

I. Montana Strategic Plan

Montana Governor Brian Schweitzer has provided clear and consistent direction for the State's activities in economic development and workforce investment since he took office in 2005. Governor Schweitzer has articulated a vision of an integrated, accessible, and comprehensive workforce development system that meets the needs of Montana's workers and businesses while creating and retaining jobs. This simple yet powerful idea has guided the system to its current state, and will continue to be a fundamental guiding principle for its future advancement.

Over the next five years, the Governor envisions the attainment of four primary goals by the workforce investment system. These goals are: 1.) integration of economic development and business services programs into the One-Stop Workforce System; 2.) modification of job training programs and post-secondary education to better meet the needs of workers and employers; 3.) increased involvement of employers in the One-Stop system; and 4.) the re-employment of workers experiencing long-term unemployment as a result of the recent economic recession.

Integration of Economic Development & Business Services

The Governor's vision of a workforce development system that is responsive to the needs of businesses and workers is focused on a vigorous partnership between private industry, economic development organizations, state agencies, and One-Stop systems.

The Governor recognizes the importance of small businesses in Montana's economy and workforce system, as they make up 97% of all private employers in the State, and 63.2% of the workforce. Owners and managers of small business often face many challenges that create barriers to job growth and economic expansion, including access to adequate training resources addressing the skill sets and education needs of their employees or professional consulting expertise on issues that require special attention.

To help the small business owner address these challenges, Montana has increased collaboration between both public and private entities and programs. Montana's economic development community is the established source of public services to the state's businesses, while The Montana Department of Commerce (MDOC) is the sponsor of several programs aimed at providing assistance to entrepreneurs, including the Small Business Development Center (SBDC) program and the Business Expansion and Retention (BEAR) program.

SBDC services are provided through both regional and local economic development organizations, including Certified Regional Development Corporations (CRDCs), whose focus is to foster collaboration with elected officials, business leaders and community stakeholders to prepare and implement regional development strategies. The BEAR program, formed through a partnership with the Governor's Office of Economic Development (GOED), MDOC, The Montana Department of Labor & Industry (DLI) and the Montana Economic Developer's Association (MEDA). The BEAR program is operated by MEDA, and teams in locations across the state consist of representatives from local economic development organizations, local businesses, and the One-Stop centers who offer local businesses resources and expertise to assist them in improving and expanding their businesses. In 2006, GOED significantly

increased its commitment to support the development of the BEAR program by purchasing the Executive Pulse database to allow BEAR teams to record their efforts and track and report progress. The local partnerships created by these collaborations are vital to the delivery of economic development services to Montana's businesses, and since 2006, these Bear Teams have helped develop over 1,353 small businesses throughout the State.

Since 2009, The SBDC and BEAR programs have created linkages with local One-Stop centers, along with the Montana Manufacturing Center (MMC), to operate the Incumbent Worker Training Program (IWT). IWT, a state-funded program administered by DLI, provides grant funding for job training for employees of small businesses, which is a service that Workforce Investment Act (WIA) funds cannot provide. The success of the program originates from a thriving partnership between the SBDC, MMEC, BEAR program, local One-Stop center, and community employers. These organizations and individuals work cooperatively to develop grant applications for the IWT program to cover training costs which are awarded to employers who can demonstrate a prospect for job retention, advancement or job creation. A 4:1 match of grant dollars to business funds creates employer buy-in, making this program a truly collaborative effort. This activity has brought a deeper mutual understanding of the programs operated by the economic and workforce development communities, and has provided direct job training benefits to Montana businesses, promoting both economic development and job creation. The IWT program has also served as a vehicle for further integration of economic development programs into the One-Stop system and has been a great way for the Montana workforce to expand employer involvement.

It is the Governor's expectation the collaborations mentioned above will continue to grow and expand throughout the next five years, fostering the integrated approach to economic development and workforce investment, with job creation and retention in mind. Many One-Stop centers are already co-locating with economic development agencies, and One-Stop staff participates on the BEAR teams in several locations in Montana. Expansion of this economic development/workforce partnership is a cornerstone for the Governor's strategic workforce vision for Montana, continuing the cross-program collaboration which provides a comprehensive set of services to businesses which no one partner could provide on its own.

Job Training & Education

The limited availability of workforce skills training for dislocated workers, returning veterans, and others with barriers to traditional methods of job training have been a driving factor in Montana's efforts to address the needs of 21st century employers. To address this demand and to better meet the needs of businesses and job seekers within the state, the Governor has included the alignment of job training programs and post-secondary education as part of his strategic workforce vision.

As new markets emerge or expand and old ones recede, the successful businesses of tomorrow will be those that can hire appropriately skilled workers today. This presents a problem, as many workers who have become dislocated as a result of foreign trade and shifting economic trends are unable to find opportunities for short-term training that would make them marketable in the current competitive job market. This may be for a number of reasons, including the limited availability of training, scheduling and presentation of the program, and lack of affordability of the training program. The workforce system can make a positive difference in this problem by working closely with public and private

providers of post-secondary education and training to create direct linkages between employer requirements and training capacity. In August 2010 Governor Schweitzer further catalyzed cooperation between OCHE and the Department of Labor and Industry by convening a forum to examine the needs of working adult learners and their employers in the post-secondary education and job training system. Leaders from workforce development, post-secondary job training, and policy making received valuable input from employers, workers, adult learners, and educators on various ways the system can change and grow to produce more effective outcomes for working adult students.

The Governor continues to support and endorsed the initiatives of the Office of the Commissioner of Higher Education (OCHE) to address this issue by furthering policy alignment between the workforce sector and post-secondary education. Recently, OCHE attained a multi-year grant from the Lumina Foundation called the CollegeNow! Initiative, aimed at making changes in the two-year education system to align employer needs with current education and training curriculums. The success of these efforts will depend heavily on continuing coordination with the workforce system, at the both the state and local level.

Over the past few years, several State Agencies have partnered in an effort to realize the Governor's Workforce vision, including work on the Career Pathways Initiative, which was funded by the U.S. Department of Labor, U.S. Department of Education, and U.S. Department of Health and Human Services. The Initiative, completed in 2011 by the SWIB, DLI, OCHE, OPI, and the Adult Basic Education and Literacy program, created a framework for further pursuit of systemic career pathway development in Montana. Maintaining and expanding this collaboration is an essential part of the Governor's educational and workforce vision, and is necessary to establish meaningful career pathways for Montana's workforce. The Department of Labor and Industry has also partnered with the Montana Area Health Education Center (AHEC), at Montana State University, to assess the State's healthcare workforce. The resulting report, completed in 2011, is being used as a guide and statewide strategic plan for healthcare workforce development. DLI has also connected with OCHE to offer assistance in producing workforce related grant applications.

Montana's One-Stop centers also partner with community providers to help those job-seekers who may be experiencing personal barriers to employment. Referral services are offered to job-seekers who have difficulty maintaining employment due to mental health and addiction issues, and to those persons who are lacking in soft skills, a particular area of concern among Montana employers. These One-Stop and Workforce System partners provide the appropriate services needed to supply the job-seeker with the skills necessary to move forward in obtaining job training and employment.

These collaborations and others have established real working partnerships between the agencies that will continue to be strengthened and advanced to meet the goal of accessible and appropriate job training and appropriate education for Montana's workers and businesses.

Employer Involvement in the One-Stop System

Employer participation in the One-Stop system is critical to meeting the goals of the Governor's strategic vision for the State of Montana. The development and success of appropriate job training programs, methods used for job matching, and most other aspects of workforce development depend on employer

involvement and investment. Montana has initiated programs to facilitate input from employers while meeting their needs for a skilled workforce. The Governor has encouraged and supported these activities, and promotes their continued development in Montana.

In executing the Governor's vision, Montana DLI has been developing its capacity to provide services to employers at One-Stop centers. Staff of the Centers has increased their capacity to assist employers with recruitment, retention, job structuring, training, and trends in workforce and labor supply. DLI has also recently received a grant from the ETA under the Expanding Business Engagement – Technical Assistance Initiative, providing for a project to further integrate existing programs for employers into a more coordinated set of services.

The Montana Registered Apprenticeship Program, state-funded and administered by DLI, is a service offered to employers that fosters employer participation in local One-Stop Systems. The program currently has about 950 active apprentices across the state and employer sponsors include 23 Joint Apprenticeship Training Committees with over 500 independent sponsors, most of which are small businesses. In August of 2012, the Montana Registered Apprenticeship program will be honored as a 21st Century Registered Apprenticeship Trailblazer and Innovator at the 75th Anniversary of the signing of the National Apprenticeship Act in Washington D.C., for its work with the first ever Pre-Apprenticeship Training Program in the culinary arts. The two-year-old program is the result of the successful collaboration between the Montana Department of Labor and Industry's Apprenticeship and Training Program and the Montana Department of Corrections. The program offers a second chance for women at the Passages Pre-Release Center in Billings, Montana, as they learn the skills they need to secure meaningful employment in the culinary and food industry sector upon discharge. The program is lauded not only for its cross-agency and community partnerships, but also for its 100% recidivism rate, and the strong "return on investment" provided to the employer community, through the elimination of re-incarceration expenses and large numbers that remain and work in the community.

In 2009 Montana received funding from the U.S. Department of Labor to assist in the State's effort to comply with the new national apprenticeship modernization standards (29 CFR 29). Numerous aspects of the modernization project provided opportunities for the apprenticeship program to move toward more integration into the One-Stop system. A key to this program integration has been information sharing, particularly making sure partners have a firm understanding of each other's programs. The modernization grant allowed for the development of a series of presentations on the apprenticeship program to One-Stop partners consisting of two short video segments on the benefits of apprenticeship primarily meant for prospective sponsors and students; an outreach brochure to employers on behalf of military veterans; and media promotion for apprenticeship during the summer of 2011. These efforts have already paid dividends by giving One-Stop staff the ability to connect laid-off apprentices with On-the-Job training funded by a National Emergency Grant provided by the U.S. Department of Labor. Further development of employer-involved programs like apprenticeship and their integration with one-stop centers will expand options available for job-seekers, dislocated workers, veterans, and the long-term unemployed.

Re-Employment of the Long Term Unemployed

In the recent economic recession, certain areas of Montana have experienced sustained high unemployment rates. Northwestern Montana, a lumber producing region, has been especially affected, as they have suffered both the crash of a thriving construction industry due to the housing crisis, and the concurrent decrease in demand for lumber nationally. As a result, the timber industry in Montana has collapsed. This has led to the closure of related businesses in the region, and has caused other industry sectors including tourism and hospitality, to experience a decline in economic activity and employment, which has thrust a large number of workers back into the job market.

With the job market flooded by more skilled and experienced older workers, young adults emerging into the job market have found stiff competition for even entry level jobs, stalling their entry and advancement in the workforce. The Montana public workforce system has been able to help some of these individuals through WIA and other related programs, but many more still exist. For some, job training is not within reach because of minimal education, limited work experience, or other conditions that create a barrier to gainful employment. These individuals make up a population referred to as the long term unemployed, for whom traditional job training may not be an option, and whose experience and job skills are no longer in demand. The persistence of a large number of long-term unemployed individuals in the local area can have an array of personal, social and economic consequences.

Individuals who remain out of work for extended periods of time tend to lose their job skills, which is a loss of productivity for the economy. Eventually, the person may become discouraged and stop looking for work, effectively dropping out of the workforce. The collective loss of purchasing power because of lost income dampens consumer demand and can further slow economic recovery at the local level.

Governor Schweitzer has directed the workforce development system to solve this problem, as the cost of doing nothing will be far greater than the cost of re-employing those who cannot find a job on their own. The workforce system believes that the utilization of on-the-job (OJT) training is the best solution to provide results for this issue, as it results in immediate employment and allows training that would not be otherwise accessible. The success of implementing an OJT initiative depends largely on employer involvement in the One-Stop Centers in the affected region, which is why the Governor has made this aspect a major focus of his strategic vision.

The structure and framework of Montana's One-Stop system is adapted to the widely dispersed population and rural nature of the State. As the fourth largest state, the population of Montana is just over 1 million people. Of these residents, 38% live in the ten most populous cities, and the rest are dispersed throughout many small communities, ranches and farms across the state. The geographic dimensions of the State approximate a rectangle of 600 by 250 miles.

The obvious challenges presented by long distances and frontier character of the state led the Workforce System planners to establish One-Stop Centers in multiple communities throughout Montana, making them easily accessible to both rural and urban job-seekers and employers in all regions and areas. This process was accomplished by 2006. The 24 One-Stop centers that currently exist in Montana are governed by Community Management Teams (CMTs), groups consisting of committed individuals who represent the workforce, business, education, human services agencies and other entities as locally determined in the community. Each CMT discusses issues related to One-Stop

operations, plans for and responds to community needs, shares important information and guides the One-Stop Center in their community. The degree of coordination and integration of various workforce development programs in a One-Stop Center depends heavily on the effectiveness and involvement of the CMT.

A comprehensive One-Stop system offers a wide range of services for both job seekers and employers, and it is Montana's goal to offer the best possible service to the customer at the One-Stop center. Governor Schweitzer has required that all workforce development programs be available through the One-Stop system, and also as many additional related programs as possible. To provide the most effective and efficient services, Montana One-Stop centers employ a strategy utilizing a combination of physical co-location and electronic networking to provide programs and services. Further goals to strengthen the delivery of services include cultivating additional partnerships, increasing employer involvement, and further enhancement of the electronic service network to continue to move the Montana One-Stop system forward to meet the needs of the 21st century.

Economic Analysis of Montana's Labor Market

According to the U.S. Census Bureau, Montana had a population of approximately 989,415 people in 2010.¹ From 2000 to 2010, Montana's population grew by 9.7%, increasing at approximately the same rate as the United States as a whole. Of the nearly one million people living in Montana in 2010, 62.6% of the population fell within the normal working ages of 18 to 64 years old, which is similar to the national rate of 63%.

According to the Montana Department of Labor and Industry and U.S. Bureau of Labor Statistics, there were slightly more than 500,000 active participants in Montana's labor force in 2010.² With a participation rate of 50.5%, Montana has a labor force participation rate slightly higher than the United States as a whole. Of the 500,000 labor force participants in Montana for 2010, approximately 34,463 were considered unemployed, resulting in an unemployment rate of 6.9%. In terms of unemployment, Montana outperformed the United States as a whole, which had an annual average unemployment rate of 9.6% in 2010.

From 2000 to 2010, the number of people employed in Montana increased nearly 4.3% from 446,552 to 465,615 in 2010. During this period, Montana experienced considerably stronger employment growth relative to the United States as whole, which saw the number of people employed increase by only 1.6% during the 10 year period. At the same time, the number of people unemployed increased significantly in both Montana and the United States. In Montana, the number of people unemployed increased 54.4% from 2000 to 2010. At the national level, the number of people unemployed during the 10 year period increased 160.4%, reaching nearly 15 million people in 2010.

When compared to the United States as a whole, per capita personal income in Montana has historically underperformed the national average. However, personal income growth in Montana has outperformed most of the country in terms of personal income growth over the past 10 years. From 2000 to 2010, the per capita personal income level in Montana increased from \$23,457 to \$35,053, growing on average 4.2% each year.³ During the same period, the United States personal income level increased 3% each

¹ 2010 Decennial Census, U.S. Census Bureau, <http://2010.census.gov/2010census/popmap/ipmtext.php?fl=30>

² Montana's Labor Force, Local Area Unemployment Statistics, Montana Department of Labor and Industry

³ Per capita personal income, SA1-3, Bureau of Economic Analysis, U.S. Department of Commerce

year on average, moving from \$30,319 to \$39,937. The strong per capita income growth over the past 10 years resulted in Montana moving from the 46th lowest personal income level to the 35th lowest.

Industry Employment in Montana and the United States

In terms of employment, Montana’s economy is largely concentrated in service industries. In 2010, the sector with the largest number of employees was the government sector, which had nearly 85,000 jobs (Figure 1). The health care and social assistance and retail trade sectors also employ a significant number of people in Montana, with 58,682 and 54,661 private sector jobs. The construction sector is the largest goods producing sector in Montana, with 22,670 private jobs, followed by the manufacturing sector. Montana’s smallest private sectors were the management of companies and enterprises, and utility sectors, which comprised only 1.1% of the total non-farm jobs in the state.

Figure 1: Public and Private Employment in Montana by Industry, 2010

Industry	Employment	Percent of Total
Government (Including Education)	84,367	20.1%
Health care and social assistance	58,682	14.0%
Retail trade	54,661	13.0%
Accommodation and food services	44,804	10.7%
Construction	22,670	5.4%
Administrative and waste services	18,840	4.5%
Professional and technical services	18,607	4.4%
Manufacturing	16,383	3.9%
Other services, except public administration	15,843	3.8%
Wholesale trade	15,654	3.7%
Finance and insurance	14,844	3.5%
Arts, entertainment, and recreation	10,671	2.5%
Transportation and warehousing	10,420	2.5%
Information	7,390	1.8%
Mining, quarrying, and oil and gas extraction	6,862	1.6%
Real estate and rental and leasing	5,176	1.2%
Agriculture, forestry, fishing and hunting	4,382	1.0%
Educational services	4,115	1.0%
Utilities	3,047	0.7%
Management of companies and enterprises	1,695	0.4%
Unclassified	121	0.0%

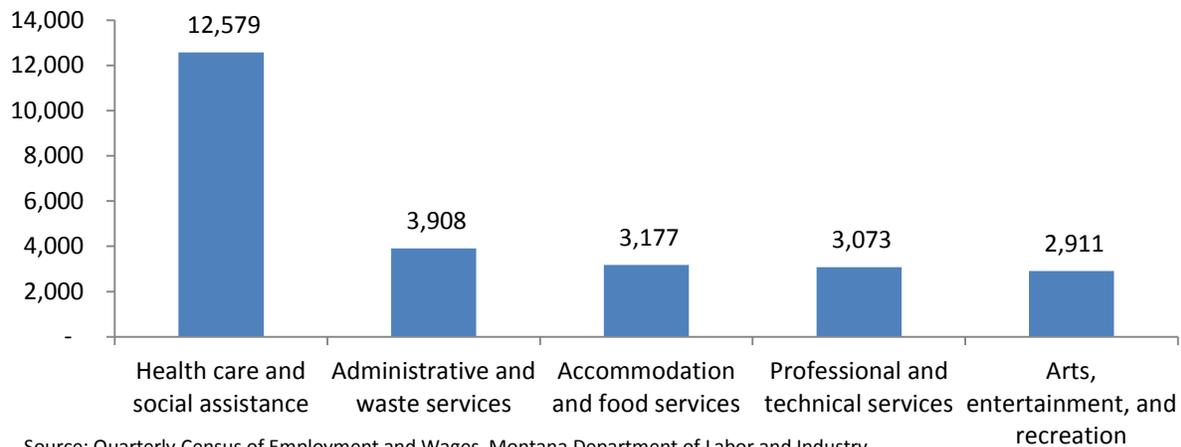
Source: Quarterly Census of Employment and Wages, Montana Department of Labor and Industry

Relative to the United States as a whole, private sector employment in Montana is more concentrated in service sector areas. In 2010, service sector jobs comprised 86.3% of Montana’s private sector employment, several percentage points higher than the national share of 83.4%. In Montana and the United States, the health care and social assistance sector comprise the largest proportion of private sector employment, constituting 17.5% of Montana’s and 15.3% of the United States’ private sector employment. The smaller share of goods producing employment in Montana relative to the United States is primarily driven by Montana’s relatively small manufacturing sector. For the United States,

employment in the manufacturing sector comprises nearly 11% of private employment in 2010. At the same time, however, manufacturing employment only composed 4.9% of Montana’s private employment.

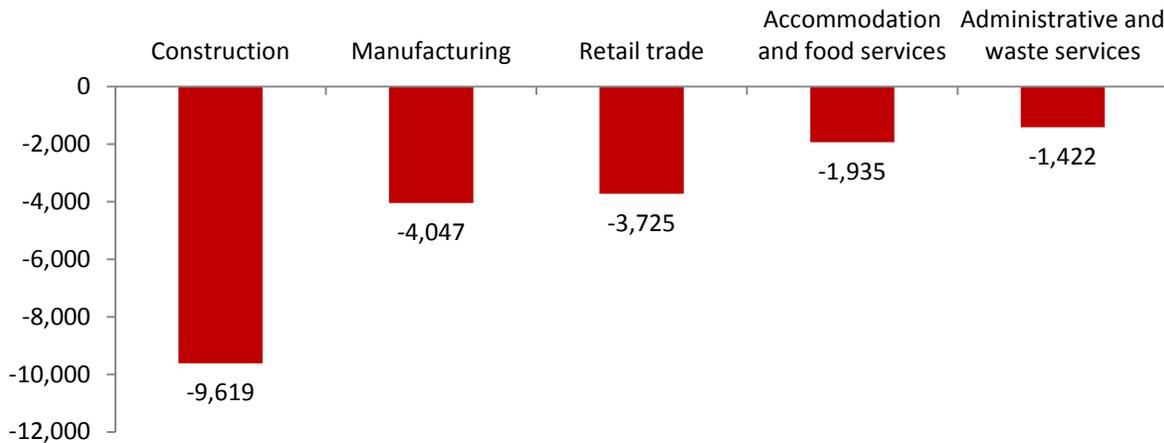
From 2001 to 2010, private employment in Montana grew in nearly every single industry, with manufacturing, utility, and information sectors being the exceptions. The industry with the largest increase in private employment was the health care and social assistance sector, which added 12,579 jobs during the nine year period (Figure 2). The administrative and waste services industry experienced the second largest increase in employment, adding 3,908 jobs, followed by the accommodation and food services industry. The industry with the largest decline in employment was the manufacturing sector, where total private employment declined by 5,080 jobs.

Figure 2: Five Industries with the Largest Increase in Private Employment in Montana, 2001 to 2010



While employment grew in most industries from 2001 to 2010, employment declined in nearly every industry within Montana since the onset of the 2008 recession. The industry within Montana that experienced the largest decline in employment from 2007 to 2010 was the construction sector, where employment declined by nearly 30% and lost approximately 9,619 private sector jobs. Other sectors that experienced large employment declines were the Manufacturing sector, which lost 4,047 jobs, and the retail trade sector, which saw total private employment decline by 3,725 jobs. In total, private sector employment in Montana declined 6.1%, which is the equivalent of 21,859 jobs, from 2007 to 2010. The only sector that experienced substantial private sector employment increases during this time was the health care and social assistance sector, which grew by 8.1% and saw total employment increase by 4,416 jobs.

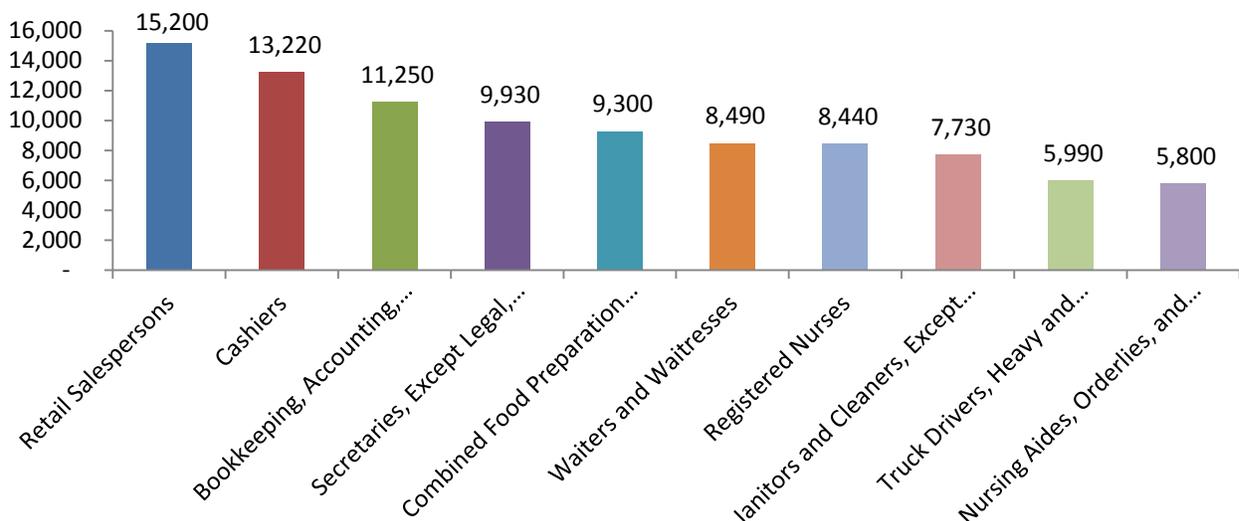
Figure 3: Five Industries with the Largest Decrease in Private Employment in Montana, 2007 to 2010



Source: Quarterly Census of Employment and Wages, Montana Department of Labor and Industry

At an occupational level, a majority of the occupations with the largest number of workers are concentrated in service sector occupations. The occupational category of retail salesperson was the largest in Montana for 2010, with approximately 15,200 jobs in the state (Figure 4). Cashiers and bookkeeping, accounting, and auditing clerks are Montana’s second and third largest occupational groups, with 13,220 and 11,250 respective jobs. In addition to sales related occupations, health care practitioner and support occupations play a significant role in Montana’s labor force. Combined, there were nearly as many registered nurses and nursing aides, orderlies, and attendants employed in Montana as retail salespersons.

Figure 4: Ten Largest Occupations in Montana, 2010



Source: Occupational Employment Statistics, Montana Department of Labor and Industry

Industry and Occupational Projections for Montana, 2010 to 2020

Montana’s Department of Labor and Industry produces industry and occupational projections for employment in two and ten year forecasts. For Montana, the most recent ten year projections available

are for the 2010 to 2020 time period and are available at the statewide and regional level. For the 2010 to 2020 projections, the estimates are based on historical employment estimates for 1990 to 2010, with 2011 employment data used to evaluate the projections.

Based on projections from Montana’s Department of Labor and Industry, total employment in Montana is expected to increase from approximately 463,045 in 2010 to 517,786 in 2020, a gain of nearly 55,000 jobs. A majority of the new jobs in Montana from 2010 to 2020 are projected to come from service providing industries, which are expected to increase the total number of jobs by 42,491. Although the goods producing sectors of Montana’s economy are expected to add a smaller number of jobs, only 10,678, the fact that these sectors already employ a smaller number of people means that the goods producing sectors will experience a higher rate of growth relative to the service sectors, 21.2% instead of 11.5%.

At an industry level, employment growth in Montana is expected to return to its long-run historical trends for many industries. The sector expected to see the largest numerical increase in employment is the health care and social assistance sector, which is expected to increase the total number of jobs by 9,352 (Figure 5). In addition to the health care sector, the accommodation and food services and construction sectors are expected to add a significant number of jobs in Montana. The industry with the largest expected relative increase in employment is the arts, entertainment, and recreation industry sector, which is expected to see a 35% increase in the total number of jobs, an increase from 10,994 in 2010 to 14,842 in 2020. The only sectors that are projected to see an actual decrease in total employment are the utilities and government sectors, which are projected to decrease by approximately 1,700 jobs.

Figure 5: Projected Industry Employment in Montana, 2010 to 2020

Industry	2010 Employment	2020 Employment	Employment Change
Health Care and Social Assistance	62,548	71,900	9,352
Accommodation and Food Services	44,948	52,180	7,232
Construction	22,774	29,995	7,221
Professional, Scientific, and Technical Services	18,625	23,726	5,101
Administrative and Waste Management	18,852	23,783	4,931
Retail Trade	54,712	59,327	4,615
Arts, Entertainment, and Recreation	10,994	14,842	3,848
Educational Services	39,497	41,779	2,282
Manufacturing	16,384	18,659	2,275
Other Services (Except Government)	15,892	17,643	1,751
Finance and Insurance	14,877	16,550	1,673
Wholesale Trade	15,659	17,224	1,565
Mining	6,867	7,840	973
Transportation and Warehousing	10,915	11,759	844
Real Estate and Rental and Leasing	5,531	6,070	539
Information	7,453	7,816	363
Management of Companies and Enterprises	1,696	1,793	97

Utilities	3,220	3,049	-171
Government	45,117	43,586	-1,531

Source: 2010 to 2020 Industry Projections, Montana Department of Labor and Industry

For Montana, the continued increase in the health care and social assistance sector is not surprising, given that Montana’s population is projected to get older, requiring more health care and living assistance services. However, the growth rate of the health care and social assistance sector is expected to decrease as the aging of the population begins to slow.⁴ From 2007 to 2010, construction employment in Montana declined significantly. The strong growth in construction employment from 2010 to 2020 is due, in part, to the employment recovery of this industry from its recession low. However, even with the strong growth from 2010 to 2020, employment in the construction sector is not projected to return to its pre-recession level until after 2020. Finally, even with the large increase in oil and natural gas exploration that is occurring in the eastern portions of the state, employment in Montana’s mining sectors is not projected to exceed its pre-recession levels. However, actual mining employment could change significantly from projections, depending on global commodity prices, which can change significantly depending on other economic factors.

The large employment increase in the accommodation and food service, and health care and social services sectors means that many of the occupations related to these industries are projected to see significant increases in total employment. The occupation with the largest projected increase in employment is bookkeeping, accounting, and auditing clerks, which is projected to increase from 12,195 in 2010 to 13,883 in 2020 (Figure 6). Other occupations that are projected to see significant increases in total employment are: cashiers (1,676), retail salespersons (1,676), registered nurses (1,306), and home health aides (1,266). Carpenters and landscaping and grounds keeping workers are also projected to see significant increases in total employment, due to the expected recovery of Montana’s construction sector.

Figure 6: Top Ten Fastest Growing Occupations in Montana, 2010 to 2020

Occupation	2010 Estimated Employment	2020 Projected Employment	Employment Increase
Bookkeeping, Accounting, and Auditing Clerks	12,195	13,883	1,688
Cashiers	13,438	15,114	1,676
Retail Salespersons	15,687	17,363	1,676
Combined Food Preparation and Serving Workers	9,518	11,123	1,605
Waiters and Waitresses	8,772	10,263	1,491
Registered Nurses	8,887	10,193	1,306
Carpenters	6,286	7,559	1,273
Home Health Aides	4,012	5,278	1,266
Landscaping and Grounds keeping Workers	4,569	5,635	1,066
Customer Service Representatives	4,610	5,653	1,043

Source: 2010 to 2020 Occupational Projections, Montana Department of Labor and Industry

⁴“Montana Employment Projections 2010 through 2020,” Wagner, Barbara Montana Department of Labor and Industry, http://www.ourfactyourfuture.org/admin/uploadedPublications/4543_projections.pdf

The total number of jobs for some occupations in Montana’s economy is projected to decrease from 2010 to 2020. The occupation projected to see the largest decrease in total employment from 2010 to 2020 is Forest and Conservation Technicians, which are projected to move from 2,146 to 1,703. Fallers and logging equipment operators are two additional occupations that are projected to see significant declines in employment, with employment decreases of 99 and 91 respectively. The employment declines for these occupations are likely due to the recent economic troubles of Montana’s wood products manufacturing and logging sectors.

Figure 7: Top Ten Occupations in Montana Projected to Decline, 2010 to 2020

Occupation	2010 Estimated Employment	2020 Projected Employment	Employment Decrease
Forest and Conservation Technicians	2,146	1,703	-443
Information and Record Clerks, All Other	912	748	-164
Postal Service Mail Sorters, Processors	637	504	-133
File Clerks	553	426	-127
Fallers	872	773	-99
Logging Equipment Operators	1,918	1,827	-91
Office and Administrative Support Workers, All Other	526	447	-79
Telemarketers	1,176	1,121	-55
Sewing Machine Operators	304	256	-48
Natural Sciences Managers	256	215	-41

Source: 2010 to 2020 Occupational Projections, Montana Department of Labor and Industry

While the change in total employment gives an idea of which sectors and occupations are becoming a larger, or smaller, portion of Montana’s economy, it does not provide a complete picture of the job opportunities that are likely to develop in the future. As many workers retire, or leave the work force for other reasons, new workers will be required to fill the vacant positions. Occupational projections for Montana also provide estimates for the total number of annual openings that are expected to be available each year.

A large number of the occupations that are projected to have a high number of annual openings also fall within the fastest growing occupations. For most occupations, a majority of projected job openings are projected to come from the replacement of currently employed workers. From 2010 to 2020, the occupation with the largest number of annual openings is projected to be cashiers, with 168 openings each year due to economic growth and 604 openings to replace people who leave the occupation. Waiters and waitresses, and retail salespersons are also expected to have a large number of annual openings, with 633 and 606 annual openings each year.

Figure 8: Top Ten Projected Occupations with the Most Openings in Montana, 2010 to 2020

Occupation	Annual Openings from Growth	Annual Replacement Needs	Total Annual Openings
Cashiers	168	604	772
Waiters and Waitresses	149	484	633

Retail Salespersons	168	438	606
Combined Food Preparation and Serving Workers	161	202	363
Bookkeeping, Accounting, and Auditing Clerks	169	147	316
Registered Nurses	131	155	286
Customer Service Representatives	104	145	249
Bartenders	81	162	243
Truck Drivers, Heavy and Tractor-Trailer	83	124	207
Carpenters	127	78	205

Source: 2010 to 2020 Occupational Projections, Montana Department of Labor and Industry

With an increase in total employment of 11.8%, Montana outperforms the United States in employment growth, which is only expected to grow 10.1% over the 10 year period.

Montana's High Demand Occupations

Occupational and Industry projections provide a method of estimating the high demand occupations in the future. However, projections do not provide a method of determining which occupations and industries are currently in high demand. One method of determining occupations in high demand is to examine current job openings data. One data source for job vacancies is The conference Board's Help Wanted Online (HWOL) job postings data.

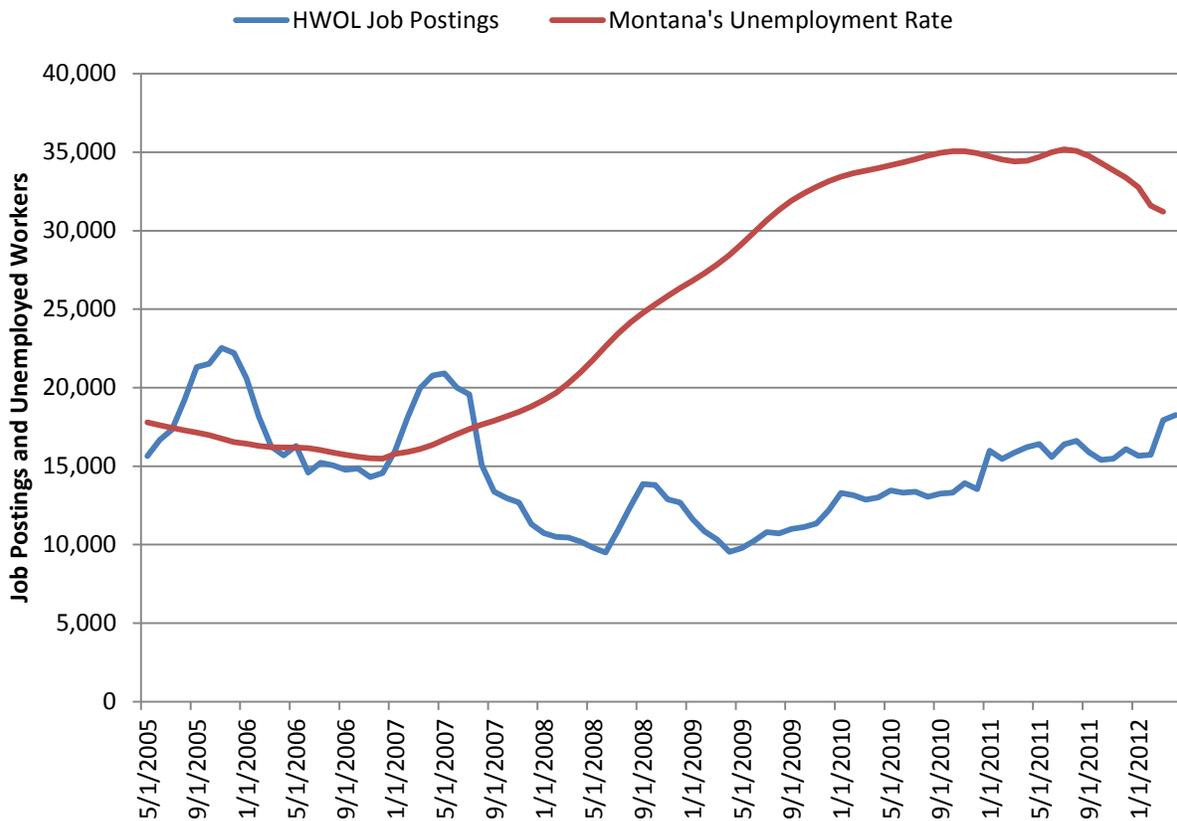
To develop the HWOL data, The Conference Board "collects online ads from over 1,200 job boards in the United States, covering both online newspaper ads and internet job board ads."⁵ The strength of the HWOL program is that it provides useful monthly information on the unmet demand for labor at the state level, something the BLS's data sources, such as the Job Openings and Labor Turnover Survey, do not provide. According to The Conference Board, the "HWOL fills a critical gap in the current U.S. economic indicators by providing timely monthly measures of labor demand (advertised vacancies) at the national, regional, state and metropolitan area levels."⁶ Montana's monthly HWOL advertised job postings data was examined for the period of May 2005 to April 2012.

The effects of the recent recession on job openings and labor demand are obvious when looking at the HWOL data for Montana. In 2007, the HWOL program registered an average of 16,739 jobs postings in Montana each month, which was slightly higher than the 2006 level of 15,868 (Figure 1). However, the number of HWOL job postings declined by more than 30% in 2008, with an average of only 11,459 job postings each month. By 2009, the number of job postings in Montana bottomed out with an average of 10,804 job postings. There are some positive signs however, as the number of job postings in Montana increased in 2010, reaching a monthly average of 13,313 jobs.

⁵ The Conference Board Help Wanted OnLine Technical Notes, http://www.conference-board.org/pdf_free/press/TechnicalPDF_4256_1311976097.pdf

⁶ The Conference Board Help Wanted OnLine Technical Notes, http://www.conference-board.org/pdf_free/press/TechnicalPDF_4256_1311976097.pdf

Figure 9: Seasonally Adjusted Help Wanted OnLine Job Postings and Unemployment for Montana, May 2005 to April 2012



Source: Montana Department of Labor and Industry and The Conference Board Help Wanted OnLine

Based on HWOL estimates for 2010 and 2011, the numbers of job vacancies in Montana have increased and are returning to levels closer to their pre-recession levels. However, the growth in job openings is not distributed evenly across occupational categories (Figure 10). The unequal distribution continues, even when the number of job vacancies is adjusted to account for the size of the occupations. During July 2010, the occupational category with the largest number of job openings relative to the size of the industry, indicating a high occupational demand, was in the Healthcare Practitioners and Technical occupations, which had 8.1 people employed for each vacant position. Other occupational categories with a large number of job openings were the Computer and Mathematical (10.1 people), Farming, Fishing and Forestry (13.6 people), and Management (13.9 people) occupations. At the same time, vacancy data for other occupational categories indicated a very low level of occupational demand, such as the Education, Training, and Library (91.7 people per vacancy), Food Preparation and Serving Related (62.9 people per vacancy), and Construction and Extraction (56.4 people per vacancy) occupations.

Figure 10: Job Vacancies and Employment in Montana by Occupational Category, 2010

	HWOL Ads, July 2010	2010 Employment	Filled Position for Each Vacant Position
Total	14,673	424,300	28.9

Education, training, and library	307	28,160	91.7
Food preparation and serving related	690	43,380	62.9
Construction and extraction	438	24,710	56.4
Protective service	170	8,870	52.2
Building and grounds cleaning and maintenance	365	17,370	47.6
Life, physical, and social science	173	7,800	45.1
Production	362	15,510	42.8
Personal care and service	299	12,190	40.8
Office and administrative support	1,780	70,000	39.3
Transportation and material moving	752	27,240	36.2
Legal	103	3,720	36.1
Healthcare support	425	14,350	33.8
Business and financial operations	469	15,670	33.4
Installation, maintenance, and repair	676	18,920	28.0
Community and social services	322	8,950	27.8
Sales and related	1,849	47,350	25.6
Architecture and engineering	287	6,750	23.5
Arts, design, entertainment, sports, and media	368	5,880	16.0
Management	1,085	15,110	13.9
Farming, fishing, and forestry	113	1,540	13.6
Computer and mathematical	605	6,090	10.1
Healthcare practitioners and technical	3,044	24,730	8.1

Source: The Conference Board Help Wanted OnLine and Montana Department of Labor and Industry's Occupation Employment Statistics Program

Montana's Health Care Sector

For Montana, the health care and social assistance sector was one of the few areas of Montana's labor force that continued to add jobs through the 2007 to 2009 recession. As the average citizen in Montana is projected to get older over time, employment in the health care and social assistance sector is projected to continue to grow into the foreseeable future. However, the above average employment growth within this sector, combined with other factors, has resulted in pressing problems that will need to be dealt with within the industry.

In 2010, the health care and social assistance sector was directly responsible for nearly 60,000 jobs within the state and paid an average annual wage above the statewide average. Not surprisingly, employment within the industry is dominated by occupations directly related to providing health care services. The largest occupation within the health care and social assistance sector is registered nurses, with approximately 7,500 employed within the state (Figure 11). Nursing aides, orderlies and attendants, and home health aides also constituted a significant portion of the health care sector's jobs, employing a total of approximately 9,000 people.

Figure 11: Ten Largest Occupations within Montana's Healthcare and Social Assistance Sector, 2010

Occupation	Employment	Average Annual Wage
Registered Nurses	7,500	\$ 64,928
Nursing Aides, Orderlies, and Attendants	5,430	\$ 25,283
Home Health Aides	3,570	\$ 22,378
Licensed Practical and Licensed Vocational Nurses	2,560	\$ 39,133

Medical Secretaries	2,080	\$ 31,333
Child Care Workers	2,070	\$ 18,689
Personal and Home Care Aides	1,990	\$ 20,868
Receptionists and Information Clerks	1,130	\$ 26,306
Social and Human Service Assistants	1,060	\$ 26,013
Maids and Housekeeping Cleaners	1,050	\$ 22,416

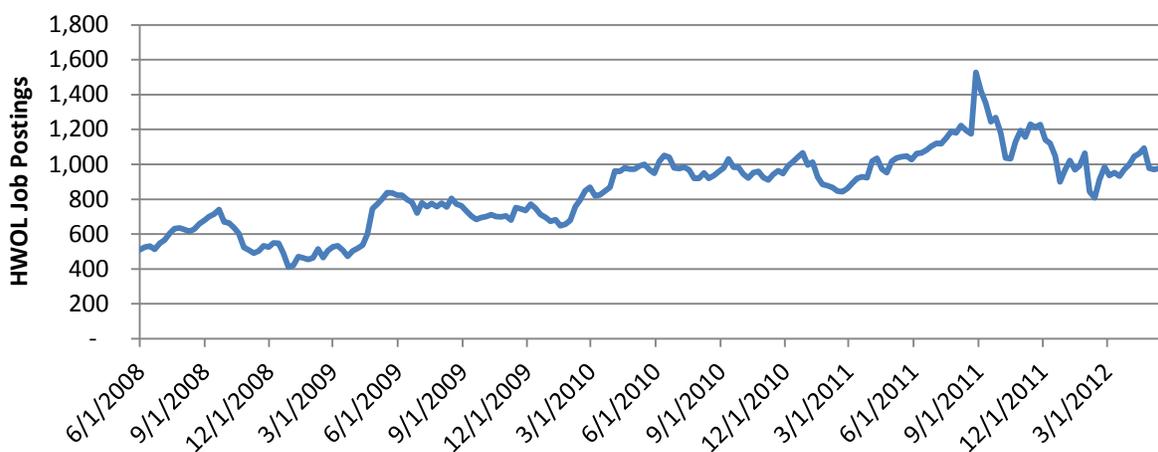
Source: Occupational Employment Statistics, Montana Department of Labor and Industry

From 2000 to 2010, employment in Montana’s health care and social assistance industry increased from 44,420 jobs in 2000 to 58,682 in 2010, growing at an average rate of 2.8% each year. The sub-sector of the health care and social assistance industry that experienced the largest employment increase during the 10 year period was the ambulatory health care services sector, which increased total employment by nearly 4,500 jobs. The sub-sector with the highest level of total employment in 2010 was the hospital sector, which had 20,546 jobs.

Within Montana, the health care and social assistance sector experienced a higher rate of employment and income growth relative to the rest of Montana’s economy. From 2000 to 2010, the number of people employed by businesses in Montana increased from 379,011 to 419,239, growing one percent each year. During the same period, employment in the health care sector grew on average each year by 2.8%, nearly three times the statewide employment growth rate. In addition to above average rates of employment growth, health care and social assistance also experienced above average real wage growth. Based on employer wage records, the average annual real wage in Montana increased 1.2% each year, slightly below the health care sector’s growth rate of 1.4%. The above average growth in employment and wages for Montana’s health care sectors is likely due to the aging of Montana’s population, combined with the national trend of increased demand for health care services. Based on employment projections, this trend is likely to continue for at least the next 10 years.

Perhaps the most pressing problem facing the health care and social assistance sector is the lack of qualified workers for many occupations in locations throughout the state. Based on job vacancy data from the HWOL program, the health care and social assistance sector had a high number of unfilled positions, relative to the size of the industry. In 2010, the HWOL data indicated that there was one unfilled job opening in Montana for each 29 people employed (Figure 10). At the same time, the health care and social assistance sector had one job vacancy for every eight already filled positions in the industry, indicating significant hiring difficulties within this sector of Montana’s economy. In addition, the hiring difficulty within this sector does not appear to be going away, as the number of job vacancies has not decreased over time (Figure 12).

Figure 12: Weekly Job Postings for Montana’s Health Care and Social Assistance Sector, May 2008 to May 2012



Source: The Conference board Help Wanted OnLine

In addition to the difficulty of filling vacant positions, there are some additional concerns with regards to the distribution of health care and social assistance workers within Montana. Within Montana, the rural nature of many portions of the state means that many people lack quick access to a physician, due to no doctors or hospitals within their counties or regions. According to the Montana Medical Association, there were nine counties within Montana that had no physicians with an active operating practice and seven counties with no operating hospitals in 2011.⁷ Given the lack of medical services within some counties, there is some concern that there is a misallocation of health care providers within the state of Montana. If so, the distribution of medical providers could change in the future as health care workers change locations.

Montana’s Oil and Gas Sector

Over the past 10 years Montana has experienced a significant increase in its energy workforce, due to a large extent the natural gas exploration occurring in the north-eastern region of the state. However, oil and natural gas exploration only comprises a portion of Montana’s energy sector. Other important areas include the extraction of coal, electricity power generation, transmission and distribution, power line construction and the remediation of Montana’s environment. In total, Montana’s energy sector comprises a small, but vital, portion of Montana’s economy and labor force.

In terms of employment, the energy sector comprises a relatively small portion of Montana’s labor force. Employing approximately 10,000 people in 2010, the energy sector only comprised 2.4% of Montana’s non-farm industry employment (Figure 13). However, employment in Montana’s energy sector has been growing significantly faster than other sectors, with Montana’s non-farm industry growing 10.6% and the energy sector employment growing 34.2% from 2000 to 2010. When broken down by industry, most of the growth in energy employment over the past 10 years has come from support activities for mining, where total employment increased by 1,131 jobs, and oil and gas pipeline and related structures construction, which added 530 jobs. The only industry to actually experience

⁷ “Montana Physicians in Active Practice Montana Medical Association Directory Data – 2011,” Montana AHEC and Office of Rural Health, <http://healthinfo.montana.edu/Montana%20Physicians.html>

employment declines during the 10 year period was the electric power generation, transmission, and distribution industry, which saw employment decline from 2,799 jobs to 2,522 jobs in 2010. While the energy sector only comprises a small portion of employment in Montana, the energy sector does outperform most other industries in terms of employee compensation. In 2010, the average annual wage within Montana's energy sector was \$75,229, significantly above the statewide non-farm average of \$34,632. The above average compensation level for Montana's energy industry indicates that this sector of the economy is more important to the state's economy than the low employment level initially indicates. With an annual average wage of \$75,229 and an estimated annual employment level of 10,067 in 2010, Montana's energy sector generated approximately \$757,330,376 in total wages within the state, which is approximately 5.2% of the state's total wages.

Figure 13: Annual Employment in Montana's Energy Sectors by Detailed Industry, 2005 to 2010, with 2010 Average Annual Wage

Industry	2005	2006	2007	2008	2009	2010	2010 Average Wage
Oil and Gas Extraction	548	607	640	582	539	650	\$70,307
Coal Mining	729	797	805	846	946	1,026	\$75,526
Support Activities for Mining	2,150	2,537	2,345	2,387	1,856	1,977	\$75,837
Electric Power Generation, Transmission, and Distribution	2,313	2,379	2,428	2,486	2,483	2,522	\$81,001
Natural Gas Distribution	383	392	399	385	355	310	\$76,375
Oil and Gas Pipeline and Related Structures Construction	371	385	461	417	428	617	\$72,227
Power and Communications Line Construction	444	580	580	590	484	546	\$65,806
Petroleum and Coal Products Manufacturing	943	951	975	1,067	1,094	1,076	\$97,595
Petroleum and Petroleum Products Merchant Wholesalers	627	648	644	621	583	575	\$35,226
Pipeline Transportation of Crude Oil	32	22	21	43	55	81	\$85,154
Pipeline Transportation of Natural Gas	200	206	226	241	252	265	\$67,878
Other Pipeline Transportation (Refined Oil)	91	100	108	112	134	141	\$79,754
Remediation	182	240	243	277	274	281	\$51,100

Total Employment	9,013	9,844	9,875	10,054	9,483	10,067	\$75,229
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Source: Quarterly Census of Employment and Wages, Montana Department of Labor and Industry

If past trends continue, employment in Montana’s energy sectors is likely to continue to increase faster than other areas of Montana’s economy. As the energy sector continues to grow, new problems and difficulties may arise within the industry that will need to be addressed. Perhaps the largest area for current and future problems is the lack of an available workforce to fill the new positions being created and currently unfilled job vacancies. With low levels of unemployment in areas with high concentrations of oil and gas extraction, combined with strong real wage growth, there are already indications that there may be a shortage of workers qualified to fill energy related jobs.⁸ If it is unable to adequately address the lack of qualified workers, the energy sector within the state may see below average growth in employment. However, the below average employment growth will not be due to demand constraints, but due to constraints in the ability to supply the desired goods and services.

Demographic Changes to Montana’s Labor Force

For at least the next 20 years, Montana’s population is projected to get older over time. As younger workers leave the state to look for new job opportunities, and retirees enter the state looking for some place to retire, the average age of Montana’s population is projected to increase from 35.3 in 2000 to 39 in 2030.⁹ As the aging of Montana’s population occurs, Montana’s labor force is projected to begin declining as people retire and leave the work force. As Montana’s labor force begins to decline, businesses within the state will need to locate new sources of workers, or find ways to replace the workers through capital investments or other means.

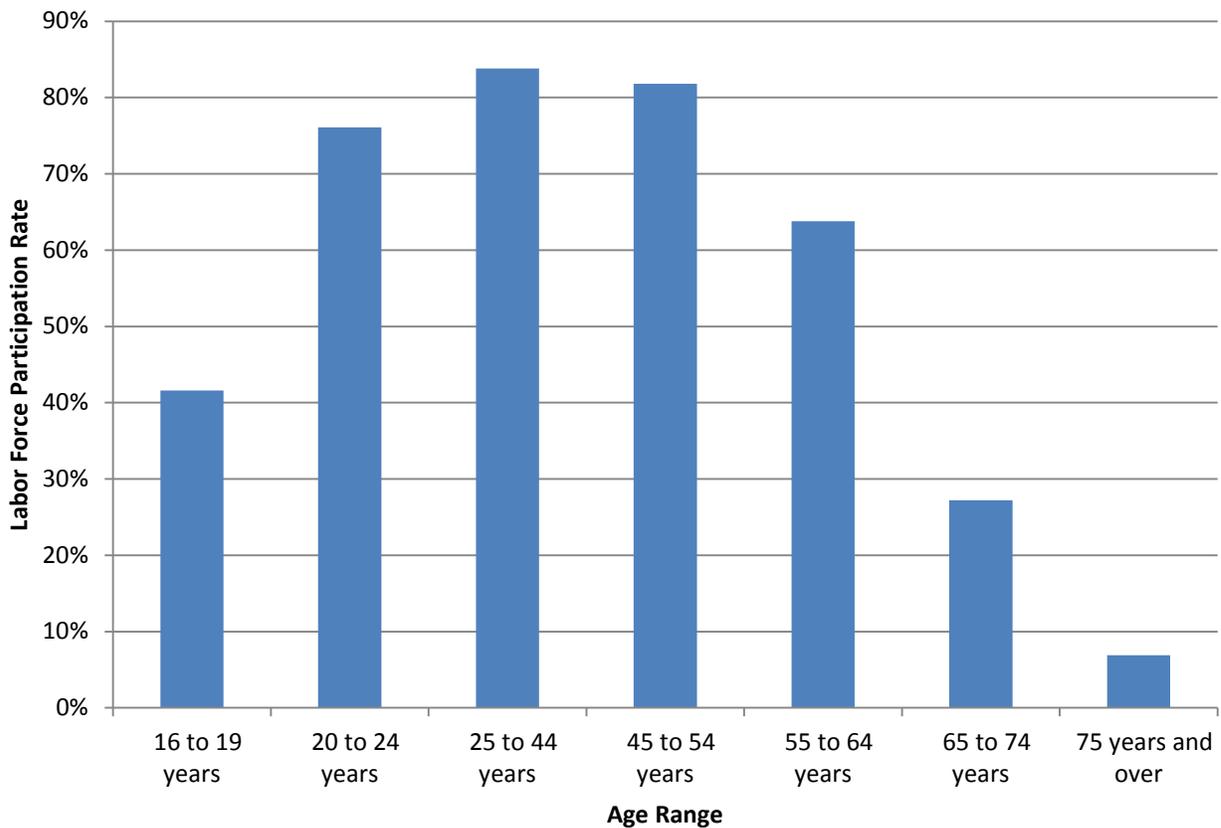
Based on the Census Bureau’s projections, Montana’s population is expected to get significantly older over the next 20 years. For 2010, the U.S. Census Bureau’s 2010 Decennial Census estimated that Montana’s total population was 989,415. Of the nearly 1 million people living within Montana, approximately 62.6%, or 619,110 people, were within the normal working age of 18 to 64 years old. At the same time, approximately 14.8% of the population was at least 65 years old. Based on the U.S. Census Bureau’s population projections, the proportion of Montana’s population that is 65 years old and older is expected to increase to 25.8% by 2030. At the same time, the share of the population that falls into the normal working ages of 18 to 64 is projected to decline to only 54.1%. The shifting of Montana’s population to older age groups is likely to have significant impacts on Montana’s labor force, given the significant decreases in labor force participation of people that are 60 years old and older.

According to the U.S. Census Bureau’s American Community Survey, the labor force participation rates of people in Montana drop significantly once they reach the standard retirement age of 65. For most age groups under 65, the labor force participation rate is consistently above 60% (Figure 14). For individuals that are less than 20 years old, only 41.6% of the population was active in the labor force during 2010. For most of the average working age ranges the labor force participation rate increased significantly, reaching a peak of 83.8% for those 25 to 44 years old. However, the labor force participation rate begins to decline for those 55 to 64 years old, decreasing to 63.8%. The strong decrease in labor force

⁸ “Drilling For Workers: A workforce Assessment of the Energy Industry in Eastern Montana’s WIRED Region,” Montana Department of Labor and Industry

⁹ Interim State Population Projections, 2005, U.S. Census Bureau Population Division, April 2005

participation continues for age groups that are within the standard retirement age of 65 and older, with individuals that are 75 years old and older having the lowest participation rate, which was 6.9% in 2010. Figure 14: Labor Force Participation Rates By Age Group in Montana, 2010



Source: 2010 American Community Survey, U.S. Census Bureau

Based on population projections and labor force participation rates, Montana may be facing a deficit of available workers in the near future, due in part to the aging of the state’s population. If Montana is going to return to the pre-recession rates of economic and employment growth, it will need to address the problems created by the aging population. This is likely to involve a movement of workers from some industries and occupations to other areas of the economy to meet the new demands of an older population. The aging population will also require some workers to continue to work past the standard retirement age. At the state level, filling the gap in available workers is also going to involve attracting new workers into the state’s labor force to replace those that do retire, both from within the state and from areas outside Montana.

Montana Long-Term Unemployed

After reaching record low levels of unemployment in 2006, the number of people unemployed in Montana began to increase as the economy weakened. While higher levels of unemployment are never easy for those unemployed, increases in unemployment are the standard result of economic recessions. With the recent recession however, a new unemployment problem has presented itself in Montana and the United States, long-term unemployed workers. The severity and long length of the recession, combined with a slow recovery, has resulted in many people being unable to find employment for periods of more than 27 weeks. Unfortunately, periods of long-term unemployment have the potential

to negatively affect the workers and the businesses that are looking to employ the skills of the unemployed workers.

At a national level, the proportion of unemployed workers that have been unemployed for at least 27 weeks has reached historical highs over the past four years. In 2011, over 43.8% of unemployed workers in the United States were unemployed for 27 weeks or longer. When compared to the last recession, the current rate of 43.8% is nearly twice as high and nearly 20 percentage points higher than the previous peak occurring after the 1980 recession. The same problem of high long-term unemployment has also occurred within Montana's labor market.

According to the U.S. Bureau of Labor Statistic's Current Population Survey (CPS), approximately 28.8% of Montana's unemployed were without a job for at least 27 weeks in 2011, compared to 13.3% in 2007. The proportion of long-term unemployed workers in Montana was somewhat lower than the national estimates, 28.8% instead of 43.8%, due in part to Montana's stronger economy and lower unemployment levels going into the 2007 to 2009 recession.

The educational attainment level of Montana's population may have be an additional factor in the lower share of long-term unemployed in the state's labor force. Based on the CPS, workers without a high school diploma in Montana were more likely to be unemployed and unemployed long-term relative to those with higher educational attainment levels. According to the U.S. Census Bureau's American Community Survey, approximately 8.3% of Montana's population 25 years old and older did not have a high school diploma or its equivalent. At a national level, approximately 14.4% of the population lacked a high school degree.

Ultimately, the large number of long-term unemployed has potentially negative consequences for workers and businesses within the state. Over time, long-term unemployment is likely to result in the deterioration of work skills, resulting in lower wages for the workers and making it harder for businesses to hire qualified workers. Solutions for the long-term unemployment problem ultimately depend on the cause of the problem. If people are unemployed for long periods due to the slow economic recovery, the best solution would be to institute policies that promote a stronger economic recovery. However, if the long-term unemployed are unable to find jobs due to a lack of skills necessary to fill the occupations businesses need, the solution will require the re-training of workers to replace their old skills with new ones.

II. Montana's Operational Plan

The Governor of Montana has long focused on workforce development, working to diversify the economy, create more jobs, better jobs, and jobs that are geographically dispersed especially in Indian country. Montana's Workforce Investment System is made up of a variety of key stakeholders including both public and private entities, local, state, and federal workforce employment and training programs, along with human capital support agencies all coming together to develop and maintain a systemic, high quality workforce system for the state. Montana's workforce system is one that strives to support and enhance the economic health of the business community as well as to provide a prepared workforce. Section I of this plan describes the strategic vision for Montana's economy and workforce development system. The following Operational Plan details how programs, partners, and policy come together to implement said vision. The Operational Plan also includes Montana's Agricultural Outreach Plan and Senior Community Service Employment Program Strategic Plan.

Overview of the Workforce System

State Organization

Montana's Workforce Services Division (WSD) at the Department of Labor and Industry (DLI) is responsible for administering all WIA and Wagner-Peyser programs, in addition to several other workforce programs including: State Displaced Homemaker; Trade Adjustment Assistance (TAA); Work Opportunity Tax Credit; State Registered Apprenticeship; Migrant and Seasonal Farmworker; Senior Community Service Employment Program (SCSEP); Foreign Labor Certification; Federal Bonding Program; National Emergency Grants (NEGs); and Montana's Incumbent Worker Training Program. WSD also provides statewide oversight, regulatory, tracking, registration, and support functions for the federal Workforce Investment Act, the Jobs for Montana's Graduates (JMG) program, and Registered Apprenticeship programs. The division is responsible for data collection, analysis, dissemination, and reporting of labor market and career information, core products, and other areas managed by the division. WSD also establishes rates for the state prevailing wage law and for alien labor certification purposes.

The Workforce Services Division consists of four bureaus which provide business services, strategic guidance and training, information technology, process and statistical analysis, budget development, fiscal and management analysis, administrative and clerical support and the infrastructure needed to support the central and field offices throughout the state.

The four bureaus and their functions are listed below:

1. The **Job Service Operations Bureau** coordinates and guides the delivery of workforce development services in local communities. The Bureau assists local managers and Job Service staff maintain programs and delivery systems, local budgets, staffing, performance standards and reporting, and internal performance reviews. The bureau provides both broad and targeted guidance to local staff related to the One-Stop systems, relationships with community partners, and other governmental agencies.

The bureau is divided into two organizational areas: Local Job Service Workforce Centers (JSWC) and Budget and Program Management. The Local JSWC unit consists of five regional directors, twenty-three local managers and their management teams who oversee traditional labor exchange, training, contracts, and other community programs in twenty-four sites across the state. The services are delivered through the Workforce Investment Act system developed by the State Workforce Investment Board (SWIB) and Community Management Teams, (CMTs). CMTs are unique to Montana, and are comprised of One-Stop partners, community members, local businesses, economic development representatives and other interested local parties cooperatively planning workforce services within community system. Montana has nineteen certified One-Stop Systems and twenty-four certified One-Stop Centers across the state, who partner with multiple state agencies to coordinate and collaborate the delivery of services to participants in Montana's Workforce System.

The Budget and Program Management unit provides centralized guidance and coordination to JSWC staff in the local delivery of the programs including, but not limited to: Wagner-Peyser, Business Services, Re-employment, TAA, VETS, WIA, etc. This unit is also responsible for: tracking JSWC program performance through regular monitoring, developing and maintaining budget and fiscal reports, grant

development, providing technical assistance and training for local staff, and providing assistance with personnel management and staffing.

2. **The Research and Analysis Bureau** works in partnership with the Bureau of Labor Statistics at the U.S. Department of Labor to develop Labor Market Information (LMI) for use at the state and federal level. In addition to developing and publishing monthly employment statistics, the Research and Analysis Bureau issues a wide variety of publications designed to help Montanans better understand their economy. The monthly Montana Economy at a Glance newsletter provides the latest employment data, along with a featured article analyzing an important aspect of the Montana economy. All of the publications provided by this bureau are available at: www.ourfactsyourfuture.org. The Research and Analysis Bureau also provides information to workers and students who are looking for new jobs or exploring new careers. Their ten-year job projections give workers an idea of which fields will provide employment opportunity in the future, while wage data can help them balance their interests and skills with the need to earn a living. The Montana Career Resource Network (MCRN) is a component of the Research and Analysis Bureau that promotes career planning and development by providing publications and resources geared toward specific segments of the population.

This bureau consists of four sections. The Support Section is responsible for the Montana Career Resource Network and fiscal support for the Bureau, while the Information Resources Section is responsible for publications, website, and training. The Labor Market Statistics Section is responsible for most of the Bureau of Labor Statistics programs, and the Economic Research & Analysis Section is responsible for providing the unemployment rate and doing analysis on various economic and labor market data.

3. The **Statewide Workforce Programs and Oversight Bureau** performs oversight, regulatory, tracking, registration, and support functions statewide for both State and Federal Programs. The bureau compiles, analyzes, and reports on system wide performance indicators. It provides guidance on fiscal matters and works for better integration of programs. The bureau is also responsible for Statewide Rapid Response under WIA, the State Employee Protection Act, and the State Displaced Homemaker Programs. The bureau consists of several units, including:

- **Statewide Workforce Investment Act (WIA):** The WIA unit provides oversight, regulation, monitoring, and technical assistance functions to the State Workforce Board and all workforce programs, including WIA Adult, WIA Youth, WIA Dislocated Worker and Trade.
- **The Work Opportunity Tax Credit (WOTC) Program:** WOTC is designed to assist individuals facing barriers move into gainful employment.
- **The Programming Unit** is responsible for programming, contracting for and maintaining computer systems for the division, operating and maintaining Montana Works, the internal application system used by local offices for job orders, referrals, recording services, employer information, case management and counseling; operating and maintaining the Montana Jobs System, the self-service internet application where employers search through the database of resumes, and job seekers can register, input a resume and search for jobs; and the Participant Payment System which was set up to track the fiscal support to a participant and to each program that the participant is getting assistance from. This unit also provides systems to generate both federal and state reports. The following programs utilize the MontanaWorks system for program reporting: State Registered Apprenticeship; WIA; TAA; Wagner-Peyser; Job and Training Councils (JATC); Rural Employment Area (REA) Pilot; Displaced Homemaker; and

National Emergency Grants (NEG). CMDART and DRVS software are used for data validation and quarterly and annual performance reporting.

4. The **21st Century Workforce Technology Apprenticeship & Training Bureau** consists of the following programs:

- Apprenticeship and Training Program (ATP): The ATP unit is the official registering entity for apprenticeship programs in Montana and oversees all aspects of the Federal program for the state.
- Jobs for Montana Graduates (JMG): The JMG unit provides technical assistance and oversight for this state funded program, which operates under the general provisions of the national program, Jobs for American Graduates (JAG). It provides assistance and grants to over 42 schools in Montana to help meet the needs of at-risk students.
- State Workforce Investment Board (SWIB) is responsible for advising the Governor on the creation, implementation and continuous improvement of a comprehensive statewide workforce development system, designed to train and employ the maximum number of Montanans as possible.
- Incumbent Worker Training (IWT): Incumbent Worker Training is a grant program administered by the Montana Department of Labor & Industry and operated in partnership with the Business Expansion and Retention (BEAR) program, Small Business Development Centers (SBDC), and Montana Manufacturing Extension Centers (MMEC). The purpose is to meet the training needs of incumbent workers in Montana businesses employing 20 or fewer workers in one location but not more than 50 workers statewide, and to assist local businesses in preserving existing jobs for Montana residents.

Through its many programs, the Workforce Services Division provides Montanans with community-based access to a labor exchange system that assists employers in filling jobs and assists job seekers in finding employment, facilitating the match between the two. WSD also participates in a job match system between states, provides employment services to individuals receiving unemployment insurance, and assists employers with developing and implementing effective human resource practices.

State Workforce Investment Board Organization

The mission of the Governor's State Workforce Investment Board (SWIB) is to engage, encourage and lead alignment across workforce development, education and economic development so that the maximum numbers of Montanans are gainfully employed. The SWIB advises the Governor on policy development and in responding to industry and employer needs for skilled workers. The SWIB also provides guidance on workers' needs for sustainable, economically advantageous jobs. The Board leads the state in broad strategic workforce initiatives that leverage resources beyond WIA funding, while providing necessary system oversight.

The State Workforce Investment Board is comprised of a majority of business leaders in the State of Montana, who are stakeholders in the prosperity of workforce and economic development. These private industry representatives, along with public representatives, play a vital role in ensuring that employers have access to a prepared workforce and that jobseekers are able to access services, resources, and training that will enable them to obtain employment.

Committees of the State Workforce Investment Board include the Executive Committee, Workforce Investment Act Committee, Life-Long Learning Committee, Sector Strategies Committee, and the Youth Council. These committees conduct business as an advisory body to the Governor on statewide workforce system issues, as well as to assume responsibility for performing all Workforce Investment Act local workforce board duties.

Executive Committee: The Executive Committee consists of private sector leaders from each of the three workgroups (described below), appointed representative(s) from the WIA Committee, the SWIB Chair, the SWIB Director, and others as deemed necessary. The Executive Committee leads the SWIB workgroups and has the authority to act on behalf of the SWIB. The Executive Committee’s responsibilities are to: Oversee implementation of the strategic plan; Track workgroup plans and progress; Offer leadership around alignment of Workgroups; Offer leadership around leveraging system partners; and Drive the provision of critical workforce data.

WIA Committee: The WIA committee is the Regulatory committee that provides oversight, ensures compliance with the applicable laws and regulations governing WIA Title IIB employment and training programs and develops meaningful accountability measures and outcomes.

Lifelong Learning Committee: The Lifelong Learning Committee’s focus is on training and education models that provide the current and future workforce with lifelong learning opportunities that are also responsive and aligned with new and changing economies. Such models emphasize “earn while you learn”; lifelong learning/advancement; meeting employers needs immediately (i.e. on-the-job-training, apprenticeship, workplace-based); and using skills upgrading as a strategy to re-build declining economies.

Sector Strategies Committee: Sector Strategies work to develop deeper understanding of the interrelationships between business competitiveness and the workforce needs of the target industry, crafting workforce tailored solutions to that industry and its region.

Youth Council: The Youth Council provides leadership by serving as a catalyst to connect out-of-school youth and at-risk youth with quality secondary and post-secondary educational opportunities and high-growth and other employment opportunities.

The Vocational Rehabilitation Programs fall under the direction of the Montana Department of Public Health and Human Services (DPHHS). This agency is represented on the SWIB and on the SWIB’s Lifelong Learning Committee. In addition to service to the SWIB, DPHHS is also a signed partner of the state One-Stop Delivery System’s Memorandum of Understanding and Consortium Agreement whereby the parties agree to support all One-Stop Centers in Montana. In addition to supporting the efforts of the One-Stop Centers, a member of the State Board is also designated to serve on the State Board Vocational Rehabilitation Advisory Council. Vocational Rehabilitation provides training to their partners on their services in addition to actively sharing their expertise to ensure customers are served effectively including Veterans, customers with disabilities and Montana’s Native American population.

Montana State Workforce Investment Board Members	
Marty Copps, Chair Private Sector	Copps Hardware 83 West US HWY 212

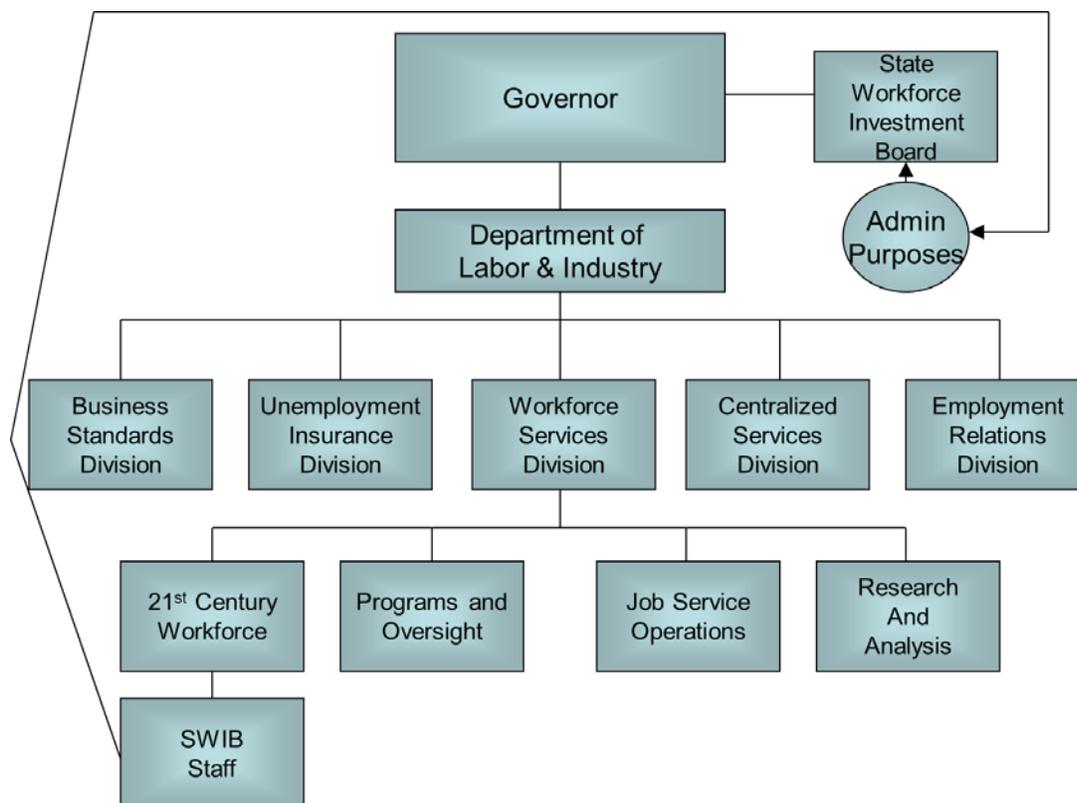
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Organizational Chart



State Workforce Investment Board Involvement in the State Plan

The State Workforce Plan was thoroughly vetted before submission. The SWIB solicited input and suggestions from State Board members, appropriate state agency personnel (including: Department of Labor and Industry's Workforce Services Division, Department of Public Health and Human Services, Department of Commerce, the Governor's Office, Office of Public Instruction, and the Office of the Commissioner of Higher Education) members of the public and other interested persons. The plan was featured on several SWIB meeting agendas, including an Executive Committee meeting on May 7, 2012, State Workforce Investment Board Meeting on May 31, 2012, Workforce Investment Act Committee meeting on July 24th, 2012 and August 23, 2012, and finally, an Executive Committee Meeting on Sept. 5th, 2012. All meetings were publicly noticed.

On July 18, 2012 the Agricultural Outreach Plan was posted for a thirty day public comment period and on August 22th the WIA/Wagner-Peyser State Plan including the SCSEP plan was made available and posted on the SWIB website (swib.mt.gov) for a two week public comment period.

Local Organization

Montana's workforce system is designed to function efficiently at the local level, serving the unique needs of a large, widely rural state. Through utilization of integrated partnerships with business, education, community leaders, and workforce programs, Montana has been able to form Community Management Teams (CMTs), who serve as the state's local workforce organizations. Community Management Teams (CMTs) were originally developed as a group of One-Stop partners, community members, local businesses, economic development representatives, and interested parties cooperatively planning workforce services in a community system. CMTs were organized regionally with One-Stop systems to fit Montana's vast geographic expanse. They generally surrounding areas within a hundred miles of a community that offers workforce development services, including both mandatory and many optional WIA partners. Montana CMT's, unique to the state, provide the local, community voice to the State Board. With the guidance and support of the State Board, CMT's partner with One-Stop Operators to certify and re-certify centers under the regulations set forth by WIA and the State Board. Montana currently has 19 active CMTs in communities across the state. These CMT groups have elected officers and meet on a monthly or quarterly basis, as determined by the group.

Policies

The Montana State Workforce Investment Board sets the following policy to support and direct the development of a statewide workforce investment system:

Policy on Procuring Workforce Center Operators – It is the State's policy that the State Workforce Investment Board incorporates the planning efforts of the Local Community Management Teams developed under Montana's One-Stop Implementation Grant to the degree practical.

Policy on Reallocation – The Governor may, in accordance with Title I Section 128 (c) and 133(c), deobligate youth and adult employment and training funds from local areas that fail to obligate 80 percent of a program year's allocation. These funds will be reallocated to eligible local areas based on the formula specified in the Act. The State will allow voluntary deobligation that allows a local workforce investment area to transfer funds to the other local area if the area wishes to accept the funds.

Policy on Transfer between Adult and Dislocated Worker Funds – The SWIB may transfer up to 20 percent of a program year allocation for adult or dislocated worker employment and training activities between the two programs. The SWIB may not automatically transfer funds to or from the youth program. It is the State's policy that, before making any such transfer, the SWIB must:

- Incorporate the modification to the local plan or be presented as an amendment to that plan
- Obtain the Governor's prior written approval.

Policy on Priority of Service to Veterans – One-Stops housing Wagner-Peyser staff will provide veterans with priority employment and training services in accordance with federal law, U.S. Code Title 38, Chapters 41 and 42 and 20 CFR 1001.120(a)(b). The full array of core services will be made available to

veterans in the following order of priority: veterans with disabilities, Vietnam-era veterans, veterans, and eligible persons.

Policy on Targeting Services – In the event that the funds allocated to local areas for adult employment and training activities are limited, priority shall be given to recipients of public assistance and other low-income individuals for intensive and training services. In addition to public assistance recipients and other low-income individuals, the State recommends the following additions to the priority for those who are less than 80% self-sufficient or have one of the following barriers: (1) older workers; (2) individuals with language barriers; (3) individuals facing cultural barriers, including American Indians; (4) individuals not receiving services from other programs in WIA; or (5) other populations determined by the local boards and local management teams.

The State charges the SWIB with developing written policies and procedures on local targeting of services to groups and individuals. A The WIA/Wagner-Peyser Plan must assure that written policies and procedures are developed and communicated to all One-Stop Centers and associate program operators and available for State inspection. Persons with disabilities will be afforded opportunities for training activities designed to improve participation in the workforce and lead to higher earnings for participants who successfully complete them. Individuals with other employment issues will be afforded opportunities for participation in training activities designed to improve participation in the workforce and lead to higher earnings for individuals who successfully complete them. Training activities for persons will be provided in the context of the state’s vision to provide universal access for all customers.

Policy on Individual Training Accounts - The State does not set a limit on the dollar amount or duration of Individual Training Accounts. The State Board, operating on behalf of local boards, holds the responsibility for defining ITA policies and procedures. The State Plan must assure that written policies and procedures are developed and communicated to all Center operators and available for State inspection.

Policy Defining Deficient in Basic Literacy Skills –The State Workforce Investment Board endorses the WIA definition of “basic skills deficient” as “with respect to an individual, that the individual has English reading, writing, or computing skills at or below the 8th grade reading level on a generally accepted standardized test or a comparable score on a criterion referenced test.” In addition, the Act further defines literacy as “an individual’s ability to read, write, and speak in English, and to compute, and solve problems, at levels of proficiency necessary to function on the job, in the family of the individual, and in society.” The State Board chooses not to elaborate on these definitions.

The State assures that it will comply with Section 504 of the Rehabilitation Act of 1973 (29 USC 794) and the Americans with Disabilities Act of 1990, et seq.

The Montana Information Technology Act of 2001 (Title 2, Chapter 17, Part 5, Section 505) states that (1) it is the policy of the state that information technology be used to improve the quality of life of Montana citizens by providing educational opportunities, creating quality jobs and a favorable business climate, improving government, and protecting individual privacy and the privacy of the information contained within information technology systems, and that (2) it is the policy of the state that the development of information technology resources in the state must be conducted in an organized, deliberative, and cost-effective manner. These policies guide Montana in efforts to support common data collection and reporting processes, information management, integrated service delivery, and

performance management. The State uses MontanaWorks (previously known as the Montana Management Information System– MTMIS) to track all of the WIA, Wagner Peyser, Trade Act programs, Apprenticeship, and National Emergency Grants activities.

The Montana Department of Labor & Industry is designated as the single administrative entity, grant recipient and fiscal agent for WIA . The State Board assumed the role and responsibilities of two local boards, and the State maintains the statewide management information and financial system for WIA to eliminate duplicative administrative costs in Montana and promote efficient use of administrative resources within the workforce system. The One-Stop system has been enhanced by: expanding the number of One-Stop Centers, greatly increasing workforce system reach to citizens and business customers; and by increasing sites where co-location and integration are feasible. Additional policies will be considered as the State Workforce Investment Board analyzes its inventory of workforce services.

Montana’s One-Stop workforce system provides services directly to customers either onsite, through electronic access, or referral by Montana’s One-Stop centers or associate sites to other agencies that include:

- Job Corps
- Carl Perkins Act Post-Secondary programs
- Vocational Rehabilitation
- Office of Public Assistance
- Adult Education and Literacy programs
- Montana University System
- National Farmworker Jobs Program
- Wagner-Peyser Programs

The State Board supports a demand-driven approach to workforce development, to include training on labor market information for workforce development agencies and One-Stop career center staff. The SWIB also directs the administrative entity to promote and use LMI data when providing technical assistance to WIA service providers at semi-annual Technical Assistance & Training sessions. The State Board provides input on and approves the Department’s Research & Analysis Bureau’s grant plan for the Employment and Training Administration’s Core Products and Services grant. The products and services of the Research & Analysis Bureau are being reviewed annually and based on the feedback gained from customers each product/service is improved to meet customer needs. The economists make many presentations on the economy and labor market information to diverse groups across the state.

Bureau staff have increased the number of partnerships with other agencies and members of the workforce development system which has resulted in providing in depth research on specific topics for these partner agencies. Improvements to the Research & Analysis website will continue to be made based on customer feedback. The end goal of these efforts is to place relevant, localized, and timely data at the fingertips of decision-makers and other users of workforce information. Timely, relevant, and localized data is a critical piece of a demand-driven approach. The Research & Analysis Bureau also make use of a customer service database which is used to log and track customer requests. Compilation and analysis of this data has been and will be used to identify high-demand information and the customer base for that information, and allow the Bureau to respond accordingly.

The State ensures that the integration of resources available through apprenticeship programs and the Job Corps are integrated into the local One-Stop systems by actively coordinating with those programs through representation on the State Board. Job Corps representatives have staff members co-located within Job Service Workforce and One-Stop Centers in Montana. Labor Organizations, businesses that are apprenticeship sponsors, and private industry associations with linkages to apprenticeship also serve on the State Board. As Montana's workforce system focuses on at-risk youth and how to increase the skill-level of the current and emerging workforces, the State Board will increasingly examine how to better integrate apprenticeship program resources in the One-Stop Delivery system.

There are three Job Corps centers in Montana and staff from the Job Corps have been very active in the development of Montana's workforce system and have provided representation on nearly all of the Community Management Teams. Job Corps representatives have proactively shared information about their program through a variety of venues, including presentations to CMTs, the State Workforce Investment Board, Youth Council, and at the Annual WIA Conference.

Transitional Policies- Any reference to a local area or local areas in the original 2-Year plan will now be considered the statewide regional planning area. Montana SWIB functions as the statewide WIB and assumes responsibilities previously held by local WIBS.

The SWIB developed a WIA Policy Manual during PY05. The manual is available both hard-copy and on-line. The Statewide Workforce Programs and Oversight Bureau will continuously review policies with the intent of providing consistency in treatment of system customers and efficiency in operations. In accordance with the provisions of Montana's WIA 2-Year Plan, the SWIB initiates consortium agreements with each SWIB certified One-Stop. In May 2006, the SWIB formed a Youth Council, as a committee that functions collaboratively under the direction of the SWIB.

Administrative Policies - Service providers will use the Montana Department of Labor's WIA MontanaWorks Management Information System. Service providers' financial systems must meet requirements in the State WIA Policy Manual and OMB Circulars.

In an effort to ensure that the One-Stop system meets minimum quality standards, including the effective integration of services, and in anticipation of meeting requirements in the Reauthorization of WIA, the State Workforce Investment Board has developed minimum One-Stop Certification Criteria for the State. This standard certification criteria was developed to promote the belief that the One-Stop System must address local economic issues while supporting overall State economic goals. Montana currently has 24 certified One-Stop Centers throughout the state. The SWIB WIA Committee is responsible for reviewing applications for One-Stop certification, and ensuring all criteria is met. Certification of One-Stops is the responsibility of the State Board. If an applicant wishes to appeal a certification denial, that appeal will be submitted in accordance with State Board policy and provided to the State Board. In order to ensure maximum flexibility at the local level, the State Board will coordinate with MACo, local Community Management Teams, local economic development organization, local elected officials, One-Stop systems, and others to ensure the collaboration and integration of services.

Designated Workforce Investment Areas

The State of Montana has been a single statewide planning area since 2006. There are two designated local workforce areas, the 46 county Balance of State (BOS) and the 10 county Concentrated Employment Program (CEP), within the single statewide planning area. These areas were designated under the implementation of the Workforce Investment Act of 1998. The Montana Department of

Labor and Industry is the designated State Workforce Agency and the Statewide Workforce Programs and Oversight Bureau in the Workforce Services Division is responsible for the administrative oversight functions under WIA Title IB, which serves adults, dislocated workers and youth.

The CEP is an automatic designated area as provided in the WIA of 1998. Montana does not meet the population criteria for more than one other local area, and therefore the BOS is also considered an automatic designated area. Neither local area in Montana actually has the population numbers to be considered a separate workforce area, but since the CEP was grandfathered in with the WIA, we have two areas.

Montana has no formally created intra- or inter-state regions. The structure of the State’s local areas, one of which predominately contains Montana’s most rural areas, is based on necessity, and has resulted in informal regions being developed for the purposes of local planning and service delivery. Communications and grant projects have ensued to discuss sectional and regional strategies working together with similar states, promoting collaboration and soliciting best practices. The State Board continues to coordinate and promote these efforts.

The designation as a single state planning area is for the purpose of creating efficiency and economy. With limited funding, it is essential that the state identify every opportunity for eliminating duplication to maximize opportunities to pass funding dollars on to participants. This also ensures better alignment of workforce services with economic and community development, education services and planning, and facilitates improved coordination of state funds to serve high priority groups.

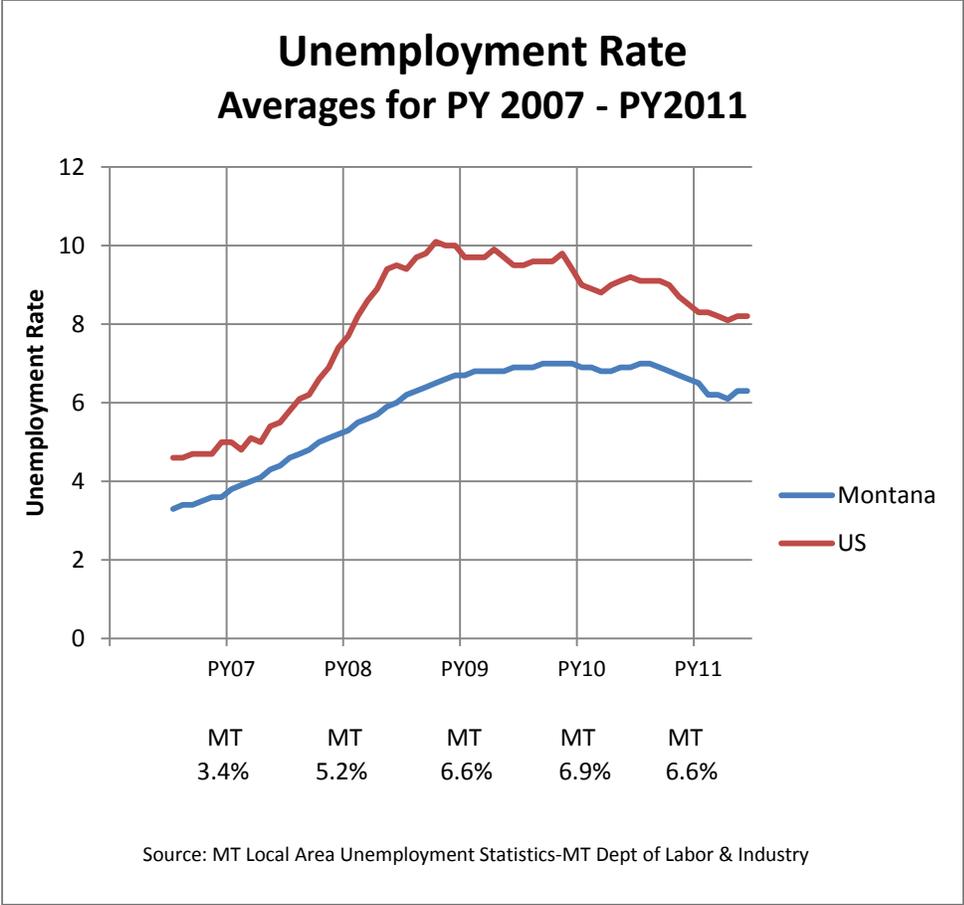
Below is a condensed table reflecting Montana’s negotiated single statewide planning area performance levels. Montana has not established any additional performance goals beyond those required by the US Department of Labor Employment and Training Administration. The BOS and CEP areas are held accountable to achieve the States existing negotiated performance levels.

Montana WIA/W-P Performance Goals							
PY 2012							
	2012	2011	2011	2010	2009	2008	2007
WIA Requirement at Section 136 (b)	Performance Goal	Negotiated Performance	Actual Performance *	Actual Performance	Actual Performance	Actual Performance	Actual Performance
Adults:							
Entered Employment Rate	79.5%	81.0%	70.6%	63.1%	84.2%	94.5%	88.1%
Employment Retention Rate	90.0%	88.0%	90.6%	81.0%	85.2%	89.1%	89.6%
Average Six-Months Earnings	\$13,000	\$11,700	\$14,689	\$12,306	\$12,046	\$13,036	\$13,825

Dislocated Workers:							
Entered Employment Rate	89.0%	83.0%	76.9%	70.1%	91.5%	92.9%	91.3%
Employment Retention Rate	92.0%	92.0%	87.9%	87.1%	86.6%	94.2%	92.2%
Average Six-Months Earnings	\$16,000	\$14,600	\$18,545	\$17,867	\$14,629	\$14,042	\$17,107
Youth Common Measures:							
Placement in Employment or Education	** 78%	80.0%	***65.2%	84.3%	70.9%	78.0%	81.1%
Attainment of a Degree or Certificate	71.0%	71.0%	54.7%	61.6%	67.1%	69.8%	78.4%
Literacy and Numeracy Gains	30.0%	22.0%	43.9%	25.8%	23.9%	16.0%	20.0%
W-P Requirement at Section 13(a)							
Entered Employment Rate	79.5%	84.0%	58.0%	58.0%	52.0%	73.0%	72.0%
Employment Retention Rate	90.0%	88.0%	81.0%	76.0%	76.0%	84.0%	83.0%
Average Six-Months Earnings	\$13,000	\$11,700	\$12,480	\$11,968	\$12,178	\$12,551	\$11,623
* Performance through PY 11 4th quarter (four quarter cumulative rate)							
** Requesting a reduction in performance goal due to problems with reporting for this measure during the last 4 quarters							
*** Problem found with rate reported for PY 11 3rd quarter Placement in Employment or Education measure							

PY 2012 Negotiations

Montana's unemployment rate has risen from 3.3% in July 2007, to 6.3% in June 2012. The high rate during that time period was 7.0%, occurring in both 2010 and 2011 for several months. Average unemployment rates have gone from an average 3.7% in PY 2007 to a high of 7.0% in 2010 and 2011, then down to 6.6% in 2012.



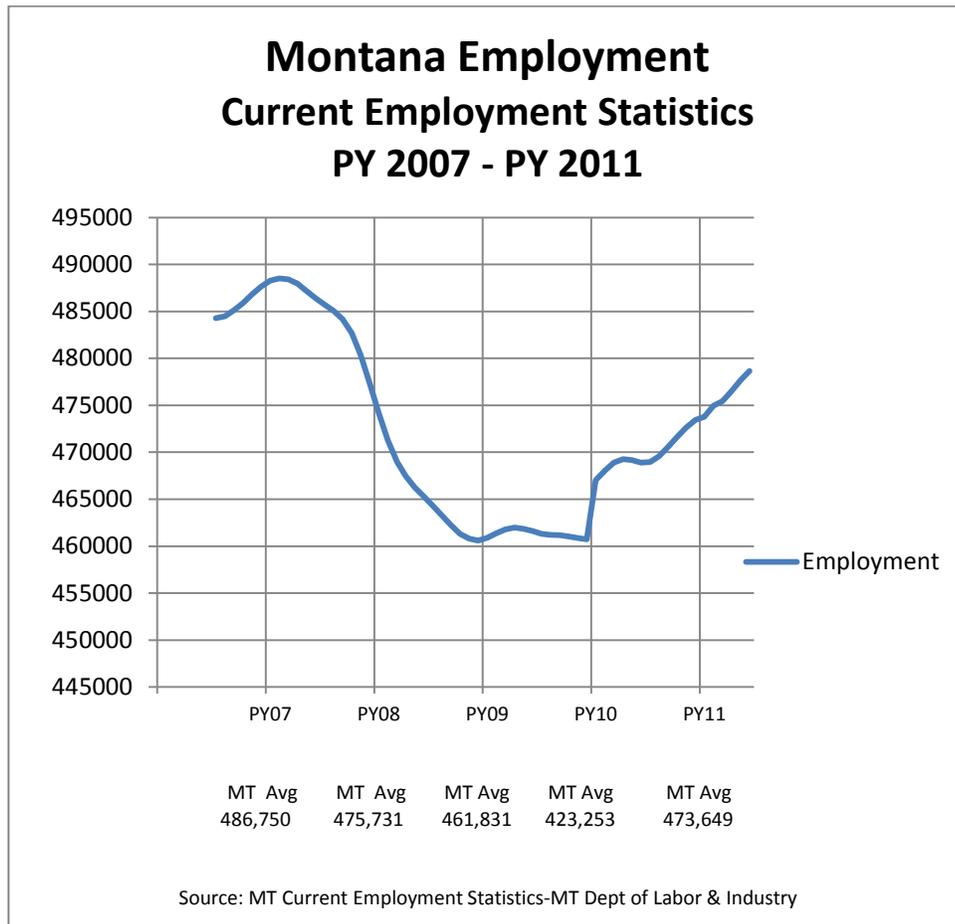
Traditionally, Montana lags behind the nation in employment trends. The lagging economy did not begin to affect Montana until a year after economic problems started affecting the rest of the nation. As the nation recovers, Montana will lag behind the recovery for a year to eighteen months. While the swing in unemployment numbers is not as drastic as what happened nationwide, Montana’s unemployment rate did not start to rise significantly until the rest of the nation had an unemployment rate above 8.0%.

Montana now ranks 14th for the lowest unemployment rate in the nation. However, the State of Montana was declared an Area of Substantial Unemployment (ASU) for PY 2011 WIA formula allocations. All of Montana’s counties were considered a contiguous area with an unemployment rate higher than 6.5%. In June 2012, 12 Montana counties had an unemployment rate higher than the state’s unemployment rate. These rates contributed considerably to the contiguous area 6.5% unemployment rate.

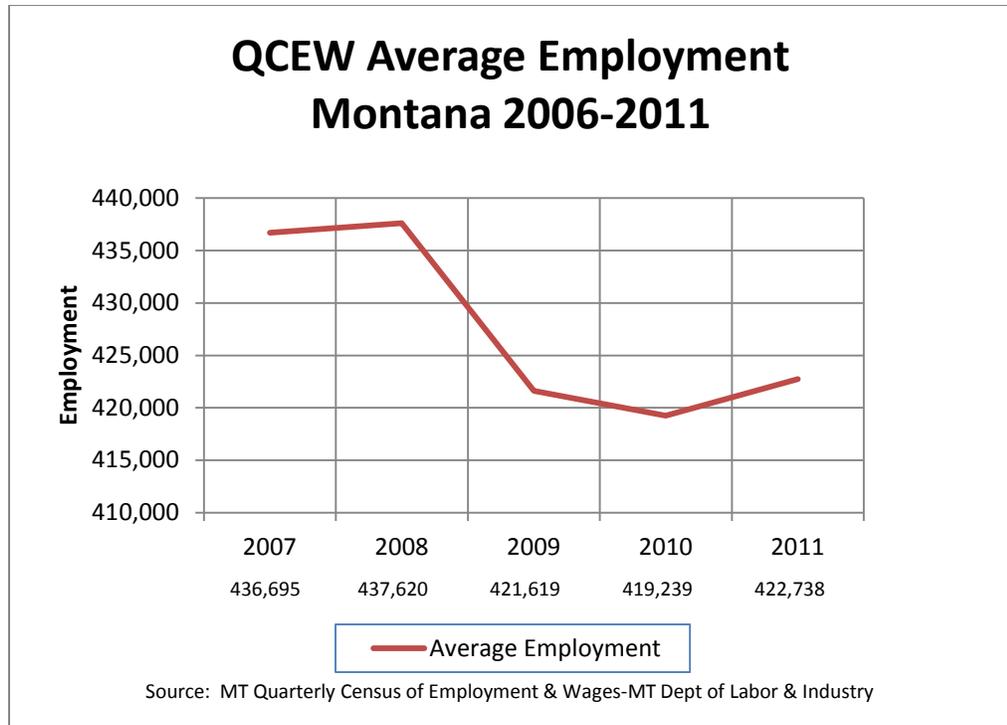
Several of the counties with high unemployment rates are home to Native American reservations which have limited employment opportunities. During PY 2010 and the first three quarters of PY 2011, approximately 12% of WIA Adults and 31.2% of WIA Youth identified themselves as Native American.

It is reasonable to consider that since Montana’s unemployment rates have been almost double what they were prior to 2008 that Montana’s Entered Employment and Employment Retention rates for WIA Adult and Dislocated Worker would fall.

Montana’s Local Area Unemployment Statistics show that employment estimates have dropped considerably from PY 2007 through PY 2010, with a decrease of approximately 63,500 employed persons. There has been an upswing in employment numbers during PY 2011, but Montana still lags behind the high employment levels of PY 2007.



Montana Quarterly Census Employment and Wages (QCEW) 2011 annual average employment was 3.5% lower than what was reported in 2008. Montana Current Employment Statistics data also showed a decrease for annual average. Total Private Employment dropped from 2008 to 2011 by 4.1%. While these decreases do not seem large compared to the nation’s decreases, they have a definite impact on Montana’s employment opportunities.



1. WIA Adult and Dislocated Worker Performance

During the negotiation period in June 2007, Montana’s unemployment rate was stable at around 3.7%. The Entered Employment, Employment Retention, and Average Earnings performance rates were not adversely affected by this low unemployment rate. More employment opportunities were available to WIA participants who either found jobs through core and intensive services, or who completed training and found jobs as a result of the training.

Entered Employment:

The following chart shows the gradual decline in Montana’s reported Entered Employment performance for both Adult and Dislocated Worker populations through PY 2008 to PY 2010. Rates for PY 2011 are slowly increasing but are still not at high levels reached in prior program years.

**Montana
Entered Employment Performance**

	PY 2008		PY 2009		PY 2010		PY 2011	
	Adult	Disloc Wkr						
1st qtr	88.2	92.6	91.3	85.7	85.9	87.4	73.9	81.4
2nd qtr	82.2	87.5	90.2	80.3	66.3	72.2	74.7	77.6
3rd qtr	91.5	90.1	78.3	79.7	64.8	69.0	71.2	76.0
4th qtr	94.4	92.4	87.0	91.2	60.8	66.4	74.4	74.1
Average	89.1	90.7	86.7	84.2	69.5	73.8	73.6	77.3

Employment Retention:

Montana's Employment Retention performance hasn't decreased significantly due to higher unemployment rates. We have been able to meet performance at the 80% negotiated rate so far. However, performance rates decreased for both Adults and Dislocated Workers in PY 2010.

**Montana
Employment Retention Performance**

	PY 2008		PY 2009		PY 2010		PY 2011	
	Adult	Disloc Wkr						
1st qtr	89.7	94.8	87.6	90.9	91.6	80.4	84.1	91.4
2nd qtr	88.6	93.9	88.1	83.9	76.9	81.8	83.6	88.2
3rd qtr	87.6	95.0	82.9	88.2	80.7	85.0	85.2	87.3
4th qtr	86.0	93.9	91.6	87.2	80.6	87.6	85.5	88
Average	88.0	94.4	87.6	87.6	82.5	83.7	84.6	88.7

Average Earnings:

Average Earnings have remained fairly stable, surpassing negotiated values for the majority of PY 2010 and 2011. Montana's 2010 QCEW annual average wage was \$34,610, while reported performance for WIA Adults is approximately 78% of the annual average wage. WIA Dislocated Worker performance has exceeded the QCEW annual average wage for the last four quarters.

**Montana
Average Earnings**

	PY 2008		PY 2009		PY 2010		PY 2011	
	Adult	Disloc Wkr						
1st qtr	\$13,270.70	\$15,190.00	\$12,525.00	\$13,958.90	\$9,018.60	\$13,685.90	\$13,049.80	\$18,236.80
2nd qtr	\$13,826.50	\$17,965.70	\$9,640.10	\$10,041.40	\$12,442.10	\$14,418.40	\$12,651.00	\$17,549.90
3rd qtr	\$19,925.30	\$21,447.00	\$11,464.80	\$15,076.40	\$12,408.30	\$14,669.80	\$13,523.90	\$18,714.50
4th qtr	\$13,186.80	\$14,019.80	\$8,611.20	\$12,115.00	\$12,129.40	\$17,866.70	\$15,404.80	\$20,121.80
Average	\$15,052.33	\$17,155.63	\$10,560.28	\$12,797.93	\$11,499.60	\$15,160.20	\$13,657.38	\$18,655.75

2. WIA Youth Performance

Montana has managed to meet WIA Youth performance during the last two program years but the Placement in Employment or Education and Attainment of a Degree or Certificate measures have been challenging. Montana's Literacy and Numeracy Gains rates have increased significantly.

Placement in Employment or Education:

Montana has had difficulty maintaining high rates for the Placement in Employment or Education performance measure. Rates took a nosedive in 2nd quarter of PY 2010 and have not recovered.

An error was found in the way data was pulled from MontanaWorks, Montana’s database for WIA and Wagner-Peyser reporting. Rates were reported as extremely positive, when in actuality the real rates were approximately 30% lower than what was reported. Data was hand-calculated for 1st and 3rd quarters after reporting deadlines. The problems have been fixed and there should be no problem reporting accurate numbers in the future.

Placement in Employment or Education rates dropped noticeably in part because of the Common Exit policy. All additional follow-up information collected after exiting Youth participants is lost if they look for a job through jobs.mt.gov. In particular, no postsecondary or advanced training is reported for the Placement in Employment or Education measure if participants continue accessing Wagner-Peyser services after completing WIA program services.

Montana					
Placement in Employment or Education					
	PY 2008	PY 2009	PY 2010	PY 2011	PY 2011
	Reported	Reported	Reported	Reported	Actual
1st qtr	82.3	76.5	96.3	99.2	*68.3
2nd qtr	79.2	72.9	55.1	53.3	53.3
3rd qtr	80.7	67.6	48.3	99.7	*65.2
4th qtr	78.0	70.9	52.3	67.1	67.1
Average	80.1	72.0	63.0	79.8	63.5
* Error found in tables used to report data for performance—these rates were not reported in quarterly reports for PY 2011 as the problem was not fixed until after reporting deadlines					

Attainment of a Degree or Certificate:

Montana has been able to meet the Attainment of a Degree or Certificate performance but usually struggles until the last quarter of the program year. Rates increase at that time because the majority of degrees or certificates are awarded during May and June of each year.

Montana high school graduation rates are high—Montana ranks among the bottom 10 states with teens ages 16 to 19 that have dropped out of high school before graduating, the Annie E. Casey Foundation’s Kids Count reported in July 2010. Nine percent of Montana teenagers fell into this category in 2008 to rank 44th worst among the states, the Kids Count Data Book said. That compares with 7 percent in 2000 – or a 29 percent increase. (Kids Count uses both 2008 and 2007 statistics in the 2010 Data Book.) In contrast, the national trend in this category is down 45 percent. The number of teens ages 16 to 19 not in school and who haven’t graduated has fallen from 11 percent in 2000 to 6 percent in 2008, for a decrease of 45 percent, the report said.

Montana had 115 Native American youth participants who exited during PY 2010. This group accounts for 31.2% of the total exits from the Youth program for that program year. Graduation rates for this population are approximately 28% lower than for all student groups combined. According to the Alliance for Excellent Education for the school year 2005-2006, 48% of Native American students graduated from high school, while an estimated 76% of students in all race groups graduated.

Montana has been able to meet performance within the 80% negotiated value, but has not been able to meet the rate at the 100% negotiated value since PY 2008. Performance has decreased for this measure during the last three program years.

Montana				
Attainment of Degree or Certificate				
	PY 2008	PY 2009	PY 2010	PY 2011
	Youth	Youth	Youth	Youth
1st qtr	71.3	35.9	65.3	60.6
2nd qtr	70.9	43.9	66.1	50.0
3rd qtr	72.7	27.9	69.1	54.7
4th qtr	69.8	64.6	66.0	60.5
Average	71.2	43.1	66.6	56.5

Literacy and Numeracy Gains:

Literacy and Numeracy Gains rates have increased significantly during PY 2010 and 2011. Service providers have a better understanding of how this performance measure works, and also understand their role in helping participants achieve literacy and numeracy gains.

Two out of 10 Montana service providers now have dedicated GED case managers who are able to provide remediation to their WIA Youth participants. The hope is that these offices will be able to retain these employees to keep making progress in literacy and numeracy gains. The other eight service providers have close working relationships with Adult Basic Education (ABE) providers in their area.

Montana				
Literacy and Numeracy Gains				
	PY 2008	PY 2009	PY 2010	PY 2011
	Youth	Youth	Youth	Youth
1st qtr	11.8	21.1	18.2	31.5
2nd qtr	21.5	15.4	13.7	39.7
3rd qtr	25.0	22.6	14.7	43.9
Annual	16.0	24.3	21.4	43.3
Average	18.6	20.9	17.0	39.6

3. Barriers to Employment and Education

Montana service providers try to serve participants who are most in need, as shown by the barriers that WIA participants face.

WIA Adults:

In PY 2010, WIA Adults faced several barriers that affect education and employment opportunities:

- 4.6% were disabled which can affect both training and employment opportunities.
- 12.7% were Native American. If participants want to remain on or return to Native American reservations, employment opportunities are limited. Montana's reservations have an average unemployment rate of 10.8%. Montana has seven reservations.
- 37.2% were single parents. Underage dependents make it hard to participate in school or employment opportunities.
- 91.7% were low income; 12.7% were TANF recipients and 50.3% were recipients of other public assistance.
- 12.5% were high school dropouts, which is a barrier to good employment opportunities.

WIA Dislocated Workers:

In PY 2010, WIA Dislocated Workers faced similar barriers to WIA Adults for education and employment opportunities:

- 34.8% were age 50 or older. According to the Government Accounting Office (GAO), the number of workers age 55 and over experiencing long-term unemployment has grown substantially since the recession began in 2007. This raises concerns about how long-term unemployment will affect older workers' reemployment prospects and future retirement income.
- 5.3% were high school dropouts, which is a barrier to good employment opportunities.

WIA Youth:

In PY 2010, WIA Youth faced a number of barriers to employment and education in Montana:

- 18.5% were disabled. If still in school, these participants usually have an Individual Employment Plan through the school system to help them finish their education.
- 31.3% were Native American. High school graduation rates for these participants are approximately 28% lower than for the entire population of high school students in Montana.
- 12.5% were single parents. Underage dependents make it hard to participate in school or employment opportunities.
- 94.2% were low income; 9.5% were TANF recipients and 29.4% were recipients of other public assistance.
- 18.3% were homeless. Many Montana youth have no stable home.
- 11.7% were offenders. Employment opportunities are limited for offenders, depending on the severity of the crime.
- 16.9% were pregnant or parenting. This creates issues with completing school and trying to work.
- 22.6% were high school dropouts, creating a barrier to good employment opportunities.
- 40% were basic skills deficient, requiring remediation activities to help them attain literacy and numeracy skills.
- 10.4% were in foster care, again creating barriers to finishing school and finding employment.

Wagner-Peyser:

In PY 2010, Wagner-Peyser participants faced similar barriers to WIA Adults for education and employment opportunities:

- 8.3% were Native American. If participants want to remain on or return to Native American reservations, employment opportunities are limited. Montana’s reservations have an average unemployment rate of 10.8%. Montana has seven reservations.
- 5.9% were high school dropouts, which is a barrier to good employment opportunities.

4. Factors Affecting Performance

Recently released regression targets provided by ETA show the following for Montana for PY 2012:

Montana Regression Adjustment Targets			
	Adult	Dislocated Worker	Youth
Entered Employment	65.2%	71.3%	--
Employment Retention	83.1%	87.1%	--
Average Earnings	\$13,186	\$18,682	--
Placement in Employment or Education	--	--	85.3%
Attainment of a Degree or Certificate	--	--	57.4%
Literacy and Numeracy Gains	--	--	25.1%

An average of Montana’s reported performance has been calculated in the charts below.

Annual Performance Averages Adults and Dislocated Workers					
	PY 2008	PY 2009	PY 2010	PY 2011	Avg 08-11
Entered Employment					
Adult	94.5%	84.2%	63.1%	*74.4%	79.1%
Dislocated Worker	92.9%	91.5%	70.1%	*74.1%	82.2%
Employment Retention					
Adult	89.1%	85.2%	81.0%	*85.5%	85.2%
Dislocated Worker	94.2%	86.6%	87.1%	*88.0%	89.0%
Average Earnings					
Adult	\$13,036	\$12,046	\$12,306	*\$15,405	\$13,198
Dislocated Worker	\$14,042	\$14,629	\$17,867	*\$20,122	\$16,665

*PY 2011 4th quarter rates

Annual Performance Averages Youth					
	PY 2008	PY 2009	PY 2010	PY 2011	Avg 08-11
Placement in Employment/Education					
Youth	78.0%	70.9%	84.3%	*67.1%	75.1%
Attainment of Degree or Certificate					
Youth	69.8%	67.1%	61.6%	*60.5%	64.8%
Literacy and Numeracy Gains					
Youth	16.0%	23.9%	25.8%	*43.3%	27.3%

*PY 2011 4th quarter rates

Annual Performance Averages Wagner-Peyser					
	PY 2008	PY 2009	PY 2010	PY 2011	Avg 08-11
Entered Employment					
Adult	65.0%	52.0%	58.0%	*60%	58.8%
Employment Retention					
Adult	80.0%	76.0%	81.0%	79.0%	79.0%
Average Earnings					
Adult	\$12,128	\$12,178	\$12,480	*\$14,494	\$12,766

*PY 2011 4th quarter rates

Entered Employment:

We have used the sources in the charts below to determine feasible rates for Montana's Adult, Dislocated Worker, and Wagner-Peyser Entered Employment performance.

Montana Entered Employment Performance Target Factors			
	Adult	Dislocated Worker	Wagner-Peyser
Regression Targets for PY 2012	65.2%	71.3%	--
Entered Employment Average	*79.0%	*82.2%	61.6%
CES Employment decrease 2.7%	**78.3%	**80.3%	81.3%
QCEW decrease 3.5%	***77.5%	***79.5%	80.5%
Average of four sources	75.0%	78.3%	74.5%

* Entered Employment % = average of all quarters for PY 2008 through PY 2011

** CES Employment decrease = current negotiated rate minus 2.7% percent change in employment

*** QCEW decrease = current negotiated rate minus 3.5 % QCEW average industry employment decrease

As stated earlier, Montana's unemployment rate has dropped to 6.3% from a high of 7.0%, but is still much higher than the seasonally adjusted rate of 3.3% in July 2007. Montana's unemployment rate has remained above 6.0% since June of 2009. It's impossible to tell when the unemployment rate will start to decrease significantly.

Employment Retention:

We have used the sources in the charts below to determine feasible rates for Montana's Adult, Dislocated Worker, and Wagner-Peyser Employment Retention performance.

Montana Employment Retention Performance Target Factors			
	Adult	Dislocated Worker	Wagner-Peyser
Regression Targets for PY 2012	83.1%	87.1%	--
Employment Retention Average	*85.2%	*89.0%	79.0%
CES Employment decrease 2.7%	**85.3%	**89.3%	85.3%
QCEW decrease 3.5%	***84.5%	***88.5%	84.5%
Average of four sources	84.5%	88.5%	82.9%

* Employment Retention Average = average of all quarters for PY 2008 through PY 2011

** CES Employment decrease = current negotiated rate minus 2.7% percent change in employment

*** QCEW decrease = current negotiated rate minus 3.5 % QCEW average industry employment decrease

As stated earlier, Montana's unemployment rate has dropped to 6.3% from a high of 7.0%, but is still much higher than the seasonally adjusted rate of 3.2% in January 2007. Montana's unemployment rate has remained above 6.0% since June of 2009. It's impossible to tell when the unemployment rate will start to decrease significantly.

Average Earnings:

We have used the sources in the charts below to determine feasible rates for Montana's Adult, Dislocated Worker, and Wagner-Peyser Average Earnings performance.

Montana Average Earnings Performance Target Factors			
	Adult	Dislocated Worker	Wagner-Peyser
Regression Targets for PY 2012	\$13,186	\$18,682	--
Average Earnings Average	*\$13,198	*\$16,665	\$12,766
CES Employment decrease 2.7%	**\$11,384	**\$14,206	\$11,384
QCEW decrease 3.5%	***\$11,291	***\$14,089	\$11,291
Average of four sources	\$12,265	\$15,911	\$11,814

* Average Earnings Average = average of all quarters for PY 2008 through PY 2011

** CES Employment decrease = current negotiated rate minus 2.7% percent change in employment

*** QCEW decrease = current negotiated rate minus 3.5 % QCEW average industry employment decrease

Interestingly, Montana's average earnings for WIA participants have not dropped; the percent change from PY 2008 to PY 2011 is 18 % for Adults and 43% for Dislocated Workers. This indicates that participants who are finding employment are receiving fairly high wages, possibly due to training they received while participating in WIA Adult and Dislocated Worker programs.

Placement in Employment or Education:

We have used the sources in the charts below to determine feasible rates for Montana's Youth Placement in Employment or Education performance.

Montana Placement in Employment or Education Performance Target Factors	
	Youth
Regression Targets for PY 2012	85.3%
Placement in Employment or Education Average	*75.1%
CES Employment decrease 2.7%	**77.3%
QCEW decrease 3.5%	***76.5%
Average of four sources	78.6%

- * Placement in Employment or Education Average = average of all quarters for PY 2008 through PY 2011
- ** CES Employment decrease = current negotiated rate minus 2.7% percent change in employment
- *** QCEW decrease = current negotiated rate minus 3.5 % QCEW average industry employment decrease

As stated earlier, Montana’s unemployment rate has dropped to 6.3% from a high of 7.0%, but is still much higher than the seasonally adjusted rate of 3.3% in July 2007. Montana’s unemployment rate has remained above 6.0% since June of 2009. It’s impossible to tell when the unemployment rate will start to decrease significantly. The unemployment rate will continue to have an effect on the ability of WIA Youth to become employed once they are done with program services.

The other factor that affects performance for this measure is the Common Exit. Placement in Employment or Education rates have dropped noticeably during the last program year in part because of the Common Exit policy. All additional follow-up information, such as entering postsecondary or advanced training collected during additional follow-up contacts is lost if youth look for a job through jobs.mt.gov. This essentially makes the Placement in Employment or Education measure an “employment only” measure in most cases.

Attainment of a Degree or Certificate:

We have used the sources in the charts below to determine feasible rates for Montana’s Youth Attainment of a Degree or Certificate performance.

Montana Attainment of a Degree or Certificate Performance Target Factors	
	Youth
Regression Targets for PY 2012	57.4%
Attainment of a Degree or Certificate Average	*64.8%
Average of two sources	61.1%

* Attainment of a Degree or Certificate Average = average of all quarters for PY 2008 through PY 2011

During the last program year, 22.6% of the Youth participants served in Montana WIA programs were high school dropouts. Approximately 75% of Youth participants were still in high school. Montana serves many youth participants who have major barriers to eventual employment or attainment of a degree or certificate.

The State Youth Council, an ad hoc committee to the Governor’s State Workforce Investment Board, is sponsoring an initiative to increase GED attainment. The initiative is called future ForGED (take charge of your future). The goal of the future ForGED initiative is to increase the number of adults and youth ages 16-24 with a high school credential in the State of Montana. Materials about the initiative have been placed in One-Stop centers, WIA youth service provider agencies, libraries, schools and other high traffic local agencies across the state to encourage youth and adults who dropped out of school to earn their GED. The initiative’s materials provide them with information on how their future employment and education opportunities can increase, leading to confidence and success. For PY 11, there were 35 WIA Youth participants that dropped out of school that did not have a credential. If WIA participants who are dropouts take advantage of GED attainment opportunities, Montana’s Attainment rate can improve.

Literacy and Numeracy Gains:

We have used the sources in the charts below to determine feasible rates for Montana’s Youth Literacy and Numeracy Gains performance.

Montana Literacy and Numeracy Gains Performance Target Factors	
	Youth
Regression Targets for PY 2012	25.1%
Literacy and Numeracy Gains Average	*27.3%
Average of two sources	26.2%

* Attainment of a Degree or Certificate Average = average of all quarters for PY 2008 through PY 2011

Approximately 37.2% of Montana’s out of school WIA Youth participants are basic skills deficient. Two of 10 Montana service providers now have dedicated GED case managers who are able to provide remediation to their WIA Youth participants. This has helped Montana’s literacy and numeracy gains. Montana’s case managers now have a better understanding of the performance measure, and their roles and responsibilities to help participants increase literacy and numeracy.

5. Proposed Performance Levels

Proposed Performance Levels				
	Adult	Dislocated Worker	Youth	Wagner-Peyser
Entered Employment	79.5%	89%		79.5%
Employment Retention	90.0%	92.0%		90.0%
Average Earnings	\$13,000	\$16,000		\$13,000
Placement in Employment or Education			*78.0%	
Attainment of a Degree or Certificate			71.0%	
Literacy and Numeracy Gains			30.0%	

Blue = increase in rate

Red = decrease in rate

Black = no change in rate

Montana would like to request a lower rate for three performance measures for PY 2012:

1. Adult and Wagner-Peyser Entered Employment: Performance for these measures has lagged due to the state’s unemployment rate. The Adult rate is higher than the average rate of 75% calculated for the performance target factors included in Section 4 above. The decrease is fairly minimal for WIA, larger for Wagner-Peyser, but should allow performance achievement at the 80% level, while still requiring Montana to strive to improve performance.
2. Placement in Employment or Education: Performance for this measure has been low during PY 2011 due to high unemployment and fewer employment opportunities, as well as using the Common Exit. Montana discovered an error in the way data was pulled from MontanaWorks for this measure, which has been fixed as of 4th Quarter PY 2011 reporting. Hand calculation of the rate indicates that Youth participants are having a harder time finding employment opportunities when exiting from all program services, or that they may be entering education at that point and are not counted positively for the measure. A 2% drop in this rate will allow achievement of the 80% level for performance while still requiring Montana to endeavor to increase outcomes for the measure.

3. We would like to maintain current performance levels for the Dislocated Worker Employment Retention and Attainment of a Degree or Certificate performance measures. We are meeting performance for these two measures using the 80% level. There is room within the 80% to 100% range to improve performance for both of the measures.

For the rest of the measures, we would like to request an increase in performance levels based on current and past performance. These higher rates will allow us to show continuous improvement in future performance.

Operating Systems & Policies

Through partnerships in One-Stop Systems, Wagner-Peyser, Workforce Investment Act, Trade Adjustment Assistance, and Registered Apprenticeship programs the strategic goals of the Governor are being integrated into the operational functions of the Montana Workforce System.

Integration of Economic Development & Business Services

The Montana's operational workforce system is committed to partnerships between private industry, economic development organizations, state agencies, and One-Stop systems. Montana Department of Labor and Industry has developed Five Workforce Regions that align with our Economic Development Regions. This allows Montana to better align our business services with economic conditions by region and specific needs of industry.

In 2009, the Incumbent Worker Training (IWT) Program, which offers a 4:1 match of grant dollars to business funds for employee training, was created and housed at the Montana Department of Labor and Industry. This program works hand-in-hand with the Montana Manufacturing Extension Center (MMEC) and the Business Expansion And Retention (BEAR) Program housed at the Montana Department of Commerce, which operates BEAR teams consisting of business professionals across the state, to develop IWT grant applications for businesses who can demonstrate a prospect for job retention, expansion, or creation of jobs. This partnership has led to the expansion of employer involvement in Workforce Programs, and has also served as a pre-cursor to integrate economic development into One-Stop Centers. Several One-Stop centers in Montana are already co-locating with economic development agencies, and One-Stop staff often serve on BEAR teams in many locations in Montana.

In the Spring of 2012, Montana was awarded an Expanding Business Engagement (EBE) Grant from the US Department of Labor. During the first phase of this grant period, Montana will form a comprehensive state team with membership from its five workforce regions, and from existing programs that are dedicated to improving business services and system performance including: SWIB leadership, JSEC/MSECs; WSD Business Services representatives, Rapid Response Staff, Veteran's Employment Representatives, Major State Employers, Organized Labor, One-Stop Managers, Economic Development Leaders, WSD State Apprenticeship Program, and Tribal Employment representatives. Through this grant, Montana will look expand economic integration and business services by:

- Increasing our market penetration with new businesses who are not aware of our services or business resources, including businesses located in rural areas.
- Increasing the number of businesses who are repeat customers at Montana's One-Stop Centers.
- Increasing the fill rate of job orders posted by employers.
- Implementing techniques for reducing the average number of days to fill job openings with qualified workers.

- Building enhancements into the state workforce MIS (MTWorks).
- Evaluating current business satisfaction with our One-Stop Centers and develop strategies for increasing business satisfaction with services provided at One-Stop Centers.

The second phase of the grant will provide Montana with an opportunity to focus on continued implementation of the strategic plan, serving as peer-to-peer consultants and mentors, sharing knowledge and expertise. Through the successful implementation of this grant, Montana is committed to developing and implementing policies, infrastructure, performance metrics and service delivery strategies to better meet the needs of business and industry in our state.

Employer Involvement in the One-Stop System

Employer involvement in the State One-Stop System occurs on several levels. The State Workforce Investment Board membership is made up of fifty-one percent private sector members, along with the Governor's designee, who is appointed from the Governor's Office of Economic Development. The Director of the Montana Department of Commerce, houses the Business Resources Division, Economic Development Advisory Council, Certified Regional Development Corporations Program, and State Tribal Economic Development Commission is also appointed to the State Board. The State Board serves as the certification entity for all Montana One-Stop centers, and plays a vital role laying out performance and certification measures, including employer-member led visits to the centers during the re-certification period.

All twenty-four One-Stop centers in the State of Montana are required by the State Board to have a Community Management Team (CMT), consisting of One-Stop partners, community members, employers, economic development officials, chamber of commerce representatives, and interested parties cooperatively planning workforce services in a community system. Along with the One-Stop Operator, CMT's play a large role in the certification and re-certification process for One-Stop Centers, submitting information regarding employer involvement at the local level and performance regarding key WIA performance measures to the State Board.

All One-Stop Centers in Montana are also Job Service Centers. Each Job Service Center has a local Job Service Employer Council (JSEC). Each Council represents hundreds of business owners, public and private sector employers, and community leaders from each individual community. The 17 JSECS in Montana serve as a liaison between employers and Job Service staff. They exchange information, offer advice, provide educational opportunities, collaborate and interact with other employer and business communities. A representative of each local JSEC serves as a representative on the Montana State Employers Council which meets once a year with the Executive Committee meeting, or more frequently as needed.

To further expand Montana's employer involvement in One-Stop centers, the Department of Labor and Industry has concentrated on developing its capacity to provide services to employers at One-Stop centers. Staff of the Centers has increased their training efforts to better prepare them to meet the needs of employers, assisting with recruitment, retention, job structuring, training, and identifying trends in workforce and labor supply.

Job Training & Education

The TANF Summer Employment Program has served to create work experience and on-the-job training skills for youth in Montana over the past two years. The Montana Department of Labor and Industry, through the Workforce Services Division has operated a Summer Employment program for WIA Youth

using TANF funds for the past two summers. The program's main focus has been on youth, ages 16-24 with barriers to employment by creating Work Experience jobs for the youth during the summer months. This provides these youth with beneficial work experience and often times, is the 1st job for the youth. There is a portion of the program that is also dedicated to soft skills and work readiness training.

Since the TANF Summer Youth program is operated by service providers who are partners in the One-Stop system, this program increases business involvement in the One-Stop system through the work experience partnership.

Montana's colleges and universities are teaming up with business and community leaders, K-12 educators, and elected officials on a policy initiative to make two-year education more accessible, more affordable, better coordinated, better understood and as a result better utilized statewide through an initiative called College!NOW. Since its inception in September 2009 there have been numerous accomplishments. Key has been the leveraged support garnered with Montana Carl Perkins Initiative, Department of Labor, State Workforce Investment Board, and the Office of Public Instruction to develop and advance K-12 college educational and career pathways. State Workforce Investment Board members serve on the Implementation Team and the Adult Basic Education/Developmental Education Workgroup.

There are several key reasons why the College!NOW initiative and its supporting partners are key to Montana's workforce success: 1) 75 % of 25 fastest growing jobs in Montana will require at least an associate's degree, 2) Enrollment of working adults ages 25 – 64 in two-year education compared to the number of 25-64 year olds in the general population is low, ranking Montana near the bottom nationally, and 3) One out of every five Montana workers is over 55 years old, which means business leaders, business and community leaders, and policy makers need to take action today to prepare the workforce they will need tomorrow.

Montana has had a long standing Apprenticeship and Training Program. Currently the program has 1000 registered apprentices, in 50 occupations. Program representatives attend an estimated 60 career days, job fairs, and other related functions. The economic impacts of apprenticeship cannot be denied where the average hourly wage for a registered apprentice in Montana was \$22.75. The equals an average gross annual wage of \$47, 320, which is approximately \$12, 700 higher than the average Montana income in 2010. The average journeyman rate for completing apprentices in Montana currently ranges from \$22.00 to \$40.00 per hour.

Since 2004 the Apprenticeship and Training program has established working partnership with several 4-year and 2-year colleges across Montana. These partnership are relatively new to the 67 year history of the Montana Apprenticeship Community which have allowed employer driven advisory committees representing several industries direct input into the development of apprenticeship related one-year certificate and two associate degree programs.

Re-Employment of the Long Term Unemployed

Montana submitted a comprehensive Workforce Innovation Grant Application in the Spring of 2012 that identified established partnerships, strategies, implementation timelines, and measurable goals and successful outcomes to implement an OJT Program to address the re-employment of long-term unemployed. Montana was unsuccessful in being awarded a grant under this initiative; however we intend to build upon the structure developed in this grant application to pursue this goal. The common WIA model of practice in the workforce system is to assess the re-employment needs of eligible

individuals, address those needs with intensive and training services, and then send them into the labor market to obtain a job. Montana has been successful in operating these programs since the inception of WIA, in terms of meeting its federal performance standards. This practice works well enough for many, especially in a robust economy with high demand for labor. It also benefits those who have good academic or training potential, and who have no significant barriers to the opportunity for a new career. However, in spite of the Montana WIA workforce system's success, there remains the fact of a large population of individuals who have not been able to gain stable and lasting employment since the economic downturn. The system apparently has not worked for those who are long term unemployed. The WIA workforce system could serve more people with more resources, but that does not address the possibility that the system itself is unsuitable for some individuals. For a variety of reasons, these individuals cannot undertake a course of study and training over a considerable period of time so they will become qualified for certain jobs that may or may not be available to them when they need them. Common reasons for long term unemployment are low education level, limited work experience, and personal attributes such as disability and age. With outdated job skills, lack of access to academic based training, and other barriers, the only option for these individuals is on-the-job training.

In June of 2010, Montana was awarded one of the On-The-Job Training National Emergency Grants (OJT-NEG)'s. In June 2012, the State was awarded additional supplemental funds to continue operating the project until June 30, 2014. This project is central to implementing the goals of Montana's strategic plan in terms of re-employment of the long term unemployed, as the focus of the program is to serve the long-term unemployed and provide them training while they are earning a wage to lead them to self-sufficiency. The On-The-Job training strategy also affords the State an opportunity to increase involvement of employers in the 1-stop systems through the contracts that are in place to reimburse the employer some of the extraordinary costs of training a new employee. This grant has been extremely successful in the State and we look forward to being able to continue operation of this program.

Workforce Investment Act Programs are also an integral part of Montana's strategic plan. Through the WIA Dislocated Worker program, the focus is to re-employ Montana's long-term unemployed through training for new skills. The WIA Adult program gives priority to recipients of public assistance and provides skill upgrade and re-training to people so they are able to get and keep a good job. The WIA Youth program provides many different services to disadvantaged youth such as work experience, GED preparation, supportive services, training, tutoring, adult mentoring, etc. All of the WIA programs are operated within the One-Stop system.

State Operating Systems Supporting the Coordinated Implementation of Strategies

The Montana Department of Labor & Industry has several systems that support the coordinated implementation of state strategies, including MontanaWorks, MISTICS, and LMInformer.

- Montana Works (MWORKS) is the management information system that is used across all workforce programs operated by the Department of Labor and Industry in Montana. This is a comprehensive system that allows case managers to co-enroll their participants into other workforce programs and share the cost of serving the participant. Since all providers use the same MIS system (WIA, Trade, National Emergency Grants, Wagner-Peyser) a more cohesive service delivery is possible. This has proven to enhance participant's chances of becoming employed.
- The Montana Integrated System to Improve Customer Service (MISTICS) system handles every aspect of unemployment filing for the customer, from filing claim input to producing benefit

checks for the unemployed. MISTICS is used by Unemployment Insurance (UI) staff to input pay benefits, allowances, denials, appeals, compute payments, and extract data to populate reports. Several other agencies have regulated access to data per federal law, including the Department of Health and Human Services (DPHHS) Child Enforcement Division, and Montana Department of Commerce Housing Authority Division, allowing for cross-collaboration of the system.

- The LMInformer is a delivery mechanism used to distribute career and labor market information to a broad audience of people throughout the State of Montana and U.S. Research and Analysis Bureau employees input data into the state's Workforce Information Database system, using the LMInformer website to supply information, reports, and articles related to education, careers, and labor market trends to interested parties. This information is used by the department and other State of Montana agencies to coordinate and implement the strategies outlined in the strategic section of the state plan.

State Policies Supporting Implementation of Strategies

The State of Montana has a waiver designating two workforce areas and for the development of a single statewide planning area establishing a consortium of the two existing workforce areas to conduct business using a single administrative entity. Montana's waiver applies to 20 CFR 551.300(f), permitting the State to function as a single workforce planning area governed by the State Workforce Investment Board. This waiver allows the state to meet the needs of Montana's Workforce System, and to implement coordinated policy to achieve the goals outlined in the Governor's strategic plan, including:

- Eliminating Duplicative Administrative Systems and Maximizing Opportunities for training;
- Improving Montana's One-Stop System;
- Improving and expanding collaboration of partners and integration of services;
- Increasing the use of Waivers to address rural needs of Montana.

Montana is committed to using as much flexibility as possible through the use of waivers to address local workforce needs specific to a rural state and its rural communities. Montana's low population density, coupled with the nation's fourth largest geographic area puts the State in a position to take advantage of the use of waivers to be innovative in our approach to meeting our unique needs.

By transitioning Montana to a single-state-wide planning area in 2006, the State reduced overhead costs in the local area. This efficiency maximizes the available money directed to training and services to business and job seekers in the face of the severe federal budget cuts experienced by the state in the past several years.

The State of Montana has a Consortium Agreement outlining the state's policy with partners who agree to support One-Stops Centers in Montana. The parties enter into the agreement with One-Stop Operators and agree to participate in a collaborative strategy to promote a seamless service delivery system that supports: increased customer choice, maximum flexibility in customizing services and service delivery to the needs of job seekers, training seekers and employer customers through integrated service strategies, universal and equitable access to the full range of core services and assisted access to intensive and training services, and performance accountability to meet or exceed the expectations of the Workforce investment Act in developing a cooperative, integrated, high performing workforce investment system. Each of the partners in Montana's 24 One-Stop Centers designates a representative who has authority to act on behalf of the partner for all decisions regarding the day-to-

day operations of the one-stops. This representative also participates in their local Community Management Team (CMT), coordinating and developing the management of their area One-Stop Center.

Pursuant to the requirements of the Workforce Investment Act of 1998 (WIA) Section 121 (C) for the establishment of a One-Stop delivery, Montana also has established a Memorandum of Understanding (MOU) that is entered into the Montana State Workforce Investment Board, (acting as the Local Workforce Investment Board (LWIB)) the required Partner Agencies, Voluntary Partner Agencies, Tribal Government leaders, and the Governor of Montana as the Chief Local Elected Official. The purpose of this MOU is to establish cooperative and mutually beneficial relationships between the required partners and others whose participation has been determined as beneficial to an effective One-Stop Delivery System.

To accomplish the Governor's workforce investment goals, the One-Stop Delivery System partners have adopted the following guiding principles and policy:

- Informed Customer Choice will be provided. All services, policies and actions will be designed to include informed customer choice.
- Services will be comprehensive. All job seekers, workers, business will be service comprehensively in a seamless system, which addresses their needs, coordinated service across programs, and minimizes duplication.
- Services will be integrated. All functions will be coordinated and integrated to the extent possible. This will be accomplished through partner agencies jointly serving common customers, supporting interagency in-service training to one another, and providing information and services that most directly meet the customer's needs.

Branding

In order to increase job-seeker and employer awareness of workforce development resources available across the country, Montana is proud to participate in the branding of the Montana One-Stop systems as "American Job Center Networks". "American Job Center" is a unifying name and brand developed by the U.S. Department of Labor that identifies a virtual and in-person publicly-funded workforce development services as part of a single network across the nation. This ensures that clients receive the same excellent service and programs throughout, and that States are able to take part in nation-wide promotional campaigns, while customizing marketing products to their own region. The State of Montana has designed a strategic approach to the implementation of the brand, encouraging One-Stop Centers and the Montana Department of Labor to use the logo on letterhead, business cards, door decals, and on signage, as it is replaced. The State of Montana will also phase in the branding as websites are redeveloped and updated. Guidance on how to use the logo, along with suggested best practices will be sent from Montana Department of Labor's central office as it is developed, most likely in the Fall of 2012.

Aligning the Delivery of Services Across Programs

In our continuing efforts to align all aspects of workforce services across programs and across the state, Montana relies on its close partnerships and relationships with community partners. Community Management Teams (CMTs), Job Service Employment Councils (JSECs), service providers, and state staff work closely to collaborate and coordinate program services, promote awareness, provide outreach, and increase efficiencies through less duplication of services and the "no wrong door" approach. The State Workforce Investment Board also consistently looks to streamline and coordinate programs across

state agencies, and promotes co-location, efficiency, and information sharing throughout the One-Stop System. This includes services to programs like the Montana Registered Apprenticeship Program, which is state-funded and administered by DLI, but has an estimated 500 independent sponsors, most of which are small businesses who depend on the services of One-Stop Centers and Job Services.

In 2009 Montana received funding from the U.S. Department of Labor to assist in the State's effort to comply with the new national apprenticeship modernization standards (29 CFR 29). Numerous aspects of the modernization project provided opportunities for the apprenticeship program to move toward more integration into the One-Stop system. A key to this program integration has been information sharing, particularly making sure partners have a firm understanding of each other's programs. The modernization grant allowed for the development of a series of presentations on the apprenticeship program to One-Stop partners consisting of two short video segments on the benefits of apprenticeship primarily meant for prospective sponsors and students; an outreach brochure to employers on behalf of military veterans; and media promotion for apprenticeship during the summer of 2011. These efforts have already paid dividends by giving One-Stop staff the ability to connect laid-off apprentices with On-the-Job training funded by a National Emergency Grant from DOL/ETA. Further development of employer-involved programs like apprenticeship and their integration with one-stop centers will expand options available for job-seekers, dislocated workers, veterans, and the long-term unemployed, and result in even better alignment with other workforce programs.

Rapid Response

Montana provides WIA rapid response activities to dislocated workers through the 23 local Job Service offices administered by the Job Service Operations Bureau across the state. State level support and oversight for local service delivery is provided from the state's Dislocated Worker/Rapid Response Unit Program Manager in consultation with the Governor's Interagency Rapid Response (IRR) Team.

The Job Service Bureau notifies the Dislocated Worker/Rapid Response Unit as soon as possible when made aware of any notice of layoff or plant closure notice that occurs. The Job Service Bureau then initiates contact with the employer, employees and/or employee representatives to offer appropriate services and develop a rapid response plan of action. Such contact is on-site whenever possible and customized to meet the needs of the employer and the affected workers. The Dislocated Worker/Rapid Response Unit notifies the appropriate parties of any WARN notice or other notices of major dislocation it receives and provides updates on rapid response activities to the IRR Team.

The Job Service Bureau coordinates with the formula WIA Dislocated Worker program to notify them when they respond to local community closures and layoffs; and in referring dislocated workers to appropriate state and community resources and training programs. Montana's delivery of rapid response services to affected businesses and workers is facilitated by the fact that Rapid Response and Dislocated Worker staff are frequently one and the same in the majority of local Job Service offices.

Common Data Collection & Reporting Processes for One-Stop Centers

Currently, One-Stop centers in Montana are required to re-certify their standing with the Workforce Investment Act (WIA) Committee and State Board every two years. During this re-certification process, Board staff collects important information with regard to key WIA principles and performance standards set forth in by the WIA Committee and State Board, in conjunction with Community Management Teams and One-Stop Centers in all five workforce regions.

Workforce System Partners are responsible for carrying out the individual requirements and provisions of law and regulations that govern each organizations individual activities including the reporting requirements. Partners agree to meet or exceed the expected performance accountability expectations of the Workforce Investment Act in developing a cooperative, integrated, and high performance one-stop system. The Workforce Services Division's Programming unit is responsible for programming, contracting and maintaining computer systems, including MontanaWorks, used by local offices for common data collection and reporting for all programs and activities present in One-Stop Centers. Data elements that are collected may include job orders, referrals, recording services, employer information, case management and counseling, and the Participant Payment System which was set up to track the amount of financial assistance made to a participant and to record the programs that the participant is getting assistance from. MontanaWorks also allows the Division to generate required federal and state reports. The following programs utilize the MontanaWorks system for program reporting and performance measurement: State Registered Apprenticeship; WIA; TAA; Wagner-Peyser; JATC; Rural Employment Area (REA) Pilot; and National Emergency Grants (NEG). Data Reporting and Validation (DRVS) software is used for data validation and quarterly and annual performance reporting.

State Performance Accountability System for WIA Activities

Montana uses a management information system called MontanaWorks for its performance accountability system. MontanaWorks is used for Wagner-Peyser, WIA, TAA, Incumbent Worker Training and Work Opportunity Tax Credit data collection, as well as other non-federal programs such as Montana's Apprenticeship and State Displaced Homemaker programs. Reports are run using data in MontanaWorks for federal performance reporting for Wagner-Peyser, WIA and TAA programs. Ad hoc reports can also extract data for special purposes, such as grants that may be available for specific purposes, special informational reports, or legislative requests.

State Strategies for Using Wage Record Information to Measure Progress

The Wage Record Interchange System (WRIS) and Federal Employment Data Exchange System (FEDES) wage data are used in conjunction with Montana Unemployment Insurance (UI) wage record data to show positive performance for WIA, Wagner-Peyser, and TAA programs. The WRIS data add wage information from all other states, while the FEDES data add wage information from federal agencies. All three wage data resources are used to show positive performance for common measures for WIA and Wagner-Peyser programs.

Services to State Target Populations

One-Stop Services

All of the workforce programs that are offered in Montana work together through the One-Stop system to serve all of the targeted populations. A customer that is part of one targeted population, regardless of the specifics, may be served by one or more of the workforce programs. For example, a homeless veteran could be served by WIA Adult, possibly WIA Dislocated Worker and the veteran program through one or more agencies. Co-enrollment into the various programs with different operators is expected throughout the State to leverage resources for participants.

The dislocated workers (including trade-impacted dislocated workers and displaced homemakers) are all served through a network of 23 Job Service offices across the State. The Job Service is the service provider for the WIA Dislocated Worker and Trade program. Dislocated workers and trade impacted workers are served by the same case managers who are familiar with both programs. All of the National Emergency Grants to serve special populations of dislocated workers are also served by the Job Service

office. The Job Services offices are an integral part of the One-Stop system in Montana, as each Job Service also serves as a One-Stop Center in their service area.

Low-income individuals (including recipients of public assistance) are served primarily by the WIA Adult program through a network of service providers that include Job Service offices, colleges, and private, not for profit entities. All of the providers are partners in the One-Stop System.

Individuals with limited English proficiency are served in all of our programs. It depends on their individual eligibility situation where they could be served. We provide interpreter services when necessary and the posters in our offices are printed in both English and Spanish.

Homeless, ex-offenders, older workers, and individuals with multiple barriers to employment are all served by all workforce programs. When possible, the different programs co-enroll the participant in order to better serve and leverage more resources.

Unemployment compensation claimants in the State of Montana who are not job or union-attached have access to several programs at One-Stop Centers across the state, which are designed to help them obtain gainful employment. These programs include the Worker Profiling Program, Re-employment and Eligibility Assessment Training Program, and the Emergency Unemployment Compensation Reemployment & Eligibility Assessment Program. The Worker Profiling Program targets candidates who are most likely to exhaust unemployment benefits before re-entering the workforce and helps them to build employment skills through a one-on-one hour long-session at their local Job Service. This session focuses on improving employability and setting realistic goals. The program also offers assistance with resume writing, interviewing, and training, as funding is available. The Re-employment and Eligibility Assessment (REA) Training Pilot Program is a more in-depth program that is currently being offered at the Helena, Billings, and Kalispell Job Service Offices which offers claimants a work-readiness matching survey and a follow up interview to monitor progress of individuals who have completed the worker profiling program. The Emergency Unemployment Compensation Reemployment & Eligibility Assessment Program functions much like the REA Pilot Program, but is available for assistance to individuals who are currently drawing emergency unemployment.

Montana has over 22 workers located in Job Services throughout the state who conduct a variety of Migrant Seasonal Farm Worker outreach activities year-round, including contacting this population and explaining and encouraging the use of services and resources available in Job Services. The National Farm Worker Jobs Program (NFJP) Grantee, Rural Employment Opportunities (REO) is included in partnerships with the Job Services, providing access to training and opportunities, employment referrals, job search and placement, assistance with the MontanaWorks system registration, assistance with resume and applications, UI benefits, H-2A job orders, and support in filing and processing complaints.

Montana takes Veterans' Priority of Service Requirements very seriously, and the Montana Department of Labor & Industry (DLI) has developed and distributed the Eligibility and Priority for Service section from Montana's WIA Manual along with the Notice of Priority of Service Notice for Veteran's. This has been sent throughout the State's One-Stop System and to all Job Service Workforce Centers. All of the local Job Service offices have this notice posted in at least one location (some of the bigger offices have it in several). Also posted is the actual link to the Federal guide on Priority of Service and the Workforce Services Division website. Prospective applicants are advised of the eligibility requirements at the time of eligibility determination (or point of entry to the actual program and/or service).

In addition, the Montana Department of Labor & Industry has expanded on the federal definition of nontraditional occupations (NTO) to declare any occupation in which one sex makes up a large majority of the workers to an NTO. The NTO training programs are promoted through the States Registered Apprenticeship and Training Program, who is an active partner in Montana's One-Stop System. Higher wages, better benefits, opportunities for advancement, job satisfaction, and growth in the economy is projected to expand employment in many of these occupations, which is expected to create a strong demand for workers in these fields in the future.

Employment & Training Needs of Individuals with Disabilities

The State of Montana offers services to individuals with disabilities through One-Stop Centers across the state. The One-Stop system is continuously developing new and fostering ongoing partnerships to achieve seamless, comprehensive, and integrated access to services and expanding the workforce development system's capacity to serve customers and employers with disabilities.

Disability Resource Coordinators (DRCs) are located at each One-Stop Center in the state and are able to assist individuals with disabilities and the One-Stop staff with a variety of employment related services. The DRC develops linkages and collaborates on an ongoing basis with employers to facilitate job placements for persons with disabilities and serves as a resource to the workforce community. The population of people the Disability Resource Coordinators assist is anyone that encounters additional barriers to securing employment, which includes but is not limited to those with physical disabilities mental disabilities learning disabilities, ex-felons, the aging workforce, at-risk-youth, and veterans.

Disability Resource Coordinators work with partner agencies on a consistent basis to garner mutual support and share information through Community Management Teams, interagency and community organizations, identifying gaps in service and create working groups to recognize individuals who may benefit from DRC services. These groups organize "Resource Fairs", write articles in local newspapers, and grow relationships with public and private schools to assist with continual learning opportunities and best practices. DRCs also maintain quarterly regional meetings and annual statewide DRC/Vet Rep. meetings to receive up-to-date information and collaborate with each other on the best ways to provide services to their targeted populations.

Services to Youth (including Job Corps)

Montana has ten youth service providers that deliver comprehensive services to eligible youth with significant barriers to employment. Comprehensive services include: tutoring and study skills training and instructions that lead to secondary school completion and drop-out prevention; Alternative school offerings; summer employment opportunities; paid work experiences; leadership development opportunities; adult mentoring; supportive services; comprehensive guidance and counseling and follow-up services. Intensive services are provided to youth who have dropped out of school to help them re-enter the school system through the alternative schools or GED studies to help them attain their high school certificate. Montana has a waiver in place to allow youth over age 18 to have an ITA established so youth providers now have the option to pay for Occupational Skills Training as appropriate and funding allows. The Governor's State Workforce Investment Board approved a revised 6th barrier definition for youth needing assistance to complete an educational program or to secure and hold employment to be in line the with original Federal Shared Vision at-risk youth. The revised 6th barrier added additional characteristics to the WIA barriers. These characteristics include: children of incarcerated parents; chronic behavior problems at school; disabled; lacks occupational goals/skills; limited English proficient; migrant youth; native American; out-of-school youth (to include more than a youth who has dropped out of school); "aged out of foster care" court involved or at-risk of

involvement; refugee; substance abuse; family literacy; and victim/witness of domestic violence or other abuse.

Job Corps is represented on the State Youth Council and is a member of the Governor’s Shared Youth Vision core team. Montana’s youth service providers work closely with the Job Corps in their area and in many cases youth are co-enrolled in Job Corps and the WIA youth program. Job Corps centers and WIA youth service providers coordinate services and offer orientation and open-house opportunities between programs. In some cases WIA youth will enter Job Corps for training opportunities and continue to receive services such as financial supportive services from their WIA service provider.

Wagner – Peyser Agricultural Outreach Plan

Value of Agricultural Production

In 2010 agriculture generated \$2.6 billion in income on 29,400 farms and ranches in Montana, making it Montana’s largest industry. A comparison of selected Montana industries shows agriculture continues to outpace all other industry sectors. The 2010 value of crop production increased to \$1.9 billion, an increase of \$228.2 million or 14% above 2009. The value of livestock increased in 2010 to \$1.0 billion, up \$193.3 million from 2009. When comparing major industrial sectors in Montana, receipts were mostly higher than in 2009 with agriculture showing a 9% increase, up \$297.4 million. Montana’s value of crop production increased by 47.2% or \$1.01 billion from 2006 to 2010 and the value of livestock production increased by 1% or \$4.5 million during 2006 to 2010.

In 2010 crop production accounted for nearly two-thirds (61.1%) of total agricultural production in Montana. By commodity group, food grains were valued at \$1.03 billion in 2010 which is 53% of the total value of the states crop production. Feed crops were valued at \$442.9 million in Montana comprising nearly a quarter (23%) of the crop production in 2010. Oil crops, fruits and tree nuts, vegetables and other crops made up another \$307.1 million in crop value for 2010.

The value of livestock production in Montana accounted for over a third (38.9%) of total agricultural production for 2010. Meat Animals were valued at \$1.2 billion which accounts for 94.7% of the total value of the state’s livestock production. Poultry and eggs, dairy products and miscellaneous livestock make up 5.3% or \$1.1 million of value in livestock production for 2010.

Table 1

Value Added to the US Economy by the Agricultural Sector, Montana

Item	2006	2007	2008	2009	2010
	Million Dollars				
Value of Crop Production	905.2	1,305.9	1,837.0	1,690.2	1,918.4
Food Grains	698.3	890.5	994.9	1,002.0	1,032.6
Feed Crops	180.0	226.8	425.6	421.4	442.9
Oil crops	9.7	10.6	13.0	12.6	15.7
Fruits and tree nuts	1.7	7.1	8.3	5.5	7.9
Vegetables	62.3	109.5	97.2	110.8	157.2
All other crops	106.5	97.6	102.5	110.9	

					126.3
Value of Livestock Production	1,215.0	1,349.4	1,185.6	1,026.2	1,219.5
Meat animals	1,106.4	1,019.7	1,063.6	968.9	1,156.0
Dairy products	45.6	61.1	58.0	42.8	48.0
Poultry and eggs	4.8	10.1	11.7	8.7	8.5
Miscellaneous livestock	52.7	42.8	47.8	48.4	54.6

SOURCE: Economic Indicators of the Farm Sector, State Income and Balance Sheet Statistics, USDA-ERS

On an individual commodity basis, cattle and calves (livestock and products) were Montana's most valuable commodity in 2010 with cash receipts totaling \$1.08 billion. Wheat was the second most valuable commodity totaling \$1.03 billion in cash receipts. A distant third for 2010 cash receipts is Hay at \$2.7 million in Montana. All eight of the major livestock products in Montana for 2010 increased in value from the prior year except the commodity of chicken eggs which had a 1.4% decrease. Of the 12 major crops eight commodities had an increase in value from 2009. Notably, hay and sweet cherries more than doubled their value from 2009 to 2010. Wheat and livestock account for approximately three-fourths of the state's agricultural receipts according to data from the Montana field office of the National Agricultural Statistics Service. Montana is currently leading the nation in organic production for dry peas, durum wheat and spring wheat. Montana is ranked third in the nation for barley production and fifth in the nation for honey and oilseeds such as safflower and canola.

Table 2

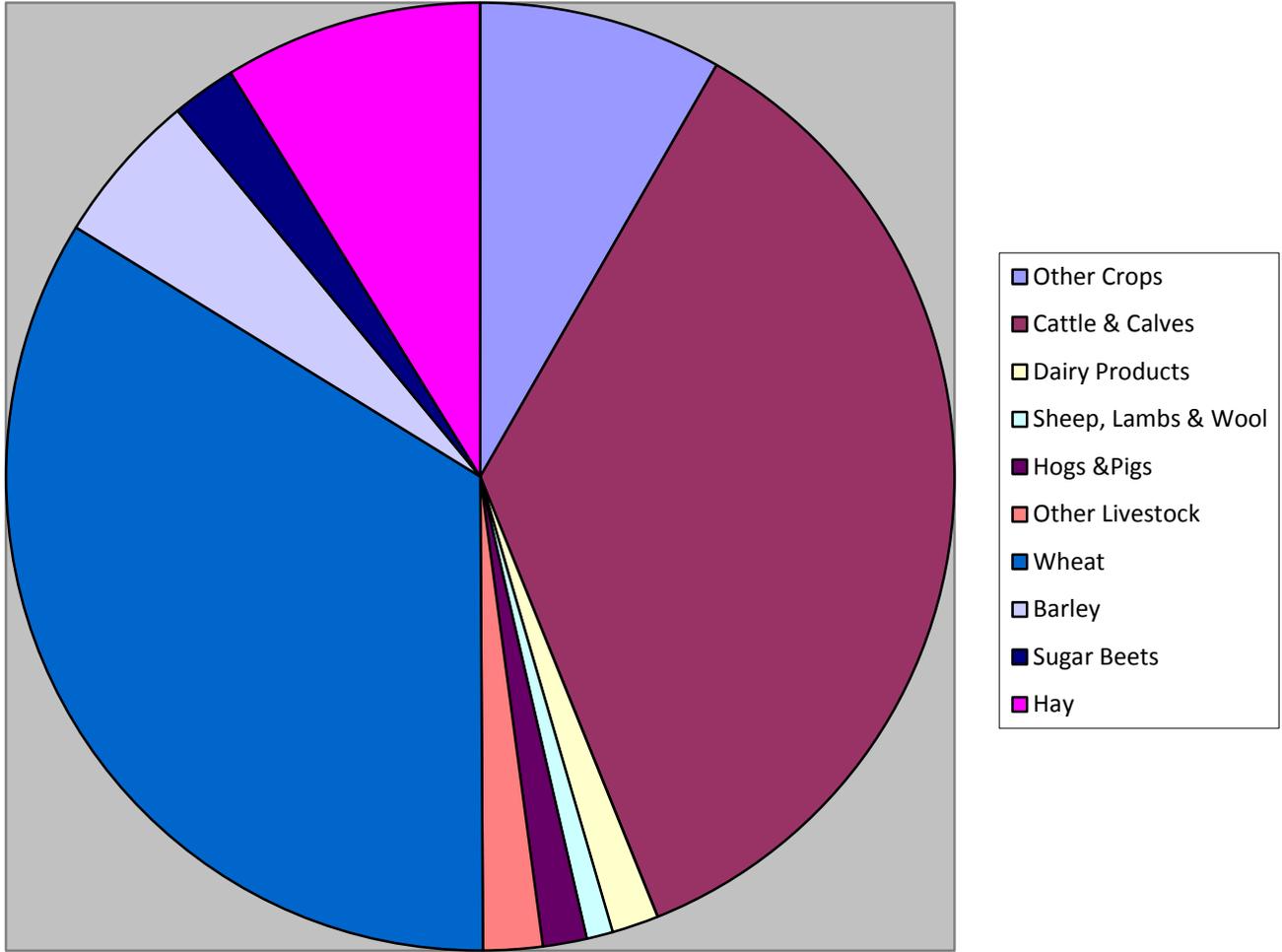
Cash Receipts by Commodities

Item	2009 cash receipts	2010 cash receipts
Livestock and Products		
Cattle and calves	896,144	1,084,644
Dairy products	42,778	47,996
Sheep and lambs	18,690	24,578
Wool	2,365	3,200
Hogs and pigs	36,502	46,771
Chicken eggs	6,890	6,619
Honey	14,819	18,008
All other livestock/1	31,216	35,291
Crops		
Wheat	949,885	1,032,557
Barley	189,830	157,348
Sugar beets	50,851	66,963
Hay	116,423	267,970

Potatoes, fall	34,369	34,473
Oil crops	13,573	6,818
Oats	3,468	2,358
Dry Peas	27,096	34,700
Lentils	42,907	77,593
Corn	15,409	15,177
Cherries, Sweet	1,567	4,026
All other Crops/2	70,271	82,502
1/All other livestock includes horses/mules, poultry and products including chickens, turkeys & turkey eggs, bees, beeswax, rabbits and mink. 2/ All other field crops include fruits, vegetables, seeds, and greenhouse and nursery products.		

SOURCE: 2011 Department of Agriculture Economic Statistics

Cash Receipts - 2010



Crops
 \$1,782,485,000
 58.4%

Livestock Products
 \$1,267,107,000
 41.6%

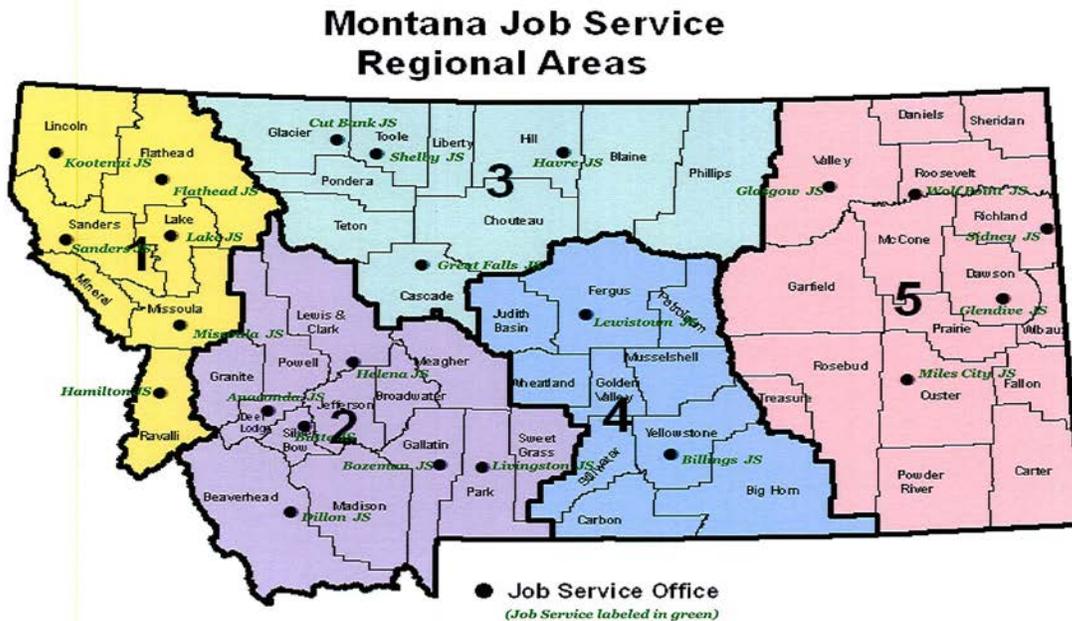
Agricultural Employment in Montana

The employment rates in agriculture are very difficult to predict due to consistent unknown factors inherent to crop production and at times livestock production. Crop production in Montana is affected by our short growing season. It is not uncommon for planting to occur later than desired and harvest to take place earlier than desired due to snow fall. Most crops must be planted during certain times of the

year, weeded, fertilized and then harvested as they mature or ripen. Montana growers have employed a substantial number of seasonal farm workers who sometimes will move from farm to farm but most often workers will stay on with one employer for the entire season. Montana based seasonal farm workers typically are employed for up to nine months of the year and often work in more than one type of production (both livestock and crops). The official estimates of agricultural employment are derived from surveys of agricultural establishments that participate in the unemployment insurance system, and from the previous year's state income tax reporting for agricultural establishments. As a result they are more likely to count permanent agricultural workers than migrant and seasonal farm workers.

The 2007 Census of Agriculture shows that 22,377 individuals worked for 6,492 farm and/or ranch employers in Montana. Since 2007 Montana farm payrolls have been steady with slight decreases. According to the Quarterly Census of Employment and Wages, agriculture employment accounts for approximately 1% of the total work force. Montana Department of Labor and Industry has established five workforce regions. These regions are displayed in Figure 1.

Figure 1



The agricultural jobs in Montana are not necessarily concentrated in regional pockets but are spread throughout the state. Although there is not a single region with a concentration of agricultural employment, one county, Beaverhead, in region 2 has a higher number of employers utilizing farm workers.

Table 3 shows the mean and median wages of agricultural occupations in Montana in 2010. This information was obtained from the Montana State Occupational Employment and Wage Estimates done in May of 2010.

Table 3

Agricultural Wages by Occupation in Montana

Occupational Title	May 2010 Employment Estimates	Mean Hourly Wage	Mean Annual Wage	Percentile (Median) Hourly Wage	Percentile (Median) Annual Wage
Farming, Fishing and Forestry Occupations	1,470	\$15.24	\$31,700	\$14.74	\$30,660
First-line Supervisors of Farming, Fishing, and Forestry Workers	140	\$17.34	\$36,070	\$15.67	\$32,590
Agricultural Inspectors					
Farm Workers and laborers, Crop, Nursery, and Greenhouse	60	\$13.23	\$27,300	\$12.35	\$25,680
Farm Workers, Farm, Ranch, and Aquacultural Animals	150	\$11.86	\$24,680	\$11.16	\$23,220
Agricultural Workers, All Other	310	\$13.25	\$27,550	\$12.95	\$26,940
	90	\$15.68	\$32,610	\$15.75	\$32,750

SOURCE: Montana Department of Labor, Our Facts Your Future

In the Occupational Employment Statistics (OES) survey conducted in Montana several farm labor categories were not surveyed; in particular the Farmers, Ranchers, and Other Agricultural Manager, Animal Breeder and the Agricultural Equipment Operators categories were not addressed. The three categories listed are historically the highest paid professions. From the information collected in the Montana 2010 OES survey the Agricultural Worker, All Other category was the highest paid, earning \$32,750 annually on average. The next highest paid categories were First line Supervisors of Farming, Fishing and Forestry (\$32,590); Farming, Fishing and Forestry Occupations (\$30,660), and Farm Workers, Farm, Ranch and Aquacultural Animals (\$26,940).

The majority of Montana farm workers earn extremely low wages. The average annual income for the Montana National Farmworker Jobs Program (NFJP) participant is less than \$6,200 annually. Many basic family needs such as nutrition, housing, healthcare, childcare and transportation are out of reach for farm worker families. 96% of NFJP participants are long-time agriculture workers with little other work experience or skills.

Montana has two particularly labor intensive crops; sweet cherries and huckleberries. The harvesting of these is exclusively done by hand picking. Both of these commodities are only produced during the

summer season in Montana in Workforce Region 1. The annual production of cherries has more than doubled from 2009 to 2010. The Montana cherries growers produce primarily for the fresh market.

Number of Migrant and Seasonal Farm Workers in Montana

Estimates of agricultural employment in this report are derived from agricultural labor data that the Montana NFJP (Rural Employment Opportunities, REO) compiled from surveys of farm owner-operators in Montana. Agricultural employers who participated in the survey report the number of jobs filled by all workers in their establishments during the survey's reference week. However, given the crop cycle, demand for farm workers tends to be highly seasonal, with peak periods of demand often lasting for a short duration. As a result, high job turnover and worker mobility are distinguishing features of the agricultural labor market. Survey-based official employment estimates count permanent farm jobs and any jobs filled by migrant and seasonal farm workers (MSFWs) identified by employers as working during the survey's reporting week. They do not necessarily count positions that are filled by MSFWs at other times of the month or workers that the employer brings on and doesn't report on tax roll and/or for Workman's Compensation and Unemployment Insurance.

This report provides a best estimate of the number of MSFWs in Montana in 2010 since data unavailability and limitations preclude making a precise estimate. This best estimate references the Montana Department of Labor and Industry's Labor Day Report, 2007 Census of Agriculture and Rural Employment Opportunities. Given the lack of alternative or more up-to-date data and information, this report assumes that the observed relationship between the number of jobs and numbers of farm workers in 2007 has been constant, or little changed, over the last 5 years. Actual trends in the official agricultural employment data offer support for this assumption, including data from the economic rebound.

Although displaying year-to-year variables, overall agricultural employment levels in Montana do not appear to have changed much over the last 5 years. The best estimate of MSFWs in Montana is 22,370. Barring any significant changes in crops and livestock production in Montana, the estimated numbers of MSFWs in Montana are expected to remain near these same levels over the next two years.

Outreach Activities

Montana has a working partnership with the Montana NFJP grantee and actively collaborates in outreach efforts with this organization. Rural Employment Opportunities (REO) is the WIA Section 167 grantee in Montana and has field staff deployed around the state. All but one are co-located in Job Service offices. The one office that is not co-located still works closely with the Job Service in that community. The local agreements between these agencies require coordinated services, including outreach activities. The REO staff conducts regular outreach activities according to their contract with the U.S. Department of Labor. The outreach conducted by REO staff results in individuals being referred to the Job Service for further services. The REO staff also conducts outreach to employers on a regular basis. Through this partnership, Montana has been able to reach and serve the agricultural community who are otherwise who are not being reached by Job Service staff. The Job Service expects to assign 600 to 650 hours of staff time to outreach in the next year. The MSFW outreach worker is trained in local office procedures, informal resolution of complaints and in the services, benefits and protections afforded to MSFWs.

There are 22 Outreach workers located in Job Services throughout the state who conduct a variety of MSFW outreach activities year-round. Outreach workers spend time in the service area contacting, explaining and encouraging MSFWs to use the services and resources available in the Job Services. The

outreach workers find MSFWs throughout the state, especially in rural areas where they live, work, and gather, such as markets, parks and other locations. The many responsibilities of the outreach workers include the following duties:

- Educating MSFWs on rights with respect to terms and condition of employment
- Developing and maintaining links between MSFWs, Job Services, public and private community agencies, MSFW groups and employers
- Coordinating outreach efforts with MSFW community service providers
- Assisting MSFWs with job search and placement, initiating job development contacts, and referrals to supportive services
- Assisting with the completion of the MontanaWorks system registration, resume, job applications and other documents as needed
- Providing assistance with obtaining unemployment insurance benefits, information on the UI4U web site, and referrals to specific employment opportunities if MSFWs are unemployed
- Making referrals to supportive services which MSFWs and their family members may be eligible to receive
- Providing information regarding current and future employment opportunities which may be available in the future; this includes posting job orders and informing MSFWs about available H-2A Job Orders
- Informing MSFWs of the full range of available services, including job training opportunities available through the Job Service and the local community based organizations
- Informing MSFWs about the Job Service complaint system and providing assistance with filing and processing complaints.

In addition, information from WIA Section 167 partners located in Job Service locations throughout the state is included to help MSFWs receive a comprehensive blend of core, intensive and training services designed to place them into full time, non-seasonal employment or upgraded agricultural employment. The outreach workers are also heavily engaged in the recruitment efforts of domestic workers to H-2A vacancies. These activities include:

- Performing various recruitment activities, including outreach, to find and refer qualified domestic workers in order to fill H-2A job openings
- Encouraging agricultural employers to use MontanaWorks for publishing job openings to fill their job openings locally and/or through the H-2A program if necessary.

The data gathered by the outreach workers on the number of MSFWs contacted through outreach activities and by other agencies in the area are recorded and submitted to the Monitor Advocate in Central Office. The Monitor Advocate works directly with the Job Services to ensure that these sites are in compliance with federal mandates and Montana Workforce Services Division policies and procedures. Montana continues to partner with Rural Employment Opportunities and the local Migrant Councils to assist in overcoming barriers in providing services to the MSFWs, especially during the economic downturn which has resulted in high unemployment rates in many MSFW areas.

The minimum number of MSFW contacts by outreach staff per day, according Department of Labor guidelines, is a minimum of five contacts per eight hours worked. In the past, Montana has not made this contact minimum a priority. That being said, the outreach employees that are assigned to local offices are not full time outreach staff. Each of these staff members has several duties that must be met each day. Our goal for PY 2012-2013 is to meet that minimum. Table 4 illustrates the goals for each local office where outreach workers are assigned.

Table 4

Goals by Local Office

Job Service Site	Contact Goal*	Hours
Region 1		
Libby	5	1.5
Kalispell	5	1.5
Polson	7	3
Thompson Falls	5	1.5
Missoula	5	1.5
Hamilton	5	1.5
Region 2		
Dillon	10	4
Butte	7	3
Anaconda	7	3
Helena	5	1.5
Bozeman	5	1.5
Livingston	5	1.5
Region 3		
Great Falls	7	3
Shelby	5	1.5
Cut Bank	5	1.5
Havre	7	3
Region 4		
Billings	10	4

Lewistown	5	1.5
Region 5		
Glasgow	10	4
Wolf Point	7	3
Sidney	10	4
Glendive	7	3
Miles City	7	3
Totals per monthly	151	58
Totals annually	1812	696

*Goal is based on an average month, not an eight hour day because outreach employees are not dedicated to outreach full time

Services Provided to MSFWs through the Job Service Centers

Montana is required to make the services of the Job Service centers available to all job seekers, including MSFW, in an equitable manner. Each Job Service site must offer the full range of employment services, benefits and protections, including the full range of counseling, testing and job training referral services to MSFWs, the same services provided to non-MSFWs. Therefore, the services available from the Job Service sites, including all other DOL funded WIA services, must be available to MSFWs in a manner appropriate to their needs as job seekers.

The DOL Employment and Training Administration (ETA) requires that states ensure equity of services for MSFWs and non-MSFWs. Montana's Indicator of Compliance reports record all service outcomes tracked for regular job seekers, including MSFWs, such as receiving staff assisted services, referrals to supportive services, referrals to jobs, career guidance, and job development contacts to ensure MSFWs continue to receive qualitatively equivalent and quantitatively proportional services.

Montana has consistently met three of the five equity indicators during PY 2010-11. To ensure that all equity indicators will be met in PY 2012-13, the Monitor Advocate has begun conducting annual programmatic reviews of all Job Service sites. After reviewing program performance data, the Monitor Advocate will contact the office manager to discuss findings and offer initial recommendations and appropriate technical assistance. If the Monitor Advocate identifies a finding, a Corrective Action Plan is requested and the Monitor Advocate follows up with each Job Service site to ensure that the Corrective Action Plan is being implemented appropriately and is brought into full compliance.

Services Provided to Agricultural Employers through the Job Service System

The Montana Workforce Services Division recognizes the importance of the agricultural industry in Montana and has devoted resources to meet the labor needs of agricultural employers and MSFWs. Funding for agricultural series comes from Wagner Peyser and Foreign Labor Certification funds granted to the states annually. Wagner Peyser funds are given to Montana based on a formula basis. The

Foreign Labor funds are provided by DOL/ETA to Montana to process foreign labor application requests, conduct housing inspections, conduct agricultural wage and prevailing practice surveys, and collect agricultural crop and labor information.

The Job Service sites provide special services to employers on an individual and as needed basis. These services are in addition to the MontanaWorks system, which is the computer program that each Job Service is equipped with. MontanaWorks is used for registering job seekers with the Job Service, posting job openings online, and in the Job Service Center, tracking services provided to job seekers well as employers and tracking referrals made to job openings. Outreach workers also provide the following service to agricultural employers:

- Perform recruitment activities to find and refer qualified MSFWs in order to fill the labor needs of agricultural employers
- Encourage agricultural employers to publish their job openings using MontanaWorks to fill job openings
- Provide labor market information with such data as supply and demand, salaries, training requirements, new and emerging occupations and industry growth
- Provide Rapid Response services due to plan closure or mass layoffs.

Review and Comment by Key Stakeholders

Work load requirements allow for the position of the State Monitor Advocate to also serve as the State Workforce Advocate. This person oversees the operations of the Job Service sites to ensure that MSFWs receive equal employment services in both quality and quantity as compared to employment services provided to non-MSFWs. The Monitor Advocate employee works as both a monitor and as an advocate for the MSFWs.

In the role as advocate, the Monitor Advocate promotes the needs and concerns of MSFWs to Workforce Services Division leadership. Additionally, the Monitor Advocate reviews and comments on directives and policy changes that affect MSFWs. The Workforce Services Division has duly afforded the Monitor Advocate with the opportunity to comment on the Agricultural Outreach Plan as required by Title 20 CFR part 653.111 (h). This Agricultural Outreach Plan has been shared with the NFJP grantee, Rural Employment Opportunities (REO).

Services to Employers

The Workforce Services Division is comprised of a team of experts located in a central office and 23 local Job Service One-Stop Center throughout the state. The focus of WSD is to develop and maintain a high quality workforce system for Montana by providing services to demand-driven businesses, job seekers, government officials and entities, the public, and employers. Through the Business Services Program, local Job Service offices provide enhanced business services to customers. In Montana, a large majority of the businesses are small and lack human resource departments. The department provides the opportunity for Job Service staff to fill unmet needs for many of the Montana's business customers by providing employment law resources and referral information. Workforce consultants with expertise in business services are also available in each Job Service office to provide enhanced services which may include: developing job descriptions, training on effective hiring procedures, performing job analysis, resources for creating employee handbooks, and providing information on labor market trends, employment law and human rights law. All services are customized to meet the needs of the individual business customer.

Three years ago WSD formed a Business Services Committee, with representation from each of the five workforce regions in Montana. The committee coordinates statewide training for One-Stop Center staff and creates resources for staff to share with businesses. In addition, WSD was recently awarded an Expanding Business Engagement Technical Assistance Grant (EBE), which will be used to address some of gaps and opportunities listed below:

- Increase our market penetration with new businesses that are not aware of our services or business resources, including businesses located in rural areas.
- Increase the number of business that are repeat customers at Montana's One-Stop Centers.
- Increase the fill rate of job orders posted by employers.
- Implement techniques for reducing the average number of days to fill job openings with qualified workers.
- Build enhancements into the state workforce MIS (Montana Works).
- Evaluate current business satisfaction with our One-Stop Centers and develop strategies for increasing business satisfaction with services provided at One-Stop Centers.

The second phase of the grant period will also include serving as peer-to-peer consultants or mentors to other states, especially those in our region that we currently partner with on workforce initiatives to share knowledge and expertise.

Single Area State Requirements:

Add Public Comment.

The type and availability of WIA title I youth activities, including an identification for successful providers of such activities (WIA Section 118(b)(6), 20 CFR 661.350(a)(7)

WIA Title I youth activities are available across the state. Youth activities include the ten required components; tutoring and study skills training and instructions that lead to secondary school completion and drop-out prevention; Alternative school offerings; summer employment opportunities; paid and unpaid work experiences and internships; leadership development opportunities; adult mentoring; supportive services; comprehensive guidance and counseling; follow-up services; and occupational skills training for youth 18 and over as appropriate and funding allows. There are ten WIA youth service providers in Montana who were selected through the Request for Proposal process in 2012 to provide the allowable WIA youth activities.

Waivers

To make the best use of resources, Montana continues to take advantage of federal waiver opportunities to seek relief from provisions that restrict flexibility and creativity or limit efficiencies. Montana submitted waiver requests covering a broad array of workforce issues as part of the revised State Plan in 2011. The waivers are extended through June 30, 2011. Montana requested extension of the current waivers in the April 11, 2012 Extension Letter submitted to US DOLETA for the period until the approval of the new five year state WIA/Wagner-Peyser Plan. Currently, Montana has six waivers that we are requesting to be extended with the new five year plan for the period of 2012 – 2016. The waivers were developed with the Governor's State Workforce Investment Board. The waivers are listed below:

- **Waiver to implement the common measures performance standards only for WIA Title IB Adult, Youth and Dislocated Worker Programs:** Montana is currently working under an approved waiver that allows Montana to implement the nine common measures for WIA Title IB adult, youth and

dislocated workers and stop reporting on the 17 performance measures (15 core; 2 customer satisfaction). WIA Staff in the Workforce Services Division continue to develop policies and provide technical assistance to adult, youth and dislocated worker service providers to ensure their understanding of the programmatic and reporting impacts of the measures. The benefit of this waiver to Montana and its providers has been the ability to focus on employment placement and retention, earnings, placement in education, attainment of degree or certificate and literacy and numeracy gains thereby making meeting performance standards more attainable. The State has found that ability to focus on only the common measures ensures a greater probability of success.

- **Waive the Subsequent Eligibility Determination of Eligible Training Providers:** Montana is currently working under an approved waiver to post-pone the implementation of the subsequent eligibility determination process for Eligible Training Providers. The benefit of this waiver to Montana is that it allows the State to keep previously approved providers and add new providers to the ETPL thus providing customers with training option choices. The result is skilled customers entering the labor market with increased earnings and retention.
- **Waiver to Allow A State Board to Carry Out the Roles of Local Boards for a Single State Wide Planning Area Structure:** Montana received waiver approval from USDOL in 2006 to move to a single statewide planning area structure. The goals identified in the waiver were to: (1) reduce overhead costs and increase program dollars; (2) expand the number of One-Stops in the State; (3) redesign youth programs and target youth most at-risk; (4) strengthen the administrative oversight and accountability processes; and (5) increase training opportunities. The positive outcomes that have occurred as a result of the waiver include: maximizing the available money directed to training and services to business; promoting the role of Community Management Teams (CMTs) and including mandatory partners and many optional partners in the One-Stops and CMTs; establishing a Youth Council that is a sub-committee of the SWIB; and serving a greater percentage more participants with WIA dollars.
- **Waiver to Exempt a State From the Requirement to Provide Local Area Incentive Grants:** Montana received approval to exempt it from the requirement to provide local area incentive grants to reward regional cooperation, local coordination of activities and exemplary performance. With the decline in WIA funds as a whole, the amount of money each provider would receive as an incentive would be insignificant, but the way the state is able to put the entire amount to more meaningful, proven use by providing technical assistance and training conferences and training on the use of the MontanaWorks computer system positively affects all WIA providers.
- **Waiver to Allow the use of Individual Training Accounts for WIA Eligible Youth:** Montana received approval in June 2011 to waive the regulatory prohibition of using Individual Training Accounts (ITAs) for Youth, with the exception of in-school and younger youth. The waiver is in effect until June 30, 2012. The benefit of this waiver is the flexibility in youth program delivery and providing the youth customer a choice regarding selection of schools on the ETPL. Youth learn responsibility by making informed decisions and the waiver allows participants to choose their post-secondary educational provider. Success with two of the youth common measure outcomes may be enhanced by this waiver; attainment of degree/certificate and entered employment/post-secondary education.
- **Waive the Performance Measures for Youth who Participate in Work Experience only under the American Recovery and Reinvestment Act to extend to youth who participated in the TANF-ARRA summer program:** In May 2010 the Montana Departments of Labor and Industry and Public Health and Human Services entered into a partnership for the TANF-ARRA youth program. The Montana Department of Labor and Industry contracted with existing WIA youth service providers to provide a TANF-ARRA summer youth program for youth between the ages of 16 and 18 who were WIA eligible. In 2010 Montana received a waiver approval extension to track only the Work Readiness

Skills Attainment Measure for youth ages 16-18 who were enrolled under the TANF-ARRA program and who participate in Work Experience only beyond the summer months. The waiver extension was applicable for the period of May 1, 2010 through September 30, 2010.

Trade Act Assistance

Montana's Rapid Response, Dislocated Worker, Trade Act Assistance (TAA) and Wagner-Peyser programs are all operated by Job Service Operations Bureau through the statewide network of 23 local Job Service offices. Local Job Service staff coordinates all of the rapid response activities, helps the employer or workers file TAA petitions and brings a variety of local and state service providers together for inter-agency Rapid Response Workshops.

Co-enrollment of TAA participants in the WIA Dislocated Worker program as well as other programs for which they are eligible is the standard expectation as stated in Montana's Trade Policy & Procedure Manual, Section 4.60 – Co-Enrollments. State policy also requires assessment to develop an appropriate Individual Employment Plan and TAA services, including whether there is a need and justification for TAA approved training. In addition to structured interviews, case managers may use a variety of formal assessment tools including, but not limited to, the TABE (Test of Adult Basic Education), MCIS (Montana Career Information System), O'Net tools, Interest Profiler, PEP Talk (Personal Employment Plan) and Prove It proficiency tests.

The administration, fiscal integrity and performance reporting for Montana's TAA program is facilitated through MontanaWorks, an integrated data and case management system that is also used by Wagner-Peyser and WIA as well as a variety of other employment and training programs. While Unemployment Insurance and the Trade Readjustment Allowances are administered on a separate system, we are able to retrieve and share data with UI and TRA for reporting, performance and fiscal purposes.

Senior Community Service Employment Program

The Senior Community Service Employment Program (SCSEP) plays a lead role in older worker initiatives and in the development and implementation of strategies to address the issues of older workers. SCSEP services are for those individuals who are unemployed, ages 55 or older with limited incomes and poor employment prospects. In Montana, all SCSEP services are provided by Experience Works. Experience Works, through a contract with the Montana Department of Labor and Industry provides services in ten counties while the National Experience Works receives funding directly from USDOL to provide SCSEP services throughout the state. Combined, the state-funded and nationally-funded senior program provides services to approximately 390 older individuals in Montana through SCSEP.

Long-term projections for jobs in industries and occupations in the state that may provide employment opportunities for older workers. (20 CFR 641.302(d))

According to the labor market information from DLI's Research and Analysis Bureau, Montana has been gaining jobs since the start of 2011 despite the job losses throughout 2010. However, while employment growth from 2010 to 2020 is expected to average .9% annually compared to 1.2% per year from 2000 to 2007. It will take at least four to five years to regain the jobs lost in the state in recent years.

A few occupational categories such as healthcare support, office and administrative support are expected to regain their job levels by 2014 providing the opportunity for job training for new workers.

As in other states, the aging of the baby boom generation will fuel the need for more workers to deliver health care services to Montana residents.

A discussion of how the long-term job projections discussed in the economic analysis section of strategic plan relate to the types of unsubsidized jobs for which SCSEP participants will be trained and the types of skill training to be provided. (20 CFR 641.302(d))

There will be coordination between program management, community sources, and the SCSEP grantees to identify training opportunities and subsequent unsubsidized employment. Priority will be to identify other opportunities in the emerging businesses linked to health care and support services. A good deal of the areas served by SCSEP grantees are rural which dictates a different approach using local investment and awareness of opportunities.

Secondly, the SCSEP grantees' goal is to place program participants into long-term, economically stable employment on a regular basis. The grantees endeavor to place at least 20-25% of participants into full-time employment every quarter.

Current and projected employment opportunities in the State (such as by providing information available under §15 of the Wagner-Peyser Act (29 U.S.C. 491-2) by occupation), and the types of skills possessed by eligible individuals. (20 CFR 641.325(c).)

According to the Projected Labor Demand by Education Level, discussed in the long-term projections for jobs and industries section of the Integrated State Plan, the majority of Montana's jobs currently do not require a post-high school education to perform. Generally SCSEP participants have little or poor work history with very little skills, therefore the types of skills available among the eligible populations will have direct implications for recruiting host agencies; the types of training positions available at host agencies; skill training offerings that the grantees can locate or develop; and other training linkages. Additionally, the employment projections jobs requiring short to moderate-term on-the-job training are expected to grow at 1% annually through 2010 which may have a positive impact on the potential for preparing older workers for those jobs. Cashiers, retail salespersons, food servers and preparation workers, bookkeeping, customer service representatives, first-line supervisors/managers of retail sales workers and registered nurses are listed among the occupations with the most expected openings from 2013 to 2020. Many of these jobs including Green jobs, STEM jobs and jobs in the health care sector may require Work Experience or a short-term or moderate or long-term OJT to a certificate ranging from a professional certificate to an associates' degree or bachelor's degree or higher. SCSEP grantees will focus on preparing older workers for these jobs through on-the-job training experiences and community service placements as well as coordinating and co-enrolling, as appropriate, with WIA Title I programs or other programs such as Vocational Rehabilitation in order to provide older workers the opportunity for the occupational skills training to help participants obtain the skills needed for these jobs.

A description of the localities and populations for which projects of the type authorized by title V are most needed (20 CFR 641.325 (d).)

Whenever demographic and economic data are made available SCSEP grantees will work with other Montana agencies to ensure compliance in connecting localities and populations with projects authorized by Title V. There are 223 authorized national positions and 57 authorized state positions in Montana for PY12. Both State and National SCSEP authorized positions have continued to steadily decrease over the last three years. The State SCSEP equitable distribution for PY12 allows for 57 positions in 10 counties while the national grantees have 223 positions in 51 of Montana's 56 counties.

Ten Montana counties have both national and state SCSEP services. Following the 2010 Census, there are five counties that are now authorized for zero positions to be served: Garfield, Golden Valley, Petroleum, Treasure and Wibaux counties. One of those five counties currently has an active participant who started in early 2012 and whose training is not complete. SCSEP will continue to serve this participant through PY'12 and the SCSEP grantees will work together to on a plan to ensure this participant is not displaced from the program. Grantees still have participants in counties that no longer have authorized positions according to PY12 equitable distribution and will plan to continue serving them through the end of PY12. Grantees will ensure access to services and a smooth transition of participants from the State SCSEP program to the National SCSEP program in those counties that no longer have authorized position under the State SCSEP program. Additionally the grantees will work together to ensure that the participants are not displaced or have their service disrupted during the transition period. The following chart shows a comparison of equitable distribution of position between PY'12 and PY'11.

COUNTY	STATE POSITIONS 2011	STATE POSITIONS 2012	NATIONAL POSITIONS 2011	NATIONAL POSITIONS 2012
Beaverhead	0	0	3	3
Big Horn	2	2	3	3
Blaine	0	0	3	3
Broadwater	0	0	2	2
Carbon	0	0	3	4
Carter	0	0	1	1
Cascade	6	5	16	16
Chouteau	0	0	2	1
Custer	2	2	3	3
Daniels	0	0	1	1
Dawson	0	0	5	2
Deer Lodge	0	0	4	3
Fallon	0	0	1	1
Fergus	0	0	6	4
Flathead	9	9	14	13
Gallatin	2	3	7	10
Garfield	0	0	1	0
Glacier	0	0	5	4
Golden Valley	0	0	1	0
Granite	0	0	1	2
Hill	0	0	4	4
Jefferson	0	0	3	3
Judith Basin	0	0	1	1
Lake	4	5	7	5
Lewis and Clark	4	6	8	8
Liberty	0	0	1	1
Lincoln	0	0	10	11
Madison	1	0	2	3
McCone	0	0	1	1
Meagher	0	0	1	1

Mineral	0	0	2	2
Missoula	9	11	11	16
Musselshell	0	0	2	2
Park	2	0	4	6
Petroleum County	0	0	1	0
Phillips	0	0	3	1
Pondera	0	0	2	2
Powder River	0	0	1	1
Powell	0	0	3	3
Prairie	0	0	1	1
Ravalli	3	5	11	11
Richland	0	0	4	3
Roosevelt	0	0	5	3
Rosebud	0	0	2	3
Sanders	0	0	6	7
Sheridan	0	0	2	2
Silver Bow	3	0	9	12
Stillwater	0	0	3	2
Sweet Grass	0	0	1	1
Teton	0	0	2	3
Toole	0	0	3	2
Treasure	0	0	1	0
Valley	0	0	3	3
Wheatland	0	0	1	2
Wibaux	0	0	1	0
Yellowstone	11	9	20	21
TOTAL	58	57	224	223

Counties with no State or National Authorized Positions for PY12

Counties that went from having State authorized positions to no State authorized positions

There are four coordinators, located in Helena, Missoula, Billings and Great Falls that have expertise in serving both urban and rural, to the very rural areas of the state. The coordinators also serve as field representatives that do outreach and provide services to both state and national grantee participants within the counties in their area. Cascade, Flathead, Lewis and Clark, Missoula, Gallatin and Yellowstone counties are the most largely populated areas in the state. Montana also has seven reservations which presents a challenge due to their high unemployment and few opportunities for jobs. However three of them are located in or very near the most heavily populated counties which could be on the positive side for accessing jobs in those counties with larger cities. With the exception of Yellowstone County the largely populated counties are located in the western portion of the state. These heavily populated counties are also the most diverse in population.

A description of actions to coordinate SCSEP with other programs. This may alternatively be discussed in the state strategies section of the strategic plan, but regardless of placement in document, must include:

1. Planned actions to coordinate activities of SCSEP grantees with WIA title I programs, including plans for using the WIA One-Stop delivery system and its partners to serve individuals aged 55 and older. (20 CFR 641.302(g), 641.325(e))

As a required partner of the workforce investment system SCSEP coordinates with the One-Stop centers and programs under WIA in their areas. One Experience Works Coordinator is housed in the One-Stop center while other coordinators that are not physically located in a center work closely with their One-Stop partners to ensure older individuals are receiving services.

One-Stop centers provide a great opportunity for older individuals to explore the many options available to them including core services, or referral to employment opportunities or other services such as intensive and training services offered through WIA Title I programs and SCSEP to help prepare them for employment. Participants are required to register at the One-Stops and co-enrollment of SCSEP participants in WIA Title I programs is encouraged when appropriate. Participants are encouraged to take advantage of job search and resume writing workshops and other courses held at Job Service Workforce Centers. Staff in the workforce centers can offer their expertise in assisting seniors search for job openings where the job requirements are consistent with their knowledge and skills; and by providing referrals to employment opportunities. SCSEP participants also have the opportunity to be co-enrolled and benefit from the opportunity to receive both older worker and WIA services. Partners are asked to assist with outreach and recruitment efforts to targeted and hard to serve populations. Staff and participant openings are advertised with the Montana Job Service Workforce centers. The centers can also provide referrals to public assistance programs, vocational rehabilitation, and veterans' programs.

2. Planned actions to coordinate activities of SCSEP grantees with the activities being carried out in the State under the other titles of the Older Americans Act (OAA). (20 CFR 641.302(h))

Montana's SCSEP grantees will continue partnerships with programs under OAA and USDOL to help older workers including:

- AARP-pedometer program
- AARP-grandparents raising grandchildren, particularly helps American Indians
- Information, Assistance and Referral Program links Montana seniors, their family members, caregivers, and local professionals;
- Adult Protective Services;
- Transportation Advisory Councils-Ticket to Work
- Office on Aging provides meals on wheels, health services, transportation information referral and assistance services;
- Community Services-sharing job site information
- Area Agencies on Aging-job site information
- Department of Labor-program guidance, help with performance measurements;
- Job Service Workforce Centers-pre-testing, registration for Wagner Peyser services;
- Possible job opportunities at Area Agencies on Aging, Walgreens, and U.S. Census

- State Workforce Investment Board
- MT Assoc. of County Commissioners
- Montana Commissioner of Labor
- AFL/CIO
- HRDC Directors
- Rocky Mountain Development Council
- Job Service Workforce Centers
- Public and Private nonprofit agencies providing employment services (Helena Industries and WESTAFF)
- Communities-independent living centers plus state (SLIC), host agencies
- Senior Centers
- AARP
- Community Services Bureau, SLTC
- Working for Equality and Economic Liberation (WEEL)
- Veterans Services
- Department of Corrections-prerelease centers
- Vocational Rehabilitation
- Services for the Blind
- American Indian Tribes

Planned activities to coordinate with OAA:

- Health fairs and senior wellness activities throughout the state
- Continued partnerships with Aging Services
- Attend and/or participate in Governor’s forum on aging
- Attend conferences and seminars that pertain to aging services
- Connect homeless with services available

3. Planned actions to coordinate SCSEP with other private and public entities and programs that provide services to older Americans, such as community and faith-based organizations, transportation programs, and programs for those with special needs or disabilities. (20 CFR 641.302(i))

Aging often decreases people’s ability to remain independent. The SCSEP service provider in Montana works with host agencies and employers to develop reasonable accommodations that will allow those with disabilities to work and be successful in the SCSEP training assignment or unsubsidized job following training. The SCSEP provider will continue to work with the Aging/Disability Resource Centers.

Front-line staff is provided training to sensitize them to the needs of those with disabilities. Recruitment methods are carefully worded so as not to discourage the older person with a disability from making application for SCSEP services. There have been many years of coordination between the Rehabilitation Services, State Services for the Blind, and Veterans services for referrals and providing of services to help the older Montanans succeed in the job market. The staff will also provide technical assistance to employers on ADA (Americans with Disabilities Act) requirements and available tax credits for hiring older workers. The SCSEP provider will utilize the Navigator program out of Job Service Workforce Centers to help participants navigate the system. The Ticket-to-Work program will also be used as appropriate.

Medicaid waivers are another venue for the SCSEP provider to explore. The waivers allow people to remain in their homes rather than live in an institution. Various services from respite to transportation and personal care are offered. The care giver can be paid if the care giver is not the legal guardian of the recipient. This could be especially beneficial on the Indian reservations.

4. Planned actions to coordinate SCSEP with other labor market and job training initiatives. (20 CFR 641.302(j).)

SCSEP grantees have not had an opportunity to participate in planning processes to apply for DOL-funded industry training initiatives. However, grantees will be open to collaborating and participating in planning efforts for grant applications and regional initiatives should those opportunities arise.

5. Actions to ensure that SCSEP is an active partner in the One-Stop delivery system and the steps the state will take to encourage and improve coordination with the One-Stop delivery system. (20 CFR 641.335)

SCSEP grantees use the One-Stop centers for office space, referrals, training, and computer access. The value of each entity within the One Stop system to assist the SCSEP participants is clear. There is need for education and training as well as vocational rehabilitation services to improve the lives of the SCSEP participant and enhance the likelihood of employment when training is complete. Networking with each entity within the One-Stop system to learn what is available will lead to understanding of each program for the benefit of all workers.

In the past Montana had two workforce areas and two workforce boards and SCSEP subrecipient staff served as board members. Montana is now a single statewide planning area with one board, the Governor's Statewide Workforce Investment Board. Montana's Governor appointed the Commissioner of the Department of Labor and Industry as the representative for older worker at the State level. The State Grantee and subrecipient staff attends State Board meetings.

At the more local level, Experience Works staff attends Community Management Team meetings in the areas where they provide services.

MOUs are in place with the One-Stop partners in the areas where they provide services.

The state's long-term strategy for engaging employers to develop and promote opportunities for the placement of SCSEP participants in unsubsidized employment. (20 CFR 641.302(e)) (May alternatively be discussed in the state strategies section of strategic plan.)

Montana's Job Service Workforce Centers generally have a close connection to employers which SCSEP coordinators can take advantage of for help in recruiting employers. Employer recruitment will be a priority the same as training site recruitment and participant recruitment. Recruitment efforts will include educating employers about the value in hiring older workers and the cost benefits to the employer's business/organizations. Employers will also be encouraged to take part in a multitude of activities that will assist older workers in their job search such as serving as trainers at job clubs and explaining the expectations and skills needed to work for their business or organization.

Building trust between the employers and SCSEP will result in benefits for both organizations but particularly for the older workers.

In addition to networking with the One-Stop centers, Experience Works Coordinators will be encouraged to become involved with local Chambers of Commerce to reach the business community. Building relationships through networking leads to jobs for participants.

The state's long-term strategy for achieving an equitable distribution of SCSEP positions within the state that:

1. Moves positions from over-served to underserved locations within the state in compliance with 20 CFR 641.365.

The goal for SCSEP is to distribute the workers served by the program in accordance with the equitable distribution of positions per county. Montana's SCSEP grantees will work toward the goal of equitable distribution of the SCSEP slots within the counties so that all people have access to services under the program.

1. Equitably Serves Rural and Urban Areas.

The SCSEP grantees are working toward equitable distribution in each county. There are no counties that are significantly over-served or under-served with a variance of 1-5 of their equitable share based on U. S. Census 2010 data. However, the population shifts for PY'12 causes some concern for those counties in which equitable distribution has eliminated positions. The national SCSEP grantee has authorized positions in fifty-one counties out of the total fifty-six counties in Montana. Ten of these counties also have state-designated positions as well. Even with population shifts each year that cause some counties to be over-served and some to be under-served, the authorized numbers meet the Census figures. Following the 2010 Census, there are five counties that are now authorized for zero positions to be served: Garfield, Golden Valley, Petroleum, Treasure and Wibaux counties. Of these five counties, only Petroleum County currently has an active participant who was enrolled in the SCSEP early in 2012. The participant has not completed training SCSEP grantees are planning to continue providing services in order to allow time for successful program completion and employment following training. The SCSEP grantees would like to continue to serve the counties of Golden Valley, Petroleum, Treasure and Wibaux by authorizing a position in each of these counties so that any citizen that would be deemed eligible and in need of training could be served. SCSEP grantees will continue to work on ensuring older workers in the counties that have lost positions are not displaced.

3. Serves individuals afforded priority for service under 20 CFR 641.520. (20 CFR 641.302(a), 641.365, 641.520)

SCSEP grantees comply with regulations by ensuring that the priority for service is provided to eligible individuals who meet one or more of the following criteria:

- are aged 65 years or older;
- have a disability;
- have limited English proficiency or low literacy skills;
- Reside in a rural area
- Are veterans or their spouses who meet the requirements of the Jobs for Veterans Act;
- Have low employment prospects;

- Have failed to find employment after using services provided through the One-Stop delivery system;
- Are homeless or at risk of homelessness

Approximately 64% of older workers served by the third quarter of Program Year 2011 were 60+ years. Of the total participants served, 15% were qualified veterans.

The ratio of eligible individuals in each service area to the total eligible population in the state. (20 CFR 641.325(a)) The relative distribution of eligible individuals who:

1. Reside in Urban and Rural Areas within the State

Montana is a very large, rural state with ongoing challenges and significant barriers most significantly in the more rural areas of the state. Challenges and barriers include: shortages of quality host agencies that can provide the training that matches the employment goals for participants; shortages of employers that have a presence in the rural areas that are seeking new employees in general; the economy in some of the counties is depressed; public transportation is available in the larger communities but is non-existent in the very rural areas. It is very difficult, in the most rural areas of Montana, to recruit both eligible participants and develop host agencies due to distance, language, transportation, etc. These challenges make it essential that both rural and urban areas are served equitably and that the older workers living in rural areas have access to training and employment resources that are equivalent to those living in urban areas. Grantees will make every effort possible to accommodate enrollees whenever suitable arrangements can be made including flexibility in scheduling training.

SCSEP grantees will work with organizations within communities to:

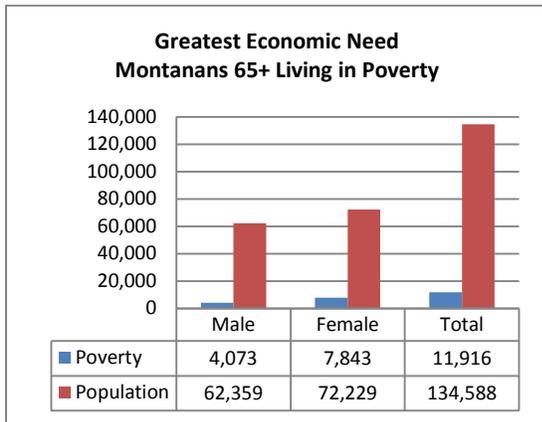
- Address rural needs using small scale methods appropriate to the uniqueness of each community;
- Identify the inequities in resources to equitably serve SCSEP participants in both rural and urban counties across the state;
- Identify those inequities specific to rural areas that can be changed or addressed and promote the development of new training sites and employment opportunities for participants by December 2012 and ongoing thereafter; and
- Identify tools and resources to rally communities to help with the needs of the eligible population.

2. Have the Greatest Economic Need

There are many older persons that need to work in order to pay for the necessities of life: food, housing, transportation and medical care. Social Security benefits alone cannot meet their needs and they must subsidize this with employment. A large number of the participants are working to pay for prescriptions or to cover the cost of health insurance. Of the current enrollment approximately 61% are below the age of 65 and may not receive any Social Security benefits (unless they have opted to draw their benefit at age 62 or receive Social Security Disability benefits.) Low income older workers want and need to work.

The number of older workers is growing in Montana along with the rest of the country. According to the US Census Bureau’s 2006 to 2010 American Community Survey (ACS), 12.7 percent of the 2006 to 2010 population is at least 65 years old. The 2006 to 2010 ACS data also indicates that Montana has a population that includes 134,588 people that are 65 years old and older. Of this population, 11,916 (8.9%) are the men and women that have an income that is at or below the HHS poverty levels. Currently, SCSEP grantees in Montana have an enrollment of participants that include almost 90% who are living in poverty.

According to the American Community Survey, an annual survey performed by the U. S. Census Bureau, 14.6% of the entire population in 2010 lived in poverty.



3. Are Minorities

As of the third quarter of PY2011, the Montana SCSEP grantee reports show that American Indians are the main minority population and were served at 12% of total enrollments. This minority population is showing as underserved in the SCSEP program based on the numbers of the eligible population. Montana has seven reservations with three of them located in or very near the most heavily populated counties. Montana also has one certified State Workforce Investment Board Native American One-Stop. The SCSEP grantees’ subrecipient will work closely with local agencies and representatives in areas on or near the reservations to target recruitment activities to under-served areas, the areas of higher concentrations of this minority population and to others who are most in need. The total minority population within Montana’s SCSEP program is approximately 20% of the total enrollments.

The following are minority statistics of participants served based on PY’11 third quarter numbers:

American Indian	58
Asian/Native Hawaiian/Pacific Islander	3
Black or African American	7
Hispanic, Latino or Spanish Origin	8

4. Are Limited English Proficient.

Individuals with limited English proficiency are included in the priority of service, most-in-need group with barriers to employment. As of the third quarter report for PY2011, one percent of the participants

served were showing as limited English proficient. Experience Works staff will use the same techniques of recruitment of eligible individuals who are limited English proficient as the other most-in-need populations including: recruitment through the One-Stop systems; advertisements; and working closely with local community and business leaders who are members of local ethnic or cultural groups that include minorities or limited-English speaking individuals; and networking with organizations that share SCSEP's priority in helping those most in need.

5. Have the Greatest Social Need. (20 CFR 641.325(b))

Recruitment of eligible participants in rural areas requires more innovative methods than in more urban areas due to the greater distances between participants, high transportation costs, and increased time needed to serve the participants. The SCSEP grantees' subrecipient, Experience Works, links with the mature population in rural areas through newspaper advertisement; utilizing posters in high senior traffic areas; television and radio appearances; networking with senior citizen centers, aging organizations, disabilities advocacy and service groups, veteran's organizations, religious centers, city government officials, tribal leaders, and other community-based organizations. Experience Works also works closely with Montana's Job Service Workforce Centers who helps with recruitment and solicit referrals from them. Many of the same techniques are used to recruit participants in urban areas, but with much reduced travel costs and with less time involved.

Aging will often decrease people's ability to remain independent. Experience Works networks with host agencies and employers to develop reasonable accommodations that will allow those with disabilities to work and be successful in the SCSEP training assignment or unsubsidized job following training.

By third quarter's end in PY'11 19% of enrolled participant have some form of disability.

Currently anyone who is eligible and suitable for SCSEP in Montana is served and there is no one on a waiting list.

A description of the steps taken to avoid disruptions to the greatest extent possible, when positions are redistributed, as provided in 20 CFR 641.365; when new Census or other reliable data become available; or when there is over-enrollment for any other reason.. (20 CFR 641.325(i), 641.302(b))

The SCSEP grantee uses the Census to determine equitable distribution. The population shifts each year may cause some counties to be over-served and some to be under-served even though the authorized numbers for these counties meet the Census figures. There may need to be an adjustment in the numbers that differ from the Census 2010 figures in order to adequately serve these areas of the state. SCSEP grantees will adhere to any recommendation from the U.S. Department of Labor whenever new census data indicates a shift in the location of eligible population or over-enrollment for any other reason. SCSEP grantees will encourage current participants in subsidized community service assignments to move into unsubsidized employment positions and ensure compliance with the Older Americans Act time limits. Ten Montana counties have both federal and state SCSEP services. All other counties have federal SCSEP services. The State of Montana continually works toward the goal of equitable distribution of the SCSEP slots within the counties so that all people have access to services under the program. Changes in services to counties with population changes will be handled through attrition to avoid any disruption in service.

The challenges that face Montana will continue to grow over the years as the work force continues to age.

The State's long-term strategy for serving minority older individuals under SCSEP. (20 CFR 641.302 (c))

Montana's grantees will continue to focus on increasing Native American enrollments and placements. Montana's subrecipient will continue its efforts to recruit participants from the minority groups by:

- identifying and working closely community agencies, minority churches and organizations that serve multi-cultural populations;
- assigning participants to host training sites which serve to communicate with the minority population;
- inviting guest speakers from the minority community to participate in SCSEP workshops;
- asking participants, including minority individuals to make program referrals for family, friends and other contacts;
- advertising in local newspapers (including tribal newspapers whenever possible) and senior publications and classified ads;
- placing brochures and posters in One-Stop Centers, Post Offices, libraries, senior centers, social service agencies and other public places which older minority individuals frequent;

A list of community services that are needed and the places where these services are most needed. Specifically, the plan must address the needs and location of those individuals most in need of community services and the groups working to meet their needs. (20 CFR 641.330)

Collecting, monitoring and analyzing community service needs is an ongoing process. SCSEP's service to a community is based primarily on the social and economic needs of the participants entering the program; and on the demand of the services within local communities.

Seniors with limited fixed income in good health and a willingness to work could benefit from doing community service, according to those who work with SCSEP. Specific senior populations that would benefit from community service work are those with time and energy, seniors over 65, ex-convicts, retired people especially farmers and ranchers, all age groups if capable of physical work, the unemployed and economically disadvantaged older persons.

Local community service needs include: mentoring in schools, working in prisons, jobs in tourist areas, cleaning road ditches, providing office support services, making signs, serving as job developers, doing flower enhancements along streets or in parks, serving as advisors to local businesses, cleaning rest areas, providing after-school programs for children and providing day care, receptionist for nonprofits, gift-shop attendants, service attendants for food pantries, jobs at clothing give-away programs and doing yard work. Community service requests also includes: clerks, janitors, cooks or teacher's aides in schools; clerical help (with some computer knowledge) for city, county, state and federal public agencies; cooks for nutrition sites; clerical assistants for small nonprofits (again with some computer skill); librarians in schools and towns; docents, historical researchers (again with some computer knowledge); custodians for museums in smaller communities; and maintenance workers for cities and towns and for park areas.

The delivery of community services in rural locations is more difficult due to the low population density and large distances between participants in each county. The more remote or economically depressed the county, the more barriers exist. Additionally rural areas often have limited opportunities for community service assignments, training, and jobs.

SCSEP will continue to work with the Office of Senior Long Term Care/Aging Services, Montana's Workforce system, groups that provide services to people with disabilities and veterans, and other interested agencies as well as the business community to identify local community service project needs and the specific populations that will work on these projects.

Local community needs will be addressed in an ongoing manner. Utilization of a marketing and recruitment strategy is organized early in each grant year to identify potential host agencies to meet the training needs that match job openings in the communities and match with participant's needs and interests in training to gain employment.

The state's long-term strategy to improve SCSEP services, including planned longer-term changes to the design of the program within the state, and planned changes in the use of SCSEP grantees and program operators to better achieve the goals of the program. This may include recommendations to the Department as appropriate. (20 CFR 641.302(k))

The overall goal of SCSEP in Montana is to serve the eligible clientele by providing training opportunities that both improve or build skill levels and provide the training needed for jobs available in the community. The long-term goal is to assure that job matching is appropriate for both the employer and older worker so that the relationship will be retained to the benefit of the employer, the older worker and the state's economy. Partnerships for integrating services are a key to these strategies. Attainment of negotiated goals for serving Montana's older worker population, increasing services within the network of nonprofits and public agencies within communities, and providing skilled workers for employers is a measure of successful service from the older worker program.

Recommendations include the following:

- Help SCSEP participants attain the skills (such as computer and healthcare related skills) to better fill the employment needs in the state;
- Work with and expand on the nonprofit agencies to provide meaningful community service assignments that fill a current need within the community;
- Work with businesses and nonprofit agencies to develop good training assignments where today's skills are learned on-the-job and unsubsidized employment will be the end result in more situations;
- Assist the business community in finding ways to attract and employ the older worker;
- Show businesses why this is beneficial to hire the older worker;
- Continue to be an active partner in Montana's One-Stop systems;
- House SCSEP field personnel within the Montana One Stop Centers, wherever possible, throughout the state;
- Coordinate activities with WIA programs and Montana One Stop Centers;
- Target services to Native Americans;
- Work more closely the WIA 166 grantees such as the Blackfeet Manpower in

Browning;

- Expand Area Agencies on Aging referrals;
- Place additional emphasis on creative partnerships with groups that advocate and provide services to people with disabilities and veterans;
- Expand coordination with ADRC throughout the state;
- Expand relationships with Montana Chambers of Commerce

The state's strategy for continuous improvement in the level of performance for SCSEP participants' entry into unsubsidized employment, and to achieve, at a minimum, the levels specified in OAA Section 513(a)(2)(E)(ii). (20 CFR 641.302(f))

Targeting Jobs: Montana's SCSEP grantees' subrecipient has been successful in placing participants in unsubsidized employment with community service agencies and especially with host agency training sites. A significant portion of SCSEP's unsubsidized placement can occur when the community service training sites hire SCSEP participants that have been training at the sites. The subgrantee will also emphasize the value and benefits of hiring trained participants.

Continued partnerships with Montana's One-Stops: Montana's SCSEP grantee's subrecipient will make the continued effort to be a partner in the One-Stop system to monitor information on job opening and trends that will help identify current and future regional job opportunities; maintain partnerships with the Department of Labor and Industry, Job Service Workforce Centers as well as Vocational Rehabilitation Services, Social Services, Adult Services and Aging, and the Department of Education. Title V participants will be assigned to these agencies as office assistants, resource room attendants, and custodial workers whenever possible.

Upgrading and maintaining participant skills: Participant training is a key ingredient to successful program performance. Often the skills of the majority of SCSEP participants are outdated and need to be upgraded to meet today's employment requirements. Qualities valued in the older worker such as work ethic and reliability are valued by most employers, but the need for specific skills in today's job market are crucial for success. The need for specific skills leads to training and retraining for SCSEP participants to help them become employable. An increasing number of SCSEP eligible participants are getting technology training from the very basic to expert. Montana's SCSEP grantees' subrecipient, Experience Works, utilizes Teknimedia training that enables participants to learn computer skills. Employment and Training Coordinators train one-on-one with participants using the Teknimedia program. This is particularly beneficial in rural areas where computer classes are not easily accessible. Other training includes resume writing and job club activities.

Ongoing Assessments of Skills: Experience Works uses an assessment tool called JobReady which includes on-line assessment and Individual Employment Plan as well as training in a variety of skills, some at no cost to the individual and some for a fee. Completing these training courses can result in certification of skills following successful testing of the subject matter. A large number of participants have taken advantage of this training as it can be done at any time from any computer. Certifying truck drivers is an area Experience Works may utilize for SCSEP participants who are willing and able to drive trucks, especially doing daily runs. There is an increased need for nursing and residential care providers, hospital workers, and ambulatory health care providers. The continued need for Certified Nurse's Aides (CNAs) is recognized by the SCSEP grantees. An assessment is made on each potential applicant for their interest and current skill level. Those that indicate an interest and limited skill level in doing the CNA work are further assessed on their physical ability to perform the job with additional training.

Maintaining partnerships with the business community: There is increased effort to gather input from the business community, community leaders, and host agency supervisors on the job skill needs within their organizations and participants themselves on the types of job openings they see in their communities. This input enables SCSEP grantees and the workforce community to provide more meaningful training opportunities for the older worker and find appropriate matches for unsubsidized job placement with a higher degree of retention.

The SCSEP grantees will monitor subgrantee performance quarterly and provide technical assistance and training in areas needing improvement.

III. Assurances

This section will be added upon submission.