



**NEBRASKA**  
DEPARTMENT OF LABOR

# Worker Training Program

ANNUAL REPORT | JULY 2020 - JUNE 2021



October 18, 2021

Governor Pete Ricketts  
Nebraska State Capitol  
Lincoln, NE 68508

Dear Governor Ricketts:

I am pleased to provide you with the report on activities for Program Year July 1, 2020 through June 30, 2021, for the Nebraska Worker Training Program.

This past year the program funded 105 grants in whole or in part, just over sixty percent (67.74%) of all entities applying. In awarding \$768,664.00 throughout the state, the program will benefit an estimated 158 Nebraska businesses and over 2,140 Nebraska workers. Matching funds by participating employers exceeded \$4.21 million. The top training activities last year (ranked by the number of approved requests):

Manufacturing/Machine Operations	18 grants	17.14% of all grants approved
Management/Supervision	16 grants	15.24%
Leadership	15 grants	14.29%
Medical Techniques/Issues	12 grants	11.43%
Workplace Safety/HAZWOPPER/OSHA	11 grants	10.48%
IT (Development/Programming/Software)	9 grants	8.57%
Apprenticeships	9 grants	8.57%
Communications	7 grants	6.67%
Diversity & Inclusion	5 grants	4.76%
Lean/Kaizen/Six Sigma/ISO Related	3 grants	2.86%

Leading the nation with the lowest unemployment rate, Nebraska's workforce must upskill the existing workforce and train the next generation to meet today's demand for talent. This is evident as in our annual review of the program, we have seen a significant increase in requests for Workplace Safety, Medical Techniques, Leadership, and Emotional Response training grants.

While the pandemic has cultivated innovative provisions for training across the state, businesses recognize the new challenges will require customized training to expand skillsets. Nebraska businesses know the Worker Training Grant Program will remain a beneficial program to support and empower expansion and sustainability. Furthermore, the Worker Training Grant supports the partnerships and collaborations of Nebraska's business, education, and government systems to grow Nebraska!

On behalf of the Board, State of Nebraska teammates, and Nebraska businesses, thank you for your support of this distinctive program to progress industry, training, and partnership.

Sincerely,

Greg Eden  
Molex LLC  
Chair, Worker Training Board

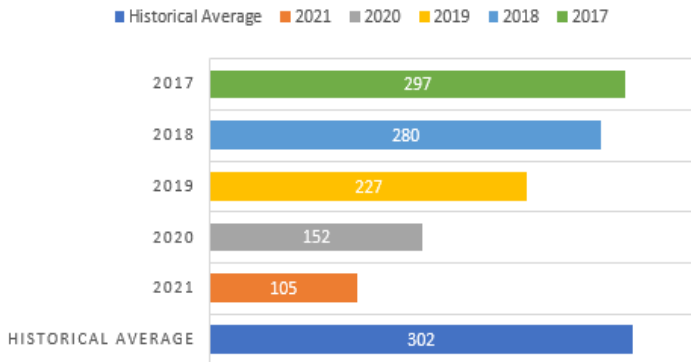
CC: Members of the Nebraska Legislature Business and Labor Committee

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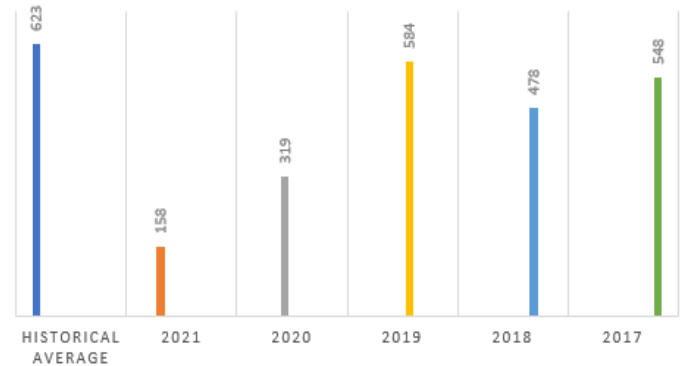
## The number of employers receiving grants:

Time Period	Applications Received	Grants Awarded	Businesses Benefiting *
Fiscal Year	155	105	158
History of the Program	9,668	7,014	14,487

### GRANTS AWARDED



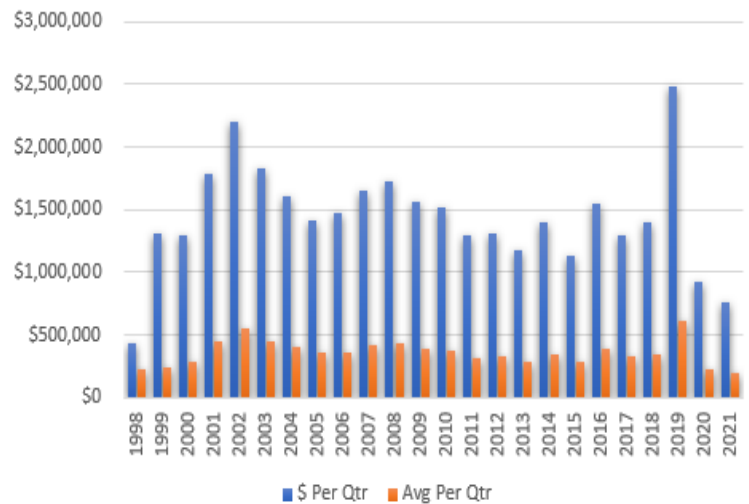
### BUSINESSES BENEFITTING



The number of applications received dropped by 38.49%, thus the grants awarded has decreased by 47. Funding, in whole or in part, was awarded to 67.74% of those applying – an increase of 7.44% from 2020.

## The dollar amount of grants awarded:

Time Period	Amount Awarded
Fiscal Year	\$768,664.00
History of the Program	\$34,507,667.00
5-Year Average	\$1,375,018.80
Historical Average	\$1,500,333.35



The ongoing pandemic continued to hinder grant applications throughout the year. The decrease in grants received began in the third quarter of 2020 and continued to decrease continuously until the second quarter of 2021, where we then saw a substantial increase of 77.42%.

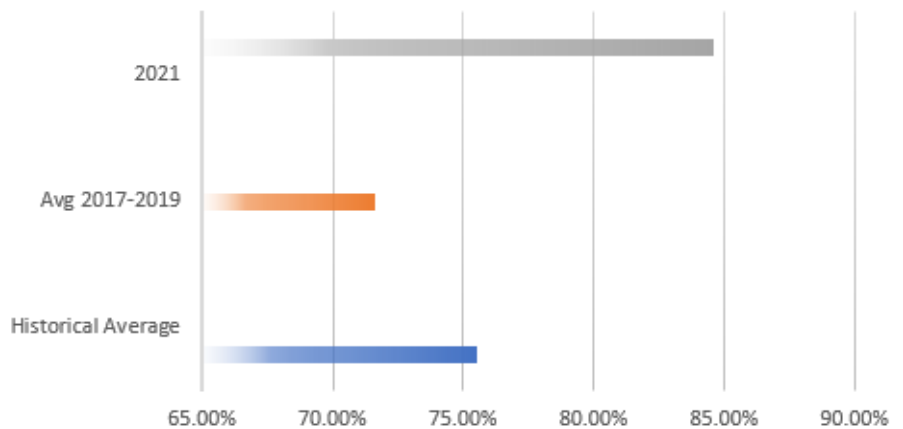
\*The number of businesses benefiting is higher than the number of grants awarded because one employer receives the funding on behalf of all members in a consortium.

**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	% Matched By Employers
Fiscal Year	\$4,211,251.72	84.56%
History of the Program	\$96,846,809	75.49%

By placing greater emphasis on training H3 occupations (High Wage, High Skill, High Demand), businesses responded by increasing the amount they matched. The average match exceeded \$5.48 per dollar awarded, significantly higher than the historical average of \$2.81.

**MATCHING PERCENTAGE**

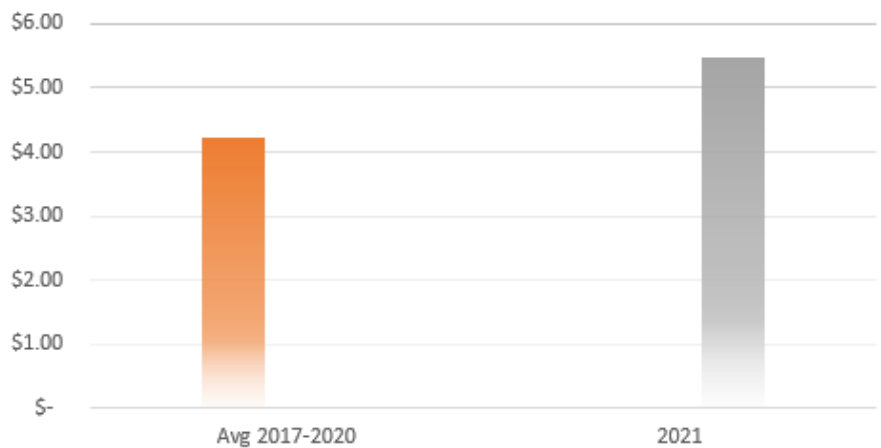


**The geographical distribution of employers receiving grants under the program:**

[See Attached Map](#)

In order to ensure equitable distribution between urban and rural communities, the program has divided the state by Congressional District. Grants serving two or more areas have their funds assigned to a statewide category. A percentage of the funds available each quarter initially are assigned to those areas based on the population in each area. No Congressional District was eligible for a fourth grant per quarter until each Congressional District received at least three grants. Once each district received three grants, distribution was influenced by the amount of funds remaining and by the quality of the applications. Funds not used in one area may have been transferred to another area.

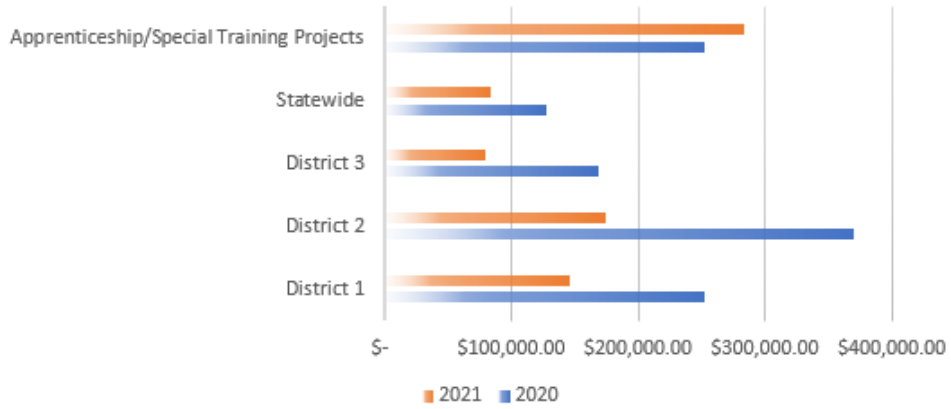
**MATCH PER DOLLAR AWARD**



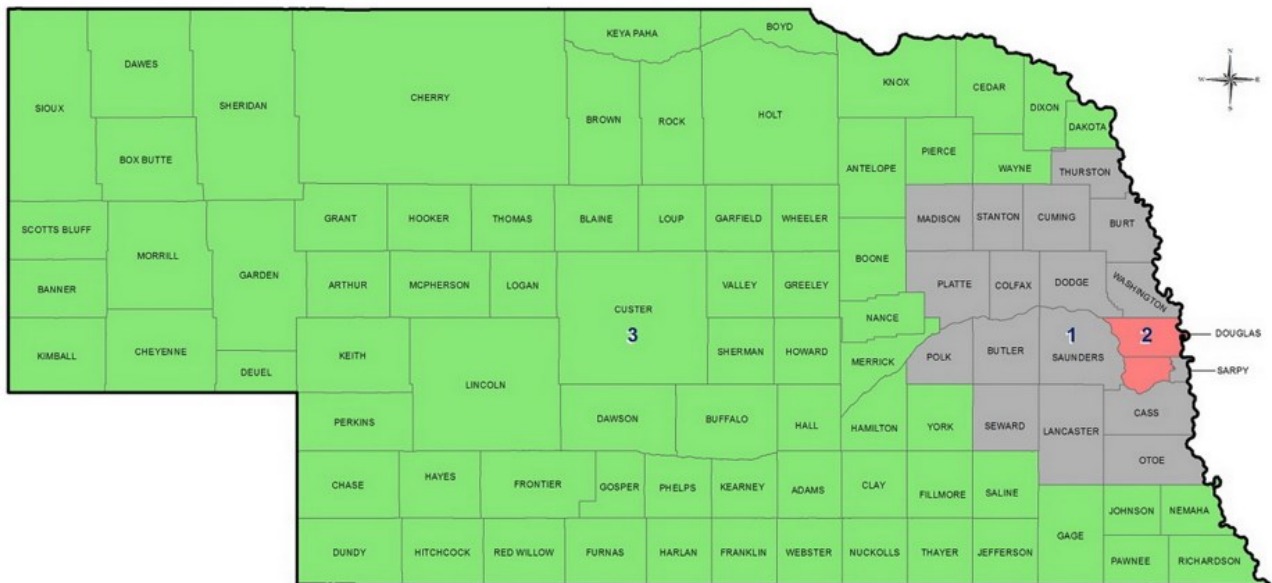
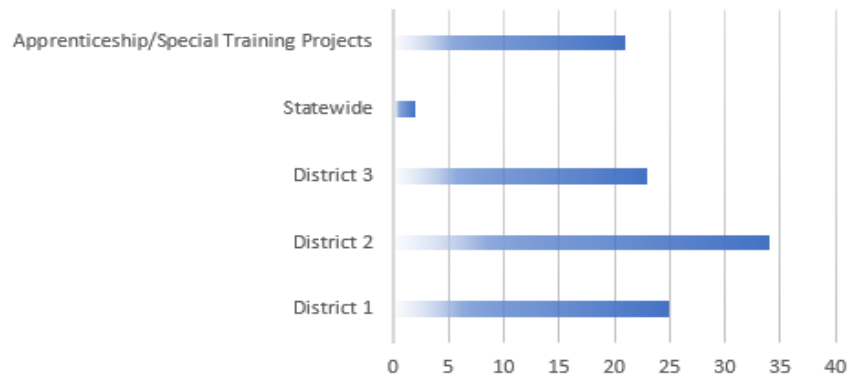
# Geographical Grant Distribution

July 1, 2020—June 30, 2021

## GEOGRAPHICAL GRANT AWARD DISTRIBUTION



## GEOGRAPHICAL GRANT DISTRIBUTION





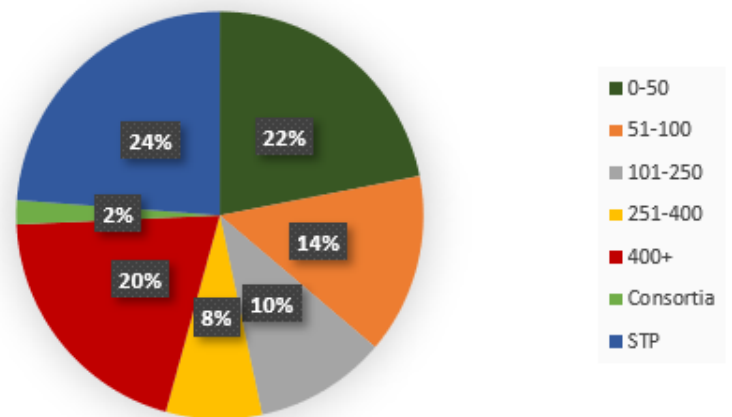
**The number of businesses that receive grants under the program and the total amount of grants awarded in each category:**

Category	Program Definition	Applications Approved
Small	0—50 employees	23
Mid-Small	51—100 employees	15
Mid Employer	101— 250 employees	11
Mid-Large	250 — 400 employees	8
Large	401 — or more employees	21
STP	Apprenticeships/New Industries/ Reimbursables	25
Consortia	One or more entities acting in partnership for a single training.	2

From its inception, the Worker Training Program has distributed funds to employers of all sizes. Within the last two years, the program moved from three for-profit size categories (under 100, 100-499, 500 or more) to five categories (0-50, 51-100, 101-250, 251-400 and 400+) in the interest of competitive parity. The program continued to set aside up to 20% of available funds each quarter for special employment training projects

(STP's\*. Special employment training projects could be used: 1) by encouraging the development of the new industries, including advanced technology industries; 2) for Apprenticeship stipends; 3) small business entrepreneurial training in business management and related skills; 4) support training programs for workers of reimbursable employers when the training involves high-skill, high-wage, or high-demand positions. Every grant is important to the continued success of Nebraska businesses, however, acquiring qualified employees continues to be a concern. Three grants addressing this issue: Parker-Hannifin Corporation has created various trainings designed to increase and create programs designed to train and retain highly skilled workers; a grant to Avenue Scholars Foundation to help provide internships to high school seniors in high-skill, high-wage, and high-demand occupations; a grant to Nixers Distilled Spirits, LLC to train employees on the highly regulated distillation process. With this training, Nixers will introduce the first women distillers in the state of Nebraska. Additionally, this grant offers a potential for future internships with colleges and/or universities across the state of Nebraska in the Fermentation Science or Culinary Arts programs.

**Applications Approved**



\*The Commissioner may recommend award of more than 20% in either of these categories as long as the total amount awarded under this section does not exceed 40% of the grant funds available for award.

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:

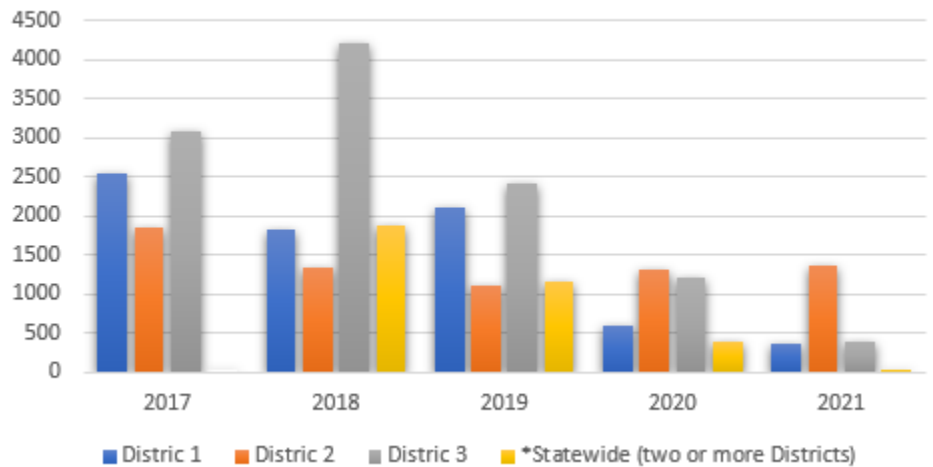
	District 1	District 2	District 3	*Statewide (two or more Districts)	Totals
Fiscal Year	349	1,359	396	36	2,140
History	55,278	80,953	178,609	14,528	329,368
Avg. last 3 yrs.	1,386	2,141	3,222	1,191	7,940

This year the average cost per participant was \$359.18. The historical average currently stands at \$114.87.

\*Until 2008, statewide grants were placed in the region of the lead company.

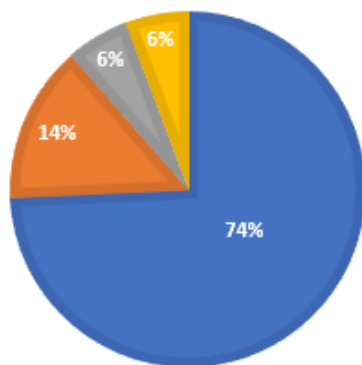
\*\* Exact figures are available only when training is completed. Until verified, the number used is taken from the application.

Workers Trained by Program Year and Region



### TRAINING RESULTING IN WAGE INCREASE

■ \$0.01 - \$5.00 ■ \$5.01 - \$10.00 ■ \$10.01 - \$15.00 ■ \$15.01 - \$20.00



Thirty-six of 105 (34.29%) selected for award reported a wage increase resulting from training received. This is an increase of 10.82% over the last year. While there are various factors that contribute to this increase, three key components include: many employers increasing wages to remain competitive due to worker shortages associated with the pandemic, the focus on H3 occupations, and the in-kind contributions by employers.

# DEPARTMENT OF LABOR

## NEBRASKA TRAINING AND SUPPORT CASH FUND (NTSC)

### FUND ANALYSIS QUARTER ENDING June 30, 2021

Cash Balance as of June 30, 2021	\$3,403,594.76	
<i>Plus: Estimated June 2021 Suit Interest</i>	93,353.38	Average of previous 3 months
<i>Plus: Estimated June 2021 NTSC Investment Interest</i>	4,250.85	Average of previous 3 months
	(A) \$3,501,198.99	
Projection for the twelve month period of July 2020 - June 2021		
Add Annual Revenue:		
Estimated SUIIT deposits based on current SUIIT Cash Balance	\$1,101,866.32	See note (1) below
Estimated NTSC interest earned	43,586.60	See note (2) below
	Total (B) \$1,145,452.92	
Less Annual Expenses:		
Grant Awards Payable (\$1,458,368.02 spent in last 12 months)	\$1,634,442.99	From amount outstanding 6-30-21
Annual Expenses Admin (\$146,552.90 during last 12 months)	112,901.97	Projected Admin Expenses
Liability for UI Collection of SUIIT Tax	35,858.26	For FY19 SUIIT Admin Costs
Liability for Sector Partnership Fund Transfer	300,000.00	Budget Request from \$500K to \$300K
Estimated Cash Reserve	347,200.54	Cash Reserve = Expenditure over 2 months
	Total (C) \$2,430,403.76	
Projected total available for Grants and Admin through 6/30/2022	\$2,216,248.15	(A) + (B) - (C)



**Notes:**

(1) To estimate quarterly deposits, the current average annual interest rate of 1.53640% is used.

Average Daily Balance in May 2021 is \$71,717,412.19 (according to DAS report).

Estimated annual interest from SUIT is

$$\$71,717,412.19 \times 1.53640\% = \$1,101,866.32$$

(2) Annual Interest from NTSC

Beginning Balance as of July 1, 2021	\$3,501,198.99	(A)
Estimated Annual Expenses	(2,430,403.76)	(C)
Estimated Interest transferred from SUIT	1,101,866.32	See Note (1)
Estimated Ending Balance	<u>\$2,172,661.55</u>	
Estimated Average Balance	<u>\$2,836,930.27</u>	
Estimated Annual Interest from NTSC	\$43,586.60	\$2,836,930.27 X 1.53640%
FY20-21 Appropriation for Admin	155,576.47	Includes FY19-20 encumbrance of \$8,390.47
FY20-21 actual Admin spending	110,688.21	
Unexpended FY20-21 Funds	<u>44,888.26</u>	
FY20-21 Appropriation for Grants	4,039,753.76	Includes FY19-20 encumbrance of \$2,439,753.76.
FY20-21 actual Grant spending	683,741.33	
Unexpended FY20-21 Funds	<u>3,356,012.43</u>	

All unexpended Appropriation will carry into FY 21-22.

**Other relevant program information or indicators that relate to the effectiveness of the program and its administration, as required by statute:**

**Customer Comments:**

*“This grant enabled us to take the next step for our business by giving us access to hands on training and networking with industry specific technicians and leaders. Invaluable to growing rural opportunities.”*

*Rebecca McGuire – Nixers LLC, Wisner*

Grant # 9980

*“The workforce development grant is an excellent program to assist our growing firm in developing internal talent to reach new heights.”*

*Boyd Ober – Leadership Resources, Lincoln & Omaha*

Grant # 9925

*“Keaton, thank you and the Worker Training Board for all that you do. We value the relationship we build with Steve Porr over the years and are excited to continue it with you as the new director. These grants provide a much-needed stipend for our apprentices while on their career path to becoming skilled journeyman in the fields of welding, plumbing, pipefitting, and HVAC/R.”*

*Brad Bird – Steamfitters & Plumbers Local 464, Omaha*

Grant # 9947, 9933

*“The funds obtained from the Worker Training Grant were instrumental in helping develop and implement the infrastructure of the Intern Omaha program, which coordinates and supports year-long, paid internships for high school seniors in the Omaha area, with the hope of ultimately expanding the program across Nebraska. The Worker Training Board’s support is indicative of its commitment to investing in programming efforts that identify, develop, and retain future workforce talent, which is a critical issue for our state.”*

*Dr. Kenneth Bird – Avenue Scholars, Omaha*

Grant # 9751

## Nebraska Worker Training Program Board Membership

July 2020 – June 2021

**Greg Eden, Chair**  
**Employer's Representative**  
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**Jacquie Slagle**  
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**Department of Economic Development**  
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