

**COMMONWEALTH  
CORPORATION**



**Workforce Training  
Fund Program**

# WTFP<sup>FY</sup><sub>22</sub> ANNUAL REPORT



THE COMMONWEALTH OF MASSACHUSETTS  
EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT



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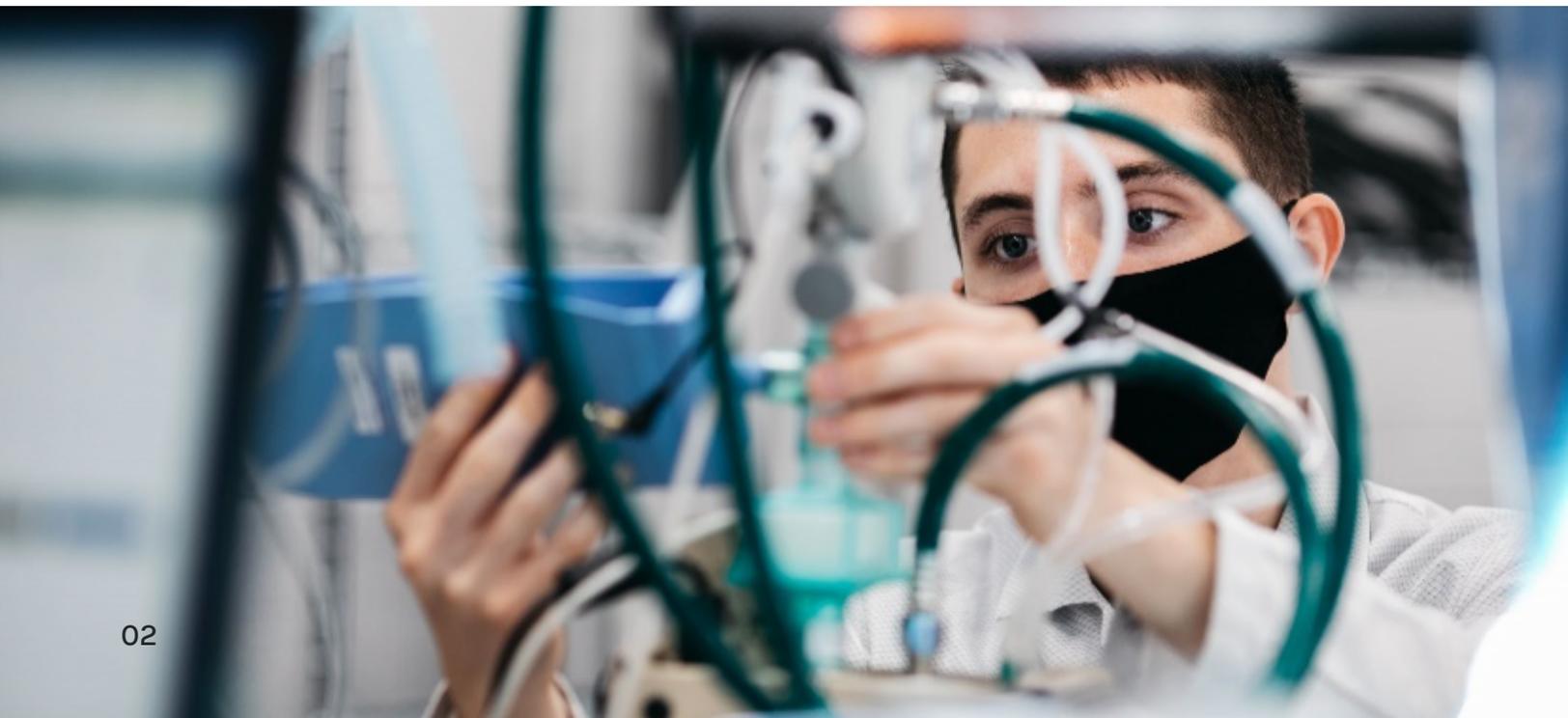
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## Introduction

The purpose of the Workforce Training Fund is to provide resources to Massachusetts' businesses and workers to train current and newly hired employees, supporting businesses' productivity and competitiveness. On behalf of the Executive Office of Labor and Workforce Development, Commonwealth Corporation administers the Workforce Training Fund Program that is funded through an assessment on Massachusetts' employers' Unemployment Insurance contributions.

The enabling legislation for the Workforce Training Fund (Massachusetts General Laws Chapter 29 Section 2RR) calls for a report to be filed with the Joint Committee on Labor and Workforce Development and the House and Senate Ways and Means Committees, by September 1 of each year. The report addresses grants made during the previous fiscal year together with such recommendations and additional information as considered appropriate.

The report must also include information concerning the collection of the workforce training contributions for the previous calendar year including (i) the amount collected in each quarter and the total amount collected for the calendar year; (ii) the total number of employers that contributed to the fund and the total number of employees employed by that group of employers; and (iii) the contribution rate.



## Workforce Training Fund Grant Programs

During Fiscal Year 2022 (July 2020 – June 2021), the Workforce Training Fund Program offered two different grant programs to Massachusetts businesses to upskill incumbent workers. These grants support skills acquisition for thousands of workers and improving the competitiveness and productivity of hundreds of businesses across the Commonwealth.

### GENERAL PROGRAM TRAINING GRANT

Businesses of any size are eligible to apply. (Intermediaries may lead a consortium application.) They may request up to \$250,000 for up to two years to support training for their workforce. Grant funds must be matched dollar-for-dollar. The match may be cash or in-kind (including wages paid to employees during training).

[More information about General Program training grants.](#)

### EXPRESS PROGRAM GRANT

Businesses of any size are eligible to apply for grants to cover training selected from a database of registered courses. Businesses may receive up to \$30,000 per calendar year; the maximum payment per trainee, per course is \$3,000.

For grant recipients with more than 100 MA employees, upon completion of an approved course, you may receive reimbursement of as much as half the total cost of training, up to \$3,000/person/course.

For grant recipients with 100 or fewer MA employees, upon completion of an approved course, you may receive full reimbursement of the cost of training, up to \$3,000/person/course.

[More information about current Express Program grants.](#)



## 2022 Highlights

FY22 represented a period of unprecedented growth in engagement with an emphasis on access for small and diverse businesses. Since the onset of the global COVID-19 pandemic, the Workforce Training Fund has pivoted to directly address the needs of small and diverse businesses that have been disproportionately impacted by the pandemic. During FY22 82 % of the grants awarded went to businesses with fewer than 100 employees. The largest growth segment includes businesses with 10 or fewer employees. In FY22, 527 grants were awarded to these businesses, which is more than four times the number of grants awarded to this segment in the prior year.

As a result of policy changes, increased investment customer support staff, and increased investment in technology to improve user experience, we have improved the value proposition for small businesses in the Express Program. Workforce Training Fund Programs have also made additional investment in outreach and marketing to minority-owned and women-owned enterprises and will continue the focus on diverse business engagement and businesses located in gateway cities during FY23.

## Grants Awarded In 2022

During FY22, 2,242 new training grants totaling \$31,646,866 were awarded by the Workforce Training Fund Programs, including grants from the General Program and Express Program. During FY22 the Workforce Training Fund Programs engaged 1,338 businesses, which represents an 80% increase over the 742 businesses engaged during FY21.

<b>New Grants Awarded During FY22</b>	<b>Trainees*</b>	<b>Amount</b>	<b>Employers*</b>	<b>Average Cost Per Trainee</b>
<b>General Program</b>	9,961	\$18,401,028	165	\$1,847
<b>Express Program</b>	13,379	\$13,245,838	1173	\$990
	<b>23,340</b>	<b>\$31,646,866</b>	<b>1338</b>	<b>\$1,356</b>

*\*Includes duplication in cases where employers participate in more than one grant/program in one year*



## **FY22 General Program Training Grant Awards**

In FY22, Commonwealth Corporation awarded 141 General Program Training Grants involving 165 businesses. This includes 6 consortium grants partnership projects involving 30 businesses. The total amount awarded was \$18,401,028. In total, the businesses plan to train 9,961 workers with these funds. The businesses project that by the end of their two-year grant periods they will have a net increase of 3,699 additional workers employed in Massachusetts.

### **Training topics included:**

- Technical and business software;
- Process improvement;
- English for Speakers of Other Languages (ESOL);
- Quality assurance;
- Productivity skills;
- Sales and customer service;
- Supervision and leadership;
- Project management; and much more.



## General Program Awards By Industry

Industry	# of grants	Amount Awarded	% of Total Amount Awarded
Manufacturing	68	\$ 8,827,019	48.0%
Professional, Scientific & Technical Services	20	\$ 2,458,544	13.4%
Construction	11	\$ 1,914,804	10.4%
Finance & Insurance	8	\$ 1,175,111	6.4%
Healthcare & Social Assistance	7	\$ 1,080,954	5.9%
Other Services (except Public Admin)	8	\$ 664,689	3.6%
Transportation & Warehousing	2	\$ 363,900	2.0%
Wholesale Trade	2	\$ 331,260	1.8%
Retail	4	\$ 330,822	1.8%
Information	2	\$ 294,500	1.6%
Real Estate/Rental/Leasing	3	\$ 257,575	1.4%
Educational Services	3	\$ 252,750	1.4%
Admin/Support/Waste Mgmt/Remediation	1	\$ 196,000	1.1%
Accommodation/Food Service/Hospitality	1	\$ 133,900	0.7%
Accommodation and Food Services	1	\$ 119,200	0.6%
<b>Grand Total</b>	<b>141</b>	<b>\$ 18,401,028</b>	<b>100.00%</b>

## General Program Awards By Workforce Board Region

<b>Workforce Board Region</b>	<b># of grants</b>	<b>Amount Awarded</b>	<b>% of Total Amount Awarded</b>
Metro North	21	\$ 3,389,234	18.4%
Metro South/West	25	\$ 3,310,535	18.0%
Boston	17	\$ 2,461,494	13.4%
South Shore	10	\$ 1,718,952	9.3%
Central MA	14	\$ 1,572,966	8.5%
North Shore	11	\$ 1,400,872	7.6%
Greater Lowell	9	\$ 1,039,024	5.6%
Bristol	6	\$ 1,035,960	5.6%
Merrimack Valley	7	\$ 692,933	3.8%
Hampden	10	\$ 635,585	3.5%
North Central MA	2	\$ 319,370	1.7%
Franklin/Hampshire	3	\$ 256,573	1.4%
Greater New Bedford	2	\$ 191,020	1.0%
Brockton	2	\$ 1,718,952	9.3%
Berkshire	1	\$ 143,150	0.8%
Cape & Islands	1	\$ 30,800	0.2%
<b>Grand Total</b>	<b>141</b>	<b>\$ 18,401,028</b>	<b>100.0%</b>



## **FY22 Express Program Grant Awards**

In FY22, Commonwealth Corporation approved 2,101 grant applications from 1,173 unique businesses for a total of \$13,245,838 in grant funds to train 13,379 employees. (Note: Businesses may submit multiple applications; employees may participate in multiple courses.)

### **Training topics included:**

- Process improvement;
- Quality assurance;
- IT administration;
- Marketing;
- Sales and customer service;
- Supervision and leadership;
- Occupation-specific skills training;
- Project management,
- Business software;
- and much more.

## Express Program Awards By Industry

Industry	# Grants Awarded	Amount Awarded	% of Amount Awarded
Manufacturing	344	\$ 4,234,236	32.0%
Professional, Scientific & Technical Services	629	\$ 2,615,335	19.7%
Other Services (except Public Admin)	310	\$ 1,583,047	12%
Finance & Insurance	389	\$ 1,210,197	9.1%
Construction	100	\$ 1,012,758	7.6%
Healthcare & Social Assistance	69	\$ 461,396	3.5%
Educational Services	40	\$ 415,859	3.1%
Accommodation/Food Service/Hospitality	33	\$ 274,917	2.1%
Information	25	\$ 263,694	2.0%
Wholesale Trade	24	\$ 252,349	1.9%
Transportation & Warehousing	26	\$ 221,410	1.7%
Retail	44	\$ 182,870	1.4%
Real Estate/Rental/Leasing	19	\$ 165,154	1.2%
Arts/Entertainment/Recreation	23	\$ 135,274	1.0%
Utilities	9	\$ 119,090	0.9%
Admin/Support/Waste Mgmt/Remediation	15	\$ 68,648	0.5%
Agriculture/Forestry/Fishing/Hunting	2	\$ 29,605	0.2%
<b>Grand Total</b>	<b>2,101</b>	<b>\$13,245,838</b>	<b>100.0%</b>

## Express Program Awards By Workforce Board Region

Workforce Board Region	# of Grants Awarded	Amount Awarded	% of Amount Awarded
Metro South/West	465	\$ 2,911,242	22.0%
Metro North	287	\$ 1,795,611	13.6%
Boston	167	\$ 1,343,141	10.1%
South Shore	177	\$ 908,106	6.9%
Central MA	143	\$903,650	6.8%
North Shore	122	\$887,891	6.7%
Franklin/Hampshire	76	\$ 350,880	2.6%
Greater Lowell	98	\$ 788,833	6.0%
Bristol	90	\$ 537,304	4.1%
Merrimack Valley	82	\$ 527,173	4.0%
North Central MA	52	\$ 491,891	3.7%
Hampden	118	\$ 477,202	3.6%
Brockton	51	\$ 421,249	3.2%
Greater New Bedford	49	\$ 401,182	3.0%
Franklin/Hampshire	76	\$ 350,880	2.6%
Cape & Islands	71	\$ 339,119	2.6%
Berkshire	53	\$ 161,366	1.2%
<b>Grand Total</b>	<b>2,101</b>	<b>\$ 13,245,838</b>	<b>100.0%</b>

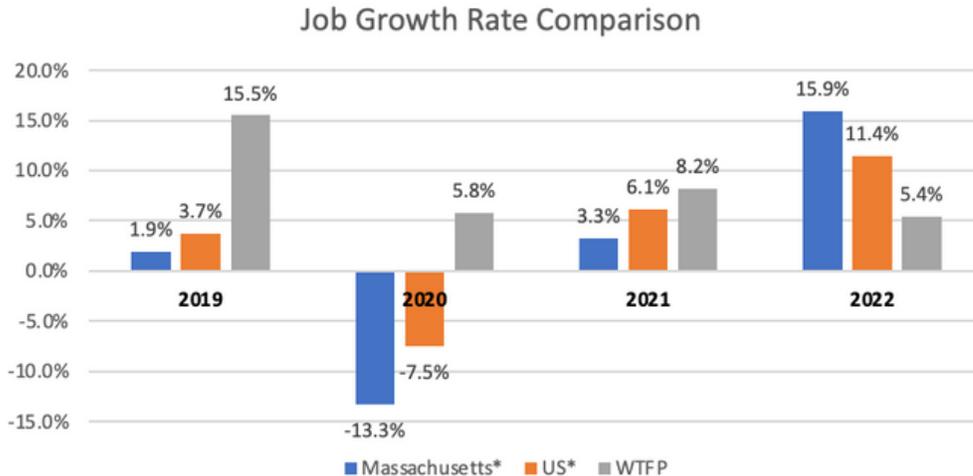
## Impact Analysis

### WTFP GENERAL PROGRAMS GRANTS CLOSED IN FY22

#### General Program Training Grants Completed in FY22

In FY22, 101 General Program Training Grants closed after completing two-year training initiatives. In total, the 101 grantees projected adding 1,212 workers by the end of the two-year grants. The actual number of net new jobs added by the end of their grant period was 872, which is only 72 percent of proposed job growth. Overall, the grant recipients reported 5.4 percent employment growth over their two-year grant period compared to 15.9 percent statewide, and 11.4 percent nationally.

Typically, businesses completing General Program Training Grants experience significantly higher growth rates than state or national averages. FY22 is a notable exception. Most grants ending during FY22 were initiated prior to the COVID-19 pandemic. As a result of the pandemic, training has been scaled back and/or extended beyond original timelines and larger economic trends have impacted net job growth.



Businesses in the Manufacturing industry made up the largest share (52 of 101) of the General Program Training Grants that ended during FY22. The next largest industry sector was Professional, Scientific and Technical Services, followed by Finance & Insurance.

Of the 101 grantees to complete training in FY22, 54 (53 percent) reported an increase in their Massachusetts workforce since the beginning of their grant period. Eleven (11 percent) reported their employment levels remained unchanged and 36 (36 percent) reported they had fewer employees at the end of the grant period.

## General Program Grants Closed During FY22 (by Industry)

Industry	# of grants	% of grants	# New Jobs	% job growth
Manufacturing	52	51%	383	44%
Finance & Insurance	16	16%	281	32%
Professional, Scientific & Technical Services	11	11%	95	11%
Construction	4	4%	64	7%
Healthcare & Social Assistance	5	5%	54	6%
Real Estate/Rental/Leasing	2	2%	42	5%
Wholesale Trade	1	1%	25	3%
Other Services (except Public Admin)	4	4%	16	2%
Retail	1	1%	-11	-1%
Educational Services	3	3%	-12	-1%
Accommodation and Food Services	2	2%	-65	-7%
<b>Grand Total</b>	<b>101</b>	<b>100%</b>	<b>872</b>	<b>100%</b>

The original amount awarded to the 101 grantees totaled \$8,728,105; the final amount expended at the end of the grant period was \$5,853,973 (67 percent of the amount awarded). Only 26 percent of grantees expended their full contract amount. 74 percent of grantees were unable to complete all training planned and therefore did not exhaust awarded funds.

## FY22 General Program - Number of Trainees (by Region)

<b>Workforce Board Region</b>	<b># of Grants</b>	<b>Expenditures</b>	<b>% of Total</b>
Metro South/West	22	\$ 1,168,358	20%
Metro North	15	\$ 844,598	14%
Merrimack Valley	8	\$ 691,620	12%
Boston	8	\$ 484,992	8%
Central MA	10	\$ 465,387	8%
Hampden	8	\$ 419,309	7%
Bristol	4	\$ 392,121	7%
North Shore	6	\$ 386,700	7%
Brockton	5	\$ 312,114	5%
Greater Lowell	5	\$ 236,498	4%
Franklin/Hampshire	3	\$ 163,653	3%
South Shore	4	\$ 139,072	2%
North Central MA	1	\$ 91,700	2%
Cape & Island	1	\$ 35,350	1%
Berkshire	1	\$ 22,500	0%

**Grand Total** **101** **\$ 5,853,973** **100%**

In total, the 101 grantees planned to train 7,347 employees; the actual number of trainees reported was 6,810 (93 percent of planned). 58 percent of grantees trained as many workers as planned or more. 42 percent did not train as many workers as originally planned.

## FY22 General Program Number of Trainees by Region

Region	# of Trainees	% of Total
Metro South/West	1,152	17%
Metro North	955	14%
Central MA	878	13%
Boston	789	12%
North Shore	542	8%
Bristol	531	8%
Merrimack Valley	481	7%
Brockton	432	6%
Hampden	386	6%
Greater Lowell	228	3%
South Shore	190	3%
Franklin/Hampshire	187	3%
North Central MA	27	0%
Berkshire	18	0%
Cape & Islands	14	0%
<b>Grand Total</b>	<b>6,810</b>	<b>100%</b>

## FY22 General Program Trainees by Industry

Industry	# of Trainees	% of Total
Manufacturing	2,923	43%
Finance & Insurance	1,935	28%
Professional, Scientific & Technical Services	679	10%
Construction	402	6%
Healthcare & Social Assistance	326	5%
Other Services (except Public Admin)	157	2%
Accommodation and Food Services	104	2%
Educational Services	91	1%
Retail	84	1%
Wholesale Trade	61	1%
Real Estate/Rental/Leasing	48	1%
<b>Grand Total</b>	<b>6,810</b>	<b>100%</b>

### General Program Training Grants Withdrawn in FY22

In FY22, 56 businesses that had been awarded General Program Training grants elected to withdraw from the program prior to completing training. These grantees requested a total of \$6,734,441 in General Program grant funds but used only \$1,727,397 (26 percent) prior to withdrawing due to unanticipated circumstances that resulted in cancelation of training. Unused funds will be reprogrammed for future grants.

## Annual Collections of Workforce Training Fund Contributions

For the calendar year January 1, 2021 - December 31, 2021, a total of 233,431 employers contributed to the fund. These employers employed a collective total of 4,579,695 employees\* for the same period.

The following chart shows the amount collected in each quarter and the total amount collected for the calendar year. The actual contribution rate is 0.056%.

Quarter	Amount Collected
CY 2021 Q1 (January-March)	\$14,483,234.13
CY 2021 Q2 (April-June)	\$4,772,046.39
CY 2021 Q3 (July-September)	\$3,202,251.49
CY 2021 Q4 (October-December)	\$2,756,926.40

**Total Cumulative Collections:**

**\$25,214,458.41**

*\*includes duplication in cases where workers are employed by two or more different organizations during one calendar year.*



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**Workforce Training  
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**We thank  
you for your  
continued  
support.**

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