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Training Benefits Program Annual Report

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2014 Training Benefits Program Annual Report

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Executive summary

Background

The Training Benefits (TB) Program provides extended unemployment benefits to qualifying unemployment insurance claimants who need training for a new career. The Training Benefits Program provides income support while participating individuals are in training, but does not cover the direct costs of training (e.g., tuition, books, transportation). The benefits are paid out of the state Unemployment Insurance Trust Fund.

Training Benefits payments are available to qualifying unemployment insurance claimants for up to 52 weeks. Total unemployment benefits paid while in the TB Program include the recipient's regular unemployment benefits. However, in times of federal extensions of benefits, claimants may qualify for additional weeks of benefits. Following the recent recession, claimants qualifying for Training Benefits could have received up to 125 weeks of benefits.

The Legislature has made a series of changes to the Training Benefits Program since its inception. Most recently, legislation enacted in 2011 (EHB 1091) increased the accessibility and flexibility of the program.

Annual report to the Legislature

RCW 50.22.157 requires the Employment Security Department (ESD) to deliver an annual report to the Legislature that includes the following information:

- Participant demographics;
- Number of weeks of benefits;
- Types of training;
- Employment and wages of program participants; and
- Program administrative costs.

The data in this report come from three sources: the Employment Security Department's administrative records; a survey of program participants conducted by the Social and Economic Sciences Research Center (SESRC) at Washington State University on behalf of ESD in summer 2014; training data from the State Board of Community and Technical Colleges (SBCTC), which was provided to ESD by the Washington State Office of Financial Management (OFM).

Key findings

Participant demographics

A review of the more than 1,900 Training Benefits participants approved in FY 2014 reveal the following trends:

- Females comprise a larger proportion of the Training Benefits population than of the general unemployment insurance claimants population.
- Individuals 26 through 55 years of age were a larger proportion of the Training Benefits population than those under 26 and over 55.
- Training Benefits participants had more education before entering the program than unemployment insurance claimants overall.
- Training Benefits participants were concentrated in King, Snohomish and Pierce counties.
- Over half of the Training Benefits participants came from the following five industry sectors: public administration; manufacturing; healthcare and social assistance; retail trade; administrative and support and waste management services.
- Over half of the Training Benefits participants came from the following five occupations: office and administrative support; management; production; installation maintenance and repair; and sales and related occupations.

Receipt of Training Benefits Program and unemployment benefits

As of October 2014, Training Benefits participants approved in FY 2014 had received an average of $397 per week and a median of $409 per week, for an average of 80 weeks.

Payments to Training Benefits participants included funds from regular unemployment benefits, emergency-unemployment compensation, extended benefits and the Training Benefits Program. These numbers will likely change, since a portion of the Training Benefits participants analyzed in this report are still receiving weekly benefits.

Analysis of training

This report analyzes information on training through the state's community and technical colleges was analyzed for the approximately 8,500 Training Benefits participants approved in calendar years 2010 through 2012, which coincide with academic years 2009-2010 through
2012-2013.

Roughly 8,400 of those approved for the Training Benefits program during this period completed more than 89,000 courses in the state community and technical college system, and just over 4,000 of those participants took developmental education courses. Nearly 4,000 participants completed one or more certificate or degree programs. Participants completed more degrees or certificates in accounting and bookkeeping than any other program of study.

Experiences with the Training Benefits Program

ESD surveyed the approximately 8,500 Training Benefits participants approved in calendar years 2010 through 2012 to learn about their experiences.

- Of those responding to the survey 91.2 percent stated that they had started their training.
- Of those who had started training, 66.8 percent stated that they had completed their training, 19.2 percent had not completed training and 12.5 percent were still in training.
- Of those who stated they had not completed training, 42.5 percent stated that they had not completed their training because they needed to find a job rather than continue in school.
- Of those who reported having completed their training, the greatest proportion (59.9 percent) reported using financial assistance through their school or college to fund their training.
- Over three-quarters of respondents who had started their training program (77.5 percent) stated that the job they were training for required a degree, certificate or license.

Employment and wages of program participants

For the Training Benefits participants approved in calendar years 2010 and 2011, ESD compared before-tax earnings prior to layoff to participants' earnings after their Training Benefits ended. Participants' earnings declined slightly in the three months prior to receiving unemployment benefits. Immediately after benefits ended, participant earnings were lower than they were prior to program participation, but gradually approached pre-training levels over the following two years.

Numerous studies have found that dislocated workers[1] who retrain for new careers experience a drop in their earnings after training compared to their earnings before training. However, their earnings tend to rise for a number of years after training completion. Earnings for those who have retrained tend to be higher than for those who have not retrained, though somewhat lower than their pre-layoff earnings.

Program administrative costs

Training Benefits Program administrative costs totaled $1.09 million in FY 2014 and are projected to be $1.04 million in FY 2015. During FY 2014, the average cost to process an application was $286, and is projected to be $274 in FY 2015.

Training Benefits funding obligations

Through September 30, 2014, a total of $206,434,900 has been paid out of Training Benefits funds over the history of the program. This represents about 58 percent of total funds made available for the program. A total of $21,871,562 was paid out in FY 2014 and $3,752,808 through September 30, 2014, of FY 2015. The balance of future obligations is $14,560,888.

[1] A dislocated worker is an individual who has been laid off, is eligible for unemployment benefits, and is unlikely to return to his or her previous occupation or industry due to foreign competition or technological change. Not all employees affected by a major layoff will be dislocated workers. They might have job skills that are in demand and can return to work in their previous industry or occupation.

Introduction

Background on the Training Benefits Program

In 2000, the Washington State Legislature enacted Substitute House Bill 3077, which created the Training Benefits (TB) Program. The program allocates up to $20 million each year from the Unemployment Insurance Trust Fund to provide additional weeks of unemployment benefits to qualifying claimants who need training to obtain a new job.

To qualify for the program, claimants must enroll in training that will prepare them for a high-demand occupation. On an annual basis, the Employment Security Department develops an initial list identifying occupations that are "in demand," "balanced" and "not in demand" at the state and workforce development area level. The local workforce development councils then review, adjust and approve that initial list on the basis of their local, on-the-ground experience.[2]

Participants do not have to look for work as long as they are enrolled and making satisfactory progress in their approved training programs.[3] Training Benefits funds do not support the direct costs of training (e.g., tuition, books, transportation) and are not charged to employers for purposes of calculating experience-rated unemployment taxes.[4]

Enrollment in and eligibility for Training Benefits

Individuals approved for the Training Benefits Program may enroll in an approved training program and have their work-search requirement waived while receiving up to 52 weeks of unemployment benefits. This 52-week total includes the recipient's regular unemployment benefits, which must be utilized before the Training Benefits kick in. During the period when federal extensions of benefits were in place, Training Benefits have been paid only after the TB participant exhausted his or her regular benefits, any emergency-unemployment compensation benefits and, effective July 3, 2011,[5] any extended unemployment benefits.

When these extensions were at their peak number of available weeks, individuals approved for the Training Benefits Program could receive up to a maximum of 125 weeks of benefits. That statutory maximum declined from early 2012 until federal extensions ended on December 29, 2013. Currently, an individual approved for the Training Benefits Program will be eligible only for his or her regular unemployment benefits plus the Training Benefits, for a total of up to 52 weeks.

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[2] As required by *RCW 50.22.150* and *50.22.155*.

[3] Commissioner-Approved Training is not funded through the funds allocated to the Training Benefits Program. Commissioner-Approved Training is paid through regular and federally funded unemployment benefits.

[4] EHB 1091 of 2011 amended the law so that benefits are not charged to employers beginning with the date of approval rather than upon the first payment from Training Benefits funds, as of FY 2013.

[5] *RCW 50.22.155.*

In some cases, participants approved for the TB Program may have ended their training before receiving any payments from Training Benefits Program funds. That is because they were in training and receiving unemployment benefits under federal benefit extensions and they completed their training plan before they reached the point at which Training Benefits funds could be used during their approved training-plan period.

Eligibility for the TB Program requires claimants to be in one of the following categories:

- Dislocated workers;[6]
- Certain low-income workers whose earning potential will be enhanced with training;[7]
- Honorably discharged veterans who served in the military or Washington National Guard in the 12-month period prior to application;
- Individuals currently serving in the Washington National Guard; and
- Individuals who are disabled and unable to return to their previous occupations.

Prior to passage of EHB 1091 in 2011, Training Benefits Program eligibility required claimants to submit a training plan within 90 days after being notified about the program and to enter an approved training program within 120 days after being notified about the Training Benefits Program. Under the provisions of EHB 1091, these requirements were eliminated for dislocated-worker claimants who had an effective date of claim on or after July 1, 2012. The original deadlines for submitting a training plan and entering a training program still apply to the other categories of eligible claimants.

EHB 1091 also expanded the definition of "dislocated worker" for claimants with an effective date of claim on or after July 1, 2012.

For all categories of claimants eligible for Training Benefits other than dislocated workers, approved program participants must enroll in training as full-time students. Provisions of EHB 1091 waived this requirement for dislocated-worker claimants with an effective date of claim on or after July 1, 2012.

Claimants in the categories for whom the submission and enrollment deadlines apply may receive a waiver for missing the deadlines if the Employment Security Commissioner determines they had good cause for doing so. Similarly, claimants for whom the full-time enrollment requirement remains in effect may participate in part-time training if a physical, mental or emotional disability prevents full-time enrollment.

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[6] A dislocated worker is an individual who has been laid off, is eligible for unemployment benefits, and is unlikely to return to his or her previous occupation or industry due to foreign competition or technological change. Not all employees affected by a major layoff will be dislocated workers. They might have job skills that are in demand and may return to work in their previous industry or occupation.

[7] For those TB applicants filing after January 1, 2013, anyone earning $11.94 per hour or less is considered to meet the low income eligibility threshold. For those TB applicants filing after January 1, 2014, anyone earning $12.12 per hour or less is considered to meet the low income eligibility threshold. ESD calculates these wage rates by dividing total wages earned in the 12 to 15 months upon which the claim is based by total hours worked in the same period. Source: Employment Security Department, Unemployment Benefit Administration and Policy.

The annual report to the Legislature

RCW 50.22.157 requires the Employment Security Department to deliver an annual report to the Legislature. The report must include:

- A demographic analysis of participants in the Training Benefits Program, including the number of claimants by industry of their last employer and the gender, race, age and geographic distribution of participants;
- The number of weeks of benefits claimed per claimant;
- An analysis of the training provided to participants, including: the occupational category supported by the training; whether the training would lead to employment in an occupation in demand in the economy; whether a degree or certificate is required in order to get a job in the occupation chosen; a comparison of participants who complete training in relationship to those who do not; the number of participants taking courses in basic skills; and the reasons for not completing approved training programs;
- The employment and wage history of participants, including: the pre-training and post-training wages; the work participants engaged in before they were laid off; whether those participating in training return to their previous employers within two years after training terminates; whether participants are reemployed in a field for which they were retrained;
- An identification and analysis of local and state administrative costs for operating this program; a projection of program costs for the next fiscal year; the total funds obligated for Training Benefits; and the net balance remaining to be obligated, given the restrictions in current law.

Data sources

Data in this report come from three sources: the Employment Security Department's (ESD) administrative records; a survey of program participants conducted by the Social and Economic Sciences Research Center (SESRC) at Washington State University on behalf of ESD in summer 2014; and training data from the State Board of Community and Technical Colleges (SBCTC), which was provided to ESD by the Office of Financial Management (OFM).

In the summer of 2014, SESRC conducted a survey of the 8,510 claimants approved for the Training Benefits Program from January 1, 2010, through December 31, 2012. The survey was conducted under contract with ESD and included both telephone and internet questionnaires. SESRC received 4,153 usable responses from this survey, for a response rate of 48.8 percent.

A small percentage of Training Benefits participants chose to enroll in training with private educational providers. Training outcomes for these participants are not reflected in this report.

Findings

There are two groups of Training Benefits participants discussed in this report. The first group is participants approved for the program during state fiscal year (FY) 2014, from July 2013 through June 2014. Program administrative data on this group provide the basis for an analysis of participants' demographics and weeks of benefits.

To track employment and earnings outcomes, the second group of participants is those individuals approved for the program during calendar years (CY) 2010 through 2012. The results of SESRC's survey and State Board for Community and Technical College administrative data on this group, provided by OFM, serve as the basis for a longer-term analysis of the types of training, employment and wages of participants.

Participant demographics: Training Benefits participants approved during FY 2014

The demographic data in this report are consistent with previous years' reports.[8] While the population of all unemployment insurance claimants was nearly two-thirds male, the male/female distribution of Training Benefits participants was approximately equal. As shown in *Figure 1,* participants approved for the Training Benefits Program in FY 2014 were 50.9 percent female, compared to 37.8 percent of all unemployment insurance claimants. In contrast, 49.1 percent of participants were male, but males comprised 62.2 percent of all unemployment insurance claimants.

Over three-quarters of all participants were ages 26 through 55 in FY 2014, a distribution similar to those reported in previous years' reports.

The average age of Training Benefits participants was 36 years of age in FY 2014, while the average age for all unemployment insurance claimants was 41. For FY 2014 there were more Training Benefits participants ages 26 through 55, 76.2 percent, compared to all unemployment insurance claimants, at 70.8 percent (*Figure 1*).

Individuals under 26 years of age and over 55 were under-represented in the Training Benefits Program. For FY 2014, 9.8 percent of Training Benefits participants were under 26 compared to 12.8 percent for all unemployment insurance claimants. A total of 13.9 percent of Training Benefits participants were over 55 years of age, compared to 16.4 percent for all claimants.

In terms of race and ethnicity, *Figure 1* shows that a somewhat higher proportion of individuals who are Black and Asian/Pacific Islander enrolled in the Training Benefits Program than overall unemployment insurance claimants. In contrast, a somewhat lower proportion of individuals who are Hispanic and Native American/Alaskan Native enrolled in the Training Benefits Program than overall unemployment insurance claimants in FY 2014.

[8] Previous years' annual Training Benefits reports are available at https://fortress.wa.gov/esd/employmentdata/reports-publications/special-reports/training-benefits-report.

Figure 1. Demographic characteristics of Training Benefits participants approved in FY 2014
Washington state, FY 2014
Source: Employment Security Department/LMPA, Unemployment Insurance Data Warehouse

Demographics	FY 2014		
	Approved Training Benefits participants	Percent of total	Percent of all unemployment insurance claimants
Gender			
Male	955	49.1%	62.2%
Female	991	50.9%	37.8%
Total	1,946	100.0%	100.0%
Race			
Black	170	8.7%	5.6%
Asian, Pacific Islander	177	9.1%	6.2%
White	1,284	66.0%	67.3%
Hispanic	154	7.9%	14.3%
Native American, Alaskan Native	28	1.4%	2.1%
Other	133	6.8%	4.5%
Total	1,946	100.0%	100.0%
Age			
Mean age	36		41
Under 21	15	0.8%	1.9%
21 to 25	176	9.0%	10.9%
26 to 35	530	27.2%	25.8%
36 to 45	491	25.2%	22.1%
46 to 55	463	23.8%	22.9%
Over 55	271	13.9%	16.4%
Total	1,946	100.0%	100.0%

Individuals approved for the Training Benefits Program were more likely to be female compared to all unemployment insurance claimants. Participants were also more likely to be in the prime working years of 26 to 55 years of age.

Participant education

Training Benefits participants approved during FY 2014 had more education than unemployment insurance claimants as a group (*Figure 2*). This trend is consistent with previous years' reports.

Individuals with some level of postsecondary education were over-represented in the Training Benefits Program. In FY 2014, these individuals made up 62.3 percent of Training Benefits participants and 44.8 percent of all unemployment insurance claimants.

However, the largest single group of Training Benefits participants was high school graduates, who comprised 30.4 percent approved in FY 2014. Combined with those holding a GED, the Training Benefits Program introduced 686 individuals to some type of postsecondary job training.

Figure 2. Education level of Training Benefits participants approved in FY 2014
Washington state, FY 2014
Source: Employment Security Department/LMPA, Unemployment Insurance Data Warehouse

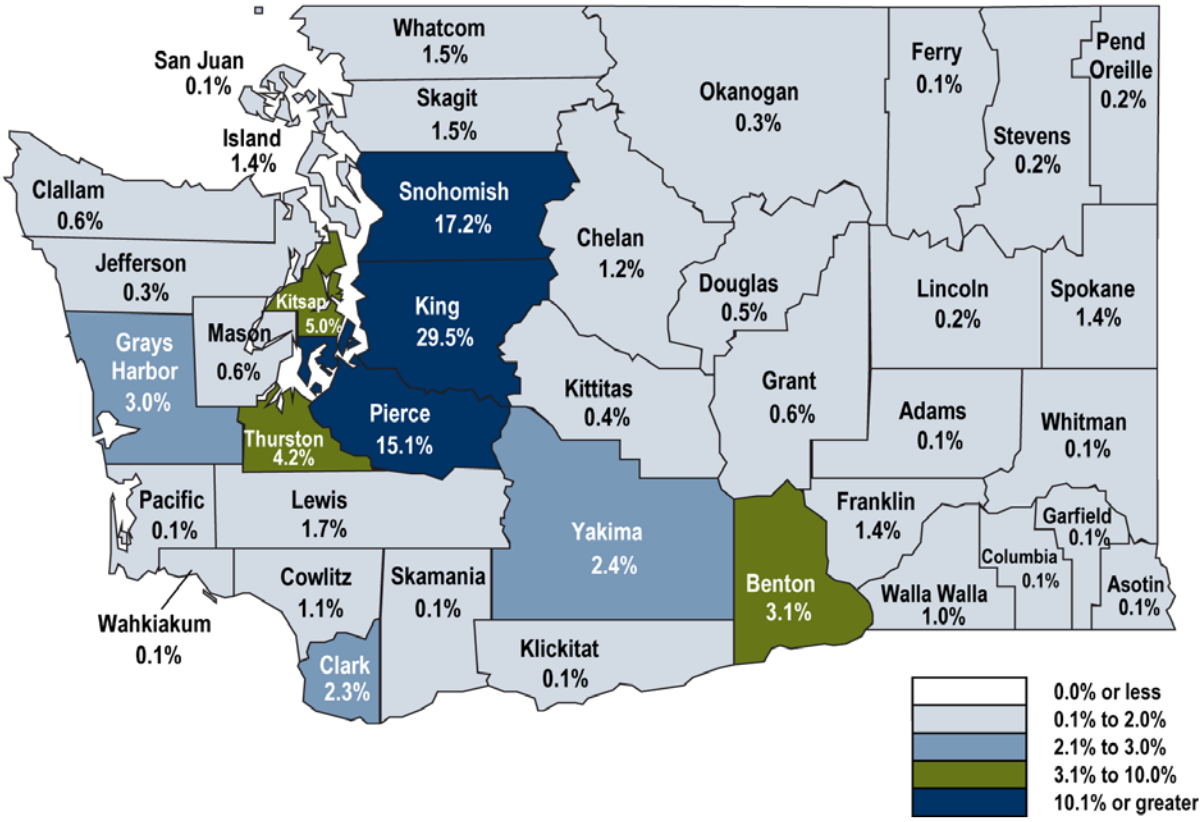
Education level	FY 2014		
	Approved Training Benefits participants	Percent of total	Percent of all unemployment insurance claimants
Less than high school diploma	48	2.5%	13.5%
GED	94	4.8%	4.9%
High school diploma	592	30.4%	36.8%
Some college, no degree	486	25.0%	14.9%
Associate degree	358	18.4%	13.9%
Bachelor's degree and above	368	18.9%	16.0%
Total	1,946	100.0%	100.0%

Training Benefits participants had more education than unemployment insurance claimants overall. The majority of Training Benefits participants had some postsecondary education prior to enrolling in the TB Program.

Geographic distribution of participants

The greatest number of participants, 61.8 percent, approved for the TB program in FY 2014 resided in King, Snohomish and Pierce counties. This compares to 47.0 percent of all unemployment insurance claimants in those counties during FY 2014 (*Figure 4*). The map in *Figure 3* displays the geographic distribution of participants who were approved for the program in FY 2014.

Figure 3. Distribution of Training Benefits participants approved in FY 2014 by county of residence
Washington state, FY 2014
Source: Employment Security Department/LMPA, Unemployment Insurance Data Warehouse



Training Benefits participants were concentrated in King, Snohomish and Pierce counties in FY 2014.

Figure 4. County of residence of Training Benefits participants approved in FY 2014
Washington state, FY 2014
Source: Employment Security Department/LMPA, Unemployment Insurance Data Warehouse

County	FY 2014		
	Approved Training Benefits participants	Percent of total	Percent of all unemployment insurance claimants
Adams	1	0.1%	0.5%
Asotin	1	0.1%	0.1%
Benton	60	3.1%	3.4%
Chelan	24	1.2%	1.7%
Clallam	12	0.6%	1.1%
Clark	44	2.3%	4.4%
Columbia	2	0.1%	0.1%
Cowlitz	21	1.1%	1.6%
Douglas	10	0.5%	0.8%
Ferry	1	0.1%	0.1%
Franklin	27	1.4%	1.9%
Garfield	1	0.1%	0.0%
Grant	11	0.6%	2.0%
Grays Harbor	58	3.0%	1.5%
Island	28	1.4%	0.9%
Jefferson	5	0.3%	0.3%
King	575	29.5%	23.8%
Kitsap	98	5.0%	3.2%
Kittitas	7	0.4%	0.6%
Klickitat	2	0.1%	0.3%
Lewis	34	1.7%	1.4%
Lincoln	3	0.2%	0.1%
Mason	12	0.6%	0.9%
Okanogan	6	0.3%	0.9%
Pacific	2	0.1%	0.4%
Pend Oreille	3	0.2%	0.2%
Pierce	294	15.1%	12.9%
San Juan	1	0.1%	0.2%
Skagit	29	1.5%	2.1%
Skamania	1	0.1%	0.2%
Snohomish	335	17.2%	10.3%
Spokane	28	1.4%	7.3%
Stevens	4	0.2%	0.8%
Thurston	82	4.2%	3.8%
Wahkiakum	2	0.1%	0.1%
Walla Walla	20	1.0%	0.7%
Whatcom	30	1.5%	3.0%
Whitman	1	0.1%	0.2%
Yakima	46	2.4%	6.3%
Data not available	25	1.3%	
Total	1,946	100.0%	100.0%

The greatest portion of Training Benefits participants resided in King, Snohomish and Pierce counties – 61.8 percent in FY 2014. In contrast, about 47.0 percent of all unemployment benefits recipients resided in these counties.

Industry and occupation of participants before training

Industry refers to an employer's principal line of business, while an occupation refers to the kind of work a worker does. For example, a secretary working for an aerospace manufacturer has the occupation of secretary, but is classified as working in the aerospace industry.

Occupations in this report are specific to the experience of individual unemployment insurance claimants, who provide their current occupational information when they file a claim for unemployment benefits.

Industry classification of participants prior to training

Over half of Training Benefits participants approved in FY 2014 (52.8 percent) were previously employed in the following five industry sectors: public administration; manufacturing; healthcare and social assistance; retail trade; and administrative and support and waste management services. Workers from these industry sectors represented only 33.8 percent of all unemployment insurance claimants in FY 2014 (*Figure 5)*.

In FY 2014, unemployed workers coming from the following industry sectors each were one percent or less of the Training Benefits participants: arts, entertainment and recreation; agriculture, forestry, fishing and hunting; utilities; mining; and management of companies and enterprises.

Figure 5. Prior industry of employment of Training Benefits participants approved in FY 2014
Washington state, FY 2014
Source: Employment Security Department/LMPA, Unemployment Insurance Data Warehouse

Industry	FY 2014		
	Approved Training Benefits participants	Percent of total	Percent of all unemployment insurance claimants
Public administration	277	14.2%	0.9%
Manufacturing	233	12.0%	5.9%
Healthcare and social assistance	185	9.5%	11.3%
Retail trade	172	8.8%	9.0%
Administrative and support and waste management services	162	8.3%	6.7%
Professional, scientific and technical services	122	6.3%	8.0%
Finance and insurance	102	5.2%	2.3%
Educational services	79	4.1%	1.6%
Accommodation and food services	72	3.7%	10.4%
Construction	64	3.3%	15.9%
Wholesale trade	63	3.2%	5.5%
Transportation and warehousing	60	3.1%	3.3%
Other services (except public administration)	56	2.9%	6.0%
Information	56	2.9%	1.7%
Real estate renting and leasing	34	1.7%	2.7%
Arts, entertainment and recreation	25	1.3%	1.7%
Agriculture, forestry, fishing and hunting	17	0.9%	0.0%
Utilities	2	0.1%	0.2%
Mining	2	0.1%	0.2%
Management of companies and enterprises	0	0.0%	0.1%
Data not available	162	8.3%	6.6%
Total	1,945	100%	100%

Over half of all Training Benefits participants were former employees of the following industry sectors: public administration; manufacturing; healthcare and social assistance; retail trade; and administrative and support and waste management services.

Occupational classification of participants prior to training

Over half of Training Benefits participants approved in FY 2014 (51.7 percent) were previously employed in the following five occupations: office and administrative support; management; production; installation, maintenance and repair; and sales and related (*Figure 6*).

A greater percentage of unemployment insurance claimants who previously worked in office and administrative support occupations participated in the TB Program compared to their overall percentage of total claimants. The reverse was true for those who previously worked in production occupations.

Workers previously employed in the following three occupations were less than one percent of Training Benefits participants approved in FY 2014: farming, fishing and forestry (0.9 percent); community and social service (0.8 percent); and legal (0.8 percent). These three occupations represented 6.3 percent of all unemployment insurance claimants.

Military-specific occupations represented 5.4 percent in FY 2014, but they represented less than 1 percent of all unemployment insurance claimants. This over-representation is consistent with previous years.

Figure 6. Prior occupations of Training Benefits participants approved in FY 2014
Washington state, FY 2014
Source: Employment Security Department/LMPA, Unemployment Insurance Data Warehouse

Occupation	FY 2014		
	Approved training benefits participants	Percent of total	Percent of all unemployment insurance claimants
Office and administrative support	369	19.0%	11.5%
Management	199	10.2%	7.9%
Production	189	9.7%	10.7%
Installation, maintenance and repair	126	6.5%	4.5%
Sales and related	123	6.3%	6.1%
Military specific	106	5.4%	0.9%
Transportation and material moving	105	5.4%	8.5%
Construction and extraction	98	5.0%	16.5%
Business and financial operations	94	4.8%	2.9%
Computer and mathematical	69	3.5%	2.2%
Architecture and engineering	69	3.5%	1.6%
Food preparation and serving related	64	3.3%	5.5%
Healthcare support	59	3.0%	2.0%
Personal care and service	43	2.2%	2.7%
Arts, design, entertainment, sports and media	42	2.2%	1.5%
Healthcare practitioners and technical	38	2.0%	1.8%
Education, training and library	29	1.5%	1.5%
Life, physical and social science	28	1.4%	1.2%
Protective service	24	1.2%	1.3%
Building and grounds cleaning and maintenance	22	1.1%	2.9%
Farming, fishing and forestry	18	0.9%	5.0%
Community and social services	15	0.8%	0.8%
Legal	15	0.8%	0.5%
Data not available	2	0.1%	0.0%
Total	1,946	100.0%	100.0%

Over one-half of all Training Benefits participants worked in the following occupations prior to TB program participation: office and administrative support; management; production; installation, maintenance and repair; and sales and related.

Unemployment benefits and Training Benefits payments received

Figure 7 shows the unemployment benefits and Training Benefits Program payments made to participants approved in FY 2014, as of October 2014. These numbers will most likely change, since a portion of these Training Benefits participants are still receiving weekly benefits.

To date, Training Benefits participants approved in FY 2014 have collected an average of $397 per week and a median of $409 per week, for an average of 80 weeks. These payments included funds from regular unemployment benefits, emergency-unemployment compensation, extended benefits and the Training Benefits Program.[9]

For participants approved in FY 2014, 1,426 of 1,946 have received payments from Training Benefits funds as of October 2014. Those payments have totaled about $10.1 million, for an average of $7,095 per participant from TB funds.

A total of 192,454 unemployment insurance claimants did *not* participate in the Training Benefits Program, in FY 2014. Their average and median weekly benefits amounts were slightly lower than Training Benefits participants, at $373 and $353. This indicates that Training Benefits participants were earning more than non-participants prior to being laid off.

Figure 7. Training Benefits participants' receipt of unemployment benefits and Training Benefits payments, current dollars, for participants approved in FY 2014
Washington state, FY 2014
Source: Employment Security Department/LMPA, Unemployment Insurance Data Warehouse

Unemployment benefits and Training Benefits received	1,946 participants approved in FY 2014
Total unemployment benefits paid	$46,829,255
Average number of weeks unemployment benefits paid	80
Median number of weeks unemployment benefits paid	64
Average weekly unemployment benefits paid	$397
Median weekly unemployment benefits paid	$409
Total paid from Training Benefits Program funds	$10,116,754
Total participants receiving benefits from Training Benefits funds	1,426
Average number of weeks Training Benefits paid from TB funds	18
Median number of weeks Training Benefits paid from TB funds	19

Training Benefits funds account for only a portion of the total unemployment benefits received by program participants.

[9] These measures of total benefit compensation reflect the federal American Recovery and Reinvestment Act of 2009 (ARRA) stimulus of $25 and state EHB 1906 $45 state stimulus packages that increased benefit amounts by $70 per week.

Types of training and program completions for Training Benefits participants approved from 2010 through 2012

To better understand the training experience and employment prospects of Training Benefits participants, this report looks at the 8,510 participants who were approved for the program from calendar years (CY) 2010 through 2012. In addition to ESD's administrative records, two sources of data are essential to this effort: training data from the State Board for Community and Technical Colleges, which was provided by the Washington State Office of Financial Management, and data from the survey of program participants.

Enrollment in the state's community and technical college system

The Washington State Office of Financial Management provided information from the State Board of Community and Technical Colleges for Training Benefits participants enrolled in training during the 2009-2010, 2010-2011, 2011-2012 and 2012-2013 academic years (*Figure 8)*.

During these academic years, 8,428 Training Benefits participants completed 89,450 courses of the 98,905 courses they attempted for a 90.4 percent completion rate. This rate is similar to the 90.4 percent reported in the 2013 Training Benefits report for participants approved from CY 2009 through CY 2011.[10]

The five most common areas in which participants attempted courses were: computational skills; office management and supervision; microcomputer applications, general; accounting technician and bookkeeping; and medical/clinical assistant. The composition and ranking of these course areas were very similar to those analyzed in last year's report, for participants approved from CY 2009 through CY 2011 for enrollments from the 2008-2009 through 2011-2012 academic years.

Developmental education to improve employability

To improve their ability to get a job, some Training Benefits participants took developmental education courses in such areas as computational skills, English as a second language, reading and writing skills. For the 2009-2010 through 2012-2013 academic years, 4,011 Training Benefits participants attempted a total of 11,528 developmental education courses. Training Benefits participants completed 9,811 courses within eight developmental course areas, including the "other" category, for a completion rate of 85.1 percent (*Figure 8*). This rate is a slight decrease from the 87.4 percent reported in the 2013 Training Benefits report for participants approved from CY 2009 through CY 2011.[11]

The most common type of developmental education was in computational skills. Training Benefits participants attempted 8,603 courses in computational skills and completed 7,218 of these courses during the 2009-2010 through 2012-2013 academic years, for an

[10] See: "2013 Training Benefits Program Annual Report," Washington State Employment Security Department, Labor Market and Performance Analysis, December 2013, page 18.

[11] See: "2013 Training Benefits Program Annual Report," Washington State Employment Security Department, Labor Market and Performance Analysis, December 2013, page 19.

83.9 percent completion rate. Writing, reading and English as a second language comprised 2,127 attempted courses, of which 1,932 were completed, for an overall completion rate for this set of courses of 90.8 percent.

Figure 8. Developmental education courses for Training Benefits participants in academic years 2009-2010, 2010-2011, 2011-2012 and 2012-2013
Washington state, academic years 2009-2010 through 2012-2013
Source: Employment Security Department/LMPA, Unemployment Insurance Data Warehouse; State Board for Community and Technical Colleges; Washington State Office of Financial Management

Developmental education courses	Attempted	Completed	Percent completed
Computational skills	8,603	7,218	83.9%
Writing	1,594	1,451	91.0%
Reading	437	394	90.2%
Coordinated studies	322	297	92.2%
English as second language	96	87	90.6%
Workplace basics 2	46	39	84.8%
Career exploration	10	2	20.0%
Other	420	323	76.9%
Total	11,528	9,811	85.1%

Nearly 75 percent of developmental education courses taken were in computational skills.

Completion of certificates and degrees

Training Benefits participants are approved for one college program of study. However, a Training Benefits participant can earn more than one certificate or degree under that program. For instance, a participant in a nursing program may achieve an intermediary completion, such as obtaining a certain number of credits or training hours, before attaining a professional license or certificate. Also, participants may take classes in addition to those in their approved Training Benefits training plan, which could result in more than one certificate or degree.

A total of 3,972 Training Benefits participants completed one or more certificate or degree programs to earn a total of 7,257 degrees or certificates overall for the combined academic years of 2009-2010 through 2012-2013.

Figure 9 shows the top 10 programs completed by program of study. Within the top 10, a total of 1,916 Training Benefits participants completed a total of 2,783 certificates, degrees or both. The top 10 program areas for participants approved in CY 2010 through CY 2012 were similar to those for participants approved in CY 2009 through CY 2011 for the 2008-2009 through 2011-2012 academic years.[12]

[12] See: "Training Benefits Program Annual Report," Washington State Employment Security Department, Labor Market and Performance Analysis, December 2013, page 20.

Figure 9. Top 10 certificates and degrees for Training Benefits participants, by program of study[13] in academic years 2009-2010, 2010-2011, 2011-2012 and 2012-2013
Washington state, academic years 2009-2010, 2010-2011, 2011-2012 and 2012-2013
Source: Employment Security Department/LMPA, Unemployment Insurance Data Warehouse; State Board for Community and Technical Colleges; Washington State Office of Financial Management

Top ten programs	Number of participants	Number of certificates and degrees
Accounting technician and bookkeeping	353	655
Liberal arts and sciences	379	385
Medical/clinical assistant	180	247
Computer systems networks/telecommunications	162	242
Welding technician	84	237
Business administration and management	181	234
Marketing management	106	204
Office occupations and clerical	138	195
Nursing assistant/aide	189	193
Medical administrative assistant/secretary	144	191
Total for the top 10 programs	1,916	2,783

Training Benefits participants completed certificate or degree programs in accounting or bookkeeping in larger numbers than any other program of study.

Experiences with the Training Benefits Program

As required by statue, the SESRC at Washington State University surveyed 8,510 Training Benefits participants who were approved for the program during calendar years 2010, 2011 and 2012 on a contract with ESD. A total of 4,153 usable questionnaires were returned, for a 48.8 percent response rate. The information from this survey provided another perspective on Training Benefits participants' experiences. (See *Appendices 1* and *2* for more information about the survey and how it was conducted.)

The results of this survey are largely the same as last year's survey. This is not surprising since participants from two of last year's three-year group overlapped with this year's – those approved in CY 2010 and CY 2011.

Did the participant complete training?

Of the 4,153 survey respondents, 3,779, or 91.2 percent, indicated that they had started their training. Of those who started training, 2,525 participants, or 66.8 percent, indicated that they completed their training. The remaining 1,189 respondents were split among 720 participants, or 19.2 percent, who did not complete their training, 469, or 12.5 percent, who were still in training and a remaining 405 participants, or 9.8 percent, with unknown status.

[13] Programs of study are based on the Classification of Instructional Programs (CIP) system.

Reasons for withdrawing from training

The 720 respondents to the survey who did not complete their training selected one or more of six possible reasons for not completing their approved training plan (*Figure 10*). Many of these respondents (42.5 percent) stated that they needed to find a job rather than continue in school. Another 297 individuals, or 41.3 percent, stated their unemployment benefits ran out before they completed their programs. Another 281 participants, or 39.0 percent, found a job that met their needs, while 278 (38.6 percent) had insufficient funds for tuition, fees and books. Ninety-eight individuals, or 13.6 percent, indicated that they returned to their former job.

Figure 10. Reasons Training Benefits participants gave for not completing their training plan, for participants approved in CY 2010 through CY 2012
Washington state, summer 2014
Source: Employment Security Department/LMPA, Training Benefits survey

Reasons for withdrawal from training	Number*	Percent of total
Needed to find a job rather than continue school	306	42.5%
Unemployment benefits ended before completion	297	41.3%
Found a job that met current needs	281	39.0%
Insufficient funds for tuition, fees, books, etc.	278	38.6%
Returned to former job	98	13.6%
Other	323	44.9%
Total	720	100.0%

*A Training Benefits participant could give more than one reason for not completing his or her Training Benefits Program plan. A total of 720 individuals responded with at least one reason.

The largest proportion of individuals who had not completed their training (42.5 percent) reported needing to find job rather than continue school as a reason for not completing their training.

How program participants paid for tuition

Some Training Benefits participants had multiple sources of funds to pay for their training, that is, their tuition. Of the 2,559 respondents who completed training, 2,409 reported one or more of six funding sources to pay for their tuition. The greatest proportion of individuals responding to this question, 59.9 percent, reported financial assistance from the school or college as a funding source; personal funds ranked second at 57.6 percent; Training Benefits weekly funds was third, at 55.1percent; other governmental assistance was fourth, at 34.4 percent; and family support made up 22.1 percent of the total respondents who reported funding sources.

Figure 11. Ways Training Benefits participants paid for tuition, for Training Benefits participants approved in CY 2010 through CY 2012
Washington state, summer 2014
Source: Employment Security Department/LMPA, Training Benefits survey

Source of funding	Number*	Percent of total
Financial assistance through school or college	1,444	59.9%
Personal funds	1,388	57.6%
Training Benefits weekly funds	1,327	55.1%
Other governmental assistance	828	34.4%
Family support	532	22.1%
Other	572	23.7%
Total	2,409	100.0%

*A Training Benefits participant could indicate more than one source of funding for his or her tuition. A total of 2,409 of the 2,559 individuals who completed their training responded with at least one source of funding.

The most commonly reported source of funding to pay for tuition was financial assistance through the school or college.

Was a degree, certificate or license required for the job for which participants were training?

The Training Benefits participants were asked whether the job they were training for required a degree, certificate or license. Of the 3,722 individuals responding to this question, 77.5 percent said yes; 16.5 percent responded no; and 6.0 percent did not know.

Occupations of participants after returning to work

Of the 4,153 respondents to the survey, 1,937 provided information on their occupation after training. A total of 307 respondents, 15.8 percent, said they worked in office and administrative support occupations. The top five occupations in which respondents found work provided 980, or 50.6 percent, of the 1,937 occupations reported. The bottom five occupations provided only 65 of the occupations reported, or 3.4 percent *(Figure 12)*.

Figure 12. Occupations of Training Benefits participants who returned to work, for participants approved in CY 2010 through CY 2012
Washington state, summer 2014
Source: Employment Security Department/LMPA, Training Benefits survey

Occupation of TB program participants who returned to work	Number	Percentage of total
Office and administrative support	307	15.8%
Healthcare practitioners and technical	209	10.8%
Computer and mathematical	176	9.1%
Healthcare support	149	7.7%
Installation, maintenance and repair	139	7.2%
Management	134	6.9%
Production	115	5.9%
Business and financial operations	103	5.3%
Construction and extraction	78	4.0%
Education, training and library	71	3.7%
Sales and related	70	3.6%
Architecture and engineering	69	3.6%
Transportation and material moving	64	3.3%
Arts, design, entertainment, sports and media	46	2.4%
Personal care and service	46	2.4%
Community and social services	45	2.3%
Protective service	27	1.4%
Legal	23	1.2%
Building and grounds cleaning and maintenance	21	1.1%
Life, physical and social science	21	1.1%
Food preparation and serving related	19	1.0%
Farming, fishing and forestry	2	0.1%
Military specific	2	0.1%
Unknown	1	0.1%
Total	1,937	100%

The top five occupational categories provided one-half of the total employment reported by Training Benefits participants.

Did participants return to their former employers?

Of those 1,946 respondents who said they were now working,[14] 120, or 6.2 percent, said they returned to the employer they had when they were laid off; 1,821 respondents, 93.6 percent, were working for another employer; and the status of the remaining 5 was unknown.

[14] The time period of reference was summer 2014.

Was the training helpful in getting a new job?

Training Benefits participants were asked if the training helped them get their job. There were 1,938 responses to this question. More than three-fifths, 61.9 percent, reported that the training was "very helpful." Another 14.9 percent indicated that the training was "moderately helpful," while 15.7 percent of these respondents indicated their training was "not helpful at all."

Were participants employed in a field for which the participants were retrained?

Training Benefits participants were asked if they were employed in a field for which they were retrained. There were 1,937 responses to this question, and 72.9 percent indicated they were employed in a field for which they had been retrained. The remaining 554 respondents, or 27.1 percent, answered in the negative.

Employment and wage history of Training Benefits participants

Prior to their initial unemployment claims, Training Benefits participants approved in FY 2014 earned a median annual wage of $41,122.[15] Final post-TB wages are not yet available for these participants, some of whom may still be in training and/or receiving benefits.

Figure 13 and *Figure 14* show the pre- and post-before-tax earnings of Training Benefits participants who were employed based on the calendar year in which they were approved for the TB Program. *Figure 13* shows the four quarters of earnings prior to the quarter in which individuals filed a claim for unemployment benefits and the eight quarters of earnings starting in the quarter after benefits ended in CY 2010 and CY 2011.[16] These data come from unemployment insurance administrative data and are separate from the survey data of participants.

Many participants approved in CY 2011 and CY 2012 did not receive their final benefit payment until CY 2013 or CY 2014, owing to their eligibility for federal extensions. As of this writing, wage information for unemployment insurance claimants is only available up to the second quarter of CY 2014. As a result, ESD does not yet have complete post-Training Benefits earnings data for a large number of individuals approved in CY 2011 and CY 2012. Follow-up data for participants approved in CY 2012 are especially incomplete. ESD had no post-Training Benefits wage information for 979 individuals (34.9 percent) approved in this year because they received their last benefit payment on or later than October 1, 2013. Because of the incompleteness of the wage and employment data, median wages for participants approved in CY 2012 are not reported in *Figure 13*.

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[15] From this point on, the term "earnings" refers to "before-tax earnings." The median estimates include only individuals with reported earnings in a given quarter. Individuals with no reported earnings are excluded from these quarterly estimates. These earnings are based on the total earnings reported in the 12 to 15 months upon which the unemployment insurance claim is based. Given that the individual is a Training Benefits participant, "Quarter -1" begins in the quarter immediately prior to the quarter in which the individual applies for unemployment benefits. "Quarter +1" begins in the quarter in which the individual ceases to receive an unemployment benefit check.

[16] The actual dates for starting and ending one's TB approved job training may or may not coincide with the dates of approval for Training Benefits Program eligibility. Training can start before TB Program eligibility and continue after one's weekly benefits under the TB Program run out. The data in *Figures 13* and *14* are based on the quarter in which the individual applied for unemployment benefits and the date at which the Training Benefits participant no longer received unemployment benefits.

Note also that the earnings estimates in *Figure 13* are measures of gross program impact. They are not adjusted for net program impact by comparing them with a valid control or comparison group over the same post-program time period.[17]

The post-TB Program quarterly earnings data show that 57.5 percent of Training Benefits participants approved in CY 2010 recorded earnings in the first quarter after their last benefit payment. This number was 52 percent for CY 2011. For participants approved in CY 2010, for whom the data are most complete, the number of individuals who recorded earnings increased from 57.5 percent in post-quarter 1 to 64.1 percent in post-quarter 4. For those approved in CY 2011, the number of individuals who recorded earnings increased from 52.2 percent in post-quarter 1 to 53.2 percent in post-quarter 3.

A wide range of studies have found that post-training wages for dislocated and disadvantaged workers who retrain for new careers are below their pre-layoff wages. Post-training wages then tend to rise during the second or third year after training. At that point, wages for those who have retrained tend to be higher than those statistically similar workers who have not retrained, but still can be lower than pre-layoff wages due to the loss of firm-, industry- and occupation-specific human capital.[18]

As *Figure 13* shows, Training Benefits participants' median earnings in the year prior to their pre-TB Program unemployment insurance claims were higher than their earnings in the first full year after their Training Benefits payments ended. For participants approved for the TB Program in calendar year 2010, median earnings went down from $36,363 prior to the TB Program to $29,024 in the first full year after the program, a reduction of 20.2 percent. The difference was greater for those approved in CY 2011, as median annual earnings fell from $37,856 to $27,567, a reduction of 27.2 percent.[19]

Improvement in median annual earnings began in the second full year after the participants' TB Program plan ended. For the 2010 cohort, the improvement was 16.6 percent, and for the 2011 cohort, the improvement was 19.8 percent. At a median of $34,378 in the second year, the 2010 cohort was earning only 5.5 percent less than the year before receiving unemployment benefits. The 2011 cohort earned 10.4 percent less, improving to $33,942. Again, these are gross program effects that do not reflect the ultimate net program effects.

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[17] For an estimate of net TB Program impacts, see: Paterson, Toby, Ernst W. Stromsdorfer and Jeffrey Zahir, "*Net-Impact Analysis on Before-Tax Annual Earnings for the Training Benefits Program, 2002 through 2008*," Employment Security Department, Labor Market and Economic Analysis, February 2012.

[18] See: Paterson, Toby, Ernst W. Stromsdorfer and Jeffrey Zahir, "*Net-Impact Analysis on Before-Tax Annual Earnings for the Training Benefits Program, 2002 through 2008*," Employment Security Department, Labor Market and Economic Analysis, February 2012; Hollenbeck, Kevin and Wei-Jang Huang, "*Net Impact and Benefit-Cost Estimates of the Workforce Development System in Washington State*," Upjohn Institute Technical Report No. 06-020, W.E. Upjohn Institute for Employment Research, Kalamazoo, Michigan, September 2006; and Jacobson, Louis, Robert LaLonde and Daniel G. Sullivan, "*The Returns of Community College Schooling for Displaced Workers*," U.S. Department of Labor, The University of Chicago and the Federal Reserve Bank of Chicago, January 2001.

[19] TB participant earnings for those approved for the program in calendar years 2010 and 2011 overlap with the analysis in last year's report. The numbers differ somewhat due to changes that may have occurred in individuals' program status.

Figure 13. Median quarterly before-tax earnings, pre- and post-Training Benefits, for participants approved from CY 2010 and CY 2011, in current dollars
Washington state, October 2014
Source: Employment Security Department/LMPA, Unemployment Insurance Data Warehouse, Wage File

Cohort year	Quarterly earnings before*				Quarterly earnings post Training Benefits**							
	-4	-3	-2	-1	1	2	3	4	5	6	7	8
2010	$9,143	$9,029	$9,119	$9,072	$6,640	$7,123	$7,548	$7,713	$8,242	$8,217	$8,837	$9,082
2011	$9,306	$9,445	$9,600	$9,505	$5,910	$6,784	$7,186	$7,687	$8,099	$8,333	$8,680	$8,830

* Quarterly median before-tax earnings of Training Benefits participants who were employed in the quarters prior to receiving unemployment benefits under the TB Program. Information in this table is current as of October 2014.

** Quarterly median before-tax earnings of Training Benefits participants who were employed in the quarters post-Training Benefits. Information in this table is current as of October 2014.

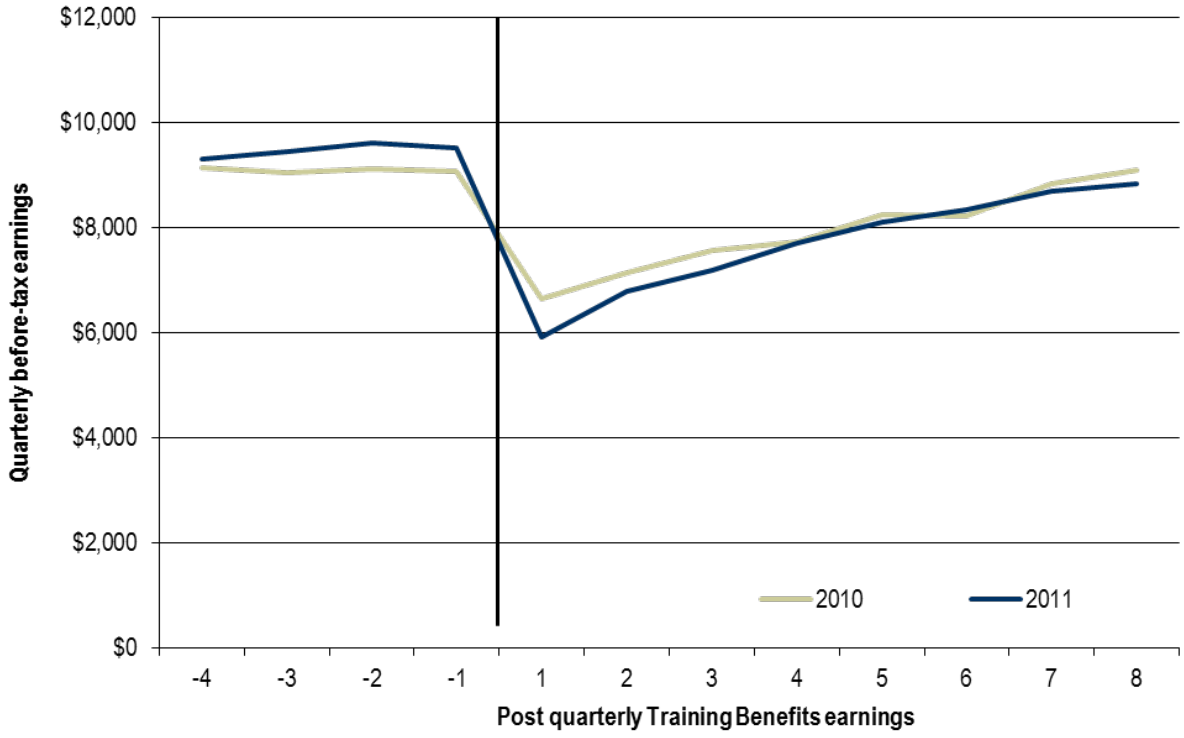
Training Benefits participants' earnings declined following loss of employment, but gradually increased in the second year after the Training Benefits participant completed his or her TB Program plan.

Figure 14 abstracts from the time the participants spent in the TB Program – a time period that varies by cohort and participant depending on the quarter in which the individual applied for unemployment benefits and the quarter in which the Training Benefits participant received his or her last unemployment benefit payment under the conditions of his or her TB Program plan.

Figure 14 graphically shows the pre- and post-TB quarterly earnings for these same TB Program participants. Participants' earnings declined slightly in the 3 months prior to receiving unemployment benefits. Immediately after benefits ended, participant earnings were lower than they were prior to program participation, but gradually approached pre-training levels over the following two years. Although not depicted here, the rate of employment dropped off about 2.5 percentage points from the third to the fourth quarter prior to the quarter of application for unemployment benefits in both calendar years. After benefits ended, quarterly earnings gradually improved. This pattern of earnings loss and then gain following a loss of employment is similar to the pattern seen in other government-subsidized occupational training programs.[20]

[20] See: Paterson, Toby, Ernst W. Stromsdorfer and Jeffrey Zahir, *Net-Impact Analysis on Before-Tax Annual Earnings for the Training Benefits Program, 2002 through 2008,* Employment Security Department, Labor Market and Economic Analysis, February 2012.

Figure 14. Median quarterly before-tax earnings, pre- and post-Training Benefits Program plan, for participants approved from calendar year 2010 through 2011, in current dollars
Washington state, October 2014
Source: Employment Security Department/LMPA, Unemployment Insurance Data Warehouse, Wage File



It took about two years after participation in the Training Benefits Program to see before-tax earnings approach pre-layoff levels.

Program administrative costs

The Employment Security Department spent $1.09 million in state fiscal year 2014 to administer the Training Benefits Program (*Figure 15*). There are two major drivers of program costs.

The first driver of program costs is caseload-associated activities. These are tasks and services associated with claimants seeking and gaining eligibility to the Training Benefits Program. These activities fluctuate with the number of initial unemployment insurance claims and overall demand for the program.

The second driver of program costs is general administrative costs and program oversight. These core functions are essential to operating the Training Benefits Program. These functions include supervisory and administrative activities, fiscal and budget activities, communications and office services.

Caseload activities

Caseload activities vary, depending on the number of applications the department receives. These activities accounted for 47.5 percent of costs for state FY 2014 and included:

- Distributing information about and explaining eligibility criteria for the Training Benefits Program and other unemployment programs, including Commissioner-Approved Training, emergency-unemployment compensation and extended benefits;
- Helping applicants complete the Training Benefits application;
- Communicating and coordinating with the adjudication centers and participants to provide the status of applications and advise adjudicators of changes to a claimant's training status;
- Interacting with colleges and training providers to verify or validate information regarding school attendance and satisfactory progress; and
- Writing decisions and processing appeals.

Current cost assumptions for caseload activities

For every 320 applications, an Unemployment Insurance Specialist 3 is needed, at an annual cost of $74,460. For every six Unemployment Insurance Specialist 3 positions, an Office Assistant 3 is needed, at an annual cost of $54,619.

General administrative and oversight activities

General administrative and oversight activities are constant costs. These accounted for 52.5 percent of total costs for FY 2014. *Figure 15* outlines the costs for FY 2014 and the projected costs for FY 2015.

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

The State Board for 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.

Figure 15. Training Benefits Program administrative costs for FY 2014 and projected costs for FY 2015
Washington state, FY 2014 and projected FY 2015
Source: Employment Security Department administrative data

Training Benefits administrative costs		
Program cost measure	FY 2014	Projected FY 2015
Number of applications processed	3,819	3,819
Caseload staffing		
Unemployment Insurance Specialist	6.9	5.8
Office Assistant	0.9	1.8
WorkSource Specialist	0.8	0.4
Total caseload staffing	8.6	7.9
Claims per Unemployment Insurance Specialist	554	664
Caseload cost		
Salaries	$372,402	$346,366
Benefits	$146,380	$125,430
Total caseload cost	$518,782	$471,796
Non-caseload staffing		
Supervisory staffing	0.8	0.8
Research and data analysis	1.7	1.7
Annual reporting	0.7	0.7
Total non-caseload staffing	3.2	3.2
Total staffing	11.8	11.1
Non caseload cost		
Salaries	$196,534	$196,534
Benefits	$70,591	$70,591
Communications	$16,872	$16,872
Utilities	$3,619	$3,619
Rental and leases	$48,521	$48,521
Repairs and maintenance	$6,876	$6,876
Printing and reproduction	$500	$500
Facilities and services	$12,426	$12,426
Other goods and client services	$164,190	$164,190
Annual reporting	$53,000	$53,000
Total non-caseload cost	$573,129	$573,129
Total Training Benefits administrative cost	$1,091,911	$1,044,925

TB Program total administrative costs are projected in FY 2015 to be less than they were in FY 2014.

Summary of administrative costs

The sum of state and local level administrative costs for FY 2014 was $1,091,911; administrative costs projected for FY 2015 are $1,044,925. *Figure 16* compares total costs with the average number of Training Benefits applications processed.

Figure 16. Administrative costs per Training Benefits Program application processed for FY 2014 and projected costs for FY 2015
Washington state, FY 2014 and projected FY 2015
Source: Employment Security Department and Workforce Development Councils' administrative data

Program cost measure	FY 2014	Projected FY 2015
Total administrative costs	$1,091,911	$1,044,925
Applications processed	3,819	3,819
Applications approved	2,362	2,362
Percentage approved	62%	62%
Cost per application processed	$286	$274

Average cost per application processed has dropped from approximately $500 in FY 2011 to $286 in FY 2014.

Training Benefits Program funding obligations

Through September 30, 2014, a total of $ $206,434,900 has been paid out of Training Benefits funds over the history of the program. This represents about 58 percent of total funds made available for the program. A total of $21,871,562 was paid out in FY 2014 and $ 3,752,808 through September 30, 2014, of FY 2015. The balance of future obligations is $14,560,888.[21]

[21] Employment Security Department administrative data.

Appendices

Appendix 1. Survey methodology and response rate

Approach

In accordance with state law (*RCW 50.22.157*), the Employment Security Department surveys Training Benefits participants each year to collect information about the participants' training programs and subsequent employment experiences. In 2014, the Social and Economic Sciences Research Center (SESRC) at Washington State University conducted this survey on behalf of ESD. The survey collected information on the participants' training status, specific training pursued, current employment status and wages and the perceived impact of training. The full questionnaire is included in *Appendix 2*.

Survey design

The total population of Training Benefits participants was surveyed who were approved for the program in calendar years (CY) 2010 through 2012. This sampling design allowed for a minimum of two years of follow-up on earnings and employment for those Training Benefits participants who were approved for their TB Program plan.

The survey was conducted in July, August and September of 2014, using a bi-modal approach via telephone and the Internet.

Telephone and/or email follow-up was attempted to answer any questions that a respondent failed to complete. This reduced statistical bias in the study results.

Response rate

Employment Security surveyed 8,510 claimants approved for the Training Benefits Program who were approved from January 1, 2010, through December 31, 2012. We received 4,153 usable, valid responses, for a response rate of 48.8 percent.

Figure A-1. Survey results
Washington state, summer 2014
Source: Employment Security Department, LMPA, 2014 Training Benefits survey

Survey results	Count
Training Benefits Program population (calendar years 2010, 2011 and 2012)	8,510
Valid responses	4,153
Response rate in percent	48.8%

Appendix 2. Survey questionnaire

TRAINING BENEFITS PROGRAM SURVEY

WEB-BASED QUESTIONNAIRE[22]

2014

Name of participant: _____

IDNUM _____

Introduction to the individual

The Social and Economic Science Research Center at Washington State University is collecting data on behalf of the Washington State Employment Security Department. We are interested in your experience with Unemployment Insurance Training Benefits Program, which pays extended unemployment benefits to eligible participants while they attend approved training to learn new jobs.

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

   Have you started your training?

   Yes **Go to Q. 2** _____

   No **Go to Q. 4** _____

2. What was (is) the name of the training program?

3. Is a degree, certificate or license required for the job you are training for?
   a. Yes
   b. No
   c. Unknown

   Go to Q.5

4. Below is a list of reasons why you haven't started your training program. For each one, please mark if that was or was not a reason.
   a. You found a job that met your needs
   b. You did not have enough money for tuition fees, supplies and/or books
   c. You needed to find a job rather than start school
   d. You returned to your former job
   e. You had other family responsibilities
   f. Other reasons (please specify): _____

   _____ **Go to End of Questions – Closing**

[22] The same questions and sequence were used for the telephone interviews.

5. Did you complete this training?
   a. Yes
   b. No **Go to Q. 8**
   c. Still in training. **Go to end of survey.**
6. Did you use any of the following sources to pay for your tuition?
   a. Personal funds
   b. Family support
   c. Other governmental assistance, for example, GI Bill or Workforce Investment Act (WIA)
   d Financial assistance through the school or college
   e. Training Benefits weekly funds
   f. Some other source of funds (please specify): _____
7. When did you complete this training?
   Month/Year _____ **Go to Q. 10**
8. When did you stop taking this training?
   Month/Year _____
9. Below is a list of reasons you might have for not completing the training. For each one, please mark if that was or was not a reason.
   a. You found a job that met your needs
   b. You needed to find a job rather than continue school
   c. You returned to your former job
   d. You did not have enough money for tuition fees, supplies and/or books
   e. Your unemployment benefits ended before you completed the program
   f. Some other reasons (please specify): _____
   _____
   Go to end of Questions – Closing.

Current employment history

10. Are you working now?
    a. Yes
    b. No **Go to end of Questions – Closing.**
11. When did you start this job?
    Month/Year _____
12. How much help was the training for you in getting this job?
    a. Not at all helpful
    b. A little helpful
    c. Moderately helpful
    d. Very helpful

13. Are you employed in a field for which you were retrained?
    a. Yes
    b. No

14. After completing your training, did you go back and work for the same employer that you were laid off from?
    a. Yes
    b. No

15. What is your current job title or occupation?
    a. Job title or occupation: _____
    b. What do you do in this job? _____

16. In a typical week, how many hours a week do you work on this job?
    Hours per week: _____

17. What is your rate of pay *before taxes and deductions*?

    $_____._____ per hour or $_____ per _____.

End of questions – closing

This completes the questions. Do you have any questions or comments concerning this questionnaire? If so, please enter them in the space below.

Comments: _____

_____

_____

Your completed questionnaire has been received. Thank You!

Comments and notes (of the interviewer – relevant for telephone interviews and item nonresponse callbacks.)