



WISCONSIN **FAST** FORWARD

→ SKILLED WORKERS. SMART BUSINESS. **STRONG WISCONSIN.**

ANNUAL REPORT December 2013

Wisconsin is Open for Business



Department of Workforce Development



December 20, 2013

Governor Scott Walker
Room 115 East
Wisconsin State Capitol
Madison, WI 53703

Senator Alberta Darling
Co-Chair, Joint Finance Committee
Room 317 East
Wisconsin State Capitol
Madison, WI 53703

Representative John Nygren
Co-Chair, Joint Finance Committee
Room 309 East
Wisconsin State Capitol
Madison, WI 53703

Dear Governor Walker, Senator Darling, and Representative Nygren:

On March 13, 2013, Governor Walker signed into law 2013 Wisconsin Act 9, putting in place the Wisconsin Fast Forward initiative. The bill, authored by Senators Rick Gudex and Robert Cowles and Representative Kathy Bernier, passed both houses of the legislature with overwhelming bipartisan majorities.

Since that time, the Department of Workforce Development (DWD) has moved quickly to implement the legislation. Within six months, DWD established the Office of Skills Development (OSD) to administer the program, designed the grant program and associated systems, developed applicable administrative rules, and issued the first round of Grant Program Announcements in November 2013. The initial round of announcements makes up to \$2.7 million in grants available to train workers in the manufacturing, construction, and customer service sectors.

As required by Wis. Stats. 106.27 (3), this report summarizes activities for Wisconsin Fast Forward through state fiscal year 2013. Specifically, this report includes:

- ▶ An overview of the program.
- ▶ Activities to implement Wisconsin Fast Forward in close collaboration with numerous workforce partners.
- ▶ A summary of data points to illustrate the reach of the program.
- ▶ Future implementation activities.

As you know, the intent behind the Wisconsin Fast Forward program is to provide funds for training programs to employers in response to documented skill needs not currently addressed by other training programs. With input from companies, local and regional economic and workforce development organizations, the Wisconsin Economic Development Corporation, and the Wisconsin Technical College System, the Office of Skills Development will continue to make available grant announcements that are responsive to the needs of employers.

In the coming months, we will continue to reach out to businesses in Wisconsin, ensuring that they can access the qualified workers they need to successfully expand.

We look forward to sharing a full year of activities from Wisconsin Fast Forward in future reports.

Sincerely,

Reggie Newson
Secretary



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Statutory Requirement

Wis. Stats. 106.27 (3) Annual Report: Annually, by December 31, the department shall submit a report to the Governor and the co-chairpersons of the Joint Committee on Finance providing an account of the department's activities and expenditures under this section during the preceding fiscal year. The report shall include information on the number of unemployed and underemployed workers and incumbent employees who participate in training programs under this section; the number of unemployed workers who obtain gainful employment, underemployed workers who obtain new employment, and incumbent employees who receive increased compensation after participating in such a training program; and the wages earned by those workers and employees both before and after participating in such a training program.

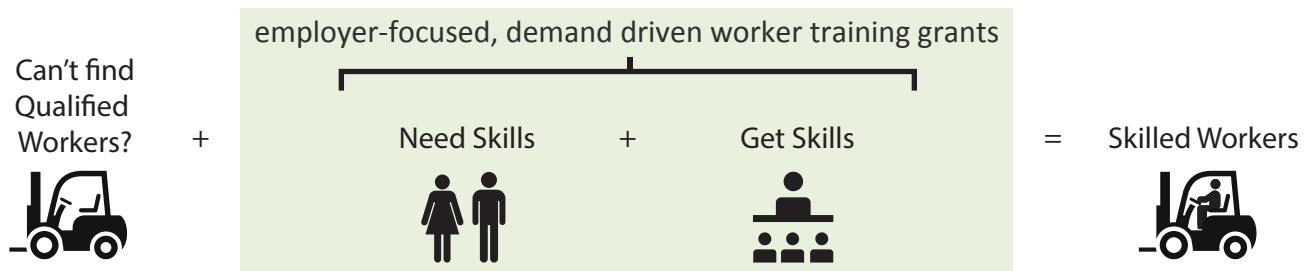
As no grants were awarded during the preceding fiscal year, DWD has no grant expenditure information to report pursuant to Wis. Stats. 106.27 (3).



Wisconsin Fast Forward Overview

Governor Scott Walker signed 2013 Act 9, also known as Wisconsin Fast Forward, into law in March 2013 with strong bipartisan support from both houses of the Wisconsin Legislature.

The Wisconsin Fast Forward program appropriates \$15 million to provide employer-focused, demand driven worker training grants, authorizes four positions in a newly created Office of Skills Development (OSD), and includes funding to develop a cutting-edge labor market information system.



OSD encourages the development of innovative business-driven training programs at the local and regional level by building and incentivizing collaboration between businesses, educators, workforce development entities, and economic development organizations to meet area workforce demands. To maintain a strong environment for private sector job creation, Wisconsin must train workers to fill the employment demands of growing and expanding businesses. The Wisconsin Fast Forward training grant program complements the technical skills training and education offered by Wisconsin's technical colleges, post-secondary institutions, and training providers.

The Wisconsin Fast Forward Program will act as a training and skills development catalyst, encouraging increased collaboration between Wisconsin's workforce trainers and businesses to develop and execute business-led training programs. These training programs are designed to provide sustainable short- and medium-term training and placement of workers in positions that offer trainees long-term professional growth and economic opportunity.

Labor Market Information System (LMIS)

- ▶ In the Wisconsin Fast Forward legislation, DWD was directed to develop an enhanced labor market information system.
- ▶ Following the passage of the bill, DWD began a competitive procurement process to choose a vendor to meet the enhanced system requirements.
- ▶ Burning Glass Technologies, a company based in Boston, MA, was chosen to develop a cutting-edge labor market information system for Wisconsin employers and job seekers.
- ▶ The system will provide enhanced functionality to the existing Job Center of Wisconsin website, enabling job seekers to access tens of thousands of available jobs and enabling employers to post openings and connect with an ever-increasing talent pool.
- ▶ The LMIS will also enable automated matching of a job seeker's skills with relevant employer openings, increasing the pool of available openings compared to a traditional job search based on occupational titles.



Key Dates

- February 2013: Wisconsin Fast Forward legislation is introduced in the Wisconsin Legislature.
- March 2013: 2013 Wisconsin Act 9 is signed by Governor Walker.
- May 2013: First Office of Skills Development staff hired.
- October 2013: Emergency Rules become effective.
- November 2013: Governor Walker announces the first round of Grant Program Announcements totaling \$2.7 million to train workers in manufacturing, construction, and customer service.
- Early 2014: First round of grants will be awarded and second round of Grant Program Announcements will be released.

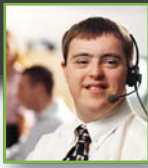


Additional Grant Program Announcements will be released each quarter through June 30, 2015.

Office of Skills Development

The Office of Skills Development (OSD) is uniquely positioned to serve as a resource for any business seeking skilled workers in Wisconsin. Through either the Wisconsin Fast Forward grant program or traditional workforce programs and services, OSD is committed to connecting businesses to workforce partners who can train or access the workers they need. OSD staff routinely visit with regional economic development corporations, workforce development boards, technical colleges, chambers of commerce and other workforce development partners and agencies to listen to employer needs, to connect employers to resources and programs and to explain the training grant program opportunities.





Wisconsin Fast Forward Grant Program

- ▶ 2013 Wisconsin Act 9 authorizes \$15 million in general purpose revenue for the 2013-2015 biennium for training grants.
- ▶ The grants can be used for training unemployed and underemployed workers and increasing the skills of incumbent workers at Wisconsin businesses.
- ▶ DWD has developed a strategic partnership with the Wisconsin Technical College System (WTCS) and the Wisconsin Economic Development Corporation (WEDC) in the implementation of this workforce training program.
- ▶ Per 2013 Wisconsin Act 9, the Wisconsin Fast Forward program will report the following metrics annually to the Governor and the Joint Finance Committee:
 - the number of unemployed and underemployed workers and incumbent employees who participate in training programs under this section;
 - the number of unemployed workers who obtain gainful employment, underemployed workers who obtain new employment, and incumbent employees who receive increased compensation after participating in such a training program; and
 - the wages earned by those workers and employees both before and after participating in such a training program. Grantees must report on these metrics and how the money was used.
- ▶ DWD has developed administrative rules (DWD 801) to govern the grant program, detail the business processes for the grant program and establish the mechanism for organizations to apply for grants. DWD is currently operating under emergency rules and anticipates final approval and publication of permanent administrative rules in early 2014.

Wisconsin Fast Forward Inquiry Process

In addition to managing the \$15 million worker training grant program, OSD provides technical assistance to Wisconsin employers experiencing a need for skilled workers. This assistance ranges from facilitating meetings between an employer and the existing local workforce infrastructure to the development of collaborative, multi-employer Wisconsin Fast Forward grant applications.

To make it easy for employers to identify their workforce training needs, OSD has created an online inquiry process where employers can discuss their skills gap and training needs. This information is submitted via the WisconsinFastForward.com website and shared with OSD's strategic partners, the Wisconsin Economic Development Corporation (WEDC) and the Wisconsin Technical College System (WTCS), and other economic and workforce development resources to develop customized training solutions specific to employers' needs. This demonstrated need for skilled workers, in combination with available labor market data, helps drive the Grant Program Announcement development process.

“Employers have already suggested over 130 training concepts since launching the online inquiry process this summer.”



Wisconsin Fast Forward Principles and Partnerships

OSD, in concert with a number of workforce partners, developed a series of guiding principles for the Wisconsin Fast Forward program. Partners include the WEDC, the WTCS, area Workforce Development Boards, the Department of Public Instruction, and a number of additional local, regional, and statewide organizations. Our shared vision is to position Wisconsin as a global leader in workforce development, preparing and training skilled workers for careers in growth sectors.

The following principles underscore the goals of the Wisconsin Fast Forward grant program:

- ▶ Demand-driven: Grants will be awarded in response to an identified labor need of an employer or group of employers where existing programs cannot meet the defined need or outcome.
- ▶ Sector-specific: OSD will utilize labor market data and inquiries to determine which industry sectors have specific worker training and skill requirements or projected employment growth to maximize the impact of grant awards.
- ▶ Data-supported: Current and projected labor market information and skill requirements will significantly influence grant decisions.
- ▶ Collaboration-based: Successful grant applications will leverage collaboration with workforce development boards, economic development organizations, education providers, state agencies, and/or business associations.
- ▶ Transparent and accountable: DWD and OSD will partner closely to ensure that the process for soliciting, reviewing, and awarding worker training grants occurs with a high degree of transparency and accountability. OSD will leverage DWD audit resources to ensure that program costs follow agency, state, and federal regulations and that program outcomes are met or exceeded.
- ▶ Sustainable and replicable: OSD will encourage the development of sustainable training models that can be utilized in other industry sectors or regions across Wisconsin.

These values ensure that the Wisconsin Fast Forward grant program operates in close collaboration with Wisconsin businesses, establishing training programs that meet the skill requirements of hiring companies. Additionally, DWD will work closely with K – 12 educators to ensure students are exposed to workforce projections and high-demand occupations that align with growing and expanding opportunities throughout Wisconsin, with a vision of ensuring that secondary and post-secondary students are able to make informed decisions about their future and access training that will lead to a family-supporting job.



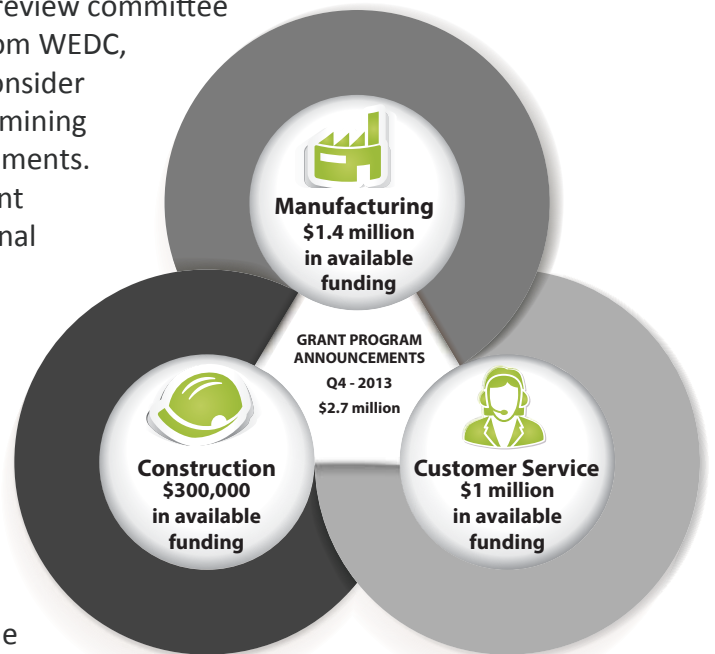
Pictured from left: WTCS President Morna Foy, DWD Secretary Reggie Newson, and WEDC CEO/Secretary Reed Hall



Wisconsin Fast Forward Grant Process

OSD has developed a robust grant announcement creation, submission, review, approval, and monitoring process that includes a number of key workforce stakeholders.

- ▶ **Grant Inquiries:** Businesses, economic development entities, and workforce development organizations can submit inquiries to OSD highlighting a skill need at a private-sector employer. Inquiries received will be reviewed by a committee consisting of OSD staff and representatives from the Wisconsin Economic Development Corporation (WEDC), Wisconsin Technical College System (WTCS), and the Wisconsin Workforce Development Association to determine a course of action.
- ▶ **Grant Program Announcements:** A technical review committee consisting of OSD staff and representatives from WEDC, WTCS, and the Department of Revenue will consider grant inquiries and labor market data in determining the development of Grant Program Announcements. Each announcement will include a total amount available, sector-focused training, and additional eligibility criteria for prospective applicants.
- ▶ **Grant Application Submission, Review, and Approval:** Businesses can apply for available grant opportunities released through Grant Program Announcements. Businesses can also include economic development entities and/or workforce development organizations as partners and must identify a training provider in their application. OSD staff and, depending upon the dollar amount, representatives from WEDC, WTCS and the business community will serve as the Grant Evaluation Committee and review applications and recommend approval, conditional approval, or denial. The Grant Evaluation Committee will convene a public meeting to hear direct testimony for grant applicants above a dollar threshold prior to formulating final recommendations.
- ▶ **Training Program Development and Delivery:** OSD staff will work collaboratively with successful grant applicants and identified training providers to develop a curriculum in line with the outcomes identified in the grant application. The OSD staff may engage workforce partners to assist employers in recruiting potential students for training programs when requested by employers.
- ▶ **Closing out the grant:** Following the fulfillment of identified outcomes in the grant, OSD staff will close out grants, ensuring that all payments are in line with relevant state and federal regulations and responding to any audit requests.
- ▶ **Ongoing Program Evaluation:** OSD staff will track graduates of training programs funded through Wisconsin Fast Forward to establish a cumulative return on investment.





Wisconsin Fast Forward Outreach & Education

The Office of Skills Development (OSD) conducted over 70 outreach and education events throughout Wisconsin that resulted in employer applications from 35 counties in the initial round of Grant Program Announcements ending December 16, 2013. If you would like OSD to speak at your event about Wisconsin Fast Forward and how it can benefit Wisconsin companies, go to <http://dwd.wisconsin.gov/wff/contact.asp>.

