

Executive Summary
Fiscal Year 2015
Metro North Annual Plan

Faced with a regional loss of \$1M in formula funds at the start of FY'14, the Metro North Regional Employment Board (REB) focused on resource development throughout the year with significant success—adding \$1.84M to the region for FY'14 and subsequent years. In doing so, the REB expanded its existing partnerships and made progress in meeting the goals established in its FY'13-FY'16 Strategic Plan for its priority industries and occupations, as noted below. For FY'15, the REB intends to continue to respond to new opportunities, while addressing continuing challenges.

The REB will also be working on some new and exciting initiatives in the coming year. In addition to implementing newly funded programs, the REB will: 1) begin working on the transition from the Workforce Investment Act of 1998 to the Workforce Innovation and Opportunity Act of 2014, if it is finalized as expected; 2) implement a rechartering process for its career centers, which will include some significant changes: moving away from a competitive funding model to one that encourages cooperation and joint activities, while still ensuring strong performance through creation of an alternative accountability model, and also shifting all youth funds to one center, while maintaining a strong regional service delivery model; 3) continue to build its industry partnerships as well as solidify the work of the new Adult Basic Education College and Career Transitions Committee; 4) explore our potential role in preparing the workforce for employment resulting from the likely casino to be built in our region; and 5) at the REB, continue to streamline administrative and reporting work to free staff time for industry partnership and resource development work.

As it moves forward, the REB is working to identify creative new approaches, consider diverse sources of funding, and streamline existing systems to optimize efficiency. In addition, continuous improvement and innovation in program implementation will allow the REB to adjust its approaches in workforce development to align with the ever-changing economy and maximize the resources available to serve the 20-community Metro North region. Over the last year, the REB has formulated a new strategic plan that focused on the following priorities:

- ◆ Priority 1: Infrastructure and Systems Development (Development)
- ◆ Priority 2: Alignment of Workforce and Business Needs (Implementation)
- ◆ Priority 3: Accountability and Visibility (Reporting)

Priorities 1 and 2 are closely tied to infrastructure, both internally and externally, including processes, systems and documentation. The first two priorities also encompass capacity-building and relationship-building to supply and direct the work. Priority 3 focuses on performance excellence and on implementing modern and novel methods for connecting to businesses and other audiences through technology and other media in ways that will be valuable to them. The last priority also boosts regional accountability and knowledge and information-sharing to advance the REB's efforts overall.

Based on prominence in the region and current growth opportunities, the Metro North REB plans to target the following industries/occupations: 1) Advanced Manufacturing; 2) Healthcare; 3) Information Technology; 4) Life Sciences, and 5) STEM (Science, Technology, Engineering, and Math) occupations, which cut across industries. During FY'15, the REB will also continue to engage in cross-regional initiatives to extend its reach and enhance its resources.

Advanced Manufacturing. In June 2012, the REB took the initial steps that led to the development of the Northeast Advanced Manufacturing Consortium (NAMC), a collaboration now jointly led by the Metro North REB, and the Merrimack Valley, Greater Lowell, and North Shore Workforce Investment Boards (WIBs). The membership of the consortium, which is designed to support and advance the manufacturing industry in the northeast region of Massachusetts, currently includes: representatives from the four WIBs and their seven career centers, three community colleges, about seven local vocational technical schools, and about 22 manufacturing companies.

In November, 2013, NAMC partners kicked off a Workforce Competitiveness Training Fund grant, by training 24 individuals as CNC Machinists and Electronics Technicians at Middlesex Community College, with hands-on training provided by Shawsheen and Greater Lowell Vocational Technical Schools. Of these 24, eight were enrollees from Metro North, five funded by the grant, and three funded through matching WIA funds. Northern Essex Community College, with its vocational tech school partners, is currently offering a similar cycle of training, to be followed by North Shore Community College in the coming fall.

The Metro North REB also received a second \$10k grant from MassDevelopment as part of their AMP It Up! Campaign, an initiative aimed at dispelling widespread misperceptions about the nature of today's manufacturing industry by educating youth about the wide range and abundance of advanced manufacturing jobs available throughout Massachusetts. Funds will be used to introduce youth (girls, especially) and their families to the opportunities presented by careers in advanced manufacturing.

In December 2013, the REB, on behalf of four partnering WIB regions in Northeastern MA, was awarded a \$500k grant to hire two Manufacturing Marketing Managers, whose jobs entail outreaching to the 2,000 manufacturers in Northeastern MA to connect them NAMC and other resources available to bolster manufacturing in Massachusetts.

Life Sciences. The REB is a partner in the SCILS (Skilled Careers in Life Sciences) Initiative, which involves four regions (Boston, Metro North, Metro South/West and South Shore) and is led by the City of Boston. Made possible by a four-year \$5M H1B Technical Skills training grant from the US Department of Labor beginning in FY'13, SCILS will deliver life sciences training to 360 participants through programs at Boston University and Quincy College, help fund 300 internships through the Mass Life Sciences Center, and develop the capacity of the region's one-stop career centers to better connect customers with the life sciences sector. The REB is participating in the SCILS Advisory Council, which is an opportunity to advance initiatives in workforce development and build new connections in the life sciences industry. The SCILS Advisory Council is an active group that appears poised to form a sustainable consortium of business, college, voc tech, career center and other partners focused on the life sciences. REB

staff are currently working jointly with the SCILS Project Manager to develop a career pathways tool focused on the life sciences.

Healthcare. In concert with the implementation of the Healthcare Skills Gap Grant, the Metro North Healthcare Skills Gap Partnership was formed over four years ago; the grant supported curriculum development and skills training in collaboration with Middlesex Community College and several area hospitals. The Healthcare Partnership also oversaw the development of a career pathways chart for use in mapping steps to healthcare careers for students and job seekers/career changers. The partnership meets quarterly, and will be working on updating and expanding its career pathways work.

In FY'14, a subset of the partnership developed a proposal for a Healthcare Workforce Transformation Planning Grant, which resulted in an award of \$32.5k. With these funds, the partners have conducted surveys, focus groups, and interviews with staff of the Cambridge Health Alliance and Hallmark Health System. The Healthcare Partnership plans to apply for an implementation grant in July 2014, in order to conduct training that addresses needs related to healthcare reform that were uncovered during the planning grant phase.

STEM. The REB recently sponsored its fourth regional STEM forum, held at the Microsoft New England Research and Development Center. The event brought together about 70 representatives from business, schools, training providers, community colleges, and career centers. The first forum spawned the creation of the Metro North STEM Partnership, which directed the development of a comprehensive, web-based Metro North STEM Resource Inventory, currently available on the REB's website: www.mnreb.org.

In FY'14, a REB staff member served as a STEM Coach through the STEM Power Initiative (www.stempower.org). She has been actively engaged in the statewide STEM Network and served as a point of contact and conduit of information for locally established services offered to job seekers interested in STEM fields and to STEM industry employers.

In September 2013, the REB was awarded an @Scale grant by the Governor's STEM Council in order to develop Future City teams in 10 middle schools in Working Cities in the four workforce regions in Northeastern MA. The Future City competition is national in scope, and exposes middle school youth to careers in engineering by having them build scale models of cities focused on specific themes, e.g., water, transportation.

As a result of this work, at the November 2013 STEM Summit, Governor Deval Patrick announced that the Metro North REB had been designated as the lead for the eighth Regional STEM Network, now called the **Metro North STEM Network**. The designation is accompanied by an annual grant of \$40k to support network activities. In FY'15, the REB will be actively developing network membership and working on strategic planning for the network, which will involve pre-K through post-secondary educational institutions, including community colleges, voc techs, and four-year institutions; business; career centers; and other education and training providers. The general goal of the network is to expose youth and adults to careers in STEM and to the educational pathways that lead to these careers.

Information Technology. The REB worked on developing two proposals in FY'14 focused on information technology/computer science. The first effort was a Youth CareerConnect proposal in partnership with the Boston PIC, who acted as the lead, and which was focused on incorporating computer science/info technology in area high schools (Boston, Cambridge, Malden, and Somerville). Although not funded, it resulted in partnership-building with MassCAN, BATEC, and some of the notable employers in our region: Microsoft, Google, Harvard University, and others. In June 2014, the REB will be a partner in a submission for a Ready to Work H-1B grant; the Tech-Ready program has been designed in partnership with four other regions, with Partnerships for a Skilled Workforce (Metro South/West) as a lead, and also involving the Boston PIC, and the North Shore and Greater Lowell Workforce Investment Boards. If funded, Tech-Ready will train and job-place long-term unemployed individuals in careers in information technology/computer science through fast-track programs at four or five community colleges in our regions. In Metro North, community colleges will provide instruction in the computer labs at our career centers, during off-hours.

Initiatives re: Persons with Disabilities. In FY 2014, the Metro North REB became an Employment Network, on behalf of our two career centers. Ticket to Work services will be provided at each career center, starting in June 2014, and will entail providing core and intensive services, including job placement services for people with disabilities who have a Ticket to Work.

Also in FY'14, the Metro North REB and its career centers partnered in a project led by Triangle, Inc., in Malden to provide training in health care and culinary arts and job placement services to people with disabilities. The program, implemented in partnership with Bunker Hill Community College and the American Red Cross, is funded by Commonwealth Corporation for two years; the career centers will work with adult enrollees, while Triangle will serve youth. The REB will be providing labor market information sessions to program enrollees.

Although the REB is restructuring its approach to workforce development by adopting sectoral strategies, and is working on developing additional resources to support these efforts, the region continues to rely on federal and state funds for its core funding, which supports education and training, career center operations, and REB administration and oversight. While funds have increased somewhat this year, they have not yet achieved earlier levels, e.g., those in FY'13.

Youth Services. In addition to funding 12 WIA Youth programs (described below) and our previously described STEM activities, Metro North will again fund YouthWorks summer employment projects for between 500 and 600 youth in six cities in the region: Cambridge, Chelsea, Everett, Malden, Revere, and Somerville. The REB will also fund School to Career Connecting Activities (a program to connect in-school youth with part-time employment) in six communities: Chelsea, Everett, Malden, Revere, Somerville, and Woburn.

WIA Title I Funding. Massachusetts received increases in WIA allocations for FY'15, but increases were not sufficient to return funding to pre-sequestration, FY'13 levels. The following charts compare funding over the last three years for Metro North.

| | New Funding | | | | |
|------------------------|------------------|------------------|------------------|--------------------------|--------------------------|
| | FY'13 | FY'14 | FY'15 | Diff FY'15 Less FY'14 | Diff FY'15 Less FY'13 |
| WIA Adults | 1,207,784 | 940,595 | 1,001,397 | 60,802 | (206,387) |
| WIA Dislocated Workers | 1,148,102 | 924,250 | 1,083,062 | 158,812 | (65,040) |
| WIA Youth | 1,280,431 | 974,319 | 1,012,695 | 38,376 | (267,736) |
| Subtotal | 3,636,317 | 2,839,164 | 3,097,154 | 257,990 | (539,163) |
| Employment Services | 1,254,135 | 1,177,968 | 1,192,256 | 14,288 | (61,879) |
| One-Stop Line Item | 866,249 | 736,312 | 625,865 | (110,447) | (240,384) |
| Total | 5,756,701 | 4,753,444 | 4,915,275 | 161,831 | (841,426) |

| | New and Carry-in Total Funding | | | | |
|------------------------|--------------------------------|------------------|------------------|--------------------------|--------------------------|
| | FY'13 | FY'14 | FY'15 | Diff FY'15 Less FY'14 | Diff FY'15 Less FY'13 |
| WIA Adults | 1,346,017 | 1,054,266 | 1,044,057 | (10,209) | (301,960) |
| WIA Dislocated Workers | 1,283,157 | 983,297 | 1,100,809 | 117,512 | (182,348) |
| WIA Youth | 1,357,982 | 1,046,806 | 1,088,286 | 41,480 | (269,696) |
| Subtotal | 3,987,156 | 3,084,369 | 3,233,152 | 148,783 | (754,004) |
| Employment Services | 1,288,440 | 1,425,401 | 1,397,256 | (28,145) | 108,816 |
| One-Stop Line Item | 866,249 | 736,312 | 625,865 | (110,447) | (240,384) |
| Total | 6,141,845 | 5,246,082 | 5,256,273 | 10,191 | (885,572) |

Considering only new funding, Metro North WIA funding shows a gain of 258k over FY'14, but when compared to FY'13, the FY'15 allocation falls short of FY'13 levels by 539k. Employment Services (Wagner-Peyser labor exchange funding) shows a gain of \$14k, but this is still \$62k short of FY'13 levels. The One-Stop Career Center (OSCC) line item shows a continuing decline as a result of a state decision to no longer observe a \$2.75M earmark for the original three "competitive model" regions, but to gradually reduce funds by using an 85% hold harmless for these regions, until equivalence with formula allocations is achieved. Note that the FY'13 Metro North allocation had already been reduced by about \$104k from FY'12. Metro North's OSCC line item allocation will be again reduced in FY'16 to arrive at a final annual allocation

about \$500k less than was received every year from FY 1998 to FY 2012. When summed together, the total of new allocations for FY'15 is trending in a positive direction (+\$162k), but still falls short of FY'13 levels by \$841k.

Because of the large funding reductions expected for FY'14, career centers and the REB worked to reserve funds in FY'13 to carry over and cushion the blow. Because of the large cuts, the region was unable to then carry over as many funds for FY'15. The second chart above shows the total funding available in FY'15 for our core grants with new and carry-in funds included. It indicates that the new funding in FY'15 only resulted in a net increase of about \$10k overall, while still falling short of FY'13 funding levels by \$885k. While we are on the road to recovery, we have clearly not yet arrived.

Metro North is receiving 8.9% of statewide WIA funds, the fourth largest allocation statewide. The new allocation for WIA Dislocated Workers increased by 17.2% to \$1.08M, compared to a 5.7% decrease in FY'14; with anticipated carry-in, these funds grow slightly to \$1.1M for FY'15. WIA Adult funds experience a milder increase of 6.5% (\$60.8K) to \$1.0M, compared to a 17.1% decrease in FY'14; with carry-in funds this is expected to rise to just over \$1.04M. WIA Youth funds increased by 3.9% to \$1.01M in FY'15, compared to a decline in FY'14 of 20.9%; with carry-in, this amount rises to a little over \$1.09M.

In spring 2013, Metro North procured for youth training providers, so FY'15 represents the second year of the two-year funding period. With the addition of some funds, the REB was able to fund in-school and out-of-school youth programs at requested continuation levels. The split of funds between in-school and out-of-school funds will again result in a much greater focus on out-of-school youth (71% of total youth funds) than is required by WIA law (30% of youth funds). Youth program providers/youth wages continue to receive 56.1% of all the WIA youth funds. Metro North will serve about 80 in-school youth and about 103 out-of-school youth through its WIA Youth programs.

The career centers will receive a total of about 29.3% of youth funds, with 25.6% designated for the provision of framework services. In addition, they will be expected to provide youth training fairs/information sessions focused on our priority industries such as STEM, advanced manufacturing and healthcare. Approximately 3.6% of WIA Youth funds are allocated to support Youth Transition Services offered by both career centers, where outreach to youth in the community is performed in order to connect them with WIA programs and transition services to assist with further training/education or entering the job market. As last year, the REB will also not set aside funds for Youth Individual Training Accounts (ITAs) in order to allow more funds to be available for youth programming overall. Most youth who are eligible for Youth ITAs are also eligible for WIA Adult training services.

Metro North will continue to allocate 37.4% (down from two years ago when the training allocation was 47.4%, or 48.9% including skills development) of WIA Adult funds for ITA training slots, with an additional 1.7% set aside for skills development activities at the career centers, for a total of 39.1% dedicated to training. About 42.7% is allocated to career centers for the provision of case management and job placement services. Metro North expects to enroll approximately 79 new customers in WIA Adult training during the coming year, with additional

new customers (211) receiving intensive services and direct placement assistance, for a total of 290 new customers served, in addition to 49 customers carried over from FY'14.

WIA Dislocated Worker funds have been allocated at 27.2% to training providers (about 60 slots). With an additional 9.4% proposed for skills development (about 103 slots), a total of 36.6% is allocated for overall training activities, again with additional new customers (162) receiving intensive services and direct placement assistance. A total of 331 new and 181 customers continuing from FY'14 will be served, 512 altogether.

A statewide Dislocated Worker Training National Emergency Grant (DWT NEG) will continue to add training capacity to WIA Dislocated Workers in this and other regions, with Metro North able to add about 18 additional slots in each of FY'14 and FY'15 with its share of the funds. In addition, Metro North was awarded a \$223k Rapid Response Set-Aside grant to serve workers laid off from four companies (Macy's, Belmont; Inn at Harvard, Cambridge; Bank of America, Malden; Millipore, Burlington); this grant acted as a bridge to a "MN4" National Emergency Grant for these companies from USDOL. The initial funding for the NEG will be for \$602k (including the Rapid Response amount), and will increase to \$847k if demand dictates. The initial allocation will allow training for about 55 workers in FY'15 in addition to about 25 in FY'14. In addition, our Northeast Advanced Manufacturing Consortium's Workforce Competitiveness Training Fund grant has added a net increase of 12 training slots, six in FY'14, and six in FY'15; an additional six slots were supported by matching WIA funds, for a total of 18 slots for Metro North customers overall.

The REB also participated in a statewide application for a Job-Driven NEG, which is focused on serving the long-term unemployed through the development of career pathways training. If funded, this NEG will add additional training slots, as will the Tech-Ready (information technology/computer sciences focus) Ready to Work H-1B cross-regional partnership grant mentioned earlier, if the proposal is successful.

Approximately 44.3%, the same as for FY'14, has been allocated to career centers for intensive services/case management activities for Adults and Dislocated Workers. However, despite the substantial share of funding for career centers, the centers will still be receiving WIA funds totaling about \$158k less than FY'13 levels. The Metro North REB will be WIA-funded at the same level as last year: 14.8% for fiscal and program administration, and 2.0% for career center oversight; however, at mid-year, some REB funds may be reallocated if excess funds are available at that time beyond those necessary to cover existing costs.

Other Funds. Massachusetts will likely again be awarded a Re-employment Eligibility Assessment (REA) Grant to start retroactively on April 1, 2014, and Metro North estimates \$260k in REA funds will be available for FY'15, assuming that the grant will again be funded in April 2015. However, it should be noted that other funds have disappeared (Skill Start, EUC REA, trade case management) or declined (UI support, NEG vouchers from other regions). While we have generated substantial funding to compensate for formula cuts, we are still working in a challenging, volatile funding environment.

Overall Service Levels. At the same time as the region is facing significant funding decreases, it anticipates only slight declines in customers served. Customer volume for FY'14 (about 23,150)

is estimated to be about 2,000 lower than the previous year's service level (25,117). Metro North career centers (The Career Place in Woburn, and Career Source, Cambridge and satellite location in Chelsea) expect to serve a slightly lower volume of customers in FY'15 (just over 21.0k) than in FY'14, due to the improving economy and expected continuing decline in total unemployed. Of these, almost 10.8k are expected to be unemployment claimants, about 1,070 will be veterans, and more than 1,200 will be people with disabilities. About 920 employers are expected to use Metro North centers for a variety of employer services, including, but not limited to, outplacement services, job fairs, on-site recruitments, and posting job orders.

Overall Funding Picture. With funding levels still yet returning to pre-sequestration levels, and with the elimination or reduction of other funding streams, Metro North will need to continue its efforts to diversify and broaden its funding base through partnership development and resource development activities. While over \$1.3m will still be available for training, career centers in Metro North must continue to tighten their belts in FY'15. The region anticipates a slight reduction in service volume in FY'15 with an improving economy; however, customer volume will still be fairly high. With much diminished resources, the region will continue to need to find creative methods to effectively meet demand for service as well as gain additional support to advance the work defined in the Metro North REB FY 2013 – 2016 Strategic Plan.

The REB, working in concert with Metro North Career Centers and with other partners, including business, other Workforce Investment Boards, colleges and universities, education and training providers, public school systems, and vocational technical schools, will continue to aggressively pursue grant opportunities that will support the development of career pathways training and career opportunities in priority and other industries for our workforce. In a time of dwindling resources, the REB will continue to foster the growth of partnerships that can maintain and develop capacity, and support new approaches to aligning workforce development with business needs; in turn, we expect these efforts to result in enriched opportunities for our youth as well as our adult workforce.

The REB is seeking public comment on the proposed FY'15 Plan as outlined in the above Executive Summary. All comments must be submitted in writing no later than July 10, 2014 to:

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