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## **Massachusetts Workforce Investments: Training Opportunities for State-Serving Populations**

The following brief provides an analysis of state workforce investments in state budgets from FY 2019 to FY 2023 organized in MTF’s training opportunities for state-serving populations workforce category. As MTF noted in our earlier introductory [brief](#), these programs provide workforce-related support services to populations involved with other state services (i.e. Department of Developmental Services clients or families receiving cash assistance from the Department of Transitional Assistance). The brief provides an overview of training opportunities for state-serving populations and highlights the five largest programs that represent 98 percent of all funding within this workforce category in FY 2023.

The first two workforce categories covered by MTF, [individual training](#) and [sector-based](#) programs, highlight investments that serve a specific workforce need, but this category is different. This category focuses on populations receiving state services and develops workforce programs around their needs. These programs vary widely and provide a range of services, such as soft skill development for individuals living with disabilities and employment training programs for low-income families involved with the emergency housing system.

By examining the largest programs within this category, we provide a survey of how these programs work and the populations they serve. Each major program overview provides a summary of its purpose, the level of expenditure between FY 2019 and FY 2023, and an assessment of the data available for policymakers and the public to determine the program’s efficacy. The brief also highlights several themes that emerge when considering state-serving workforce programs individually and as part of the workforce system as a whole. These themes, related to the significant amount of dedicated funds, the concentration of those funds, and the support services that supplement workforce training programs, have important policy implications for legislators and the administration.

### **Training Opportunities for State-Serving Populations Workforce Programs**

Since FY 2019, the annual budget has included ten-line items that support training opportunities for state-serving populations. Unlike individual training and sector-based workforce programs, all training opportunities for state-serving populations are under two secretariats: The Executive Office of Health and Human Services (EOHHS) and the Executive Office of Labor and Workforce Development (EOLWD). Similar to the other MTF workforce categories, the Commonwealth Corporation (CommCorp) also plays a role in administering a notable program in this area.

These programs vary in the type of support they provide; some are done in partnership with the federal government to support the vocational development of individuals living with disabilities, while others focus their efforts on providing job training to individuals receiving public assistance and those who are transitioning into society from correctional facilities. In addition to job training services, a majority of the largest workforce programs in this category provide wrap-around support, which reduces barriers to employment by assisting with transportation, child care assistance, or other potential barriers to success.

*State-Serving Populations Workforce Spending Vs. Individual and Sector-Based Spending Combined*

|                             | <b>FY 19 GAA</b> | <b>FY 20 GAA</b> | <b>FY 21 GAA</b> | <b>FY 22 GAA</b> | <b>FY 23 GAA</b> |
|-----------------------------|------------------|------------------|------------------|------------------|------------------|
| State-Serving Populations   | \$245.14         | \$283.25         | \$286.37         | \$269.75         | \$335.34         |
| Individual and Sector-Based | \$96.86          | \$110.33         | \$136.58         | \$170.43         | \$217.84         |

*\$ in millions*

As shown in the table above, the majority of all workforce spending goes to training opportunities for state-serving populations, but the share has declined as other workforce investments have increased. In FY 2019, state-serving populations workforce programs received 72 percent of all workforce spending, but the share fell to 60 percent by FY 2023 as investments in other areas increased.

While the workforce category's share of total funding decreased, spending in FY 2023 was 37 percent (\$90.2 million) more than FY 2019 (\$245.1 million), with nearly all investments falling under the EOHHS workforce budget. As demonstrated below, funding for state-serving populations workforce programs under the EOHHS budget increased by 35 percent (\$86.1 million) in FY 2023 over FY 2019. A majority (\$67.9 million) of the increase was to the Community Day and Work Programs. Additionally, funding for state-serving populations workforce programs under EOLWD's budget increased by 630 percent (\$4.1 million) in FY 2023 over FY 2019. Nearly all additional funding (\$3.25 million) was for the Demonstration Workforce Development Program, which provides job training to current and recently released incarcerated individuals.

*Training Opportunities for State Serving Populations Line Items by Department, FY 2019 – FY 2023*

| <b>Program</b>  | <b>FY19 GAA</b> | <b>FY20 GAA</b> | <b>FY21 GAA</b> | <b>FY22 GAA</b> | <b>FY23 GAA</b> | <b>FY 19-23 Change</b> |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|------------------------|
| <b>Executive Office of Health and Human Services</b>              | <b>\$244.49</b> | <b>\$282.00</b> | <b>\$284.62</b> | <b>\$266.25</b> | <b>\$330.59</b> | <b>\$86.10</b>         |
| <i>Community Day and Work Programs</i>                            | \$210.70        | \$239.51        | \$239.56        | \$219.96        | \$278.56        | \$67.86                |
| <i>Vocational Rehabilitation for People with Disabilities</i>     | \$10.42         | \$18.28         | \$18.45         | \$18.45         | \$23.30         | \$12.88                |
| <i>Employment Services Program</i>                                | \$14.34         | \$14.11         | \$16.50         | \$16.05         | \$16.89         | \$2.56                 |
| <i>Vocational Rehabilitation for the Blind</i>                    | \$3.34          | \$3.16          | \$3.16          | \$2.83          | \$2.83          | -\$0.51                |
| <i>Employment Assistance</i>                                      | \$2.19          | \$2.44          | \$2.44          | \$2.45          | \$2.48          | \$0.29                 |
| <i>Secure Jobs</i>  | \$1.00          | \$2.00          | \$3.00          | \$5.00          | \$5.03          | \$4.03                 |
| <i>Pathways to Self-Sufficiency</i>                               | \$1.00          | \$1.00          | \$1.00          | \$1.00          | \$1.00          | \$0.00                 |
| <i>Transportation Benefits for SNAP Work Program Participants</i> | \$1.50          | \$1.50          | \$0.50          | \$0.50          | \$0.50          | -\$1.00                |
| <b>Executive Office of Labor and Workforce Development</b>        | <b>\$.65</b>    | <b>\$1.25</b>   | <b>\$1.75</b>   | <b>\$3.50</b>   | <b>\$4.75</b>   | <b>\$4.10</b>          |
| <i>Demonstration Workforce Development Program</i>                | \$0.50          | \$1.00          | \$1.50          | \$2.50          | \$3.75          | \$3.25                 |
| <i>Employment Program for Young Adults with Disabilities</i>      | \$0.15          | \$0.25          | \$0.25          | \$1.00          | \$1.00          | \$0.85                 |

*\$ in millions*

**A Closer Look at the Largest Training Opportunities for State-Serving Populations Programs**

Five of the ten-line items in the state-serving populations workforce category represent 98 percent of FY 2023 spending. Therefore, understanding these largest programs is critical to understanding how the state

supports the vocational development of individuals who interact with state entities. These descriptions provide basic but essential information on funding, reporting, and efficacy to inform policy decisions.

### **Community Day and Work Programs (\$278.6 million in the FY 2023 budget)**

#### *What is it?*

This line item supports a partnership between the Department of Developmental Services (DDS) and community-based non-profit providers to offer Community Day and Work Programs to DDS clients ages 22 and older. DDS clients are individuals with intellectual and developmental disabilities, including those with an autism spectrum disorder. The department works with providers to connect individuals with an array of employment and day program support, aligned with the Employment First initiative to enable individuals to become fully engaged community members<sup>1</sup>. In addition to the Community Day and Work Programs, DDS provides families with support services, such as flexible funding stipends and the Turning 22 Service program that helps young adults transition from special education into the adult service system.

Through the Community Day and Work Programs, DDS refers its clients to private non-profit providers who offer a variety of employment and support services to help individuals obtain stable long-term employment. These services include skill development, short-term employment to practice learned skills, and long-term employment support. Program providers are regularly procured through a Request for Response (RFR) issued by DDS and must offer services through at least one of the three major program models below.

- **Community-Based Day Supports** – This structured model serves most individuals who participate in the Community Day and Work Programs and focuses on individuals looking for a pathway to employment. The programs operate between 9:00 am – 3:00 pm, Monday through Friday, and offer services to support their meaningful participation in community life. The services provided through this program model include career exploration, community integration experiences, and skill development and training.
- **Group-Supported Employment** – A small group of two to eight program participants are provided with program staff to develop skills and transition into the workplace. The staff member is alongside an individual while on the job and serves as a job coach to develop their resume and continue employment in the community.
- **Individual Supported Employment** – This program provides a range of services to support individuals as they obtain and maintain competitive integrated employment<sup>2</sup>. Providers work with employers in the community to create opportunities for job development and coaching, travel training, and benefits support.

In addition to the program methods highlighted above, DDS launched an initiative in 2022 to fund Community Connectors at provider organizations. Community Connectors are dedicated staff to help individuals find employment opportunities, educate employers on the needs and capabilities of individuals, and find volunteer opportunities. One of the roles of Community Connectors is to work collaboratively with employers to expand work opportunities available to individuals.

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<sup>1</sup> The Employment First initiative, supported by the 2013 Blueprint for Success, began the transition of individuals in sheltered workshops to integrated, individual employment.

<sup>2</sup> Competitive integrated employment is when an individual living with disabilities works in an environment with individuals without disabilities where they receive the same level of compensation, benefits, and opportunities for advancement similar to individuals without disabilities in similar positions.

*How has the funding level changed since the FY 2019 Budget?*

The program received \$278.6 million in FY 2023, an increase of \$67.9 million (32 percent) over FY 2019. This is the largest workforce investment for state-serving populations and represents 83 percent of spending in the workforce category. Additionally, it is the largest workforce investment in MTF’s overall analysis and represents half of the workforce spending in FY 2023.

Unlike individual or sector-based workforce programs, recent funding increases are primarily to increase reimbursement rates for providers, as opposed to increasing program capacity. Reimbursement rates are determined every two years, as required by the state’s Chapter 257 human service rate setting process. In addition to mandated rate increases, DDS further increased rates to attract more human service providers, retain current workers, and cover rising costs<sup>3</sup>.

*Are annual reports required by law and what efficacy data is publicly available?*

Yes, DDS must submit a report to the Joint Committee on Children, Families, and Persons with Disabilities and the House and Senate Committees on Ways and Means. The department regularly releases reports on the program, which must include the following information:

- The number of eligible individuals employed in community-based employment in the past fiscal year and the number estimated for the current fiscal year.
- The number and types of community-based employment partners.
- The outcomes measured.
- Recommendations for expansion.

The table below highlights participation data included in the 2019 and 2022 annual reports, which breaks down the number of participants by program model. As demonstrated below, program participation trends have varied by program in recent years. While participation in the Community-Based Day Support model increased by 4 percent and participation in the Individual Supported Employment model increased by 2 percent, the Group-Supported Employment model decreased by 7 percent.

*Program Participation 2019 vs. 2022*

| <b>Program Model</b>            | <b>2019 Participation</b> | <b>2022 Participation</b> | <b>Participation Difference</b> | <b>% Difference</b> |
|---------------------------------|---------------------------|---------------------------|---------------------------------|---------------------|
| Community-Based Day Supports    | 7,318                     | 7,590                     | +272                            | 4%                  |
| Group-Supported Employment      | 3,282                     | 3,046                     | -236                            | -7%                 |
| Individual Supported Employment | 3,898                     | 3,970                     | +72                             | 2%                  |

Furthermore, the most recent annual [report](#) expects participation in FY 2023 to remain similar to FY 2022 participation and highlights ongoing initiatives to expand the services, including technical assistance for provider agencies and increased access to technology and integration in service delivery. DDS manages a

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<sup>3</sup> DDS also receives a federal Medicaid reimbursement, typically 50 percent, based on an individual’s enrollment in one of DDS’s Home and Community-Based Waivers negotiated with the Center for Medicare and Medicaid Services. The reimbursement helps offset the fiscal impact of the program’s increased operating costs and additional state budget investments.

[dashboard](#), which updates every month, and data on outcome measures are evaluated by the Institute for Community Inclusion at the University of Massachusetts Boston. Recent reports have not included the number and type of community-based employment partners.

The performance metrics provided in the annual reports and the monthly dashboard provide policymakers and the public with information on the number of individuals served by each program model. However, it could be helpful for future reports to include the workforce goal for each program method and metrics to understand the program's impact, such as how individuals engage with the program and success in achieving the goals for a given engagement. This information would allow policymakers to better understand the program's goals and the additional metrics necessary to assess the program's effectiveness.

### **Vocational Rehabilitation for People with Disabilities (\$23.2 million in the FY 2023 budget)**

#### *What is it?*

The Vocational Rehabilitation (VR) program, administered by the Massachusetts Rehabilitation Commission (MRC), supports individuals with physical, cognitive, intellectual, or mental health conditions by helping individuals obtain and maintain employment. Most individuals who receive services through DDS are also eligible for services provided by MRC, which focuses on offering a range of services to support an individual's employment. These services range from pre-employment transition services for students aged 14-21 to providing adaptive technology to support an individual's independent employment.

Most annual VR funding is not included in the state budget; instead, it comes from federal grants provided through Title IV of the Workforce Innovation and Opportunity Act (WIOA). The VR line item in the state budget reflects non-federal funding to support the state's required match requirement necessary to maximize federal funds, which must equal or exceed expenditures made two years prior to the current fiscal year. Federal funding for the program is split between MRC and the Massachusetts Commission for the Blind (MCB) to administer employment support programs for individuals living with disabilities.

As part of the VR program, MRC counselors across 21 offices work with eligible individuals aged 14 and older to develop a career plan, coordinate job placements, and recruit employers<sup>4</sup>. Counselors may connect individuals with providers, and community-based organizations selected through an RFR process. Depending on an individual's goal, needs, and financial eligibility, providers offer a range of services, such as vocational counseling and providing assistive and/or rehabilitation technology, and are reimbursed by MRC.

#### *How has the funding level changed since the FY 2019 Budget?*

The program received \$23.2 million in state resources in FY 2023, an increase of \$12.9 million (124 percent) over FY 2019. This significant increase in funding resulted from several factors, including mandated Chapter 257 reimbursement rate increases for providers and the increased cost of program services.

While state funding for the VR program increased in FY 2023 over FY 2019, this is not the case on the federal level. As noted above, state funding augments a larger federal WIOA grant awarded to the state based on the population size and per capita income. In FY 2023, the state accounted for \$42 million in federal WIOA grant funding for the VR program, a decrease of \$5.4 million (11 percent) compared to FY 2019. This funding is not included in our overall analysis of state investments in workforce programs, as

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<sup>4</sup> MRC provides employment services to MRC, DDS, and DMH clients.

funding is in Section 2D of the budget, which accounts for federal grants and is not available for discretionary spending<sup>5</sup>.

The increase ad state funding has not necessarily led to additional individuals participating in the program. In FY 2022, participation decreased by nearly 5,500 individuals, and nearly 700 fewer individuals were placed in employment compared to FY 2019. The decrease is largely due to the pandemic’s impact on employers, which limited the number of individuals MRC Counselors could place in jobs. Additionally, ongoing participation in the program could take longer to recover compared to other workforce programs as individuals, on average, obtain employment two to three years after enrolling in a training program.

*Are annual reports required by law and what efficacy data is publicly available?*

While there is no reporting requirement in the line item, MRC regularly releases annual reports with data on the VR program. The federal government requires an annual performance report that includes the six primary indicators of performance listed below.

- Employment rate after the 2<sup>nd</sup> quarter following program completion.
- Employment rate after the 4<sup>th</sup> quarter following program completion.
- Median earnings after the 2<sup>nd</sup> quarter following program completion.
- Credential attainment.
- Measurable skills gain.
- Effectiveness in serving employers.

The impact of recent funding increases varies depending on the outcome measured. For example, while there has been a 22 percent decrease in the number of individuals receiving services and an 18 percent decrease in the number of employed program participants, there has been a 7 percent increase in the number of individuals in training and education programs and a 121 percent increase in average hourly wages for employed participants. The table below includes notable performance statistics in the most recent report covering FY 2022 and comparing it to FY 2019.

*FY 2019 vs. FY 2022 MRC Annual Report Vocational Rehabilitation Notable Data*

| <b>Metric Type</b>                                       | <b>FY 2019</b>             | <b>FY 2022</b>            | <b># Change</b> | <b>% Change</b> |
|--|----------------------------|---------------------------|-----------------|-----------------|
| <b>Individuals Actively Receiving Services</b>           | <i>24,991 Individuals</i>  | <i>19,505 Individuals</i> | <i>-5,486</i>   | <i>-22%</i>     |
| <b>Total Participants in Training/Education Programs</b> | <i>13,174 Individuals</i>  | <i>14,149 Individuals</i> | <i>975</i>      | <i>7%</i>       |
| <b>Individuals Employed</b>                              | <i>3,695 Individuals</i>   | <i>3,021 Individuals</i>  | <i>-674</i>     | <i>-18%</i>     |
| <b>Average Hourly Wage</b>                               | <i>\$13.07<sup>6</sup></i> | <i>\$17.64</i>            | <i>\$4.57</i>   | <i>35%</i>      |
| <b>Total Spent per Individual</b>                        | <i>\$2,407</i>             | <i>\$3,962</i>            | <i>\$1,555</i>  | <i>64%</i>      |

As the table above demonstrates, program costs have increased while participation has decreased in recent years. This should give policymakers some food for thought, as state funding increased by nearly \$13

<sup>5</sup> MRC also includes federal funding estimates in their annual reports, but these figures slightly differ from Section 2D funding figures.

<sup>6</sup> This only reflects the average hourly wages of individuals ages 14-24.

million in the same period. Notably, the total cost per participant has increased by \$1,555 (64 percent) in FY 2022 compared to FY 2019, while the number of participants who received services in FY 2022 decreased by 5,586 (22 percent) compared to FY 2019.<sup>7</sup>

The consistent reporting and level of data provided in the annual report allow policymakers to make informed funding decisions based on the program's efficacy. However, it could be helpful to see how many individuals were employed before they became involved with the program and the initial average hourly wage to determine the program's impact on an individual's economic growth. Additionally, information on the sectors where individuals are employed could help inform regional workforce needs and strategies.

The detailed scope of the VR reports highlights a potential policy concern: the cost per individual served has increased in recent years, even as the number of individuals served and employed has decreased. Going forward, it will be important for policymakers to understand if these cost increases are solely due to increasing rates for providers or if there are other drivers.

### **Employment Services Program (ESP) (\$16.9 million in the FY 2023 budget)**

#### *What is it?*

The Department of Transitional Assistance (DTA) receives funding from the line item to support Transitional Aid to Families with Dependent Children (TAFDC) Pathways to Work programs. DTA assists low-income individuals and families, including TAFDC-eligible families, by meeting their basic needs and helping achieve long-term economic stability. DTA assists individuals through programs such as the Supplemental Nutrition Assistance Program (SNAP) and cash assistance through the TAFDC program. TAFDC recipients can receive benefits for 24 months in a 5-year period and are eligible for employment and training programs funded by the ESP line item.

TAFDC Pathways to Work programs support TAFDC-eligible individuals by connecting them to career pathways and removing barriers to stable employment by providing services, including transportation payments and child care support. Pathways to Work consists of five major employment training programs administered by DTA in partnership with providers, the Office of Refugees and Immigrants (ORI), and MRC. These entities offer a range of services, including family support and work-based learning. Below is an overview of each of the five largest TAFDC Pathways to Work programs supported through this line item<sup>8</sup>:

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<sup>7</sup> Cost per participant is calculated by combining state and federal funding and using the total number of individuals actively receiving services through the VR program.

<sup>8</sup> In addition to these programs, the line item includes \$995,000 in earmark funding, which includes \$750,000 for Roca Inc. for the YPP.

*Summary of TAFDC Pathways to Work Programs*

|  | <b>Agency</b>                         | <b>Services</b>   | <b>Target Population</b>  | <b>Goal</b>  |
|--|---------------------------------------|---|---|--|
| <b>Competitive Integrated Employment Services (CIES)</b> | DTA and community-based providers     | Job search, training, education services, post-employment services.                     | TAFDC recipients  | Employment, career advancement, and job retention.   |
| <b>Employment Support Services Program (ESSP)</b>        | ORI                                   | English as a Second Language (ESL) services and wrap-around employment case management. | TAFDC refugees and immigrants and those whose primary language is other than English. | Removing barriers to employment by assisting the target population in entering, retaining, and advancing within the workforce. |
| <b>DTA Works Internship</b>                              | DTA                                   | Internship placements in state agencies and community-based organizations.              | TAFDC recipients  | Acquire and develop skills necessary to participate in the workforce.  |
| <b>Young Parent Program (YPP)</b>                        | DTA and community-based organizations | Case management, educational achievement outcomes, and education to career pathways.    | Parents aged 14-24  | Create economic mobility and financial stability for young low-income families.  |
| <b>Empowering to Employ (ETE)</b>                        | DTA and MRC                           | Case management, vocational support and employment services, and coaching.              | TAFDC individuals living with disabilities.   | Streamline the enrollment process for individuals receiving benefits from DTA to access services offered by MRC.               |

*How has the funding level changed since the FY 2019 Budget?*

The program received \$16.9 million in FY 2023, an increase of \$2.6 million (18 percent) over FY 2019. The distribution of line-item funding to the five major TAFDC Pathways to Work programs varies. Programs such as the ESSP receive funding through earmarks, while programs such as YPP receive funds through a five-year procurement cycle. The table below shows how much funding each major program received in FY 2023.

*TAFDC Pathways to Work Program Funding FY 2023*

| <b>Program</b>   | <b>FY 2019</b> | <b>FY 2023</b> | <b>\$ Change</b> | <b>% Change</b> |
|------------------|----------------|----------------|------------------|-----------------|
| <b>CIES</b>      | \$7.82         | \$8.77         | \$0.95           | 12%             |
| <b>ESSP</b>      | \$1.00         | \$1.75         | \$0.75           | 75%             |
| <b>DTA Works</b> | \$0.20         | \$0.20         | -                | -               |
| <b>YPP</b>       | \$3.76         | \$4.66         | \$0.90           | 24%             |
| <b>ETE</b>       | \$0.23         | \$0.31         | \$0.08           | 35%             |

*\$ in millions*



While the line item has seen an increase in funding in recent years, that has not correlated to more individuals participating in all major programs. The decrease in participation in some programs is likely due to waived work search requirements during the pandemic, which individuals must complete to receive unemployment assistance. Even with the reinstatement of the work search requirement, participation varies across programs, with some programs not yet rebounding to pre-pandemic levels.

*Are annual reports required by law and what efficacy data is publicly available?*

Yes, language in the line item requires DTA to annually submit a report to the House and Senate committees on Ways and Means. The report is regularly provided by DTA and must include the following information:

- Number of clients served by the programs.
- The number of clients who transition into employment, when applicable.
- The number of clients who remain in employment after 90 days, when applicable.
- The number of clients who remain in employment after one year, when applicable.
- Other quantifiable data related to client outcomes.
- The effectiveness of these programs in increasing client self-sufficiency.

Recent reports consistently include several performance metrics on the five major programs. While enrollment information is available for each program, other program outcomes vary based on the program goal. Some programs, including ESSP, had an increase in enrollment in FY 2022 compared to FY 2019, while enrollment decreased in other programs, such as CIES. The same variation can be seen in program outcomes, as the DTA Works Internship program had fewer participants obtain employment following the program, while the YPP had an increase in outcomes. The table below organizes notable data from the most recent annual [report](#) compared to FY 2019.

*Employment Services Program Data FY 2018 vs FY 2022*

| <b>Program</b>   | <b>FY 2019</b>  | <b>FY 2022</b>   | <b>Difference</b>                                    |
|------------------|---|--|--|
| <b>CIES</b>      | - 2,164 enrollments<br>- 1,341 job placements             | - 2,101 enrollments<br>- 1,962 professional certificates | - 63 fewer enrollments<br>- 621 more achievements    |
| <b>ESSP</b>      | - 282 enrollments<br>- 232 job placements                 | - 337 enrollments<br>- 141 job placements                | - 55 more enrollments<br>- 91 fewer job placements   |
| <b>DTA Works</b> | - 73 enrollments<br>- 49 employed                         | - 50 enrollments<br>- 16 employed                        | - 23 fewer enrollments<br>- 33 fewer employed        |
| <b>YPP</b>       | - 562 enrollments<br>- 323 outcomes achieved <sup>9</sup> | - 571 enrollments<br>- 594 outcomes achieved             | - 9 more enrollments<br>- 271 more outcomes achieved |
| <b>ETE</b>       | - 197 enrollments<br>- 46 job placements                  | - 207 enrollments<br>- 53 job placements                 | - 151 fewer enrollments<br>- 7 more job placements   |

While policymakers can rely on regularly published annual reports, each program uses different data due to the varying policy goals. While the ESSP program provides employment training programs for individuals whose primary language is not English, the YPP program focuses on educational achievements such as receiving a high school diploma. Given the line item supports various approaches to workforce development, it could be helpful to compare individuals in these programs to other DTA clients who are

<sup>9</sup> Examples of achieved outcomes include the enrollment of completion of parenting courses, increased financial literacy, and obtaining a driver's license.

not receiving these services to show the relative impact on the workforce readiness and training of program participants.

### **Secure Jobs (\$5 million in the FY 2023 budget)**

*What is it?*

This line item supports the Secure Jobs Program launched in 2013 and administered by DTA. The program helps individuals develop the economic resources necessary to maintain stable housing. DTA partners with organizations that connect individuals in 12 communities with employment and support services<sup>10</sup>. To be eligible, individuals must participate in EOHLC housing stabilization and support programs such as the Emergency Assistance system, HomeBASE, and the Residential Assistance for Families in Transition programs. Providers work with participants to establish a plan tailored to their needs by setting job goals and supporting individuals as they obtain and retain long-term, meaningful employment.

Participants receive employment support services through a phased process based on their employment progression. Additionally, providers can use a portion of their budgets to provide flexible support to families with unexpected costs that may negatively impact their employment; DTA recommends that providers reserve 20% of their budget for these flexible purposes. On average, families receive less than \$500 in flexible funds for wrap-around support each year, often used to address transportation-related barriers<sup>11</sup>.

*How has the funding level changed since the FY 2019 Budget?*

The program received \$5 million in the FY 2023 budget, an increase of \$4 million (403 percent) over FY 2019 funding. While there have been recent funding increases for the program, this has not resulted in additional individuals served. The increased investments made between FY 2019 and FY 2023 have focused on providing program participants with more support services rather than increasing the number of participants.

*Are annual reports required by law and what efficacy data is publicly available?*

Yes, language in the line item requires DTA to submit a report to the House and Senate Committees on Ways and Means. DTA regularly submits annual reports on the program, which must include the following metrics:

- Housing situation, including stability of housing, for program participants.
- Employment status, including the employment history, of program participants.
- Total number of program participants.
- Number of program participants who are no longer receiving assistance.

As the program continues to recover from the pandemic and its effects on employers, enrollments and post-program participation employment decreased in FY 2022 compared to FY 2019. During this period, 200 fewer individuals enrolled, and 20 fewer individuals were employed after participating in the

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<sup>10</sup> These are DHCD defined areas and include Boston, Brockton, Fall River, Taunton, Hyannis, New Bedford, Framingham, Lawrence, Lowell, Holyoke, Springfield, and Worcester.

<sup>11</sup> Flex funds can also be used for moving costs, overdue utility bills, and employment retention payments as an individual participates in the two-year program.

program, but average wages increased by more than \$3 an hour. The table below summarizes notable findings from the most recent annual [report](#) on the Secure Jobs program.

*Secure Jobs FY 2019 vs FY 2022 Data*

| <b>Metric</b>                                | <b>FY 2019</b>        | <b>FY 2022</b> | <b># Difference</b> | <b>% Difference</b> |
|--|-----------------------|----------------|---------------------|---------------------|
| <b>Program Enrollments</b>                   | 646                   | 437            | -209                | -32%                |
| <b>Employed</b>                              | 277                   | 257            | -20                 | -7%                 |
| <b>Average Hourly Wage</b>                   | \$12.93 <sup>12</sup> | \$16.44        | \$3.51              | 27%                 |
| <b>Participants in Initial Program Phase</b> | 58% <sup>13</sup>     | 69%            | -                   | -                   |

The consistency of annual reports provided by DTA provides policymakers with some performance metrics that allow them to make informed funding decisions. It is notable that even as program funds have increased significantly, program enrollment declined by more than 30 percent between FY 2019 and FY 2022, though the share of participants employed, and wages did increase. Going forward, reports should include data on the number of individuals in each phase of the program and the average time it takes to move from each phase as this information could provide policymakers with a better understanding of the program’s efficacy and opportunities for improvement. Additionally, information on the total amount of funding dedicated to support flex funds could help policymakers understand how wrap-around services support the workforce.

**Demonstration Workforce Program (\$3.8 million in the FY 2023 budget)**

*What is it?*

First funded in FY 2017, the line item supports the Re-Entry Workforce Development Demonstration Grants program administered by CommCorp. The program focuses on improving workforce outcomes and creating a stable living environment for individuals exiting correctional facilities and rejoining their communities<sup>14</sup>. The program expands access to job training and stabilization programs in cities and towns impacted the most by high levels of incarceration<sup>15</sup>. CommCorp competitively awards funding to eligible applicants, including community-based organizations, non-profit education, and training service providers. These organizations partner with the Department of Corrections (DOC) facility or a regional House of Corrections (HOC) and at least two local employers to place individuals.

Organizations receive funding through a two-phase process that funds programming over two years. The organization receives a \$20,000 planning grant for internal program development and technical assistance to prepare for the \$160,000 implementation grant. Based on the employers organizations partner with, job training is offered around a specific industry. As part of the program, training promotes career advancement within the sector to support an individual’s stability. Organizations can spend up to \$15,000 per individual on job training and stabilization services such as coaching, financial assistance, and placement services.

In FY 2022, a total of \$1.7 million in funding was awarded to 13 organizations that operated through September 2023, with three organizations receiving planning grants and 10 receiving implementation and

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<sup>12</sup> Reflects average earned wages of employed participants as of December 2019.

<sup>13</sup> Reflects the number of participants in the initial goal setting and job seeking stage as of December 2019.

<sup>14</sup> Individuals from Department of Corrections facilities and House of Corrections facilities are eligible for services.

<sup>15</sup> According to CommCorp’s most recent [report](#) on the program, a large portion of formerly incarcerated individuals reside in Boston, Springfield, Brockton, New Bedford, Worcester, Fall River, Lawrence, Lynn, Lowell, and Taunton.

placement grants. These organizations partnered with 11 different DOC and HOC counties and facilities and offered training services in sectors, such as manufacturing, hospitality, culinary arts, and environmental services.

*How has the funding level changed since the FY 2019 Budget?*

The program received \$3.8 million in the FY 2023 budget, an increase of \$3.3 million (650 percent) from FY 2019 funding. While funding has significantly increased in recent years, spending has lagged compared to the program’s appropriation. In FY 2023, CommCorp only expended \$1.5 million (39 percent) of its total appropriation, while the remaining funds can be used in FY 2024. This funding increase has resulted in a 50 percent enrollment increase and four additional organizations receiving funding in FY 2023 compared to FY 2021.

*Are annual reports required by law and what efficacy data is publicly available?*

Yes, line-item language requires EOLWD to submit a report to the Executive Office of Administration and Finance (ANF) and the House and Senate Committees on Ways and Means. CommCorp has regularly released an annual report that must include the following program metrics:

- Administrative functions of the program.
- Client outcomes.
- Plans for a longitudinal evaluation framework.

Below are notable metrics included in CommCorp’s most recent legislative [report](#) of the program, which covers data up to February 2023<sup>16</sup>:

FY 2023 Program Data

| Metric                       | FY 2023                 |
|------------------------------|-------------------------|
| <b>Enrolled Participants</b> | 143                     |
| <b>Program Completions</b>   | 35                      |
| <b>Job Placement Rate</b>    | 46%                     |
| <b>Job Placement Sectors</b> | Hospitality and Leisure |
| <b>Average Hourly Wage</b>   | \$18.06                 |
| <b>30 Day Employment</b>     | 16                      |

While the table above demonstrates key metrics in the FY 2023 report, these metrics have not been consistently included in previous annual reports. Unfortunately, this creates a challenge for policymakers to make in-depth comparisons from year to year and makes it difficult to assess the impact of gradual funding increases between FY 2019 and FY 2023. However, it is a positive development that several program data points are in the most recent annual report, which could be helpful to policymakers moving forward if the same data is evaluated in future annual reports.

Additionally, the timing of the annual reports creates challenges for policymakers to have a complete picture of the program outcomes. The annual reports are released in the middle of a program’s implementation, often spanning into a second fiscal period, which does not allow policymakers to see the full impact of training programs, as placements typically begin during the 11<sup>th</sup> month of the program. It could be helpful if policymakers adjusted the language in the line item to require a report to be provided on a different date to better understand the program’s efficacy.

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<sup>16</sup> At the time of the annual report, the program was halfway through the implementation period, which is not often the period with many program completions or employment outcomes.

## Summing Up

Several themes highlighted in MTF's earlier briefs on individual workforce training and sector-based training programs related to increases in spending, limited sufficient data, and the reliance on regional labor market needs are present in the workforce programs highlighted in this brief.

- **Spending has continued to increase over the past five fiscal years** – Investments for training opportunities for state-serving populations in FY 2023 increased by \$90.2 million (37 percent) over FY 2019 funding, with \$67.9 million (75 percent) of the increase dedicated to Community Day and Work Programs.
- **The scope of performance data is limited** – For each of the programs highlighted above, there is an improvement in reporting requirements for these programs compared to individual and sector-based workforce training programs, which lead to regularly published reports. However, additional data could be helpful to show the impact of a program on the workforce. For example, knowing how many individuals served by Community Day and Work Programs are still employed could show how the programs impact an individual's employment.
- **Programs rely on employer collaboration** – Despite target populations being different than individual training and sector-based workforce programs, state-serving populations workforce programs rely on local employer needs and engagement. Programs such as VR rely on partnerships with employers through a statewide network of providers to fill positions and provide program participants with work-based learning experiences and job placements.

In addition to these common workforce themes, a few other themes emerge that are specific to training opportunities for state-serving populations programs:

### *History of Significant Funding*

While funding for individual workforce training and sector-based programs has increased quickly over the past five years, training opportunities for state-serving populations have historically received the most workforce funding. In FY 2019, funding for training opportunities for state-serving populations represented 72 percent (\$245.1 million) of all workforce spending. In FY 2023, the funding share declined to 60 percent (\$335.3 million) but these programs continue to get the most workforce funding.

### *Spending is Concentrated*

Unlike individual workforce training and sector-based programs, nearly all workforce programs within this category are under one secretariat. In FY 2023, 99 percent of all funding for training opportunities for state-serving populations was under the EOHHS budget. However, funding is diffuse within the secretariat, as four different EOHHS agencies work together and often with other secretariats to achieve policy goals.

For example, DTA, ORI, and MRC are responsible for administering programs funded by the ESP line item to provide employment training and wrap-around support services. Furthermore, DTA works with a separate secretariat, EOHLC, to offer job training programs to individuals receiving housing assistance to expedite their pathway to stable housing. The concentrated nature of workforce spending under one secretariat could also be why each of the programs highlighted above consistently provides performance reports on programs.

### *Importance of Wrap-Around Support*

Given these programs target individuals who already receive various services through the state, each program incorporates wrap-around support services as a critical component. Programs such as Community

Day and Work Programs and VR take a more involved approach beyond employment outcomes. For instance, the Community Day and Work Programs focus on creating opportunities for individuals living with disabilities by tailoring training services to their needs, interests, and capabilities. Additionally, the VR programs provide job training and related services and work with employers to expand the roles in which an individual can be employed.

### **Next Steps**

MTF's next workforce brief will focus on state investments made through the two COVID recovery and economic development bills passed in 2021 and 2022. These workforce initiatives were the state's response to the pandemic's devastating impact on the labor market and critical sectors. Similar to this brief, an overview of the largest investments made in both bills will be provided by looking at what the program does, its funding history, and what data is available to determine its efficacy. Across those programs, trends, and themes will emerge as the state continues to address current labor market needs and workforce shortages.

## Appendix

### State Serving Populations Workforce Programs FY 2019 – FY 2023

| Program  | Dept.   | FY19<br>GAA     | FY23<br>GAA     | \$<br>Difference | CAGR       |
|--|---|-----------------|-----------------|------------------|------------|
| Community Day and Work Programs                            | Dept. of Developmental Services                     | \$210.70        | \$278.56        | \$67.86          | 6%         |
| Vocational Rehabilitation for People with Disabilities     | Massachusetts Rehabilitation Commission             | \$10.42         | \$23.30         | \$12.88          | 17%        |
| Employment Services Program                                | Dept. of Transitional Assistance                    | \$14.34         | \$16.89         | \$2.56           | 3%         |
| Secure Jobs  | Dept. of Transitional Assistance                    | \$1.00          | \$5.03          | \$4.03           | 38%        |
| Demonstration Workforce Development Program                | Executive Office of Labor and Workforce Development | \$0.50          | \$3.75          | \$3.25           | 50%        |
| Vocational Rehabilitation for the Blind                    | Massachusetts Commission for the Blind              | \$3.34          | \$2.83          | -\$0.51          | -3%        |
| Employment Assistance                                      | Massachusetts Rehabilitation Commission             | \$2.19          | \$2.48          | \$0.29           | 3%         |
| Employment Program for Young Adults with Disabilities      | Dept. of Career Services                            | \$0.15          | \$1.00          | \$0.85           | 46%        |
| Pathways to Self Sufficiency                               | Dept. of Transitional Assistance                    | \$1.00          | \$1.00          | \$0.00           | 0%         |
| Transportation Benefits for SNAP Work Program Participants | Dept. of Transitional Assistance                    | \$1.50          | \$0.50          | -\$1.00          | -20%       |
| <b>Grand Total</b>   |   | <b>\$245.14</b> | <b>\$335.34</b> | <b>\$90.20</b>   | <b>14%</b> |

\$ in millions