
BIENNIAL REPORT: WORKFORCE DEVELOPMENT SYSTEM



Workforce System Overview

The mission of Virginia’s workforce system is to improve economic opportunity for all Virginians by serving those who are not yet earning a sustainable wage and, as important, by focusing the resources and mechanisms of our workforce system to recruit more Virginians into the workforce.

An overarching goal to achieve this mission is to close the skills gap by preparing and placing individuals in high-demand jobs in industries of priority for Virginia’s economic success. The system serves two customers: Virginians seeking to attain job skills and employment and businesses seeking job ready-workers.

State Agencies in the Virginia Workforce System

Virginia Department for Aging and Rehabilitative Services (DARS)

Virginia Department for the Blind and Vision Impaired (DBVI)

Virginia Department of Education (DOE)

Virginia Department of Labor and Industry (DOLI)

Virginia Department of Social Services (DSS)

Virginia Community College System (VCCS)

Virginia Employment Commission (VEC)

Virginia Economic Development Partnership (VEDP)

Funding by Government Sources for Each State Agency

Agency	Federal Funding	State Funding	Local Funding
DARS	\$ 70,530,472	\$ 19,088,934	0
DBVI	\$ 10,389,129	\$ 0	0
DOE	\$ 43,343,921	\$ 103,832,463	0
DOLI	\$ 326,970	\$ 1,612,139	0
DSS	\$ 20,547,909	\$ 16,072,327	\$ 5,779,536
VCCS	\$ 140,677,884	\$ 0	0
VEC	\$ 7,528,658	0	0
VEDP	0	\$ 5,536,113	0
Grand Total	\$ 293,344,943	\$ 146,141,976	\$ 5,779,536

Workforce System Programs, Individuals Served and Cost per Participant

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Most of the programs below reported performance from July 1 to June 30. Those for whom the reporting period differed (October 1 to September 30) are denoted with an asterisk (*).

Agency	Program	Total Funding	Participant Count	Per Capita Cost
DARS	WIOA (Workforce Innovation & Opportunity Act) Title 4 - Vocational Rehabilitation Program	\$89,619,406	19,334	\$4,635
DBVI	WIOA Title 4 - Vocational Rehabilitation Program*	\$10,389,129	986	\$10,537
DOE	Career Technical Education - Secondary Perkins	\$108,914,101	297,651	\$365
DOE	Microsoft IT Program	\$1,300,000	119,833	\$11
DOE	Path to Industry Certification	18,314,650	70,196	\$261
DOE	Workplace Readiness Skills Assessment	\$308,655	297,651	\$1
DOE	WIOA Title 2 - Adult Basic Education	\$17,873,613	10,377	\$1,722
DOE	Plugged In VA	\$465,375	265	\$1,756
DOLI	Registered Apprenticeship*	\$1,939,109.00	18,196	\$107

DSS	Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T)*	\$19,812,883	117,048	\$169
DSS	Virginia Refugee Resettlement Program*	\$3,334,227	3,802	\$877
DSS	VA Initiative for Employment Not Welfare (VIEW)	\$19,252,662	18,367	\$1,049
VCCS	Post-Secondary Perkins	\$4,070,809	148,000	\$28
VCCS	WIOA Title 1 - Youth	\$11,894,091	847	\$14,043
VCCS	WIOA Title 1 - Adult	\$110,848,550	1685	\$65,785
VCCS	WIOA Title 1 - Dislocated Worker (less Rapid Response)	\$10,440,748	669	\$15,606
VCCS	WIOA Title 1 - Rapid Response	\$3,423,686	This program serves employers not individual participants	
VEC	Trade Act Program*	\$7,528,658	713	\$10,559
VEDP	Virginia Jobs Investment Program	\$5,536,113	2,769	\$1,999
Total System Funding		\$445,266,455		

State Performance Measures

At the beginning of 2018, the Virginia Board of Workforce Development and Governor Ralph S. Northam endorsed state workforce system performance measures that align the Governor’s workforce priorities in the Commonwealth’s Combined Plan for Workforce Development. The Governor’s workforce goals focus on:

- 1) CREDENTIALS - Increasing the number of **industry-recognized credentials** attained by job seekers
- 2) JOBS - Increasing the number of **high-demand jobs** the workforce system helped Virginians to obtain
- 3) WAGES - Ensuring that the workforce system connected job seekers with jobs that paid **family-sustaining wages**
- 4) BUSINESS ENGAGEMENT - Supporting **Virginia businesses**
- 5) RETURN ON INVESTMENT - Striving for a high return on investment **for taxpayers and workforce program participants**

Comparative Ratings

Workforce system objectives include improving service delivery, avoiding duplication of services, and enhancing coordination of services. Efforts continue to ensure that policies and performance measurement encourage the public workforce system to perform collaboratively, rather than competitively. For this reason, comparative ratings have not been performed for workforce system programs.

Obstacles to Program and Resource Coordination

In previous biennial reports to the General Assembly, it has been noted that Virginia's public workforce system lacked a coordinated, overarching vision. Since then, the Governor has established a common vision for the workforce system and strategies to close the skills gap.

With his appointment of a cabinet level Chief Workforce Advisor, Governor Northam telegraphed the importance of aligning culture, services, and initiatives across the workforce system. The General Assembly affirmed the importance of this role in 2021 by transitioning the office into the Commonwealth's first ever Secretariat of Labor to the Governor. In both positions, Secretary Healy has kept the Commonwealth in the top three states for workforce according to CNBC for all of Northam's Administration. In addition to progress in the realm of workforce development, she has overseen Virginia's move from last to 37th in Oxfam's worker ranking thanks to the enacting of new laws on wage theft, workplace protections, and worker misclassification.

Progress Milestones

1. G3 Program and Community College Redesign

Launched in July 2021, the G3 Program (Get Skilled, Get a Job, Get Ahead) makes tuition-free community college available to low- and middle-income students who pursue jobs in high-demand fields. These include Early Childhood Education, Healthcare, Information Technology, Public Safety and Skilled Trades, Construction and Manufacturing. On average, students in these high-demand degree programs increase their wages by 60 percent upon program completion. G3 is also the first in the nation to provide wraparound financial assistance to help students at the lowest income levels with living expenses such as food, transportation, and child care.

The G3 initiative built on 2018 efforts to transform the workforce programs offered through the Virginia Community College System. VCCS now equips students with skills training on day one and provides continual pathways for working adults to obtain credentials throughout their career.

2. Workforce Policy through an Equity Lens

Under Governor Northam's leadership, Virginia's workforce development system has been reoriented to specifically target historically underserved populations and advance the cause of economic equity. The Virginia Board for Workforce Development, the state board that advises the Governor on workforce policy, reorganized its committee focus to include a substantial look at Virginia's workforce policy and programs through an equity and access lens. This business-driven advisory board includes 40 leaders from private industry, members of the Governor's cabinet, training providers, and the organized labor community.

In an effort to strengthen the partnership between each local workforce development area and their Department of Social Services district offices, the Governor allotted a \$3 million dollars in discretionary funding to facilitate easier access to the full spectrum of services aimed at increasing employability. According to the Governor, "these grants will ensure every Virginian has an opportunity to participate in our growing economy, support their family and hold a better future."

3. Ensuring a High Performing and Goal-Oriented Workforce System

A system evaluation is currently underway to analyze regional and statewide aspects of the Virginia workforce development system and make a set of recommendations that will serve as a bridge to the incoming administration in 2022. The report will focus on evaluating progress toward achieving the stated goals in Virginia's Combined State Plan and Virginia Board of Workforce Development (VBWD) strategic plan.

Alongside this effort to reflect on the workforce system's performance and diminish siloes, the Secretary of Labor also launched the Workforce Innovation Network (WIN) in 2020 to facilitate greater collaboration and association among Virginia's workforce development professionals. WIN is composed of program and department leaders who deliver external employment and/or workforce training services.

4. Focusing the Efforts of the Virginia Board of Workforce Development

The Virginia Board of Workforce Development continues to embrace its role as the advisory body to the Governor for workforce policy. In addition to the representatives of five Secretariats on the board, the following state agencies provide staff and content experts to support the board's work: Virginia Community College System, Virginia Employment Commission, Department of Veterans Services, Department of Labor and Industry, Department of Aging and Rehabilitative Service, Department of Blind and Vision Impaired, Department of Social Services, and Department of Education. This cross agency staff increases the resources for the board and enhances the linkages among key agencies.

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5. Data Enhancements

The Virginia Career Works Referral Portal is a groundbreaking statewide platform that refers individuals to programs that assist them in advancing their career paths and financial independence through training, certification, education and employment services.

Behind the curtain, the Referral Portal is built on the Workforce Data Trust. This first-of-its-kind, cloud-based technology solution forms a more secure bridge across legacy case management systems, allowing for the sharing of data between state agencies in real time. The new capacity will reveal the full scale of the workforce system's collective impact and allow Virginians to connect more easily to the workforce services they need.

6. Priority Industries and In-Demand Occupations

Virginia now focuses on high priority industries and demand occupations with an emphasis on attaining industry recognized credentials. The Virginia Board of Workforce Development, in satisfying its advisory role to the Governor, identifies in-demand occupations that support industries central to Virginia's economic future. This approach enables strategic investments in skills development that drive economic development and help Virginians obtain the skills they need for financially-sustaining, long-term jobs with growth-oriented businesses.

Outreach is ongoing to high demand or workforce challenged industry segments. Examples of ongoing effort include the state-wide listening tour conducted across the Commonwealth by the Governor and the Chief Workforce Advisor and the Build Virginia initiative.

The Governor's fall 2019 Listening Tour hosted over 1000 business leaders, educational professionals and locally elected officials at eight locations across Virginia.

Build Virginia, launched in 2018, is an employer-driven workforce initiative targeting critical labor shortages in the construction trades, shipbuilding, and the advanced manufacturing industry. As part of this effort, a series of regional meetings were held in communities across the Commonwealth. The gatherings brought together more than 400 stakeholders, including public officials, nonprofit representatives, educators, and business leaders.

7. Expansion of Registered Apprenticeships

In 2018, over 12,000 Virginians participated in a registered apprenticeship. Legislation proposed by the Governor required the Virginia Community College system to provide the classroom component of registered apprenticeship in online, face-to-face, and blended formats. The Department of Labor and Industry received a \$1.6 million expansion grant from the US Department of Labor to increase the number of apprentices in current fields and expand registered apprenticeship opportunities in IT, computer science and healthcare.

8. Future of Work Taskforce

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In 2019, Governor Northam launched the Future of Work/VA taskforce and joined a consortium of nine other states, supported by the NGA, evaluating the long-term impact of the growing gig economy on the state economy and workforce. The charge of the taskforce was to better understand the Commonwealth's gig workforce and make legislative recommendations for the 2021 Virginia General Assembly, the following of which were passed.

- VaSaves (HB 2174) created a mandatory program for all employers with 25 or more employees who do not currently offer their employees access to a retirement program.
- An administrative bill (HB 1905 - J. Cole) passed unanimously in both chambers. It adds employment arrangements to the existing financial literacy curriculum.
- SB 1314 establishes and funds the Office of Education Economics at the Virginia Economic Development Partnership.
- HB 1876 requires agencies to share data to support workforce program evaluation.
- SB 1413 made it easier for electric utilities to lease fiber bandwidth to ISPs.

9. Network2Work

Network2Work at Piedmont Virginia Community College is a job network that connects job seekers to the skills and resources they need to become valued employees and helps employers find the quality employees they

need for their companies. Since it was created, 85 percent of those who complete the Network2Work program have found jobs and 59 percent of those jobs pay more than \$25,000 annually. In the region, 10,940 families, or 17%, do not make enough money to pay for the essentials of life—food, shelter, clothing, and utilities, and the added costs associated with working childcare and transportation. The goal of Network2Work is to help these families become self-sufficient by identifying jobs within their reach and positioning them to secure and excel in those jobs.

