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Joint Committee on Finance

Paper #690

Wisconsin Fast Forward, Grants to Create Mobile Classrooms and Teacher Development Program Grants (Workforce Development -- Employment and Training)

[LFB 2017-19 Budget Summary: Page 491, #1, Page 492, #2 and Page 493, #3]

CURRENT LAW

Under current law, there is appropriated to the Department of Workforce Development (DWD), as a continuing appropriation, GPR funding to support the following: apprenticeship completion award program, local youth apprenticeship grants, youth summer jobs programs, employment transit assistance grants, workforce training grants and services ("standard Fast Forward grant program"), student internship coordination, and career and technical education (CTE) incentive grants. Base funding for the Department's workforce training; programs, grants and services appropriation ("workforce training grants appropriation") is \$13,545,900 GPR. From this appropriation, DWD must allocate not less than \$3,000,000 annually for career and technical education incentive grants to school districts. The remaining \$10,545,900 may be awarded at the discretion of the Department, for any of the programs listed above. The existing standard Fast Forward grant program permits the Department to award grants to private and public organizations for the development and implementation of programs to train unemployed and underemployed workers and incumbent employees of businesses in this state.

Under current law, there is appropriated to DWD, as a biennial appropriation, GPR funding to support the administration of the workforce training program as well as to upgrade and maintain the Department's labor market information system (LMIS) database. Current law directs DWD to develop and maintain a LMIS database to collect, analyze, and disseminate information on current and projected employment opportunities in the state. The Department is required to make the information contained in the system available, free of charge, to employers, job seekers, educational institutions, and the general public. The Department allocates funding from this appropriation to support: (a) 4.0 permanent positions to staff DWD's Office of Skills Development which oversees and administers the workforce training grants; and (b) 2.0 permanent positions to provide coordination between institutions of higher education and employers to increase the number of students who are placed with employers for internships.

Base level funding for this appropriation is \$3,474,400 GPR and 6.0 GPR positions.

GOVERNOR

Provide additional funding of \$12,600,000 GPR during the 2017-19 biennium (\$12,550,000 in 2017-18 and \$50,000 in 2018-19) to DWD's workforce training grants appropriation (Table 1). Include the following funding components:

- a. Require DWD to allocate not less than \$5,000,000 in 2017-18 from DWD's workforce training grants appropriation for grants to technical colleges for: (a) the expanded Fast Forward grant program as described in a subsequent section under "a." through "e."; and (b) grants to technical colleges under the existing standard Fast Forward grant program.
- b. Require DWD to allocate not less than \$1,500,000 in the 2017-19 biennium from DWD's workforce training grants appropriation for grants to nursing training programs.
- c. Permit DWD to allocate \$5,000,000 in additional funding provided in 2017-18 from DWD's workforce training grants appropriation for any purpose permitted under the appropriation (first row in Table 1).
- d. Provide \$1,050,000 in 2017-18 and \$50,000 in 2018-19 for mobile classroom grants as described in a subsequent section.

TABLE 1

Summary of Funding in DWD's Workforce Training Grants Appropriation in Bill

	2016-17 <u>Base</u>	<u>Governor</u>	
		<u>2017-18</u>	<u>2018-19</u>
Standard Fast Forward Grants, Expanded Fast Forward Grants*, Youth Summer Jobs Program, Employment Transit Assistance Grants, Youth Apprenticeship Grants, Teacher Development Program Grants*, CTE Incentive Grants, Mobile Classroom Grants*, Apprenticeship Programs* and Student Internship Coordination	\$10,545,900	\$16,595,900	\$10,595,900
CTE Incentive Grants	3,000,000	3,000,000	3,000,000
Grants for Technical College Workforce Training Programs*		5,000,000	
Grants for Nursing Training Programs*	_____	<u>1,500,000</u>	_____
Total	\$13,545,900	\$26,095,900	\$13,595,900

*These programs are proposed under the bill and are not included in the 2016-17 base.

Expanded Fast Forward Grant Programs. Expand the purposes of the Department's existing standard Fast Forward grant program to allow DWD to award grants from DWD's workforce training grants appropriation for any of the following:

- a. High School Pupil Certifications. Grants for collaborative projects among school districts, technical colleges, and businesses to provide high school students with industry-

recognized certifications in high-demand fields, as determined by the Department.

b. Technical Teacher Training Programs. Grants for programs that train teachers and that train individuals to become teachers, including teachers in dual enrollment programs. "Dual enrollment program" would mean a program or course of study designed to provide high school students the opportunity to gain credits in both technical college and high school, including transcribed credit programs or other educational services provided by contract between a school district and a technical college. "Teacher" would include an instructor at a Wisconsin Technical College System technical college.

c. Employee Resource Networks. Grants for the development of public-private partnerships designed to improve workforce retention through employee support and training.

d. Internship Programs. Grants to nonprofit organizations, institutions of higher education as defined in federal law, and employers to increase the number of students who are placed with employers for internships.

e. Nursing Training Programs. Grants to community-based organizations for public-private partnerships to create and implement a nursing training program for middle school and high school students.

Increase Staffing. Provide 2.0 GPR positions annually to the Department's workforce training administration appropriation. No funding is associated with the additional positions. The Department could reallocate funding from supplies within the administration appropriation.

Permit Apprenticeship Expenditures. Permit DWD to expend money from the Department's workforce training grants appropriation as well as DWD's workforce training administration appropriation for the Department's registered apprenticeship program and for grants under the apprenticeship completion awards program. Under current law, apprenticeship-related expenditures from these appropriations are only permitted for apprenticeship completion awards.

Additional Reporting Requirements. The bill would require DWD to report annually, by December 31, to the Governor and the Joint Committee on Finance: (a) the number of students who participate in certification or training programs under "a" and "e" under "Expanded Fast Forward Grant Programs" above; and (b) information on the number of student interns who are placed with employers as a result of the grants awarded under "d." above.

Grants to Create Mobile Classrooms for Job Skills Training. Provide \$1,050,000 in 2017-18 and \$50,000 in 2018-19 to DWD's workforce training grants appropriation, and specify that of these amounts the Department may allocate: (a) up to \$1,000,000 for grants to fund the creation and operation of mobile classrooms; and (b) up to \$50,000 in each of 2017-18 and 2018-19 for grants to fund the upkeep and maintenance of the mobile classrooms.

Specify that the mobile classrooms must be used to provide job skills training to individuals in underserved areas of this state, including inmates at correctional facilities who are preparing for reentry into the workforce. Further, allow the grant money to be used by the grant

recipient to purchase capital equipment, such as a mobile or modular unit, that will be used as a mobile classroom, including costs to modify the equipment to make it suitable for classroom instruction, and to purchase and install any furniture, equipment, and supplies necessary or desirable for outfitting the mobile classroom for the job skills training that will be provided in the mobile classroom.

Require DWD to track job training outcomes of the mobile classrooms program, such as the number of program participants and the number of unemployed workers who obtain gainful employment, and to include these outcomes in an existing report issued annually, by December 31, by the Department to the Governor and the Joint Committee on Finance.

Specify that to implement the program, the Department must receive and review applications for the grants and prescribe the form, nature, and extent of the information that must be contained in an application for the grant.

Grants to Create Teacher Development Programs. The bill requires DWD to award grants from the Department's workforce training grants appropriation to a school district that has partnered with one of the following entities to design and implement a teacher development program: (a) a school of education in the University of Wisconsin System; or (b) the flexible option program in the University of Wisconsin System Extension. The bill does not specify the amount that must be awarded under the provision.

In awarding a grant, the bill requires DWD to: (a) consult with the Department of Public Instruction (DPI) to confirm that the teacher development program satisfies certain requirements; (b) consider the methods by which the school district and partnering entity will make the teacher development program affordable to participating employees; and (c) consider whether the school district has agreed to contribute matching funds towards the teacher development program.

In applying for a grant, a school district, together with a partnering entity, would be required to design the teacher development program to prepare employees of the school district who work closely with students and hold a bachelor's degree to successfully complete the requirements for obtaining a professional teaching permit or an initial teaching license, including any standardized examination prescribed by the State Superintendent as a condition for permitting or licensure. To implement the teacher development program, a school district would be required to allow employees who are enrolled in the program to satisfy student teaching requirements in a school in the school district, and the partnering entity must prepare and provide intensive coursework for participating school district employees.

Allow DPI to issue an initial teaching license to an individual who completes a teacher development program under the grant program.

DISCUSSION POINTS

Legislative History of Wisconsin Fast Forward

1. 2013 Act 9 created a workforce training program under the name Wisconsin Fast

Forward. Under this program, the Department awards grants to public and private organizations for the development and implementation of workforce training programs for both new and incumbent employees. Grant funding for the program is provided through a GPR continuing appropriation. Act 9 also created a biennial appropriation within DWD for the administration of the workforce training program as well as for an upgrade of the Department's labor market information system (LMIS) database. The Department allocates funding from this appropriation to staff DWD's Office of Skills Development which administers the Fast Forward grant programs.

2. 2013 Act 139 temporarily expanded the scope of the initial Fast Forward program. Referred to as the "Blueprint for Prosperity," Act 139 transferred \$35.4 million GPR in one-time funding from the Joint Finance Committee's general program supplementation appropriation to DWD's workforce training program; grants and services appropriation and required the Department to allocate: (a) grants to technical colleges for the reduction of waiting lists for enrollment in programs and courses in high-demand fields; (b) grants for collaborative projects among school districts, technical colleges, and businesses to provide high school pupils with industry-recognized certifications in high-demand fields, as determined by DWD; (c) grants to public and private organizations or services provided by the Department to enhance employment opportunities for persons with disabilities; and (d) grant administration.

3. 2015 Act 55 required DWD to make career and technical education incentive grant awards of at least \$3 million annually to school districts in the amount of \$1,000 for each pupil that obtained a high school diploma in the district and successfully completed an industry-recognized certification program. In the bill, DWD was also required to annually confer with DPI and the Wisconsin Technical College System (WTCS) to identify industries and occupations within the state that face workforce shortages or shortages of adequately trained, entry-level workers. Prior to the Act 55 changes, the career and technical education incentive grants program was a separate program and appropriation within DPI (2013 Act 59).

4. 2015 Act 348 repealed separate GPR appropriations for apprenticeship completion awards, local youth apprenticeship grants, employment transit assistance grants, and youth summer jobs programs in 1st class cities (currently only the city of Milwaukee) and consolidated these appropriations into the Department's GPR continuing workforce training grants appropriation. Under the act, moneys in the Wisconsin fast forward grants appropriation can be expended for those awards, grants, and programs.

5. 2015 Act 283 authorized 2.0 full time positions to provide coordination between institutions of higher education and employers to increase the number of students who are placed with employers for internships. Under the act, \$200,000 GPR was transferred from the DWD's workforce training grants appropriation to the Department's workforce training administration appropriation for the purpose of funding the increased FTE count from that appropriation.

Workforce Training Grants Appropriation Account Balance

6. Table 2 details program funding and account balances of the Department's workforce training grants appropriation. The "Initial Program Allocation" column reflects the summation of DWD's grant program announcements for each round or initiative. Initial allocations are set as

guidelines for the magnitude of potential funding available for each program or round of applications.

TABLE 2
Funding Allocations and Account Balance of DWD's
Workforce Training Grants Appropriation, 2013-14 through 2016-17

	<u>Total</u> <u>Appropriated</u>	<u>Initial</u> <u>Program</u> <u>Allocation</u>	<u>Applicant</u> <u>Request</u> <u>Amount</u>	<u>Contracted</u> <u>Grant</u> <u>Amount</u>	<u>Uncontracted</u> <u>Funds in</u> <u>Appropriation</u>
Wisconsin Fast Forward (2013 Act 9)					
Round 1		\$2,700,000	\$4,071,700	\$2,599,158	
Round 2		7,500,000	5,622,313	3,424,005	
Round 3		8,000,000	11,048,041	6,322,427	
Round 4		8,000,000	12,014,929	5,725,580	
Round 5 - Manufacturing		5,000,000	3,875,665	1,635,351	
Round 5 - City of Milwaukee Residents		1,000,000	835,964	476,319	
Round 6 - Construction		2,000,000	-	2,000,000*	
Round 6 - Small Business		500,000	-	500,000*	
Round 6 - Health Care		3,000,000	-	3,000,000*	
Appropriation Consolidation (2015 Act 348)					
Apprenticeship Completion Awards (FY16)		\$225,000	\$480,508	\$121,865	
Apprenticeship Completion Awards (FY17)		225,000	559,476	145,903	
Youth Apprenticeship Grants (FY16)		2,233,700	2,810,028	2,343,201	
Youth Apprenticeship Grants (FY17)		2,233,700	3,209,962	3,209,962	
Youth Summer Jobs Program (FY16)		422,400	422,400	422,400	
Youth Summer Jobs Program (FY17)		422,400	422,400	422,400	
Employment Transit Assistance (FY16)		464,800	464,800	464,800	
Employment Transit Assistance (FY17)		464,800	464,800	464,800	
Subtotal	\$36,291,800	\$44,391,800	\$46,302,986	\$33,278,171	\$3,013,629
Blueprint for Prosperity Initiative (2013 Act 139)					
Technical College Wait List		\$31,000,000	\$38,696,551	\$27,713,315	
High School Pupil Round 1		1,500,000	3,209,450	2,065,651	
High School Pupil Round 2		3,000,000	3,124,924	2,422,220	
High School Pupil Round 3		3,000,000	2,086,823	803,512	
Persons with Disabilities-Project SEARCH		850,000	850,000	850,000	
Training Workers with Disabilities		1,000,000	1,189,112	584,492	
Subtotal	\$35,400,000	\$40,350,000	\$49,156,860	34,439,190	\$960,810
Budget (2015 Act 55)					
CTE Incentive Grants (Class of 2016)		\$3,000,000	\$3,934,000	\$3,000,000	
CTE Incentive Grants (Class of 2017)		3,000,000	3,000,000**	3,000,000	
Subtotal	\$6,000,000	\$6,000,000	\$6,934,000	\$6,000,000	\$0
Total	\$77,691,800	\$90,741,800	\$102,393,846	\$73,717,361	\$3,974,439

*Round 6 grant program announcements for construction, small business and health care industries were issued in 2017 and an award announcement from the Department is forthcoming. However, for the purposes of this exercise, the initial program allocation amounts for Round 6 grants are listed as "contracted" as a way of setting aside or reserving these amounts based on the planned allocations of these funds.

**The final request amount for Class of 2017 CTE Incentive grant payments will be finalized at the end of May, 2017. DWD estimates that the request amount will exceed \$3,000,000.

7. The "Applicant Request Amount" column in Table 2 is a proxy for demand for a particular program. In some cases, such as with the Round 5 manufacturing grants, applicant requests were \$1.1 million below what the Department had initially allocated in the program announcement. In other cases, such as with youth apprenticeship grants in 2016-17, applicant requests exceeded initial allocation by \$1.1 million. To the extent that the Department is able to offset demand for additional awards in one program with the remaining funds not requested in another program, the flexible nature of DWD's fast forward appropriation is able to accommodate these different needs. However, if the net result is demand that either collectively exceeds or falls short of funding levels, then an adjustment to the amounts appropriated to DWD for these purposes could be warranted.

8. Of the \$77.7 million GPR appropriated to DWD's workforce training grants appropriation through 2016-17, an estimated \$73.7 million is expected to be either contracted or allocated by the end of the FY 2017. Because this is a continuing appropriation, approximately \$4.0 million in uncontracted and unallocated funding is anticipated to carry over to the 2017-19 biennium and be available for DWD to allocate to programs in DWD's workforce training grants appropriation.

Expanded Fast Forward Grant Programs

9. Under the bill, DWD's existing standard fast forward workforce training program would be expanded to allow the Department to award grants for any of the following: (a) high school pupil certifications; (b) technical teacher training programs; (c) employee resource networks; (d) internship programs; and (e) nursing training programs.

10. *High School Pupil Certifications.* The high school pupil certifications program is an existing workforce training grant program (created under 2013 Act 139) operated by DWD to support programs in which high school pupils receive training and job placements (see High School Pupil Round 1, 2 and 3 in Table 2). To be eligible for grants, programs must provide industry-recognized certification training in the fields identified by DPI, in consultation with DWD and WTCS, as experiencing workforce shortages. The high school pupil program was funded with one-time GPR funding from 2013 Act 139. The first round of grants under the program was awarded in May, 2014, and provided approximately \$2.1 million in funding for 30 projects to train 949 high school pupils. To date, DWD has awarded \$5.3 million in grants to train 2,350 students. The bill would copy the statutory language authorizing the program from the section of the statutes authorizing the "Blueprint for Prosperity" program, to DWD's expanded Fast Forward grants program.

11. *Technical Teacher Training Programs.* Under the bill, DWD would be authorized to award grants to programs that train individuals and teachers to become teachers in dual enrollment and transcribed credit programs. According to WTCS, the vast majority (75%) of WTCS college credits earned by high school students are transcribed credit courses taught by high school teachers. Under a transcribed credit program, high school students are provided with the opportunity to receive WTCS credit by attending courses taught at a local area high school by qualified high school teachers delivering the same WTCS college curriculum. In 2014, 30,167 high school pupils earned over 117,217 WTCS college credits. According to WTCS, new requirements from WTCS's

accrediting organization (the Higher Learning Commission) may decrease the number of high school teachers qualified to teach these dual enrollment courses. Under the bill, DWD could make grant awards to school districts to assist them in training teachers to meet the new qualification requirements.

12. *Employee Resource Networks.* Under the bill, DWD would be authorized to award grants for the development of public-private partnerships designed to improve workforce retention through employee support and training. Typically referred to as an "employee resource network", such networks are regional consortia of employers who jointly fund a "success coach" or counselor. The coach conducts regular site visits to all sponsoring employers, assisting struggling workers with issues such as child care, transportation issues, family or personal issues, and budgeting. According to the administration, sponsoring employers in other states have realized substantial return on investment in the form of reduced turnover costs, while employees have experienced greater job and earnings continuity. Employee resource networks typically focus on the retention and advancement of lower-income employees as a way to reduce turnover and thereby reducing the need for individuals to turn to public assistance. Grants could be awarded to fund the initial start-up costs of an employee resource network.

13. *Internship Programs.* Under the bill, DWD would be authorized to award grants to, and provide coordination between, nonprofit organizations, institutes of higher education (public or nonprofit private educational institutions) and employers to increase the number of students who are placed with employers for internships. Under current law, DWD is authorized 2.0 full time positions and related expenditure authority to provide coordination between institutions of higher education and employers to increase the number of students who are placed with employers for internships. The bill would allow DWD to make grants to certain organizations to increase the number of students who are placed with employers for internships.

14. *Nursing Training Programs.* Under the bill, DWD would be authorized to award grants to community-based organizations to create and implement a nursing training program for middle school and high school students. The bill specifies that DWD would make grants to community-based organizations for public-private partnerships to create and implement a nursing training program for middle school and high school students. The Department has stated that these monies could be granted to training programs that would allow high school students to accumulate technical college credits in pursuit of certifications for occupations such as Certified Nursing Assistant (CNA) and Pharmacy Technician (CPhT). The Department also suggested that DWD's youth apprenticeship program is a model of how to develop the necessary training and certification base for career progression in the nursing and health care industry. The bill requires DWD to allocate not less than \$1.5 million, of the \$11.5 million provided to DWD's workforce training grants appropriation in 2017-18, for grants to nursing training programs.

Registered Apprenticeship as a Permitted Expenditure

15. Under the bill, DWD would be permitted to expend money from the Department's workforce training grants appropriation as well as from the Department's workforce training administration appropriation for DWD's registered apprenticeship program and for grants under the apprenticeship completion awards program. Under current law, apprenticeship-related expenditures

from these appropriations are only permitted for apprenticeship completion awards. Registered apprenticeships combine classroom study with extensive on-the-job training under the supervision of a trade professional, ultimately leading to an occupational credential. According to the Department, the registered apprenticeship program is growing to meet industry needs in areas such as health care, information technology, financial services and agriculture. The Department has stated that placing registered apprenticeships into the Fast Forward grant appropriation, which already houses the apprenticeship completion awards program and the youth apprenticeship program, provides DWD with greater ability to create a path for students that would like to move from a youth apprenticeship into an adult registered apprenticeship program.

Expenditure Authority and Initial Allocations, 2017-19

16. The bill requires DWD to allocate not less than \$5.0 million, of the \$11.5 million provided to DWD's workforce training grants appropriation in 2017-18 for programs other than mobile classrooms, for grants to technical colleges for workforce training programs under the current standard fast forward grant program as well as for the expanded Fast Forward grant programs provided in the bill. DWD states that it would be involved in awarding funding to WTCS to assist in identifying employment growth areas utilizing DWD's labor market data. Further, DWD states that once these high growth areas are determined, the Department needs to be involved in the development of curriculum necessary to meet the skill development needs that have been identified in a particular industry. Finally, DWD states that the Department has the administrative capacity, systems, and performance measures in place to ensure proper grant execution and monitoring. Prior to 2017-18, DWD has partnered with and awarded workforce training grants to WTCS schools and training programs.

17. Table 3 shows the total amount appropriated to DWD's workforce training grants appropriation for the 2017-19 biennium under current law and under the bill, and the Department's estimated initial allocation of those funds, by program, for each fiscal year. Of the total \$26,095,900 appropriated in 2017-18 and \$13,595,900 appropriated in 2018-19, the Department indicates that initial program allocations would total \$22,462,300 in 2017-18 and \$14,962,300 in 2018-19. In total, according to these estimates, \$2.3 million would remain unallocated by the end of the biennium.

18. As discussed previously in this paper, the Department would carry an estimated unallocated balance of \$4.0 million into the 2017-19 biennium (as shown in Table 2). Therefore, an estimated \$6.3 million of resources would be available for DWD to allocate to programs in 2017-19, such as those programs identified in Table 3 where the Department has not indicated what the initial allocation amount might be. These initial program allocations are estimates. In some cases, such as with the standard Wisconsin Fast Forward training grants, the actual amounts contracted are sometimes significantly less than the initial allocation. Therefore, the amount available to the Department to allocate to the various programs authorized in the appropriation could be larger than the \$6.3 million estimate, depending on demand for various program awards. The only amounts in Table 3 that the Department is required to award are the amounts indicated for career and technical education incentive grants (\$3,000,000 annually), grants for technical college workforce training (\$5,000,000 in 2017-18) and grants for nursing training programs (\$1,500,000 in 2017-18). Beyond

these specified amounts, the Department is not statutorily required to award a specific level of funding to the other programs authorized under the appropriation.

TABLE 3

**Expenditure Authority and Initial Allocations for
DWD's Workforce Training Grants Appropriation**

Expenditure Authority

	<u>2017-18</u>	<u>2018-19</u>
Current Law Base	\$13,545,900	\$13,545,900
Bill	<u>12,550,000</u>	<u>50,000</u>
Total GPR provided under the bill	\$26,095,900	\$13,595,900

Initial Allocations Indicated by the Department

Current Law Programs

Standard Fast Forward Workforce Training Grants	\$7,500,000	\$7,500,000
Youth Apprenticeship Grants	3,300,000	3,300,000
Youth Summer Jobs Programs	422,500	422,500
Employment Transit Assistance Grants	464,800	464,800
Apprenticeship Completion Awards Program	225,000	225,000
Career and Technical Education Incentive Grants	<u>3,000,000</u>	<u>3,000,000</u>
Subtotal	\$14,912,300	\$14,912,300

New Programs Under the Bill

Expanded Fast Forward Grant Programs*		
High School Pupil Certifications*		
Technical Teacher Training Programs*		
Employee Resource Networks*		
Internship Programs*		
Nursing Training Programs*		
Teacher Development Grants*		
Registered Apprenticeships*		
Grants for Technical College Workforce Training Programs	5,000,000	
Grants for Nursing Training Programs	1,500,000	
Mobile Classrooms	<u>1,050,000</u>	<u>50,000</u>
Subtotal	\$7,550,000	\$50,000

Total Estimated Initial Allocation	\$22,462,300	\$14,962,300
Difference, Available Funding less Initial Allocation	\$3,633,600	-\$1,366,400
Estimated 2017-19 Total Unallocated Funding		\$2,267,200

*Initial allocation to be determined by the Department.

19. The Department's workforce training grants and services appropriation is a continuing appropriation, meaning that the money not expended in the current biennium carries over to subsequent biennia. As discussed earlier, there is expected to be a \$4.0 million carryover unallocated balance from the 2015-17 biennium in the account due to actual encumbrances being somewhat lower than initial program allocation estimates. To the extent that requests for workforce training grants reflect the broader economy, it is reasonable to assume that demand for the various programs under the workforce training grants appropriation will not be static. Therefore, it could be argued that retaining a carryover balance would allow the Department some degree of added flexibility if overall economic or industry conditions increase the demand for workforce training awards. The Committee could choose to approve the Governor's recommendation to expand the Department's workforce training program and provide \$11,500,000 in 2017-18 to DWD's workforce training grants appropriation for programs other than mobile classrooms [Alternative A1].

20. The expected \$4.0 million unencumbered balance could be used by DWD in 2017-19 for all authorized programs as provided under current law and the bill. Given the anticipated carryover balance, the Committee could choose to provide a lower amount of one-time GPR funding to DWD's appropriation in the 2017-18 fiscal year than provided under the bill. For example, the amount of additional funding provided in 2017-18 could be reduced by an amount equal to half of the unencumbered carryover balance (\$2,000,000) [Alternative A2] or an amount equal to the entire carryover balance (\$4,000,000) [Alternative A3].

21. Despite the increase in the number of programs that could be funded from DWD's workforce training grants appropriation, the base level funding for the appropriation would remain virtually unchanged. Table 3 shows that current base funding for the appropriation is \$1.4 million below estimated initial program allocations for 2018-19. The base level funding in the Department's workforce training grants appropriation could be increased by \$1,500,000 in 2018-19 to meet the anticipated ongoing need by transferring \$1,500,000 of the funding provided under the bill from 2017-18 to 2018-19 [Alternative A4].

22. The Committee could choose to delete the provisions of the bill related to the expansion of the Fast Forward grant programs, the addition of registered apprenticeships as a permitted expenditure and the provision of \$11.5 million in additional expenditure authority. Given the \$4.0 million of carryover funds in the 2017-19 biennium as well as the Department's existing broad authority to award grants to public and private organizations for the development and implementation of workforce training programs under the standard Fast Forward grants program, the Committee could choose to maintain current law [Alternative A5].

Grants to Create Mobile Classrooms

23. The administration's Budget in Brief states that DWD, as part of the Governor's "Offender Reentry" initiative in the budget bill, would be provided with \$1,050,000 GPR in 2017-18 and \$50,000 GPR in 2018-19 through DWD's workforce training grants appropriation "to expand the mobile classroom program and provide job skills training for inmates at correctional facilities who are preparing for reentry into the workforce."

24. According to DWD, the mobile classrooms provision in the budget bill is a

continuation of an offender reentry program which includes the Department of Corrections (DOC) and WTCS. The program is an initiative to expand educational and vocational opportunities for incarcerated offenders to prepare them for reentry into society.

25. Currently, DOC has one Computer Numerical Control (CNC) mobile lab which is a self-contained classroom inside a 40' gooseneck trailer that can be transported throughout the state to provide technical instruction to participants at various correctional institutions. DOC has coordinated with DWD and the WTCS to provide an accelerated curriculum over the course of 12-14 weeks, culminating in individuals earning up to 16 technical college credits upon completion. The CNC mobile lab curriculum includes skills training to perform operation of machine tools, computer operations, entry-level CNC programming, set-up and operation, mold and die printing, reading and occupational math. In partnership with DOC, Gateway Technical College received DWD "Blueprint for Prosperity" funding to provide CNC machining instruction for up to 40 inmates at Racine Correctional Institution prior to their release.

26. According to DWD, the Department would grant \$1.0 million in GPR funding to DOC for the purchase of two mobile labs for use at correctional facilities. DOC would work with DWD to identify "in-demand" industries in the regions where re-entry individuals will be released. According to the Department, there is demand for additional units across the state of Wisconsin at other correctional facilities.

27. DWD indicated that it is targeting the re-entry population of low-to medium-security correctional facilities associated with DOC. The target population will be DOC inmates currently incarcerated that will be re-entering society within the next year. In CY 2014, approximately 9,000 individuals were released from prison.

28. According to the Department, the ongoing \$50,000 will be used for maintenance of the mobile lab as well as material and supplies needed in the training sessions. As the mobile labs are used and technology improves over time, the necessary equipment needed for training would be replaced. DWD suggests that equipment and instructors must meet industry standards to ensure that individuals are properly trained. While this is a new initiative, it is estimated that the lifespan of a typical mobile lab would be seven to 10 years, contingent on the future need for retro-fitting the mobile lab for training purposes.

29. The bill would provide DWD with additional GPR funding and provide that DWD "may" award grants for the purchase and maintenance of mobile classrooms [Alternative B1]. By selecting Alternative B1, the Committee would permit DWD to not award any monies to DOC and retain all funding associated with this provision. The Committee could choose to approve the Governor's recommendation but specify that DWD "must" award funding not to exceed \$1.0 million for grants for mobile classrooms and \$50,000 annually for the maintenance of mobile labs [Alternative B2]. By selecting Alternative B2, the Committee would ensure that DOC is awarded funding for the purposes of the mobile classrooms.

30. DOC has previously purchased the capital and equipment necessary to operate the existing CNC mobile lab while DWD has contributed funding toward the development of curriculum and instruction related to that lab. The Committee could choose to delete the provision

in the bill under DWD related to the \$1.0 million for the "creation and operation of mobile classrooms" and instead move this provision to DOC and provide the Department of Corrections with \$1,000,000 in additional funding in DOC's GPR prisoner reentry appropriation for the purposes of purchasing mobile classrooms [Alternative B3]. The selection of Alternative B3 would retain the bill's provisions and spending authority related to permitting DWD to allocate up to \$50,000 annually for grants to fund the upkeep and maintenance of the mobile classrooms.

Teacher Development Program Grants

31. The bill requires DWD to award grants from the Department's workforce training grants appropriation to a school district, in consultation with DPI, to design and implement a teacher development program that has partnered with a school of education in the University of Wisconsin System or the flexible option program in the University of Wisconsin System Extension. In awarding a grant, the bill would require that DWD consider whether the school district has agreed to contribute matching funds toward the program and consider how the district and partnering entity would make the program affordable to participating employees. The bill does not specify an amount that must be awarded by DWD under the provision and does not provide additional ongoing funding for the program in the Department's workforce training grants appropriation.

32. According to DWD, after a teacher development program is developed and training costs and criteria are determined, DWD would be able to offer grants to schools to offset the training costs for their teacher candidates. DWD suggests that it is appropriate for the Department to be involved in awarding funding to school districts, instead of DPI, because it believes the program fits the goal of the Department's Wisconsin Fast Forward program to train and retain highly skilled workers. Thus, DWD considers the program a jobs training function better suited to the duties of DWD than an education program under DPI.

33. According to the Department, grant awards would be criteria driven, although limited funding may require it to be a competitive grant award process much like what the Department uses to award standard Fast Forward workforce training grants. DWD states that the teacher development program could parallel the current Wisconsin Fast Forward grant reimbursement processes, whereby school districts would be awarded and contracted a certain amount of funding and then be reimbursed for the costs of the training up to that amount. The school district would subsidize the tuition, or pay it in full, and be reimbursed through the grant program. The Department anticipates that the grant application period would precede the start of each University semester, with grant applications being due 60 days prior to the beginning of each semester.

34. Details of what a teacher training program would look like rests with an individual school district, DPI, and either a UW school of education or the flexible option program at the UW Extension. Not included as an eligible partner in the bill are Wisconsin's private, non-profit colleges. The Committee could consider adding private, non-profit colleges as eligible partners in the design and implementation of a teacher development program [Alternative C2].

35. DWD is not required to award a minimum amount for teacher development grants. Consideration could be given to requiring DWD to award \$1,500,000 GPR from the Department's existing workforce training grants appropriation for this purpose but provide no new funding

[Alternative C3a]. Funding for the program would draw from unencumbered funds in the appropriation. This alternative would put the teacher development program in competition with other Department workforce training programs for a limited amount of funding (Table 3).

36. DWD was not provided additional ongoing GPR funding into the Department's workforce training grants appropriation to make grants to school districts under the teacher development program. The Committee could choose to provide additional funding of \$1,500,000 GPR in 2017-18 to DWD's workforce training grant appropriation that would be set aside for the program [Alternative C3b].

37. Given DPI's current role as the state agency that is responsible for reviewing and approving educator preparation programs offered by Wisconsin colleges and universities and works closest with Wisconsin school districts, the Committee could authorize DPI to award teacher development program grants from a new GPR grants appropriation under DPI, instead of providing the program and expenditure authority to DWD, as provided under the bill. [Alternative C4].

38. If the Committee decides that the training of new teachers in Wisconsin is more appropriate to be directed by DPI, the UW System and the UW Extension, the Committee may prefer to maintain current law [Alternative C5].

Fast Forward Administration

39. The bill would provide 2.0 GPR positions annually to the Department's workforce training administration appropriation. The Department indicates the two positions would work to expand Wisconsin's apprenticeship program "into high growth, high wage areas." In addition, DWD suggests the positions "will work on bridging the gap between youth apprenticeship and registered apprenticeship through the development of better career pathways and expanding into additional industries such as health services, information technology, financial services, and agriculture." The positions are anticipated to be: (a) 1.0 FTE Apprenticeship Training Representative, potentially to be stationed in the Milwaukee area (\$76,400 annually for salary and fringe); and (b) 1.0 FTE Program and Policy Analyst-Advanced, to be stationed in Madison and to provide policy coordination, outreach, and coordination between the youth apprenticeship and registered apprenticeship program (\$92,400 salary and fringe).

40. Under the bill, the Department would be permitted to allocate funding from DWD's workforce training administration appropriation for the Department's registered apprenticeship program.

41. No additional funding was provided with the 2.0 positions added in the bill. DWD anticipates sufficient resources within the appropriation to be able to sustain the 2.0 FTE that was initiated in the Governor's budget. DWD has stated that it will request permission from DOA to transfer funding from the supplies and services line to the salary and fringe line within the appropriation to support the two positions. The Committee could include the transfer of \$168,800 annually from supplies to salary and fringe as part of the approval of the 2.0 positions [Alternative D1].

42. Under the bill, the number of programs eligible for grant funding from the Department's workforce training grants appropriation would expand. In addition, DWD would also receive a one-time increase in GPR funding of \$12,500,000. The Department indicates that there is currently a significant amount of work for the current 4.0 FTE positions to administer grants, check wage data and jobs created, monitor compliance and review applications. The Department has stated that to handle the increased workload under the bill DWD would likely seek to utilize contract staff through the state's staffing service contract. DWD preliminarily anticipates needing approximately three to four additional contract staff. It is anticipated by the Department that these contract staff will have the qualifications similar to a Grants Specialist state classification. Based on the current state contract rates, DWD estimates additional contracting costs of \$165,900 starting in 2018-19. Funding for these contract staff would be from the Department's workforce training administration appropriation. Given the sufficient resources indicated by the Department that currently exist in DWD's workforce training administrative appropriation and in recognition that the Department could use these resources to contract for services, the Committee could choose to not increase the FTE position count [Alternative D2]. Because the Department has indicated that the 2.0 FTE positions would be dedicated to administering apprenticeship activities, the additional contract staff needed to administer the new programs provided under the bill would occur even if the Committee decides to authorize the additional 2.0 FTE.

ALTERNATIVES

A. Increase GPR Funding, Expand Fast Forward Grant Programs, and Add Registered Apprenticeship as a Permitted Expenditure

1. Approve the Governor's recommendation to provide \$11,500,000 GPR in 2017-18 to DWD's workforce training grant appropriation and require that, from this appropriation, the Department allocate: (a) not less than \$5,000,000 in 2017-18 for grants to technical colleges for certain purposes; and (b) not less than \$1,500,000 in the 2017-19 biennium for grants to nursing training programs. Permit the Department to allocate \$5,000,000 in additional funding provided in the workforce training grant appropriation in 2017-18 for all program purposes authorized under the appropriation, under the bill. Permit DWD to allocate workforce training grant and workforce training administrative appropriation funds for Department's registered apprenticeship program. Also, approve the Governor's recommendation to expand DWD's Fast Forward grant program, and allow the Department to award grants from DWD's workforce training grants appropriation, for the following: (a) high school pupil certifications; (b) technical teacher training programs; (c) employee resource networks; (d) internship programs; and (e) nursing training programs.

ALT A1	Change to	
	Base	Bill
GPR	\$11,500,000	\$0

2. Approve Alternative 1, as modified to provide \$9,500,000 GPR in 2017-18 to DWD's workforce training grant appropriation, instead of \$11,500,000.

ALT A2	Change to	
	Base	Bill
GPR	\$9,500,000	-\$2,000,000

3. Approve Alternative 1, as modified to provide \$7,500,000 GPR in 2017-18 to DWD's workforce training grant appropriation, instead of \$11,500,000.

ALT A3	Change to	
	Base	Bill
GPR	\$7,500,000	-\$4,000,000

4. Approve Alternative 1, as modified to provide \$11,500,000 GPR to DWD's workforce training grants appropriation in the 2017-19 biennium, by moving \$1,500,000 GPR of the amount provided in 2017-18 to 2018-19, to provide \$10,000,000 GPR in 2017-18 and \$1,500,000 GPR in 2018-19.

ALT A4	Change to	
	Base	Bill
GPR	\$11,500,000	\$0

5. Delete provision.

ALT A5	Change to	
	Base	Bill
GPR	\$0	-\$11,500,000

B. Grants to Create Mobile Classrooms

1. Approve the Governor's recommendation to provide \$1,050,000 GPR in 2017-18 and \$50,000 GPR in 2018-19 to DWD's workforce training grants appropriation and specify that of these amounts the Department may allocate: (a) up to \$1,000,000 for grants to fund the creation and operation of mobile classrooms; and (b) up to \$50,000 in each fiscal year for grants to fund the upkeep and maintenance of the mobile classrooms.

ALT B1	Change to	
	Base	Bill
GPR	\$1,100,000	\$0

2. Approve Alternative B1 but modify the Governor's recommendation to require, instead of allow, DWD to award grants to the Department of Corrections for the purchase of mobile classrooms.

3. Provide the Department of Correction's recidivism reduction community services appropriation with \$1,000,000 GPR in 2017-18 for the creation and operation of mobile classrooms, as provided under the bill, instead of providing the funding to DWD. Retain the bill's provisions and spending authority related to permitting DWD to allocate up to \$50,000 annually for grants to fund the upkeep and maintenance of the mobile classrooms. Further, modify the Governor's recommendation to require, instead of allow, DWD to award grants to the Department of Corrections for the upkeep and maintenance of mobile classrooms.

ALT B3	Change to	
	Base	Bill
<u>DWD</u>		
GPR	\$100,000	-\$1,000,000
<u>DOC</u>		
GPR	\$1,000,000	\$1,000,000

4. Delete provision.

ALT B4	Change to	
	Base	Bill
GPR	\$0	-\$1,100,000

C. Teacher Development Program Grants

1. Approve the Governor's recommendation to require DWD to award grants from the Department's workforce training grants appropriation to a school district, in consultation with DPI, to design and implement a teacher development program that has partnered with a school of education in the University of Wisconsin System or the flexible option program in the University of Wisconsin System Extension.

2. Approve Alternative C1, as modified to add private, non-profit colleges as eligible partners in the design and implementation of a teacher development program.

3. Approve Alternative C1 or C2. In addition, require that \$1,500,000 be awarded for teacher development program grants, and:

a. Provide no additional funding.

b. Provide \$1,500,000 GPR in 2017-18 in DWD's workforce training grants appropriation.

ALT C3b	Change to	
	Base	Bill
GPR	\$1,500,000	\$1,500,000

4. Authorize DPI to award teacher development program grants, in cooperation with DWD, from a new GPR grants appropriation under DPI, instead of providing the program and expenditure authority to DWD. Provide \$1,500,000 GPR in 2017-18 in DPI's newly created biennial GPR grants appropriation and require DPI to award that amount for teacher development program grants.

ALT C4	Change to	
	Base	Bill
<u>DPI</u>		
GPR	\$1,500,000	\$1,500,000

5. Delete provision.

D. Fast Forward Administration

1. Approve the Governor's recommendation to provide 2.0 GPR positions annually to the Department's workforce training administration appropriation. In addition, transfer \$168,800 GPR annually from the supplies and services line to the salary and fringe line to support the two positions.

ALT D1	Position Change to	
	Base	Bill
GPR	2.00	0.00

2. Delete provision.

ALT D2	Position Change to	
	Base	Bill
GPR	0.00	- 2.00

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