Community Colleges of Iowa
Workforce Training and Economic Development Fund

Funding Sources & Distribution. The Iowa legislature reestablished the Grow Iowa Values Fund, an economic development incentive package, in 2005 and committed $50.0 million in general fund monies each year for ten years to support it. $7.0 million of the $50.0 million being appropriated annually to the Grow Iowa Values Fund is being allocated to the community college Workforce Training and Economic Development Fund accounts established under Section 260C.18A. We have completed the second year of this ten year commitment.

An additional $2.5 million was appropriated from the Power Fund Appropriations Bill, House File 927, to the Workforce Training and Economic Development Fund for a period of four years beginning in FY 08. An additional $2.0 million was appropriated from the Rebuild Iowa Infrastructure Fund, House File 911, to the Workforce Training and Economic Development Fund for a period of one year in FY 08.

These three appropriations resulted in a total **FY 2008 appropriation of $11.5 million** and have been distributed to the fifteen community colleges using the community college state general aid distribution formula provided for in Section 260C.18C.

Plan Requirements. Each community college is required to do the following to provide the Department of Economic Development the opportunity to review and comment on their proposed use of the funds and to provide an ongoing accountability process:
- Adopt a two-year workforce training and economic development fund plan outlining the community college's proposed use of the moneys appropriated.
    - The college's have the flexibility to modify these plans as needed during the year without DED approval.
    - Unexpended funds may be carried over to the next fiscal year.
    - Each community college board of trustees is required to approve their plan and annual progress report.
- Update the two-year plan annually. Due April 30.
- Prepare an annual progress report on the plan's implementation. Due April 30. The progress report shall address the following goals and performance measures established by the general assembly for the GIVF:
    - Expanding and stimulating the state's economy;
    - Increasing the wealth of Iowans; and
    - Increasing the population of the state.
- Annually submit the plan and progress report to the Department of Economic Development and the DED board by April 30. The DED board has the authority to impose a series of sanctions including the ability to deny a college's following years funding if their use of the funds is deemed to not be in conformance with the statutory requirements and the goals of the Grow Iowa Values Fund.
- The April 30 plan and report deadlines are currently being changed by the DED by administrative rule to August 15 to provide for a final year end report.

Use of Funds. The monies in the Workforce Training and Economic Development fund may be used to support the following community college programs:

- Accelerated Career Education Program (260G).
- Iowa Jobs Training Program (260F).
- Career Academy Programs (260C.18A, subsection 2, paragraph c).
- Career & Technical Education Programs (260C.1, subsection 2).
- In-service Training and Retraining Programs (260C.1, subsection 3).
- Job Retention Program (260F.9).
- Training and retraining programs for targeted industries (15.343, subsection 2, paragraph a).
- Operational expenses associated with vocational technical training.

Targeted Industry Clusters. Priority is to be given to programs, projects and initiatives that fall within the states three targeted industry clusters. The program requires that **seventy percent** of the moneys appropriated shall be used on projects or programs in the areas of advanced manufacturing, renewable fuels and renewable energy, information technology and insurance, and life sciences which include the areas of biotechnology, health care technology, and nursing care technology.

Performance Reporting Requirements. The annual progress reports shall provide information regarding how projects aided by the community college's workforce training and economic development fund are meeting the goals of the GIVF and have resulted in an increase in the number of higher education graduates. Many of these performance measures will require several years of longitudinal research to answer, especially those relating to increased graduation rates, job placement, student retention and reduced student remediation.

- For 260F projects, the college shall provide documentation of the state's return on investment for projects funded by GIVF moneys. These evaluations will not be available until the end of the fiscal year and are already required as part of the 260F programs performance reports. Such measures my include:
  - Quantification of, as a result of the training assistance provided, annual monetary cost savings or sales increases attributed by the business; and
  - The increase in wage or salary for individuals trained as a result of the projects using GIVF funds for individual projects.
- For 260G projects (these measures are already required as part of our annual ACE performance reports):
  - Increase in number of individuals enrolled in 260G programs.
  - The number of graduates.
  - Number of job placements of students who complete programs.
  - Number of job placements in Iowa.
  - Number of job placements with participating companies.
- For projects funded under Iowa Code section 260C.1, subsections 2 and 3:
  - Increase in number of individuals enrolled in programs.
  - The number of graduates.
  - Number of job placements of students who complete programs.
  - Increase in student retention in programs at the postsecondary level.

- For career academy projects:
  - Increase in the number of individuals enrolled in programs.
  - The number of graduates.
  - Number of job placements in Iowa for students completing programs, if applicable.
  - Increase in student retention in programs at the postsecondary level.
  - Reduction in the number of students needing remediation at the postsecondary level.