

Wyoming Department of Workforce Services 2012-2013 Strategic Plan

Name of Department Wyoming Department of Workforce Services

Public Benefit or Wyoming Quality of Life Result

The Wyoming Department of Workforce Services strives to meet the following Wyoming Quality of Life results:

- Wyoming families and individuals live in a stable, safe, supportive, nurturing and healthy environment.
- Wyoming has a diverse economy that provides a livable income and ensures wage equality.
- Wyoming state government is a responsible steward of state assets and effectively responds to the needs of residents and guests.
- Wyoming will encourage businesses and communities to adapt and thrive.

Agency Vision Statement

Envisioning a Wyoming with a well prepared, economically self-sufficient workforce that empowers employees and employers to enjoy an improved quality of life.

Agency Mission Statement

The Department's mission is to bridge human and economic development for Wyoming's future.

Basic Facts

This Agency has 570 employees and operates with a budget of \$163,651,802 of which \$25,854,494 are general funds, \$69,651,766 are federal funds and \$68,145,542 are other funds.

During the 2011 Legislative Session, the Wyoming Legislature reorganized the Department of Employment and the Department of Workforce Services. The two agencies now operate as the Department of Workforce Services. As a result of this reorganization, two offices have been created to carry out the Department's mission: The Office of Workforce Programs and the Office of Standards and Compliance.

Under the Office of Workforce Programs, the following Divisions are included:

- The Division of Employment and Training –Administers programs geared toward building a strong workforce, serving both individuals and employers. The Division is committed to helping people build their skills so they are more employable and ready for work. Each of the Division's programs serves a unique segment of the population with the overarching goal of helping eligible individuals and families address barriers to employment, so they can achieve long-term self-sufficiency.
- The Division of Vocational Rehabilitation – Administers programs to individuals with significant and most significant disabilities in order to assist them, through effective vocational rehabilitation counseling, in gaining employment and independence. This Division includes a variety of programs, including general rehabilitation, supported

employment, telephone relay services/deaf services, independent living, small business consultation and transition services.

- The Division of Unemployment Insurance – Administers the Unemployment Insurance Benefits Program for individuals who lose their jobs through no fault of their own, are seeking work and meet definite requirements; and the Unemployment Insurance Tax Program that establishes employer registrations, ensures payroll reporting and collects taxes for Unemployment Insurance.

Under the Office of Standards and Compliance, the following Divisions are included:

- Division of Appeals – Hears all Unemployment Insurance appeals, Workers' Compensation Tax appeals, Fair Employment appeals and Wage and Hour appeals.
- Division of Workers' Compensation - Performs case management functions of Workers' Compensation for assigned employer accounts, determines compensability of cases and monitors for fraud and improprieties. This includes providing the necessary medical and indemnity compensation to workers injured during the course of employment. The Division also ensures the collection of premium assessments from employers participating in coverage.
- Division of Enforcement – Administers OSHA, Labor Standards and Audit programs. OSHA supports safe working environments and investigates workplace injuries. Labor Standards focuses on ensuring that Wyoming's workplaces treat employees in a fair and respectful manner. Audit functions as the Department's internal control team and audits files from the Division of Workers' Compensation and the Division of Unemployment Insurance.

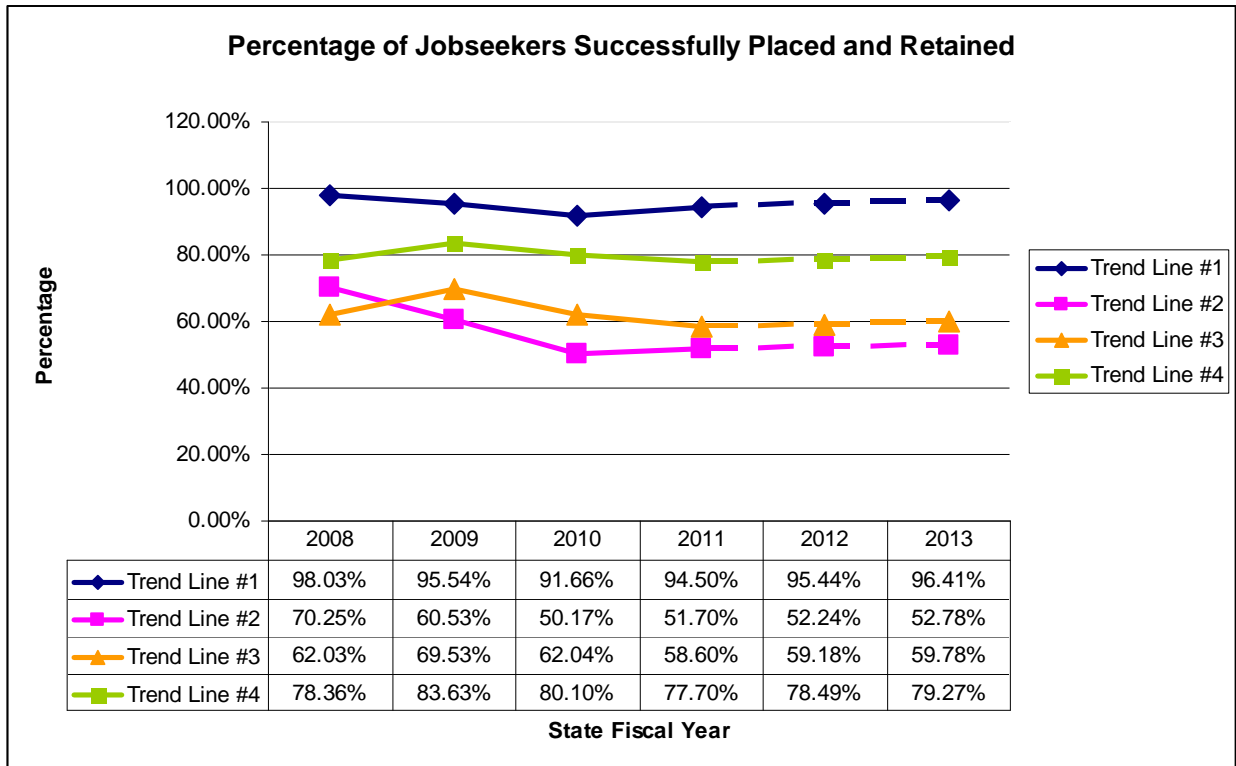
In addition to these two primary offices, the Agency has incorporated all the internal operations into a Service Team which includes Human Resources, Marketing, Fiscal and Information Technology. A Quality Assurance Team was formed to ensure internal audits are conducted in a timely manner. A team consisting of Policy, Research and Planning, Grants and Media Relations was also created to assist the Director in these areas. Finally, the State Mine Inspector's Office is also included within the Department and reports directly to the Director and Deputy Director.

The Department has 55 programs that served 63,753 businesses and 542,960 individuals from July 1, 2010 to June 30, 2011. It is possible that some of these businesses and individuals listed above could be duplicated within the count as many receive multiple services from the Department. These numbers are expected to increase during this planning period as a result of the recent economic climate and continued outreach efforts by the Department.

PERFORMANCE MEASURES

The Performance Measures that are most important to the Agency’s work are as follows:

#1 *Percentage of Jobseekers Successfully Placed and Retained*



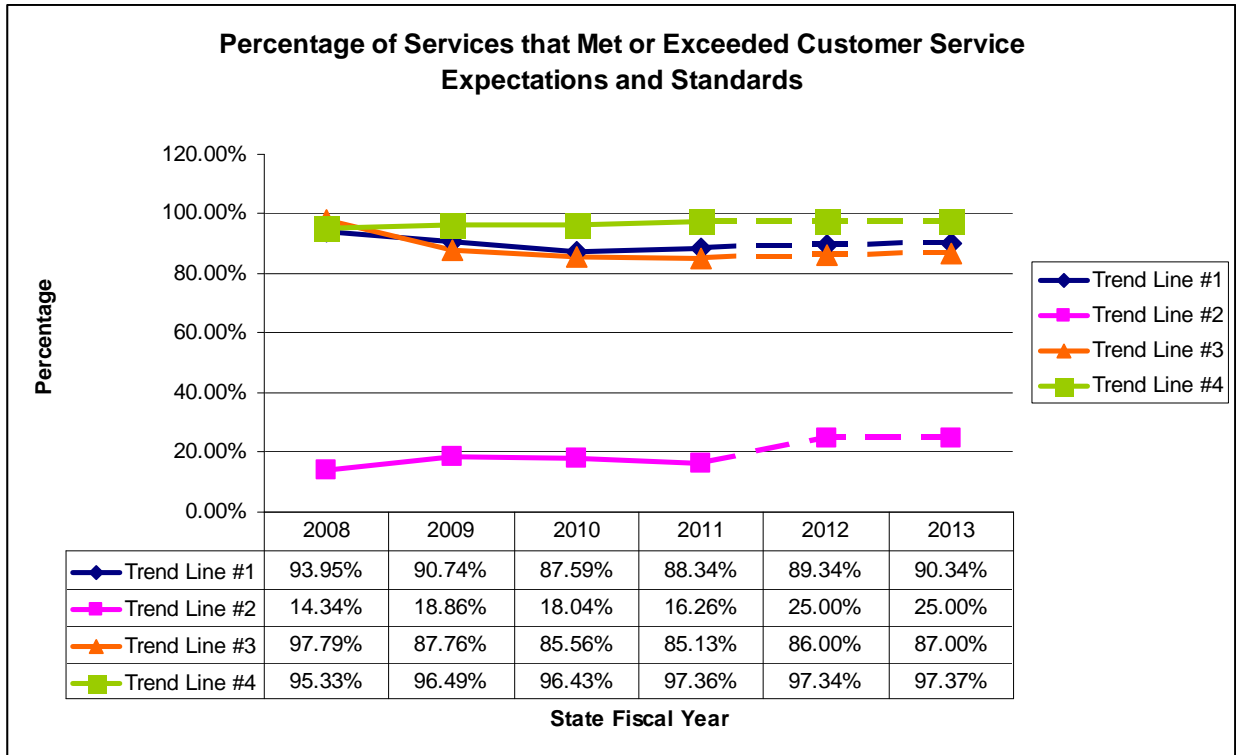
Trend Line #1 – Percentage of Jobseekers and Incumbent Workers who Completed Training and were Employed or Retained

Trend Line #2 – Percentage of Work-Ready Individuals with Significant Employment Barriers that were Placed and Retained

Trend Line #3 – Percentage of Jobseekers Placed in Employment

Trend Line #4 - Percentage of Jobseekers Retained in Employment

#2 Percentage of Services that Met or Exceeded Customer Service Expectations and Standards



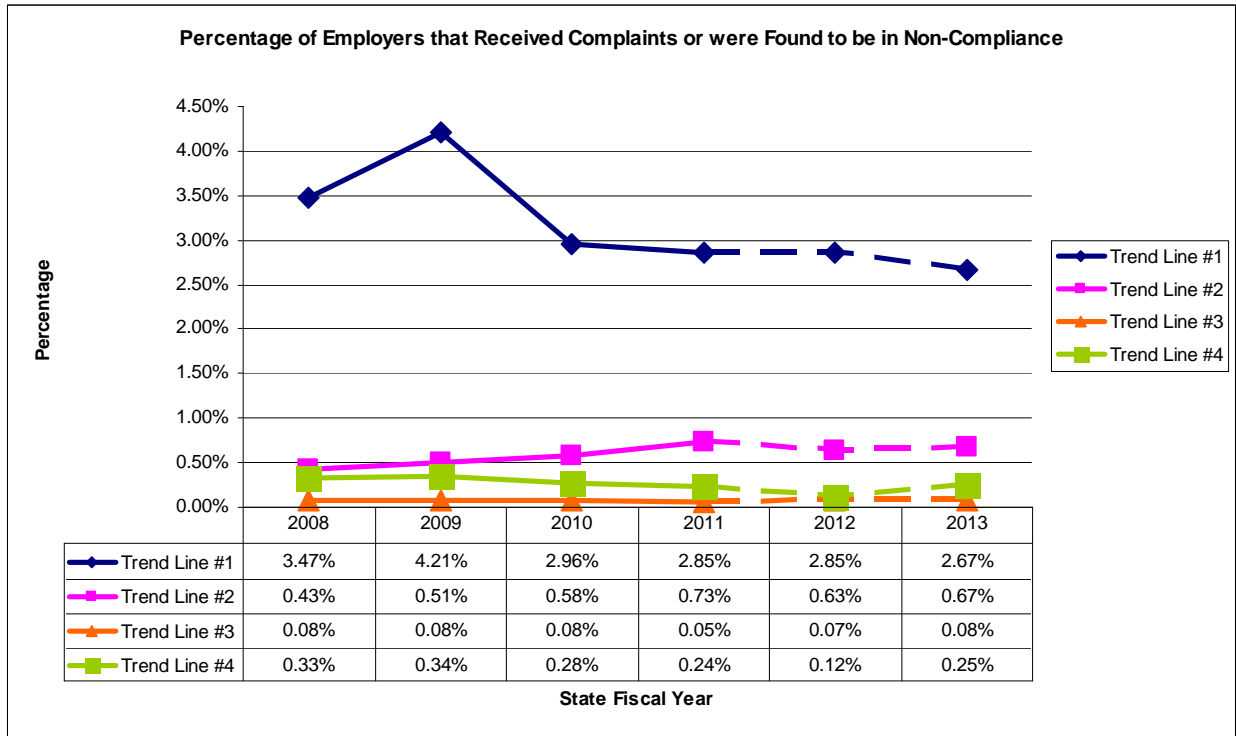
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Trend Line #2 – Percentage of Workers’ Compensation Injury Reports Processed within Three Days

Trend Line #3 – Percentage of Customer Feedback Cards that were Positive

Trend Line #4 – Percentage of Temporary Total Disability Individuals in Workers’ Compensation that Received a Check within 31 Days

#3 Percentage of Employers that Received Complaints or were found to be in Non-Compliance



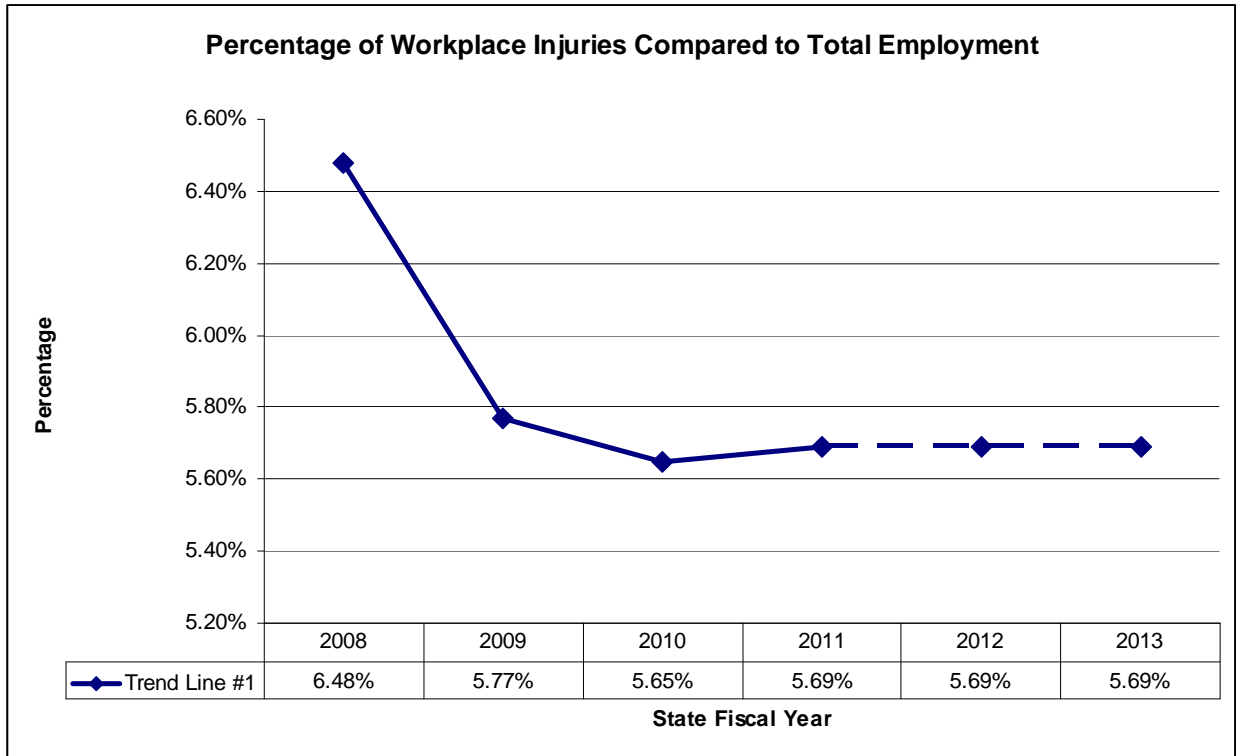
Trend Line #1 - Percentage of Delinquent Tax Compared to Total Tax in Unemployment Insurance

Trend Line #2 - Percentage of Delinquent Tax Compared to Total Tax in Workers' Compensation

Trend Line #3 - Percentage of Fair Employment Cases Filed in relation to Total Employment

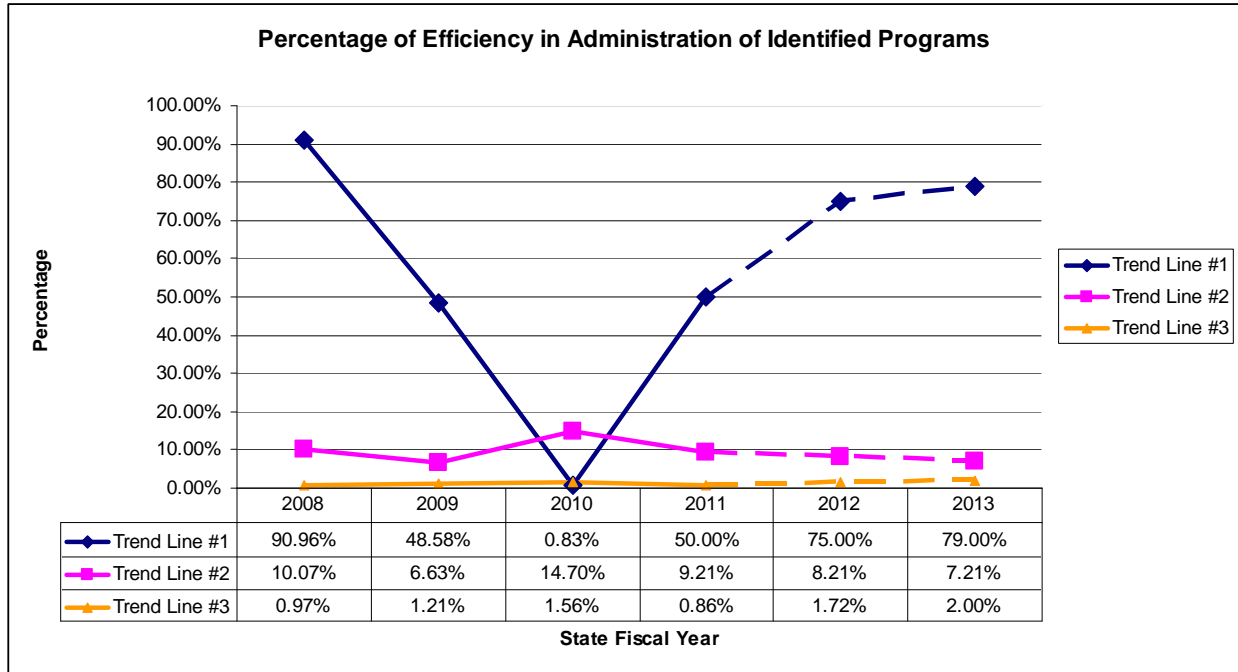
Trend Line #4 - Percentage of Wage and Hour Claims Filed in relation to Total Employment

#4 Percentage of Workplace Injuries Compared to Total Employment



Trend Line #1 - Percentage of Workplace Injuries Compared to Total Employment

#5 Percentage of Efficiency in Administration of Identified Programs

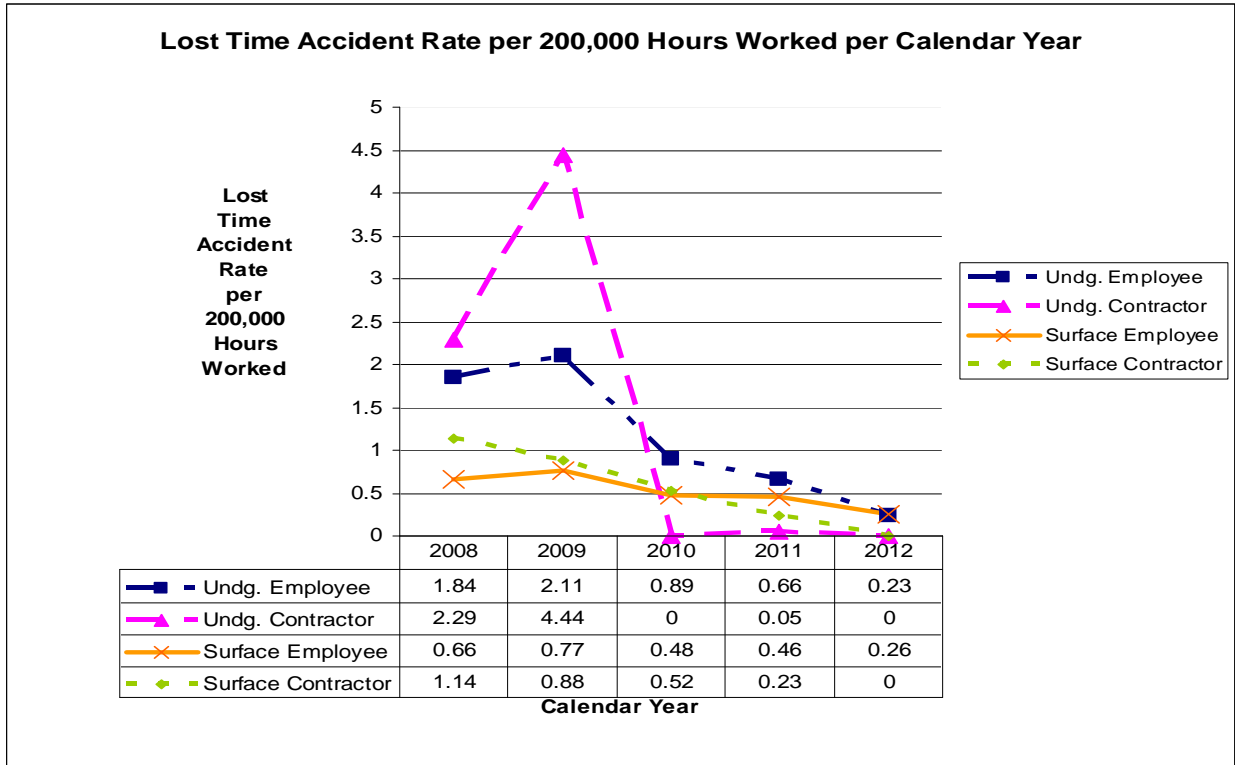


Trend Line #1 - Percentage of Appeals Decided within 30 Days of Receipt

Trend Line #2 – Percentage of Overpayment of Unemployment Insurance Benefit Accuracy Measurement Dollars

Trend Line #3 - Percentage of Businesses Accounts Audited

#6 Lost Time Accident Rate per 200,000 Hours Worked per Calendar Year



Trend Line 1: Underground Employee

Trend Line 2: Underground Contractor

Trend Line 3: Surface Employee

Trend Line 4: Surface Contractor

STORY BEHIND PERFORMANCE

#1 Percentage of Jobseekers Successfully Placed and Retained

Performance Measure #1, Trend Line #1 – Percentage of Jobseekers and Incumbent Workers that Completed Training and were Employed or Retained

This trend line consists of data from the Workforce Development Training Fund, Employment Services Programs and the WY Quality Counts! Program.

The Workforce Development Training Fund has worked diligently to increase program awareness, and because of these efforts, has experienced significant expansion in the number and types of businesses that utilize the Fund as compared to the previous fiscal year. The Workforce Development Training Fund works diligently toward assisting Wyoming citizens and businesses with their training needs. This includes expanding and updating their skill sets in order to achieve success. The Workforce Development Training Fund measures its success by looking at the reduction in employee turnover for businesses after the training has occurred, the ability for both individuals and businesses to achieve higher profits and through training for potential employment opportunities. Wyoming normally experiences a low unemployment rate due to a variety of factors. The Workforce Development Training Fund ensures that individuals and businesses have a viable potential for economic success in Wyoming by providing avenues for necessary training. The Training Fund also helps entice new businesses to locate in Wyoming. This program allows businesses seeking to relocate to Wyoming an opportunity for training dollars for their new workforce.

Augmenting the Workforce Development Training Fund and its benefits, the Employment and Training Division provides training services to eligible individuals based on unique strengths, resources, priorities, concerns, abilities, capabilities, interests and informed choices. The Division's goal is to add skills to the workforce and to help remove barriers to successful employment. Wyoming's economy continues to become more knowledge-based in that many positions are requiring higher levels of training and/or technological expertise. The Division remains dedicated to meeting the current needs facing Wyoming's economy and future workforce demands as new industries evolve within the state. As the demand for a higher-skilled workforce emerges, the Division is working diligently to create and maintain strong state and community partnerships. The Division is constantly working to identify and implement innovative strategies that identify those needed skills, develop training opportunities, and design its services and funding streams to meet Wyoming's evolving economic needs.

As Wyoming's population and industry continually evolves, so does the need to add skills to potential and existing workers. Typically, as workers or employers identify a skills need, the Department facilitates access to training activities. Training services that are offered by the Department include activities such as subsidized on-the-job training, classroom training and customized training. Supportive services are also provided to eligible individuals to assure successful participation in those activities, ultimately intended to improve success in employment.

The WY Quality Counts! Program also contributes to the Department's ability to train and place workers. The WY Quality Counts! Program offers grants to licensed child care

providers and their staff to subsidize the cost of attending training so that educated, skilled workers will remain employed in the child care industry.

In FY 2011, the WY Quality Counts! Program experienced a 10 percent decrease in the total applications received for training grants compared to the volume received in FY 2010. Though the overall volume of applications has declined, the amount of total grants completed has increased by 8 percent (approximately 36 grants) from FY 2010 to FY 2011 and the number of grants denied declined by 45 percent (46 grants total). It is evident that child care providers are more aware of the expectations, timelines and documentation required in submitting a grant application. The decrease in volume can be attributed to factors related to the economy - most notably, the decreased amount of training opportunities that were available locally, statewide and nationally. In discussing training opportunities with child care providers throughout the year, it was evident that the increased cost of travel in terms of airfare, gas and hotels deterred long-distance and overnight travel for many child care providers or forced them to send a minimal number of staff to trainings.

Performance Measure #1, Trend Line #2 – Percentage of Work-Ready Individuals with Significant Employment Barriers that were Placed and Retained

This trend line consists of data from offenders, food stamp recipients, and veterans in the Employment Services Programs; the Employment and Training for Self-Sufficiency Program; the Senior Community Service Employment Program; and the Vocational Rehabilitation Program.

The Department continues to view intensive counseling and guidance services as essential pieces to the successful placement of program participants with significant employment barriers into unsubsidized positions. These counseling and guidance services empower participants and remove barriers to employment. The Department will continue to create innovative strategies such as coordinated case management, intensive counseling and guidance to address future demands from populations with significant barriers to employment.

One of the groups that has significant employment barriers is Wyoming seniors. The Department's Senior Community Service Employment Program contracts with Experience Works, a 501(c)(3) non-profit organization, to serve the state as its sub-grantee to provide services to this population. During 2009, Wyoming received both regular and American Recovery and Reinvestment Act grant funds for this program. With the additional funding, there was a significant increase in participant enrollment. Though an increase in enrollment is valuable to seniors and communities, a significant decrease in funding for 2010 did not permit the program to sustain high enrollment levels. At this juncture, the primary focus of the program is to provide supportive services and employment placement assistance to participants. The economic climate has made it difficult for seniors to obtain employment. Focusing on sustainability ensures the best outcome overall.

Another group that faces significant employment barriers is workers making less than a self-sufficient wage. The Department's Employment and Training for Self-Sufficiency Program

funds programs that are designed to meet the goals of providing employment and training opportunities that:

- Assist income-eligible parenting adults to develop skills so they can experience wage progression;
- Prepares individuals to enter high-demand occupations that pay above-average wages;
- Decreases the gender wage gap in Wyoming by providing female workers with training in non-traditional occupations; and
- Decreases the number of individuals who must work multiple jobs to survive.

The Employment and Training for Self-Sufficiency program serves multiple facets of the community. The program provides training that allows individuals to gain necessary skills to effectively compete in today's work environment. These include both work and life skills so low-income parents can achieve long-term, sustainable self-sufficiency. The Employment and Training for Self-Sufficiency program also helps businesses as they strive to have a well-trained, well-qualified workforce to meet customer demand. By working with both individuals and businesses, the program helps to build sustainable, healthy communities for the future of Wyoming.

From October 1, 2008 – September 30, 2010, the Employment and Training for Self-Sufficiency training programs served a total of 808 participants (a 58 percent increase from 2006-2008). Of the total participants, 70 percent completed training and 50 percent of the participants who completed training were able to transition into unsubsidized employment.

Additionally, the Employment and Training for Self-Sufficiency program is managing a one-time funding grant from Department of Family Services that began in January 2010 and will expire on September 30, 2011. From January 1, 2010 to present, the Temporary Assistance for Needy Families funding has served a total of 441 participants statewide. Of the total participants, 46 percent have thus far completed training and 56 percent of the participants who have completed training have been able to transition into unsubsidized employment.

The Employment and Training for Self-Sufficiency program has enrolled 307 participants into training programs statewide since October 1, 2010. These participants are parenting adults whose earnings are 185 percent or below the Federal Poverty Level. Of those enrolled, 196 have completed the training programs they entered, and 155 were hired into full-time employment where they experienced wage progression.

Another prime group of jobseekers who face employment barriers are individuals with disabilities. Each year, the Department's Division of Vocational Rehabilitation strives to meet or exceed the federal standards that are in place to measure its effectiveness. In recent years, the Division has been faced with challenges, and successful employment outcomes have been problematic. Individuals with disabilities are often times one of the first populations to experience the effects of a slower economy. The loss of long-term employees

also added to the challenges. However, with the Division now fully staffed and with an improved economy, the Division has been able to work with more clients and meet the federal performance standards. The Division of Vocational Rehabilitation has worked on ensuring that all staff receives training to productively assist individuals with a variety of disabilities, as well as ways to assist those individuals to obtain and/or retain employment. The Division has been able to support the start-up of a number of small businesses. A number of these small businesses have created a trickle-down effect that has increased the employment opportunities for others, specifically those with disabilities.

Performance Measure #1, Trend Line #3 – Percentage of Jobseekers Placed in Employment

This trend line consists of data from the Employment Services Program.

The Employment and Training Division administers several programs aimed at placing jobseekers into employment. Two components to the Employment and Training Division are the Workforce Center staff and *Wyoming at Work*, an online job-matching system, which brings together jobseekers and potential employers. Using *Wyoming at Work*, employers can post job vacancies and jobseekers can post resumes. This tool allows staff to interact with jobseekers and employers to make successful matches. The Workforce Center staff recruit, screen, train and place workers based on employer needs. *Wyoming at Work* serves as the central tool that Department staff utilize to perform job-matching functions.

The Workforce Centers continue to use a staff-intensive approach to connect qualified workers with employers in order to achieve their primary objective of placing qualified workers in Wyoming's businesses. The Department strives to place the right person with the right company in the right position at the right time. When these four elements come together, the Department creates a success story. Jobseekers come to the Department not only seeking employment, but to gain value-added services, and ultimately, to become successfully employed. The Department assists jobseekers to identify employment needs that match their unique situations, to meet the qualifications for employment and to work toward a successful placement. In addition, the Department serves employers with recruiting, screening and training services to identify qualified workers to fill their current and future open positions. The success of placements is dependent on a continuing collaborative relationship with community partners.

Performance Measure #1, Trend Line #4 - Percentage of Jobseekers Retained in Employment

This trend line consists of data from the Employment Services program.

While placing jobseekers into employment is one of the Department's mission-critical charges, the Department aspires to assist workers to retain employment. During the recent recession, jobs were difficult to secure and difficult to keep once obtained. Although the unemployment rate has dropped in Wyoming, signs of a struggling economy remain. Many jobseekers have obtained employment; however, the job may be considered undesirable based on previous experience, and the retention rate is not as high as it would be in a robust economy.

#2 Percentage of Services that Met or Exceeded Customer Service Expectations and Standards

Performance Measure #2, Trend Line #1 – Percentage of Unemployment Insurance Claimants that Received First Payment within 21 Days

This trend line consists of data from the Unemployment Insurance Program.

The second performance measure gauges the timely provision of benefits for individuals that have lost their employment through no fault of their own. This measure helps support the Department's commitment to excellent customer service. The Unemployment Insurance Division has consistently delivered benefit services to customers in a timely and accurate manner. The First Pay Time Lapse process measures the number of days from the end date of the first compensable week to the date the first payment is made. The federal standard requires that a minimum of 87 percent of first payments be made within a 21-day time frame, and the Division continues to deliver First Pay service which exceeded the federal standard. The gradual decline in performance is due to the increase in workload from Emergency Unemployment Compensation and staffing levels held at pre-Emergency Unemployment Compensation levels. In 2008 there were 11,470 first payments, and in 2011 there were 25,679 first payments.

Performance Measure #2, Trend Line #2 – Percentage of Workers' Compensation Injury Reports Processed within Three Days

This trend line consists of data from the Workers' Compensation program.

The claims unit enforces a standard of processing injury reports within three days. This includes contacting the employee and the employer within three days of receiving an injury report. This practice has been in place since 2005. When an injury report is received, it is manually date-stamped, imaged into the system and transferred to a Claims Analyst to process. The date stamp is also displayed on the current mainframe system. The division of workload is established by allocating employer accounts to specific Claims Analysts. This system allows the Claims Analysts to have specific contacts with employers and to understand how injuries occur in a particular workplace.

Performance Measure #2, Trend Line #3 – Percentage of Customer Feedback Cards that were Positive

This trend line consists of data from the Employment Services Programs and the Vocational Rehabilitation Program.

The Department of Workforce Services started collecting client feedback in 2008. The Department needed input regarding the effectiveness of services provided. Postage-paid postcards were provided in all of the offices. Clients then could fill out the card and send it via mail to the Department. The feedback was collected in a database. In the data that was presented for this trend line, only the Employment Services and Vocational Rehabilitation Divisions provided the comment cards. Since the Department has reorganized, this process will be implemented in all additional offices.

The customer feedback percentage has slightly decreased since the start of this program. This decrease could be from three possible reasons. First, the decrease may be a result of a slower economy resulting in more people coming into the Workforce Centers seeking services. In some instances, clients may not qualify for a particular program which then can lead to frustration. Despite the efforts to refer the client to other possible solutions, in some cases, the client leaves negative feedback or no feedback at all.

Secondly, although there is a centralized Claims Center for Unemployment Insurance benefits, many clients in need of these benefits sought assistance from their local Workforce Centers. All Workforce Centers provided computers for online filing, and most provided direct phone lines into the Claims Center at no cost to the clients. At the time these comment cards were collected, the Department of Workforce Services did not administer the Unemployment Insurance program as it fell under the former Department of Employment's jurisdiction. Therefore, former Department of Workforce Services' employees were limited in answering Unemployment Insurance benefits questions which often frustrated the client.

Finally, another likely reason for the decrease in the amount of cards received is the Department's ability to get clients to fill out the cards. In 2009, over 1,000 cards were collected. In 2011, that number fell to 222.

Performance Measure #2, Trend Line #4 – Percentage of Temporary Total Disability Individuals in Workers' Compensation that Received a Check within 31 Days

This trend line consists of data from the Workers' Compensation Program.

The claims unit continues to provide quality and efficient service to injured workers. One measure of that commitment to service is how quickly injured workers suffering a loss of wages due to inability to work, receive Temporary Total Disability benefits. Approximately 97 percent of Temporary Total Disability payments to injured workers were made within 31 days of receipt of the application. This number has remained nearly static since state FY 2005. To expedite these early payments, the claims unit maintains a standard of review and processing for all injury reports of three days from date of receipt of the report of injury. The requirement of determining compensability as quickly as possible allows for more timely payment of appropriate benefits.

However, one major circumstance, which affects the timely payment of benefits, is the length of time contested cases are at hearing - which the Division has little or no control over. A hearing could potentially delay payment of benefits for six to nine months, when the case is found compensable and the claimant is awarded benefits by court order.

#3 Percentage of Employers that Received Complaints or were found to be in Non-Compliance

Performance Measure #3, Trend Line #1 – Percentage of Delinquent Tax Compared to Total Tax in Unemployment Insurance

This trend line consists of data from the Unemployment Insurance Program.

Crucial to the performance of the Unemployment Tax Division is the collection of delinquent premiums for Unemployment Insurance. Uncollected taxes are socialized to all employers, thus penalizing those employers paying in accordance with the requirements. For Unemployment Insurance, the delinquency percentage compared to overall tax revenue was 3.0 percent for state FY 2010 and 2.9 percent for state FY 2011, down from 4.2 percent in 2009. The delinquency amounts do not include bankrupt accounts or any estimated jeopardy assessments, which is consistent with federal reporting standards. The tax revenue excludes penalties, interest and investment income from the fund.

Although the economic recession continues to impact the ability of some employers to pay taxes in a timely manner for Unemployment Insurance in state FY 2010 and state FY 2011, employer delinquency percentages decreased. Because Unemployment Insurance tax rates increased in calendar year 2010 and remained high in calendar year 2011, a resultant lower percentage of delinquent tax in relation to total tax paid was observed.

Unemployment Insurance tax rates are determined by statutory formulas using reported wages data and the Unemployment Insurance Trust Fund balance. Unprecedented Unemployment Insurance claims payments in calendar year 2009 and 2010, combined with lower reported wages, caused the unemployment insurance tax rates to increase. In 2009, the average Unemployment Insurance tax rate on total wages was 0.63 percent. In 2010, the average Unemployment Insurance tax rate on total wages was 1.17 percent and in 2011 it was 1.93 percent.

Unemployment Insurance Field Staff Auditors are responsible for meeting federal audit penetration rates and contacting delinquent employers for collections. While the delinquent Unemployment Insurance dollars increased, the number of staff resources in the Unemployment Insurance Field Tax Section remained below 1996 staffing levels. In addition, the Field Tax Section experienced turnover with the vacating and re-filling of three vacancies in 2010, requiring extensive training of new staff.

Performance Measure #3, Trend Line #2 - Percentage of Delinquent Tax Compared to Total Tax in Workers' Compensation

This trend line consists of data from the Workers' Compensation Program.

A crucial component for the administration of the Workers' Compensation fund is the collection of delinquent premiums by the Workers' Compensation Division. Uncollected premiums are socialized to all employers, thus penalizing those employers paying in accordance with the requirements. For this measure, the delinquent amount was premium due only and the premium revenue total did not include case cost liability penalties or investment income. This is the fourth year in a row that the Department saw an increase in the delinquency percentage. In state FY 2010 the percentage was 0.58 percent and it has increased to 0.73 percent. The amount of delinquent premiums is currently \$1,279,571 and is the highest it has been since 2005. This could be attributed to the economic downturn.

Since the reorganization of Department of Workforce Services and the Department of Employment, the Workers' Compensation Audit and Collection staff has been joined

together with the Unemployment Insurance Audit and Compliance staff. A more focused effort for joint auditing and collecting began in the summer of 2011, and should reduce delinquencies in the future.

Performance Measure #3, Trend Line #3 – Percentage of Fair Employment Cases Filed in Relation to Total Employment and Trend Line #4 – Percentage of Wage and Hour Claims Filed in Relation to Total Employment

These two trend lines consist of data from the Labor Standards Program.

The nationwide downturn in the economy is reflected in both total employment and complaints initially increasing, then decreasing as numbers of unemployed stayed consistent and filing deadlines expired. Additionally, unemployed individuals have no grounds for claims or complaints, thus reducing filed claims. These numbers are expected to gradually return to pre-recession rates as, historically, the rates hover around .08 percent for fair employment and .30 percent for wage and hour.

#4 Percentage of Workplace Injuries Compared to Total Employment

This trend line consists of data from the OSHA Program.

Vital to the Wyoming Workers' Safety (Wyoming OSHA) program strategy for the reduction of workplace fatalities, injuries and illnesses, is the ability to access Workers' Compensation information and use it to assess injury frequency and severity rates.

The federal FY 2011 information displayed mixed results. While the injury trend line increased slightly from last fiscal year by 0.04 percent to 5.70 percent, the trend line is still in a positive direction when the prior years are considered. The Department has also received mixed results observed regarding the severity rate. Claim costs increased to \$14.2 million, or 10.24 percent, and the resultant cost per case also showed an increase of 27.48 percent, or \$2,528 per claim. Fiscal Year 2011 was the first year the Fund experienced the full impact of the recent changes in statutes; particularly the changes which increased the Temporary Total Disability and Death Benefit payments. Overall, definitive reasons for the fluctuations in injury frequency and severity have not been ascertained

#5 Percentage of Efficiency in Administration of Identified Programs

Performance Measure #5, Trend Line #1 - Percentage of Appeals Decided within 30 Days of Receipt

This trend line consists of data from the Unemployment Insurance Program.

In FY 2011, the Division issued 3,966 decisions that involved issues from the Unemployment Insurance program. The Unemployment Insurance Commission issued 480 decisions during the same period. The Unemployment Insurance program operates as a state-federal partnership where unemployment appeals are subject to requirements of federal law, regulation, U.S. Department of Labor directives and compliance audits conducted by the U.S. Department of Labor. Federal regulations require that 60 percent of appeals cases be resolved within 30 days of the date of appeal, and 85 percent resolved within 45 days from the appeal.

The delay in providing decisions for Unemployment Insurance appeals has certainly rebounded in a positive direction. While still not at the desired level, the Department has seen substantial improvement. The improvement is largely due to two significant factors: (1) the level of unemployment has had a significant reduction with a statewide unemployment rate of 5.9 percent for June, 2011; and (2) several improvements have been made within the Appeals Division which provided additional resources to handle appeals in a timelier manner. The Division has added an additional Hearing Officer and Clerical Support position.

Of particular importance is the backlog of cases older than 120 days. The Division was able to conduct hearings on 201 appeals that were older than 120 days. While there are no statutory time requirements for holding hearings, there are standards set by the U.S. Department of Labor.

Performance Measure #5, Trend Line #2 – Percentage of Overpayment of Unemployment Insurance Benefit Accuracy Measurement Dollars

This trend line consists of data from our Benefit Accuracy Measurement Program.

The Benefit Accuracy Management program reviews random Unemployment Insurance claims. The program reviews 360 paid claims each year which is considered to be approximately 2 percent of all claims. The data within this trend line are estimates of the total overpayments calculated from the Benefit Accuracy Measurement cases that were found to be overpaid.

Performance Measure #5, Trend Line #3 - Percentage of Business Accounts Audited

This trend line consists of data from the Unemployment Insurance Program and the Workers' Compensation Program.

From the mid-1990s through December 31, 2010, the federal Department of Labor required that states audit a minimum of 2 percent of all employers annually in the Unemployment Insurance Program. Employer audits are conducted to ensure compliance with the Unemployment Insurance Program. A change to the audit requirements issued by federal partners impacted the number of audits conducted in FY 2011. Wyoming met the federal audit penetration rates in state FY 2010 (2.08 percent).

The Unemployment Tax Division has eight and one-half Senior Auditor positions, performing Unemployment Insurance audits, collections and compliance functions for the state. During calendar year 2010, the Division experienced a reduction in auditing staff due to personnel changes. It takes approximately one year from the date of hire for a new Senior Auditor to be proficient in conducting Unemployment Insurance audits that meet federal requirements.

Effective January 1, 2011, the Department's federal partners at the U.S. Department of Labor changed the audit requirements. The new federal performance measure for audits require auditing a minimum of 1 percent of all employers, identifying a minimum of 2 percent of total wage changes during audits, auditing 1 percent or more of the total wages reported and

identifying one or more “misclassified” workers (on average) per audit. These new performance measures, intended to identify more misclassified workers than under the prior performance measures and to result in more changes found during audits, will result in more time spent per audit. In addition, the Department of Workforce Services is working toward conducting combined Unemployment Insurance/Workers’ Compensation audits. Senior Auditors will need to be trained to conduct these joint audits while also learning the new federal audit performance measures.

The Wyoming Workers’ Compensation Tax Division had seven Senior Auditor positions performing audits, collections and compliance functions covering the entire state. During the preceding years, including calendar years 2009 and 2010, the audit penetration rate was established at 2 percent of the active tax-based employer accounts as of June 30th. For Wyoming there were 18,125 active tax-based Workers’ Compensation accounts on June 30, 2011, which established the audit quota or penetration requirement at 363 employer audits for calendar year 2011. As of June 30, 2011, there were 78 audits completed as well as 152 Wage Reviews - an audit that will not meet the full requirements of a qualified audit.

The Division has been below the targeted penetration rate of audits due to high employee turnover and a focus on compliance audits and wage reviews which are a condensed version of a complete audit.

#6 *Lost Time Accident Rate per 200,000 Hours Worked per Calendar Year*

This trend line consists of data from the State Mine Inspector’s Office.

The Office of the State Mine Inspector considers lost time accidents a primary indicator of workplace safety on mine sites. Total lost time accidents from surface and underground operations decreased from 112 in 2009 to 64 in 2010. A major focus for mine inspectors has been underground operations, including contractors. This effort has been effective, as a steady decline of lost time accidents has been observed in the underground operations.

IMPROVING PERFORMANCE

#1 Percentage of Jobseekers Successfully Placed and Retained

Performance Measure #1, Trend Line #1 – Percentage of Jobseekers and Incumbent Workers that Completed Training and were Employed or Retained

This trend line consists of data from the Workforce Development Training Fund, Employment Services Programs, and the WY Quality Counts! Program.

In the Workforce Development Training Fund, performance will be improved over the next fiscal year by intensifying the promotion of the Fund to local businesses and training entities in an attempt to further diversify the types of businesses accessing the Fund. Additionally, program staff will work with the Department's Marketing Team to develop an annual report and update marketing materials to further increase awareness and expand use of the Fund.

The Employment and Training Division drives all potential Workforce Investment Act training providers to a two-tiered approval process that ensures each provider and its programs meet the Division's standards. The provider's application is initially reviewed by Division staff. Afterwards, it is reviewed by the Workforce Development Council before final approval is given. The Division will continue to follow this required policy to assure training taking place within the state is of the highest quality.

The Employment and Training Division also continues to diversify and increase the types of supportive services available to eligible training participants. This allows participants to focus on training and employment.

The Employment and Training Division continues to concentrate on providing quality training to participants that may need it, and the placement of those participants in suitable employment following their training.

The Department will continue its ongoing work with the community colleges, the University of Wyoming and other training providers to develop and implement new curriculum and training programs, as dictated by changes in the economic market, rates of unemployed individuals and other state and local conditions.

The WY Quality Counts! Program will improve the amount of grants offered and completed in FY 2012. To accomplish this, staff will work diligently to promote the program and its services to child care businesses throughout Wyoming. The WY Quality Counts! Program staff will also work with training entities throughout the state to encourage the planning and execution of high quality, reliable training sessions and seminars delivered in cost-effective formats.

Performance Measure #1, Trend Line #2 – Percentage of Work-Ready Individuals with Significant Employment Barriers that were Placed and Retained

This trend line consists of data from offenders, food stamp recipients, and veterans in the Employment Services Programs, the Employment and Training for Self-Sufficiency

Program, the Senior Community Service Employment Program, and the Vocational Rehabilitation Program.

The *Wyoming at Work* system, the Department's online job-matching system, has an emphasis on veterans priority of service, thereby providing opportunities so veterans and their spouses know this priority exists. All Divisions within the Department will continue to work with their partners to increase outreach efforts to these populations.

The Senior Community Service Employment Program is committed to improving performance. The strategies will be: (1) partner with employers to improve job placement opportunities, (2) sustain enrollment levels based upon a fiscally responsible level, and (3) better coordinate the programs and services offered by the Department of Workforce Services, Experience Works and other community services for seniors.

In the Employment and Training for Self-Sufficiency Program, the Program Manager is a Certified Trainer for the Bridges out of Poverty principles and will continue to provide training to the Department's staff and community partners on a monthly basis. This material offers diversity training to help individuals bridge socio-economic lines.

The Dads Making a Difference program, a sub-program of the Employment and Training for Self-Sufficiency program, has expanded to Rock Springs and Casper, and will continue to provide this training to custodial and non-custodial fathers during the next program year. The Dads Making a Difference program, which was piloted in Cheyenne has graduated 50 participants since its inception in 2008, and has already enrolled its seventh group of eight students who will be working toward an Associates Degree in Heating, Ventilating and Cooling at Laramie County Community College. The Dads program will also serve an eighth group of dads beginning early 2012.

During the next year, the Employment and Training for Self-Sufficiency program will update its policies and procedures as well as improve the tools currently used for reporting performance measures. A database will be developed for all contractors to utilize for documenting participant information, monthly invoices and participant performance.

Another important population under this measure is Wyoming youth. Youth goals are created to provide eligible youth support in achieving their academic and employment goals. The youth program relies on effective and comprehensive activities that include options for improving educational and skill competencies, and provides effective connections to employers, employment goals, appropriate achievement objectives and an appropriate combination of services to achieve either. The goals also work to build strong community-based youth workforce development systems by expanding and further solidifying the established working relationships with the business community, local youth partnership councils, educators, public and private non-profit agencies involved in youth services and any other appropriate youth providers in the community.

Through the use of the 2009 American Recovery and Reinvestment Act funds, the Department of Workforce Services, the Department of Family Services Temporary Aid for

Needy Families and the Wyoming Workforce Development Council ran a second Summer Youth Program for 2010 and served over 600 youth. The program gave youth an opportunity to receive specific work experience relevant to their career goals, as well as develop work readiness and basic life skills. The Summer Youth Employment Program ran from May 1, 2010 through September 30, 2010. Activities the Department focused on included the following:

- Provide wages for summer work experiences so that significantly increased numbers of low income youth have the opportunity to earn and learn over the summer months.
- Expose young people to the workplace; enhance academic skills and increase marketable skills to help them make informed career choices.
- Provide career guidance, coaching and support for low income youth in all areas which include: employment, postsecondary education and training, and alternative education.
- Provide expanded basic academic and computer skills tutoring and remediation to more youth to prepare them for successful transition to post-secondary education, occupational training and apprenticeships.

Wyoming's 2010 summer youth work experience program was the largest in its history. The Workforce Center staff worked closely with employers and partners to develop summer work readiness, life skills and community engagement workshops, in addition to employment and expanded work experiences in areas that are responsive to the demands of regional economies.

The Division of Vocational Rehabilitation will continue to work at meeting the standards and indicators that their federal partners outline for them. The Division also plans on continuing to make effective and efficient use of its funding to improve the lives and employment opportunities of the consumers that work with the Department.

Performance Measure #1, Trend Line #3 – Percentage of Jobseekers Placed in Employment
This trend consists of data from the Employment Services Program.

Negative economic conditions, due to the recession, have made it more difficult for the Department's Workforce Center staff to match workers with suitable employment, at least for the short-term future. The Department anticipates continued success at placing workers in employment. However, improvements in performance outcomes may be comparatively modest.

There are a number of things which will improve performance:

- The Employment Services Division will update its *Wyoming at Work* management information system to version 11.2, which provides numerous improvements that facilitate system usability and effectiveness. In turn, these improvements are expected to help with job matching and provide cleaner, more accurate data.

- The *Wyoming at Work* system contains a Workforce Appraisal tool on its home page. This tool was developed as a pre-service tool, to assist users in making the best decisions about services available to them in the system. The Appraisal also helps Workforce Specialists determine programs and services that best fit the unique needs of each client.
- In July 2008, the Division adopted a Career Readiness Certificate program which tests and rates worker skills in the competency areas of reading for information, applied math and locating information. This certificate has become more widely known and more business partners inquire about jobseekers who are certified through this program. As of August 2011, the Division had issued over 3,400 career readiness certificates to jobseekers.
- The Department will continue to maintain technical support to local Workforce Centers so their ability to successfully match jobseekers to employers is not negatively affected.
- The Department's Marketing Team and Employment and Training Division are working together to increase the number of jobseekers and businesses using services. With the current employment condition of the state, it is imperative that businesses are connected to talent and talent is connected to employment operations, to further strengthen Wyoming's economy. Regular news releases are sent out to all news media in the state so the public can routinely be made aware of outreach from the Department for workers and businesses. In addition, the Department is continuing to work through its community and state partners, such as the community colleges, to disseminate its message.
- Video monitors have been placed in each of Wyoming's Workforce Centers and are used to communicate information to jobseekers. Information is provided regarding services for veterans and youth workers, workforce appraisals, the process for finding a job, how to use the *Wyoming at Work* system, the roles of workforce specialists, Department resources for businesses, and the process for finding workers.
- The current Information Technology structures used by the Department require continuous improvement processes. Assuring integrity of current systems and future security of information is an inherent priority of the Department and meeting this performance measure.

Performance Measure #1, Trend Line #4 - Percentage of Jobseekers Retained in Employment

This trend consists of data from the Employment Services Program.

The data shows training makes a considerable difference in employment retention. The Employment and Training Division will continue to train jobseekers as funding and eligibility allows. The staff at the Workforce Centers will continue to encourage more people to accept staff-assisted services. Staff-assisted services make a difference in retention and job satisfaction compared to seeking employment unassisted.

Low-cost and no-cost improvements to policy and instruction for staff will continue to assist in more successful matches for jobseekers and businesses. The Employment and Training Division will also increase its efforts to follow up with jobseekers successfully matched and with job openings posted by employers.

#2 Percentage of Services that Met or Exceeded Customer Service Expectations and Standards

Performance Measure #2, Trend Line #1 – Percentage of Unemployment Insurance Claimants that Received First Payment within 21 Days

This trend line consists of data from the Unemployment Insurance Program.

The Unemployment Insurance Division will be better able to continue emphasizing review and investigation of claims for accuracy and more efficient processing when Emergency Unemployment Compensation is phased out in 2011. The Division will monitor procedures and provide continuing training to strive for performance levels exceeding federal conformity requirements in First Pay Time Lapse.

The Division is moving toward minimal paper pay-orders for filing all bi-weekly claims, including the first certification, by simplifying online and phone filing. The Division will strive to exceed all other federal core measures of performance in the future in partnership with the U.S. Department of Labor.

Performance Measure #2, Trend Line #2 – Percentage of Workers' Compensation Injury Reports Processed within Three Days

This trend line consists of data from our Workers' Compensation program.

The Workers Compensation Division will continue to exceed the industry standard of processing injury reports within three days of receipt. This standard ensures determination of compensability as quickly as possible along with the delivery of benefits to employees in a timely manner. The data gathered is raw data which needs to be refined for next year's reporting. Since this is a new performance goal, this will set a baseline percentage.

Performance Measure #2, Trend Line #3 – Percentage of Customer Feedback Cards that were Positive

This trend line consists of data from the Employment Services Programs and the Vocational Rehabilitation Program.

Since 2008, the Department has encouraged clients to complete Client Comment Cards. While the positive feedback rating has been fairly good, room for improvement exists. One strategy that will be used to improve performance is to encourage all clients to complete the postage-paid cards. In 2009, over 1,000 cards were received. In 2011, that number fell to 222 cards.

A second strategy that will be used to improve performance is to have the cards available at all offices. Over the time period that these cards were collected, the cards were only in the Workforce Centers and the Vocational Rehabilitation offices. Now that the Department has reorganized with the former Department of Employment, the cards have further reach into more programs.

A third strategy that will be used to improve performance is to make the card available on the Department's website. By allowing the cards to be submitted via the website in addition to the hard-copy cards, the amount of cards received should increase.

The final strategy that will be used to improve performance is to train staff on the importance of customer service. Reminding staff to always provide a solution to a client's issue and to be professional and pleasant at all times will help to support an increase in this measure.

Performance Measure #2, Trend Line #4 – Percentage of Temporary Total Disability Individuals in Workers' Compensation that Received a Check within 31 Days

This data consists of data from the Workers' Compensation Program.

The Workers' Compensation Division will strive to maintain the exemplary performance standard of making timely Total Temporary Disability benefit payments and endeavors to improve delivery of all other services. One method to improve service will be to educate employers and employees of their rights and responsibilities in regard to filing injury reports and claims for benefits. This information sharing is provided by the Division's Customer Service Representative with local community presentations, on-site visits by Case Analysts and by the addition of downloadable forms on the Department's website.

The Division of Workers' Compensation is transitioning from a mainframe computer system to a web-based system in December, 2011. Online injury reporting will be offered to employees and employers which will reduce the time to report injuries. Kiosks throughout the Department of Workforce Services and the Division of Workers' Compensation will be provided on the local level for reporting. Projections for 2012 & 2013 should see an increase in the number of Temporary Total Disability benefits paid within 31 days to 98 percent or above.

#3 Percentage of Employers that Received Complaints or were found to be in Non-Compliance

Performance Measure #3, Trend Line #1 – Percentage of Delinquent Tax Compared to Total Tax in Unemployment Insurance

This trend line consists of data from the Unemployment Insurance Program.

The unemployment insurance Field Tax Section will be merged with the Workers' Compensation Field Tax Section and the Department will begin conducting joint audits. A minimum of 1 percent of all active employers will be audited annually, with an emphasis on identifying misclassified workers, in compliance with federal requirements. The Department will place an emphasis on conducting audits in industries and business types with known high reporting error rates. The Division will continue to encourage and train employers on the use of the online WIRE reporting program and is developing an electronic payment option to further reduce paperwork. With the support of the Attorney General's Office, the Division plans to increase enforcement of available legal actions on employers who engage in fraudulent activities.

There is a risk of increased delinquencies in the near future if unemployment rates rise and another recession impacts Wyoming. Additional field staff would help offset some of the increase, but the Division has neither the budget nor the positions to add staff at this time.

Performance Measure #3, Trend Line #2 - Percentage of Delinquent Tax Compared to Total Tax in Workers' Compensation

This trend line consists of data from our Workers' Compensation Program.

The Division attempted to decrease the delinquency amount in FY 2011, but was unable to bring the delinquency level under the amount outstanding in EY 2010. The Division conducted as many audits as were done in FY 2010. Staff continued to take delinquent employers to small claims court to collect delinquent premiums. Also, better attempts were made to collect premiums from employers early in the delinquent process.

The Department has reorganized and united the audit and compliance sections of both the Workers' Compensation Division and the Unemployment Tax Division. The reorganization will allow for more joint audits and joint collections to occur and increase collection efforts for both programs. The more focused effort for joint auditing and collecting will begin in the summer of 2011 and the expectation is to see a significant decrease in delinquent Workers' Compensation premium in the upcoming two years.

Performance Measure #3, Trend Line #3 – Percentage of Fair Employment Cased Filed in Relation to Total Employment and Trend Line #4 – Percentage of Wage and Hour Claims Filed in Relation to Total Employment

These two trend lines consist of data from our Labor Standards Program.

In an effort to improve performance in Labor Standards' functional capacities, the Department plans to increase education and training outreach in addition to stepping up compliance and enforcement presence statewide. As a normal part of the settlement agreements, whenever possible, the Department will require the employer to implement training using Labor Standards' services to increase knowledge and awareness through these education efforts.

#4 Percentage of Workplace Injuries Compared to Total Employment

This trend line consists of data from the OSHA Program.

Training and education continues to be the foundation of reducing workplace fatalities and injuries. The Workers' Safety Program, also known as OSHA, will continue to actively work with employers and employees to attempt to reduce fatalities and injuries. OSHA will also continue to provide an annual safety conference and recognize entities with outstanding safety achievements at the event. Additionally, the Division is currently involved in employer information seminars throughout the state to educate employers on a variety of health and safety topics.

The OSHA Division has experienced a significant amount of staff turnover this past year. A recruitment plan was completed and the Division is actively recruiting for three OSHA

Consultants. The primary purpose of these Consultants is to assist employers in identifying hazards and reducing workplace injuries.

Workers' Safety is also intimately involved with a partnership with oil and gas industries. The Wyoming Oil and Gas Industry Safety Alliance and OSHA have re-written the oil and gas rules in a collaborative effort in 2011. This alliance was formed in 2010 to promote safety and health improvement for the oil and gas exploration, production, transmission and refining industries in Wyoming.

By accessing company specific Workers' Compensation information, OSHA will continue to provide cost benefit information to employers, develop sensible inspection targeting criteria and monitor the impact of interventions with companies that were inspected or consulted. Continual adjusting to the various computer programs used to gather and develop information relative to workplace safety should result in further refinement and understanding of injury information.

#5 Percentage of Efficiency in Administration of Identified Programs

Performance Measure #5, Trend Line #1 - Percentage of Appeals Decided within 30 Days of Receipt

This trend line consists of data from the Unemployment Insurance Program.

The Division has conducted a site visit with the State of Utah (a best practice state) to identify methods, policies and practices which can increase the efficiency of the Appeals Division. This visit identified several opportunities for improvement which include scheduling, Hearing Officer case loads and administrative procedures. These improvements will be implemented during FY 2012.

A scheduling software program will be implemented that will automate complex case scheduling processes. This software system will integrate with the main Unemployment Insurance system providing all Unemployment Insurance sections access to the status of appeals.

The Division has also used several contract temporary workers to deal with the sharp increase in workload during the recent recession. During state Fiscal Year ending June 30, 2011, administrative assistants handled most of the administrative process on all cases scheduled before the Hearing Officers. The Division will continue to use the services of two contract hearing officers until the backlog is reduced to allowable levels.

Performance Measure #5, Trend Line #2 – Percentage of Overpayment of Unemployment Insurance Benefit Accuracy Measurement Dollars

This trend line consists of data from our Benefit Accuracy Measurement Program.

The percentage of overpaid Unemployment Insurance dollars is expected to decrease by 1 percent in 2012 and an additional percent in 2013. The cause of the overpayment of Unemployment Insurance benefits results when claimants do not report their earnings after

returning to work either part-time or full-time. The overpayment rate can be improved by better informing claimants of the consequences of not reporting earnings correctly.

Performance Measure #5, Trend Line #3 - Percentage of Business Accounts Audited

This trend line consists of data from the Unemployment Insurance Program and the Workers' Compensation Program.

Combining Senior Auditors from Unemployment Insurance and Workers' Compensation will increase the number of auditors. Training these staff in both programs, and training on how to complete unemployment insurance audits that meet federal standards and training on the requirements necessary to meet the new federal performance measures for unemployment insurance started in August 2011 will take approximately one year to complete. Performance is expected to be down slightly during state FY 2012, but to increase in 2013.

The Audit Division of the Unemployment Insurance Division and the Workers' Compensation Division have been combined into the Employment Tax Division which is under the Office of Standards and Compliance. This organizational model will essentially double the audit staff and provide the proper focus and resources for this important function. The Unemployment Insurance Division has more restrictive audit requirements as set forth by the U.S. Department of Labor. These requirements will be used for both Divisions.

The new Employment Tax Division will provide enhanced customer service and a significant increase in the total number of audits performed. Customer service is enhanced by having one audit team address both Unemployment Insurance and Workers' Compensation functions in one audit. The employer will now only have to interrupt his administrative operations once to satisfy both programs. Additionally, each Auditor will be knowledgeable in all aspects of both programs and will be able provide a more complete depth of service.

#6 *Lost Time Accident Rate per 200,000 Hours Worked per Calendar Year*

This trend line consists of data from the State Mine Inspector's Office.

The long term goal of this program is to achieve "Zero" lost work day accidents in the mining industry. Future programs and inspection activities will focus on the mechanisms of injuries and their causes to further the achievement of this goal.

Currently, the Office of the State Mine Inspector is promoting a "No Back-Up" procedure for the operators of all mobile equipment. The procedure encourages operators to always park in a position that enables the mobile equipment to move forward when operated again - rather than "back-up." Backward movement, especially with large mobile equipment, creates many serious safety concerns primarily due to the reduced visibility for the operator.

Another major effort will be to encourage worksite examinations by mine employees to identify and correct possible unsafe conditions before performing any type of work task. If done consistently and regularly this practice will remedy unsafe conditions - preventing injuries. The Office of the State Mine Inspector will educate and train mine employees, as

well as mine contractors, to recognize worksite hazards and perform necessary corrective actions.