

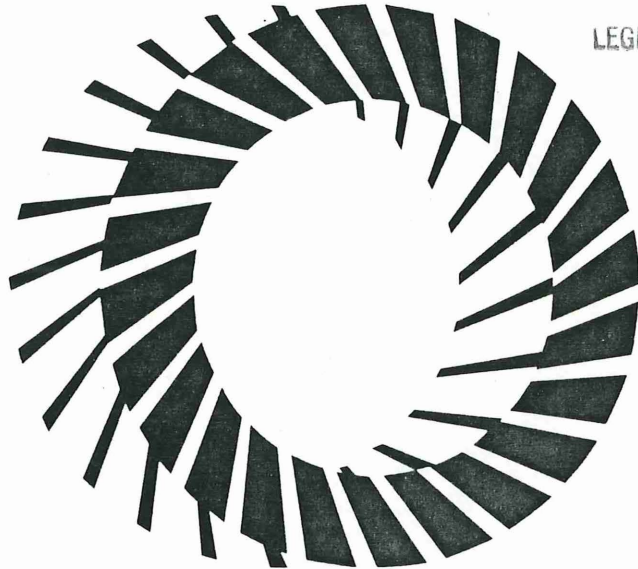
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Minnesota Job Skills Partnership

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Pathways Program Annual Report

March 31, 2002

Minn. Stat. 116L.04 Subd. 1(a)

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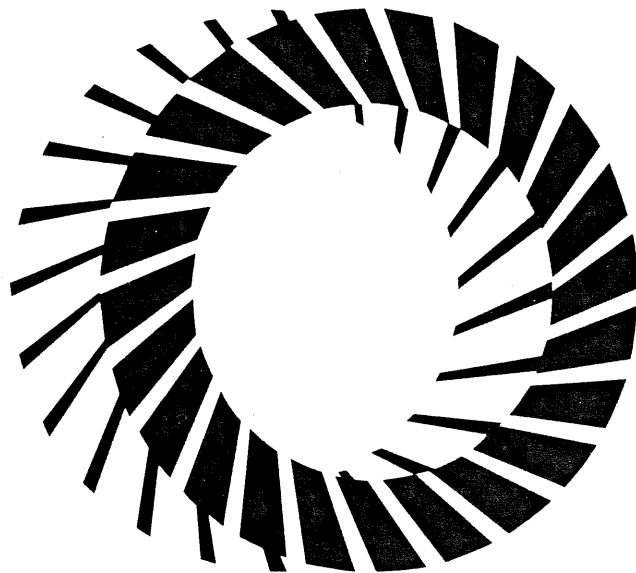
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Minnesota Job Skills Partnership



Pathways Program Annual Report

March 31, 2002

Report Summary

The purpose of this report is to provide the information required by MS 116L.04 Subdivision 1a. which states that; "The (MJSP) board shall annually, by March 31, report to the commissioners of economic security and trade and economic development on pathways programs, including the number of public assistance recipients participating in the program, the number of participants placed in employment, the salary and benefits they receive, and the state program cost per participant."

The Pathways Program is a Minnesota Job Skills Partnership (MJSP) program established by the Legislature in 1997 to enable persons to move from public assistance to economic security. Pathways programs are joint efforts involving businesses, educational institutions and social organizations to develop and deliver education and training to public assistance recipients for jobs in a variety of industries state-wide. MJSP funding is matched by the participating firms. Educational organizations and other organizations participating in the projects also provide financing.

Pathways Trainee Data - Projected and Actual

- As of 2/28/02, twenty nine Pathways grants have been awarded. The projects are anticipated to train a total of 3,611 public assistance recipients and to employ 3,331. (See chart A.)
- Within the twenty nine projects, as of 2/28/02, 1,256 persons have completed training and 803 have been placed in jobs post training. (See chart A.)
- To date, six of the twenty nine projects have been completed, with 372 participants completing the provided training and 268 placed in jobs post training. (See chart D.). It is interesting to note that some trainees in the in-demand field of health care have obtained training related placement prior to actually completing training.

Pathways Participant's Wages - Projected and Actual

- For the twenty nine projects, the projected wages for public assistance recipients placed in jobs post training range from \$7.21 to \$12.85 per hour. In addition to their hourly wage, projected fringe benefits for participants range from \$.28 to \$5.78 per hour. (See chart B.)
- To date, six of the twenty nine projects have been completed. Actual weighted average hourly salaries range from \$7.26 to \$11.03 per hour. No actual fringe benefit information is available at this time. (See chart E.)

Program Cost per Participant - Projected and Actual

- For the twenty nine projects funded, the projected MJSP cost per trainee ranges from \$438 to \$4,625. The projected average cost per trainee is \$5,661. The project average MJSP cost per trainee is \$1,749 (See chart C.)
- For the six Pathways projects completed to date, the actual MJSP cost per trainee ranges from \$973 to \$2,000. The actual average MJSP cost per trainee is \$1,367. (See chart F.)

Application Trends

Pathways funds became available in 1997. The thirty projects to date were funded as follows; one in FY 97, twelve in FY 98, three in FY 99, six in FY 00, seven in FY 01 and one in FY02. The decline in applications and awards of FY 99 Pathways grants after the surge in FY 98 is felt to be due to several factors including the availability of increased Partnership funding which turned institutional attention away from taking on additional Pathways programs until funded projects are well underway and/or completed. Other reasons could include recruitment difficulties, the recent emphasis on work-first programs, and lack of knowledge about the program in out-state areas. An increase in applications was noted in FY 00 and FY 01 as several education providers with specific expertise in welfare-to-work programs and serving TANF and MFIP clients became more involved in the program.

Program Evaluation

In 1999, the Minnesota Job Skills Partnership contracted with the National Results Council (NRC) to develop an evaluation instrument for their Pathways program and to undertake a two-year evaluation of MJSP's Pathways program. In addition, the NRC also received funding from the Joyce Foundation to conduct an extensive Pathways program evaluation. The NRC was assisted by Dr. Sam Myers from the Roy Wilkins Center, Humphrey Institute of Public Affairs, at the University of Minnesota with the evaluation.

In May of 2001, the NRC published "Ways to Work: Comprehensive Report and Research." The report evaluated 16 Pathways projects to address two primary functions: to evaluate Pathways as a customized training project designed to serve TANF recipients and to examine the results achieved through this model of customized training compared to the work first approach to welfare-to-work programs. The first part of the report focused exclusively on the Pathways program.

The first goal of the evaluation was to objectively the impact of the Pathways program on the lives of the consumers served, with a primary focus on employment outcomes.

During the phase one of the follow-up, participants were contracted by the NRC 120 days after leaving the program. On average 34% of the people who attended Pathways training were working 120 days after completing training, 21% were not working and 45% could not be reached for follow-up. For those working, the average weekly wage was \$345, the average

hourly wage was \$9.65 and the average hours worked was 35 a week. Over those working, 66% met the NRC's wage standard of \$206 a week. During phase two of the follow-up, participants were contracted by the NRC one year after leaving the program. Phase two contacts indicated that 40% of the Pathways participants were working one year after leaving the program. The average weekly wage was \$336, the average hourly wage was \$9.59, the average hours worked was 34 hours a week. Nearly every participant was able to maintain their working status and actually increased their wages by about 25 cents an hour. For those individuals who went through a Pathways training program and were working at least 30 days at the 120-day follow-up, 43.6% met the livable wage standard adopted by Minneapolis and St. Paul. This standard is at least 110% of the poverty level for a family of four or \$18,755 a year.

Goal two of the evaluation was to determine the impact of Pathways on the public assistance of those served.

NRC used two sources of information to determine the impact of Pathways on the public assistance status of persons served: self reports and government records. The first self reports indicated that 90.8% of all 371 people who attended Pathways training in the 16 projects surveyed were receiving public assistance at entry to the program. Of the 138 Pathways participants contracted at the one-year follow-up, 94.2% reported receiving public assistance at entry, 41.3% at the 120-day follow-up and 28.9% reported receiving public assistance at the one-year follow-up. The evaluation also used the MAXIS system to provide information on the amount of MFIP cash that Pathways participants received over time. At the time of entry, the average monthly MFIP grant for participants was \$724. At the one-year follow-up, MAXIS data indicated that 49% were no longer receiving MFIP cash assistance. For those still receiving cash assistance, the average grant amount was reduced to \$569 a month.

Goal three of the evaluation was to assess the effectiveness of the "educational/career pathway" developed in each of the Pathway program.

The NRC reviewed the active grants to see if the training described matched the projected pathways, and that the career pathways were clearly stated and realistic. This was done by contacting the educational institution, a process of job-matching to training determined through an employee survey and self-reporting of promotions and raises. The evaluation found that the development of career pathways in each grant was sound. More than 70% of Pathways trainees who were working at either the 120-day or one-year follow-up held jobs that matched the training they had received. Approximately 5% of all Pathways participants who reached their one-year follow-up reported a promotion and 15% reported a pay raise. However, one year is a short period of time in which to measure for career progression.

Goal four of the evaluation was to determine the extent to which each program meets the business needs of the business partner for Pathways.

A telephone interview was completed with at least one of the contributing businesses for each of the 16 grants evaluated during the initial stages of the grant. Most business contacted indicated that this was their first experience as part of a Pathways training program. The majority, 60%, of the businesses surveyed indicated that the over all goal was to have a better trained workforce. Other goals were recruiting new employees, reducing turnover and increasing retention. A follow-up survey was attempted with those who were initially contacted. Of those responding, the NRC determined that those businesses which had hired more than one person who had participated in Pathways training felt generally satisfied with participating in the project. The larger the number of Pathways participants hired, the greater the businesses' satisfaction with the program appeared to be. This result points to one of the most common complaints of businesses participating in the program: frustration that the grant did not help them hire more people. Businesses also felt that inadequate recruitment to the program was a major issue.

In comparing the Pathways program to the work first model, the evaluation found that Pathways participants made significantly more money in hourly and weekly wages at the 120-day follow-up than Work in Progress (work first) program participants. Pathways participants made on average \$9.65 an hour and worked 35 hours for an average of \$345 a week at the 120 follow-up. Work in Progress participants made, on average, \$8.08 an hour and worked 33 hours for a weekly average of \$270. Pathways participants were also less likely to be on public assistance after 120 days and one year.

Complete copies of "Ways to Work: Comprehensive Report and Research," Final Report to the Joyce Foundation are available by contacting:

National Results Council
2885 Country Drive, Suite 100
St. Paul, MN 55117

2001 Program Recommendations

- Give target populations longer-range economic security by allowing funding for programs that train not just current welfare recipients but MFIP's recipients recently employed under the work first strategy.

MJSP has awarded grants from an Allocation of TANF funds received from the Minnesota Legislature. The grants have provided training to individuals receiving MFIP/TANF benefits, as well as those who are *eligible* to receive MFIP/TANF benefits. This provides an opportunity for those employed under the work first strategy, who are eligible for TANF benefits, to receive job related training, thus increase employability and economic security.

- Revise program participants' eligibility requirements to 200% of poverty guidelines.

The statues governing the Pathways program have been amended to allow eligibility for individuals with incomes at or below 200% of poverty guidelines. This change in eligibility requirements applies only to projects awarded general fund monies.

- Increase participation in greater Minnesota by providing more publicity about Pathways to education institutions and businesses in areas outside the metro area.

There has been increased awareness due to NRC's reports, better information on the MJSP web site and other outreach efforts.

- Encourage educational institutions to engage MFIP certified training providers in Pathways projects.

This has been done through MJSP communication to the educational network.

2002 Program Recommendations

For this 2002 Pathways Annual Report, the following programmatic improvements are recommended to improve the effectiveness and reach of the program:

- Increase referrals by encouraging grantees to establish links with referring agencies as part of the application process. Insure that referring agencies have current lists of customized training programs and contact information.
- Encourage potential grantees to anticipate and plan for the transportation and childcare needs of participants prior to grant implementation.
- Improve eligibility determination for Pathways participants though a clear definition of eligibility, consistently stated, by all MJSP Board and Staff and introduce a standardized procedure for determining eligibility.
- Reports (such as this) will focus more on actual results data and less projected data. Findings of the NRC performance measurement system will be used as a tool for program improvement. NRC program data will be used to help the MJSP Board to make future funding decisions about grant proposals.
- Encourage project success by promoting common best practices that have been observed in the top three performing pathways grants. These best practices include the following: regular communication between grantees and business partners, placing an emphasis on workplace or "soft" skill training and combining training with paid work.

Appendix

(A.) Pathways Trainee Data as of 2/28/01

MJSP Grant No.	Educational Institution(s)	Contributing Business(es)	Projected		Actual to Date	
			Number to be Trained	Number to be Placed	Number Completed Training	Number Placed to Date
10-97-180	Carver-Scott Educ. Coop.	Advance Circuits	100	90	88	70
03-98-188	Anoka-Hennepin Tech. College	Manufacturing Consortium	80	55	60	27
03-98-192	Pine Tech. College	Marsden Corp.	200	152	150	150
03-98-195	Rochester Com. & Tech. College	Crenlo, Mfg. Consortium	72	72	73	71
03-98-199	Central Lakes College	LambWeston /RDO Foods	28	28	32	29
03-98-202	Dunwoody Inst.	Printing Consortium	358	358	23	11
07-98-205	Hennepin Tech. College	HealthSystems	405	405	204	60
07-98-206	Hennepin Tech. College	Magnetic Data & Turck	163	163	21	21
07-98-209	St. Cloud Tech. College	Human Serv. Consortium	112	87	21	21
07-98-211	Resource, Inc.	Pillsbury Consortium	45	34	17	13
07-98-217	Carver-Scott Educ. Coop	Apprenticeship with Soft Soap	45	35	29	15
07-98-219	Dakota County Tech. College	Rupp Indust. Consortium	243	243	90	53
07-98-221	Mpls. Com. & Tech. College	Abbott-Northwestern	133	100	119	89
04-99-226	Carver-Scott Educ. Coop.	Emplast Consortium	130	110	88	63
04-99-227	Century College	Mfg. & Service Consortium	112	112	76	0

MJSP Grant No.	Educational Institution(s)	Contributing Business(es)	Projected		Actual to Date	
			Number to be Trained	Number to be Placed	Number Completed Training	Number Placed to Date
06-99-236	Teamworks	Audubon Eng.	40	40	17	16
02-00-266	Carver-Scott Educ. Coop.	Nilfisk-Advance Consortium	175	148	126	85
02-00-274	Teamworks	BDT Manufacturing	25	25	2	2
02-00-277	St. Paul Public Schools	G & K Services	200	200	18	0
08-00-296	Anoka-Hennepin TC	No. Cities Health Care, Inc.	185	185	0	1
11-00-310	MSU, Mankato	ISJ-Mayo Consortium	203	184	0	13
11-00-332	Ridgewater CTC	SW MN Healthcare Cons.	50	50	2	2
07-01-341	Mpls. Com. & Tech. College	Allina	48	29	0	0
07-01-342	Carver-Scott Educ. Coop.	Inland Paper Board	36	32	0	0
07-01-343	Carver-Scott Educ. Coop.	Ridgeview Medical Center	35	35	0	0
07-01-354	Teamworks	Homecrest	40	40	0	0
07-01-355	Teamworks	PRD	50	45	0	0
07-01-356	Teamworks	Lamb-Weston	71	64	0	0
02-02-376	Century College	East Metro Hosp. Consort.	227	220	0	0
		TOTAL:	3,611	3,331	1,256	803

(B.) Pathways Projected Weighted Average Hourly Wages

MJSP Grant No.	Educational Institution(s)	Contributing Business(es)	Projected Weighted Average Hourly Wage	Projected Benefits
10-97-180	Carver-Scott Educ. Coop.	Advance Circuits	\$9.09	\$2.00-\$3.00 per hour
03-98-188	Anoka-Henn. Tech. College	Manufact. Consortium	\$9.06	\$2.35-\$4.45 per hour
03-98-192	Pine Tech. College	Marsden Corp.	\$9.51	\$2.91-\$5.78 per hour
03-98-195	Rochester Com. & Tech. College	Manufact. Consortium	\$9.89	\$2.23-\$4.64 per hour
03-98-199	Central Lakes College	Lamb Weston/RDO Foods	\$7.21	\$2.40 per hour
03-98-202	Dunwoody Institute	Printing Consortium	\$9.16	\$2.25-\$3.33 per hour
07-98-205	Hennepin Tech. College	Health Systems	\$8.60	\$.60-\$4.25 per hour
07-98-206	Hennepin Tech. College	Magnetic Data & Turck	\$9.44	\$2.48-\$5.70 per hour
07-98-209	St. Cloud Tech. College	Human Services Consortium	\$8.12	\$.50-\$7.16 per hour
07-98-211	Resource, Inc.	Pillsbury Consortium	\$12.85	\$2.00-\$3.00 per hour
07-98-217	Carver-Scott Educ. Coop.	Apprenticeship with Softsoap, Inc.	\$10.86	\$2.25 per hour
07-98-219	Dakota Tech. College	Rupp Industries Consortium	\$8.68	\$0.97-\$4.58 per hour
07-98-221	Mpls. Com. & Tech. College	Abbott Northwestern	\$9.12	\$.28-\$2.57 per hour
04-99-226	Carver-Scott Educ. Coop.	Emplast Consortium	\$9.07	\$2.00-\$3.00 per hour
04-99-227	Century College	Mfg. & Service Consortium	\$9.45	\$2.00-\$3.00 per hour
06-99-236	Teamworks	Audubon Eng.	\$8.25	\$3.60 per hour

MJSP Grant No.	Educational Institution(s)	Contributing Business(es)	Projected Weighted Average Hourly Wage	Projected Benefits
02-00-266	Carver-Scott Edu. Coop.	Nilfisk-Advance Cons.	\$10.42	\$2.30-\$3.35 per hour
02-00-274	Teamworks	BTD Manufacturing	\$9.25	\$3.70 per hour
02-00-277	St. Paul Public Schools	G & K Services	\$8.72	\$1.79 per hour
08-00-296	Anoka-Hennepin TC	No. Cities Health Care, Inc.	\$9.15	Not Available
11-00-310	MSU, Mankato	ISJ-Mayo Consortium	\$9.19	Not Available
11-00-332	Ridgewater CTC	SW MN Healthcare Cons.	\$10.65	Not Available
07-01-341	Mpls. Com.& Tech. College	Allina	\$11.86	Not Available
07-01-342	Carver-Scott Educ. Coop.	Inland Paper Board	\$10.92	Not Available
07-01-343	Carver-Scott Educ. Coop	Ridgeview Medical Center	\$12.70	Not Available
07-01-354	Teamworks	Homecrest	\$9.80	Not Available
07-01-355	Teamworks	PRD	\$8.36	Not Available
07-01-356	Teamworks	Lamb-Weston	\$8.90	Not Available
02-02-376	Century College	East Metro Hospital Consort.	\$10.87	Not Available

(C.) Pathways Projected Cost per Trainee

MJSP Grant No.	Educational Institution(s)	Contributing Business(es)	Total Projected Cost per Trainee*	MJSP Projected Cost per Trainee
10-97-180	Carver-Scott Educ. Coop.	Advance Circuits	\$4,197	\$1,100
03-98-188	Anoka-Hennepin Tech. College	Manufact.Cons /Success Tech	\$7,056	\$1,500
03-98-192	Pine Technical College	Marsden Corp.	\$7,433	\$999
03-98-195	Rochester Com.& Tech. College	Crenlo, Mfg. Consortium	\$9,260	\$1,953
03-98-199	Central Lakes College	LambWeston /RDO Foods	\$2,677	\$1,182
03-98-202	Dunwoody Institute	Printing Consortium	\$4,243	\$559
07-98-205	Hennepin Tech. College	HealthSystems	\$1,699	\$456
07-98-206	Hennepin Tech. College	Magnetic Data & Turck	\$1,088	\$525
07-98-209	St. Cloud Technical College	Human Services Consortium	\$8,466	\$1,653
07-98-211	Resource, Inc.	Pillsbury Consortium	\$10,628	\$1,785
07-98-217	Carver-Scott Educ. Coop	Apprenticeship with Soft Soap	\$8,637	\$3,208
07-98-219	Dakota County Tech College	Rupp Industries-Consortium	\$2,659	\$808
07-98-221	Mpls. Com.& Tech College	Abbott-Northwestern	\$4,809	\$1,504
04-99-226	Carver-Scott Educ. Coop	Emplast Consortium	\$4,789	\$1,489
04-99-227	Century College	Mfg. & Service Consortium	\$14,422	\$1,782
06-99-236	Teamworks	Audubon Eng.	\$6,995	\$2,500
88	Carver-Scott Educ. Coop.	Nilfisk-Advance Cons.	\$5,005	\$2,268

MJSP Grant No.	Educational Institution(s)	Contributing Business(es)	Projected		Actual	
			Number to be Trained	Number to be Placed	Number Completed Training	Total Number Placed
10-97-180	Carver-Scott Educ. Coop.	Advance Circuits	100	90	88	70
03-98-188	Anoka-Hennepin Tech College	Manufacturing Consortium	80	55	60	27
03-98-195	Rochester Com.& Tech. College	Crenlo, Mfg. Consortium	72	72	73	71
03-98-199	Central Lakes College	Lamb Weston /RDO Foods	28	28	32	32
07-98-217	Caver-Scott Educ. Coop.	Apprenticeship with soft soap	45	35	29	15
07-98-219	Dakota Tech. College	Rupp Indust.- Consortium	243	243	90	53
TOTAL:			568	523	372	268

(E.) Pathways Participants Actual Wages on Completed Projects

MJSP Grant No.	Educational Institution(s)	Contributing Business(es)	Projected	Actual
			Projected Weighted Average Hourly Wage	Actual Weighted Average Hourly Wage
10-97-180	Carver-Scott Educ. Coop.	Advance Circuits	\$9.09	\$9.45
03-98-188	Anoka-Hennepin Tech College	Manufacturing Consortium	\$9.06	\$11.03
03-98-195	Rochester Com. & Tech. College	Crenlo, Mfg. Consortium	\$9.89	\$8.94
03-98-199	Central Lakes College	LambWeston /RDO Foods	\$7.21	\$7.26
07-98-217	Carver-Scott Educ. Coop.	Apprenticeship with Soft Soap	\$10.86	\$9.65
07-98-219	Dakota Tech. College	Rupp Indust.- Consortium	\$8.68	\$8.56

(F.) Pathways Actual Cost per Trainee Data on Completed Projects

MJSP Grant No.	Educational Institution(s)	Contributing Business(es)	Projected		Actual	
			Total Cost per Trainee*	MJSP Cost per Trainee	Total Cost per Trainee*	MJSP Cost per Trainee
10-97-180	Carver-Scott Educ. Coop.	Advance Circuits	\$4,197	\$1,100	\$4,018	\$1,134
03-98-188	Anoka-Hennepin Tech. College	Manufact. Cons.	\$7,056	\$1,500	\$3,763	\$2,000
03-98-195	Rochester Com.& Tech. College	Crenlo, Mfg... Consortium	\$9,260	\$1,953	\$5,845	\$1,980
03-98-199	Central Lakes College	LambWeston /RDO Foods	\$2,677	\$1,182	\$3,447	\$955
07-98-217	Carver-Scott Educ. Coop.	Apprenticeship with Soft Soap	\$8,637	\$1,653	\$3,184	\$973
07-98-219	Dakota Tech. College	Rupp Indust.- Consortium	\$2,659	\$808	\$4,299	\$1,162
AVERAGE COST PER TRAINEE:			\$5,748	\$1,366	\$4,093	\$1,367

* Includes funding from MJSP, the Contributing Business(es), and the Linkage Organizations.