



Workforce
Opportunity
Council, Inc.

Leveraging Resources for New Hampshire's Future

State of New Hampshire

Workforce Investment Act - Title 1-B

Annual Report

*For the period July 1, 2001 through June 30, 2002
(Includes Related Grant Activities)*

Name and title of authorized official of the Governor:

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The Workforce Opportunity Council, Inc. is a sponsor of the NH WORKS system, a proud member of America's Workforce Network, and an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. TDD: 1-800-622-918

INTRODUCTION

This second full year of Workforce Investment Act (WIA) operations saw significant changes in the New Hampshire labor market. The general downturn in the national economy resulted in several large layoffs in our state. While certain industries were affected more than others, the overall increase in unemployed individuals presented new challenges to a system still in its infancy. Quick and focused action was required to assist those affected find new positions or pursue individual training opportunities. In some instances, additional funding was required to adequately address the needs of selected populations.

The Workforce Opportunity Council met these challenges through a coordinated effort of many of its partners, including New Hampshire's Department of Employment Security, Department of Education, Department of Resources and Economic Development, Department of Health and Human Services, the Community Technical Colleges, and the Community Action Association. Indeed, without the support and commitment of its partners, the Council's vision and mission would not be met.

The Council's vision is to serve as a catalyst to establish a secure and sustainable workforce that can meet current and future skilled labor needs and provide a competitive advantage for New Hampshire businesses. Its mission is to promote life-long learning by partnering with businesses, agencies, and organizations to bring the state's education, employment and training programs together into a workforce development system that will provide the means for all residents of New

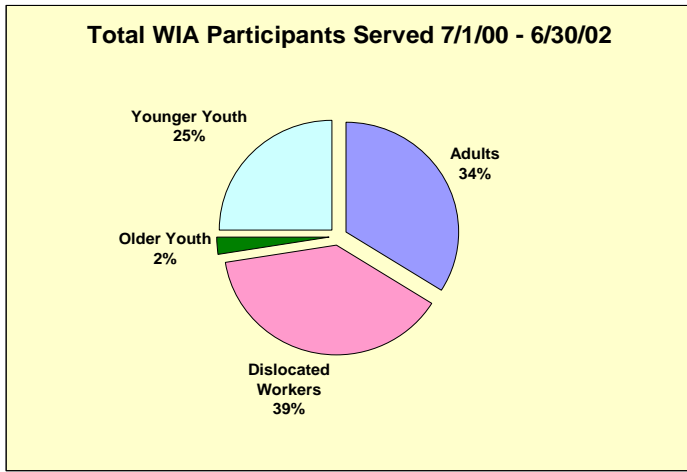
Hampshire to gain sufficient skills, education employment, and financial independence.

This second year of operation has seen both new initiatives, as well as ongoing refinement of systems and programs implemented last year. These are just some of the major initiatives and programs the Council sponsored or implemented this year:

- Secured federal funding of \$4,490,838 to assist laid-off mill workers in Berlin and Gorham
- Secured federal funding of \$513,618 to assist laid-off Tycom workers in Exeter and Newington
- Submitted a request for \$3 million in H-1B funds to train nurses for New Hampshire
- Served a total of 3,838 WIA participants, including adults, dislocated workers, and youth
- Committed funding of up to \$50,000 for a conference and related materials to address youth drop-out issues
- Redesigned the NH Works website to meet ADA accessibility and other informational requirements of the NH Works One-Stop system customers

As we move into our third year of operations, the Workforce Opportunity Council will continue to seek out opportunities to sponsor and implement innovative solutions to the ongoing challenges presented to our New Hampshire residents in their pursuit of career success and financially secure futures.

Workforce Investment Act – at a Glance



Cost per WIA Participant

Program cost per participant is calculated by dividing the program expenditures by the number of individuals served. As funds are aggregated for the two years, the number of participants are also a sum of the two operating years.

Our second year of operations saw an increased number of adult workers enter training to enhance their job-retention or job-seeking abilities. As a result, this year's \$2,097 cost per participant increased over last year's cost of \$1,743. Dislocated workers entered training at approximately the same rate as last year, resulting in only a slight (\$95) increase over last year's cost per participant of \$1,927.

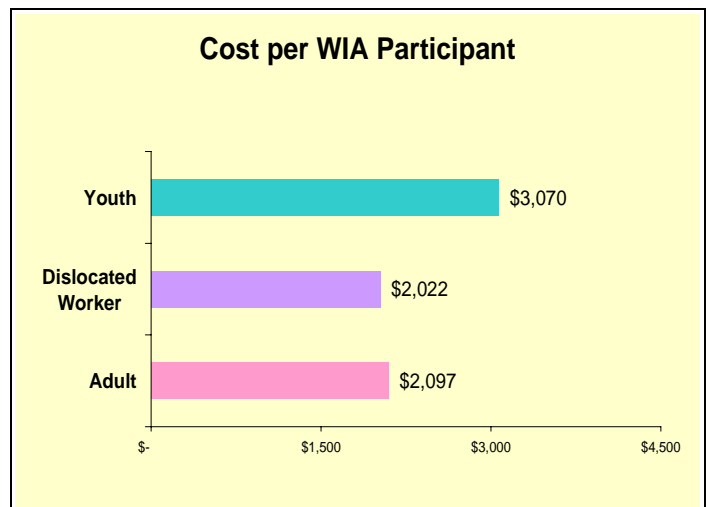
WIA youth programs serve individuals aged 14-21. Youth costs per participant are traditionally higher than costs for adults and dislocated workers due to the more comprehensive range of services provided over a year-long period. Follow-up services also tend to be more intensive for youth than for adults or dislocated workers. This year's cost of \$3,070 per participant shows a considerable increase over last year's cost of \$2,311 due primarily to the increased focus on serving out-of-school youth. Out-of-school programs are generally more expensive because they must provide the educational component outside of a school infrastructure, and cannot rely on some of the support services and resources available to in-school youth. The increased cost also reflects follow-up services to youth who participated and exited the program last year.

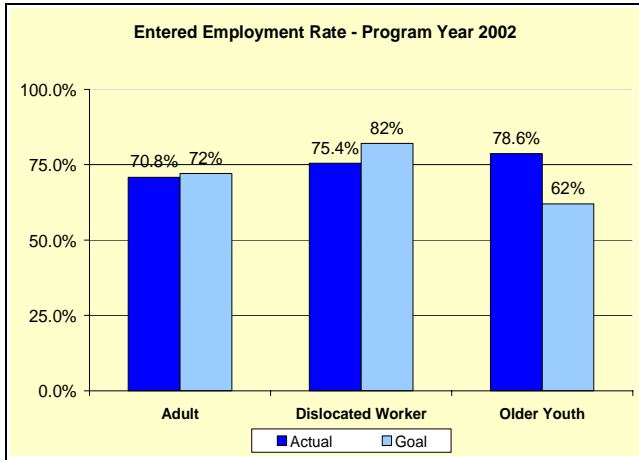
Total WIA Participants Served

While the number of adults registering for services remained fairly constant to last year's numbers, the general downturn in our economy contributed to an increased number of dislocated workers served. However, while the number of dislocated workers accessing services increased, a similar number to last year actually entered training.

Total Participants Served 7/1/00 – 6/30/02	
Adults	1,322
Dislocated Workers	1,460
Younger Youth	962
Older Youth	94
Total	3,838

Unlike adults and dislocated workers who may initiate WIA services at any time throughout the year, the youth program recruits participants at the beginning of the program year. Once a youth enters the program, services to that individual generally continue over a period of one-to-three years. As a result, the number of new youth registrants per year remains fairly constant.



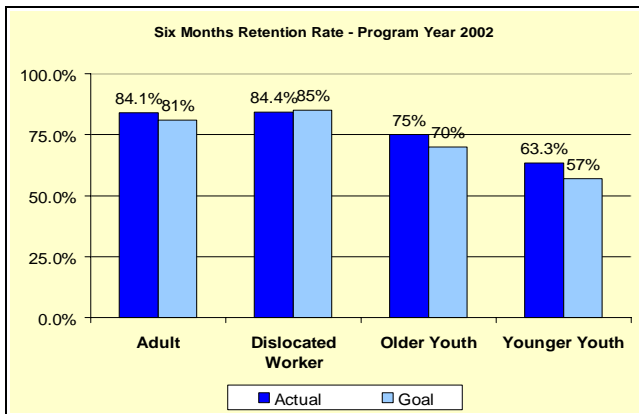


Entered Employment Rate

Entered Employment Rates reflect the number of participants who exited the program and were employed by the end of the first quarter after exit.

The U.S. Department of Labor considers that the goal has been met if the state is at 80% of the goal. Thus, in this category, New Hampshire met its goals for the three categories of participants tracked.

While it is recognized that some younger youth (those between the ages of 14 and 18) do enter the workforce, they are not included in this category as their primary environment is considered to be an educational setting.



Six Months Retention Rate

Six Months Retention Rate reflects the number of participants who were employed in the first quarter after exit and were still employed at the end of the third quarter after exit from the program. This measure contains three quarters of information.

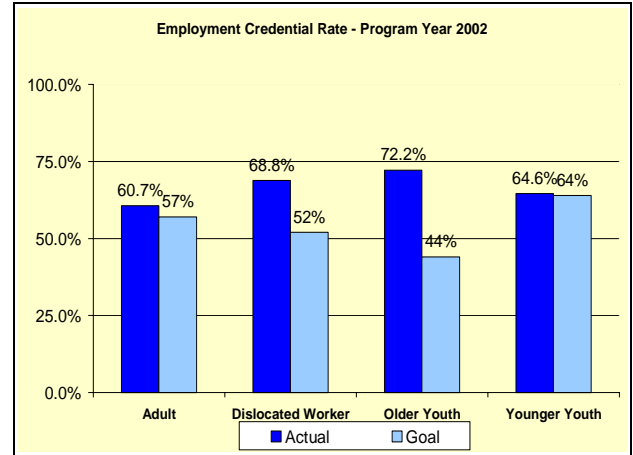
Younger youth retention rates include positive outcomes such as post-secondary education, advance

training, military service, and qualified apprenticeships.

Employment Credential Rate

Employment Credential Rate reflects the number of people who receive training services and received a certificate, diploma, or other credential following completion of training.

New Hampshire met all of its goals for credentialing.



Earnings Change and/or Earnings Replacement in Six Months

Pre-and post-program wages are measured to evaluate the effect of program participation on earnings. Unemployment Insurance wage records are used to track this information.

Adult wage changes are calculated on an actual dollar value. The negotiated performance measure was a wage increase of \$2,900 at six months after program exit. Actual performance was (\$523). Over the past year, a large number of individuals received training as licensed nursing assistants or in beginner computer/office assistant courses. While this training increased the individual's employability, it did not lead to significant wage gains within the first six months after program exit.

Older youth are also evaluated on an actual dollar value. Only those youth not enrolled in post-secondary or advanced training six months after exit are tracked. The actual performance was \$958 against a negotiated goal of \$2,620. There are very few participants in this measure. Consequently,

low wage gains by a small number of participants have a large impact on the overall measure.

Dislocated workers are evaluated on a replacement wage basis, which represents a percentage of their wages prior to dislocation. The negotiated goal was 90%. Actual performance was 80.3%, which represents a 89.22% attainment rate. This translates, in WIA-speak, as a goal met.

Customer Satisfaction

Customer satisfaction is an important measurement of our system. To ensure a fair and unbiased process, New Hampshire contracts with a third party to perform all customer satisfaction surveys.

The results obtained from our surveys reinforce our positive service efforts, and also assists us in directing resources to those areas that require some readjustments.

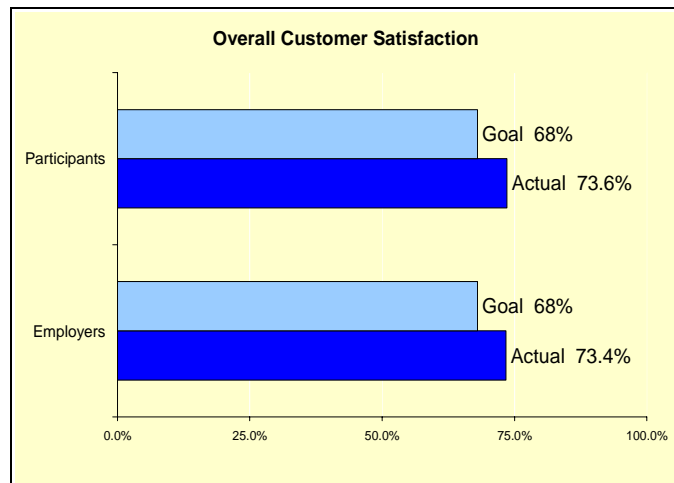
After they have “exited” from the system, both participants and employers are asked three basic questions:

- How satisfied are you with the services?
- To what extent have the services met your expectations?
- How well do the services compare to the ideal?

Additional questions are then asked about specific services or service-delivery strategies. The information is compiled into quarterly reports which are reviewed by the Council’s Performance Assessment Committee, as well as the NH Works Operator Consortium.

Survey Response Rate	
Participants	68.5%
Employers	73.4%
Survey Responses	
Participants	941
Employers	500

Many of our continuous improvement strategies find their beginnings in the customer satisfaction survey results. The survey has proven to be an effective evaluation tool.



The Overall Customer Satisfaction scores reflect a weighted average of participant and employer ratings of each of the three questions, reported on a 0-100 scale.

Continuous Improvement Efforts

Over the past year, New Hampshire has invested heavily in continuous improvement activities. To enhance the skills of our front-line staff in the NH Works Centers, the Workforce Opportunity Council sponsored two state-wide conferences, offering various workshops addressing team-building, customer satisfaction, equal opportunity/disability etiquette, and best/promising practices topics on workforce development. Additionally, several pilot projects were initiated to evaluate and improve upon job placement activities and customer flow in our Centers.

New Hampshire has been cited as a model for its cooperative partnering between all the various organizations offering WIA and related services. We will continue to seek ongoing improvement of our system as we go forward into our third year.

Programs

Through the Workforce Investment Act, the Council funds a number of programs at both the local and state level.

Local level programs are those programs that provide services directly to individuals. State level programs are designed to improve the overall system through technology enhancements and staff training, as well as

to initiate innovative projects with a goal towards ultimate self-sustainability of those projects.

At the local level, the Council contracts with four major partners to the WIA system:

- NH Department of Education
- Community Action Association
- NH Community Technical College System
- NH Dept. of Resources & Economic Dev.

The Department of Education administers the youth programs throughout the state. Both in-school and out-of-school youth are served through various programs such as Jobs for NH Grads, Project Pride, Youthbuild Odyssey, Nashua Adult Learning Center, Southern NH Services, and various school districts.

The Community Action Programs provide services to eligible adults and dislocated workers. Those services range from help with resumes and job-seeking skills to identifying training needs and assisting the individual in getting training designed to lead the individual into self-sufficiency.

The Community Technical College System assists individuals in determining their eligibility for Pell Grants and other educational financial aid.

Finally, the Department of Resources & Economic Development takes the lead in providing rapid response services in situations of mass layoffs. This agency meets with companies planning layoffs and, through a coordinated effort with the Department of Employment Security and the Community Action Programs, arranges informational sessions with affected workers to help them understand the services available to them during this stressful time

WIA-Funded Local Programs	
7/1/00 – 6/30/02	
Dept. of Education	\$7,454,915
Community Action Association	\$5,667,328
NH Com. Tech. College System	\$ 495,535
Dept. of Resources & Econ. Dev.	\$ 414,600

Other programs, such as customized employer-based training, have also been funded with local program dollars on a project-specific basis.

At the state level, the Council has funded a number of programs over the past two years, and will continue to

consider innovative proposals designed to contribute to New Hampshire’s workforce development.

Examples of funding commitments at the state level include system technology enhancements, staff training and capacity building, outreach and NH Works awareness efforts, specialized employer-based training, labor market and system performance analysis, and various youth pilot projects such as apprenticeships, education/business linkages, work-based learning experiences, and data analysis.

Examples of WIA Statewide Programs	
Youth Initiatives	\$580,000
Technology/Staff Training	\$466,117
Outreach Efforts	\$295,839
Labor/Performance Analysis	\$145,000
Employer-Based Training	\$100,000

Funds at the state level are also called the Governor’s Reserve (Discretionary) Funds. WIA regulations provide guidelines as to the types of programs that may be funded with these dollars, and also require that the Governor approve the expenditures at this level. Based on broad program development suggestions from the Council’s internal committees, the Workforce Opportunity Council’s full Board makes annual funding recommendations to the Governor.

Once the Governor approves the Board’s recommendations, the Council staff begin the process of soliciting specific proposals and working with the selected vendors to implement the various programs.

Participants Served

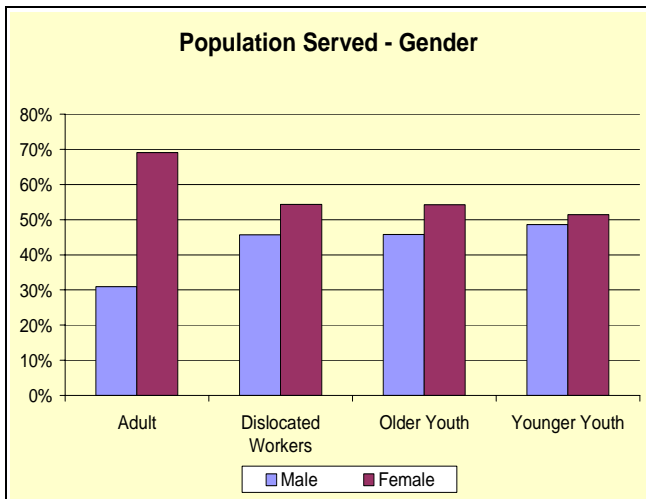
Demographic information concerning ethnicity is gathered on a strictly volunteer basis. As many participants do not wish to volunteer this information, our statistics on population served, by the percentage of ethnicity, are not as useful as they might be.

However, the following table presents the general breakdown of our WIA participants’ ethnicity, based on the information we were able to collect. Categories with zero percent actually denote that the percentage of the population served was smaller than one percent, not that there were no participants in that category.

Population Served – Ethnicity					Other/ Undeclared
	White	Hispanic	Black	Asian	
Adult	80%	2%	4%	1%	13%
Disl. Worker	83%	1%	1%	1%	14%
Older Youth	84%	6%	5%	0%	5%
Younger Youth	90%	3%	1%	0%	6%

A review of the population by percentage of gender indicates a fairly even split between male and female participants, with the exception of the adult category.

The adult category, more so than the dislocated worker category, tends to serve a greater number of disadvantaged individuals with barriers to employment. As this population often consists of single mothers, the higher percentage of females in this service category is not unexpected.



A look at the age of our population served reveals an average age of approximately 41½ years of age. For both adult and dislocated workers, the average age of the male population was higher than that of the female population.

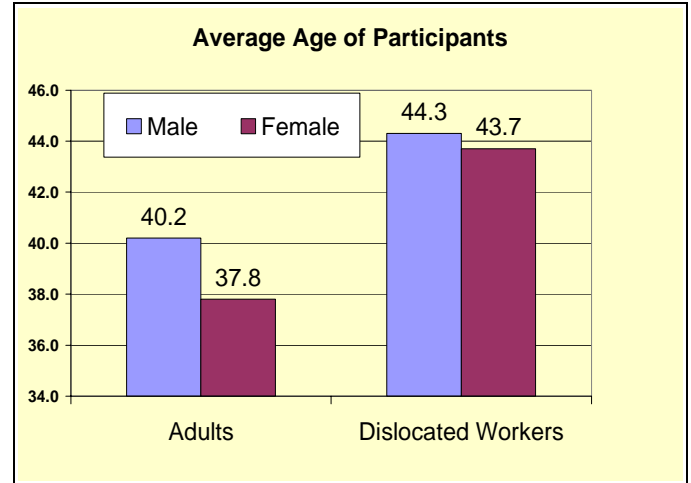
For the adult category, the average age of our female population is just under 38 years old. For the men, the average age is just over 40 years of age.

The age differences in the dislocated worker category are closer. Here, the average age of females is just under 44 years of age, while the average age of the males is just over 44 years of age.

Since the youth program serves a very specific age population, and that population is generally served

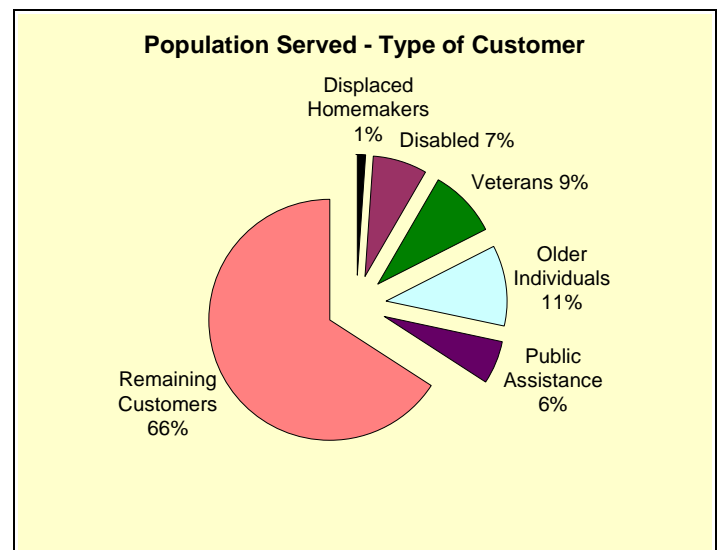
over a period of one-to-three years, tracking average age of the population is more difficult.

The age category for younger youth served with WIA funds is 14 to 18 years of age. Older youth are 19 to 21 years of age.



Finally, as part of our overall adult and dislocated worker customer base, our NH Works Centers serve veterans, individuals with disabilities, displaced homemakers, older individuals, and individuals receiving public assistance.

This special population represented approximately 34% of our total customer base over this past year. The chart below shows a breakout of the individual populations.



Note: The Welfare-to-Work grants serve other individuals on Public Assistance. Please see page 10.

WIA Financial Statement

July 1, 2000 – June 30, 2002

<u>Operating Results</u>	Available	Expended	Pct.	Balance Remaining
Total All Funds Sources	\$18,402,470	\$11,469,820	62%	\$7,139,730
Adult Program Funds	\$3,546,019	\$2,772,588	78%	\$773,431
Dislocated Worker Program Funds	\$3,229,876	\$2,952,161	91%	\$277,715
Youth Program Funds (see note below)	\$7,129,804	\$3,242,001	45%	\$3,887,803
Out-of-school Youth	\$2,851,922	\$1,352,262	47%	\$1,499,660
In-school Youth	\$4,277,882	\$1,889,739	44%	\$2,388,143
Summer Employment Opportunities,	N/A	\$168,241	N/A	N/A
Local Administration Funds	\$1,319,546	\$792,905	60%	\$526,641
Rapid Response Funds	\$414,059	\$375,621	91%	\$38,438
Statewide Activities Funds	\$2,763,165	\$1,334,544	48%	\$1,428,621

Note: Youth funds are received in April, thus “Available Youth Funds” represent the state’s allocation for three program years, while actual program implementation has only completed two years.

	C-E Ratio
Cost-Effectiveness	
Overall, All Program Strategies	\$2,337
Adult Program	\$2,097
Dislocated Worker Program	\$2,022
Youth Program	\$3,070

	Amount
Financial Positions	
Total Assets	\$1,456,918
Current Assets	\$1,456,918
Property, Equipment, Net Operating and Other Assets	
Current Liabilities	\$1,040,850
Liabilities Less Long-Term Debt	\$1,212,213
Long Term Debt	\$ 244,705

Other Council Activities

National Emergency Grants

The Workforce Opportunity Council successfully applied for National Emergency Grant funding to assist individuals affected by a mass lay off from their company. This funding is in addition to the formula funds (standard WIA allocations) and, unless otherwise authorized, may be used to serve only the targeted population identified in the grant request.

The most recent grant, \$513,618 was received to assist individuals laid off from the Exeter and Newington Tycom facilities. The grant became effective May 22, 2002 and runs through June 30, 2003.

A total of \$4,490,838 was received to serve the individuals affected by the Berlin and Gorham Pulp and Paper of America mill closings. The grant became effective October 1, 2001 and runs through September 30, 2003.

Finally, the Council implemented the \$1,643,474 Compaq grant that was originally submitted by the NH Job Training Council prior to their dissolution. The grant was awarded to Job Training Council on April 3, 2000 and was transferred to the Council on July 1, 2000. The grant ended April 27, 2002.

National Emergency Grants		
Tycom, Ltd		
Date Received		05/22/2002
Amount Received	\$	513,618
Number Being Served		320
Pulp & Paper of America		
Date Received		10/01/2001
Amount Received	\$	4,490,838
Number Being Served		661
Compaq		
Date Received		04/03/2000
Amount Received	\$	1,643,474
Number Served		319

Grant amounts and costs per participant vary widely due to the stated objective of the grant and the actual population being served. For instance, the Compaq grant served highly skilled individuals with proprietary knowledge in an effort to transition them into other information and/or high technology jobs. Consequently more high-level retraining was required.

The individuals laid off from Tycom, Ltd. tended to be more at the production level. Those individuals entering retraining are doing so at a different level than the Compaq grant population, which typically results in a lower cost per participant.

The laid-off Berlin/Gorham mill workers required a wide range of services as many had spent their entire working lives in the mills. At the time the grant was requested, it was uncertain whether the mills would ever reopen, thus the expected level of services for these individuals was intense. In the aftermath of the event, and the subsequent purchase by Nexfor Frasor, the plight of many workers has eased. The Council will continue its support through the grant to both those individuals pursuing other career paths and those still waiting to go back to the mills.

Other Grants

In March 2000, the Council received \$1,500,000 from the U.S. Department of Labor, under the H-1B Technical Skills Training Grant Program. The purpose of the grant was to reduce businesses' reliance on foreign labor brought into the United States on H-1B Visas. The grant ended September 27, 2002 and, between individual training grants and company-based training, served 537 individuals.

In November 2000, the Council was one of several first-round awardees of a Work Incentive Grant designed to build capacity to serve individuals with disabilities in our NH Works centers. The grant was for \$1,000,000 and funded purchase of adaptive equipment and staff who could counsel our customers with disabilities about the affect employment might have on their current benefits. The grant was effective November 1, 2000 and ends May 31, 2003.

The Council also received a small "Sectoral Demonstration Grant" in the amount of \$109,404 to train home-health workers. The grant was effective from July 1, 2001 to September 30, 2002, and served 58 individuals.

Also in July 2001, the Council received a Community Audit grant in the amount of \$150,000. This grant was designed to take an inventory of existing skills in the North Country and evaluate the ability to outsource

those skills to companies in the southern portion of the state. This grant also ended September 30, 2002.

The America Service Locator grant was designed to help set up the national website/database of one-stop center information. The grant of \$49,780 was received July 1, 2001, and was scheduled to end September 30, 2002. A subsequent modification extended the grant through June 30, 2003 and will allow funds to be used for outreach and customer awareness.

Other Grant Activity		
H-1B Technical Skills		
Date Received		04/03/2000
Amount Received		\$1,500,000
Number Served		637
Work Incentive Grant		
Date Received		11/01/2000
Amount Received		\$1,000,000
Number Served		n/a
Sectoral Demonstration		
Date Received		07/01/2001
Amount Received		\$ 109,404
Number Served		58
Community Audit		
Date Received		07/01/2001
Amount Received		\$ 150,000
Number Served		n/a
America Service Locator		
Date Received		07/01/2001
Amount Received		\$ 49,780
Number Served		n/a
Welfare-to-Work #1		
Date Received		09/28/1998
Amount Received		\$2,761,875
Number Being Served		974
Welfare-to-Work #2		
Date Received		09/28/1999
Amount Received		\$2,574,375
Number Being Served		n/a

The Council is the administrative/oversight entity for the state's Welfare-to-Work formula grants. New Hampshire received two grants, one in 1998 for \$2,761,875 and the other in 1999 for \$2,574,375. Both grants were two-year grants and both were extended for an additional two years. The first grant is currently serving 974 individuals. The second grant has not yet begun serving individuals, but it is expected that individuals may begin accessing assistance through this grant in December 2002.

Outreach Activities

Understanding that actual awareness of the availability of services is key to a successful program, the Council has initiated an assertive outreach program. The first step in the process was to enhance the existing website, www.nhworks.org, to meet accessibility requirements, as well as to update and increase the information available to our customers.

Part of the enhancement efforts included a new branding of the product. It was felt that a new corporate-looking logo would create higher credibility with our business customers. The "Seeker" was chosen to represent the process of searching for an employee, labor laws, hiring incentives, and other information important to our NH businesses. From the job-seeker perspective, the Seeker again represents the process of searching – for a job, new skills, a new career, etc.



The Seeker, in various poses, guides users through the website. Below is an example of the NH Job Search page under the Job Seeker category.



In addition to the logo, a new tagline was developed to better reflect our focus. “WE’LL HELP YOU FIND YOUR FUTURE” represents a customer-based approach wherein the customer drives the process, allowing the NH Works staff to act as a “coach” or “value-added resource” to our customers, both business and individuals.



Beginning in January 2003, the Council will launch its outreach program using newspaper, business, and chamber publications, as well as brochures and informational pamphlets aimed towards raising our customers’ awareness of our programs and services. We expect 2003 to be a busy year.

Recognition of our NH Works System

New Hampshire continues to be a leader in its workforce development systems. In 2001, the Boston Regional Office of the USDOL Employment and Training Administration (ETA) presented to New Hampshire’s One-Stop Operator Consortium an award for *Excellence in Seamless Service Delivery* recognizing the development of partnerships within our NH Works system.

This past year, ETA again visited the Council, but this time in partnership with the U.S. Department of Education’s Rehabilitative Services Administration (RSA). Together, the two agencies reviewed the integration of Vocational Rehabilitation (VR) services within the NH Works system. As quoted in their final report, what they found was a “fully inclusive and coordinated approach toward designing and implementing a statewide workforce system that serves its customers, including persons with disabilities, effectively and efficiently.”

The two federal agencies applauded our efforts at recognizing and supporting the uniqueness of the NH Works partners, including the state VR agency. As a result of their visit, a report entitled *The New Hampshire Model: Vocational Rehabilitation Program*

Participation in the One Stop Delivery System was completed in December 2002 and will be posted to their website for other states to review, and adopt, as appropriate.

The Boston Regional ETA also visited the Council in August 2002 for a full WIA implementation monitoring visit. The visit included not only the WIA-Title I-B activities, but Wagner Peyser (Employment Services offered through the NH Department of Employment Security) activities as well.

While a few minor areas were highlighted for improvements, the overall result of the visit was very positive. No major concerns were expressed and New Hampshire will go forward into its third year of WIA operations with confidence.

Summary

The Workforce Opportunity Council is pleased to offer this annual report summarizing our activities.

On behalf of all our partners we wish to take this opportunity to acknowledge the dedication and hard work of all the individuals involved in providing services through the NH Works system – both inside and outside of the physical Center locations. Without these committed individuals, there simply wouldn’t be a NH Works system.