

Workforce Development Training Fund – Quantitative Funding Model

Core Economic and Labor Market Information Variables:

The Idaho Department of Labor research team studied a host of quantifiable economic and labor market variables to determine which were most predictive of economic growth, impact and wealth creation.

Workforce Development Training Fund - Quantitative Funding Model																							
Input Score 10		Input Weight 4		Input Score 3		Weights 1		Input Score 9		Weights 0.5		Input Score 3		Weights 0.5		Input Score 6		Weights 2		Total Score Range 80 + 71 to 80 61 to 70 56 to 60 51 to 55 46 to 50 41 to 45 <41	Maximum Funding Per Employee \$ 5,000+ \$ 4,500 \$ 4,000 \$ 3,500 \$ 3,000 \$ 2,500 \$ 2,000 \$0 to \$1,999		
WAGES		EDUCATION and TRAINING		INDUSTRY ECONOMIC MULTIPLIER		EMPLOYER'S UI TAX RATE		COUNTY UNEMPLOYMENT RATE		OCCUPATIONAL CONCENTRATIONS TRANSFERABILITY													
Wages	Points			Mult.	Points	Rate Class	Points	%	Points	LQ	Points												
\$ 19.00	10	X	6	3.60	10	+1 +2	10	10.00	10	2.50	10												
\$ 18.00	9		5	3.30	9	+3 +4	9	9.00	9	2.00	9												
\$ 17.00	8		4	3.00	8	+5 +6	8	8.00	8	1.50	8												
\$ 16.00	7		2	2.70	7	SR and RI	6	7.00	7	1.25	7												
\$ 15.00	6			2.40	6	-1 -2	-1	6.00	6	1.00	6												
\$ 14.00	5			2.10	5	-3	-2	5.00	5	0.75	5												
\$ 13.00	4			1.80	4	-4	-3	4.00	4	0.50	4												
\$ 12.00	3		1.50	3	-5	-4	3.00	3	0.40	3													
						-6	-5	2.00	2	0.30	2												
								1.00	1	0.20	1												
Metric 1 Wages and Training Earnings				Metric 2 Economic Impact Multiplier				Metric 3 Unemployment Insurance Experience				Metric 4 County Unemployment Rate				Metric 5 Occupation Concentrations and Transferability							
Use Weighted Average from Vendor Proposal				Uses EMSI IO Multipliers				Uses Employer Tax Array or Standard Rate for New Employers				Anchored to the State Fiscal Year Average State Unemployment Rate				Uses Occupational Information Location Quotients							
Maximum 60 Points				Maximum 10 Points				Maximum 5 Points				Maximum 5 Points				Maximum 20 Points				Maximum 100 Points		Total Combined Score	

Six distinct variables were chosen to drive the model above:

- **Wages and Training**, a major wealth creation driver can earn up to 60 points for jobs paying \$26 or more with formal training (*detailed training definitions on back*).
- **Economic Impact** can earn up to 10 points for industries with multipliers of 3.6 or higher.
- **Employer's Unemployment Insurance Rate** - Businesses with the lowest UI tax rates can earn up to five points while negative rated employers lose points. New businesses are given the standard rate, which earns them three points.
- **County Unemployment Rate** - Businesses located in counties with higher rates can earn up to five total points.
- **Occupational Concentration Levels** – Businesses can earn as much as 20 points in highly concentrated occupations.

For more information or assistance go to <http://lmi.idaho.gov/region> and contact your local regional economist.

Education and Training Definitions

POINTS	TYPE OF TRAINING	DESCRIPTION
6	Degrees and Registered Apprenticeships	<ul style="list-style-type: none"> • A state educational agency or a state agency responsible for administering vocational and technical education within a state. • An institution of higher education described in Section 102 of the Higher Education Act (20 USC 1002) that is qualified to participate in the student financial assistance programs authorized by Title IV of that act. This includes community colleges, proprietary schools, and all other institutions of higher education that are eligible to participate in federal student financial aid programs. • ETA's Office of Apprenticeship or a state apprenticeship agency. Apprenticeship Regulations, 29 CFR part 29, Labor Standards for Registration of Apprenticeship Programs
5	Occupational Licenses	<ul style="list-style-type: none"> • A licensure or certification usually awarded by a public regulatory agency upon an individual's fulfillment of educational, work experience or skill requirements that are legally necessary for an individual to use an occupational or professional title or to practice an occupation or profession (e.g., Federal Aviation Administration aviation mechanic license or a state licensed asbestos inspector).
4	Industry Certifications, Personnel Certifications	<ul style="list-style-type: none"> • A professional, industry, or employer organization (e.g., National Institute for Automotive Service Excellence certification, or a National Institute for Metalworking Skills Inc. Machining Level I credential) or a product manufacturer or developer (e.g., Microsoft Certified Database Administrator, Certified Novell Engineer or a Sun Certified Java Programmer) using a valid and reliable assessment of an individual's knowledge, skills and abilities. • TechHelp or Job Corps centers that issue individual certificates
2	Structure OJT with a Trainer www.alnmag.com/articles/2011/02/what-Structured-job-training	<ul style="list-style-type: none"> • "Structured OJT" where an already experienced and successful employee uses a company curriculum of tasks and performance criteria to train and certify new employees. In this way, new hires learn not only the job but the skills and knowledge they need to successfully perform in the position. With structured OJT, any experienced employee given minimal "trainer instruction" can train new employees. In a well-implemented and well-monitored structured OJT program, all new employees receive consistent, effective and efficient training regardless of the trainer assigned to them. Structured on the job training is one of the most cost-effective ways to provide job task training and skills.

*** Training definitions go to: <http://wdr.doleta.gov/directives/attach/TEGL15-10a2.pdf>