

# **New Economy Workforce Credential Grant FY 2021 Annual Report**

**Resources and Planning Committee  
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**STATE COUNCIL OF HIGHER  
EDUCATION FOR VIRGINIA**

# Program Overview

- **New Economy Workforce Credential Grant (WCG) established by 2016 General Assembly.**
  - VCCS branded as FastForward (higher ed centers offer programs too).
- **Three purposes:**
  - Trains workers in programs aligned with high-demand occupations (closing gap between supply and demand).
  - Makes that training and credentialing more affordable for workers.
  - Increases the interest of current and future Virginia workers in technician, technologist, and trade-level positions.



<https://schev.edu/docs/default-source/reports-and-studies/2022/wcg-report-2021.pdf>

# Program Overview

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- Eligible institutions: public 2-year institutions & higher education centers.
- SCHEV charged with administering and assessing the program.
- Funding: \$13.5 million (FY 2021).

<b>Fiscal Year</b>	<b>Amount</b>
2017	\$5 million
2018	\$7.5 million
2019	\$9.5 million
2020	\$13.5 million
2021	\$13.5 million

# Program Overview

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- **Virginia Board for Workforce Development maintains list of high-demand fields.**
  - VBWD recommends which WCG programs align with the high-demand list.
- **Institution boards approve training programs aligned to those high-demand fields.**
  - If additional high-demand fields are identified outside of the annual review process by the board, then eligible institutions may submit approved updates to the board.

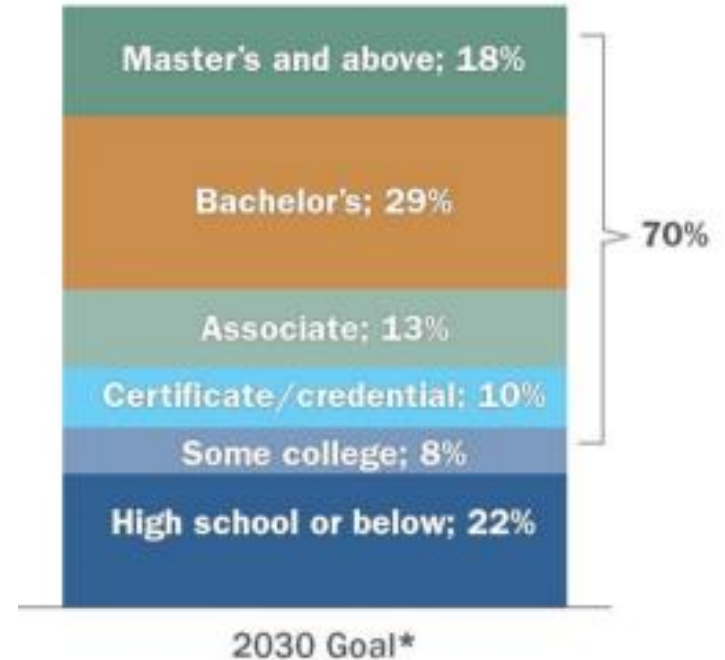
# Program Overview

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- **Pay-for-performance:**
  - **1<sup>st</sup> third paid by the student.**
    - Some financial aid is available.
  - **2<sup>nd</sup> third paid by the state to the institution for training completion.**
    - Student pays for 2<sup>nd</sup> third if training incomplete.
  - **3<sup>rd</sup> third paid by the state to the institution for completion of credential.**
- **Maximum reimbursement per program completion: \$3,000**
- **Budget language: No program can receive more than 25% of grant funds.**

# Program Overview

- ***Pathways to Opportunity* sets goal of 70% postsecondary attainment by 2030.**
- **American Community Survey (ACS) is typical source of education attainment rates by state populations.**
- **But ACS education attainment only includes categories for Associate degrees and above. Additional analysis needed to estimate certificates/licenses.**
- **Estimates range from 6.3% - 7.4% of working age Virginians have earned certificate or credential.**



# Program Highlights

- Institutions reported 8,904 enrollments in FY 2021, an 19% increase from FY 2020 and the most since the inception of the program. (For-credit enrollment *declined 5%*)

**Table 3: Workforce Credential Grant Enrollments, Program Completions, and Credentials, History of the Program**

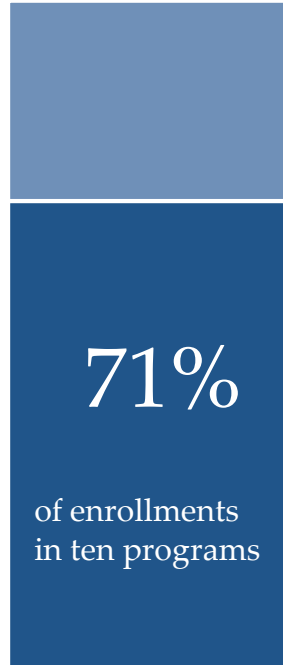
Fiscal Year	Enrollments	Completed Training	Earned Credential
2017	5,206	4,957	3,465
2018	4,299	3,997	3,075
2019	6,935	6,552	5,038
2020	7,477	6,936	5,296
2021	8,904	8,591	6,151
<b>Grand Total</b>	<b>32,821</b>	<b>31,033</b>	<b>23,025</b>

Unique students increased by 26% (students can enroll in multiple programs).

- Completion and credentialing rates remained relatively stable.
  - 96% complete training.
  - 72% go on to earn credential.

# Program Highlights

## FY 2021 Enrollments (unique students)



Commercial Driver's License A	1,493
Medical Assistant	517
Highway Construction	487
Computer Entry Level	401
Welding	382
Core - Introductory Craft Skills	254
Phlebotomy Technician	252
Pharmacy Technician	250
Billing and Coding Specialist	231
Certified Nurse Aide (CNA)	198



# Program Highlights

**Table 5: Top 10 Credentials and Annual Openings by Related Occupational Field FY 2021**

Occupation	Annual Job Openings by Field*	Program	Individuals** Enrolled FY 2021
Heavy and Tractor-Trailer Truck Drivers	5,819	Commercial Driver's License A	1,493
Medical Assistants	2,122	Medical Assistant	517
Highway Maintenance Workers + Paving, Surfacing, and Tamping Equipment Operators	751	Highway Construction	487
Computer User Support Specialists	2,085	Computer Entry Level (CISCO Networking Technician and Associate, CompTIA IT Fundamentals, C	401
Welders, Cutters, Solderers, and Brazers	1,080	Welding	382
Carpenters	2,941	Core - Introductory Craft Skills	254
Phlebotomists	566	Phlebotomy Technician	252
Pharmacy Technicians	907	Pharmacy Technician	250
Medical Records and Health Information Technicians	369	Billing and Coding Specialist	231
Nursing Assistants	5,484	Certified Nurse Aide (CNA)	198

\*Review based on Virginia Employment Commission long-term 2018-2028 projections.

<https://virginiaworks.com/occupational-projections?page80257=1&size80257=12&page79862=1&size79862=12&page81630=1&size81630=12>

Differences may not represent a shortage as other individuals may complete certification through non-WCG programs.

\*\*Enrollments figures can include individuals completing multiple credentials. The figures provided for individuals represents unduplicated count of the enrollments.

Enrollments do not exceed annual need.

Not a perfect analysis of Demand – Supply; For example, some individuals may earn credential through non-WCG programs and fill open jobs.



# Wage Analysis

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- Wages were matched through the Virginia Longitudinal Data System with Virginia Employment Commission (VEC) wage records.
  - Excludes individuals not in wage system: unemployed, wages in another system, or self-employed.
  - Occupation not reported.
  - No indication of hours worked.
- Only used records where one year of pre- and post-wages were matched:
  - 14,439 *program completers* with wages successfully matched.
  - 10,700 *credential earners* with wages successfully matched.

# Wage Analysis

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- Training completers' median wages increased \$4,000, or 22%.
- Credential earners' median wages increased \$7,000, or 36%.
- Median wages increased in all industries.
  - Students who earned credentials in construction and extraction earned the highest median wages at \$52,395.
  - Installation, Maintenance, and Repair fields saw the largest median wage *increases* of nearly \$13,000.

# Wage Analysis

<b>Historical Wages of WCG Credential Earners</b>			
<b>Occupational Field</b>	<b># of Credential Earners</b>	<b>Median Post-Wage</b>	<b>Median Wage Increase</b>
Computer and Mathematical	424	\$50,097	\$7,174
Construction and Extraction	2,122	\$52,395	\$6,552
Education, Training, and Library	156	\$42,124	\$8,692
Healthcare Practitioners and Technical	230	\$26,217	\$6,534
Healthcare Support	1,583	\$20,853	\$4,759
Installation, Maintenance, and Repair	845	\$35,807	\$12,868
Office and Administrative Support	452	\$26,732	\$3,410
Production	1,726	\$35,307	\$8,085
Transportation and Material Moving	3,162	\$35,060	\$7,643
<b>Grand Total</b>	<b>10,700</b>	<b>\$34,928</b>	<b>\$6,956</b>

# Wage Analysis

**Lowest income students saw largest wage gains.**

**Table 13: Wages Pre- and Post-Program for Credentialed Students by Income Quartile**

<b>Pre-Wage Quartile</b>	<b>Median Pre-wage</b>	<b>Median Post-wage</b>	<b>Median Wage Change</b>
<b>1<sup>st</sup></b> (\$0 - \$8,605)	\$2,708	\$16,391	\$12,435
<b>2<sup>nd</sup></b> (\$8,606 - \$22,268)	\$15,380	\$23,045	\$7,126
<b>3<sup>rd</sup></b> (\$22,269 - \$39,788)	\$30,262	\$35,221	\$4,329
<b>4<sup>th</sup></b> (\$39,789 and Up)	\$57,000	\$60,258	\$2,988

# Student Costs

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- **Average Tuition Paid: \$691.**
  - Average General Fund Reimbursed to Providers: \$852
- **Workforce Financial Assistance (FANTIC) and G3.**
- **Governor's Emergency Education Relief Fund (GEERF)  
+ Re-Employing Virginians Fund.**
- **Virginia Ready Scholars.**

# 2022 Legislative Update

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- **House Budget maintains \$13.5 million allocation but with federal stimulus funds instead of GF.**
- **HB 565 Advanced Manufacturing Talent Investment Program and Fund.**
  - Goal of adding 25,000 new credentials in a high demand advanced manufacturing field as identified by the Board of Workforce Development.
  - Similar to Tech Talent Investment Fund
  - Funded at \$2.0 - \$2.5 million
- **Bill to raise \$1,500 GF reimbursement cap passed by in committee.**

# Next Steps

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- **Update to high-demand occupation list.**
- **VEDP's Office of Education Economics.**
- **Monitor federal policy.**
- **Monitor rate of programs that hit the \$3,000 reimbursement cap.**
- **Monitor CDL programs for exceeding 25% cap of total GF reimbursement.**



# Questions

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