

Southwest Wisconsin Workforce Development Board Program Year 2009-2010 Progress Report

The last 18 months have been devastating for the economy and workforce of Rock County. Unemployment in the County has gone from 5.6% in August 2007 to 6.7% in August 2008 and then skyrocketed to 12.0% in August 2009. The Rock County Rock Metropolitan Statistical Area (MSA) had the highest unemployment rate (12.0%) among Wisconsin’s metropolitan areas; almost 2 percent higher than the next highest MSA and 3.6% higher than the state average. Beloit with 17.4% had the highest unemployment compared to all Wisconsin cities while Janesville ranked fourth with 13.0%. Overall, 8,726 Rock County residents were unemployed the last week of August. Looking at these statistics, it can easily be argued that Rock County is the region of Wisconsin hardest hit by the economy.

Acronym Guide	
SWWDB	Southwest WI Workforce Development Board
WIA	Workforce Investment Act
DW	Dislocated Worker
ARRA	American Recovery and Reinvestment Act
NEG	National Emergency Grant
SRR	Special Rapid Response Grant

The economic downturn and current unemployment crisis impacts all of the workforce development areas in the state. However, we feel the unprecedented number of dislocations caused by the closing/relocation of major employers (General Motors, Lear, LSI, Alcoa, Rockwell, etc.) and stagnant job-creation environment puts the Southwest Wisconsin Workforce Development Board (SWWDB) in a unique position and places special challenges on the training and services we provide.

SWWDB takes great pride in the coordinated, dynamic and timely response we provide to employers and job seekers in Southwest Wisconsin, however, we are particularly proud of the way we and our partner organizations have responded to the recession and job loss in our region, including:

- Facilitated dozens of rapid response sessions for companies issuing mass layoffs and orientation meetings for dislocated workers.
- Applied for / received millions of dollars of emergency funding and resources
- Increased capacity in service availability (addition of the Job Center Annex within the UAW Local 95 Union Hall) and personnel to handle triple the annual participant caseload
- Utilized unconventional training methods and resources to expedite clients’ re-entry into the workforce
- Expanded partnerships with community organizations and formulated Collaborative Organizations Responding to Dislocation (CORD) to identify gaps in services and additional opportunities for collaborative service delivery.

In October 2009, an estimated 14,852 people accessed services at the Rock County Job Center. Of that number, 8,481 used core /basic services available through the Resource Room – which is an average of approximately 385 people per day. SWWDB’s major effort has been to coordinate employment and training services to 1,552 dislocated workers and 123 adults via the Rock County Job Center. This accounts for individuals enrolled in short-or long-term training programs delivered by a qualified training provider like Blackhawk Technical College. In addition, SWWDB is facilitating services to 108 adults and 402 dislocated workers through the job center located at the Southwest Wisconsin Technical College in Fennimore. Table 1 shows the clients SWWDB has served year-to-date since July 2009 in comparison to total clients served during the past three years.

Enrollment	PY 2006-07	PY 2007-08	PY 2008-09	PY 2009-10
Adult	227	181	207	231
Dislocated Worker	383	306	668	850
Older Youth	89	81	82	150
Younger Youth	113	64	124	185
SRR	15	76	225	53
NEG	133	4	1,013	1,051
WIA Subtotal:	960	712	2,319	2,520
TAA	349	423	879	815
Total Clients	1,309	1,135	3,198	3,335

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Provision of the employment and training services traditionally comes from the annual allocation of Workforce Investment Act (WIA) adult and dislocated worker funding. In addition to WIA, Trade Adjustment Assistance (TAA) funds, which are coordinated by the Wisconsin Job Service, provide training resources for workers laid off because of foreign competition. SWWDB, because of the scale of worker dislocations in Rock County, has secured additional funding from the federal National Emergency Grants (NEG) and local Special Rapid

Response (SRR) funds. This year SWWDB has also received a supplemental allocation with stimulus funding from the American Recovery and Reinvestment Act (ARRA). Table 2 provides a snapshot of the funding sources. SWWDB has slightly more than \$4.2 million for adult and dislocated worker employment and training services for Program Year 2009-10, with \$2,850,552 committed to training.

	Total Funds	Training Funds	Training % of Total
PY-2009 Allocation	\$ 1,232,924	\$ 399,924	32.4%
ARRA Allocation	\$ 1,076,891	\$ 883,128	82.0%
SRR	\$ 176,492	\$ 77,500	43.9%
NEG	\$ 1,770,000	\$ 1,490,000	84.2%
Total	\$ 4,256,307	\$ 2,850,552	67.0%

Each program (funding source) has unique regulations and provides different levels of education / training service and support. This creates confusion and misunderstanding among clients accessing services. For example, a displaced GM or LSI employee may have different limitations on cost and duration of training than a displaced Lear Seating employee, due to the nature of the differences between the TAA, WIA or NEG programs. Complicating the situation even further is the fact that clients may be co-enrolled in several programs. Table 3 shows several examples of how clients from different companies were co-enrolled in multiple programs.

The complexity of the system and eligibility requirements can be difficult to articulate and understand. Prospective clients and participants often are confused about the differences in program requirements and have complained of “inequitable treatment.” SWWDB reviews each complaint to correct misperceptions and ensure each participant receives benefits he/she is entitled to receive.

National Emergency Grant (NEG)	Special Rapid Response (SRR)	Trade Adjustment Assistance (TAA)
Alcoa	Hufcor	Alcoa
Lear Seating	Amtec	Lear Seating
General Motors (2nd shift)	Chromalox	Chromalox
United Industries	Bourns Automotive	Bourns Automotive
LSI	Sanford Business to Business	United Industries
Chrysler	Woodbridge Corp.	Woodbridge Corp.
		Chrysler

As regional dislocations continue and unemployment benefits are exhausted, SWWDB expects to receive additional requests for services; unfortunately, it is anticipated that the need for training will outpace the availability of funding. Table 3 shows the funding levels available to SWWDB for PY 2009 (July 1, 2009 - June 30, 2010) and estimated expenditures based on first semester actual expenses and projected obligations for the second semester. As can be seen, SWWDB and our partner agencies are reaching service capacity, and being forced to limit new enrollments. The outlook for additional funding is bleak, and **SWWDB has been**

	Plan	YTD	Amount Available	Percent
Adult	\$ 290,536	\$ 257,297	\$ 33,239	88.56%
Dislocated Worker	\$ 992,516	\$ 980,054	\$ 12,462	98.74%
SRR	\$ 77,500	\$ 44,624	\$ 32,876	57.58%
NEG	\$ 1,490,000	\$ 1,417,291	\$ 72,709	95.12%
Total	\$ 2,850,552	\$ 2,699,266	\$ 151,286	94.69%

forced to implement a waiting list for education and training services. It should be noted that funding is limited in WIA related programs. The restriction does not exist in TAA training funds, although TAA is limited to eligible companies approved by the U.S. Department of Labor

To clarify, core services will continue to be provided at the Job Centers (Resource Room assistance, referrals, workshops, assessments, resume writing, etc.) but the provision of education and training programs (i.e. tuition, fees, books, tools, etc.) for new clients will be based on a first-come, first-served waiting list basis. The waiting list would be applicable for any individual who is not currently identified in the WIA, NEG or SRR programs. Also, if resources become exhausted, payments may not be extended to participants currently

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enrolled. Other considerations to address the funding shortfall are to reduce the amount of support any one individual receives (i.e. limiting the tuition amount) and discontinuing support services payment temporarily.

Please be assured that processes exist to ensure the fair delivery of services. However, given the scope of the need and the frustration people are feeling, any effort to better manage costs by SWWDB will be viewed as a reduction in service. This will amplify the frustration levels and increase complaints to the board, media and elected officials.

As we continue to navigate this challenging economic downturn, SWWDB will explore and pursue additional state and federal resources which will enable us to build capacity and better meet the growing needs of our region. The SWWDB has already applied for two Department of Labor grants – Pathways Out of Poverty and Health Care Pathways. Other steps include:

- Submission of a State of Wisconsin Retraining Grant – Amount: \$346,700 to serve 113 existing dislocated worker clients and \$285,000 for a projected 75 additional clients
- Participation in a Statewide National Emergency Grant and/or Allocation Replenishment application to DOL – Amount: Unknown
- Preparation of additional SRR grants as appropriate – Amount: Will Vary
- Submission of an extension to the Auto Industry National Emergency Grant – Amount: \$2,000,000

Despite funding constraints and systemic challenges, SWWDB remains committed to providing quality and innovative workforce development activities. And, every effort will be made to provide the resources needed to help a person successfully complete training and reenter the workforce.