

**Better Integrate Other Employment and Training Programs into the WorkOne System.**

There are several ways that Indiana could better integrate employment and training programs into the WorkOne system. First, the state could elect to make TANF a mandatory partner in the WorkOne system. Because of TANF's over arching mission as a welfare-to-work program and the services available at WorkOne centers, it makes sense that WorkOnes should become the "go-to" place for TANF recipients and that TANF be a part of the local planning process. It would be necessary, however, to train WorkOne staff on identifying barriers to work and the supportive services available to low-income workers who may face extra challenges to finding and keeping a job. The state could also better integrate work-related assessment tools – such as WorkKeys – in the provision of Adult Basic Education services. The state should also encourage local WorkOnes and ABE service providers to work more closely together, if that is not already occurring.

**Help Workers Plan and Prepare for Careers Not Just Jobs.**

Some of Indiana's current policies – especially those found in the TANF and WIA programs – run contrary to the necessity of elevating the education and training levels of Hoosier workers and preparing them for real careers. In the TANF program, post-secondary education only counts toward the work requirement for 12 months and participation in a four-year degree program does not count. This limits the pursuit of either a two or four year degree – credentials that can lead to long-term self-sufficiency for families. In addition, TANF recipients are expected to find a job with their current skills set – even if they lack a high school degree. In WIA, participants are eligible for intensive and training services only if they cannot find employment – even if that job is low-wage and offers little opportunity for advancement. Indiana needs to re-think these policies as well as set budget priorities within the programs so that workers can access the training that leads to career paths and self-sufficient wages.

**Link Low-Income Workers with Work Supports.**

Workers – especially dislocated, unemployed, displaced homemakers, or low-income workers – need to be aware of potential income supports while they are in training and/or are making the transition into their next job. Specifically, information on the Earned Income Tax Credit, the Food Stamp Program, Hoosier Healthwise (the health insurance program for low-income families), and child care assistance should be made uniformly available at WorkOne centers and better integrated into the intake process. Some states co-locate these resources with One-Stops and others have placed a benefits eligibility/intake caseworker at One-Stops with great success. Having access to these programs can prevent economic crisis, promote attachment to work, and result in healthier more productive workers and families.

**Make Self-Sufficiency a Goal of Education and Training Initiatives and Formally Integrate Use of the Self-Sufficiency Standard into the Workforce Development System.**

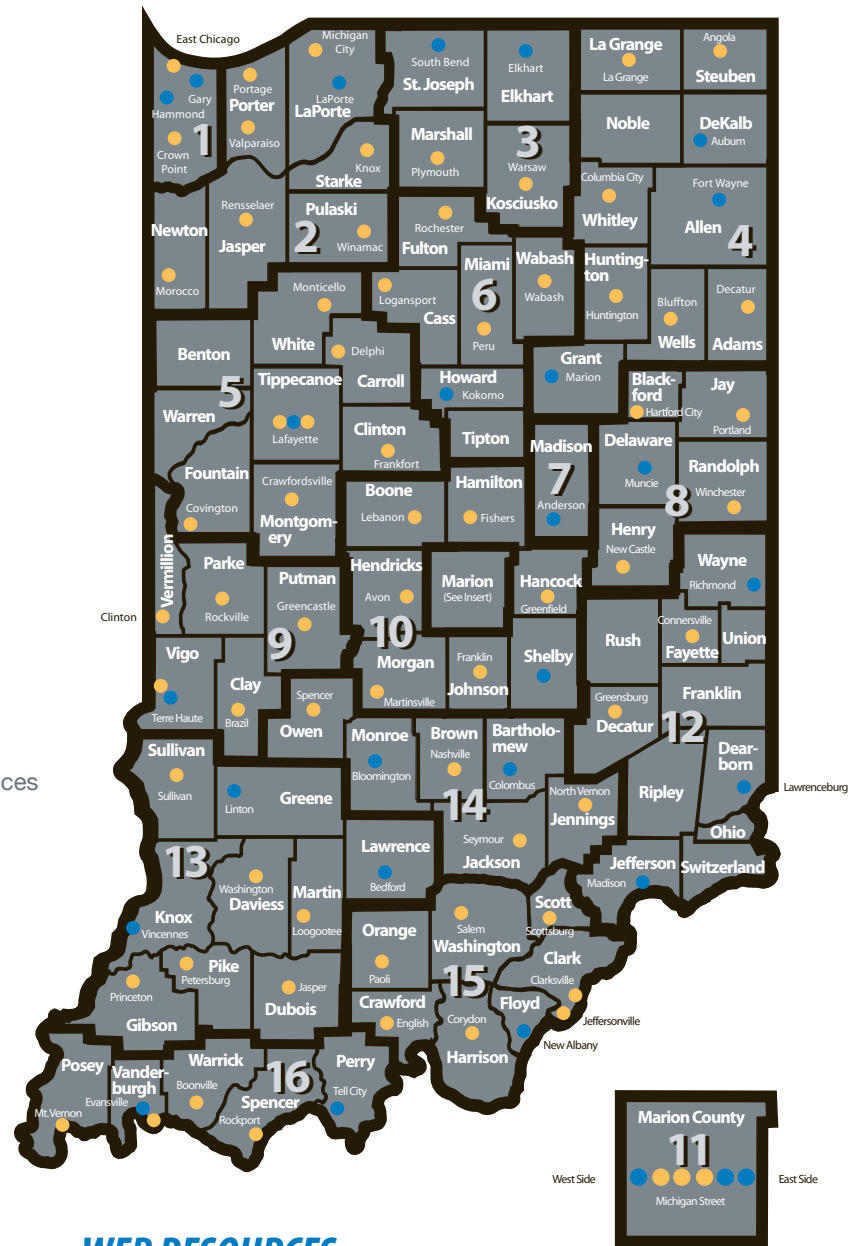
The Self-Sufficiency Standard is a research-based, geographically-specific measure of the income needed for a family to pay for their basic needs without relying on public assistance. This should be the eventual goal of all employment and training programs in Indiana. Will this training lead to a career path that pays or has the potential to pay a self-sufficient income? The Standard could also be used more extensively in WorkOnes as a part of job counseling and career exploration with clients and also in evaluating proposals for customized training grants. Some local areas in Indiana are utilizing the Self-Sufficiency Standard within workforce development, for example, using it as a qualifying definition of "low-wage earner."

# LOCAL WORKFORCE DEVELOPMENT BOARDS

## WIBS

1. Northwest Indiana
2. Center of Workforce Innovation
3. Northern Indiana
4. Northeast Indiana
5. Tecumseh Area Partnership
6. North Central
7. Madison
8. East Central
9. Western Indiana
10. Circle Seven
11. Marion County
12. Southeastern Indiana
13. Shawnee Trace
14. South Central
15. Southern Seven
16. Southwest Indiana

● WorkOne Centers  
● WorkOne Express Offices



## KEY ELEMENTS AND FUNCTIONS OF THE WORKFORCE INVESTMENT SYSTEM

Entity	Function
State Human Resource Investment Council	Governor-appointed Board providing state planning and oversight to local Workforce Investment Boards
Workforce Investment Boards	Locally-appointed Boards that create regional workforce development plans and contract with WorkOnes to provide services to individuals and employers
WorkOnes	Local entities which provide a range of employment and training services to individuals
WorkOne clients and customers	Employers and workers

## WEB RESOURCES

- Indiana Department of Workforce Development**  
<http://www.in.gov/dwd/>
- Commission for Higher Education**  
<http://www.che.state.in.us/>
- Indiana Department of Education**  
<http://www.doe.state.in.us/>
- Indiana Education Roundtable**  
<http://www.edroundtable.state.in.us/>
- Indiana Department of Commerce**  
<http://www.indianacommerce.com/>
- Indiana Department of Veterans Affairs**  
<http://www.in.gov/veteran/saa/>
- Indiana Family and Social Services Administration**  
<http://www.in.gov/fssa/>
- State Student Assistance Commission of Indiana**  
<http://www.in.gov/ssaci/>
- Community College of Indiana**  
<http://www.ccindiana.net/>

# THE EMPLOYMENT AND TRAINING SYSTEM IN INDIANA

## WORKFORCE DEVELOPMENT AN EMPLOYMENT AND TRAINING COMPENDIUM FOR INDIANA

*"It's time to raise a new barn in Indiana, a new, stronger structure to house new tools and to make possible far richer future harvests. We will need the whole community to show up."*

– Governor Mitch Daniels on January 10, 2005

## THE OPPORTUNITY

The election of a new governor provides Indiana the opportunity to evaluate existing efforts, formulate innovative strategies and articulate a fresh vision across all areas of government. A chance to "raise a new barn." Re-tooling areas that directly contribute to Indiana's economic health – such as the employment and training infrastructure – is a particularly important undertaking. However, prosperity flows from an economy that has been shaped not just by the leadership of newly elected officials, but also by the needs and demands of employers – both large and small – and the workforce – from the entry level worker to the worker who is near retirement. All Hoosiers have a stake in this vital task.

Indiana's employment and training infrastructure has two broad priorities – to provide employers with a skilled labor force and to ensure that workers have the tools and resources they need to advance in their careers. An infrastructure that supports these goals requires solid, future-oriented planning to enhance Indiana's competitiveness in the 21st Century. It also demands a vision that does not focus exclusively on one segment of the workforce or one size of business, but rather encompasses strategies that include the needs of small and medium sized businesses as well as those of entry level workers and those well into their careers.

The challenges in creating and maintaining a skilled workforce in Indiana are well-documented by a wide range of stakeholders. Most recently, the Indiana Chamber of Commerce weighed in with their "demand-side" strategy report documenting the dramatic skills shortage in Indiana with up to 30 percent lacking the most basic skills needed in a knowledge-based economy. Indiana struggles with post-secondary achievement and retaining recent graduates. Costs of higher education have skyrocketed over the past ten years. State investments have lagged in grants for part-time students and in training programs that target those with barriers to work. Policies in two major funding programs seem to discourage pursuit of advanced training and education. And, employers themselves have voiced frustration with finding skilled workers, despite higher unemployment over the past few years.

Yet, Indiana has made progress on a number of fronts. For example, graduating more students from high school and from post-secondary institutions, making significant investments in its incumbent workforce, and identifying high-growth industries it would like to develop and expand over the next several years to move the state's economy forward. The real question is whether the existing education and training infrastructure and attendant investments can provide the numbers and types of skilled workers that these industries require now and in the future.

A final note that bears repeating is: when investments are made in higher education and advanced training, recipients of these investments go on to earn higher wages. The more they earn, the more taxes they pay and the more disposable income they have to spend within local communities and in the state. This not only benefits Indiana businesses but it expands the budget "pie." Investing in education and training is economic development.

## RECOMMENDATIONS

### Articulate a Collaborative Vision for the Employment and Training System.

Indiana's employment and training system would benefit from a comprehensive vision that goes beyond what is articulated in "state plans" and one which cuts across administrative, department and programmatic boundaries. Any strategy that filters down from the state to regional areas needs to also run from regional areas back up to the state. This vision needs to be more inclusive in a variety of ways. It should include strategies for all Hoosier workers – the entry level worker, the recent college graduate, the dislocated worker, and the worker trying to re-enter the labor market after a period of unemployment. It needs to take into account the oftentimes different training needs of smaller and medium-sized businesses. Creating such a vision requires leadership from the state and recognition that multi-stakeholder, regional input is not only necessary – it is imperative.

### Boost Investments and Make Training a Priority.

The Workforce Investment Act (WIA) program – a major source of workforce development funding – has not lived up to its potential as a resource for training Indiana's workers. Indiana ranked last in the Midwest for numbers of workers trained with WIA dollars in FY 2003. Indiana should ensure that training is a priority. Some states have given local WIBs more authority over other funding streams, such as TANF, TAA, Wagner-Peyser, among others which helps to maximize and better coordinate dollars that can be spent on training. For example, utilizing TANF dollars to assist with operational costs of One-Stops (known as WorkOnes in Indiana) so that more WIA funds are freed up for intensive and training services. Other states have provided technical assistance to local areas designed to increase the number of federal employment and training grants being applied for, and ideally received. Some exemplary One-Stops in other states have grant writers on staff hired specifically to leverage additional training dollars from competitive government grants and private funding sources.

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# WORKFORCE DEVELOPMENT IN INDIANA

# RECOMMENDATIONS CONTINUED...

PROGRAM	WIA Adult	WIA Dislocated	WIA Youth	Employment Service	Re-employment Services	Trade Adjustment Assistance Program	Incumbent Worker Training Fund (IWTF) (1)	Gain Education and Training (2)	Regional Skill Alliance (3)	Advance Indiana Grant (ADVI) (4)	Building Trades (5)	Indiana Plan (6)	Local Veteran Employment Representative Program	Disabled Veteran Outreach Program	Vocational and Technical Education (Perkins) (7)	Tech Prep	Adult Basic Education	State Higher Education Grants and Awards	Pell Grants (8)	IMPACT FSE&T (9)	IMPACT TANF (10)	Vocational Rehabilitation	Skills Enhancement Fund (11)	TECH Fund
<b>Federal Department</b>	Labor	Labor	Labor	Labor	Labor	Labor	N/A	N/A	Labor	Labor	N/A	N/A	Labor	Labor	Education	Education	Education	Education	Education	Agriculture	HHS	Education	N/A	N/A
<b>State Administrator</b>	DWD	DWD	DWD	DWD	DWD	DWD	DWD	DWD	DWD	DWD	DWD	DWD	DWD	DWD	DWD/DOE	DOE	DOE	SSACI	N/A	FSSA	FSSA	FSSA	IDOC	IDOC
<b>State Policy Entity</b>	SHRIC	SHRIC	SHRIC	N/A	N/A	SHRIC	UI Board	UI Board	SHRIC	SHRIC	UI Board	UI Board	N/A	N/A	CHE/ICCTE/DOE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>2003-04 Funding</b>	\$12,163,520	\$12,088,326	\$16,307,639	\$14,373,896	\$677,166	\$6,412,352	\$12,236,184	\$342,900	\$698,188	\$633,268	\$4,361,030	\$450,000	\$1,768,000	\$1,416,000	\$244,086,304	\$1,185,262	\$23,363,373	\$171,184,893	\$148,800,000	\$9,347,605	\$15,971,513	\$71,466,408	\$4,597,910	\$274,445
<b>State Funding</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$12,236,184	\$342,900	\$0	\$0	\$4,361,030	\$450,000	\$0	\$0	\$219,475,481	\$0	\$14,000,000	\$167,877,644	\$0	\$2,487,059	\$5,819,667	\$15,222,296	\$4,597,910	\$274,445
<b>Federal Funding</b>	\$12,163,520	\$12,088,326	\$16,307,639	\$14,373,896	\$677,166	\$6,412,352	\$0	\$0	\$698,188	\$633,268	\$0	\$0	\$1,768,000	\$1,416,000	\$24,610,823	\$1,185,262	\$9,363,373	\$3,307,249	\$148,800,000	\$6,860,546	\$10,151,846	\$56,244,112	\$0	\$0
<b>Providers</b>	WorkOne, contractors, CBOs	WorkOne, contractors, CBOs	WorkOne, contractors, CBOs	DWD staff at WorkOne	DWD staff at WorkOne	DWD staff at WorkOne, contractors	55% ITSC, 45% to other	Contractors	Contractors	Contractors	ITSC	ITSC	WorkOne, contractors	WorkOne, contractors	Secondary and post-secondary institutions	Secondary institutions	Contractors, CBOs, LEAS	Post-secondary institutions	Post-secondary institutions	Contractors	Contractors	Contractors	Contractors	Contractors
<b>Services</b>	Job search, placement and retention, education and training, work supports	Job search, placement and retention, education and training, work supports	Education and training, supportive services	Job matching and placement	Job matching and placement	Classroom, on-the-job training, vocational and technical education	Skills training	Training resulting in industry-recognized credential	Training resulting in industry-recognized credential	Training resulting in industry-recognized credential	Apprenticeships and associates degrees	BAT approved training program related to construction industry	Job assessment, counseling, search and placement	Job assessment, counseling, search and placement	Vocational and technical education courses	Vocational and technical education courses	Basic skills, HS Credit completion, ESOL, GED/GQE preparation	Post-secondary education	Post-secondary education	Job readiness, placement, supportive services	Job placement, supportive services	Job placement, supported employment, on-the-job training, post-secondary, supportive services	Skills training	Certified IT training
<b>Target Population</b>	Adults age 18 and older	Dislocated workers	Youth age 14-21, low-income, at-risk	Adults and youth	Workers un-employed and unlikely to return to previous employer	Dislocated workers impacted by trade policies	Incumbent workers	Incumbent workers	Incumbent workers	Incumbent workers	Incumbent workers	Women, minorities, disadvantaged workers	Veterans and eligible spouses	Veterans and eligible spouses	Secondary and post-secondary students	Secondary and post-secondary students	Individuals aged 16 and older who lack a high school diploma, GED diploma and/or basic skills	Low-income eligible students	Low-income eligible students	Low-income food stamp recipients	Low-income TANF recipients	Persons with disabilities	Incumbent workers	Incumbent workers
<b>Participants</b>	5,013	4,946	4,439	461,286	461,286	2,713 enrolled 1,022 completed	122 projects 8,523 planned	2 projects, 260	5 projects, 322	378 planned 252 enrolled 60 completed	5,768 planned 4,829 enrolled 4,495 completed	150 planned, enrolled and completed	20,034	12,450	125,667 (secondary) 84,758 (post-secondary)	19 sites, 2,804 students	41,148	103,121 awards	66,369	8,403	20,437	22,910	28,683	776
<b>Source</b>	DWD 2003-04 Annual Training Report	DWD 2003-04 Annual Training Report	DWD 2003-04 Annual Training Report	DWD staff	DWD staff	DWD 2003-04 Annual Training Report	DWD 2003-04 Annual Training Report	DWD 2003-04 Annual Training Report	DWD 2003-04 Annual Training Report	DWD 2003-04 Annual Training Report	DWD 2003-04 Annual Training Report	DWD 2003-04 Annual Training Report	DWD staff	DWD staff	DWD/DOE/CHE staff	DOE staff	DOE Annual Report and staff	SSACI staff	CHE staff	FSSA staff and State Budget Agency	FSSA staff and State Budget Agency	FSSA staff	IDOC website and staff	IDOC website and staff

## Ensure Higher Education Affordability.

Over the past ten years, median household income in Indiana has barely kept pace with tuition increases at two-year institutions of higher education and has fallen significantly behind in relation to four-year institutions. Tuition at four and two-year institutions has increased by nearly 110 percent and 46 percent, respectively. Indeed, the share of family income needed to pay for college is larger in Indiana than in most other states. Indiana should maintain or, ideally increase funding for state financial aid grants, especially those that target part-time, low-income students. A balance must be struck between higher education institutions' infrastructure and capacity-building needs and ensuring affordability for students by limiting annual tuition increases. The Commission for Higher Education (CHE) provided some excellent goals in its Indiana's Framework for Policy and Planning Development in Higher Education and a task force within the CHE is currently formulating recommendations. Higher education affordability must be a state priority.

## Measure – and Report – What Matters.

Evaluating performance is an important part of any employment and training program. Specific performance measures mandated by the 1998 WIA have been a step in the right direction, but have some pitfalls as well. For example, incentive bonuses are tied to meeting these measures. As a result, local areas may be deterred from serving individuals with barriers to work. Indiana's Department of Workforce Development is mandated to produce an annual training report that includes selected data elements and information on some training programs. This report could be broadened to include number of job placements, wage and benefit levels – and how they compare to the worker's Self-Sufficiency Standard, training and overhead costs per placement, retention after six months, opportunities for skill and career advancement, etc. The report should cover all of the major employment and training programs operating in Indiana.

## Streamline Auditing and Reporting Procedures.

Collecting accurate data on performance measures and services provided within the major employment and training funding streams must occur to sufficiently evaluate programs. However, recent data validation mandates by the federal government and subsequent interpretation and resulting policy clarifications by the state have resulted in many providers not being able to maintain the quality and quantity of services at the local level. There must be a balance between validation procedures and the provision of services when time and staff resources at the local level are limited. To ensure the maintenance of high quality training services, the state must work closer with local providers to create a "win-win" compromise vis-à-vis data validation efforts.

## Invest in Initiatives to Connect Those with Significant Barriers to Work with Employment Opportunities.

A portion of the potential workforce faces significant barriers to work, and yet, if adequately addressed, these barriers do not have to prevent a worker from becoming a productive member of the labor force. Some examples include workers struggling with addiction, those making the transition from incarceration and those with disabilities. There are successful models of transitional employment programs that end up saving taxpayer dollars. However, there are currently no state government investments in such programs in Indiana. In Fort Wayne, there is an innovative transitional employment program through Allen County Community Corrections (ACCC) that targets individuals who are making the transition from incarceration into the workforce. The state should investigate the potential funding sources for transitional employment programs including TANF, WIA, the Social Services Block Grant, the Community Development Block Grant, and others.

## MATRIX

This matrix provides a snapshot of the major workforce investment programs that were in operation in Indiana during 2003-2004. It is a first step in understanding the complicated administrative and funding structure that contributes to the placement, retention and/or advancement of Hoosier workers in the labor force. Competitive grants, one-time funding, local funding and private sector initiatives are not included. Funding and participation numbers are not meant to be totaled, as this may result in double counting.

## ABOUT THE INSTITUTE

The Indiana Institute for Working Families, managed by the Indiana Coalition on Housing and Homeless Issues, was founded in 2004 with generous support from the Joyce Foundation. The goal of the Institute is to help Hoosier families achieve and maintain economic self-sufficiency. The Institute combines policy research and analysis with organized advocacy. The Institute also collaborates with a broad network of national, state and local partners that help inform and guide its work on issues facing low-income working families in Indiana.

## ACKNOWLEDGMENTS

The creation and production of this compendium would not have been possible without the generous support of the Lumina Foundation and the Joyce Foundation. The Institute would like to extend our heartfelt thanks to both of these Foundations. A select number of other states have completed similar compendiums and the Institute would like to specifically thank Whitney Smith from the Chicago Jobs Council and Geoff Beane of the Massachusetts Workforce Alliance for their encouragement and assistance. In addition, the Institute would like to thank the many state agency employees who shared their program data and system knowledge with us, our Advisory Committee for their insights and guidance, and the reviewers of the compendium who took time out of their busy schedules to provide comments and feedback.

## KEY

**CBOs** Community Based Organizations  
**CHE** Commission for Higher Education  
**DOE** Indiana Department of Education  
**DWD** Indiana Department of Workforce Development  
**ESOL** English to Speakers of Other Languages  
**FS E&T** Food Stamp Employment and Training  
**FSSA** Indiana Family and Social Services Administration  
**GED** General Equivalency Degree  
**GQE** Graduation Qualifying Exam  
**HHS** Department of Health and Human Services  
**ICCTE** Indiana Commission for Career and Technical Education  
**IDOC** Indiana Department of Commerce  
**IMPACT** Work program serving FS E&T and TANF recipients  
**ITSC** Ivy Tech State College  
**LEA** Local Education Agency  
**SSACI** State Student Assistance Commission of Indiana  
**SHRIC** State Human Resource Investment Council  
**TAA** Trade Adjustment Assistance Program  
**TANF** Temporary Assistance to Needy Families  
**WIA** Workforce Investment Act  
**WIBs** Local Workforce Investment Boards

- (1) The IWTF, created in 2001, is funded through a 0.09% assessment on taxable wages. The IWTF funds a part of the Building Trades and Indiana Plan, among other training programs.
- (2) GET is funded from penalties and interest (P&I) on delinquent unemployment insurance taxes.
- (3) RSA is funded by state WIA set-aside dollars. It is set to phase out next year.
- (4) ADVI is funded by state WIA set-aside dollars.
- (5) Of this total, \$205,620 is from P&I and \$4,155,410 from the IWTF.
- (6) Funded by the IWTF.
- (7) Of the state funding total, \$69,436,225 went to secondary and \$150,039,256 went to post-secondary. Of the federal funding total, \$15,279,498 went to secondary and \$9,331,325 to postsecondary.
- (8) The most recent Pell grant data available are from FY 2003.
- (9/10) The participation number reflects individuals who were coded as receiving either contract or supportive services billings under IMPACT. According to FSSA, participation numbers for FY 2004 were not available. Funding numbers and participation numbers are from SFY and FFY 2003 respectively.
- (11) SEF participation number includes individuals retrained and newly created jobs.

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**How useful is the information contained in the compendium?**

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The Matrix      The Recommendations      WIB Explanations      All

**How could the document be improved?**