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| Delaware Area Career Center |

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| To: | Senator Matthew J. Dolan, Chairman of the Senate Finance Committee |
| From:  | Larry H. Weber, Financial Aid Administrator for the Delaware Area Career Center |
| CC:  | Sarah Totedo |
| Date: | May 20, 2019 |
| Re: | Sub HB 166 (specifically the importance of fully funding the **OhioMeansJobs Workforce Development Revolving Loan Fund Program)** |
| Comments: | The Delaware Area Career Center (DACC) is somewhat new to the OMJ Revolving Loan Program but it has already proven to be a powerful workforce and career development resource. Our Police Officer Academy is a partnership with the Delaware County Sheriff’s Office. It is an important source of OPOTA trained candidates for numerous police departments in northern central Ohio including the Delaware City PD, Franklin County Sheriff’s Office, Columbus and Franklin County Metro Parks, Ohio Health, The Ohio State University PD, Ashley PD, Minerva Park PD, Whitehall PD, Powell PD, etc. All of these employers have hired our graduates in the last 5 years. The graduate job-related placement rate from our OPOTC approved program is approximately 90%.Despite these obvious advantages and a very positive professional reputation, the Academy has been significantly under enrolled given the labor market demand. The cost of this 741-hour, 9-month program is $6000. While compared to many other career development pursuits this is quite small, it is very often prohibitive to a family budget. Our typical student is between 24 and 44 years old, is working fulltime and has a family. We judge that approximately 50% of the applicants for the program who meet the stringent screening requirements do not attend. Cost is cited as the dominant barrier by those who do not attend.In our current program with 15 students, 9 of them are relying on OMJ Loans to pay the tuition. Having worked closely with these students and knowing their budget situations, I can say with confidence that at least 6 of those 9 students would not have participated. Two of the 9 had applied previously and withdrew their applications due to the cost. It was the Loan Program that got them to reapply.To underscore the cost problem I would like to share an example of how the Loan Program enabled some people to upgrade their employability. Four incumbent workers from Ohio Health are in our current Academy. Ohio Health will reimburse them for nearly all of their tuition expense after they complete the program. The school cannot accept contingent payment from a third party, so each employee/student would have had to pay the $6000. But even with the prospect of reimbursement, none of those people could have afforded to attend. The OMJ Loan Program saved the situation. They borrowed the money and will pay off the loan when they are reimbursed. With the 6-month grace period they will pay little or no interest and the money will be restored to the program. From the perspective of the school and the Delaware County SO it is essential from a cost-to-benefit ratio that enrollment be 12 or more. If it were not for our commitment to meeting the needs of the students and employers the program may have been ended due to chronic under-enrollment. This would cause an even deeper shortage of qualified candidates. The Loan Program will save the Academy, increase the pool of qualified candidates and help alleviate a staffing crisis.Here is another example of how the loan program can solve serious workforce and economic development challenges. Initiated by employer insistence, DACC is building a fulltime American Welding Society Certification program for adults. It will utilize a new and state-of-the-art lab and a high level of staff expertise. Very positive job placement outcomes are almost assured. The following companies that employ significant numbers of welders have submitted written support to OMJ for the new welding program:* Worthington Industries
* Plumbers and Pipefitters Local 189
* Employment Solutions
* Matheson
* Eden Cryogenics

More are in the works. Employers need welders, and many workers want to upgrade their skill sets and careers with certified welding competencies. Again the biggest barrier is cost. At $8000 to $9000 over nine months we predict the enrollment will be less than five without the OMJ Loan Program. The school would be irresponsible to run the program with that many students. So once again, the Loan Program would not only enable people to pursue a rational career choice, it would also improve a skilled labor shortage that has had a chilling effect on economic development in our area.**Bottom Line: Please fully fund the OhioMeansJobs Workforce Development Revolving Loan Program. It’s the smartest and least expensive economic, workforce and career development tool conceived in several decades.** |