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Central Iowa Workforce Area WIOA Title I Economic Impact Study PY22/SFY23

Prepared by: Eric Kress, Executive Director

Executive Summary

In March 2024, the Central Iowa Workforce Development Board commissioned the WIOA Title I Economic Impact Study conducted by Lightcast. The study aimed to:

- Analyze the performance of Title I activities
- Understand the value proposition of WIOA in Central Iowa
- Provide an operational benchmark for Title I programs and services to inform program and fiscal oversight of the service providers.

On July 19, 2024, the Lightcast team held a web meeting to present findings and recommendations. The full 14-page report was also shared electronically.

Study Narrative:

The study analyzed 483 participants served by Title I in the Central Iowa Workforce Area between July 1, 2022, to June 30, 2023:

- 204 participants from the Youth/YA program.
- 148 participants from the Adult program
- 131 participants from the Dislocated Worker program

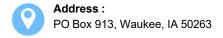
Data analysis included participant distribution by age, gender, and race/ethnicity. It also included a summary of qualifying barriers for services. Participant outcomes related to earnings and unemployment levels before and after program participation were also summarized.

Financial Impact of <u>Federal</u> Title I WIOA Dollars: (no local or state funds were invested in the Title I activities)

- Direct Investment in the local economy
 - \$1.2 million in payroll and benefits for 22 full-time workers located in Central Iowa who operated the program.
 - \$776,000 in additional operational expenses invested in the local economy for service delivery of the program.
- Strong economic return for the clients served
 - A benefit-to-cost ratio of 3.3 and a 40.7% rate of return.







- Overall, the program generated a \$6.55 million benefit to taxpayers.
- For every \$1 invested, \$1.86 in avoided government and taxpayer costs was returned, highlighting the program's significant economic impact.
- o A standout result was the Youth program's performance.

Next Steps:

Lightcast identified the following next steps for further analysis and application of the findings:

- 1. "Dive Deeper" into Data: Analyze underrepresented target groups in each program
- 2. Determine what activities have the greatest impact on wages and employment outcomes.

Subgroups of Central Iowa Workforce Development Board members and stakeholders determined that two applications should be immediately executed.

- 1. **Informational Piece for County Supervisors:** Use the data to create an informational piece highlighting the economic benefits of the Title I program for all county supervisors in the CIWD area. These highlights will also be included in the 2024 annual report.
- 2. **Title I Service Providers' Recommendations:** Title 1 Service Providers will submit recommendations of how they plan to integrate the findings into their operations. This recommendation will be measured during the annual monitoring process.

Limitations:

- 1. The program data analyzed was based on the performance of the previous Title I service provider. The contract changed on July 1, 2024.
- The data only represents the value of the Title I activities and does not represent the overall value of the Central Iowa Local Workforce Board or IowaWORKS system on the local economy. However, without the local area accepting liability for WIOA Title I, there would not be a CIWDB.
- 3. There is no prior data for direct comparison; I recommend reconducting the study in 2026. That timeframe would allow for stability post-Title I service provider change to increase the reliability of the data.

Additional Comments:

The WIOA Economic Impact study is an additional resource and should not replace the Title I WIOA Performance Metrics required by the federal and state grantees.

Key performance indicators for Title I include:

- 2nd and 4th quarter job retention post-exit
- Median earnings post-exit
- Measurable skills gains and credential attainment of participants

These outcomes should be included in all performance reporting.





