



Worker Training Program

ANNUAL REPORT
July 2017 - June 2018

NEBRASKA

Good Life. Great Connections.

DEPARTMENT OF LABOR



September 1, 2018

Governor Pete Ricketts
Second Floor, NW Corner
State Capitol
Lincoln, NE 68509-4848

Dear Governor Ricketts:

I am pleased to provide you with the report on activities for Program Year July 1, 2017 through June 30, 2018, for the Nebraska Worker Training Program.

This past year the program funded 280 grants in whole or in part, over seventy-two per cent (72%) of all entities applying. In awarding \$1,407,027 throughout the state, the program will benefit an estimated 478 Nebraska businesses and over 9,000 Nebraska workers. Matching funds by participating employers exceeded \$2.9 million. The average grant award was \$5,025.09. The top training activities last year (ranked by the number of approved requests):

Leadership	36 grants	12.8% of all grants approved
Manufacturing/Machine Operations	30 grants	10.7%
OHSA/Safety Related Topics	29 grants	10.3%
Lean/Kaizen/Six Sigma/ISO Related	25 grants	8.9%
Management/Supervision	25 grants	8.9%
IT (Development/Programming/Software)	24 grants	8.5%
Communications	16 grants	5.7%
Marketing/Sales	14 grants	5.0%
CPR/AED/First Aid	13 grants	4.6%
Health Related Trainings	9 grants	3.2%

While the program continues to provide training for the workforce of today, it recognizes the need to prepare the workforce of tomorrow. Therefore, we were pleased to support Pathways 2 Tomorrow, a consortium developing a high school and college curriculum to meet the needs of area employers. There are six career pathways: welding, manufacturing, building construction, health sciences, computer science and transportation & logistics. Partners include Northeast Community College, Wayne State College, eight regional school districts and sixteen area communities. The \$250,000 award will enable the group to purchase needed equipment for the new training center located in West Point.

Regardless of the amount, every grant represents a partnership of business, education and government collaborating to improve, sustain, and expand Nebraska's workforce – an excellent return on investment. On behalf of the Board and staff, I thank you for your continuing support.

Sincerely,

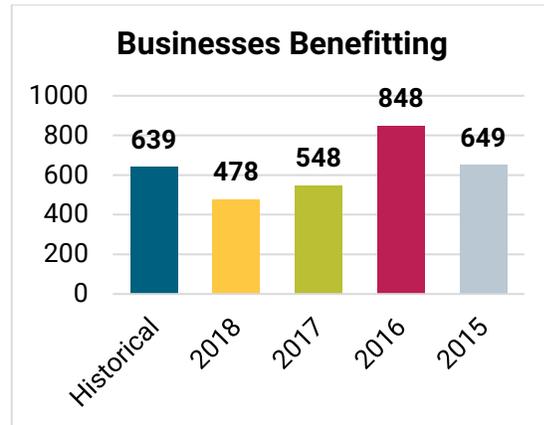
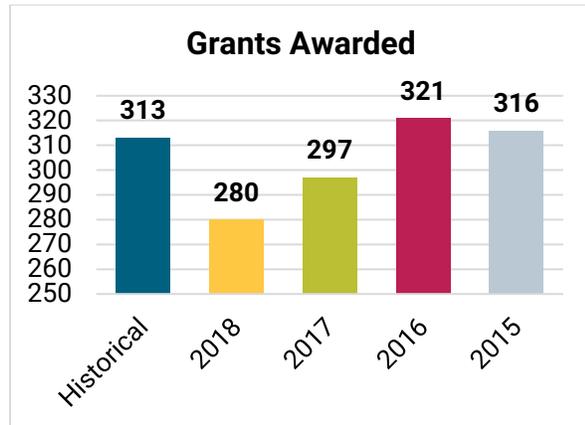
Greg Eden
Molex LLC
Chair, Worker Training Board
cc: Members of the Nebraska Legislature Business and Labor Committee

A proud partner of the **americanjobcenter**® network

Number of Employers Receiving Grants:

Time Period	Grants Received	Grants Awarded	Businesses Benefiting*
Fiscal Year	385	280	478
History of the Program	9,026	6,576	13,426

*The number of businesses benefiting is higher than the number of grants awarded because one employer receives the funding on behalf of all members in a consortium. This past year 41 consortia received funding.



Comment:

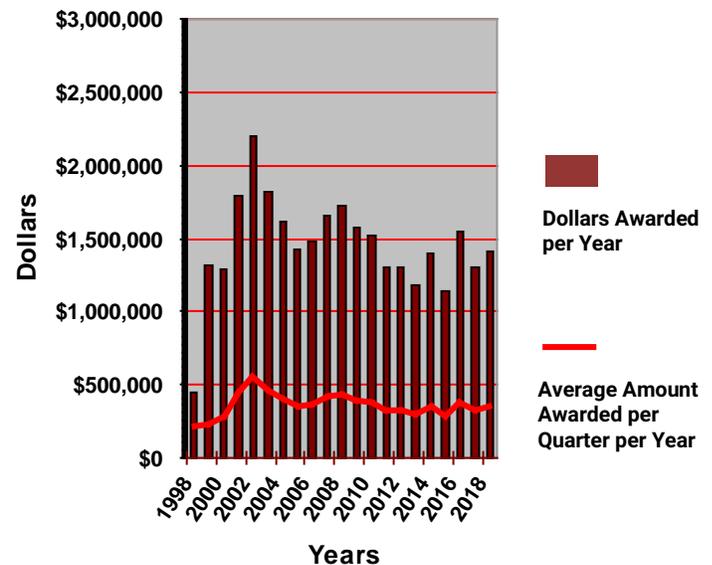
The number of grants awarded dropped by 17 from the previous year. Funding, in whole or in part, was awarded to seventy-two point seven per cent (72.7%) of those applying – down five per cent (5%) from 2017.

Dollar Amount of Grants Awarded:

Time Period	Amount Awarded
Fiscal Year	\$1,407,027
History of the Program	\$30,421,673
Historical Average	\$1,448,651
2015-2017 Average	\$1,328,247

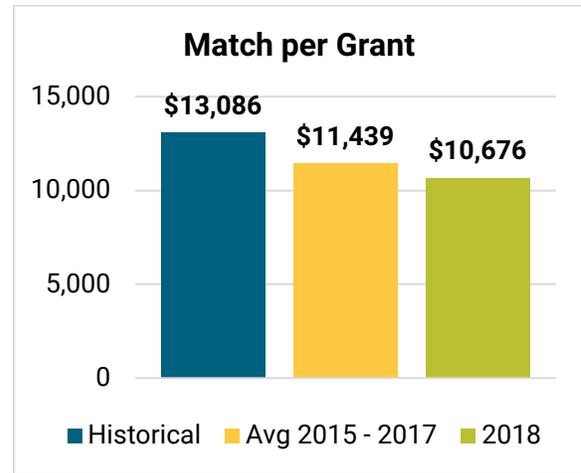
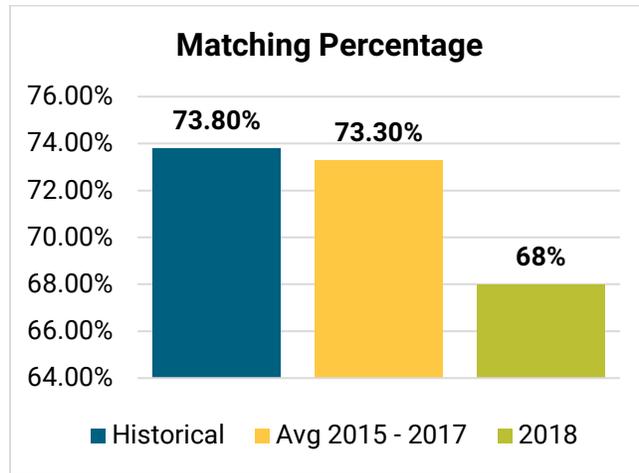
Comment:

Although the number of grants awarded decreased from 2017, the total amount awarded increased by \$104,693.00. The average amount awarded each quarter increased by \$26,172 to \$351,756.00. Projections indicate that the current level of funding can be increased for 2018 – 2019.



The value, expressed in dollars and as a percentage, of total training expenditures of matching contributions made by employers:

Time Period	Amount Matched by Employers	Percent Matched by Employers
Fiscal Year	\$2,989,463	68%
History of the Program	\$86,054,037	73.8%



Comment:

Employers matched two dollars and twelve cents (\$2.12) for every dollar awarded by the program. The historical figure stands at two dollars and eighty-two cents (\$2.82) matched for every dollar awarded.

The geographical distribution of employers receiving grants under the program:

Comment:

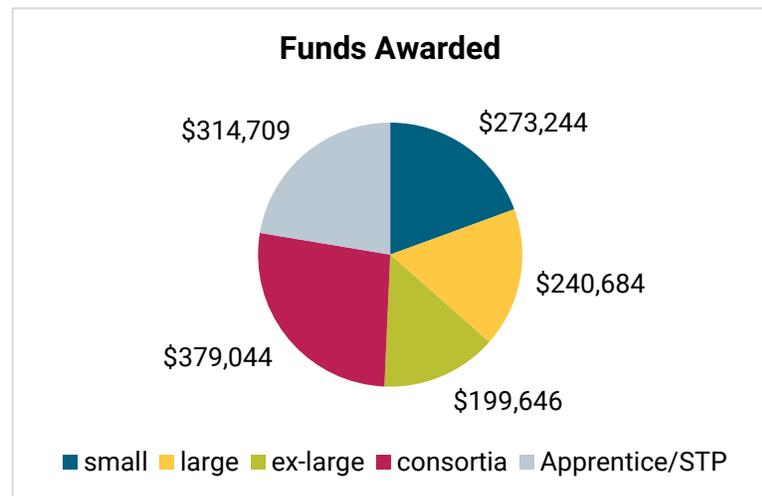
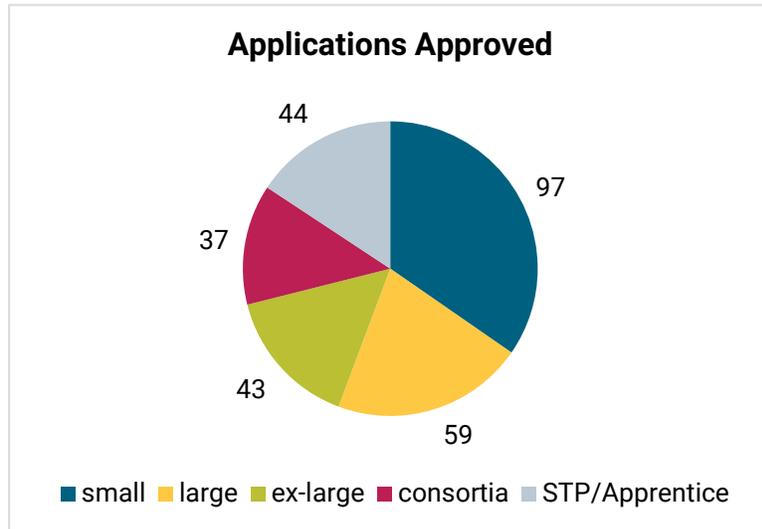
For reporting purposes, the Program has divided the state into seven (7) geographic areas. Those areas: Greater Omaha, (containing Washington, Douglas, and Sarpy counties); Greater Lincoln (containing Lancaster and Saunders counties); and five (5) regions in Greater Nebraska containing the remaining eighty-eight (88) counties – Panhandle, Mid Plains, Central, Southeast and Northeast. Grants serving two or more areas have their funds assigned to a statewide category.

The number of businesses that receive grants under the program and the total amount of grants awarded in each category:

Category	Program Definition	Amount Awarded
Small	Less than 100 employed	\$273,244
Large	100 – 499 employed	\$240,384
Extra Large	500 or more employed	\$199,646
Consortia	Partnerships of any categories	\$379,044
STP/Apprentice	Non-profits/Apprenticeships	\$314,709

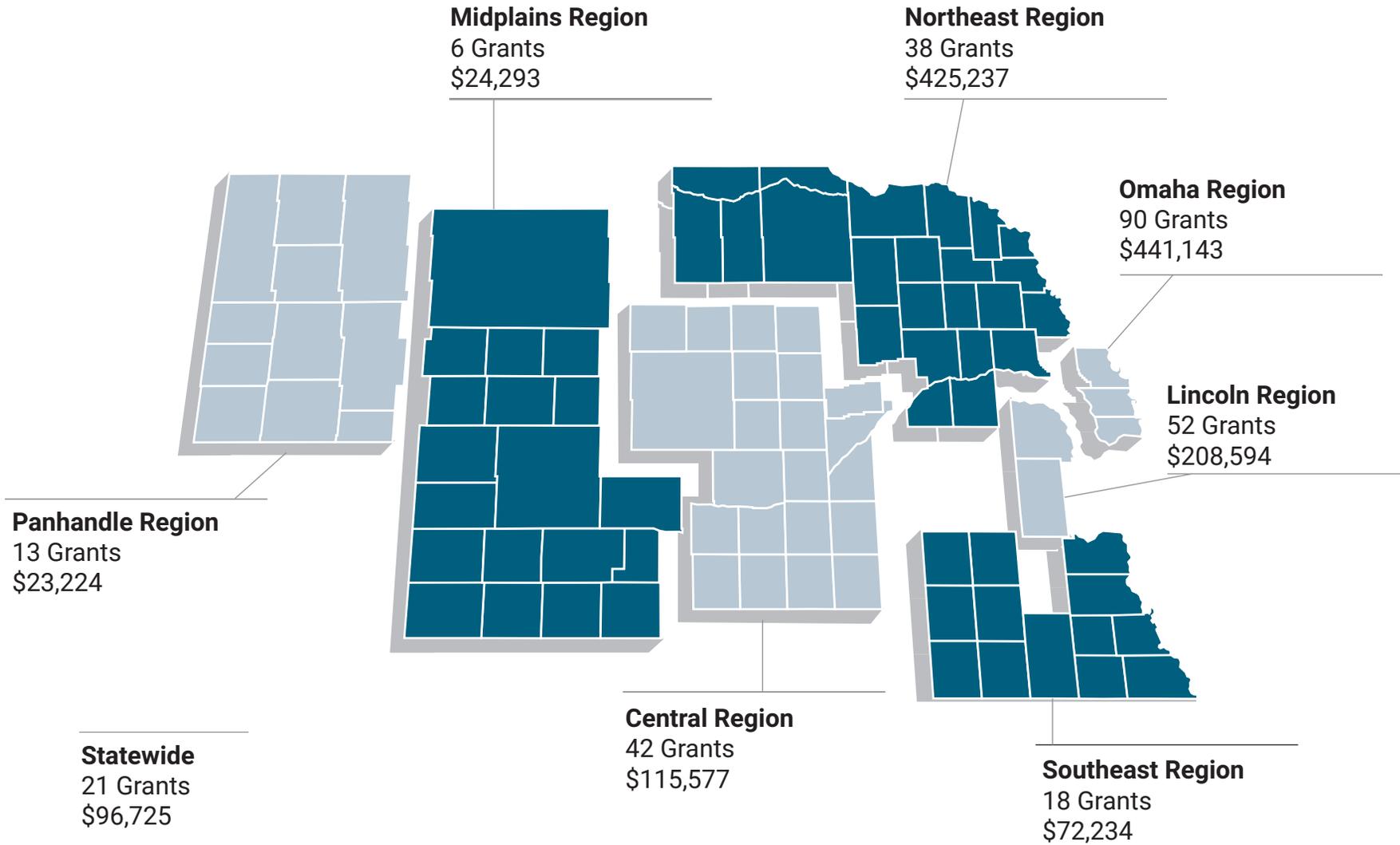
Comment:

The program has established a goal that 20% of available funds each quarter be set aside for small, large, ex-large for-profit businesses and Special Training Projects (STP's). The STP funds may be used: by a reimbursable employer for training in a high wage, high skill or high demand job; for apprenticeship stipends; for small business entrepreneurial training; and any training advancing development of new industries in the state.



Geographical Grant Distribution

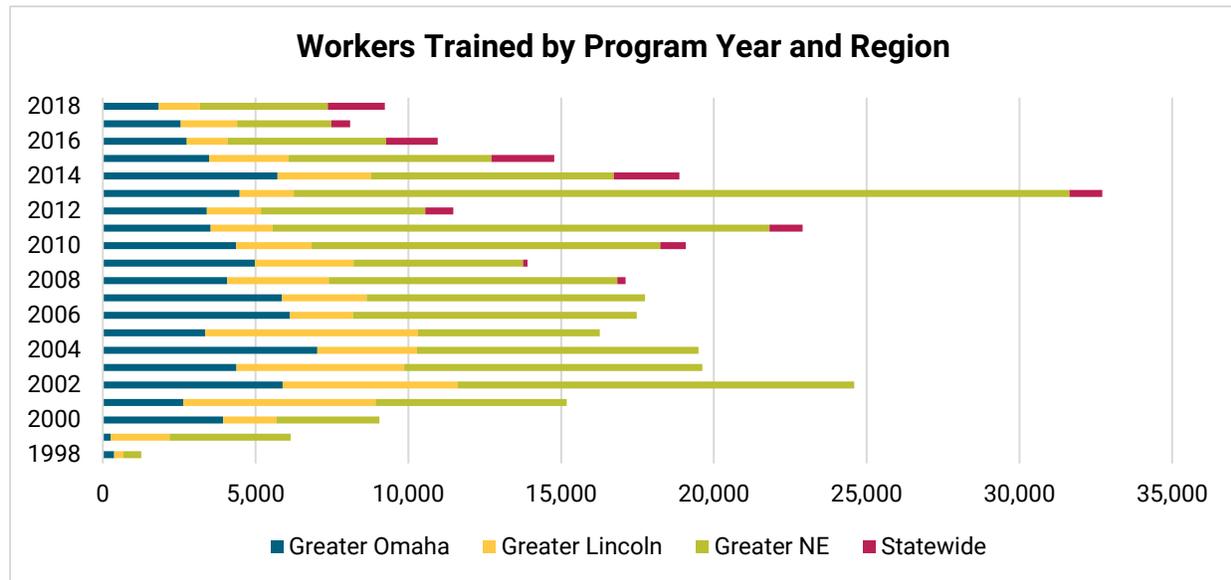
July 1, 2017 - June 30, 2018



Total Number of Employees Trained**

reported by regions of the state (estimates as some grants remain open); employees covered by health care; and companies reporting wage increases:

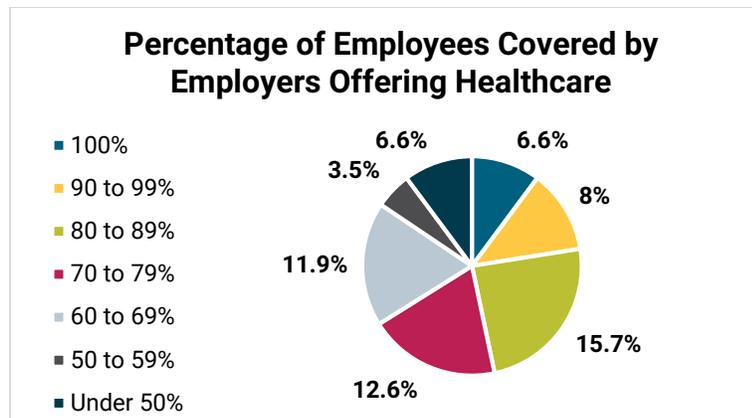
Time Period	Greater Omaha	Greater Lincoln	Greater Nebraska	Statewide (in two regions)	Totals
Fiscal Year	1,815	1,347	4,197	1,862	9,221
History	76,248	53,012	173,776	12,968	316,004
Historical Avg.	3,630	2,524	8,275	1,179	15,047
Avg. last 3 yrs.	2,927	1,920	4,975	1,455	11,277



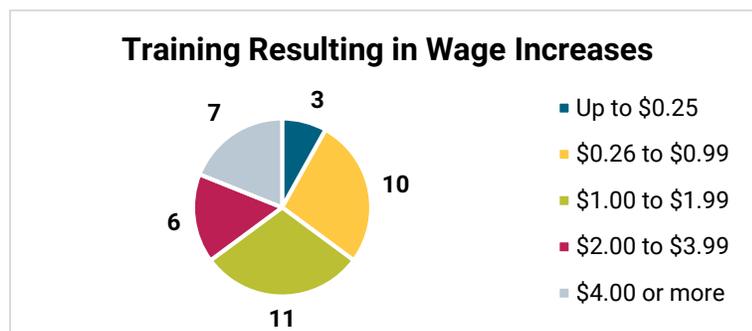
Comment: The average cost per participant was \$152.59. The historical average is now \$96.27.

Statewide grants cover two or more areas. Until 2008, statewide grants were not recorded.

**Not all grants funded in the last year have been closed out. Exact figures are available only when training is completed. Until verified, the number used is taken from the application.



Comment: Of the two hundred eighty-five (285) employers closing out their grants in the past year, one hundred eight-six (186) reported that they offer health care insurance to their employees.



Comment: Of those recipients responding to this question, thirty-seven (37) of two hundred fifty-five (255) – fourteen point five percent (14.5%) – reported wage increases resulting from training received.

**Department of Labor
Nebraska Training and Support Cash Fund (NTSC)**

FUND ANALYSIS

QUARTER ENDING June 30, 2018

Cash Balance as of June 30, 2018	\$3,543,937.51
Plus: Estimated June 2018 Suit Interest (Avg. of previous 3 months)	117,692.59
Plus: Estimated June 2018 NTSC Investment Interest (Avg. of previous 3 months)	6,492.44
	(A) \$3,668,122.54

Projection for the twelve month period of July 2018 - June 2019

Add Annual Revenue:

Estimated SUIT deposits based on current SUIT Cash Balance	\$1,368,999.09
See note (1) below	
Estimated NTSC interest earned	68,086.95
See note (2) below	
Total	(B) \$1,437,086.04

Less Annual Expenses:

Grant Awards Payable (\$1,112,069.08 spent in last 12 months)*	\$947,377.02
From amount outstanding 7-1-18	
Annual Expenses Admin (\$95,269.10 during last 12 months)	97,650.83
Projected Admin Expenses	
Liability for UI Collection of SUIT Tax	32,510.20
For FY17 SUIT Admin Costs	
Liability for Sector Partnership Fund Transfer	500,000.00
From LB851A	
Estimated Cash Reserve	262,923.01
Cash Reserve = Expenditure over 2 months	
Total	(C) \$1,840,461.06

Projected total available for Grants and Admin through 6/30/2019 **\$3,264,747.52**
(A) + (B) - (C)

Fund Analysis Notes:

(1) To estimate quarterly deposits, the current average annual interest rate of 2.12994% is used. Average Daily Balance in May 2018 is \$64,274,068.32 (according to DAS report). Estimated annual interest from SUIT is $\$64,274,068.32 \times 2.12994\% = \$1,368,999.09$

(2) Annual Interest from NTSC

Beginning Balance as of July 1, 2018	\$3,668,122.54	(A)
Estimated Annual Expenses	(1,840,461.06)	(C)
Estimated Interest transferred from SUIT	1,368,999.09	See Note (1)
Estimated Average Balance	\$3,196,660.57	
Estimated Annual Interest from NTSC	\$68,086.95	
$\$3,196,660.57 \times 2.12994\%$		
FY17-18 actual Admin spending	95,269.10	
FY17-18 Allotment for Admin	146,743.64	
Includes \$4,140.64 of FY16-17 Encumbrances		
Unexpended FY17-18 Funds	51,474.54	
FY17-18 actual Grant spending	1,112,069.08	
FY17-18 Allotment for Grants	1,961,472.12	
Includes \$361,472.12 of FY16-17 Encumbrances		
Unexpended FY17-18 Funds	849,403.04	

* All Unexpended Funds will carry into FY18-19.

Other Relevant Program Information or Indicators that Relate to the Effectiveness of the Program and its Administration, as Required by Statute:

Customer Comments:

Thank you for assisting with our new Law Enforcement Center and the training needed to open the doors.

- **Mark English, Thurston County Board of Supervisors, Pender**
Grant # 8790

...As we all know, education is often a very expensive endeavor, but it is one that is necessary in this modern technical age. As the Technical Program Manager, it is my goal to bring training to the company that will provide a positive impact to production yet minimize the costs to operations. By reaching out to the Nebraska Commissioner of Labor, we were able to apply for and receive a grant. This money not only helps cover the costs of the apprenticeships we have through Metro Community College but also allows several technicians to attend school. Thank you to the Nebraska Commissioner of Labor for the grant through the Worker Training Program and to all the technicians who have taken the time to learn new skills to keep Warren competitive.

- **Shawn Wellman, Warren Distribution, Omaha**
Grant # 8524

This grant opportunity is a great way for rural Nebraska workers to expand their skill sets. What a great benefit to both workers and their employers!

- **Dave Meierdierks, Michael Foods, Inc., Wakefield**
Grant # 8450

No suggestion for improvements - Please continue this valuable program.

- **Paul Christenson, Nebraska Engineering Company, Omaha**
Grant # 8774

Without these training grant dollars, we would not be able to offer these beneficial programs to our associates across the bank.

- **Melissa Karloff, Heartland Bank, Hastings**
Grant # 8932

This is a wonderful program that has helped LI-COR's mechanical engineers grow in their career several times. I really appreciate it.

- **Marcus Epp, LI-COR Biosciences, Lincoln**
Grant # 8885

As we have stated in the past, we believe the most important idea is getting the word out about this program.

- **Diana Busche, Bland & Associates, P.C., Omaha**
Grant # 8791

Nebraska Worker Training Program Board Membership

Greg Eden, Chair
Employer's Representative

Molex LLC
700 Kingbird Road
Lincoln, NE 68521-3000
PHONE 402-458-8715 **FAX** 402-458-2019

John H. Albin
Commissioner of Labor
P.O. Box 94600
Lincoln, NE 68509-4600
PHONE 402-471-9000
FAX 402-471-2318

Linda Black
Department of Economic Development
301 Centennial Mall South
Lincoln, NE 68509
PHONE 308-991-2986
FAX 402-471-3778

Greg Adams
Nebraska Community College Association
Executive Director
1320 Lincoln Mall, Suite 100C
Lincoln, NE 68508
PHONE 402-471-4685
FAX 402-471-4726

Jacquie Slagle
Public Representative
West Pharmaceutical Services, Inc.
923 W Railroad
Kearney, NE 68845
PHONE 308-237-2292

Rich Katt (retired July 2018)
State Director, Nebraska Career Education
301 Centennial Mall South
Lincoln, NE 68509-4987
PHONE 402-471-4808
FAX 402-471-4565

John Bourne
Employee's Representative
12720 Scott Street
Omaha, NE 68142
PHONE 402-943-6324

Worker Training Program
Steve Porr, Program Coordinator
P.O. Box 94600
Lincoln, NE 68509-4600
PHONE 402-471-9977
FAX 402-471-2022

Equal Opportunity Program/Employer TDD: 800-833-7352

Auxiliary aids and services are available upon request to individuals with disabilities.