

# Benefit/Cost Evaluation Workforce Training Results

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# Benefit/Cost Study & Methods

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- Based on the Net Impacts during 2006-2009 for 2005-2006 exiters
  - Includes non-completers, except in Secondary CTE
- Uses three years of follow-up to calculate and project changes in outcomes through remainder of working life
- Does not include the costs of financial aid



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# Compared to methodology of previous study

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- More precise cost modeling for CTC programs & estimated tuition for PCS
- Counts loss of tax revenue from foregone income
- Does not include changes in welfare received – estimates based on previous studies suggest these would modestly decrease the Participant benefit and modestly lower State total costs.



# Overall Results

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- Overall, results are similar to previous, but for most programs show even stronger results.
- Whether this larger impact will be permanent for these participants, or a temporary increase that will fade with the recession cannot be determined.



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# WIA Adult

## Participant and Public Benefits and Costs per Participant in WIA Adult Programs

Benefit/Cost	First 2.5 years		Lifetime (until 65)		Sum of Costs and Benefits
	Participant	Public	Participant	Public	
<b><u>Benefit</u></b>					
Earnings	\$8,002	\$0	\$36,190	\$0	
Fringe Benefits	\$2,001	\$0	\$9,048	\$0	
Taxes	-\$1,364	\$1,364	-\$6,171	\$6,171	
<b><u>Transfers</u></b>					
UI	-\$178	\$178	\$371	-\$371	
<b><u>Costs</u></b>					
Foregone net earnings	-\$2,049	-\$324	-\$2,049	-\$324	
Program costs	\$0	-\$4,819	\$0	-\$4,819	
Benefits	\$8,461	\$1,542	\$39,438	\$5,800	
Costs	-\$2,049	-\$5,143	-\$2,049	-\$5,143	
<b>Total (Net)</b>	<b>\$6,412</b>	<b>-\$3,601</b>	<b>\$37,389</b>	<b>\$657</b>	<b>\$38,046</b>

Note: '05\$.



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# WIA Dislocated Worker

Participant and Public Benefits and Costs per Participant in WIA Dislocated Worker Programs

Benefit/Cost	First 2.5 years		Lifetime (until 65)		Sum of Costs and Benefits
	Participant	Public	Participant	Public	
<u>Benefit</u>					
Earnings	\$7,859	\$0	\$44,940	\$0	
Fringe Benefits	\$1,965	\$0	\$11,235	\$0	
Taxes	-\$2,061	\$2,061	-\$11,788	\$11,788	
<u>Transfers</u>					
UI	\$642	\$642	\$1,438	\$1,438	
<u>Costs</u>					
Foregone net earnings	-\$11,652	-\$3,094	-\$11,652	-\$3,094	
Program costs	\$0	-\$5,237	\$0	-\$5,237	
Benefits	\$7,763	\$2,703	\$45,825	\$11,788	
Costs	-\$11,652	-\$8,331	-\$11,652	-\$8,331	
<b>Total (Net)</b>	<b>-\$3,889</b>	<b>-\$5,628</b>	<b>\$34,173</b>	<b>\$3,457</b>	<b>\$37,630</b>

Note: \*05\$.



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# WIA Youth

## Participant and Public Benefits and Costs per Participant in WIA Youth Programs

Benefit/Cost	First 2.5 years		Lifetime (until 65)		Sum of Costs and Benefits
	Participant	Public	Participant	Public	
<b><u>Benefit</u></b>					
Earnings	\$4,306	\$0	\$31,870	\$0	
Fringe Benefits	\$1,076	\$0	\$7,968	\$0	
Taxes	-\$560	\$560	-\$4,146	\$4,146	
<b><u>Transfers</u></b>					
UI	\$141	-\$141	\$1,336	-\$1,336	
<b><u>Costs</u></b>					
Foregone net earnings	-\$1,098	-\$127	-\$1,098	-\$127	
Program costs	\$0	-\$5,973	\$0	-\$5,973	
Benefits	\$4,963	\$419	\$37,028	\$2,810	
Costs	-\$1,098	-\$6,100	-\$1,098	-\$6,100	
<b>Total (Net)</b>	<b>\$3,865</b>	<b>-\$5,681</b>	<b>\$35,930</b>	<b>-\$3,290</b>	<b>\$32,640</b>

Note: '05\$.



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# Community and Technical College Professional-Technical

## Participant and Public Benefits and Costs per Participant in Community & Technical College Professional-Technical Programs

Benefit/Cost	First 2.5 years		Lifetime (until 65)		Sum of Costs and Benefits
	Participant	Public	Participant	Public	
<u>Benefit</u>					
Earnings	\$13,461	\$0	\$123,041	\$0	
Fringe Benefits	\$3,365	\$0	\$30,760	\$0	
Taxes	-\$2,780	\$2,780	-\$25,408	\$25,408	
<u>Transfers</u>					
UI	-\$870	\$870	-\$786	\$786	
<u>Costs</u>					
Foregone net earnings	-\$2,834	-\$560	-\$2,834	-\$560	
Program costs	-\$4,646	-\$9,308	-\$4,646	-\$9,308	
Benefits	\$13,176	\$3,650	\$127,607	\$26,194	
Costs	-\$7,480	-\$9,868	-\$7,480	-\$9,868	
<b>Total (Net)</b>	<b>\$5,696</b>	<b>-\$6,218</b>	<b>\$120,127</b>	<b>\$16,326</b>	<b>\$136,453</b>

Note: '05\$.



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# Community and Technical College Worker Retraining

Participant and Public Benefits and Costs per Participant  
in Community and Technical College Worker Retraining Programs

Benefit/Cost	First 2.5 years		Lifetime (until 65)		Sum of Costs and Benefits
	Participant	Public	Participant	Public	
<u>Benefit</u>					
Earnings	\$8,554	\$0	\$67,043	\$0	
Fringe Benefits	\$2,138	\$0	\$16,761	\$0	
Taxes	-\$1,766	\$1,766	-\$13,844	\$13,844	
<u>Transfers</u>					
UI	-\$133	\$133	\$992	-\$992	
<u>Costs</u>					
Foregone net earnings	-\$10,670	-\$2,111	-\$10,670	-\$2,111	
Program costs	-\$3,179	-\$6,184	-\$3,179	-\$6,184	
Benefits	\$8,793	\$1,899	\$70,952	\$12,852	
Costs	-\$13,849	-\$8,295	-\$13,849	-\$8,295	
<b>Total (Net)</b>	<b>-\$5,056</b>	<b>-\$6,396</b>	<b>\$57,103</b>	<b>\$4,557</b>	<b>\$61,660</b>

Note: '05\$.



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# Community and Technical College Adult Basic Education (ABE) Excluding ABE Students who also enrolled in Professional/Technical Education

Participant and Public Benefits and Costs per Participant in Community and Technical Colleges ABE Programs

Benefit/Cost	First 2.5 years		Lifetime (until 65)		Sum of Costs and Benefits
	Participant	Public	Participant	Public	
<b><u>Benefit *</u></b>					
Earnings	-	-	-	-	
Fringe Benefits	-	-	-	-	
Taxes	-	-	-	-	
<b><u>Transfers</u></b>					
UI	-\$621	\$621	-\$931	\$931	
<b><u>Costs</u></b>					
Foregone net earnings	\$99	\$11	\$99	\$11	
Program costs	\$0	-\$2,400	\$0	-\$2,400	
Benefits	-	-	-	-	
Costs	\$99	-\$2,389	\$99	-\$2,389	
<b>Total (Net)</b>	-	-	-	-	

Note: '05\$.

\* Note: The Evaluation did not find positive net benefits from participating in ABE alone.



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# Private Career Schools

Participant and Public Benefits and Costs per  
Participant in Private Career Schools Programs - Tuition = \$10,000

Benefit/Cost	First 2.5 years		Lifetime (until 65)		Sum of Costs and Benefits
	Participant	Public	Participant	Public	
<u>Benefit</u>					
Earnings	\$2,566	\$0	\$12,853	\$0	
Fringe Benefits	\$642	\$0	\$3,213	\$0	
Taxes	-\$479	\$479	-\$2,397	\$2,397	
<u>Transfers</u>					
UI	-\$605	\$605	-\$616	\$616	
<u>Costs</u>					
Foregone net earnings	-\$1,713	-\$300	-\$1,713	-\$300	
Program costs	NA	\$0	NA	\$0	
Benefits	\$2,124	\$1,084	\$13,053	\$3,013	
Costs	-\$1,713	-\$300	-\$1,713	-\$300	
<b>Total (Net)</b>	<b>\$411</b>	<b>\$784</b>	<b>\$11,340</b>	<b>\$2,713</b>	<b>\$14,053</b>

Note: '05\$.

NA - Private Career School Tuition is highly variable



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# Apprenticeship Programs

Participant and Public Benefits and Costs per Participant in Apprenticeship Programs

Benefit/Cost	First 2.5 years		Lifetime (until 65)		Sum of Costs and Benefits
	Participant	Public	Participant	Public	
<b><u>Benefit</u></b>					
Earnings	\$32,130	\$0	\$275,101	\$0	
Fringe Benefits	\$6,426	\$0	\$55,020	\$0	
Taxes	-\$8,428	\$8,428	-\$72,159	\$72,159	
<b><u>Transfers</u></b>					
UI	\$751	-\$751	\$1,344	-\$1,344	
<b><u>Costs</u></b>					
Foregone net earnings	\$19,773	\$5,251	\$19,773	\$5,251	
Program costs	-\$1,565	-\$3,044	-\$1,565	-\$3,044	
Benefits	\$30,879	\$7,677	\$259,306	\$70,815	
Costs	\$18,208	\$2,207	\$18,208	\$2,207	
<b>Total (Net)</b>	<b>\$49,087</b>	<b>\$9,884</b>	<b>\$277,514</b>	<b>\$73,022</b>	<b>\$350,536</b>

Note: '05\$.



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# Secondary CTE

Participant and Public Benefits and Costs per Completer in Secondary CTE Programs

Benefit/Cost	First 2.5 years		Lifetime (until 65)		Sum of Costs and Benefits
	Participant	Public	Participant	Public	
<u>Benefit</u>					
Earnings	\$4,293	\$0	\$59,630	\$0	
Fringe Benefits	\$1,073	\$0	\$14,907	\$0	
Taxes	-\$558	\$558	-\$7,758	\$7,758	
<u>Transfers</u>					
UI	-\$5	\$5	\$519	-\$519	
<u>Costs</u>					
Foregone net earnings	-\$653	-\$76	-\$653	-\$76	
Program costs	\$0	-\$769	\$0	-\$769	
Benefits	\$4,803	\$563	\$67,298	\$7,239	
Costs	-\$653	-\$845	-\$653	-\$845	
<b>Total (Net)</b>	<b>\$4,150</b>	<b>-\$282</b>	<b>\$66,645</b>	<b>\$6,394</b>	<b>\$73,039</b>

Note: '05\$.



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# Vocational Rehabilitation

## Participant and Public Benefits and Costs per Participant in DVR Programs

Benefit/Cost	First 2.5 years		Lifetime (until 65)		Sum of Costs and Benefits
	Participant	Public	Participant	Public	
<b><u>Benefit</u></b>					
Earnings	\$3,821	\$0	\$16,075	\$0	
Fringe Benefits	\$955	\$0	\$4,019	\$0	
Taxes	-\$584	\$584	-\$2,458	\$2,458	
<b><u>Transfers</u></b>					
UI	-\$205	\$205	-\$237	\$237	
<b><u>Costs</u></b>					
Foregone net earnings	\$701	\$97	\$701	\$97	
Program costs	\$0	-\$6,375	\$0	-\$6,375	
Benefits	\$3,987	\$789	\$17,399	\$2,695	
Costs	\$701	-\$6,278	\$701	-\$6,278	
<b>Total (Net)</b>	<b>\$4,688</b>	<b>-\$5,489</b>	<b>\$18,100</b>	<b>-\$3,583</b>	<b>\$14,517</b>

Note: '05\$.



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