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Individual Training Accounts and Nonstandard Work Arrangements

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Abstract

This paper was commissioned by the Organisation for Economic and Co-operative Development (OECD) to describe the use of Individual Training Accounts (ITAs) under the Workforce Innovation and Opportunity Act and under its predecessor the Workforce Investment Act (WIA). Particular interest is in the use of ITAs by WIOA participants from nonstandard work arrangements. The study provides detailed information about the use of ITAs by participants of the two adult programs under WIOA, Disadvantaged Adult Programs and Dislocated Worker Programs, and in two states, Michigan and Washington. Information for the WIOA programs is gathered and analyzed from the public-use version of the WIOA Participant Individual Record Layout (PIRL). One of the unique features of the ITAs is the use of an informed choice model, in which participants, once determined eligible for training, have final say as to the training program they choose, but they must consult with WIOA counselors and standard information available through WIOA about the programs before making that choice. The study finds that even between the two states, the use of training and ITAs varies widely across the two WIOA programs. That trend continued prior to WIOA when WIA was in effect. The study concludes that the two WIOA programs do not accommodate workers from nonstandard work arrangements, except for those who fit the eligibility criteria established by the WIOA Adult Program for low-income workers. The study points out that low-income workers are equally, if not more, likely to come from nonstandard work arrangements, such as self-employment, as from more traditional arrangements. However, both programs are geared to placing participants in standard work settings once they have completed the training or other services provided by the WIOA programs. The study informs current policy by pointing out the neglect of current public workforce programs to focus more on nonstandard work arrangements that exist within today's workforce.

JEL codes: J24, J38

Key words: Individual Training Accounts, Workforce Innovation and Opportunity Act, Nonstandard work arrangements, informed choice

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ABBREVIATIONS CHART

<u>Abbreviation</u>	<u>Meaning</u>
BA	Bachelor of Arts
BLS	Bureau of Labor Statistics
CNA	Certified Nursing Assistant
CPS	Current Population Survey
DACA	Deferred Action for Childhood Arrivals (US DHS)
ETA	Employment and Training Administration
ETP	Eligible Training Provider
ETPL	Eligible Training Provider List
ITA/ITAs	Individual Training Account(s)
JTPA	Job Training Partnership Act
OECD	Organisation for Economic Co-operation and Development
OJT	On-the-Job Training
PIRL	Participant Individual Record Layout
TANF	Temporary Assistance for Needy Families
TEGL	Training and Employment Guidance Letter
UI	Unemployment Insurance
USDOL	United States Department of Labor
WDCs	Workforce Development Councils
WIA	Workforce Investment Act of 1998
WIASRD	Workforce Investment Act Standardized Record Data
WIBs	Workforce Investment Boards
WID	Workforce information database
WIOA	Workforce Innovation and Opportunity Act
WTECB	Workforce Training and Education Coordinating Board

1. INTRODUCTION

This paper focuses on Individual Training Accounts (ITAs) provided under the Workforce Innovation and Opportunity Act (WIOA), which is currently the nation's primary workforce development program. Particular emphasis is placed on the extent to which individuals in nonstandard forms of work have access to training funded through WIOA programs. As nonstandard work arrangements continue to proliferate, an increasing number of workers fall outside of the traditional relationship between worker and employer.

An ITA is a voucher that an individual who has met the requirements to establish an ITA can use to pay for a training program of his or her choice. Customers who are granted an ITA may use the funds assigned to their account to contract with a third-party training provider. However, an ITA is not an entitlement. Those who are granted an ITA must first be determined to be eligible for the WIOA programs, must work directly and in person with a career counselor to determine whether they need training, must develop an individual employment plan, and must choose a program that provides training in an occupation that is in demand by local employers and is offered by a qualified training provider. The amount of money available to a holder of an ITA may vary depending on need and available public funding, and that amount may change during the time an individual holds an ITA.

To understand the purpose, structure, eligibility requirements, and funding of ITAs, one must also understand the workforce programs that offer ITAs. WIOA, passed by Congress in July 2014, is a federal-state-local partnership in which the three levels of government share responsibility for delivering training and other reemployment services. It replaced a similar program, the Workforce Investment Act (WIA), which was enacted in 1998. WIOA extends

many of the programs of its predecessor; yet it emphasizes to an even greater extent than WIA the integration of workforce development with economic development. Like its predecessor, WIOA has two customers—the job seeker and the employer. The basic premise of this dual-customer approach is that preparing job seekers for vacancies that businesses are looking to fill will satisfy both the desire of job seekers to find gainful employment and the need for businesses to find the talent necessary to be successful. Training is considered an essential service for those job seekers who do not have skills to find or retain a job or to earn a wage high enough for them and their families to be self-sufficient.

Three programs are included under WIOA. Two are targeted at adult job seekers—the Disadvantaged Adult Program and the Dislocated Worker Program—and the third focuses on youth aged 16–24. In all three programs, the federal government provides funding, guidelines, and strategic direction to states and local Workforce Investment Boards (WIBs). States and local WIBs tailor the programs to meet the specific needs of the customers in their jurisdictions, and local WIBs administer the delivery of services and contract with third-party organizations to deliver the services.¹ Under WIOA, all training funded through the three programs is contracted to third parties, such as community colleges or private training organizations; the state and local WIBs do not provide training services directly. ITAs are the primary means by which these two programs provide occupational-skill-training services to individuals, by allowing the individuals to contract directly with providers.

¹ More specifically, states include the 50 states, the District of Columbia, and the territories, such as Puerto Rico and the Virgin Islands. There are more than 500 WIBs in the United States, and each WIB administers at least one American Job Center, or service center, where customers go to work with career counselors and other staff and receive basic reemployment services, such as labor market information and access to computers to check postings and write resumes, and where they receive referrals to more intensive services. There are 2,500 American Job Centers (one-stop service centers) across the country. States may use different terminology and brand names to refer to local WIBs. For example, in Michigan, they are referred to as Michigan Works! offices; in Washington State they are known as Workforce Development Councils. For the purposes of this paper, the generic term WIBs will be used to refer to the local workforce agencies.

This paper focuses only on the Adult and Dislocated Worker Programs, since the Youth program offers little, if any, training through ITAs. Moreover, while other federal programs provide training of various types, these will not be discussed in this paper, since the emphasis is on ITAs, which are offered only under WIOA.

In addition to providing details on ITAs as prescribed by WIOA legislation and U.S. Department of Labor (USDOL) rules and regulations, this paper also describes the administration of ITAs in two states—Michigan and Washington. These two states were selected because of the contrast in their economies and their administration of the workforce programs.

The contrast in the two state economies is pertinent for examining access to training, and ITAs more specifically, for workers in nonstandard work arrangements. Michigan's economy is characterized by more traditional manufacturing, since it was historically the center of the automobile industry and still is home to the two largest domestic auto producers—Ford and General Motors. Besides the direct operations of these two corporations and a third large auto producer, Fiat Chrysler, the state is home to numerous suppliers of parts to the auto assembly companies. The state of Washington, in contrast, is known for the recent emergence of high-tech companies, most notably Microsoft and Amazon. But long before these companies were founded, the Seattle area was home to Boeing, the world's largest aerospace company. Even though the company is now headquartered in Chicago, it is still the state's largest private-sector employer. Along with these dominant high-tech companies are suppliers and startups that continue to fill in the Seattle/Puget Sound landscape. Because of the large presence of high-tech companies in Washington State, the workforce has a high concentration of high-tech workers, who are more likely to work under nonstandard work arrangements than workers in more traditional industries.

2. INDIVIDUALS IN NONSTANDARD WORK FORMS

Whether a person in nonstandard work forms has access to training using WIOA funds, particularly through ITAs, depends upon the criteria for eligibility for the two adult WIOA programs and the assessment of the need for training within those programs. There are no specific priorities, or funds set aside, for such individuals. Still, individuals in nonstandard work arrangements may receive ITAs through the normal determination of eligibility for the WIOA Adult programs.

Before exploring the representation of persons from nonstandard work forms participating in ITAs, it is important to examine differences in definitions of nonstandard work posited by the OECD and the U.S. Bureau of Labor Statistics (BLS). This section compares the OECD definition of nonstandard work arrangements with that of the BLS. Section 3 considers whether those in nonstandard work forms meet the eligibility criteria set forth by WIOA and whether those individuals are given priority in being referred to training.

The OECD, in its terms of reference for this project, defines nonstandard work forms as

- casual workers (on-call, voucher-based, and zero-hour contracts and mini/flexi-jobs),
- temporary and agency workers, and
- self-employed workers (including platform and gig workers).

WIOA follows the definitions of nonstandard work forms set forth by the BLS, the government agency that collects and compiles the official U.S. labor statistics. BLS defines three categories of nonstandard work forms—1) contingent workers, 2) alternative workers, and 3) self-employment—which are different from the definitions put forth by the OECD. BLS estimates the first two categories in a special survey, which is conducted only occasionally, whereas estimates of self-employment are included monthly with the Current Population Survey (CPS). The first two categories are estimated as part of a supplement to the CPS, the last of

which was released in June of 2018 with estimates for May of the preceding year. The supplement preceding the most recent one was released for 2005.

In the June 2018 report, the BLS announced that 3.8 percent of workers—5.9 million people—held contingent jobs, and 10.1 percent of workers—15.5 million people—had various forms of alternative work arrangements. During that same period, the BLS estimated that 9.7 million workers were self-employed, which accounted for 6.3 percent of workers.² In total, about 31.1 million persons, or 20.2 percent of workers, are included in these three categories, assuming that a worker identifies with a single category and thus there is no overlap of individuals across categories.

Table A1, found in the appendix, shows these categories in more detail and attempts to relate the BLS categories to the OECD categories, to the extent possible. Unfortunately, some forms of nonstandard work arrangements delineated by OECD are not explicitly identified in the BLS categories and can be spread among the various BLS categories. For example, the BLS states that gig workers could be in contingent or alternative employment arrangements, or both. Contingent workers are those who don't have an implicit or explicit contract for long-term employment. Alternative employment arrangements include independent contractors (also called freelancers or independent consultants), on-call workers, and workers provided by temporary help agencies or contract firms. Furthermore, gig workers may be included in counts of workers who are part-time, self-employed, or hold multiple jobs. The number of workers holding part-time jobs and multiple jobs are not included in the table, since these counts also include workers who are not part of the gig workforce or any other nonstandard work arrangement.

² Contingent work and alternative work arrangements are measured separately, so it is possible that some workers are both contingent and working in an alternative arrangement. The survey of contingent work and alternative employment arrangements apply only to a person's sole or main job; for multiple job holders, this is the job in which they usually work the most hours.

The BLS found from its May 2017 survey that contingent workers were equally likely to be men as to be women, but that Hispanics were more likely to be contingent workers than whites or blacks. Contingent workers can be found in all occupations, but about a third of all contingent workers were in professional and related occupations, a category that includes computer occupations. Contingent workers are more likely to be part-time, younger, and paid less, and to receive few benefits than noncontingent workers, although half of the part-time contingent workers would prefer a full-time job. The educational distribution of contingent workers is somewhat bifurcated; contingent workers are more likely to be high school dropouts and more likely to hold at least a bachelor's degree. In May 2017, 42 percent of temporary-help-agency workers were contingent workers, a smaller share than in past surveys. In addition, roughly one in five on-call workers was also a contingent worker, and 15 percent of contract company workers were also contingent workers. Only 3 percent of independent contractors were considered contingent workers, the same percentage as workers with traditional arrangements—i.e., those who are not in any of the alternative employment arrangements (Kosanovich 2018).

The two site states represent for the most part two sides of the national average with respect to alternative work arrangements. For example, as shown in Appendix Table A1, Michigan is below the national average and the state of Washington is above the national average with respect to self-employment, contingent workers, and independent contractors. The only category in which Michigan has a higher percentage than Washington is in workers from temporary employment agencies. This most likely results from the large presence of the auto industry in Michigan and the restructuring of that industry during the past two decades, a time when many regular workers have been laid off only to be rehired by the auto companies and their suppliers as temp workers.

3. INDIVIDUAL TRAINING ACCOUNTS

Individual training accounts (ITAs) are a form of vouchers that can be used by eligible participants to apply to the cost of job training. ITAs are the primary method used by WIOA programs to pay for training services. However, in certain circumstances, such as for on-the-job training, customized training, and registered apprenticeship programs, a training contract from a local WIB to a third-party provider may be used to provide training services.

3.1 Stated Objectives

The stated purpose of ITAs is “to provide the WIOA-eligible individuals with the means to obtain the necessary training to become gainfully employed or re-employed.” This statement echoes the wording that first described ITAs in the early years of WIA. As with WIA, WIOA regulations require that local workforce areas provide training through ITAs, except in some limited circumstances. These exceptions include on-the-job training or customized training for incumbent workers provided by an employer or training provided by an organization for targeted populations, such as those facing multiple employment barriers. Since on-the-job training and customized training usually are provided to a group of workers within one establishment, it is not appropriate to use *individual* training accounts for that purpose.

WIOA also requires local workforce areas to be accountable to performance outcomes based on a participant’s employment and earnings after completing services. However, the federal government authorizes states and localities to determine the nature of ITAs along the continuum from free choice to informed or guided choice. To strike a balance between these two requirements of maximizing choice and getting participants into jobs, local areas predominantly follow a model of “informed customer choice.”

ITAs were first introduced under WIA, which required that local workforce investment areas provide access to training that “maximizes customer choice” (WIA Title 1.B.134). The Republican-controlled Congress wanted to move WIA more toward a model in which the customer chooses the type of training and the provider of training services. However, the bill did not offer much guidance on what “maximum customer choice” meant or how it could be implemented.³ The notion at the time the bill was passed that greater choice could yield better employment and earnings results for training participants was based more on political ideology than on empirical evidence. It was also related to the desire by Congress to construct a market-based system in which customers choose their providers and programs with the appropriate information. It took at least nine years for the results of a random-assignment experiment, sponsored by USDOL, to be released; these results shed some empirical light on which model was most effective.⁴ The results leaned toward an informed-choice model, which was a combination of four components (Wandner, 2010, p. 256):

1. Assessment and counseling to determine whether the proposed training course is both appropriate for the customer and in a demand occupation
2. Objective information about the employment outcomes of training providers (i.e., Eligible Provider Lists)
3. Customer and counselor making joint decisions on training, with frontline staff acting as guide, facilitator, and information navigator
4. Limited time and dollar value on each voucher

³ Wandner (2010) explains the political origins of vouchers under WIA in more detail, p. 264.

⁴ The ITA evaluation was started in 2000 but for a variety of reasons centering on the conduct of the ETA, the final report was not released until 2011, although some of the preliminary results were known by 2009.

From the time the bill was passed until the evaluation results were released, the ETA did not take a stand on whether to impose one approach over the other, but gave states and local WIBs considerable discretion to choose along the continuum from free to informed choice. By leaving the decision to the states and localities, the ETA effectively defaulted to the informed-choice model, since the states and localities used that approach most often under JTPA.⁵

3.2 Who Can Access ITAs? What Are the Eligibility Criteria? Are Some Groups of Workers/Persons Targeted in Particular?

Eligibility for ITAs is a three-step process. First, an individual must be registered in either the Adult Program or the Dislocated Worker Program under WIOA by meeting program eligibility requirements. Second, career counselors refer participants from either one of these two programs to specific training services. Those referred to occupational training may establish an individual training account (ITA).

The WIOA Adult and Dislocated Worker Programs provide services to eligible participants as a “pathway to the middle class and to maintain and build skills to remain in the middle class” (TEGL No. 19-16, p. 8). The Adult Program serves disadvantaged adults; the Dislocated Worker Program is open primarily to those individuals who, through no fault of their own, have lost a job with an employer.

Specific eligibility requirements for the Adult and Dislocated Worker Programs are described in WIOA legislation and clarified and refined in USDOL/ETA rules and regulations. Most criteria are uniform across all states and local WIBs, but WIOA gives states and WIBs discretion in defining certain terms (such as “self-sufficiency,” “unlikely to return to work,” and

⁵ See Wandner (2010) for more details.

“stopgap employment”) and in establishing criteria and the process for prioritizing services, including training services.⁶

Adult Program Eligibility Criteria

Eligibility requirements for the Adult Program focus on defining low-income individuals and the employment barriers they may face. In all states, individuals must first meet the following criteria:⁷

- U.S. citizen or otherwise legally entitled to work in the United States⁸
- Age 18 or older
- Selective Service registration for males who are 18 years of age or older and born on or after January 1, 1960, unless an exception is justified⁹

Once an individual has passed these three screens, the next step is to establish where that person may fit in the prioritization of services. Table 1 lists the priorities as stated by the two case study states—Michigan and Washington. The criteria are nearly identical between the states, and priorities one through three are virtually the same. The term “statutory priority” refers to the priority that is mandated by the WIOA legislation, which must be followed by all those receiving Adult funds. The fourth criterion is left to the discretion of states and local WIBs to establish additional priority groups.

⁶ State workforce agencies and the USDOL conduct audits periodically of WIBs to ensure that the eligibility requirements determined by the USDOL/ETA are followed. These audits are rigorous, and any inconsistencies found in administering the eligibility determination process can lead to reportable findings and even sanctions.

⁷ Nondiscrimination provisions that apply to the public workforce system prohibit discrimination on the basis of sex, among other things. Although gender identity is not an explicitly protected basis under the applicable federal laws, discrimination based upon gender identity, gender expression, and sex stereotyping has been interpreted to be a form of prohibited sex discrimination, including under laws that apply to federally assisted employment, training, and education programs and activities (USDOL 2015).

⁸ WIOA has determined that participation under WIOA programs is available to citizens and nationals of the United States; lawfully admitted permanent resident aliens, refugees, asylees and parolees; and other immigrants authorized by the Attorney General to work in the United States, including DACA participants with employment authorization.

⁹ WIOA gives the state the authority to establish policies and procedures relating to verifying WIOA eligibility, as long as the policies and procedures are consistent with the WIOA, the WIOA regulations, and other federal statutes. The local WIBs must in turn establish local policies and procedures to verify and document participant eligibility for the WIOA programs.

More concretely, in both states, veterans are given first priority for services, which means that veterans are the first in line for training and for career services, both of which are heavily staff-intensive services. The reason veterans do not dominate the WIOA services is that there are not that many veterans requesting services, and not all of these request training and the other staff-assisted services. For example, in PY2016, Michigan recorded only 103 veterans exiting its Adult Programs out of a total of 5,400 exiters that year. Even though a higher percentage of veterans who exited (60 percent of veterans versus 54 percent of the total) received training, that amounted to only 60 veterans out of nearly 3,000 Adult exiters who received training services. Furthermore, the WIOA Adult Program is intended primarily for low-income individuals with significant employment barriers. Of the 103 veterans exiting the Adult Program in PY2016, 64 were determined to be low income. That's about 60 percent of the veterans, but those 64 low-income veterans accounted for only 1.7 percent of the 3,700 low-income Adult exiters. Therefore, without priorities given to veterans, they may not receive the same level of services in Michigan because of the large number of low-income exiters.

The state of Washington presents a somewhat different scenario with respect to veterans than Michigan. First, Washington has five times the number of veterans exiting from the Adult Program as does Michigan. This is most likely due to the large military bases in Washington and the state's naval facilities. Second, unlike in Michigan, the percentage of Adult exiters who were low income roughly matched the percentage of low-income veterans, at about 25 percent. It is likely, therefore, that without priority being given to veterans, they may fall even further down the queue for services.

Much attention is given to veterans across the political spectrum, which is reflected in priorities within government programs. Therefore, even though their numbers are not that large in either state, veterans still receive high priority within the workforce programs.

State governors may set additional priorities. For example, the governor of the state of Washington has determined that services funded through the WIOA funds that the governor's office has discretion over will be prioritized along the same lines as services funded by the Adult Program, with one exception: the unemployed are explicitly included as the priority in the second group, whereas the second priority for Adult funds states that the unemployed *may be* included. Consequently, for the governor's discretionary funds, priority will first be given to eligible veterans and spouses, then to unemployed individuals, next to low-income individuals, and finally to other Washington job seekers.

A nonstandard worker may be eligible for training under the Adult Program if that worker's nonstandard work activities place him or her in the low-income category. Nonstandard work may pay less than regular employment, and the hours may be shorter, leading to both less pay and a greater likelihood of being determined to be a low-income individual. So long as individuals meet the eligibility standards for the Adult Program, including those who are self-employed or underemployed, they are eligible for training services, and low-income participants must be given training, according to the legislation.

Table 1 Priority of Services Funded under the Adult Program for the Two Case-Study States

Priority	Michigan	Washington
First	Covered person (veterans and eligible spouses) who are also funded in the groups given statutory priority for the WIOA Adult formula funds	Covered persons (veterans and eligible spouses) who are also in the groups of low income, recipients of public assistance, or basic-skill deficiencies (those given statutory priority)
Second	Noncovered persons (i.e., individuals who are not veterans and their spouses) who are included in the WIOA's priority groups	Individuals (noncovered persons) who are included in the statutory priority group (low-income who may be unemployed individuals), recipients of public assistance, or basic-skill deficiencies
Third	Veterans and eligible spouses who are not included in the WIOA's priority groups	Covered persons (veterans and eligible spouses) who are not low income and not basic skills deficient
Fourth	Priority populations established by the governor and/or local WIBs	Local WIBs may establish additional priority groups beyond the minimum WIOA Adult eligibility

NOTE: Michigan priorities are described in State of Michigan (2018), pp. 23–24; Washington State priorities are described in State of Washington (2017a), p. 13.

SOURCE: Author's compilation.

Dislocated Worker Program Eligibility Criteria

The eligibility requirements for the Dislocated Worker Program are basically the same in the two states. The major difference is that Washington emphasizes dislocated veterans and their spouses by giving them their own categories, whereas Michigan includes veteran spouses under the general category of displaced homemakers.

The basic criterion for eligibility for the Dislocated Worker Program is whether the individual has been terminated, laid off, or received notice of termination or layoff and is determined to be unlikely to return to his or her previous industry or occupation. A more complete decision tree is displayed in Table A2, located in the appendix. The eligibility criteria have provisions for people who are self-employed and who are displaced homemakers (persons

who are dependent on the income of another family member but who no longer can rely on that person for support). States have discretion on how to define stopgap employment and underemployment for the purpose of eligibility. Both Michigan and Washington states share the same definition for the underemployed, but Michigan is silent on stopgap employment (State of Michigan 2018, p. 22). The two states define underemployment as being employed less than full-time but actively seeking full-time employment, or as being employed in a position that is inadequate with respect to one's documented skills and training. Washington defines stopgap employment as temporary work which individuals accept only because they have been laid off or terminated from the customary work for which their training, experience, or work history qualifies them (State of Washington 2017a, p. 18).

While eligibility for the Dislocated Worker Program is structured around the traditional workplace arrangement, workers in nonstandard work arrangements can become eligible for training under this program if they are self-employed, underemployed, or perhaps fall within the displaced homemaker category, in which they may have engaged in casual employment while technically not working outside the home. In addition, definitions of stopgap employment and underemployment are important in considering the likelihood that workers from nonstandard work arrangements are eligible for training under WIOA.

3.3 Eligibility for Training

Once an individual has passed the screening for either of the two programs and is enrolled in that program, staff from the local WIB determines whether that individual is eligible for training services. The individual goes through a battery of assessments, including in-person interviews, evaluations or assessments, and career planning that is guided by information on the local labor market and on training provider performance. In addition, to be eligible for training

from WIOA, individuals must demonstrate that they are unable to obtain grant assistance for training from other government programs, such as Pell Grants or assistance under the Trade Adjustment Assistance program, or that the funding from such programs is insufficient to meet the individual's training needs.

Michigan and Washington follow similar criteria to determine eligibility for training services. According to state rules, which follow ETA guidelines, training services may be made available to employed and unemployed workers who are registered for either the Adult Program or the Dislocated Worker Program. Enrollees seeking training services in the Adult Program are subject to the same priorities set for any staff-assisted service provided through that program.

Under WIOA Section 134(c)(3)(A), a participant may receive training services if local WIB staff determines that the person

1. is unlikely or unable to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment through career services,
2. needs training services to obtain or retain employment leading to economic self-sufficiency or wages comparable to or higher than wages from previous employment, and
3. has the skills and qualifications to participate successfully in training services.

The third requirement for eligibility, having the skills and qualifications to successfully participate in training, assures that participants are highly likely to complete their training endeavors by demonstrating they possess the requisite skills and the financial resources to complete the program. Financial resources include not only the ability to afford the direct cost of the program, with the aid of a voucher, but also the ability to support themselves and their families during the time they are engaged in the program, without any additional public

assistance.¹⁰ In addition to these three criteria, a person must select a program of training that is directly linked to the employment opportunities in the local area or planning region, or in another area to which the individual is willing to locate, and that person must also choose an eligible training provider, or ETP (State of Michigan 2018, p. 9).

3.4 Eligibility for Individual Training Accounts

ITAs may be granted to individuals who have been referred to occupational training programs. Occupational training programs are typically classroom-style training in which a participant works toward a credential, certification, or degree. Other training programs, such as customized training, are more group oriented, in which employed workers receive training targeted to the needs of the business for which they work. Customized training is often granted by the state, and in the case of Michigan it is a competitive process. ITAs are used only for “individualized” training programs.

In keeping with maximizing consumer choice, the selection of a training program and a provider is made jointly by both the case manager and the participant, with the goal of achieving employment at the completion of training that will lead to a long-term career. However, individuals receiving ITAs may use the voucher to access any training program that covers skills in demand by local employers and that is offered by an eligible training provider. Local service-center staff may inform and facilitate career decisions, but the final decision rests with the individual participant, according to the state policy guidelines and to the counselors and administrators who were interviewed for this paper. Furthermore, each local WIB has discretion to establish a range of amounts and/or a maximum dollar amount available for an ITA.

¹⁰ A training participant may receive public assistance from other sources, such as TANF, food stamps (the Supplemental Nutrition Assistance Program, or SNAP), or the Earned Income Tax Credit (EITC); WIOA training programs do not provide additional cash assistance, nor did training programs under WIA.

To establish an ITA, a participant of either the Adult or Dislocated Worker Program must first be referred to training services. If it is determined that the participant needs upskilling or related training, that person must then determine the type of program that he or she would like to pursue. As will be discussed in more detail later in the paper, an individual must provide documentation that the program of training will qualify the recipient for a job that is already posted or “in demand,” and that the provider is qualified, according to the criteria required for providers to be placed on the Eligible Training Provider List (ETPL).

In making these decisions, a participant receives counsel from a case worker at a local one-stop service center. By determining the program and provider, the cost of the program, the type of credential (certification, degree, etc.), and the length of time in the program is also determined. For example, in a local workforce investment area in Michigan, a four-to-six-week certified nursing assistant (CNA) program costs roughly \$1,000, whereas a four-to-six week course to obtain a commercial truck driver’s license costs around \$5,000. Therefore, an ITA for the individual pursuing a CNA certificate would be established at roughly \$1,000, and an ITA for the individual pursuing a truck driver license would be around \$5,000. For this reason, voucher amounts are not uniform but rather are related to the type of training.

3.5 ITA Voucher Amounts

The amount of funding available under an ITA varies by program and location. Programs differ by state and WIB, and so do their costs. Two individuals may choose different programs with different costs, as illustrated in the previous section, and therefore receive different amounts of funding. In addition, ITAs typically place a limit on the ITA voucher of between \$5,000 to \$10,000, but the amount may vary considerably by state and local WIB. If the cost of a desired program exceeds the limit imposed by a WIB, participants are permitted to supplement ITA

funds with their own funds or other government grants. However, I spoke with local counselors and administrators in both states, who told me that only rarely does an individual supplement ITA vouchers with his or her own money to pay the cost of the training that person desires. Furthermore, one policy reads, “Adequate sources of family income (spousal income, UI benefits, etc.) or assets must be identified and compared to budgeted family expenditures over the training period. Participants who lack the financial resources to complete training are not suitable candidates for training.”¹¹ Many local policies state that participants must utilize other funding sources first to pay the costs of training, such as state-supplied training funds, Trade Adjustment Assistance, Federal Pell Grants (established under Title IV of the Higher Education Act of 1965), and scholarships, before WIOA funds can be authorized to support training costs. In addition to covering direct training costs, families may have to demonstrate that they can support themselves while a member of the family foregoes earned income to pursue training. Despite this, few holders of ITA use other public funds, nor do they supplement the public funds with their own resources, according to correspondence with local WIB administrators.¹² Case managers must document it in the case notes if the participant is unable to obtain grant assistance.¹³

¹¹ WIOA Individual Training Account Policy and Agreement, Berrien, Cass, Van Buren Michigan Works!, March 17, 2018, and conversations with program staff. One WIB explicitly stated in its policy manual that individuals who did not have the financial means (e.g., income and assets) to pay for training were not eligible to receive training.

¹² Email correspondence with Amy Myers, Policy and Planning Manager for Michigan Works! Southwest, states that while customers can supplement public funding with their own funds, she is not aware of any such instance in the decade she has been administering training programs (correspondence of February 22, 2019). One reason for this is that vouchers are funded to cover the cost of training. Another reason is that customers are aware of the cost of the program and how much the voucher covers before entering the training program.

¹³ Analysis of administrative data by the author shows that for those receiving training services through either the Adult Program or the Dislocated Worker Program, only a small percentage receive Pell Grants. For the Adult Program, only 6.5 percent of those receiving training use Pell grants, and for the Dislocated Worker Program, only 3.0 percent use them.

There is no lifetime limit for the use of a voucher, although some ITA guidelines state that participants must complete a program within a specified period—in one case, four years.¹⁴ In most cases, it is understood by all parties that the training leads to immediate employment after completing the course. A staff member from a local WIB in Michigan shared that in most cases, even before a participant finishes a course, the business services staff of the local one-stop center has lined up a job for that person. With a job in hand, the person has little need then to return to the one-stop service center in pursuit of further training.¹⁵

The voucher amount may change if the cost of a training course changes during the time a participant is enrolled. This could happen if the cost of supplies or books changes, for example. The funds can be used only to pay for training costs, such as tuition, fees, books, and supplies, as described in the regulations. None of the funds may be used to compensate the individual for time off work, child care expenses while attending class, or transportation costs. Although extensive rules and regulations have been codified regarding the use of ITAs, all guidelines established by states and local WIBs include a phrase stipulating that any exceptions to the guidelines must be preapproved by the executive director of the local WIA or designee.

Since ITA amounts are determined by the program of study selected, WIBs rarely publish the limits of WIBs on their websites or other readily available documents. I inquired at several WIBs in Michigan, and only two were willing to reveal their limits. One shared documents that

¹⁴ Michigan Works! Region 7B Consortium, Workforce Innovation and Opportunity Act (WIOA), Individual Training Account (ITA) Policy, January 4, 2017. While there are state and federal guidelines, the local WIBs have final authority.

¹⁵ Conversation with local WIB staff member, October 16, 2018.

stated that the spending limit was \$6,000, and another cited local policy that set the limit at \$10,000.¹⁶

In Washington, the limit on ITAs varies from \$3,500 to \$7,000 for a maximum two-year program.¹⁷ One WIB bases the limits on up to six quarters of training, for which it offers \$7,000.¹⁸ That WIB offers some exceptions: “awards exceeding the \$7,000 or time limit of two years can be awarded to a customer only if an exception is first recommended by the employment counselor and approved by the Workforce Council.” For the exception to be approved, justification must be provided supporting the additional dollars or duration needed for the individual to attain or retain livable-wage employment, or to make significant wage progression.

3.6 ITA Funding

ITAs are funded under WIOA, which allots federal funds by formula to individual WIBs through their respective states. For Program Year 2016 (which includes the second half of 2016 and the first half of 2017), the federal government allotted to states, the District of Columbia, and U.S. territories a total of \$785.2 million for the Adult Program and \$990.5 million for the Dislocated Worker Program. Local WIBs determine how much of the general funds are devoted to training services, and more specifically to ITAs. States approve the budgets of the local WIBs, although there is some discretion in the use of funds that may differ from the budgeted amount, as needs are revealed during the program year. In addition, WIOA allows some fungibility in the

¹⁶ This information comes from conversations with administrators at two Michigan WIBs on September 10, 2018. The documents they shared are not posted on their websites, and the information is not publicly available except upon request, although it is codified in the WIBs’ local regulations.

¹⁷ Workforce Development Council of Seattle–King County, Policy No. 03-2000, Individual Training Account, January 17, 2017; and conversations with the executive director of the Workforce Training and Education Coordinating Council, Eleni Papadakis.

¹⁸ Pacific Mountain Workforce Development, WIOA Adult and Dislocated Worker Individual Training Accounts (ITAs), Policy No. 5100, July, 7, 2016.

use of these funds, in that states and local WIBs can use some of the Adult funds for Dislocated Worker participants and vice versa, depending upon local needs.

In total, states receive more than \$6.9 billion for the six core workforce development programs, of which the Adult and Dislocated Worker Programs are part, and approximately \$3.6 billion in federal formula funding for six partner programs, for a total of \$10.5 billion.¹⁹ States and local WIBs can also receive an additional \$191 million, appropriated for competitive grants; but states and/or local WIBs must apply for the grants, and only a small percentage of those who apply actually receive funding (hence the term “competitive”).

Funds for the Adult and Dislocated Worker Programs, and the other Core and Partner programs, are allotted to states through formulae that account for a state’s population and in some cases its share of the nation’s number of unemployed. Consequently, the amount of funding received by states correlates highly with a state’s population and size of its civilian labor force and, for programs like the Dislocated Worker Program, with a state’s share of unemployed workers. Therefore, California, the most populous state with a population of 39.7 million in 2018 and a share of total unemployed of 13.8 percent, received the most money in PY2016: a total of \$898 million for WIOA Core programs and another \$788 million for formula appropriations, totaling \$1.7 billion. Wyoming, the least populous state with a population of only 573,000 and a share of the total unemployed of 0.19 percent, received the least amount, totaling \$28.8 million. While California received substantially more in total appropriations, Wyoming received around \$8 more per person and per employed person, and \$450 more per unemployed person, than did California.

¹⁹ The appropriations numbers come from TEGGL 17-15 (USDOL 2016) and were compiled in Council of State Governments (2017). The core programs include the three WIOA programs, the Wagner-Peyser Employment Service, Vocational Rehabilitation, and the Adult Education and Literacy Programs.

The two study-site states were allotted federal funds in similar proportions. Michigan has a population of nearly 10 million, an unemployment rate of 4.7 percent (September 2017), and 229,507 unemployed, according to the BLS. Washington State has a population of 7.5 million, an unemployment rate of 4.7 percent (September 2017), and 177,609 unemployed. According to the formula, which includes other factors in addition to population and unemployment, Michigan received total WIOA funding for the six Core programs of \$237.4 million, and Washington received \$140.2 million. Breaking down the numbers to specific WIOA programs, Michigan received \$27.2 million for the Adult Program and \$36.2 million for the Dislocated Worker Program; Washington received \$17.7 million for the Adult Program and \$22 million for the Dislocated Worker Program.

Not all WIOA funds allotted to states are used for training services. States and local WIBs have discretion over how the funds are used locally across services, principally career services and training services, which are the two broad categories of services in which staff are used intensively. For the most recent period for which expenditures data are available for all states (July 1, 2016, through June 30, 2017), Michigan spent one-third of its WIOA funds (Adult and Dislocated Worker Programs combined), and Washington spent one-fifth of its WIOA funds on training services. The remainder was spent on career services, except for a very small portion (less than 5 percent) that is spent on administration costs.

As shown in Table 2, Michigan provides training to about the same percentage of exiters in its two WIOA adult programs—54.4 percent of exiters of the WIOA Adult Program and 51.5 percent of exiters of the Dislocated Worker Program.²⁰ The state of Washington provides training to very few of the exiters of the Adult Program (9.3 percent) but close to half (45.8

²⁰ An *exiter* is a participant who has completed the assigned services and has left, or exited, the program, such as the Adult or Dislocated Worker Program. A participant is still enrolled in the program and is receiving services.

percent) of the exiters of the Dislocated Worker Program. For both states and programs, well over half of those exiters receiving training established an ITA.

Table 2 Number and Percentage of Exiters Receiving Training and ITAs by WIOA for the Two Site-Study States, PY2016

State	Adult					Dislocated Worker				
	Exiters	Training	ITA	% training	% ITA	Exiters	Training	ITA	% training	% ITA
Michigan	5,386	2,931	1,931	54.4	65.9	2,435	1,254	963	51.5	76.8
Washington	7,652	713	483	9.3	67.7	2,527	1,157	768	45.8	66.4

SOURCE: Author's analysis of PY2016 WIOA Participant Individual Record Layout (PIRL).

Nevertheless, the percentage of exiters with ITAs does not necessarily correspond with the percentage of training funds spent on ITAs. Although the central accounting systems for states or the USDOL do not record how much a state or local WIB spends on ITAs, a local WIB in Michigan shared recent information on the amount it spends on ITAs:²¹ of the \$261,000 spent on training under the Dislocated Worker Program in PY2017, \$98,000 (or 38 percent) was spent on ITAs; and of the \$351,000 spent on training under the Adult Program, \$124,000 (or 35 percent) was spent on ITAs. For neither program did this percentage come close to the percentage of exiters establishing ITAs, as displayed in Table 2. Obviously, the differences are due to differences in the cost of training services contracted through ITAs and the cost of other training services provided by the local WIBs.

3.7 Who Administers the Scheme, and Who Manages the Funds?

The administration of ITAs falls to the state agencies that administer and oversee WIOA grants along with the local WIBs, which determine, through a set of eligibility criteria, who

²¹ WIOA has just begun to record the total amount spent on training services, whereas WIA did not. However, the amount spent on different types of training is not centrally recorded and compiled.

receives an ITA. The number and types of state agencies that oversee and administer WIOA programs and funds varies by state. The two study sites are at opposite ends of a spectrum ranging from centralized control by one state entity to decentralized control by multiple state entities. Michigan has a relatively centralized administration of WIOA at the state level, whereas Washington arguably has the most decentralized system of any state.

Michigan recently restructured the agencies responsible for workforce development by creating the Department of Labor and Economic Opportunity, which oversees the WIOA programs and other public workforce activities. In contrast, Washington has a much more complex system of agencies administering WIOA programs. Seven public state agencies disburse federal funding for separate workforce training programs. One of these agencies disburses the WIOA dollars to the state's 12 local WIBs. The idea is to bring together at the state level agencies that provide workforce development, economic development, community college and K-12 education, and businesses. To help coordinate these state agencies, the Workforce Training and Education Coordinating Board (WTECB) coordinates activities among the 14 member agencies. The three primary responsibilities of the WTECB are to 1) advise the governor and legislature on workforce development policy, 2) ensure the state's workforce services and programs work together, and 3) evaluate the performance of Washington's key workforce programs.

However, most of the daily administration of the ITAs is carried out by the local WIBs. They determine within the guidelines of the USDOL/ETA and their state who is eligible for ITAs, they contract with third parties to provide the in-person counseling at the one-stop career centers, and they ensure that the training programs provide the skills demanded by local employers and that the providers are eligible to receive WIOA funds through the ITAs.

The local WIBs receive and manage the funds with oversight from the state and the USDOL. Except for the governor's set-aside, which can equal 15 percent of the funds allotted to each state, the remaining funds are sent directly to the local WIBs. The local WIBs use these funds to contract with third-party providers, including establishing vouchers for ITAs, which can be used to fund training of individuals holding ITAs at third-party training providers. By law, local WIBs are not allowed to provide direct services to customers; all services, including the operation of service centers, must be contracted to a qualified third party. Contracts are typically for one to two years. All activities of local WIBs are audited regularly by the state agency overseeing the programs and by the USDOL. State agencies are audited by the USDOL.

3.8 Types of Training

The U.S. Department of Labor asks states and local WIBs to record six types of job training relevant to the WIOA Adult and Dislocated Worker Programs. These six types include 1) on-the-job training, 2) skill upgrading, 3) entrepreneurial training, 4) English as a second language, 5) customized training, and 6) other occupational training. Training type 6—other occupational training—is the one most frequently listed by states; it makes up 59 percent of the training. In many respects, the use of ITAs depends upon the types of training offered by states.²²

The type of training offered varies by WIOA program and by state, as shown in Table 3. Each state offers, nearly exclusively, two types of training. Michigan focuses on on-the-job training (1) and skill-upgrade training (2), whereas Washington provides customized training (5) and other occupational training (6). In Michigan, 85 percent of the exiters received either on-the-job training or skill-upgrading training. ITAs were by far the predominant method of funding

²² The training categories listed here are those delineated in the WIOA database referred to as the Participant Individual Record Layout (PIRL), which includes the administrative records of all WIOA participants.

skill-upgrading training, as 98 percent of exiters who received this type of training established an ITA. Only 49 percent of those exiters receiving on-the-job training established an ITA. In Washington, WIOA funds supported two types of training almost exclusively—customized training and other occupational training—with four times the number of exiters receiving other occupational training as receiving customized training. Eighty-four percent of those who received other occupational training established an ITA, compared to only 8 percent for customized training. Tables A5 to A10 show the use of training and ITAs by WIBs within the two study states.

Table 3 Training Types by WIOA Program and State, PY2016

Training type	Adult				Dislocated Worker			
	Michigan		Washington		Michigan		Washington	
	Count	%	Count	%	Count	%	Count	%
1	679	23.2	7	0.98	434	35.7	8	0.69
2	1,363	46.6			632	52.1		
3			6	0.84			69	5.0
4			2	0.28			1	0.08
5	367	12.6	156	21.9	23	1.9	206	17.8
6	497	17.0	540	45.7	123	0.1	860	74.3
Training	2,931	54.4	713	9.3	1,254	50.7	1,157	45.8
No training	2,455	45.6	6,939	90.7	1,181	49.3	1,370	54.2
Total exiters	5,386	100	7,652	100	2,435	100	2,527	100

NOTE: Training types are numbered in the table and correspond to the numbering in the text. The types include 1) on-the-job training, 2) skill upgrade training, 3) entrepreneurial training, 4) English-as-a-second-language training, 5) customized training, and 6) other occupational skills training. Some states do not offer certain types of training. SOURCE: Author's analysis of PY2016 WIOA Participant Individual Record Layout (PIRL).

3.9 Who Decides on What Training Should Be Pursued?

Holders of an ITA choose the training program and the training provider. They receive guidance from the one-stop center's case manager as the two together develop an individual employment plan and obtain relevant labor market information on the occupations and skills in demand by local employers.

Eligible Training Providers

A critical component of the informed-choice model, adopted by WIOA for ITAs, is the Eligible Training Provider List (ETPL). The list is compiled by each state, with local WIB discretion, to determine eligibility. In keeping with the basic premise of informed customer choice that customers need to be supported by high-quality information and guidance, WIOA legislation, and the WIA legislation before it, specify two objectives of the ETPL: 1) define the training providers that Adult and Dislocated Worker participants may consider, and 2) serve as a resource to research the effectiveness of training providers. Obviously, there is some tension in these two objectives: the first excludes providers that are determined to be “unqualified” according to the criteria set forth by ETA, and the second requires a list of good and not-as-good providers to provide a sound basis for the participant to research a suitable provider. Both objectives, taken together, establish a market-based system of training providers in which customers are offered critical information about the quality and nature of the available training programs, with the unacceptable training programs dropped from the list of eligible providers. Under ITAs, a customer’s decision is driven by “informed choice,” rather than by contractual agreements and case managers, which was the case before WIA. Consequently, in most if not all states, the customer (along with his or her case manager) determines how well the provider may meet the training needs of the customer, based upon the information provided by the state.

The establishment of Eligible Training Provider Lists (ETPLs) took time to implement. Providers were not eager to divulge information required by the WIA or WIOA legislation. Community colleges and for-profit training providers were particularly slow to comply. The U.S. Department of Labor in 2014 funded an evaluation conducted by IMPAQ of compliance by states and found that only a third of the states had satisfied most of the ETPL requirements. One

of the most onerous requirements was the data requirement for calculating the rate of completion by program participants and their rate of employment afterward. Most states required that each provider submit the names of their students to the state so the state Unemployment Insurance agency could match the students to their administrative records and determine who was employed. Because of the burden placed on both the training provider and state agencies, 39 states in 2014, according to the study, requested and received waivers from completing the requirements of the ETPL. Michigan was one of the states that received a waiver, whereas Washington did not request one.

For training providers to be included on the ETPL, their program must be certified by the state and by local WIBs as meeting acceptable performance levels on a variety of outcome measures.²³ While these criteria vary by state and local area, the following is a representative list:

1. The percentage of all participants who completed training
2. The percentage of all participants who obtained unsubsidized employment
3. The average earnings at placement of all participants
4. The percentage of WIOA-funded participants who completed training and obtained unsubsidized employment
5. The percentage of WIOA-funded completers who were employed six months after the start of employment
6. The average wages received by WIOA-funded completers, measured six months after the first day of employment

²³ Training providers in states receiving vouchers were given time to make this information available, and some performance elements are still missing from the training providers' profiles, even though they are on the ETPL.

7. If applicable, the percentage of WIOA-funded completers who obtained a license or certificate, an academic degree or its equivalent, or other measures of skills (Decker and Perez-Johnson 2004)

Of the seven measures, three apply to all students in a program's prior cohort of trainees, and four apply to prior cohorts who received WIOA funding. These criteria must be met for each program for which the provider is seeking eligibility.

For example, the state of Washington has established certification criteria for training providers that closely follow the list above (State of Washington 2017b, pp. 2–3).²⁴ In order for the program of a training provider to be eligible, the program must meet or exceed certain performance levels. First, a program must meet or exceed each of the following *minimum* performance floors:

1. A completion rate of 20 percent;
2. An employment rate of 50 percent;
3. An earnings level of \$3,943 in a calendar quarter.

The relevant time period for each performance measure varies by type. Completion rate measures whether an individual who enrolled in a program completed the program at the time the coursework was completed. Employment rate is calculated using UI wage records, which are recorded quarterly by the state UI agency. According to the ETA-9171 form, which all states must complete and submit to the Department of Labor's Employment and Training Administration, the employment rate is measured in two time periods: the percentage of program completers who are in unsubsidized employment during the second quarter after exit from the

²⁴ This WIOA policy took effect July 1, 2017.

program of study, and unsubsidized employment in the fourth quarter after exiting the program of study.²⁵

Failure to achieve any one of these minimum floors would make the program ineligible. In addition, the program must achieve at least an average of 100 percent of the following performance targets:

1. A completion rate of 30 percent
2. An employment rate of 65 percent
3. An earnings level of \$4,965 in a calendar quarter

where the average is calculated by dividing the actual performance on each measure by the target for that measure, adding the results together, and dividing by the number of measures for which there is sufficient data.

For example, suppose a program meets the minimum requirements listed above (e.g., 20 percent completion rate, 50 percent employment rate, and the appropriate earnings threshold) and exceeds the first target by 20 percentage points (50 percent completion rate) but misses the employment rate target by 5 percentage points (60 percent) and the earnings by \$465. In this case, the average of the three measures (actual divided by target) is 116.5 percent. Even though the performance of the program falls short in two of the three measures, the high actual completion rate relative to target carries the other two, and the composite performance measure exceeds 100 percent. Therefore, a program that meets or exceeds each of the minimum performance floors and averages at least 100 percent of the performance targets is determined to have satisfied the state's required performance levels.

²⁵ Form ETA-9171, pp. 4, 5. The state is required by WIOA legislation to provide all the data related to WIOA participants, including WIOA participant levels, demographics, WIOA participant outcomes, and WIOA-related costs. In turn, training providers are required to report the data required and provided by the state for the submission of the ETA-9171. These employment measures are compiled by the state UI agency, using UI wage records.

If a program meets or exceeds the minimum performance floors but does not achieve an average of 100 percent of the performance targets, then the program's actual performance on each measure shall be adjusted for each measure by a statistical regression model. This model takes into account some of the demographic characteristics of the program participants and one or more economic characteristics of the county or counties in which the program participants reside. The regression-adjustment model relates performance outcomes to factors that are considered to be outside the control of local administrators. Local administrators, for example, are not expected to control local labor market conditions, nor are they expected to "game" the system by allowing only those participants with a high probability of finding employment to enter the programs. Therefore, by "subtracting out" those factors, the model can reduce the tendency for performance measures to be correlated with factors that may affect performance but are outside an administrator's control.

If application of the adjustment models results in a program's average performance meeting or exceeding 100 percent of the performance targets, and the program meets or exceeds each of the minimum performance floors (without regression adjustment), then the program shall be determined to have satisfied the state required performance levels.

If a program fails to meet the eligibility requirements for earnings, the program may still qualify by meeting the requirements for hourly wages. Washington's requirements for hourly wages are as follows:

- Minimum hourly wage floor = \$10.64 per hour
- Performance target = \$11.76 per hour.

While all local Workforce Development Councils (WDCs) (as the local WIBs are called in Washington) are required to use this procedure, they are given the discretion to establish higher performance levels and/or additional criteria for eligibility.

Michigan follows similar criteria in establishing eligibility for training providers, as specified in Section 122 of the WIOA legislation. The state requires the following minimum thresholds for performance standards related to labor market outcomes or educational outcomes:

- Unsubsidized employment during the second quarter after exit from program of 67 percent
- Unsubsidized employment during the fourth quarter after exit of 67 percent
- Median earnings during the second quarter of \$6,108
- Credentials attainment of 44 percent

Other nonperformance criteria are also required, such as the quality of a training program, including a program that leads to a recognized postsecondary credential, and the timeliness and accuracy of training providers' performance reports. Unlike the state of Washington, Michigan does not have strict thresholds for program completion rates. Also, Michigan's labor market outcomes are identical with the common performance measures required by USDOL in measuring the performance of workforce programs, whereas Washington's are more general and not tied to the strict definition of the common measures.²⁶

Table 4 Example of Information from an Eligible Training Provider for a Specific Training Program in Michigan and Washington

Information	Michigan	Washington
	<i><u>Nurse's assistant/aide</u></i>	<i><u>Certified nursing assistant</u></i>
Provider	Comstock Public Schools	Health Professionals Institute
Provider website	http://comstockps.org	http://healthprofessionalsinstitute.com
Type of provider	(not listed)	Private career school—cert/dipl
Program description	This 80-hour course meets all the requirements of the State of Michigan certified nurse aide training program. A combination classroom, laboratory....	A nursing assistant training program to prepare the student for helping care for residents in a health care facility, under the direction and supervision of a licensed nurse. This five-week course...

²⁶ The common performance measures are entered employment, job retention, and earnings. All WIBs and states are held accountable to these three measures. Each year, states are given performance targets based on these three measures and a few others. If the actual common measures fall below these targets, then the state could be sanctioned. So, most states and WIBs pay close attention to these performance measures. See section 4.2 for a more detailed description.

Contact name and number	(listed)	(listed)
Admission requirements	Students must be able to read at a ninth-grade level to be successful in the course. Auxiliary aids and services are available. ...	Criminal background check. Reading/writing English and successful completion ...
Credential earned	CNA certificate	NAC certification
Program format	In-person	(not listed)
Sources of financial assistance accepted	Individual training accounts, payments from Michigan Works!	(not listed)
Estimated waiting period to enter program	1 month	(not listed)
Program duration (clock hours)	(not completed)	118
Length of training		3–5 weeks
License fee for employment	No	No
Program cost (\$)	0.00	650.00
Cost of books and supplies (\$)	No	136.65
Other costs (\$)		15.00 (for entrance exam)
Internship/externship amount	No	(not listed)
New program	No	(not listed)
Completion rate (%)	93.4	97.0
Number of graduates in last year	170	36
Employment rate (%)	59.7	70
Training-related placement rate	(not available)	(not listed)
Average starting wage (\$/hr.)	12	11.09
Median quarterly earnings (\$)	(not available until 2020)	5,546
Credential attainment rate	(not available)	(not listed)
Student characteristics		
Gender (female)	(not listed)	82%
Race	(not listed)	(listed)
Age	(not listed)	(listed)
Prior education	(not listed)	(listed)

SOURCE: Obtained from the two states' websites: www.jobs.talent.org and www.careerbridge.wa.gov.

Both states compile the information regarding details of the program and provider and performance measures and list that information on their websites. For Michigan, the website is called Pure Michigan Talent Connect (jobs.mitalent.org), and for Washington, it is called Career Bridge (careerbridge.wa.gov). Table 4 compares the information elements for a similar training

program in the two states. Washington's website includes more information than Michigan's, primarily with respect to student performance and characteristics. The websites are designed so that the participant can then compare the relevant information of one provider side by side with that of another provider to determine the best training to meet the customer's needs. Even though not all information may be available for any one program, the information that is provided allows prospective trainees to compare providers and programs, to assist them in choosing the program that may best meet their needs and satisfy the program requirements.

In-Demand Occupations

As part of the determination process for training services, a customer must identify training that will qualify him or her for a job in a high-demand occupation in the local labor market. The purpose of designating in-demand occupations is to help individuals find training that will lead to a job. Local WIBs define an in-demand occupation, since it is local employers who are posting jobs and hiring workers. However, there is no precise definition of an in-demand occupation; local WIBs use different definitions and various sources of information to make the determination.

Various sources are used to determine occupations that are considered in-demand by local employers. Michigan's Bureau of Labor Market Information and Strategic Initiatives compiles what it refers to as Michigan's "Hot 50" occupations, which lists the top 50 occupations by projected growth rate between 2016 and 2026, earnings, and job openings (Michigan Department of Technology, Management, and Budget 2018). The state of Washington provides something similar, but it is connected to the Career Bridge website, at which participants can retrieve information for each of 600 or so occupations regarding projected

growth, earnings, and number of openings. The website designates the occupations that are considered in-demand.

Michigan also compiles three lists of in-demand industries. One is composed of high-growth, high-wage industries, the second is for existing in-demand industries, and the third is made up of emerging in-demand industries. All three are constructed for the State Workforce Plan, required by WIOA. The first is defined as industries that are high growth and high wage in the long term (10-year projection), the second list features industries that display high employment growth (numeric and percent) in the past three years and are projected to grow in the short run (until 2025), pay well, have a sizable contribution to the state's gross state product, and show high input-output employment multipliers. Occupations within industries on these lists are considered in-demand by at least state employers, if not national employers.

Of course, many WIBs send business representatives to visit local employers to glean firsthand their employment needs. In addition, local WIBs use companies, such as Burning Glass or the Conference Board, to collect current job postings in their areas to determine the relative demand. These two companies use algorithms to scrape the Internet and mitigate duplications of job postings listed on web-based sites, such as Glass Door, Linked-In, Craig's List, and many others. In this way, local WIBs can offer current information to participants as to the relative number of job openings for various occupations.

3.10 What Type of Qualifications Does the Training Lead To?

Participants of the two WIOA programs who have ITAs enroll in training programs that lead to the following educational outcomes:

1. An industry-recognized certificate or certification
2. License recognized by the state involved or the federal government

3. An associate degree from a community college
4. A baccalaureate degree
5. A community college certificate of completion
6. Employment
7. Measurable skills gain

The program of study, or qualifications, received by type of training is shown in Tables 5a–5d for the WIOA Adult Program and Dislocated Worker Program, for all those who receive training and for only those who hold an ITA. In Michigan, four types of training predominate: on-the-job training (1), skill upgrading (2), customized training (5), and other occupational training (6).²⁷ As shown across tables 6b and 6d, the majority of ITAs are used in conjunction with skill-upgrading training (2), about 58 percent of total ITAs. Training outcomes are dominated by a program of study leading to an industry-recognized certificate or certification (category 1). This training outcome is achieved most often by those who participate in the skills-upgrading (2) type of training or other occupational skills training (6) in either the Adult Program or Dislocated Worker Program. It is also the dominant outcome for those who hold an ITA in either program. Some training, particularly the skills-upgrading training, leads to either a two-year associate degree or a four-year bachelor's degree. Another avenue of training is to obtain a license required by the state to practice that profession, such as a cosmetology license or even a nursing license. Except for those whose training leads directly to a job (6) without any certification or credentialing, everyone who completes a training program leaves the program with at least measurable skills (7) and most often a certificate (1). Not all states have yet complied with the reporting requirements of WIOA, by placing the applicable information on

²⁷ Numbers in parentheses correspond to the coding used in the administrative records included in the WIOA Performance Records Public Use File, which may appear at times in the tables included in this paper.

PIRL. Unfortunately, the state of Washington is one of the states that is not reporting program outcomes, or qualifications, associated with training, including ITAs.

Table 5a Program of Study by Type of Training, WIOA Adult Program, Michigan PY2016

Type of training	Program of study							Total
	1	2	3	4	5	6	7	
1	72	5	14	11	1	277	107	488
2	949	118	80	50	18	20	107	1,346
5	15	4	1	2	0	0	55	77
6	778	148	25	24	13	28	61	1,081
Total	1,829	275	120	90	33	328	330	3,023

Table 5b Program of Study by Type of Training for Individuals with ITAs, WIOA Adult Program, Michigan PY2016

Type of training	Program of study							Total
	1	2	3	4	5	6	7	
1	51	5	13	11	1	12	8	102
2	920	114	79	49	17	20	69	1,272
5	4	3	1	1	0	0	0	9
6	553	140	25	13	9	23	41	808
Total	1,534	262	118	74	28	58	118	2,206

Table 5c Program of Study by Type of Training, WIOA Dislocated Worker Program, Michigan PY2016

Type of training	Program of study							Total
	1	2	3	4	5	6	7	
1	47	7	12	3	2	161	132	364
2	407	65	40	25	15	11	50	615
6	246	68	13	1	4	7	8	347
Total	707	140	65	29	21	179	192	1,339

Table 5d Program of Study by Type of Training for Individuals with ITAs, WIOA Dislocated Worker Program, Michigan PY2016

Type of training	Program of study							Total
	1	2	3	4	5	6	7	
1	36	6	12	3	2	11	16	86
2	404	64	36	23	15	11	50	605
6	246	68	7	1	3	7	7	339
Total	691	138	55	27	20	29	73	1,037

NOTE: Type of training is categorized as 1) On-the-job training (OJT), 2) Skill upgrading, 5) Customized training, or 6) Other occupational skills training. Program of study includes training leading to 1) industry-recognized certificate or certification, 2) license recognized by the state involved or the federal government, 3) associate degree, 4) bachelor's degree, 5) community college certificate of completion, 6) employment, and 7) measurable skills gain. SOURCE: Author's analysis of PY2016 WIOA Participant Individual Record Layout (PIRL).

Under WIA, states were not required to report the program of study, which is now required under WIOA. Therefore, the only previous data available regarding the information included in Tables 5a–d for Michigan is on the type of training. Four figures are included that provide a time series from 2004 through the most recent data available on the types of training. For Michigan and Washington, four predominant types of training are available: 1) on-the-job training, 2) skill upgrading, 3) customized training, and 4) other occupational skill upgrading. Other types of training were also available during that time, but the numbers enrolled were so small that they were not included in the figures. For Michigan, skill upgrading and other occupational skill upgrading were the two most prevalent types of training throughout the 14-year period, as is displayed in the figures. A large upsurge in the number of exiters receiving training occurred during the recession years from 2007 through 2011, funded largely through the American Reinvestment and Recovery Act (ARRA), but most of the funding went toward skill upgrading, which is individualized instruction funded primarily through ITAs.

Training under Washington's two WIOA adult programs concentrates on other occupational skill upgrading. This category is typically reserved for training that is individualized but not the traditional classroom training, as found under the skill upgrading

category. In or around 2004, Washington introduced a new type of training program, which today is known as I-BEST, for Integrated Basic Education Skills and Training. Because of its nature, it is likely that the state back in 2004 instructed local WIBs to include that type of training in the “other” category, as they do today.²⁸ Washington, like Michigan, increased the number of exiters receiving training during the recession, but unlike Michigan, Washington offered more training in the early 2000s than it did at the depth of the recession. Today, the amount of training recorded for the two programs is about a quarter of what it was during the early 2000s. One explanation is that Washington’s economy has been booming in recent years, compared to Michigan and other parts of the country, and fewer individuals need assistance in finding a job. Furthermore, since the state allocation of WIOA funding is based partly on the local unemployment rate, there is less funding available for training and other services.

Figure 1 Training Types for Michigan’s Adult Program

NOTE: The graphs depict the number of exiters receiving various types of training, not seasonally adjusted.
 SOURCE: Author’s analysis of Workforce Investment Act Standardized Record Data (WIASRD) and Participant Individual Record Layout (PIRL) data sets.

²⁸ Michigan recently adopted a type of training similar to I-BEST, but it has yet to be determined in which training category that will be recorded. It is an individualized training program but not in the traditional classroom setting, as is typically the case for training listed as “skill upgrading.” Currently, most of the training listed under the other occupational-skill-upgrading category is incumbent worker training, which provides individualized training to workers who are already employed.

Figure 2 Training Types for Michigan's Dislocated Worker Program

NOTE: The graphs depict the number of exiters receiving various types of training, not seasonally adjusted.
SOURCE: Author's analysis of WIASRD and PIRL data sets.

Figure 3 Training Types for Washington's Adult Program

NOTE: The graphs depict the number of exiters receiving various types of training, not seasonally adjusted.
SOURCE: Author's analysis of WIASRD and PIRL data sets.

Figure 4 Training Types for Washington’s Dislocated Worker Program

NOTE: The graphs depict the number of exiters receiving various types of training, not seasonally adjusted.
SOURCE: Author’s analysis of WIASRD and PIRL data sets.

3.11 Who Receives Training?

Local WIBs and states determine priorities by which various population groups received training, including ITAs. Tables 6 and 7 display selected characteristics of exiters from the Adult Program and the Dislocated Worker Program for the each of the two study states. By including all exiters from the two programs for the two states and by dividing training into those who received ITAs and those who received other types of training, one can compare the demographic characteristics of ITA recipients with other groups of exiters.

The two study states and the two workforce programs within those states differ in the percentage of various population groups receiving training. For instance, Table 6 shows that slightly over half (54.4 percent) of exiters from Michigan’s Adult Program receive training services, while 65.3 percent of those receiving training have ITAs. An even greater share (76.8 percent) of training recipients from Michigan’s Dislocated Worker Program have ITAs, whereas the share of exiters in the Dislocated Worker Program receiving training is about the same as the

share of Adult Program exiters receiving training. The table also shows the share of various population groups that receive services. One high-priority group for the Adult Program is low-income workers. A large percentage of the exiters from Michigan's Adult Program are low-income individuals, but a smaller share of low-income exiters receive training than do not (59.4 percent who do, compared with 78.8 percent who do not receive training. But for those low-income exiters receiving training, a large majority (75.0 percent) receive the service through ITAs. Michigan's Dislocated Worker Program is also heavily populated with low-income individuals. More than 60 percent of the exiters are low-income, and 68 percent of the 66 percent who receive training receive ITAs. It is interesting that the black population receives relatively little training. Although blacks account for 45 percent of the exiters in Michigan's Adult Program, only 27.2 percent receive any type of training, and 36 percent of those receiving training have ITAs. Michigan's Dislocated Worker Program is more equitable: a quarter of the program's exiters are black, and the same percentage receive services. The percentage of black exiters receiving ITAs is only slightly higher than the percentage receiving any type of training (28.5 percent versus 25.6 percent).

Table 7 displays the characteristics of those receiving training in Washington. In contrast to Michigan, only a small share of exiters from the Adult Program receive services (9.3 percent). Nearly half the exiters from Washington's Dislocated Worker Program receive training. For both programs, ITAs are used by two-thirds of the exiters who receive training. A substantial difference between the administration of the programs in the two states is the small share of exiters who are black. Blacks account for only 10 percent of the exiters in the Adult Program and around 6.5 percent in the Dislocated Worker Program. And the percentage of blacks who receive training is only a few percentage points higher than those who do not receive training.

Furthermore, about the same percentage of black exiters receive ITAs as those who receive other types of training. Compared with Michigan, a relatively small share of low-income individuals, about 26 percent versus Michigan's 68 percent, are in Washington's Adult Program.

Tables 8 and 9 display the same characteristics of exiters who received training and who established ITAs as the previous two tables, but for those who exited the program five years earlier, under WIA and not WIOA. As one can see from the shares of the total, exiters who received training used ITAs more extensively under WIA in 2011 than under WIOA in 2016. Eighty-one percent of Michigan exiters who received training through both the Adult Program and the Dislocated Worker Program received it under ITAs in 2011, compared with only 65 percent in 2016. For Washington State, the greater dependence on ITAs under WIA was apparent only through the Dislocated Worker Program, in which 82 percent of training was received through ITAs under WIA in 2011, as opposed to only 66 percent used ITAs under WIOA in 2016.

Table 6 Share of Selected Characteristics of Exiters Receiving Training from the Adult Program and Dislocated Worker Program in Michigan, PY2016

Exiter	Adult				Dislocated Worker			
	Received training				Received training			
	No		Yes		No		Yes	
			ITA				ITA	
			No	Yes			No	Yes
Counts	2,455	2,931	1,018	1,913	1,181	1,254	291	963
Share of total		0.544		0.653		0.515		0.768
Characteristics								
Female	0.518	0.523	0.380	0.581	0.445	0.452	0.319	0.492
Aged 16–25	0.277	0.251	0.289	0.221	0.070	0.118	0.113	0.119
Aged 26–35	0.250	0.340	0.236	0.329	0.199	0.256	0.223	0.266
Aged 36–45	0.217	0.214	0.205	0.227	0.273	0.266	0.275	0.263
Aged 46–55	0.181	0.146	0.184	0.163	0.305	0.252	0.275	0.245
Aged 56–65	0.070	0.053	0.082	0.058	0.146	0.107	0.113	0.105
Age at 65	0.005	0.004	0.005	0.002	0.007	0.002	0.000	0.002
Hispanic	0.040	0.057	0.049	0.060	0.047	0.049	0.021	0.058
Black	0.662	0.272	0.104	0.360	0.257	0.256	0.162	0.285
White	0.252	0.621	0.761	0.546	0.656	0.647	0.784	0.605
Less than high school	0.093	0.022	0.032	0.022	0.019	0.029	0.028	0.029
High school graduate	0.312	0.373	0.406	0.380	0.291	0.366	0.399	0.356
Some college	0.257	0.307	0.258	0.310	0.273	0.284	0.244	0.296
BA degree	0.086	0.105	0.166	0.072	0.160	0.112	0.117	0.110
Disabled	0.030	0.027	0.027	0.033	0.019	0.027	0.027	0.027
Veteran	0.017	0.021	0.027	0.024	0.058	0.039	0.058	0.033
Limited English	0.037	0.012	0.010	0.013	0.014	0.012	0.003	0.015
Single parent	0.225	0.234	0.083	0.315	0.125	0.183	0.124	0.200
Low income	0.788	0.594	0.385	0.750	0.592	0.658	0.584	0.680
TANF recipient	0.011	0.014	0.009	0.016	0.005	0.009	0.007	0.009
Homeless	0.053	0.011	0.013	0.012	0.013	0.010	0.010	0.009
Exoffender	0.126	0.067	0.039	0.076	0.080	0.054	0.034	0.060
Duration of services (qtrs.)	3.10	5.61	1.13	5.24	7.71	3.88	2.21	6.64

NOTE: The table includes all exiters of the Adult Program by whether they received training. Those receiving training are further divided into exiters who received ITAs. Those who received training but did not receive an ITA received other types of training services such as OJT, customized training, and others.

SOURCE: Author's analysis of PY2016 WIOA Participant Individual Record Layout (PIRL).

Table 7 Share of Selected Characteristics of Exiters Receiving and Not Receiving Training from the Adult and Dislocated Worker Programs in Washington, PY2016

Exiter	Adult				Dislocated Worker			
	Received training				Received training			
	No		Yes		No		Yes	
	ITA				ITA			
			No	Yes			No	Yes
Counts	6,939	713	230	483	1,370	1,157	389	768
% of total		0.093		0.677		0.458		0.664
Characteristics								
Female	0.457	0.473	0.448	0.484	0.440	0.317	0.293	0.329
Aged 16–25	0.084	0.264	0.297	0.248	0.080	0.078	0.100	0.066
Aged 26–35	0.228	0.338	0.314	0.350	0.211	0.290	0.316	0.276
Aged 36–45	0.224	0.209	0.223	0.203	0.192	0.208	0.170	0.228
Aged 46–55	0.250	0.126	0.100	0.139	0.254	0.258	0.239	0.268
Aged 56–65	0.184	0.055	0.061	0.052	0.239	0.156	0.152	0.159
Age at 65	0.030	0.007	0.004	0.008	0.025	0.010	0.023	0.003
Hispanic	0.073	0.183	0.196	0.177	0.103	0.129	0.105	0.141
Black	0.097	0.103	0.075	0.117	0.058	0.078	0.091	0.071
White	0.648	0.594	0.622	0.581	0.690	0.665	0.652	0.672
Less than high school	0.114	0.123	0.139	0.116	0.096	0.091	0.123	0.074
High school graduate	0.221	0.296	0.257	0.315	0.227	0.271	0.239	0.287
Some college	0.201	0.236	0.244	0.232	0.215	0.198	0.190	0.202
BA degree	0.180	0.049	0.061	0.044	0.180	0.166	0.172	0.163
Disabled	0.074	0.092	0.101	0.088	0.076	0.062	0.075	0.056
Veteran	0.068	0.049	0.044	0.052	0.128	0.121	0.147	0.108
Limited English	0.081	0.074	0.057	0.083	0.053	0.049	0.049	0.049
Single parent	0.032	0.090	0.078	0.095	0.347	0.389	0.033	0.031
Low income	0.209	0.445	0.361	0.485	0.053	0.049	0.113	0.159
TANF recipient	0.036	0.032	0.039	0.029	0.013	0.006	0.005	0.007
Homeless	0.044	0.063	0.087	0.052	0.034	0.016	0.018	0.014
Exoffender	0.062	0.09	0.139	0.066	0.037	0.031	0.018	0.038
Duration of services (qtrs.)	6.24	2.74	2.29	2.95	1.63	3.33	2.81	3.59

NOTE: The table includes all exiters of the Adult Program by whether they received training. Those receiving training are further divided into exiters who received ITAs. Those who received training but did not receive an ITA received other types of training services such as OJT, customized training, and others.

SOURCE: Author's analysis of PY2016 WIOA Participant Individual Record Layout (PIRL).

Table 8 Share of Selected Characteristics of Exiters Receiving and Not Receiving Training from the Adult and Dislocated Worker Programs in Michigan, PY2011

Exiter	Adult				Dislocated Worker			
	Received training				Received training			
	No		Yes		No		Yes	
			ITA				ITA	
			No	Yes			No	Yes
Counts	2,571	4,525	843	3,682	1,954	4,629	703	3,926
% of total		0.638		0.814		0.703		0.848
Characteristics								
Female	0.474	0.571	0.437	0.615	0.429	0.459	0.394	0.480
Aged 16–25	0.252	0.189	0.222	0.182	0.057	0.065	0.072	0.061
Aged 26–35	0.271	0.305	0.283	0.309	0.204	0.243	0.208	0.246
Aged 36–45	0.227	0.262	0.241	0.269	0.297	0.318	0.309	0.319
Aged 46–55	0.200	0.198	0.196	0.198	0.338	0.297	0.320	0.299
Aged 56–65	0.047	0.042	0.053	0.040	0.102	0.075	0.088	0.073
Age at 65	0.003	0.004	0.004	0.002	0.002	0.002	0.002	0.002
Hispanic	0.066	0.054	0.059	0.054	0.055	0.055	0.055	0.056
Black	0.248	0.152	0.165	0.161	0.161	0.118	0.120	0.116
White	0.646	0.755	0.741	0.746	0.754	0.796	0.802	0.796
Less than high school	0.160	0.031	0.098	0.030	0.050	0.017	0.036	0.016
High school graduate	0.345	0.354	0.340	0.356	0.430	0.397	0.423	0.388
Some college	0.212	0.315	0.251	0.325	0.208	0.276	0.220	0.287
BA degree	0.067	0.101	0.087	0.098	0.100	0.108	0.107	0.109
Disabled	0.054	0.039	0.041	0.044	0.024	0.020	0.022	0.019
Veteran	0.042	0.049	0.053	0.047	0.080	0.067	0.074	0.066
Limited English	0.026	0.011	0.016	0.011	0.006	0.005	0.004	0.005
Single parent	0.216	0.187	0.179	0.195	0.138	0.105	0.112	0.109
Low income	0.764	0.627	0.621	0.663	0.701	0.623	0.708	0.604
TANF recipient	0.071	0.024	0.040	0.026	0.000	0.000	0.000	0.000
Homeless	0.007	0.006	0.004	0.006	0.000	0.000	0.000	0.000
Exoffender	0.186	0.053	0.116	0.053	0.333	0.000	0.333	0.000
Duration of services (qtrs.)	4.28	7.73	3.73	9.00	6.16	8.64	5.44	9.53

NOTE: The table includes all exiters of the Adult Program by whether they received training. Those receiving training are further divided into exiters who received ITAs. Those who received training but did not receive an ITA received other types of training services such as OJT, customized training, and others.

SOURCE: Author's analysis of PY2011 WIASRD.

Table 9 Share of Selected Characteristics of Exiters Receiving and Not Receiving Training from the Adult and Dislocated Worker Programs in Washington, PY2011

Exiter	Adult				Dislocated Worker			
	Received training				Received training			
	No		Yes		No		Yes	
			ITA				ITA	
			No	Yes			No	Yes
Counts	1,058	1,527	514	1,013	840	2,628	470	2,158
% of total		0.591		0.663		0.758		0.821
Characteristics								
Female	0.517	0.597	0.547	0.622	0.451	0.411	0.426	0.411
Aged 16–25	0.175	0.237	0.302	0.204	0.033	0.055	0.050	0.054
Aged 26–35	0.260	0.318	0.270	0.342	0.127	0.214	0.153	0.222
Aged 36–45	0.216	0.231	0.195	0.249	0.255	0.276	0.263	0.280
Aged 46–55	0.234	0.155	0.169	0.148	0.376	0.323	0.351	0.324
Aged 56–65	0.109	0.056	0.058	0.054	0.200	0.129	0.176	0.116
Age at 65	0.007	0.004	0.006	0.003	0.008	0.003	0.007	0.003
Hispanic	0.120	0.112	0.140	0.097	0.054	0.069	0.053	0.071
Black	0.105	0.128	0.108	0.139	0.055	0.040	0.044	0.044
White	0.665	0.677	0.697	0.666	0.768	0.817	0.799	0.812
Less than high school	0.111	0.086	0.134	0.062	0.064	0.041	0.064	0.034
High school graduate	0.319	0.309	0.325	0.301	0.306	0.322	0.314	0.324
Some college	0.183	0.236	0.191	0.260	0.194	0.232	0.201	0.239
BA degree	0.110	0.079	0.058	0.089	0.175	0.140	0.144	0.144
Disabled	0.078	0.039	0.046	0.036	0.059	0.031	0.039	0.029
Veteran	0.096	0.072	0.086	0.065	0.112	0.122	0.125	0.117
Limited English	0.089	0.083	0.072	0.088	0.033	0.021	0.017	0.022
Single parent	0.274	0.316	0.327	0.311	0.142	0.118	0.152	0.113
Low income	0.862	0.857	0.825	0.874	0.034	0.025	0.125	0.015
TANF recipient	0.112	0.078	0.099	0.067	0.000	0.000	0.000	0.000
Homeless	0.061	0.031	0.043	0.026	0.000	0.000	0.000	0.000
Exoffender	0.134	0.130	0.156	0.117	0.037	0.024	0.020	0.021
Duration of services (qtrs.)	2.73	5.63	4.26	6.32	3.63	6.78	4.76	7.10

NOTE: The table includes all exiters of the Adult Program by whether they received training. Those receiving training are further divided into exiters who received ITAs. Those who received training but did not receive an ITA received other types of training services such as OJT, customized training, and others.

SOURCE: Author's analysis of PY2011 WIASRD.

Figures 5 and 6 show the ratio of ITAs to training for both Adult and Dislocated Worker Programs for each of the two study-site states from the early years of WIA through the most

recent data available for WIOA. The break in the time series reflects the WIA years (from 2004 to 2015 in these figures) followed by the WIOA era. As displayed in Figure 5, the ratio in Michigan remains relatively constant throughout the 14-year period for both programs, whereas in Figure 6, the ratio in Washington fluctuates in the earlier and later years of WIA and then increases during WIOA. From 2007 through 2013, the ratios of ITAs to training remain relatively steady for the two programs in Washington. Figures A1 through A8 in the Appendix display the number of exiters who received training and established ITAs throughout this period. In Michigan, the number who received training and established ITAs increased noticeably during the recession of 2007–2009, then returned to prerecession levels or even lower. In contrast, the number of exiters receiving training under both programs in Washington was high at the beginning of the series and then steadily declined until the outset of the recession, when the number receiving training increased for a few years before returning to prerecession levels. For both states, the capacity to train additional participants during the recession was aided by an injection of federal funds through the American Reinvestment and Recovery Act (ARRA), which was enacted in February of 2009; funds were available through 2014. During the time of ARRA, Washington depended more on using ITAs to provide training than it had before and after the ARRA funds were made available. Michigan, on the other hand, used ITAs to roughly the same extent throughout the 14 years depicted in the figures.

Figure 5 Ratio of the Number of ITAs to the Number Receiving Training in Michigan

NOTE: Data are displayed in quarters and are not seasonally adjusted.

SOURCE: Author's analysis of WIASRD and PIRL data for WIA and WIOA, respectively.

Figure 6 Ratio of the Number of ITAs to the Number Receiving Training in Washington

NOTE: Data are displayed in quarters and are not seasonally adjusted.

SOURCE: Author's analysis of WIASRD and PIRL data for WIA and WIOA, respectively.

3.12 How Are ITAs Linked to the Overall Training System? Are There Possibilities to Combine the ITA with Other Financing for Training?

For customers of the two adult WIOA programs, it is clear from the legislation, ETA guidance letters, and conversations with counselors and administrators that ITAs are the “primary method to be used for procuring training services under WIOA” (USDOL 2017).

However, the guidance also lays out various circumstances in which training contracts and other types of training, such as on-the-job training and incumbent worker training, can be used instead.

ITAs are linked to the overall training system through the eligibility process and funding mechanisms. Local WIB counselors determine first the need of an individual to receive training in order to increase their likelihood of qualifying for local jobs or to improve their career path. For an individual, most such training would be categorized as skill upgrading or other occupational training. There are other types of training that involve more group training, for which ITAs are not applicable. These types of training include on-the-job training and customized training, which typically take place in the workplace and are targeted to meet the needs of businesses.

One of the requirements of using WIOA funds for ITAs is to determine first whether the individual is eligible to receive financial assistance for training from other federal programs or whether the individual needs more assistance than other federal programs offer. Ideally, an individual in need of training would be able to access more than one source of federal funding. Although the use of training financial assistance, such as Pell Grants, by those also receiving ITAs is not that prevalent, integrating various sources of training funding is part of the strategy of ITAs and federal workforce training in general. Conversations with administrators in Michigan reveal that the use of other financial assistance is negligible, and their assertion is supported by analysis of the PIRL data for WIOA. For example, of the 4,185 exiters who received training in PY2016 from the two WIOA programs in Michigan, only 232 combined it with a Pell grant. That amounts to a little over 5 percent of all those who received training. For Washington, the percentage was also slightly more than 5 percent, with 100 of the 1,834 who received training from the two programs combining it with a Pell grant.

4. EVALUATION OF ITAs

The terms of reference for this study call for a section that provides evidence on the actual use of ITAs, including information on the budget, participation, and type of training. These topics have already been covered in the report, with a focus on how ITAs are actually used under the two WIOA programs, and specifically in two states. Information that has not been provided previously in the study is simply not available, such as expenditures on ITAs by state, or even a national summary of expenditures on ITAs. Therefore, budgets are not disaggregated, nor is there any information on cost sharing.

This section provides a brief description of the following items related to accountability:

- Accountability through annual reporting
- Postparticipation labor-market outcome measures
- A summary of the budget for training for the two states for PY2016
- The number of participants receiving ITAs over time (in an appendix)
- A brief description of a random-assignment evaluation of ITAs conducted in the early 2000s

The other questions presented in this section have already been addressed in previous sections of the study. They include the following:

- Profile of participants in training and ITAs
- Average amount and range of spending on training by WIB
- Average length of training
- Type of training undertaken
- Distribution of participants (exitors) by acquired qualification level
- Criteria for registering qualified training providers
- Establishment of a list of training courses among which individuals can choose
- Communication of information on the quality of training to the public to allow the individual to make an informed choice

4.1 Accountability through Annual Reporting

Pursuant to TEGL 20-17, all states must submit by October 1 of each year an annual performance report to their ETA regional office that summarizes all grantee activities and lists the core deliverables and activities shown below, in the order indicated:

1. Workforce information database (WID)
2. Industry and occupational employment projections
3. Annual economic analysis and other reports
4. Customer consultations
5. Activities undertaken to meet customer needs
6. New tools and resources
7. License requirement updates
8. Efforts to create and support partnerships and collaborations
9. Brief overview of the required training.

ETA regards state economic and labor market analyses as essential in planning WIOA and other workforce programs. Therefore, ETA requires statewide economic analysis reports and encourages annual publication. However, ETA recognizes that conditions may not change sufficiently each year to necessitate an annual report, and so it gives states the discretion to determine their frequency. For the years in which a comprehensive economic report is not issued, grantees must publish other economic reports of value to state policymakers (including the governor and state legislature), as well as state and local WDBs.

States have broad discretion over the reports' contents, but they are required to include analyses of trends and challenges at both the state and substate levels. Examples of topics may include gross domestic product; employment growth or decline (actual and projected);

unemployment and other labor-market hardship indicators (such as low earnings); identification of growing or in-demand occupations and industries; other analyses of important industries and occupations; and skill shortages, mismatches, or deficiencies, within the limitations of the available data. The analyses should address the jobless population as a whole, as well as the experiences, needs, and challenges of the targeted populations identified in state planning requirements.

The general workforce theme reported by both study states in their annual reports concerns the difficulties expressed by employers in finding qualified workers to fill job vacancies. To help remedy this talent deficiency, the two states are using their WIOA funds to help with training workers for jobs in high-demand occupations. However, because the unemployment rates in both states have declined, less WIOA funding is available, since each state's allotment is based on a formula that includes the unemployment rate.

4.2 Labor-Market Outcomes of Program Exiters

The performance of states and local WIBs are also captured in gross labor-market outcomes. WIOA requires states and local WIBs to calculate three performance measures: 1) employment in unsubsidized work in the second quarter after exit; 2) employment in unsubsidized work in the fourth quarter after exit; and 3) median quarterly earnings recorded in the second quarter after exit. These measures are collected for each individual participant that exits a WIOA program. The measures are objective in the sense that they are collected through the Unemployment Insurance system wage records, which are compiled to administer the UI system.²⁹ Therefore, there is no possibility of states or local WIBs manipulating the data, as

²⁹ These measures are based on the same administrative data that are used to calculate the outcomes of those who complete training programs, as reported in the Eligible Training Provider List.

could be the case with survey responses or other means. These three measures are referred to as *common measures*, since each of the WIOA programs are subject to the same set of performance measures. The labor market outcomes, as captured by these three measures, are recorded for each individual receiving training services. Each state and local WIB is held accountable to predetermined targets for each of the three common measures for each WIOA program, and for other Core programs. The targets for the states are set by the USDOL/ETA, and the targets for the local WIBs are set by the states in which they reside. The targets are determined through a negotiating process between the ETA and the states for the state targets and between the states and the local WIBs for the local WIB targets.

Tables 10 and 11 display the entered employment rate for exiters of the Adult and Dislocated Worker Programs for the two study states. The numbers are displayed so that various comparisons are possible. Nonetheless, it should be made clear that one cannot infer the net impact of services (in this case, training services or ITAs) by comparing employment rates from this table. Net impact requires that the treatment and comparison groups are comparable, and even though exiters were sorted by whether they were employed prior to entering the program, that is only one of many factors that must be controlled for when constructing a comparison group. With this caveat, it is clear that those who held a job prior to entering either of the two programs had a higher rate of finding employment after exit (third line in the tables). Those receiving training had a higher employment rate than those not receiving the service, except for those exiting the Dislocated Worker Program in Michigan who were previously employed. A full-scale random-assignment experiment was conducted to test the efficacy of ITAs, the results of which are reported in section 4.4.

Table 10 Employment Outcomes of Training and ITA Recipients of Michigan’s WIOA Programs, PY2016

Adult Program				Dislocated Worker Program			
Not employed previously		Employed previously		Not employed previously		Employed previously	
0.767		0.888		0.782		0.941	
Training		Training		Training		Training	
No	Yes	No	Yes	No	Yes	No	Yes
0.724	0.836	0.834	0.941	0.648	0.853	0.949	0.931
ITA		ITA		ITA		ITA	
No	Yes	No	Yes	No	Yes	No	Yes
0.783	0.846	0.972	0.927	0.889	0.895	0.929	0.931

NOTE: The numbers are the employment rate in the second quarter after exiting the respective program.
SOURCE: Author’s calculations of WIOA Participant Individual Record Layout (PIRL).

Table 11 Employment Outcomes of Training and ITA recipients of Washington’s WIOA programs, PY2016

Adult Program				Dislocated Worker Program			
Not employed previously		Employed previously		Not employed previously		Employed previously	
0.686		0.761		0.758		0.800	
Training		Training		Training		Training	
No	Yes	No	Yes	No	Yes	No	Yes
0.661	0.759	0.743	0.819	0.706	0.816	0.796	0.805
ITA		ITA		ITA		ITA	
No	Yes	No	Yes	No	Yes	No	Yes
0.705	0.784	0.813	0.825	0.725	0.873	0.763	0.824

NOTE: The numbers are the employment rate in the second quarter after exiting the respective program.
SOURCE: Author’s calculations of WIOA Participant Individual Record Layout (PIRL).

The findings of higher employment rates associated with training services are not consistent with the most recent rigorous evaluation of the federal workforce programs. Only after WIA was replaced by WIOA did the USDOL release the results of an extensive evaluation of training using a random-assignment methodology. The evaluation began in 2011, three years before WIOA was enacted, and the results, released in 2017 and based on employment data of participants 30 months after enrolling in the program, show that training yielded little-to-no

positive effect on employment outcomes.³⁰ The study, conducted by Mathematica and its partners, speculated that the low percentage of participants offered training through the Adult and Dislocated Worker Programs and the fact that many may have sought training elsewhere may have contributed to the statistically insignificant results. Less rigorous evaluations, using propensity-score matching, have found larger, positive effects of training (Hollenbeck et al. 2005; Mueser et al. 2010;). But this methodology is not as highly regarded as random-control trial experiments, and the results should be viewed with some caution.³¹

4.3 Expenditures and Participants

Table 10 summarizes expenditures, participation, and labor market outcomes for the two study-site states. As emphasized previously, the amount spent on training and the number receiving training services and ITAs varies by state. Michigan spends 35 percent of its federal allotment for the Adult and Dislocated Worker Programs on training, but it provides training to 54 percent of the exiters from the two programs. Washington, on the other hand, spends 80 percent of its federal allotment for Adult and Dislocated Worker Programs on training, but it provides training to only 18 percent of the exiters from the two programs. Obviously, Washington spends much more on training per exiter than does Michigan, even though it provides training to only a fraction of the number of exiters that receive training in Michigan.

³⁰ Mathematica website description of the WIA “gold standard” evaluation, <https://www.mathematica-mpr.com/our-publications-and-findings/projects/wia-gold-standard-evaluation>, visited February 25, 2019.

³¹ The most recent random-assignment evaluation of workforce services sponsored by the USDOL was begun in 2008. It is referred to as the “gold standard” evaluation of WIA, and the evaluation was conducted by Mathematica Policy Research. Interim reports have been released showing positive results, including the increase in earnings and employment from training. However, the final, longer-term impacts have not yet been released, even though they were scheduled to be released earlier this year. Four federal agencies, including the USDOL, in 2014 released a synthesis of previous findings on training, “What Works in Job Training, A Synthesis of the Evidence,” which is also in understanding the effects of job training but not ITAs. An independent evaluation of ITAs was conducted in the early 2000s but not released until 2011. It is considered the gold standard of what we know about the effects of ITAs in offering choice to customers.

The largest difference between the two states is the percentage of Adult exiters receiving training. Michigan provides training to 54 percent of its Adult exiters, whereas Washington provides training to only 9 percent. Yet, the training cost per Adult exiter in Washington is more than twice that of Michigan. The training cost per exiter from the Dislocated Worker Program in Washington is an even higher multiple of Michigan's expenditure.

Table 12 Expenditures, Participation, and Labor Market Outcomes of All Participants and Participants Receiving Training in Michigan and Washington

	Michigan		Washington	
	Adult	Dislocated Worker	Adult	Dislocated Worker
All individuals				
PY2016 expenditure (\$ millions)	29.8	18.9	9.4	12.7
No. participants	12,271	4,514	9,098	3,928
No. exiters	5,386	2,435	7,652	2,527
Entered employment rate 2nd qtr (%)	85.5	91.3	71.3	78.9
Median earnings 2nd qtr (\$)	7,777	9,435	7,944	11,136
Cost per exiter (\$)	5,533	7,761	1,228	5,025
Those receiving training				
PY2016 training exp. (\$ millions)	12.3	4.9	7.1	10.6
No. participants receiving training	6,255	2,644	1,406	2,052
No. exiters receiving training	2,931	1,254	713	1,157
Entered employment rate 2nd qtr (%)	91.2	90.9	79.3	82.7
Median earnings 2nd qtr (\$)	9,075	8,590	8,244	11,936
Cost per exiter (\$)	4,197	3,907	9,957	9,162
Those establishing an ITA				
No. exiters	1,913	963	483	768
Entered employment rate 2nd qtr (%)	89.6	90.5	80.1	84.1
Median earnings 2nd qtr (\$)	7,393	8,421	8,919	12,411

NOTE: The employment-rate numbers differ from those found in Tables 10 and 11 because of different samples of exiters.

SOURCE: Author's analysis of PY2016 WIOA Performance Records Public Use File and ETA state performance reports (ETA-9169).

4.4 Rigorous Evaluation of the ITA Program

Only one rigorous evaluation of the ITA program has been conducted, and it was conducted more than a decade ago. There is nothing more recent, and like so many rigorous evaluations of workforce programs, policymakers rely on the results of programs for many years

afterward. The premise of ITAs is that customer choice will provide a better match between the needs of customers and the services provided and will provide more competition among training providers to offer the best training. The evaluation described briefly does not evaluate training per se. Rather, it evaluates the effectiveness of customers choosing their own program of training.

The evaluation asks the basic question: Does choice make a difference? To answer this question, the U.S. Department of Labor funded a random-assignment evaluation to compare the effectiveness of three different levels of customer choice, which varied along three dimensions related to the management of customer choice: 1) spending limits, 2) whether counseling is mandatory or voluntary, and 3) the extent to which local counselors can restrict customer choices. The three approaches are summarized in Table 13. Since the study design did not include a comparison group that received no training, the ITA evaluation examined only the relative effectiveness of the different methods of training, not the effectiveness of training alone.

The first approach was the most directed. Termed *structured customer choice*, it required customers to receive intensive counseling, in which counselors were expected to steer customers to training programs with a high return. Counselors could reject customers' choices that did not fit this criterion. Counselors decided on the amount of the ITA, which could be higher than under the other approaches, up to a maximum of \$8,000 at most sites.

The second approach was similar to the approach that most workforce investment agencies adopted in the transition to WIA. Under this approach, referred to as *guided customer choice*, counseling was mandatory, but it was less intensive than under the first approach. Counselors could not reject customers' choices of training programs if they were on the state's list of eligible providers. Customers received a fixed ITA award of \$3,000–\$5,000.

The third approach offered the most customer choice and the least structure. The *maximum customer choice* approach did not require customers to participate in counseling after being determined eligible for WIA-funded training, but customers could receive counseling if they requested it. Customers received a fixed ITA award, equal to the award of the second approach. As with the second approach, counselors could not reject customers' choices if they were on the state's list of approved providers.

Table 13 The Three Approaches Tested in the ITA Experiment

Approach	1: Structured customer choice	2: Guided customer choice	3: Maximum customer choice
Award amount	Customized	Fixed	Fixed
Counseling	Mandatory, most intensive	Mandatory, moderate intensity	Voluntary
Could counselors reject customers' program choices?	Yes	No	No

SOURCE: McConnell et al. (2006).

The ITA experiment, conducted by Mathematica Policy Research, used an experimental design to explore how these three approaches affected customer outcomes (McConnell et al. 2006). All three approaches were implemented side by side at eight study sites across the country. Each study site was a local workforce investment area that had fully implemented the WIA programs. Nearly 8,000 customers determined eligible for training at the participating sites were randomly assigned to one of the three approaches. Counselors worked with customers assigned to all three approaches. No one was denied services; only the relative intensity of the approaches varied across the three groups, as previously described. The evaluation took place between December 2001 and February 2004.

The relative effectiveness of the three approaches was assessed by conducting pairwise comparisons of employment outcomes between the different combinations of approaches. Outcomes were obtained from the following sources: the local workforce investment areas' management information, a 15-month follow-up survey, and administrative data. The management information system recorded participation in counseling, ITA receipt, and training expenditures. The survey contained questions about the receipt of counseling, satisfaction with counseling, participation in counseling, employment and earnings, and receipt of UI and public assistance. The administrative data was from UI wage records and included earnings at least five quarters before and after random assignment.

The benefit-cost analysis examined the benefits and costs of each approach to determine which approach was most cost-effective. The key benefits are associated with changes in earnings, fringe benefits, taxes, UI receipt and public-assistance receipt. The four costs are the ITA awards, costs of training not funded by ITAs, the cost of counselors' time, and WIA administrative costs.

The results suggest that no one approach is preferable to another. There were no statistically significant differences in net benefits to society between the different approaches, even though the net benefits are highest for approach 2 and lowest for approach 3. There were also no statistically significant differences between the three approaches on most employment outcomes, including employment rates, weeks worked, earnings, or occupation. This suggests that greater freedom by customers to choose the type of training and the training provider did not improve the benefits to them of receiving the training. Since all three approaches were available at each of the eight study sites, it was not possible to determine whether greater choice among

customers resulted in greater competition among providers and greater response to customer needs.

The study did find that the three approaches may affect the use of counseling, participation in ITAs, and the type of training and when customers receive it. Very few participants requested counseling after orientation if they were not required to receive it. Mandatory counseling under approaches 1 and 2 discouraged the use of ITA-funded training. For those who requested training, counseling delayed the start of training by about two weeks. Yet counseling broadened the set of training options customers considered: participants in the third group, which had the least structure and counseling, considered fewer training programs. The results should not be interpreted to suggest that counseling is not important: all participants who were assigned to training, and thus to one of the three approaches, had already received at least five hours of counseling before they were assigned to one of the three treatment groups.³² In addition, one could draw the conclusion from these results that the government could save money by dropping the extra counseling, which presumably costs additional resources. However, the study found that Approach One costs the government \$1,017 more per eligible customer than Approach Two, and that Approach Three costs the government \$800 more.

4.5 Strengths and Weaknesses

The ITA is not a type of training; rather, it is a way of selecting a training program and paying for it. From a modeling perspective, the approach adopted by the ETA offers choice and flexibility to customers. A strength of ITAs could be the partnership between program participants and the program counselors in choosing a training program. According to economy theory, the informed choice approach should be superior to a system that mandates the type of

³² Wandner (2010) makes this point in his book *Solving the Reemployment Puzzle*.

training participants should take. When WIA was enacted, market-driven delivery of government services was favored by a more conservative Congress. Since most states and local WIBs voluntarily chose the informed-choice model before ETA mandated the approach, an optimistic position would say that following the informed-choice model would do no harm. A less optimistic perspective would say that the informed-choice model is no better than any other. The only rigorous evaluation of the “choice” models offered by ITAs is inconclusive; the study found no statistically significant differences between employment outcomes or social benefits among the three models. Thus, there is no clear benefit to invest in one model over another.

A weakness of the the informed-choice model of ITAs is that the approach may carry additional costs, particularly over the mandated training model in which the counselor makes the final decision about which training program to pursue. Informed choice requires that customers have sufficient knowledge of the training programs they are to choose from. The Eligible Training Provider list requires considerable information about the program, both from the provider and from agencies of the state within which they reside. Information supplied by state agencies primarily involves UI wage records, which are used to record an exiter’s employment and earnings. The calculation of employment rates and earnings levels requires staff time to compile the information and compute the information for students completing the program. If such information is not necessary to compile for the other types of choice model, such as maximum choice, then adhering to the informed-choice model would impose additional costs on government agencies and providers. Therefore, from a cost-effectiveness perspective, informed choice would be less cost effective than the other two models, since the informed-choice model imposes the extra cost to society, as there is no clear benefit to offset the greater cost. However, one could also argue that regardless of who makes the decision about training, information about

eligible programs is still necessary to make a wise decision. The difference in cost depends upon the extent and frequency of the information gathered.

A related weakness of the ITAs is the lack of complete information from training providers to help with the decision. The Eligible Training Provider list requires information about the program, the provider, and past graduates. Under WIA, a majority of states were granted waivers from submitting this information. WIOA is moving forward with assuring that all the information is made available, but not all providers have provided the necessary information.

Another weakness of ITAs, as administered through WIOA programs, is that WIOA primarily targets more traditional work arrangements than nonstandard ones, both in who is eligible and in what is counted as unsubsidized employment. WIA was even less flexible in its definition of employment. WIOA emphasizes putting people into regular jobs, although it recognizes that nonstandard jobs can be used to transition into regular unsubsidized jobs. However, in most cases, nonstandard work arrangements, except for some forms of self-employment, are not accepted as the ultimate goal of the WIOA programs. For instance, the stated purpose of the Adult Program is to assist economically disadvantaged adults in finding employment. The purpose of the Dislocated Worker Program is to assist workers who lost their jobs within a traditional work arrangement offered by a regular employer in finding an unsubsidized job in another traditional work arrangement. Experts recognize that the type of work valued by the workforce programs needs to be more consistent with the emerging trends in the labor market, but change is slow to happen.

A significant weakness of ITAs and training in general is that available funds are not sufficient to help everyone who needs additional training to find employment or to launch a

career that will place them on firmer financial footing. Some states augment federal WIOA funds with their own state funding. The state of Washington funded workforce programs through state revenue sources that equaled 91 percent of the amount the state received from federal funds. States and local WIBs are also encouraged to combine federal funding from WIOA with training funds from other funding sources. However, the use of other funding, such as Pell Grants, to supplement WIOA training dollars is minimal.

5. CONCLUSION

Individual Training Accounts (ITAs) are the primary method by which WIOA funds short-term training to upgrade the skills of program participants so they can better qualify for jobs in occupations that are in demand. For workers from nonstandard work arrangements, the study finds that the criteria used to determine eligibility for enrollment in the two WIOA programs studied and for referral to training services offered by those programs are likely to cover some, but not all, forms of nonstandard work arrangements. More specifically, workers who are self-employed, who are considered low-income individuals, who receive income support from federal programs, and who face multiple employment barriers are given higher priority in receiving services, particularly in the Adult Program, and these individuals are more likely to come from nonstandard work arrangements. Nevertheless, both the Adult and Dislocate Worker Programs are intended primarily to help low-to-middle-class workers from more traditional work arrangements. The fact that workers from nonstandard work arrangements may be assisted by these programs is primarily the result of priority being given to lower-income individuals.

The typical structure of ITAs allows for participants to maximize customer choice when accessing publicly provided training while holding the customer and the providers accountable for employment outcomes. Local WIBs have the discretion to select a structure of ITA that

ranges from free choice, on the one hand, and informed or guided approach, on the other. The approach most preferred by local workforce investment areas is the informed or guided customer-choice model, in which customers are required to consult with counselors, but counselors have little control over which training program customers choose and who provides it. Customers receive a fixed ITA award based on the training program they choose. In many states, participants must demonstrate that they have both financial and cognitive competencies before qualifying for an ITA. Essential in supporting informed decisions is for participants to have access to reliable and comprehensive information about eligible training providers. According to WIOA legislation, these providers must describe their programs in detail, specify the performance outcomes of the programs, and link the programs to in-demand occupations by providing customers with information about job characteristics and projections of the demand for various occupations.

The random-assignment evaluation of ITAs, sponsored by the U.S. Department of Labor and conducted by Mathematica Policy Research, found little difference in the three options ranging from free choice to restricted choice. While employment outcomes and cost effectiveness differed among combinations of approaches, the differences were not statistically significant. The approach chosen was shown, however, to affect the use of ITAs. Those customers for whom counseling was mandatory used ITAs less frequently, while those who chose to use counseling explored more training options.

It is apparent from studying state and local plans for the implementation of WIOA programs and the policy guidelines for the use of ITAs in delivering training services that nearly all locations emphasize the importance of maximizing choice in the selection of training courses and programs. The wide variation in the type of training and the use of ITAs across states and

across WIBs in the two states studied in greater depth suggests that the choices given to workforce participants, as well as the discretion that WIOA offers states and local WIBs in setting strategic initiatives, allow all participants to customize programs in ways they deem best to prepare their customers for the challenges of the workplace.

The study highlights the neglect by the two adult programs in WIOA in covering participants who come from nonstandard work arrangements. Individuals who work part-time, are contract workers, or attain work assignments from a web-based platform are not specifically covered under the WIOA programs. Consequently, they do not have the same access as individuals from more standard work arrangements have to training and other WIOA services. Therefore, more attention needs to be given to nonstandard workers when tweaking current public workforce programs and designing future programs as the number of nonstandard workers continues to increase.

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Appendix of Tables and Figures

Table A1 Categories of Contingent Workers and Workers in Alternative Work Arrangements

OECD category	BLS category	BLS description	% of U.S. workers	% of MI workers	% of WA workers
Casual workers	Contingent workers: Estimation methodology 1	Wage and salary workers who expect their jobs will last for an additional year or less and who had worked at their jobs for 1 year or less	1.3	0.7	1.8
	Contingent workers: Estimation methodology 2	Workers, including the self-employed and independent contractors, who expect their employment to last for an additional year or less and who had worked at their jobs (or were self-employed) for 1 year or less	1.6	1.0	5.2
	Contingent workers: Estimation methodology 3	Workers who do not expect their jobs to last, regardless of the length of time in their current job	3.8	3.4	5.2
	Independent contractors	Workers who are identified as independent contractors, independent consultants, or freelance workers, regardless of whether they are self-employed or wage and salary workers	6.9	5.6	7.4
Casual workers	On-call workers	Workers who are called to work only as needed, although they can be scheduled to work for several days or weeks in a row	1.7	1.8	2.5
Temporary and agency workers	Temporary help agency workers	Workers who are paid by a temporary help agency, whether or not their job is temporary	0.9	1.5	0.3
	Workers provided by contract firms	Workers who are employed by a company that provides them or their services to others under contract are usually assigned to only one customer, and they usually work at the customer's worksite.	0.6	1.4	1.9
Self-employed	Self-employed		10.1	8.7	10.5
	Unincorporated	Workers have not established a legal business entity and work independently.	6.4	5.5	6.1
	Incorporated	Workers have established an incorporated business; self-employed are typically included as wage and salary workers since these individuals work for their incorporated businesses.	3.7	3.2	4.5

SOURCE: Author's categorization of the Current Population Survey (CPS) and CPS Dislocated Worker Supplement (2015–2016) and the OECD terms of reference.

Table A2 Comparison of Eligibility Requirements for the Dislocated Worker Program between Michigan and Washington

	Michigan	Washington
General dislocation	<p>A worker who has been terminated or laid off or who has received a notice of termination or layoff from employment</p> <p>AND</p> <p>Is unlikely to return to a previous industry or occupation</p> <p>AND</p> <p>Has been employed for a duration sufficient to demonstrate, to the appropriate entity at a one-stop center, attachment to the workforce, but is not eligible for unemployment compensation because of sufficient earnings or having performed services for an employer that were not covered under state UI law</p> <p>AND has been terminated or laid off or has received a notice of termination or layoff from employment as a result of any permanent closure of or any substantial layoff at a plant, facility, or enterprise</p> <p>OR is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days</p> <p>OR is employed at a facility at which the employer has made a general announcement that such facility will close with no given date</p>	<p>An individual who was terminated, laid off, or received a notice of termination or layoff</p> <p>AND</p> <p>Is determined to be unlikely to return to previous industry or occupation (defined by WIB)</p> <p>AND</p> <p>OR Is eligible for or has exhausted entitlement to UI</p> <p>OR An individual employed at a facility at which the employer has made a general announcement that the facility will close within 180 days</p>
Self-employed dislocation	<p>Was self-employed (included employment as a farmer, rancher, or fisherman) but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters</p>	<p>Was self-employed (including employment as a farmer, rancher or fisherman), but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters</p>
Displaced homemaker	<p>Is a displaced homemaker</p> <p>OR</p> <p>Is the spouse of a member of the Armed Forces on active duty and has experienced a loss of employment as a direct result of relocation to accommodate a permanent change in duty station of such member</p>	<p>An individual who was dependent on the income of another family member and is no longer supported by the income of that family member</p> <p>OR</p> <p>Is the dependent spouse of a member of the armed forces on active duty and whose family income is significantly reduced because of a deployment, a call or order to active duty, or a service-connected death or disability of the member</p>

	OR		AND
Is the spouse of a member of the Armed Forces on active duty and whose family income is significantly reduced because of a deployment, a call or order to active duty pursuant to a provision of law, a permanent change of station, or the service-connected death or disability of the member.	AND	Is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.	Is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment
Dislocated/separating military service members			A nonretiree military-service member who was discharged or released from service under other than dishonorable discharge
Spouses of military service members			The spouse of a member of the armed forces on active duty who has experienced a loss of employment as a direct result of relocation to accommodate a permanent change in duty station of such member
		OR	
			The spouse of a member of the armed forces on active duty who is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment

SOURCE: State of Michigan (2018) and State of Washington (2017a).

Table A3 Names of and Employment in the 16 Michigan WIBs

	Name	WIA Code	2016 Q4 Employment
1	Michigan Works! Southwest	26040	237,683
2	Berrien–Cass–Van Buren Office of Michigan Works!	26110	128,293
3	Southeast Michigan Community Alliance	26155	583,992
4	Michigan Works! Southeast	26150	423,650
5	Area Community Services Employment and Training (ACSET) Council	26160	712,405
6	Capital Area Michigan Works!	26045	239,454
7	Oakland County Michigan Works!	26170	624,847
8	Macomb–St. Clair Workforce Development Board	26015	481,223
9	Detroit Workforce Development Department	26010	220,188
10	Thumb Area Michigan Works!	26120	301,053
11	Saginaw-Midland-Bay Michigan Works! Consortium	26020	227,706
12	Michigan Works! West Central	26100	79,096
13	Michigan Works! Region 7B Employment & Training Consortium	26095	50,350
14	Northwest Michigan Council of Governments	26105	139,678
15	Northeast Michigan Consortium	26060	51,757
16	Michigan Works! The Job Force Board	26125	132,093

SOURCE: WIOA Performance Records Public Use File and Bureau of Labor Statistics.

Table A4 Names of and Employment in the 12 Washington WIBs

	Name	WIA code	2016 Q4 employment
1	Olympic Workforce Development Council	53010	148,857
2	Pacific Mountain Workforce Development Council	53015	208,157
3	Southwest Washington Workforce Development Council	53005	259,227
4	Tacoma–Pierce County Employment & Training Consortium & the Workforce Development Council	53040	386,613
5	NW Workforce Development Council	53020	193,706
6	Workforce Development Council Snohomish County	53030	399,538
7	Workforce Development Council of Seattle–King County	53025	1,174,563
8	South Central Workforce Development Council	53075	144,254
9	North Central Workforce Development Council	53045	127,994
10	Benton-Franklin Workforce Development Council	53065	124,779
11	Eastern Washington Partnership Workforce Dev. Council	53070	91,563
12	Spokane Area Workforce Development Council	53035	226,386

SOURCE: WIOA Performance Records Public Use File and Bureau of Labor Statistics.

Table A5 Number of Adult and Dislocated Worker Exiters Receiving Training and Using ITAs in Michigan, by WIB

WIB #	Adult					Dislocated Worker				
	Exiters	Training	ITA	% train	% ITA	Exiters	Training	ITA	% train	% ITA
26010	1,674	163	140	0.097	0.859	91	61	51	0.670	0.836
26015	245	244	187	0.996	0.766	127	126	95	0.992	0.754
26020	313	113	112	0.361	0.991	258	77	76	0.298	0.987
26040	135	88	80	0.652	0.909	195	89	50	0.456	0.562
26045	168	155	154	0.923	0.994	118	106	89	0.898	0.840
26060	48	40	29	0.833	0.725	31	27	19	0.871	0.704
26095	79	77	56	0.975	0.727	20	20	12	1.000	0.600
26100	72	70	63	0.972	0.900	13	12	12	0.923	1.000
26105	79	72	56	0.911	0.778	198	49	28	0.247	0.571
26110	37	28	26	0.757	0.929	30	21	9	0.700	0.429
26120	369	342	277	0.927	0.810	171	150	109	0.877	0.727
26125	290	110	72	0.379	0.655	192	37	23	0.193	0.622
26150	139	106	80	0.763	0.755	72	48	36	0.667	0.750
26155	248	162	156	0.653	0.963	291	149	140	0.512	0.940
26160	401	316	265	0.788	0.839	89	68	58	0.764	0.853
26170	357	122	122	0.342	1.000	167	76	76	0.455	1.000
26903	732	723	38	0.988	0.053	372	138	80	0.371	0.580
Total	5,386	2,931	1,931	0.544	0.659	2,435	1,254	963	0.515	0.768

SOURCE: Author's analysis of PY2016 WIOA Performance Records Public Use File.

Table A6 Number of Adult and Dislocated Worker Exiters Receiving Training and Using ITAs in Washington, by WIB

WIB #	Adult					Dislocated Worker				
	Exiters	Training	ITA	% train	% ITA	Exiters	Training	ITA	% train	% ITA
53005	466	158	104	33.7	65.8	298	117	74	39.3	63.3
53010	386	41	20	10.6	48.8	211	79	61	37.4	77.2
53015	936	24	17	2.6	70.8	350	167	40	47.7	23.9
53020	120	70	60	58.3	85.7	103	53	36	51.5	67.9
53025	2,964	67	43	2.3	64.2	475	206	153	43.4	74.3
53030	1,968	11	8	0.56	72.7	189	45	38	23.8	84.4
53035	208	66	57	31.7	86.4	213	128	71	60.1	55.5
53040	179	64	58	13.4	90.6	183	78	74	42.6	94.9
53045	153	88	40	57.5	45.5	156	106	67	67.9	63.2
53065	151	62	51	41.1	82.3	123	55	48	44.7	87.3
53070	43	20	8	46.5	40.0	45	26	23	44.4	88.5
53075	78	42	37	53.8	88.1	137	71	10	51.8	14.1
Total	7,652	713	483	9.3	67.7	2,527	1,157	768	45.8	66.4

SOURCE: Author's analysis of PY2016 WIOA Performance Records Public Use File.

Table A7 Number of Reported Cases by Training Type and ITA Use for Adult Program by Michigan WIB, PY2016

WIB	Number of reported cases by training type							
	1		2		5		6	
	ITA		ITA		ITA		ITA	
	No	Yes	No	Yes	No	Yes	No	Yes
26010		12		103	22	19		4
26015	57	56		86				45
26020	1	1		69				42
26040	8	9		49				22
26045		17	1	115				22
26060	11			26				3
26095	21	4		31				21
26100	7	3		59				1
26105	16	3		32				21
26110	1	16	1	5		2		2
26120	58	4	1	240			6	33
26125	3	11	17	53	7	1	10	7
26150	26	20		46				7
26155	6	25		106		4		20
26160	40	9		209	5		2	46
26170		61		50				11
Total	255	251	20	1,279	34	26	18	307
% ITA		0.496		0.985		0.433		0.922

SOURCE: Author's analysis of PY2016 WIOA Performance Records Public Use File.

Table A8 Number of Reported Cases by Training Type and ITA Use for Dislocated Worker Program by Michigan WIB, PY2016

Number of reported cases by training type								
WIB	1		2		5		6	
	ITA		ITA		ITA		ITA	
	No	Yes	No	Yes	No	Yes	No	Yes
26010	1	3		44	9	3		1
26015	31	39		41				15
26020			1	58				18
26040	39	6		33				11
26045	15	14		62	1	3		10
26060	8			16				3
26095	8	3		4				5
26100				12				
26105	15	7		14			6	7
26110	11	4	1	5				
26120	38	2	2	75			1	32
26125	12	1	1	19	1			3
26150	11	10		21	1			5
26155	8	25	1	97		3		15
26160	7	12	2	39				7
26170		32		36				8
Total	204	158	8	576	12	9	7	140
% ITA		0.436		0.986		0.429		0.952

SOURCE: Author's analysis of PY2016 WIOA Performance Records Public Use File.

Table A9 Type and Use of ITAs in Adult Program Training Services by Washington WIBs, PY2016

						Reported no. of cases w/ ITA			
WIB	Reported number of cases			% of cases		5		6	
	5	6	State total	5	6	0	1	0	1
53005	47	108	155	0.303	0.697	43	4	8	100
53010	7	34	41	0.171	0.829	4	3	17	17
53015	3	21	24	0.125	0.875	3		4	17
53020	5	65	70	0.071	0.929	5		5	60
53025	5	61	66	0.076	0.924	5		18	43
53030	0	9	9	0.000	1.000			1	8
53035	27	33	60	0.450	0.550	24	3	1	32
53040	2	62	64	0.031	0.969	2		4	58
53045	45	40	85	0.529	0.471	45			40
53065	2	59	61	0.033	0.967	2		8	51
53070	10	9	19	0.526	0.474	10		1	8
53075	3	39	42	0.071	0.929	3		2	37
Total	156	540	696			146	10	69	471
% type				0.224	0.776	0.936	0.064	0.128	0.872

SOURCE: Author's analysis of PY2016 WIOA Performance Records Public Use File.

Table A10 Type and Use of ITAs in Dislocated Worker Program Training Services by Washington WIBs, PY2016

						Reported no. of cases w/ ITA			
WIB	Reported number of cases			% of cases		5		6	
	5	6	State total	5	6	0	1	0	1
53005	35	80	115	0.304	0.696	32	3	10	70
53010	13	66	79	0.165	0.835	7	6	11	55
53015	55	101	156	0.353	0.647	55		61	40
53020	6	46	52	0.115	0.885	6		10	36
53025	34	171	205	0.166	0.834	33	1	20	151
53030	4	38	42	0.095	0.905	1	3	4	34
53035	12	54	66	0.182	0.818	12		6	48
53040	2	76	78	0.026	0.974	1	1	3	73
53045	31	68	99	0.313	0.687	31		2	66
53065	5	50	55	0.091	0.909	5		2	48
53070	1	24	25	0.040	0.960	1		2	22
53075	2	67	69	0.029	0.971		2		67
Total	200	841	1,041			184	16	131	710
% type				0.192	0.808	0.920	0.080	0.156	0.844

SOURCE: Author's analysis of PY2016 WIOA Performance Records Public Use File.

Figure A1 Number of Exitters Receiving Training through the Adult Program, Michigan, Selected Years

NOTE: Data are presented in quarters and are not seasonally adjusted.
SOURCE: Author's analysis of WIASRD and PIRL databases.

Figure A2 Number of Exitters Who Established ITAs through the Adult Program, Michigan, Selected Years

NOTE: Data are presented in quarters and are not seasonally adjusted.
SOURCE: Author's analysis of WIASRD and PIRL databases.

Figure A3 Number of Exiters Who Received Training through the Dislocated Worker Program, Michigan, Selected Years

NOTE: Data are presented in quarters and are not seasonally adjusted.

SOURCE: Author's analysis of WIASRD and PIRL databases.

Figure A4 Number of Exiters Who Established ITAs through the Dislocated Worker Program, Michigan, Selected Years

NOTE: Data are presented in quarters and are not seasonally adjusted.

SOURCE: Author's analysis of WIASRD and PIRL databases.

Figure A5 Number of Exiters Receiving Training through the Adult Program, Washington, Selected Years

NOTE: Data are presented in quarters and are not seasonally adjusted.

SOURCE: Author's analysis of WIASRD and PIRL databases.

Figure A6 Number of Exiters Establishing ITAs through the Adult Program, Washington, Selected Years

NOTE: Data are presented in quarters and are not seasonally adjusted.

SOURCE: Author's analysis of WIASRD and PIRL databases.

Figure A7 Number of Exiters Receiving Training through the Dislocated Worker Program, Washington, Selected Years

NOTE: Data are presented in quarters and are not seasonally adjusted.

SOURCE: Author's analysis of WIASRD and PIRL databases.

Figure A8 Number of Exiters Establishing ITAs through the Dislocated Worker Program, Washington, Selected Years

NOTE: Data are presented in quarters and are not seasonally adjusted.

SOURCE: Author's analysis of WIASRD and PIRL databases.

Table A11 Number of Michigan Exiters from WIA and WIOA Adult and Dislocated Worker Programs Receiving ITAs and Training, 2004–2017

Michigan WIASRD							Michigan PIRL					
	Adult			Dislocated Worker			Adult			Dislocated Worker		
	ITA	Train	Total	ITA	Train	Total	ITA	Train	Total	ITA	Train	Total
2004q2	666	903	1,959	528	807	1,484						
2004q3	697	930	2,198	547	784	1,490						
2004q4	630	832	1,727	450	638	1,182						
2005q1	720	962	1,818	471	650	1,296						
2005q2	709	1,124	2,043	560	819	1,443						
2005q3	712	946	1,932	561	789	1,340						
2005q4	561	762	1,614	466	614	1,113						
2006q1	655	783	1,691	502	692	1,456						
2006q2	693	880	1,781	561	750	1,628						
2006q3	700	852	1,716	626	814	1,449						
2006q4	680	864	1,738	542	756	1,261						
2007q1	612	781	1,611	604	754	1,336						
2007q2	735	957	1,846	763	946	1,751						
2007q3	784	1,047	1,948	665	847	1,442						
2007q4	717	923	1,659	575	744	1,160						
2008q1	845	1,063	1,855	719	866	1,360						
2008q2	737	968	1,749	649	810	1,301						
2008q3	741	956	1,616	600	755	1,249						
2008q4	835	1,050	1,592	602	744	1,074						
2009q1	900	1,048	1,575	498	630	956						
2009q2	847	1,068	1,675	499	687	1,095						
2009q3	1,193	1,386	2,063	814	1,002	1,600						
2009q4	1,134	1,499	2,159	911	1,086	1,614						
2010q1	1,250	1,567	2,345	1,153	1,454	2,138						
2010q2	1,289	1,959	2,906	1,272	1,691	2,794						
2010q3	1,419	1,867	2,808	1,600	1,886	2,831						
2010q4	1,127	1,430	2,314	1,290	1,586	2,396						
2011q1	1,096	1,341	2,204	1,404	1,634	2,302						
2011q2	1,128	1,527	2,362	1,320	1,525	2,031						
2011q3	1,351	1,723	2,592	1,523	1,776	2,482						
2011q4	913	1,083	1,518	945	1,100	1,437						
2012q1	763	885	1,631	815	965	1,476						
2012q2	655	834	1,355	643	788	1,188						
2012q3	945	1,121	1,686	1,073	1,216	1,706						
2012q4	715	873	1,317	772	907	1,265						
2013q1	817	1,038	1,719	913	1,071	1,454						
2013q2	763	954	1,604	755	935	1,250						

[illegible]

Table A12 Number of Washington Exiters from WIA and WIOA Adult and Dislocated Worker Programs Receiving ITAs and Training, 2004–2017

	Washington WIASRD						Washington PIRL					
	Adult			Dislocated Worker			Adult			Dislocated Worker		
	ITA	Train	Total	ITA	Train	Total	ITA	Train	Total	ITA	Train	Total
2004q2	325	581	1,231	859	1,123	1,641						
2004q3	351	564	1,184	849	1,080	1,575						
2004q4	232	414	940	709	875	1,278						
2005q1	131	409	952	499	751	1,139						
2005q2	164	528	1,031	568	936	1,382						
2005q3	204	485	981	425	809	1,229						
2005q4	145	412	922	354	628	1,027						
2006q1	147	376	846	103	542	929						
2006q2	214	542	1,222	112	743	1,274						
2006q3	171	445	1,020	178	781	1,291						
2006q4	155	359	816	99	464	852						
2007q1	77	295	817	78	513	942						
2007q2	300	460	1,258	572	719	1,234						
2007q3	258	395	878	412	510	866						
2007q4	203	330	736	275	361	654						
2008q1	151	269	618	247	321	641						
2008q2	184	295	653	300	402	740						
2008q3	287	433	762	298	403	773						
2008q4	164	252	641	194	255	497						
2009q1	111	204	553	172	235	469						
2009q2	179	299	732	283	362	687						
2009q3	259	372	716	339	434	695						
2009q4	235	363	721	335	458	786						
2010q1	226	360	721	331	440	705						
2010q2	310	508	997	544	753	1,062						
2010q3	372	584	928	586	794	986						
2010q4	274	439	757	470	630	841						
2011q1	252	394	660	450	617	830						
2011q2	336	576	950	706	889	1,258						
2011q3	326	477	741	689	856	1,092						
2011q4	220	356	610	511	631	818						
2012q1	189	290	537	444	537	725						
2012q2	278	404	697	514	604	833						
2012q3	258	403	764	556	679	932						
2012q4	226	334	590	415	532	767						
2013q1	261	388	674	370	453	682						
2013q2	259	411	743	392	494	742						

2013q3	320	479	976	506	609	941						
2013q4	204	327	698	325	414	681						
2014q1	267	409	849	372	494	857						
2014q2	268	462	865	378	560	922						
2014q3	171	355	644	252	404	642						
2014q4	116	282	635	197	388	644						
2015q1	53	241	555	95	322	543						
2015q2	62	337	737	123	453	742						
2015q3	86	300	559	99	343	512						
2015q4	51	158	403	99	267	375						
2016q1	62	128	302	92	192	302						
2016q2												
2016q3							105	160	465	163	276	542
2016q4							76	135	708	142	203	503
2017q1							118	177	1,291	199	278	602
2017q2							184	241	5,188	264	400	880
2017q3							144	188	4,550	163	238	659
2017q4							135	186	4,822	189	275	699

SOURCE: Author's calculations of WIASRD and PIRL databases.

Table A13 Workforce Characteristics by WIA/WIB

Workforce Characteristics	Race								Ethnicity	
	White		Black		American Indian		Other		Hispanic or Latino	
	Count	%	Count	%	Count	%	Count	%	Count	%
Washington										
All Workforce Investment Areas (WIAs)	2,565,898	83.4	132,046	4.3	41,220	1.3	337,761	11.0	272,621	8.9
Seattle/King County	764,669	75.7	62,172	6.2	8,460	0.8	174,246	17.3	70,327	7.0
Snohomish County	297,439	83.1	12,897	3.6	3,949	1.1	43,766	12.2	24,015	6.7
Tacoma/Pierce County	276,708	80.7	24,570	7.2	4,543	1.3	36,986	10.8	23,965	7.0
Southwest Washington	225,612	89.5	6,239	2.5	2,588	1.0	17,659	7.0	16,528	6.6
Spokane	186,519	92.2	4,114	2.0	2,873	1.4	8,839	4.4	8,930	4.4
Pacific Mountain	170,442	87.7	5,743	3.0	3,680	1.9	14,562	7.5	13,231	6.8
Northwest Washington	155,679	87.9	3,538	2.0	3,447	2.0	10,846	6.3	15,376	8.9
Olympic	106,633	86.1	3,531	2.9	2,565	2.1	11,058	8.9	7,386	6.0
Central Washington	108,416	89.8	2,871	2.4	3,680	3.0	5,728	4.7	36,761	30.5
Benton-Franklin	106,440	91.2	2,948	2.5	1,256	1.1	6,047	5.2	24,899	21.3
All others	167,341	91.5	3,423	1.9	4,179	2.3	8,024	4.4	31,203	17.1
Michigan										
All Workforce Investment Areas (WIAs)	3,501,729	83.6	509,513	12.2	24,035	0.6	153,412	3.7	154,181	3.7
Oakland County	460,715	79.3	81,623	14.1	1,867	0.3	36,709	6.3	17,123	2.9
Southeast	466,543	81.7	77,547	13.6	2,261	0.4	24,844	4.3	22,079	3.9
Macomb/St. Clair	400,910	85.6	48,187	10.3	1,680	0.4	17,601	3.8	10,651	2.3
Kent and Allegan	307,249	88.3	27,878	8.0	1,688	0.5	11,152	3.2	22,137	6.4
Capital Area	169,970	86.9	16,730	8.6	1,028	0.5	7,929	4.1	9,917	5.1
Detroit Workforce	41,777	21.4	146,646	75.2	753	0.4	5,751	3.0	8,799	4.5
Career Alliance	151,801	83.2	25,306	13.9	849	0.5	4,550	2.5	4,995	2.7
Washtenaw County	125,328	79.6	19,778	12.6	614	0.4	11,747	7.5	5,491	3.5
Saginaw-Midland-Bay	137,041	89.1	12,804	8.3	669	0.4	3,286	2.1	8,236	5.4
Kalamazoo-St. Joseph	122,956	87.6	12,349	8.8	627	0.4	4,473	3.2	5,402	3.8
All others	1,117,439	93.5	40,665	3.4	11,999	1.0	25,370	2.1	40,351	3.4

Table A13 Workforce Characteristics by WIA (continued)

Workforce characteristics	Low income		Educational attainment							
	Earnings < \$1,250/mo.		Less than high school		High school or GED		Some college		BA or higher	
	Count	%	Count	%	Count	%	Count	%	Count	%
Washington										
All Workforce Investment Areas (WIAs)	622,993	20.2	252,854	8.2	604,438	19.6	783,903	25.5	781,111	25.4
Seattle/King County	169,059	16.7	73,134	7.2	171,707	17.0	243,196	24.1	314,785	31.2
Snohomish County	64,413	18.0	25,596	7.1	66,500	18.6	92,420	25.8	99,913	27.9
Tacoma/Pierce County	69,805	20.4	27,104	7.9	70,612	20.6	90,283	26.3	79,886	23.3
Southwest Washington	53,258	21.1	19,066	7.6	53,372	21.2	67,818	26.9	59,439	23.6
Spokane	46,762	23.1	14,726	7.3	45,520	22.5	54,689	27.0	41,170	20.3
Pacific Mountain	43,867	22.6	14,913	7.7	42,556	21.9	52,569	27.0	43,477	22.4
Northwest Washington	41,838	24.1	14,185	8.2	36,647	21.1	45,117	26.0	37,553	21.6
Olympic	30,219	24.4	9,049	7.3	26,155	21.1	32,987	26.6	29,232	23.6
Central Washington	30,582	25.3	19,373	16.1	26,469	21.9	28,843	23.9	18,872	15.6
Benton-Franklin	25,687	22.0	13,564	11.6	23,491	20.1	28,808	24.7	24,372	20.9
All others	47,503	26.0	22,143	12.1	41,409	22.6	47,173	25.8	32,412	17.7
Michigan										
All Workforce Investment Areas (WIAs)	1,064,066	25.4	295,302	7.0	913,792	21.8	1,056,359	25.2	919,553	22.0
Oakland County	125,769	21.7	36,067	6.2	109,499	18.8	142,703	24.6	166,870	28.7
Southeast	138,405	24.2	38,923	6.8	115,351	20.2	141,132	24.7	139,492	24.4
Macomb/St. Clair	114,411	24.4	30,618	6.5	96,352	20.6	117,560	25.1	112,322	24.0
Kent and Allegan	84,752	24.4	26,452	7.6	76,277	21.9	85,312	24.5	68,347	19.6
Capital Area	48,873	25.0	13,038	6.7	40,858	20.9	49,184	25.1	43,934	22.5
Detroit Workforce	67,173	34.5	20,978	10.8	41,477	21.3	48,120	24.7	28,909	14.8
Career Alliance	52,122	28.6	13,080	7.2	41,139	22.5	47,220	25.9	37,149	20.4
Washtenaw County	37,693	23.9	9,230	5.9	27,964	17.8	36,169	23.0	44,558	28.3
Saginaw-Midland-Bay	44,613	29.0	11,111	7.2	35,890	23.3	39,786	25.9	29,173	19.0
Kalamazoo–St. Joseph	35,318	25.2	10,158	7.2	31,705	22.6	34,935	24.9	27,266	19.4
All others	314,937	26.3	85,647	7.2	297,280	24.9	314,238	26.3	221,533	18.5

NOTE: Some WIAs/WIBs have changed boundaries since 2015, particularly in Michigan, and may not be consistent with WIB definitions in other tables in this report, such as Tables A3 and A4. However, the year 2015 is the most recent data available for the workforce by WIA/WIB.

SOURCE: U.S. Census Bureau, extracted from “On the Map,” 2015.