



# Evaluation of ARC's Education and Workforce Development Projects Closed in 2015–2019

## Executive Summary



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# Executive Summary

This report presents findings from an evaluation of the Appalachian Regional Commission's (ARC's) education and workforce development projects that closed between 2015 and 2019, representing 383 grantees and more than \$62,500,000 of ARC investment. Evaluation findings document the characteristics of this grantee portfolio, grantee performance, outcomes and experiences of grant beneficiaries, and successes and challenges across the portfolio related to implementation and sustainability efforts. Recommendations for improvements to ARC's grant-making processes and grantee support as well as suggestions on how to advance equity efforts among grantees are drawn directly from these findings.

This evaluation is based on extant data from ARCnet, ARC's grants management platform; an online survey completed by 184 grantees; focus group discussions with 26 grantees; and 10 in-depth case studies. The data presented throughout this report is reflective only of participants in each of these data sources; due to the wide-ranging diversity of purpose, approach, and context among ARC's grantees, findings should not be generalized to ARC's full education and workforce development program.

## Overview of the Grantee Portfolio

**Description of Grant Recipients.** Nonprofits and institutions of higher education, including community and technical colleges and 4-year universities, represented the largest number of awardees (35% and 34%, respectively). The largest proportion of these grants were awarded to organizations in Alabama (19%), Mississippi (15%), and Kentucky (11%). Aligned with ARC priorities, over half of awarded grants benefited primary or substantial distress areas (60%).

**Overview of Project Purposes and Focus.** The majority of grantees used their projects for the purpose of benefiting operations (e.g., implementing new programs in schools or new job training programs; 41%) or to improve equipment (e.g., purchasing new computers or improving broadband; 34%). Grant project type as classified in ARCnet focused primarily on career and technical education (40%), educational achievement or attainment (36%), or workforce/teacher training (13%). Overall, based on coded open-ended data from ARCnet, 87% of grantees' projects included educational components and 69% related to workforce development. Many grantees worked across both domains of the portfolio (education and workforce development), particularly institutions of higher education that were providing focused educational strategies directly tied to workforce-related fields (e.g., career and technical education) or independent school districts that provided workforce professional development training to teachers and curricula or enrichment programs to students. Specifically related to education, 44% of grantees were working in post-secondary education spaces and 39% worked with students in grades kindergarten through Grade 12 (K–12). In examining workforce development trends, 17% of grantees' projects related to healthcare training, 16% related to advanced manufacturing, and 15% included components of teacher training or professional development.

Across all of these projects, the vast majority (91%) served to advance ARC's strategic goal of increasing the education, knowledge, skills, and health of residents to work and succeed in Appalachia, which is consistent with

the overall purpose of this grant investment. Seven percent of grantees worked to advance ARC’s strategic goal of investing in entrepreneurial and business development strategies.

**Characteristics of Project Beneficiaries.** Grant beneficiaries were primarily adults (60%) or youth (47%), many living in rural areas or coming from low-income households (64% of grantees served rural populations and 63% served low-income individuals). More than half of grantees reported serving populations that represent racial minorities across Appalachia, including 56% of grantees who reported serving Black or African American individuals, 46% who served Hispanic individuals, 28% who served Asian beneficiaries, and 15% who reported serving those from Tribal populations. Many—though not all—grant recipients were already collecting some formal demographic information from their beneficiaries, particularly related to participants’ gender (65% of survey respondents), race (60%), and ethnicity (52%). This suggests that grantees may need substantial direction and support in order to collect robust demographic information that could support understanding the ways in which this portfolio is reaching underserved populations and advancing equity.

By the end of the grant period, 337,405 individual beneficiaries had been served (98% of the cumulative projected goal). At the time of the follow-up survey, this increased to 510,765, or 148% of the cumulative goal. In addition, a total of 3,157 businesses, communities, or organizations had been served through grant funding at the time of the follow-up survey, and 4,572 new jobs had been created. Taken together, this demonstrates the long-lasting impact of much of the ARC portfolio—even after ARC funding ends.

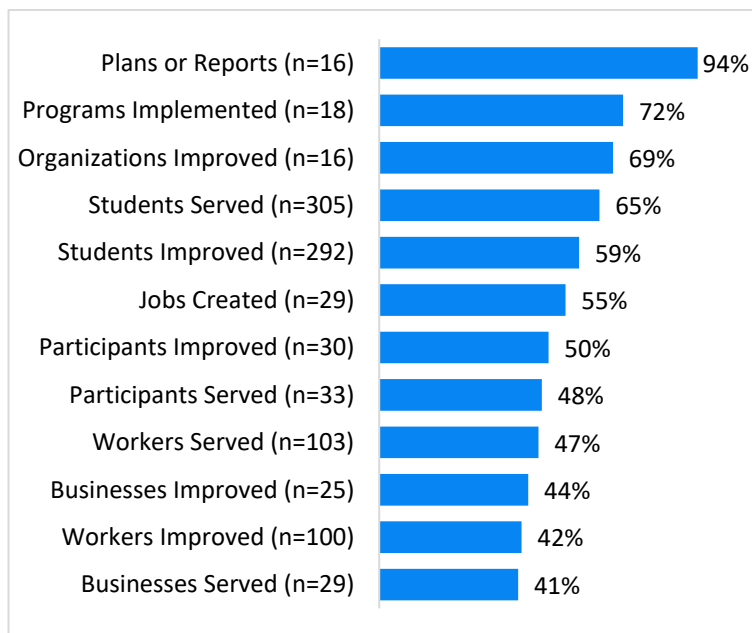
## Grantee Performance

### Performance Goals and Achievements.

Workforce development and education grantees sought to achieve a range of 23 unique performance measures with an average of 2.86 measures per grant. The most common performance measures related to students served or improved and workers served or improved but large numbers of grantees added measures related to jobs created, communities served, participants served or improved, or businesses/organizations created or improved. Nearly half of these 23 measures (n=11) were selected by 10 or fewer grantees, and so are not presented in this report, although select full data tables are in Appendix B2.

Most performance measures were met by between 50% and 65% of grantees who sought to achieve them (Exhibit A), although this varied by grant and project characteristic. Independent school districts (74%) were far more likely to meet all their proposed performance measures than other types of grantees, and projects focused

**Exhibit A. Percent of Grantees who Met Performance Measure Targets by the End of the Grant Period (n=383)**



Source: ARCnet extant data

Note. Measures selected by 10 or fewer grantees are not presented. Grantees could select multiple performance measures toward which to work.

on educational achievement/attainment were more likely to meet all their goals than were projects focused on workforce/teacher training (57% versus 22%, respectively). Grants leveraging funding for equipment and operations were more likely to meet all of their performance measures than grants classified as construction (54% versus 25%, respectively).

Grantees also had an opportunity to provide updates to their performance measures through the follow-up survey. These respondents provided updates on 311 individual performance measures, which resulted in increases to the percentage of performance measures met for students improved (59% met at grant close to 66% met at follow-up), students served (65% to 67%), and workers improved (42% to 47%).

**Project Successes and Challenges.** Beyond performance measures, 85% of survey respondents believed that their grant was either mostly or entirely successful. Across all respondents, having both local support for the project (76%) and local partners' support of the grant throughout the duration of the project (73%) were considered most integral to implementation success. In contrast, 50% or more of survey respondents indicated that supportive policies, a strong labor market, and technical support from ARC or others were only somewhat important or not important. These trends largely persisted across grant and project characteristics. Focus group participants further highlighted the ways in which program success was driven by a distinct need for the service or by support implemented through their grant project. They also discussed the importance of staffing and internal buy-in as well as external partners.

Fourteen percent of survey respondents reported that their project was only somewhat or not at all successful and 53% of grantees failed to meet some or all their performance measures at the time of the follow-up survey, suggesting that a substantial portion of this portfolio struggled with implementation. As compared with factors that supported implementation, there was more variability among factors that hindered successful implementation based on grant and project characteristics. Common barriers included a lack of access to financial resources outside of ARC funding and a lack of access to needed materials or equipment, although nearly all subgroups of grantee respondents reported slightly different factors that they believed to be the largest challenges to implementation.

**Beneficiary Outcomes and Experiences.** Experiences and outcomes among grant beneficiaries also varied substantially, in line with the goals and purposes of the grant. Approximately two-thirds of all survey respondents indicated that they expected to see improvements related to participants' educational outcomes and workforce outcomes (76% and 65%, respectively). More specifically, almost half of grantees reported working to increase beneficiaries' access to resources/technology (47%), followed by improving vocational/technical skills of beneficiaries (30%), or supporting beneficiaries in securing new employment (29%). Grantees reported targeting a variety of education-related outcomes, although fewer percentages of grantees focused on any single outcome. These included earning credentials or certificates (19%), postsecondary enrollment (13%) or completion (9%), college readiness (9%), and improved academic skills (9%), among others. Through focus group discussions, the most reported beneficiary outcomes included earning certifications or credentials, improved academic performance, and increased employment and job placement opportunities through networking connections.

Grantees who responded to the survey also shared barriers faced by project beneficiaries, which included lack of transportation (29%), followed closely by lack of time due to competing priorities (27%), lack of information about the opportunity (25%), and lack of childcare (21%). Perceptions of these barriers varied by grantee and project characteristic, although lack of transportation was among the top two most-frequently reported barriers for all groups except for independent school districts, nearly all of which had existing bus systems for their students.

Grantees from nonprofit organizations and higher education institutions identified the largest number of barriers potential beneficiaries may have faced while thinking about participating in their grant-funded project.

**Equity-Related Trends.** This evaluation sought to learn more about grantees' efforts to advance equity and reduce inequities in their communities through ARC-funded projects as well as possible avenues for ARC to explore this further through additional data collection and analysis. Through the survey, grantees shared that their projects benefited people living in rural areas (64%), those earning low incomes (63%), people with disabilities (40%), and English language learners (28%)—all populations that have been historically underserved. Survey respondents also reported on subgroups that were the most difficult to recruit into their program. Respondents stated that immigrants (27%) and incarcerated/formerly incarcerated individuals (26%) were the populations that were the most difficult to recruit. Grantees also had difficulty recruiting Asian Americans (22%) and individuals age 65 and older (21%).

Several case study participants shared promising practices and strategies for engaging marginalized populations, including universal programming, free or reduced tuition, available free transportation, flexible scheduling, and individualized relationships and support. However, many grantees in focus groups struggled with the concept of equity, sometimes limiting equity to just racial equity and noting that *“racial equity isn't really an issue in our region because we don't really have any diversity,”* or explaining that they served a school or industry that was relatively homogenous and thus had not designed intentional equity efforts as part of their programming.

## Project Sustainability

**Sustainability Trends Across the Portfolio.** Three-quarters of survey respondents were still sustaining their grant-funded program in some capacity (75%), although this may be artificially elevated due to the nature of grantees who completed the survey. Nevertheless, among these grantees, there was no substantial variation in sustainability based on the year in which the grants closed. Grantees who used funding to secure new equipment or technology had higher rates of sustaining their grant project (91% for only equipment and 81% for equipment and operations) than those who used funding exclusively for construction or operations (both 71%), perhaps because the technology or equipment had become embedded in organizational systems or programs, promoting greater ease of sustaining grant projects.

**Factors Contributing to Successful Sustainability.** Grantees represented by survey respondents reported that factors that contributed to successful implementation also supported sustainability but were more critical than before. Local support and partnerships were again the two factors deemed most important to sustainability by the largest percentage of respondents (80% and 78%, respectively). Having access to non-ARC financial resources and hiring or retaining quality staff were the next two most important factors, although there was some variation based on grant or project type. For example, there were wide ranges in those who viewed retaining quality staff as critical to sustainability; just 48% of those from higher education and 55% in state or local government reported that this was important or very important to sustainability compared with 73% of independent school districts. In addition, aligned with the relative engagement with the local labor market, 73% of workforce/teacher training respondents and 69% of respondents representing career and technical education projects reported that a strong labor market was important or very important for their sustainability compared with just 47% of respondents working toward educational achievement or attainment.

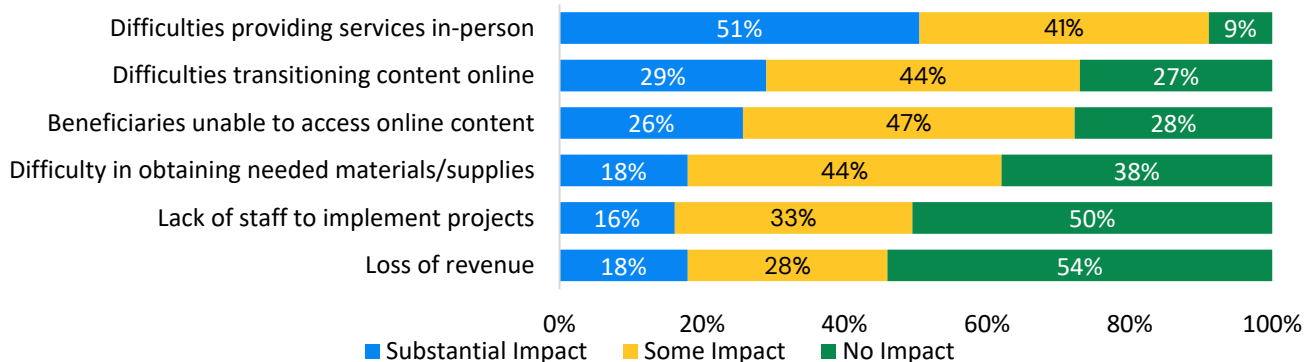
**Challenges to Sustainability.** Survey respondents reported that the four largest factors hindering sustainability were a lack of access to additional financial resources (39%), experiencing disaster such as the coronavirus disease



(COVID-19) pandemic (38%), a weak labor market (30%), and a lack of needed materials or equipment (30%). At the top of mind for focus group participants were three specific challenges: the COVID-19 pandemic, a lack of subsequent funding, and challenges with staff buy-in or hiring.

**Impacts of COVID-19 on Sustainability.** Among survey respondents, two-thirds (65%) reported that activities originally supported by their ARC grant were continuing at the beginning of the COVID-19 pandemic in March 2020. These grantees most frequently cited challenges related to in-person pandemic restrictions and the pivot to online content as having the most substantial impact on their sustainability efforts with only 9% of respondents indicating that this had no impact on sustainability (Exhibit B).

**Exhibit B. Grantees’ Perceptions of the Impact of the COVID-19 Pandemic on Project Sustainability (n=184)**



Source: ICF survey of ARC grantees

Note. Percentages may not total 100% due to rounding.

Results were largely consistent across grantee type; however, grantees from higher education and nonprofits cited loss of revenue as a factor related to the COVID-19 pandemic that substantially impacted sustainability (22% and 11%) whereas no respondents from state and local government or independent school districts included this as a substantial impact. In addition, more respondents working on career and technical education projects (22%) and workforce/teacher training projects (27%) than educational achievement/attainment projects (9%) reported difficulty transitioning services or activities to online formats as playing a substantial role in sustainability challenges, reflective of the more hands-on work traditionally associated with both types of projects.

Survey participants were also asked to indicate what changes they made to their ongoing programming activities in response to the COVID-19 pandemic, and which (if any) changes they planned to continue. The most common changes related to pivoting content and services online included offering more services online (48%), providing training for staff to deliver content online (40%), and assisting beneficiaries to receive content online (35%). In addition, grantees adjusted outreach and recruitment efforts (39%), modified the scope of their project activities (14%), or modified their populations of focus (9%). A substantial majority of grantees who reported making a change as a result of the pandemic planned to maintain that change into the future.

## Recommendations

### Pre-Award Improvements and Enhancing Early Grant Support.

1. **Increase awareness of ARC Funds.** Fifty-eight percent of survey respondents reported that a lack of awareness of funding opportunities was a barrier for potential ARC grantees. ARC staff can work with state program managers and local development district (LDD) staff to increase awareness of ARC funding opportunities within their states, as appropriate.
2. **Promote the Use of Project Directors Among Grantees.** Grantees across all categories and throughout focus groups and case studies reported that hiring quality staff contributed to implementation success. Accordingly, ARC can develop a recommendation or requirement in grant application forms that projects have a designated project director (part-time or full-time) to support early implementation success.
3. **Address Financial Challenges Faced by Grantees.** ARC can better publicize available funding supports for nonprofits or small organizations, particularly reduced match rates for distressed counties and the availability of advancements in funding. In addition, ARC could explore the feasibility of allowing all grantees or nonprofits to bill on a monthly basis. Developing a brief resource guide to support grantees in pursuing matching funds or additional funding after grants close may also support new or small organizations to secure grant funding.
4. **Continue Existing Support.** Nearly all grantees across focus groups and case studies expressed high levels of gratitude and appreciation for ARC support, technical assistance, and communication. ARC should continue to allocate ample staff time to provide grantees with this flexible, personalized support.

### Ongoing Grantee Support.

1. **Allot Time for Targeted Support.** ARC could consider establishing more robust interim check-ins or interim analysis to determine which grantees are lagging or having difficulty navigating post-pandemic challenges and may need additional support. This information can then be conveyed to state program managers and/or LDDs who may be able to provide more localized resources and support.
2. **Expand Efforts to Follow-Up with Grantees.** ARC can build on their existing efforts to conduct 3-year post-close surveys of grantees by expanding that to their full portfolio of grantees. In addition, ARC could collect additional contact information at grant close and conduct brief outreach after grant close to maintain accurate points of contact for all recently closed grants.

### Encourage Advances in Equity.

1. **Improve Understanding of Regional Inequities.** ARC can look for opportunities to educate their existing grantees about different types of equity as well as the various prevalent and persistent forms of inequity in the region. These could include panel discussions or roundtables at conferences, targeted webinar presentations about regional challenges, or opportunities for technical assistance.
2. **Include Guidance About Advancing Equity in Grant Applications.** ARC can build upon the strength of their existing grant application and review existing forms to look for opportunities to encourage or require grantees to report on which underserved populations they will be focusing on or including in their projects, such as in the Executive Summary of grantees' applications.

3. **Prepare for Additional Demographic Data Collection.** ARC can begin the process of building an infrastructure for collecting more robust demographic data about populations served to better understand how their funds are contributing to serving diverse/historically underserved populations in the region, which may also require technical assistance around data collection and reporting, adjustments to grantee applications, and changes to interim and final reporting.

#### **Opportunities to Enhance Peer Learning.**

1. **Provide Opportunities for Peer Learning.** ARC can adopt any of several strategies to enhance peer learning and connections, including disseminating case study reports created in this evaluation; providing opportunities for peer learning circles at relevant conferences; or grouping education and workforce grantees into smaller communities of practice where grantees could offer community connections, share promising practices, build partnerships, and strengthen services to individuals across Appalachia.