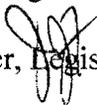


**MEMORANDUM**

September 13, 2011

TO: Planning, Housing and Economic Development Committee

FROM: Justina J. Ferber,  Legislative Analyst

SUBJECT: **Workforce Services**

**Background**

At its July 25 meeting with DED Director Steve Silverman, the PHED Committee requested a briefing on Workforce Services issues related to the County's ability to meet state standards and recent news articles on this issue (see ©1). The DED Director explained that people placed in jobs are expected by the state to keep those jobs for 90 days which makes it difficult to meet the state standards when the County includes all persons signing in at workforce centers. DED is reevaluating its screening process at the workforce centers. The Department is also working to be more compliant and agreed to provide a more detailed explanation to the Committee in September.

DED Director Steve Silverman and Barbara Kaufman, Chief, Division of Workforce Services, will be present to brief the Committee. Materials from DED for the briefing are the Montgomery County performance measures attached at ©2 and the common measures evaluated on ©3. The performance measures at ©2 indicate when the County is exceeding, meeting or failing to meet standards.

**DWS Background Information**

The Division of Workforce Services (DWS) administers the funding tied to the Federal Workforce Investment Act of 1998 and oversees the performance of the local workforce investment system. This includes the administration of all federal workforce and job training funds and the oversight of two, one-stop career centers. DWS is advised by a Workforce Investment Board (WIB) composed of business representatives and community leaders and public officials. Various contractors operate DWS programs.

DWS funds support employment services offered at the two MontgomeryWorks One-Stop locations - Westfield Mall (Wheaton) and the Upcounty Center in Germantown. Services offered at these locations include vocational assessment, job readiness, job training, job placement and job retention services. The One-Stops serve dislocated workers, low-income adults, older workers, disadvantaged youth, and individuals with disabilities, as well as small and large businesses.

## DWS Budget Information

DWS - Personnel Complement (workyears)  
 Manager III -- 1 wy  
 Sr. Financial Specialist -- 1 wy  
 Program Manger I -- 1 wy

### Workforce Development Funding Sources for FY11 and FY12\*

(\*Please note that the amounts may have changed for FY12 in the budget figures below. DWS receives its official allocation from the federal and state governments after the Council reviews DED's budget.)

<b>DIVISION OF WORKFORCE SERVICES FUNDING</b>	<b>FY11</b>	<b>FY 12 Est.*</b>
Federal Workforce Investment Act Funds - WIA	\$2,137,033	\$2,137,033
Maryland Business Works (federal)	\$46,673	\$46,673
Rapid Response (federal)	\$47,000	\$25,000
Early Intervention (state/federal)	\$216,275	\$216,275
MD State General & Statewide -- foreign trained health care	\$103,000	\$85,000
Disability Navigator (federal)	\$90,000	\$0
Summer Youth Connection	\$6,968	\$6,968
WIA Incentive	\$12,897	\$0
T A N F	\$191,826	\$0
ARRA FUNDS - statewide youth supplemental	\$29,033	\$0
ARRA FUNDS - statewide incentive	\$65,000	\$0
ARRA FUNDS - on the job training	\$191,400	\$0
ARRA FUNDS - state energy grant	\$182,776	\$0
<b>TOTAL</b>	<b>\$3,319,881</b>	<b>\$2,516,949</b>
<b>COUNTY WORKFORCE FUNDING</b>	<b>FY11</b>	<b>FY12 Est.</b>
General One-Stop Activities	\$100,000	\$0
Sales & Service Center	\$160,000	\$0
County Gang Prevention Contracted Position	\$62,500	\$0
Youth Program	\$50,000	\$0
Summer Youth Employment	\$50,000	\$50,000
<b>TOTAL</b>	<b>\$422,500</b>	<b>\$50,000</b>

**Attachments:** News Article "Montgomery Lags in Helping Unemployed Find Work" ©1  
 Montgomery County Performance Measures ©2  
 Common Measures ©3

# Gazette.Net

Maryland Community News

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Published: Thursday, July 21, 2011

## Montgomery lags in helping unemployed find work by Erin Cunningham

Staff Writer

The Montgomery agency charged with bolstering the county's business climate has not placed enough unemployed or underemployed people in jobs, according to state standards.

This year, the county's Workforce Investment Board, which is part of the Department of Economic Development, was the only board in Maryland to fall short of state standards. As a result, it was placed in June on a one-year probation by the Governor's Workforce Investment Board, meaning additional oversight and instruction, and the potential for its certification to be revoked.

The state board found that along with its failure to find jobs for people, the county also did not do enough for youth literacy and training in 2010. In 2009, the county did not meet standards for adult and youth employment, average earnings of adults placed in jobs and youth literacy.

Michael Raia, a spokesman for the state's Department of Labor, Licensing and Regulation, said the state tracks such data in terms of percentages — not by raw numbers of people.

In 2010, the state standard for placing adults in jobs was 76.4 percent of those who seek help from the county. Montgomery placed 65.7 percent. In 2009, the standard was 76.8 percent, and the Montgomery rate was 60.6 percent.

About 14,000 people seek job placement, training or education services from the county annually. In May, about 27,000 of the county's 517,500 eligible workers were unemployed, a rate of 5.2 percent.

Steven Silverman, director of the county's Department of Economic Development, described the situation as a technical issue and said his department already is doing more to meet state standards.

One plan, he said, calls for a more careful screening process at the workforce centers to ensure that people who visit — and are logged in — can realistically find employment. Currently, everyone is encouraged to visit the workforce centers.

"Once you do that, and you register people, they may not be eligible for immediate employment," Silverman said. "We're looking at a more detailed evaluation, whether people are ready to be placed in the workforce or whether they need to be retrained."

Silverman said part of the issue is that people placed in jobs are expected by the state to keep those jobs for three months.

"It's one of those things where you don't get credit for placing someone in a job unless they stay in it for at least 90 days," he said. "So much of that is out of our control."

County Councilwoman Nancy M. Floreen (D-At large) of Garrett Park, who heads the council's Planning, Housing and Economic Development committee, said she was unaware of the failure to meet standards.

Her committee is scheduled to meet with Silverman on Monday to discuss a marketing plan for his department and other matters.

"It's now on my list, that's for sure," Floreen said of the workforce issue.

Montgomery receives about \$3 million in state and federal grants for workforce services, primarily provided at the Montgomery Works One-Stop Workforce centers in Wheaton and Germantown.

While the county's probation status does not make it ineligible for grant money, Raia said it can be more difficult to qualify for some competitive grants.

"We'll be working with them and watching what's happening closely in the next year," he said.

ecunningham@gazette.net

### About the Montgomery County Workforce Investment Board

The county's 30-member Workforce Investment Board is composed of business representatives, community leaders and public officials who offer advice and oversight on workforce development activities and policy.

Montgomery County Performance		PY 09/FY 10		PY 10/FY 11		Prelim YR End
Measures		Standard	MC %	Standard	80% std	MC %
Entered Employment	Adult	84%	62.1%	84%	67.2%	80.0%
Entered Employment	Dislocated Workers	91%	73.3%	91%	72.8%	86.3%
Retention Rate	Adult	84%	92.5%	84%	67.2%	84.1%
Retention Rate	Dislocated Workers	89%	95.0%	89%	71.2%	87.5%
Average Earnings	Adult	\$13,100	\$13,050	\$16,535	\$13,228	\$20,828
Average Earnings	Dislocated Workers	\$16,585	\$16,488	\$19,922	\$15,938	\$25,189
<b>Youth Measures</b>						
Attainment of Degree or Certificate		66%	57.9%	66%	52.8%	53.4%
Placement in Employment or Education		63%	46.5%	63%	50.4%	61.0%
Literacy Numeracy Gains		65%	21.4%	65%	52.0%	50%
Performance						
		= Exceeded Standard				
		= Meeting Standard (at least 80% of standard)				
		= Falling Standard (Performed below 80% of standard)				
		= No Participants in Measure				

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9/13/2011

## ATTACHMENT A: COMMON MEASURES AT-A-GLANCE

### ADULT MEASURES

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#### Entered Employment

*Of those who are not employed  
at the date of participation:*

# of adult participants who are employed  
in the first quarter after the exit quarter

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# of adult participants who exit during the  
quarter

#### Employment Retention

*Of those who are employed in the  
first quarter after the exit quarter:*

# of adult participants who are employed in  
both the second and third quarters  
after the exit quarter

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# of adult participants who exit during the  
quarter

#### Average Earnings

*Of those adult participants who are employed in  
the first, second, and third quarters after the exit  
quarter:*

Total earnings in the second plus the total  
earnings in the third quarters after the exit  
quarter

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# of adult participants who exit during the  
quarter

### YOUTH MEASURES

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#### Placement in Employment or Education

*Of those who are not in post-secondary education  
or employment (including the military) at the date  
of participation:*

# of youth participants who are in  
employment (including the military) or  
enrolled in post-secondary education and/or  
advanced training/occupational skills  
training in the first quarter after the exit  
quarter

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# of youth participants who exit during the  
quarter

#### Attainment of a Degree or Certificate

*Of those enrolled in education (at the date of  
participation or at any point during the program):*

# of youth participants who attain a diploma,  
GED, or certificate by the end of the third  
quarter after the exit quarter

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# of youth participants who exit during the  
quarter

#### Literacy and Numeracy Gains

*Of those out-of-school youth who are basic skills  
deficient:*

# of youth participants who increase one or  
more educational functioning levels

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# of youth participants who have completed a  
year in the program (i.e., one year from the  
date of first youth program service) plus the #  
of youth participants who exit before  
completing a year in the youth program