High Skills, High Wages
Annual Progress Report to the Legislature
(July 2008 to June 2009)

To the Governor and Washington state Legislators:

As you continue your diligent efforts to get Washington’s economy working at its full potential again, we should remind ourselves of the many things that Washington does exceedingly well. Sitting at the intersection of K-12, higher education, economic development, employment services, and social services, the Workforce Board is uniquely positioned to identify those strategic opportunities that can propel our state workforce and economy into a more secure and satisfying future.

This year, the Legislature approved “High Skills, High Wages 2008 – 2018: Washington’s Strategic Plan for Workforce Development,” a plan developed and monitored by the Workforce Board, which has equal voting representation of labor, business and government. High Skills, High Wages presents a highly detailed set of objectives and steps to take to promote our goals for youth, adult workers and industry.

While identifying a 10-year vision for Washington, this far-reaching plan also lays out eight strategic opportunities that Washington should act on immediately to achieve that vision. This year’s annual update is organized along those immediate strategic opportunities.

Your time is valuable so we have kept this progress report brief, only reporting on the most significant developments. I encourage you to contact me with any questions or comments.

Eleni Papadakis
Executive Director
**Navigation 101**
Navigation 101 is a best practice career guidance system that engages middle and high school students and their parents in planning a personalized and relevant education. Since the program’s inception, in fiscal year 2006-07, Washington has awarded grants to 324 schools in 142 districts. The 2009 budget appropriates $3.2 million for grants in fiscal year 2010 and the same amount again in fiscal year 2011. The Navigation 101 program received additional grants for development through partnerships, including $660,000 for fiscal year 2009 from College Spark Washington. (College Spark Washington funding is for nine years, following 21 schools in seven school districts.) A spring 2009 survey of 128 former grant recipients reveals a positive trend: Nearly 75 percent reported they were continuing to implement Navigation 101, even without a grant.

**Continued Commitment to Building Bridges Grant Program**
The Building Bridges grant program is developing best practices in providing a continuum of services for struggling secondary students, those in school and those who have dropped out, and those who need support to graduate. In spite of the difficult budget year, the 2009-11 operating budget included funding, albeit lower than the previous biennium, for the program. This biennium, the Office of Superintendent of Public Instruction will have $1.25 million to issue as grants to school-community partnerships that build comprehensive dropout prevention, intervention and retrieval systems in local communities. The previous award cycle in February of 2008, awarded 15 grants.

The Building Bridges Workgroup, which is comprised of legislators and representatives from state agencies, workforce development councils and other education-focused organizations, continued to focus on improving the state’s dropout rate, including producing a major report late last year, proposing comprehensive action at the state and local level. The group will continue to make annual recommendations.

**Graduation Requirements Encourage Career Exploration**
Under a State Board of Education (SBE) proposal, students will be able to explore careers and apply their academic learning in a career-relevant context as part of their high school education. In
2008, the SBE adopted a policy proposal for high school graduation requirements entitled “CORE 24” which contains a requirement that students take three credits in a career concentration. This proposal was integrated into 2009 legislation establishing the outlines for the funding of basic education, which will be phased in over the next decade. When fully implemented, high school graduation requirements will contain a viable option for students to pursue a career and technical education sequence that prepares them for the workplace and their next educational step.

Course Equivalencies for Career and Technical Education
An important aspect of expanding high school graduation requirements is assigning credit to career and technical education courses for their academic content. Career and technical education courses that have academic equivalencies are more attractive to students as they seek to fulfill graduation requirements while engaging in a more hands-on approach to education. Legislation in 2007 established a Career and Technical Education Curriculum Advisory Committee, co-led by the Workforce Board and the Office of Superintendent of Public Instruction, which has developed equivalency crediting guidelines to assist local school districts. The first edition of the Washington State Career and Technical Education Equivalency Credit Toolkit was released in 2008. A survey taken in November 2008, found that 47 percent of the 134 responding districts had established a process for setting equivalency criteria. Responding school districts determined that 692 courses were equivalent to academic courses, including 176 in science, 142 in math and 52 in English.

Expanded Access to Stronger Career Pathways
The 2009-11 operating budget provides $5.5 million in grants to support expansion and quality of career and technical education at the high school level, which aligns state investment in career and technical education with federal policy under the Carl Perkins legislation that promotes the availability of rigorous career and technical education programs of study. These new courses will increase the quality and rigor of secondary career and technical education, improve links to post-high school education, and expand access to and awareness of the opportunities offered by high quality career and technical education. As part of this appropriation, the Office of Superintendent of Public Instruction is providing competitive grants from $10,000 to $40,000 for development of career and technical education coursework in high-demand fields.
Legislation in 2009 (HB 1355) also created the Opportunity Internships program, which encourages the creation of educational employment pipelines such as internships, pre-apprenticeships and mentoring to high demand occupations in targeted industries for low-income high school students. The Workforce Board is currently reviewing applications from consortia seeking to participate in the program.

**Middle School Career and Technical Education**
More middle school students will have access to courses that build their math and science skills in a “hands-on” format as a result of legislation passed in 2009 that provides state funding to middle school career and technical education programs in the science, technology, engineering, or mathematics fields at the same rate as a high school operating a similar program.

**Pre-Apprenticeships**
The 2009-11 operating budget provides $350,000 in incentive grants to develop pre-apprenticeship programs. Incentive grant awards up to $10,000 will be used to support the program’s design, school/business/labor agreement negotiations, and recruiting high school students for pre-apprenticeship programs in the building trades and crafts. In the 2007-2008 school year, these Running Start for the Trades grants involved 13 school districts, for a total of 14 schools, two skill centers and one Tech Prep consortium. Over 2,000 students throughout Washington were involved in grant-funded activities.

**Boosting High-Demand Occupational Training Capacity**
The Governor and Legislature created incentives for Workforce Development Councils (WDC) to use federal funds that WDCs receive to increase training capacity in high-demand programs. State funds ($7 million) were appropriated to match federal Workforce Investment Act (WIA) funds that provide training to eligible individuals preparing for high-demand occupations. Eligible individuals for the state incentive money are those who qualify for services under the federal WIA adult or dislocated worker programs, or who are receiving or have exhausted their unemployment benefits. Individuals training for occupations in the aerospace, energy efficiency, forest product, or health care industries will be given priority for these state funded incentives, so long as the priority is consistent with federal law. An additional $5.5 million, assigned for use by the Governor (Recovery Act-WIA 10 Percent), has been designated to be used in a similar way, creating incentives for
Boosting high-demand training capacity at community and technical colleges. Use of these dollars is contingent on leveraging other funds, especially Recovery Act dollars.

**Budget Directive Supports High Demand Training Capacity**
The 2009-2011 budget contains a proviso to the State Board for Community and Technical Colleges budget that says the state board and “the trustees of the individual community and technical colleges shall minimize impact on academic programs, maximize reductions in administration, and shall at least maintain, and endeavor to increase, enrollment opportunities and degree and certificate production in high employer-demand fields of study at their academic year 2008-09 levels.” A similar budget proviso was included for four-year public baccalaureate institutions to maintain enrollment in high employer demand programs of study.

**Tech Prep Helps Connect to Post-High School Education**
While not related directly to financial aid, the adoption of articulation templates by the state’s 22 Tech Prep consortia goes a long way to reducing bureaucratic and financial barriers to the 13th year of education. Articulation agreements between high schools and community colleges make it easier for a student to transition smoothly along a program of study, getting college credit while in high school and making it easier to get that essential post-high school credential or degree. In the 2007-2008 academic year, over 148,000 credits were awarded to over 24,000 students—an increase of more than 20 percent from the previous year.

**Financial Aid for In-Demand Occupations**
Despite a tough budget, the 2009-2011 operating budget maintained funding for Opportunity Grants at $23 million for the biennium. Over 3,800 students received an Opportunity Grant in 2007-2008. Early results show Opportunity Grants are working—both in the number of students served and the educational outcomes achieved. The grants serve eligible low-income students, who earn up to 200 percent of the federal poverty guidelines, or about $42,000 for a family of four. Students must study for an in-demand occupation or career at one of the state’s 34 community and technical colleges. There are a higher proportion of diverse students being served and students are staying in school at higher rates than for comparable students not receiving a grant. A 2008 report from the State Board for Community and Technical Colleges found that 81 percent of Opportunity Grant students who enrolled in the fall of 2007 were still enrolled in the spring, or left having
completed. This surpassed the pilot year when the retention/completion rate reached 73 percent. From the study, it was clear that students who received an Opportunity Grant in addition to a federal Pell Grant, fared far better than those who received only federal assistance. For example, part-time students who received both grants notched an 84 percent spring retention/completion rate. Part-time Pell-only recipients had a 65 percent spring retention/completion rate.

**Lifelong Learning Accounts**

As of August, four southwest Washington employers were investing in their employees’ education through the Lifelong Learning Account (LiLA) program. The pilot project takes in the five-county area of Thurston, Mason, Lewis, Grays Harbor and Pacific counties, with the eventual goal of expanding the program statewide. LiLAs are educational savings accounts, where employees make regular contributions matched by their employer, similar to a 401(k). These jointly financed education savings accounts allow employees to quickly build financial resources to pay for ongoing education and training. In August of 2009, Governor Chris Gregoire declared it Lifelong Learning Month. The program is building momentum with employers through its partnership with Association of Washington Business, the Washington State Labor Council, the Pacific Mountain Workforce Development Council and several other public and private partners.

**Strategic Opportunity 5**

*Boost the employability of workers through programs that roll basic skills, English language instruction and job skills into one complete package.*

**Expand I-BEST**

This innovative blend of basic skills and job skills training has become a national model since it launched in 2004-2005 at 10 demonstration sites at Washington’s community and technical colleges. I-BEST, or Integrated Basic Education Skills Training, has helped a growing number of low-skilled workers gain college-level credentials by presenting basic skills in the context of work. By learning these skills together, I-BEST students have moved faster and further than students focused only on basic skills. In 2008-2009, 139 approved I-BEST programs were in operation at all 34 of the state’s community and technical colleges. The program served 2,795 students—a 58 percent jump from the previous year. The program was also cited in a well-regarded national study and singled out by President Obama as an effective workforce program that helps move people toward a 13th year of education. Wisconsin recently implemented the I-BEST program and other states are exploring this successful model as well.
A recent study by the Community College Research Center at Columbia University found that I-BEST students had much better outcomes on a variety of measures than did other similar basic skills students. I-BEST students earned, on average, an estimated 52 quarter-term college credits, compared to an average of 34 quarter-term credits for the matched comparison group. Fifty-five percent of I-BEST students earned an occupational certificate over two years versus 15 percent of a comparison group.

**State Cluster Strategy Moves Ahead**

This year, Washington leaped forward in embracing an industry cluster-based approach to workforce and economic development. The Legislature endorsed the cluster strategy by adopting HB 1323 in 2009 which put in statute recommendations of “Skills for the Next Washington: A statewide strategy for industry cluster development.” This Workforce Board report identified how to improve coordination between workforce and economic development and invest using cluster-based approaches. As part of the report preparation, the Workforce Board and Department of Commerce staff conducted six “Cluster Academies,” day-long sessions that fostered discussion on regional cluster strategies. This effort was followed by a statewide industry cluster analysis providing the Workforce Board with the means to identify strategic clusters for each of the 12 Workforce Development Areas. This ranking is to be used as a guide for future investments. The Workforce Board also adopted principles for proposing changes to the state industry cluster list.

Also adopted in 2009 was legislation that directed the Job Skills Program to promote industry clusters, giving priority to applications from firms in strategic industry clusters.

**Encouraging Cluster Partnerships through Skill Panels**

Industry Skill Panels are uniquely positioned to precisely target the particular skills key industries require, while at the same time addressing a region’s workforce needs—from enhancing education levels to uncovering skill gaps that can be solved in the classroom, on the computer or on the job.

For workers, tailored training offers an open door to local, living-wage jobs. For industry, Skill Panels help provide a steady supply of skilled workers who can help them grow.

Panel members come from business, labor, and education so that their planning results in effective solutions for industry needs. Panels operating during 2008-2009 include:
- Pacific Mountain Workforce Development Council: Centralia Community College Center for Excellence's Energy Production / Transmission
- Northwest Workforce Development Council: Maritime Manufacturing project
- Greater Spokane Inc: Advanced Manufacturing/Aerospace
- Spokane's Regional Workforce Development Council: Pizza, Pop and Power Tools - Nontraditional population introduction to the construction trades
- The Eastern Washington Partnership: Advanced Manufacturing project
- The Colville Tribal Enterprise Corporation: Recreation & Tourism
- Greater Spokane Inc: Professional Services
- Highline Community College: International Trade and Logistics
- Pacific Mountain Workforce Development Council: Construction Manufacturing
- Workforce Development Council of Seattle-King County: Green Construction
- Southwest Washington Workforce Development Council: Advanced Manufacturing project
- Spokane's Regional Workforce Development Council: Apprenticeship Development

In 2009, Workforce Investment Act 10 Percent discretionary dollars were used for "High Skills, High Wages Strategic Fund" grants designed to expand partnerships among business, economic development, education and the workforce development system for both key and emerging industries. A central requirement to these grants was that regional Economic Development Councils (and other Associate Development Organizations) were required to co-lead the grant application with Workforce Development Councils. In this way, both sides of the workforce and economic development equation were encouraged to work together toward common solutions.

Recipients included:

- Workforce Development Council of Seattle-King County/Enterprise Seattle - Interactive Media
- Workforce Development Council of Seattle-King County/Enterprise Seattle - Maritime Transportation Cluster
- South Central Workforce Development Council/New Vision Yakima - Alternative Energy
- Eastern Washington Partnership/Southeast Washington Economic Development Association - Rural Manufacturing
Northwest Workforce Development Council/Economic Development Association of Skagit County - Maritime Technology & Construction

Encouraging Green Economy
The Evergreen Jobs Leadership Team, a partnership of business, labor, education and government chaired by staff from the Workforce Board and Department of Commerce formed to coordinate green economy workforce and economic development. The Evergreen Jobs Act (HB 2227) adopted in 2009 assigned the team the responsibility of fulfilling the goals of the act, including coordination of Washington's efforts to secure federal training funds for the green economy and reaching a goal of 15,000 new green economy jobs by 2020.

Digital Workplace Learning
Encouraged by legislation in 2008, the Workforce Board reviewed national models of digital workplace learning and convened employer, labor, education and other stakeholders on an advisory committee to help design potential pilots and seek funding for them. Two one-day forums, hosted by the Workforce Board, have brought together the best minds on distance-learning in Washington to share information and build partnerships for an eventual pilot project. In August 2009, U.S. Senator Patty Murray’s office informed the Workforce Board of a successful application for federal funding to support regional “learning laboratories” for workplace-based distribution of post-high school education and training for low-wage adult workers in Washington. The project will rely on a large public-private partnership created from the public stakeholder process.

Hospital Employee Education and Training
The 2009-2011 budget provided an additional $1.5 million to continue to expand the Hospital Employee Education and Training (HEET) program which provides career pathways for low-wage hospital workers. This program, developed by the Service Employee International Union Training Partnership and the Health Work Force Institute, now has seven workplace-based projects operating. HEET workers gain education and training largely provided at the worksite and with supervisors working in tandem with community college faculty.
New Career Website Makes it Easier to Access Training
Washington Career Bridge (www.CareerBridge.wa.gov) is a new online tool launched in March of 2009 that allows people to sort through a maze of information and find the education and training they need to get the job they want. This comprehensive, searchable database of nearly 5,000 education and training programs, also includes an important consumer reporting component to help ensure people make wise use of their money and time. Potential students are able to see how many people completed a program, how much they earned after completing a program, whether they were employed after the program and where they went to work after the program, among other details. The site is also the new home of the Eligible Training Provider list, which is the list of training programs that meet Workforce Board standards for completion and student success. Since launching in the spring of 2009, Career Bridge has received about 30,000 user visits per month. WorkSource counselors have been able to use this new tool at a time when unemployment rolls have spiked, helping them connect their customers with a variety of education and training programs to help them get back to work. Career Bridge is also being looked at as a career education tool by K-12 educators and work is underway to link it to Navigation 101, a career pathways curriculum in place at many of Washington’s high schools.

Expand Four-Year Options for Technical Associate’s Degrees
Students who obtain technical associate’s degrees in career-focused fields can now earn a bachelor’s degree at seven of the state’s community and technical colleges. Typically, technical degrees do not transfer to four-year colleges, so those students with technical degrees must begin their education all over again to obtain a four-year degree. By allowing more students with technical degrees to continue their education at community and technical colleges, the supply of more highly skilled, highly trained workers increases, benefiting workers, employers and the state’s economy. The following colleges initiated four-year degree programs:

- Bellevue Community College – Bachelor of Applied Science in Radiation and Imaging Sciences
- Columbia Basin College – Bachelor of Applied Science in Applied Management
- Lake Washington Technical College – Bachelor of Technology in Applied Design
- Peninsula College – Bachelor of Applied Science in Applied Management

Strategic Opportunity 8
Continue to identify and remove barriers to employment, education and training so that workers have a clear path to reach their career goals.
- Olympic College – Bachelor of Science in Nursing
- Seattle Central Community College – Bachelor of Applied Science in Applied Behavioral Science
- South Seattle Community College – Bachelor of Applied Science in Hospitality Management
- Bellevue College – Bachelor of Applied Arts in Interior Design

**Hiring Individuals with Disabilities**

Project HIRE (Hiring Individuals with disabilities Ready for Employment) was developed in the spring of 2009 by the Division of Vocational Rehabilitation (DVR) using federal stimulus funds. The goal is to assist 1,000 individuals with disabilities to become employed in full-time, mid-to-high wage, high demand occupations by July 2011. Project HIRE will also meet the business needs of employers by helping them tap this often overlooked talent pool. The project is designed to:

- Create new linkages with workforce development programs and community-based organizations to build system capacity.
- Expand outreach and service provision.
- Adapt DVR’s traditional service model to support the delivery of services to individuals with disabilities with transferrable skills.
- Increase DVR’s ability to connect skilled individuals with disabilities to well paying, in-demand occupations.

**Veterans in the Trades**

Since its launch in 2006, Veterans in Plumbing has gone from a standout state program that gives Washington National Guard members a faster on-ramp to a new career in the trades, to a national model that is being looked at and implemented by other states. In the fall of 2009, the program will expand to cover an electricians program based in Kent. Veterans in Plumbing is sponsored by the United Association Local Union 26 Plumbers, Pipefitters and Apprentices that provides for a five-month program geared toward obtaining a Union Welding Certification that, once completed, allows for direct entry into their five-year apprenticeship training program with one year’s credit.

Two classes have successfully completed this program, putting about 30 National Guard members on the path to employment that pays upwards of $22 per hour. The state budget originally allocated about $2.5 million toward the Veterans Innovations Program, which was critical in providing financial supportive services to enrolled vets during the 2006-2008 biennium. The 2009-2011 budget provides an
additional $500,000 to help National Guard combat veterans get a jump start in completing what is ultimately a five-year apprenticeship.

About 2,400 members of the 81st Brigade returned this summer and there will be a class this fall at the Southwest Washington Pipe Trades Apprenticeship Training Center in Lacey aimed at these newly returning service members who have served in combat.

**Expanded Use of the Self-Sufficiency Calculator**

Developed as a simple online tool to show the gap between income and expenses of low-income residents and to provide valuable information on work support services such as child care assistance, housing subsidies and food stamps, the Self-Sufficiency Calculator was launched in 2001 by the Workforce Development Council of Seattle-King County. Now expanded to all 39 counties, Workforce Development Councils across the state can use the Calculator when job seekers enroll in Workforce Investment Act programs, both as a helpful tool in decision-making, and as a way to measure the program’s effectiveness by storing general information in a database regarding individual progress toward self-sufficiency.

The Calculator has just been updated with new statewide data for 2009 from the *Self-Sufficiency Standard for Washington*, a joint publication of the WDC of Seattle-King County and Dr. Diana Pearce at the University of Washington’s Center for Women’s Welfare. See [http://thecalculator.org](http://thecalculator.org)

**Where Do We Go from Here?**

As we look ahead toward a more prosperous future, where all Washington residents have the education and training needed to fill family-wage jobs and employers have the skilled workforce required to keep them competitive both nationally and internationally, it helps to review the progress we’ve already made. At every level, the Workforce Board and our partners are taking steps to ensure Washingtonians and our businesses thrive—from relevant, career-focused education in our middle schools and high schools to Industry Skill Panels that help our adult workers and our industries gain a competitive edge. At the end of the day, the eight strategic opportunities in “High Skills, High Wages 2008-2018,” give us all a way to track the progress we’re making as we strive for a high skill, high wage workforce in Washington that’s second to none.