscal year 2010, it was \$2,411,927. Table 12 compares these total costs with the number of individuals who had an approved Training Benefits Program plan. While the total cost went up, the cost per approved individuals was less than half that of the previous year.

Table 12
Administrative costs
per approved individual for Training Benefits Program

	FY 2009	FY 2010
Total administrative costs	\$1,128,816	\$2,411,927
Approved individuals	1,117	5,687
Cost per approved individual	\$1,010	\$424

Source: Employment Security and training providers' administrative files

Survey analysis

This survey is the second of its kind completed in Washington state. The first survey was completed in 2009 by the Labor Market and Economic Analysis branch of the Employment Security Department to establish baseline information for the program since it began in 2001.

The survey instrument is attached to this document. The instrument is substantially unchanged from the baseline survey. However, it includes questions that were added at the request of senior managers of the Employment Security Department to aid analysis of the findings and to collect additional information.

Data gathering was implemented in two phases. Beginning in July 2010, the survey was posted using the online service “Survey Monkey,” and notices were sent to those who had provided an e-mail address at the time they applied for training benefits. In August, a phone survey was completed of the remaining participants.

While the on-line survey allowed for more comments by the respondents, the phone survey responses varied greatly by surveyor and respondent and led to greater measurement error (incomplete and contradicting answers) than was evident in the automated survey. This issue is discussed below.

Sample design

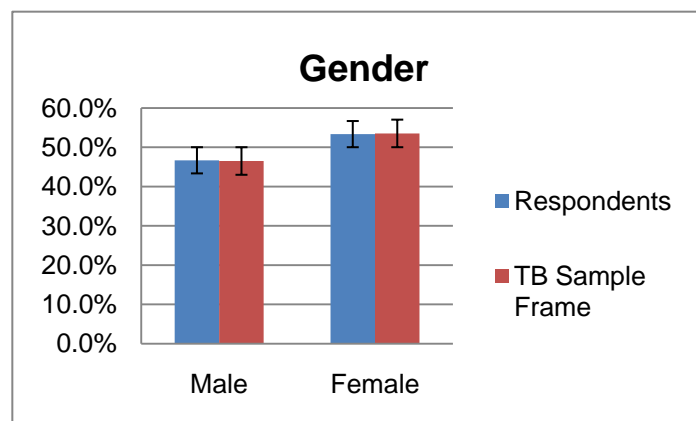
The sample population is all unemployment-insurance recipients who applied for and were accepted into the Training Benefits Program during the sample period (3,149 individuals). The sample period was from January 2006 through December 2008. This period was chosen because it allows two years to follow up from the time of acceptance into the program through completion of training and then subsequent employment.

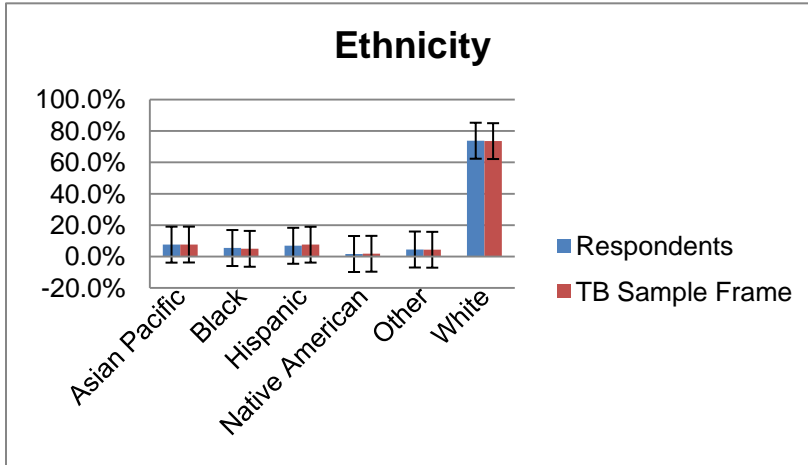
A standard, simple random sample without stratification was used in drawing the sample. Based on the survey response of the 2009 survey, it was decided to draw a sample of 800 individuals, with the expectation that there would be at least 400 completed surveys (50 percent response rate). Based on the variance in responses of two of the principle questions last year, this would ensure a ± 5 percent confidence interval at a 99 percent level of confidence for each of these two questions. Those were “why did you stop training?” and “what is your current occupation?”

Response analysis

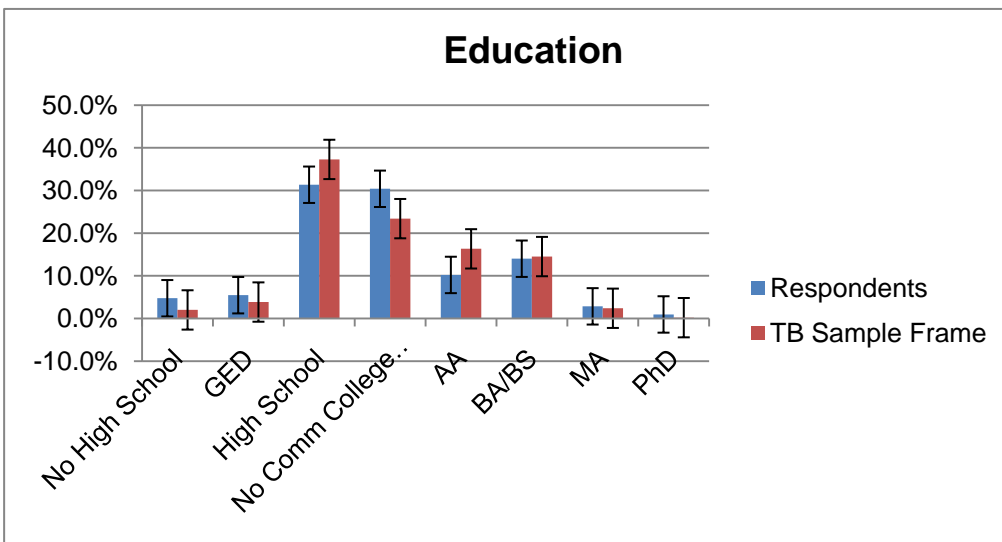
The responses of the survey were compared to the total Training Benefits population that existed from 2006 through 2008. The genders of the participants who answered the survey were almost identical to the total training-benefits population.

There is no significant difference between the ethnicity of those who answered the survey and the training-benefits population from which it is sampled.

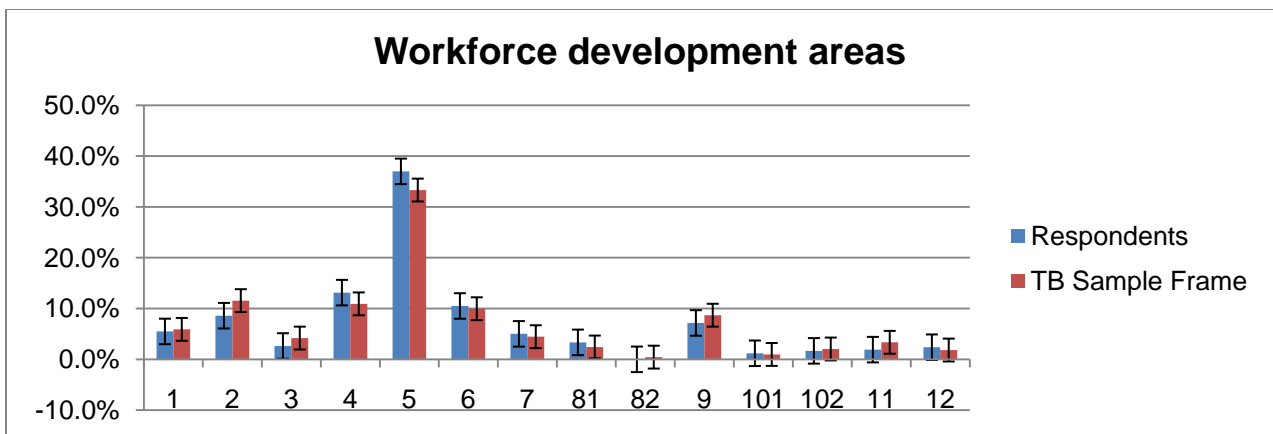




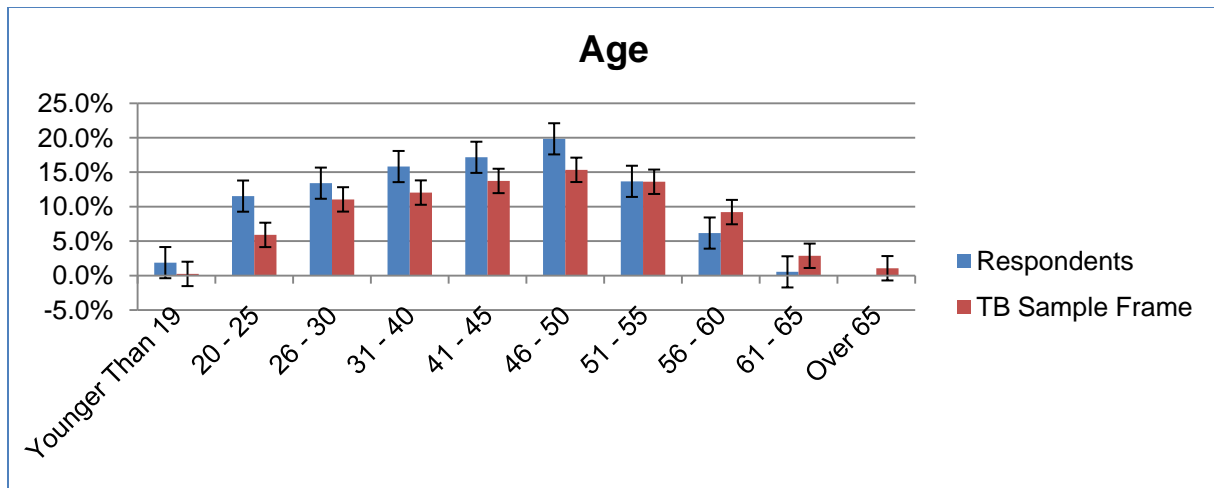
The black bars in the blue and red bands are the standard error of the training-benefits sample. When the bars for the survey and the sample frame overlap, there is no significant difference between the ethnicity of those who answered the survey and the training-benefits population sample.



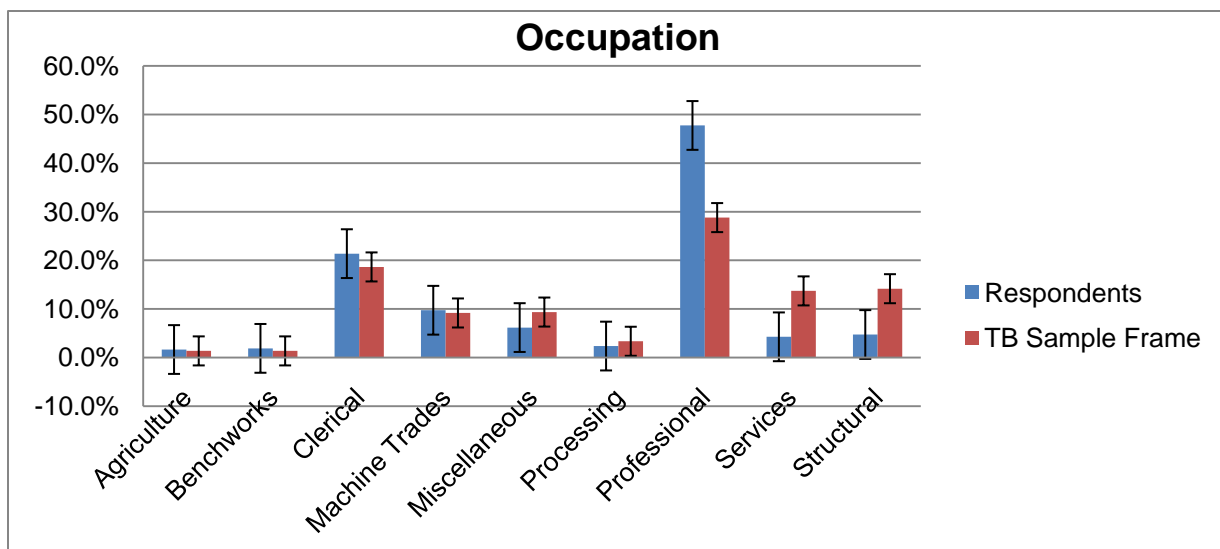
Education was not a source of difference between the Training Benefits Program participants sampled in the survey and the sample frame for the same period.



There was a slight favoring of those surveyed in workforce development areas that were urban centers.



The average age of the participants who responded to the survey was younger than the average age of training-benefits recipients for the period. These respondents also were more likely to be from the professional-services sector of the economy, while the training-benefits recipients in services and building trades were less likely to have responded to the survey.



Differences between on-line vs. phone interviews

Of the 421 respondents to the survey, 217 responded by telephone and 204 used the on-line “Survey Monkey” site. Of the phone respondents, 23 answered only the first question. Several of the phone interviewers included contradictory or confusing comments and responses on the survey form. There was some confusion regarding the survey instrument and the two different forms that were used, but data from the two forms were reconciled prior to data entry.

In the tables below, the responses to the two different survey methods are compared. Ethnicity, age and education show some differences between the two methods, but for the most part, the two methods are similarly successful in their response rates.

Education	Responses	
	Phone	Survey Monkey
No high school diploma	15	5
G.E.D.	10	13
High school	86	46
Community college, no degree	74	54
A.A.	24	19
BA/BS	23	36
M.A.	8	4
Ph.D.	2	2

Age group	Responses	
	Phone	Survey Monkey
Younger Than 19	3	4
20 - 25	27	16
26 - 30	28	22
31 - 40	36	23
41 - 45	35	29
46 - 50	40	34
51 - 55	31	20
56 - 60	15	8
61 - 65	2	0

Occupation	Responses	
	Phone	Survey Monkey
Agriculture	3	4
Benchworks	6	2
Clerical	47	43
Machine trades	32	9
Miscellaneous	16	10
Processing	9	1
Professional	102	99
Services	10	8
Structural	17	3

WDA	Responses	
	Phone	Survey Monkey
1	15	8
2	27	9
3	8	3
4	29	26
5	76	79
6	20	24
7	10	11
81	8	6
82	0	0
9	27	3
101	3	2
102	3	4
11	7	1
12	7	3

Ethnicity	Responses	
	Phone	Survey Monkey
Asian Pacific	12	20
Black	15	8
Hispanic	19	10
Native American	1	6
Other	13	6
White	181	129

Wage	Responses	
	Phone	Survey Monkey
Less than \$12/hr.	9	5
12 - 12.99	5	2
13 - 15.99	13	15
16 - 18.99	19	11
19 - 21.99	12	6
22 - 24.99	3	2
25 - 27.99	6	1
28 - 30.99	5	4
Over \$40/hr	2	3

TRAINING BENEFITS PROGRAM SURVEY TELEPHONE QUESTIONNAIRE

July 29, 2010

TESTED FINAL SURVEY 2010

Survey individual information to be taken from program records:

Name of participant:
Telephone number
E-mail address
Month/day/year of approval

421 Survey responses out of 800 sampled (52.6 percent response rate)
Introduction to individual

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

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

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

Have you started your training?

		Number percent	
Yes = 1;	Go to Q.3 _____	359	85.3
No = 0;	Go to Q.2 _____	39	9.3
No, and refused to answer any further questions.		23	5.5

2. Why haven't you started your training?
 (Indicate "Yes" for all that apply; circle main reason.) **36 Responders**

	<u>YES</u>	<u>Percent</u>
a. You did not plan to start yet	2	5.6
b. Your unemployment insurance benefits ended before you completed the program	3	8.3
c. You needed to find a job rather than continue school	8	22.2
d. You found a job that met your needs	8	22.2
e. You returned to your former job	1	2.8
f. The classes you needed were not available	1	2.8
g. Staying in training was of little benefit to you	1	2.8
h. You did not have enough money for tuition fees, supplies and/or books	2	5.6
i. You did not have adequate child care arrangements`	1	2.8
j. You had other family responsibilities	1	2.8
k. Health reasons	8	22.2
l. Other reasons; please specify: (In jail, military, etc.)		

Go to End of Questions - Closing

3. How did you pay for your training? **390 Responders**

Did you ...(surveyors will read):

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

	<u>YES</u>	<u>Percent</u>
a. Use personal funds	93	23.8
b. Receive family support	19	4.9
c. Receive other governmental assistance, for example an individual training account	58	14.9
d. Receive financial assistance through the school or college	95	24.4
e. With training benefits	146	37.4
f. Other. Please specify: _____	128	32.8

4. Who was your training provider?

Name of school: _____

5. What was (is) the name of the training program? **339 respondents**

6. Did you complete this training?

a. Yes = **240** Go to Q. 7

b. No = **75** Go to Q. 9

c. Still in training = **31** Go to Q. 11

7. Did you receive a degree, certificate or license as a result of your participation in this training?

YES = **240**; NO = **75**

If YES, What did you receive? _____

8. When did you complete this training?

Month/Day/Year _____

Skip to Question 11

9. When did you stop taking this training?

Month/Day/Year _____

10. Next I will read a list of reasons why people have given for NOT completing their training. Please tell me if any of these reasons apply to you. The first reason is (Indicate "Yes" for all that apply.) **63 responders**

	<u>YES</u>	<u>Percent</u>
a. Your unemployment insurance benefits ended before you completed the program	13	20.6
b. You needed to find a job rather than continue school	14	22.2
c. You found a job that met your needs	3	4.8
d. You returned to your former job	3	4.8
e. The classes you needed were not available	4	6.3
f. Staying in training was of little benefit to you	10	15.9
g. You did not have enough money for tuition fees, supplies and/or books	2	3.2
h. You did not have adequate child care arrangements`	9	14.3

- i. You had other family responsibilities 2 3.2
 - j. Health reasons 11 17.5
 - k. Other reasons; please specify: (In jail, military, etc.)
-

Current Employment History

11. Are you working now? **326 Responders**

YES = **193 (59.2%)**

NO = **133 (40.8%)**

12. After you completed (dropped out of) this training, did you go back and work for the same employer that you had when you were laid off? **181 responders**

YES = **11 (6.1%)**

NO = **170 (93.9%)**

13. When did you start this job?

Month/Day/Year _____

14. What is your current job title or occupation? **187 Responders**

a. Job Title or occupation: _____

b. What do you do in this job? _____

15. Did the training help you get this job? **187 Responders**

	<u>Number</u>	<u>Percent</u>
1 = A major help	97	51.9
2 = Helped Somewhat	36	19.3
3 = Very little help	7	3.7
4 = No help at all	47	25.1

16. Is the training you received related to your current job in any way?

184 Responders

	<u>Number</u>	<u>Percent</u>
1 = Very related	93	50.5
2 = Somewhat related	80	43.5
3 = Not related at all	11	6.0

17. In a typical week, how many hours a week do you work on this job?
Mean: 36.4 Hours/Week (Standard Deviation 9.48)
18. What is your rate of pay *before taxes and deductions*?
**Median Wage: \$17.00/hr Mean Wage: \$19.33/hr
(Standard Deviation 10.073)**

End of Questions – Closing

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

Comments: _____

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

Comments and Notes _____

