



*How can Pennsylvania ensure that hard-working middle-class families can compete and thrive in a global, connected, 21<sup>st</sup> century economy?*

*What does Pennsylvania need to do to ensure that businesses have access to a talented workforce... and that workers have the skills that industry demands?*

*How does Pennsylvania promote job creation and economic growth?*

*What are the real issues that students, workers and business face?*

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**G**overnor Wolf reflected on these questions as he traveled across the commonwealth to meet with businesses, citizens, educators, and community stakeholders. As a former business owner, Governor Wolf knows that economic growth and stability can be achieved when Pennsylvania businesses are competitive by hiring and retaining a skilled workforce, and Pennsylvania workers have access to quality, family-sustaining jobs and supportive communities.

It is widely communicated that Pennsylvania businesses have job vacancies yet there are still Pennsylvanians who are seeking employment. This mismatch is extremely challenging to combat during a time of near full employment, and is compounded by mobility concerns, a declining state population, and lack of commonwealth-wide broadband access.

Recognizing the need to ensure business has access to a skilled workforce, in 2015, Governor Wolf established a demand-driven goal that **60 percent of Pennsylvania residents have some form of postsecondary education by 2025**. Currently, only 45 percent of Pennsylvanians have these industry-valued credentials, with the largest gains needed in two-year degrees.

#### **KEY ISSUES FACING PENNSYLVANIA**

- Pennsylvania's middle class is shrinking, and wages are stagnating.
- Significant lag in postsecondary education attainment compared with industry demands, especially two-year degrees.
- Nearly 95 percent of Pennsylvania businesses have 49 or less employees.
- Pennsylvania's Industry Competitiveness has remained on par with national trends, but job growth is slower than other states.
- Over 1/3 of counties have a labor surplus (too many workers, not enough jobs).
- Pennsylvania's number of K-12 students is declining and cannot, alone, meet current and anticipated job vacancy demands.
- More than 1.4 million Pennsylvanians have some college credits but no degree.

The lag in postsecondary education attainment and the low rates in postsecondary completion poses competitive-based challenges and opportunities to the public and private sector. Pennsylvania is poised to overcome these challenges, and in many places across the commonwealth, education, business, and community leaders are already coming together to develop innovative strategies for connecting learning with real world experiences through initiatives like career pathways, work-based learning, educator in the workplace programs, and accelerated learning opportunities that combine academic and technical skills and put students and workers on a path towards the middle class. Pennsylvania’s industry competitiveness remains on par with national trends, and specialization continues in industry sectors such as Education, Healthcare, Logistics & Transportation, and Manufacturing. Pennsylvania must be prepared to sustain its competitiveness of today and stimulate economic growth for the future.

## GOVERNOR WOLF’S MIDDLE-CLASS TASK FORCE

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Governor Wolf recognizes the important partnership that state government must have with private sector businesses, labor, education, and workforce systems, as well as non-profits and community-based organizations. To advance that important work, in fall 2017, the Wolf Administration established the Governor’s Middle-Class Task Force, a non-partisan collaborative approach chaired by leaders in critical stakeholder groups:

- Gene Barr, Pennsylvania Chamber of Business & Industry;
- Rick Bloomingdale, Pennsylvania AFL-CIO;
- Sue Mukherjee, PhD, Pennsylvania State System of Higher Education; and
- Susie Snelick, Pennsylvania Workforce Development Association.

A driving component of the Task Force’s work was to capture the voice and perspective of Pennsylvania students, workers, and businesses in communities across the commonwealth. A series of regional roundtable meetings engaged nearly 75 participants selected by Task Force chairs, and represented diverse stakeholders striving to enter and remain in the middle class. Participants included representatives from small to large businesses, labor, pre-K through postsecondary education, community organizations, recipients of public assistance including jobseekers and workers recently laid off, regional chambers, workforce development providers, parents, students (both youth and adult), retirees, and local leaders.

Meetings were facilitated in a listening-session style with discussion raised by invited participants around issues (versus programs). Task Force Chairs asking clarifying and guiding questions aligned to three discussion points:

1. *Describe ways in which the commonwealth can better support its citizens/families to have the skills necessary to succeed in getting and keeping Jobs that Pay.*
2. *Tell us how Pennsylvania can support and enhance competitive business through skill development, education/training/talent management resources and services.*
3. *In light of Governor Wolf's "Jobs that Pay" priority, what recommendations would you like to raise that are of concern and/or importance to you?*

## **THE VOICE OF PENNSYLVANIA STUDENTS, WORKERS & BUSINESSES**

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The makeup and diversity of roundtable participants resulted in a series of powerful dialog reflecting the lived experiences of Pennsylvanians, which were often disconnected from positive statistics of economic recovery. Conversations were laced with words such as ***"fear," "petrified," and "confused."*** In December 2017, the Task Force compiled stakeholder feedback and identified six critical areas to inform future policy considerations:

1. ***A skilled and quality workforce can sustain and grow a competitive economy in Pennsylvania.***
  - Degree and credential attainment matter, but do not automatically translate to career readiness.
  - Skills and competencies, including those needed in the future workforce, are as critical as credentials and must be tracked and demonstrated at system and individual levels.
  - A quality job is supported by sustainable income, strong community supports, and thriving businesses.
2. ***Business hiring practices are impacted by multiple conditions, including liability concerns, global competition, and unknown long-term workforce needs.***
  - Hiring practices may impede skilled workers from employment.
  - Most businesses need to concretely determine how "soft skills" can be demonstrated in recruitment and hiring practices; whereas existing worker skill sets need to be assessed for upskilling purposes.
  - Career awareness by employers and labor needs to be sustained irrespective of vacancies.

**3. *Education, workforce, and economic development systems operating in silos are ineffective.***

- “Going it alone” is structurally and systemically reinforced, starting at the federal level.
- A “be all to everyone” approach does not improve services, and creates misalignment and confusion.
- Education, workforce, and economic development systems must be data and demand-driven to inform policy, strategy, and financial investments to overcome the status quo.

**4. *Many students and workers believe that the significant risk and ever-increasing cost to upskilling and continuing education beyond high school outweighs the economic benefits.***

- Expectations of obtaining a postsecondary degree or credential must align with industry practices around hiring and wages.
- Postsecondary institutions must intentionally target career services, support services, and financial assistance to non-traditional students in order to address Pennsylvania’s job vacancies.
- For too many Pennsylvanians, the return on investment for postsecondary education is unknown when student-workers factor in long-term debt trade-offs.

**5. *The “traditional” service delivery model in postsecondary education is not accessible or affordable for first generation, underrepresented, and non-traditional students and workers.***

- Postsecondary and higher education needs to be “unbundled.”
- Attendance costs and public financial assistance must improve access for underserved populations.
- Ability to earn income while continuing education is needed by today’s workforce more than ever.
- Student outcomes, sound policy, and informed operations must drive business models focused on timely completion of a degree or credential.

**6. *Best practices and models exist, yet aren’t known, scaled, or invested in.***

- Employers are critical engagement partners for the entire education and workforce continuum.
- Unique regional characteristics exist, but employer and student-worker needs are relatively common across the state.

## PASmart, WORKING SMARTER

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### A Different Approach...

The voices of Pennsylvania students, workers and businesses heard by the Middle-Class Task Force demonstrated a clear message: **Pennsylvania's public education and workforce development systems must work together to provide relevant and affordable services and supports to all students and workers of all ages, prioritize outcomes, and align to 21<sup>st</sup> century business needs.**

### Government that Works...

Building on his commitment to promote Schools That Teach, Jobs That Pay, and Government That Works, and from recommendations from the Middle-Class Task Force, Governor Wolf announced a new workforce development initiative as part of his 2018-19 budget proposal.

**PAsmart** will:

- Transform interagency collaboration;
- Improve coordination of public education and workforce development services and funding;
- Strategically invest in areas of opportunity identified by Pennsylvanians; and
- Prioritize successful outcomes for Pennsylvania's students, workers, and businesses.

*Responding to employer demand, in 2015 Governor Wolf set a goal that 60 percent of Pennsylvania's workforce have some form of postsecondary education by 2025. Currently, only 45 percent of the state's workforce meets this benchmark.*

*PAsmart provides signature state investments needed to ensure businesses have access to the skilled and able workers they need*

Governor Wolf is committed to having state government operate in a transparent and accountable manner, while more efficiently and effectively providing in-demand services to Pennsylvanians. Roundtable participants in the Middle-Class Task Force reiterated the importance of cutting bureaucracy, breaking down silos, moving away from the status quo, investing in outcomes, and changing the way government works for the better. To that end, a critical component of implementing the PAsmart initiative will be revitalizing the role of the State Workforce Development Board as the governor's key policy advisor on workforce development across multiple agencies.

### Investing in What Matters...

Within PAsmart, Governor Wolf proposes a strategic state investment that leverages federal, private, matching and formula funds. In February 2018, the Wolf Administration also launched a new [online resource](#) to help Pennsylvania students and workers more easily navigate available services and supports to connect their interests in Pennsylvania career opportunities,

obtaining and keeping a job, as well as identifying aids in education, training and work experiences.

Pennsylvanians have never shied away from hard work, pursuing education opportunity, and seeking out training. Through PAsmart, Pennsylvania will have the most prepared, talented, and skilled workforce in the country.

## **PASmart FRAMEWORK OF PRIORITIES**

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**21<sup>st</sup> Century Skills**



**Employer Engagement**



**Career Pathways**



**Performance Driven**



**Government that Works**

## \$25 Million Investment in STEM and Computer Science Education at All Levels

- **Goal:**
  - Pennsylvania’s public education and workforce systems provide students and workers with science, technology, engineering, and mathematics (STEM) and computer science education, training, career awareness and pathways, from K-12 to postsecondary education and beyond.
  
- **Proposed Approach:**
  - \$15 million to develop and expand computer science and STEM education in K-12 and postsecondary education institutions.
  - Boost participation in computer science and STEM education for women, girls, students of color, and other underserved populations.
  - \$5 million to increase access and utilization of educator preparation, training, and professional development in computer science and STEM fields.
  - \$5 million to offer job training and “boot camp” opportunities centered on STEM and computer science for adults, workers, and non-traditional populations such as dislocated workers, underemployed, and jobseekers.
  
- **Implementation:**
  - PAsmart promotes a different way of doing business. Priority considerations will:
    - Serve historically under-represented students in high-need areas, as well as focusing on developing pipelines of career readiness for computer science/STEM initiatives that support learners in K-12, postsecondary education and the workforce.
    - Data and demand-driven strategies with a performance/outcome-oriented approach will be considered as well as ability to impact local and state education and workforce development systems through partnerships and consortium-type funding, with additional funds set aside for smaller-scale efforts.

- Engagement of computer science/STEM employers for a demand-driven approach is critical. Funds can be used for demonstration purposes intended for scaling across the Commonwealth.
  
- Examples on the type of allowable expenses may include: staff, equipment, assessments, curriculum development, certification, professional development, work experiences, tuition/programs of study, scholarships/stipends, boot camps, etc. Matching funds may be required.
  
- **Expected Impact:**
  - Anticipated impact includes up to 75 local education agencies and their student populations, at least 400 educators/staff and approximately 400 adult students/workers. Provide pathways for employers to hire skilled workers demonstrating education and competency in Computer Science and STEM.

## \$7 Million Investment in Apprenticeships

- **Goal:**
  - Increase postsecondary attainment levels for Pennsylvania residents by doubling the number of registered apprentices to 30,000 by 2025.
  
- **Approach:**
  - Promote expansion of registered apprenticeships in traditional and non-traditional occupations and populations. Expansion includes non-traditional models of registered apprenticeships such as group-models that support small business participation in registered apprenticeship programs for their workforce.
  - Establish a state registered youth apprenticeship initiative that pilots up to 10 pre-apprenticeship and registered apprenticeship youth models, focusing on traditional and non-traditional occupations, in public secondary education institutions.
  - Create a network of Registered Apprenticeship Intermediaries to leverage and expand the registered apprenticeship and pre-apprenticeship programs across the Commonwealth.
  - Increase the number of higher education/postsecondary education registered apprenticeship models that serve working adults as well as dislocated workers (student-apprentice model).
  - Supplement and expand on existing federal funds and DCED Manufacturing Apprenticeship programs.
  
- **Implementation:**
  - PAsmart promotes a different way of doing business. Priority considerations include:
    - Pilots that incorporate standards and key elements of registered apprenticeship programs that integrate academic learning with real-world application (ex. industry-developed skills, mentorship, paid on the job work experience, career exposures etc.), as well as incorporating Pennsylvania’s pre-apprenticeship standards into funded programs.
    - Youth models prioritize strong linkages to employment upon successful program completion; postsecondary education models prioritize a student-

apprentice model that excludes “not for credit courses” as well as courses that do not lead to educational certificates or degrees.

- Data and demand-driven strategies with a performance/outcome-oriented approach will be considered as well as ability to impact local and state education and workforce development systems through partnerships and consortium-type funding, with additional funds set aside for smaller-scale efforts. Funds can be used for demonstration purposes intended for scaling across the Commonwealth.
- Examples of the type of allowable expenses may include: expenses related to develop and administer pre-apprenticeship and registered apprenticeship programs, supportive services, intermediary/networks, adult basic education, capacity needed for pre-apprentice to transition into a registered apprenticeship during/after graduation, etc.
- **Expected Impact:**
  - Increase non-traditional populations and occupations within registered apprenticeships. Address the talent management needs of Pennsylvania businesses, especially small businesses. Develop a skilled pipeline of workers exposed to and participating in registered apprenticeship opportunities.

## Leverage Federal Funds to Increase Educator in the Workplace Experiences

- **Goal:**
  - Pennsylvania educators, counselors (academic, employment, career etc.), and related staff receive practical exposures to in-demand careers and the 21st century workplace to inform career awareness and guidance practices to students and workers as they navigate career opportunities, recruitment and hiring as well as industry expectations and practices.
  
- **Approach:**
  - Use existing federal funds to offer workplace experiences and exposure opportunities to build educator/faculty/staff knowledge and competencies.
  
  - Partner education systems with state/regional chambers, industry associations and individual businesses to identify and promote workplace experience and exposure opportunities.
  
- **Implementation:**
  - PAsmart promotes a different way of doing business. Priority considerations include building a sustainable network of workplace and career exposure opportunities for educators, counselors and related staff, identifying and overcoming barriers and resource gaps to educator in the workplace activities as well as demonstration of partnerships with Pennsylvania industry and businesses. Data and demand-driven strategies with a performance/outcome-oriented approach will be considered as well as ability to impact economic development, education and workforce development systems through partnerships and consortium-type funding, with additional funds set aside for smaller-scale efforts.
  
  - Examples of the type of allowable expenses may include: expenses related to develop and administer a network of workplace and career exposure opportunities, costs related to educator/counselor/staff participation in the experiences, as well as costs associated with business participation to provide career awareness and exposure opportunities.

○ ***Expected Impact:***

- Increase the number of Pennsylvania teachers, educators, and other staff – including school counselors – who have participated in meaningful career awareness programs in Pennsylvania workplaces. Build a sustainable network of industry and education partnerships to foster workplace experience and career awareness for students as well as educators and other individuals that shape a student’s career path.

## \$5 Million to Promote Employer Engagement in Postsecondary Education

- **Goal:**
  - Pennsylvania's postsecondary education institutions, including higher education, are demand-(industry) driven and graduate students that demonstrate 21st century skills and competencies through accessible service delivery models for traditional and non-traditional students.
  
- **Approach:**
  - Improve college completion rates for 2-year and 4-year postsecondary institutions.
  - Broker regional or consortium-based partnerships between employers and postsecondary education institutions.
  - Promote demand-driven and career readiness and work experience concepts into credit-based postsecondary education.
  - Enhance career development and awareness for students, faculty, and staff.
  - Leverage regional economies of scale for postsecondary education institutions to update curriculum, provide career services, articulation/credit transfer and alternative service delivery models, and student employability that meet the talent management needs of businesses.
  - Enhance education and training delivery models to fit the needs of a student-worker.
  - Develop credit-based service delivery models that meet the needs of non-traditional student populations.
  
- **Implementation:**
  - PAsmart promotes a different way of doing business. Priority considerations include building a sustainable network of business education partnership at the postsecondary level. Data and demand-driven strategies with a performance/outcome-oriented approach will be considered as well as ability to impact economic development, education and workforce development systems through partnerships and consortium-type funding, with additional funds set aside for smaller-scale efforts.

- Examples of the type of allowable expenses may include: expenses related to develop and administer a network of workplace and career exposure opportunities, costs related to educator/counselor/staff participation in the experiences, as well as costs associated with business participation to provide career awareness and exposure opportunities.
  
- **Expected Impact:**
  - Establish/strengthen at least 10 business education partnerships/consortiums in Pennsylvania. Improve timely graduation and job placement for postsecondary students prior to/upon graduation. Postsecondary education in Pennsylvania can clearly translate its return on investment to employers specific to career readiness, skills and competencies and employability of its students.

## \$3 Million to Support Industry Partnerships

- **Goal:**
  - Pennsylvania businesses leverage state funds to upskill their existing workforce, fill job vacancies, promote industry career opportunities, and increase their competitiveness for economic growth.
  
- **Approach:**
  - Regional, consortium-based approach to identify and address workforce development and related needs of industry sectors.
  
  - Demand (employer)-driven strategy that aligns and leverages industry, education, training, economic development, human services, and related investments with private sector and matching funds.
  
- **Implementation:**
  - PAsmart promotes a different way of doing business. Priority considerations will include characteristics of effective industry partnerships that are in phases of operation ranging from planning through implementation. Partnership with the local workforce development board, which will serve as fiscal agent, is required. Data and demand-driven strategies with a performance/outcome-oriented approach will be considered.
  
  - Examples of the type of allowable expenses are guided by Pennsylvania statute including: facilitation of partnerships, identification of training needs, assisting education and training institutions to align curricula and programs to industry demand, collaboration activities across education, training, workforce development and human services, industry assessments of organizational and human resource challenges, career ladder development, and addressing issues that would improve competitiveness.
  
- **Expected Impact:**
  - Increase the number of funded Industry Partnerships to at least 30. Demonstrate state government funds are being used to invest in the talent management needs of business, especially small business.

## Address Employer Liabilities in Hiring Skilled Workers with Criminal Backgrounds

- **Goal:**
  - Mitigate barriers and incentivize Pennsylvania businesses to extend hiring practices beyond traditional high school and college channels, and seek available able-bodied and skilled workers, specifically workers who have a criminal background.
  
- **Approach:**
  - A Middle-Class Task Force business-led initiative will spearhead new efforts, assess business liabilities and decision-making factors in hiring (or not hiring) individuals with criminal background.
  
- **Implementation:**
  - Utilize the State Workforce Development Board's Re-Entry Task Force.
  
- **Expected Impact:**
  - Develop policy, legislative and programmatic recommendations within 12 months.

## \$10 Million to Develop Career and Technical Education and STEM Career Pathways

- **Goal:**
  - Pennsylvania students and workers are prepared for success within in-demand careers within CTE and STEM.
  
- **Approach:**
  - Promote programs that allow high school students to earn both a high school diploma and a postsecondary credential that may be applied towards the next level of education or training on their career pathway.
  - Support non-traditional students and workers, such as high school drop-outs, incumbent workers, underemployed or dislocated workers, and near-college completers to earn postsecondary credits and credentials aligned to in-demand CTE and STEM careers.
  - Develop, enhance, and scale methods to “unbundle” postsecondary education without increasing student costs.
  - Establish and implement career pathway programs in CTE and STEM fields.
  
- **Implementation:**
  - PAsmart promotes a different way of doing business. Building on the recommendations of stakeholders through the Governor’s Middle-Class Task Force to provide all Pennsylvanians, regardless of age or zip code, with the chance to gain relevant, employer-sought skills, the PAsmart initiative will invest \$10 million in CTE and STEM career pathways that help individuals prepare for in-demand fields. These programs will emphasize innovative delivery models that help individuals earn industry-recognized postsecondary credentials. Priority consideration may include the funding of partnerships to support initiatives that prepare students and adults for career success. Models include, but are not limited to, programs that minimize student costs, use dual enrollment, CTE programs of study, transferrable and stackable credentials (2+2+2 and similar frameworks), blended learning models, expanded or enhanced degree pathways across 2-year and 4-year institutions, prior learning assessments, etc.

Data and demand-driven strategies with a performance/outcome-oriented approach will be considered, as well as capacity to impact local and state education and workforce development systems through partnerships and consortia-type funding. Additional funds will be set aside for smaller-scale efforts. Recipients will have mandated reporting requirements for performance/evaluation purposes.

- Examples of the type of allowable expenses may include: partnership development, curriculum, technical assistance, instruction etc. Demonstrated matching/braiding of funds may also be required.
  
- **Expected Impact:**
  - Establish approximately 20 consortia/intermediaries to design, implement, and scale career pathway frameworks into CTE fields, yielding approximately 800 more students earning associate degrees in CTE fields. Increase access to career pathways by allowing students to earn postsecondary credit and credential while enrolled in high school. Provide affordable higher education by allowing students to earn postsecondary credit at a reduced rate/allowing credits to transfer toward advanced credentials. Address employer job shortage needs by decreasing time it takes for students to enter/re-enter the workforce.

## Using Data to Promote Accountability for Education and Workforce System Results

- **Goal:**
  - Use public-facing platforms to demonstrate education and workforce system results, guide policy priorities, and inform funding decisions to better support student, worker, and business success in the 21st century economy.
  
- **Approach:**
  - Create a public-facing, cross-agency, multi-sector interactive data dashboard for Pennsylvania's education and workforce development systems, investments, and accomplishments.
  - Prioritize policy recommendations, PAsmart and other funding investments on performance, return on investment and outcomes.
  
- **Implementation:**
  - Launch a public facing data dashboard informed by metrics that matter to Pennsylvania students, workers, businesses, and taxpayers.
  
- **Expected Impact:**
  - Pennsylvania students, jobseekers, businesses as well as practitioners and policy makers will have access to relevant cross-sector data and information on public education and workforce system trends, activities, and outcomes.

## Utilize Customer-Centered Approach to Break Down Silos and Improve Public Services and Supports for Pennsylvania Students, Workers, and Jobseekers

- **Goal:**

- Pennsylvania establishes an integrated approach to state policy, programming, and funding for career readiness and workforce development efforts across multiple agencies and state-related partners. Utilizing an online platform, Pennsylvania students, parents, employers, jobseekers, and workers can readily access and navigate public sector programs and benefits available to them that promotes Pennsylvania careers, current job vacancies, and supports to assist them during times of job searching, continuing education, changes in careers and related education, training and workforce development initiatives.

- **Approach:**

- Reimagine and elevate the role of the State Workforce Development Board as the governor's key policy advisor and interagency coordinator for Pennsylvania's workforce development system.
- Increase and improve interagency coordination and execution of career readiness and workforce development policies and programs initiatives, including prioritization of new and existing funding sources and leveraging expertise and human capital across agencies.
- Use a customer-centered approach to redesign web-based content and program information that currently resides online or in paper versions across multiple agencies.
- Adopt common approaches, definitions, and strategies across agencies, related Boards/Commissions, and state-related partners, where possible.
- Promote strong relationships and communication between customers, state agencies, local/regional service providers, Board members, and related stakeholders.
- Implementation: Incorporate interagency functions within the State Workforce Development Board operations and agenda. Launch PAsmart website ([www.pa.gov/smart](http://www.pa.gov/smart)) for Governor's 2018 Budget address and build on content prioritizing the recommended approach over the next nine months (March-January).

○ ***Expected Impact:***

- Define ROI metrics for Pennsylvania’s education, training, and workforce development services. Improve efficiencies, measure effectiveness and leverage resources to support statewide workforce development and career readiness goals. Improve communications and awareness on public sector priorities, investments and vision to Pennsylvania’s students, workers, jobseekers, and businesses.

We engaged Pennsylvanians across the Commonwealth to identify real issues they face to have the skills and abilities they need to obtain a quality job, recruit skilled workers, and foster economic growth.

*We listened.*

PAsmart utilizes the voice of Pennsylvania students, workers and business to guide strategic investments to demand results and impact from Pennsylvania's education and workforce systems.

Pennsylvanians have never shied away from hard work, pursuing education opportunity, and seeking out training. Through PAsmart, Pennsylvania will have the most prepared, talented, and able workforce in the country. We're not working harder; we're working smarter.

**Governor Wolf's 2018-2019 \$50 Million Budget Proposal:**

\$25m	Foster a Skilled Workforce with Computer Science Education and STEM (CTE line)
\$5m	Employer Engagement in Postsecondary Education (CTE line)
\$10m	Promoting CTE and STEM Career Pathways (CTE line)
\$7m	Expanding Registered Apprenticeships (L&I Apprenticeship line)
\$3m	Industry Partnerships (L&I Industry Partnership line)

*\*If enacted in the budget, funds are intended to be distributed on a competitive grant basis.*

*Additional priorities* include leveraging existing federal funds and staffing to increase Educator in the Workplace experiences, establish Business-led solutions to hiring individuals with criminal backgrounds, promoting transparent data on public education and workforce system outcomes and elevating interagency coordination and decisions for efficiency and effectiveness gains.

PAsmart prioritizes breaking down silos and demands systems change. Implementation of PAsmart will be spearheaded by the Middle-Class Task Force and the State Workforce Development Board with funds distributed primarily through competitive grants; funding will prioritize data-driven, outcome-oriented results on innovative, systems change to foster a skilled workforce that meets Pennsylvania employers' need for growth and competitiveness.

**Targeted Providers and Recipients Include:**

- Local Education Agencies (K-12)
- Intermediate Units
- Postsecondary Institutions (2- and 4-year)
- Employers
- Labor
- Public Libraries
- Local Workforce Development
- Education, Training & Workforce Providers
- Afterschool Providers
- STEM Ecosystems

**1. How was the PAsmart proposal developed?**

The PAsmart initiative outlines the key take-aways from the Governor’s Middle-Class Task Force on ensuring Pennsylvania has a 21<sup>st</sup> century skilled workforce and addresses the talent management needs for businesses to be competitive.

**2. How is PAsmart different from what the State already does or invests in?**

PAsmart prioritizes innovation, systems change, cross-sector partnership, return on investment and resource alignment. PAsmart is not intended too nor proposes to fund any existing administrative costs or service delivery costs outside of evaluation and related activities— whether that be at the State agency level or local service providers. As federal and other non-state funds dominate the resource landscape, the practice to prioritize compliance with federal mandates and performance expectations can take precedent over the commonwealth’s ability to drive state level policy and outcomes that foster economic growth.

**3. Are the 2018-2019 budget proposals duplicating what exists already?**

No. PAsmart aims to move beyond the fragmented status quo of education and workforce development systems by investing new resources into collaborative, cross-sector initiatives through a non-formula funding approach that emphasizes improved outcomes and services for Pennsylvanians. It was evident to the Middle-Class Task Force that Pennsylvania’s jobseekers, workers, and businesses felt their experiences with local service delivery systems as still too siloed and disconnected from economic and community realities.

In a local control environment, Pennsylvania has 22 Local Workforce Development Boards, 10 economic development regions, 14 Community Colleges, 14 public four-year universities, 500 school districts, 84 career and technical centers, 29 intermediate units, 604 state-supported libraries, over 67 county assistance office locations, nearly 360,000 business establishments and the list goes on – all of these entities have a role to guide education and workforce development programs and service priorities for their stakeholders, braid funding, most report on performance outcomes where applicable, and none of these have the direct lead responsibility to foster cross-systems partnerships amongst all of them. PAsmart proposes to utilize less than 0.2 percent of General Fund monies as a new, non-duplicative state approach and strategic investment to catalyze systems change, facilitate and expect state and local cross-systems collaboration, leverage the role of the State Workforce Development Board, and report on performance and financial outcomes of state investments.

Currently, no state general funds support Pennsylvania’s L&I apprenticeship programs. Existing state apprenticeship funding fosters the creation and implementation of employer and labor requested registered apprenticeship programs in Pennsylvania. The \$7 million Apprenticeship proposal included in PAsmart will deliberately and strategically create student-worker pathways

that Pennsylvania businesses demand for today and well over the next decade. This new funding will create apprenticeship models in Pennsylvania high schools and postsecondary education institutions that result in sustainable pathways for students of any age to enter into registered apprenticeships. By prioritizing efforts on 40+ non-traditional occupations and industries as well as small business group models, PAsmart will double the number of registered apprentices to 30,000 by 2025.

**4. Who are eligible service providers?**

PAsmart is the Governor's proposal (that requires budget enactment) for a new deliberate approach to state-level investments in workforce development. Providers and intermediaries in education, training and workforce development who are innovative, support systems change, strategic partnerships, resource efficiency, performance accountability, and being demand driven will ultimately be those who are considered for funding.