



► **2016** Budget Presentation

IOWA
WORKFORCE
DEVELOPMENT



Beth Townsend

DIRECTOR

Iowa Workforce Development

Appointed by Gov. Branstad

Confirmed by Iowa Senate unanimously
March 24, 2015

Former Director of the Iowa Civil Rights Commission

Civil Rights & employment lawyer
represented individuals before federal and
state jurisdictions, including the United
States Supreme Court, the Eighth Circuit
Court of Appeals and Iowa Supreme Court

Air Force Reserve

Retired as a Lieutenant Colonel after
21 years of active and reserve duty



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Michael Mauro

Labor
Commissioner

Oversees the Iowa Division of
Labor Services

Responsible for the administration
of state and federal statutes related
to public health, safety and workplace
related issues

Emphasis is on **voluntary
compliance** through education and
preventative services

Continuing to implement the vision
of **creating a “culture of safety”**
throughout Iowa’s labor force



Joe Cortese II

Workers Compensation
Commissioner

Newly renovated offices with
state-of-the-art hearing rooms

New Workers' Compensation
Administration Systems (WCAS)
allowing **electronic filing of
documents** in litigated cases

Ended work at home policy for
Deputy Commissioners to create
efficiency and **team collaboration**

Organizing & working
through appeals backlog





Ed Wallace

Deputy Director

The Labor Market Information (LMI) division provides data to help assist job seekers and employers make informed decisions

Oversees LMI, the business services team and is legislative liaison

LMI analyzes and publishes statistical data on the labor force, industries, occupations, employment projections and wages as well as other economic data





Ryan West

Unemployment Insurance
Division Administrator

Oversees Unemployment
Insurance (UI) Benefits and Tax
Divisions.

Leads and coordinates customer
service efforts

Manages the Employer-Centric
State Identification Data
Exchange System (**SIDES**)





Emily Chafa

Unemployment Insurance
Appeals Manager

Oversees 15 Administrative Law Judges (ALJ), who hear and decide administrative appeals regarding UI benefits

Increased efficiency and reliability of hearing schedules for claimants and employers

ALJs score **at or near 100 percent** of the USDOL quality criteria for recent quarterly reviews





Courtney Greene

Communications Director

Has worked to create a **culture of transparency and openness at IWD**

Reestablished credibility of IWD communications by providing consistent, timely and professional press releases

Established regular internal and external communications, created social media and marketing committee and team collaborated on new Home Base Iowa website





Paul Mikkelsen

Chief Financial Officer

Administrative Services Division,
Division Administrator

Staff includes financial management
and business management

Oversees \$168.3 million IWD budget





Gary Bateman

Chief Information Officer

Leads team responsible for information systems development, implementation and compatibility

Works with every division to meet agency needs to efficiently deliver workforce services to Iowans and track progress

Provides technical expertise in assessing workforce reporting and compliance





Assists staff, management and leadership in the day-to-day operations

Files appropriate pleading in various courts in Iowa

Assists businesses in unemployment insurance payment negotiations and payment plans

Nicholas Olivencia

Legal Counsel – Legislative Liaison





Ben Humphrey

Legal Counsel

Duties include WIOA team lead for implementation and compliance.

Ben was previously a civil rights specialist at the Iowa Civil Rights Commission

Responsible for re-establishing Misclassification Unit and ensuring compliance with Executive Order requiring Limited English Proficiency (LEP)





Cathy Ross

Program Manager

Provides leadership in the development and delivery of best practices within IWD for the agency's project and program portfolio

Ensures the PMO is focusing on the project interface with project leaders, project teams, technology and interface issues to deliver projects on-time and within budget.

Oversees grant committee





Marketa Oliver

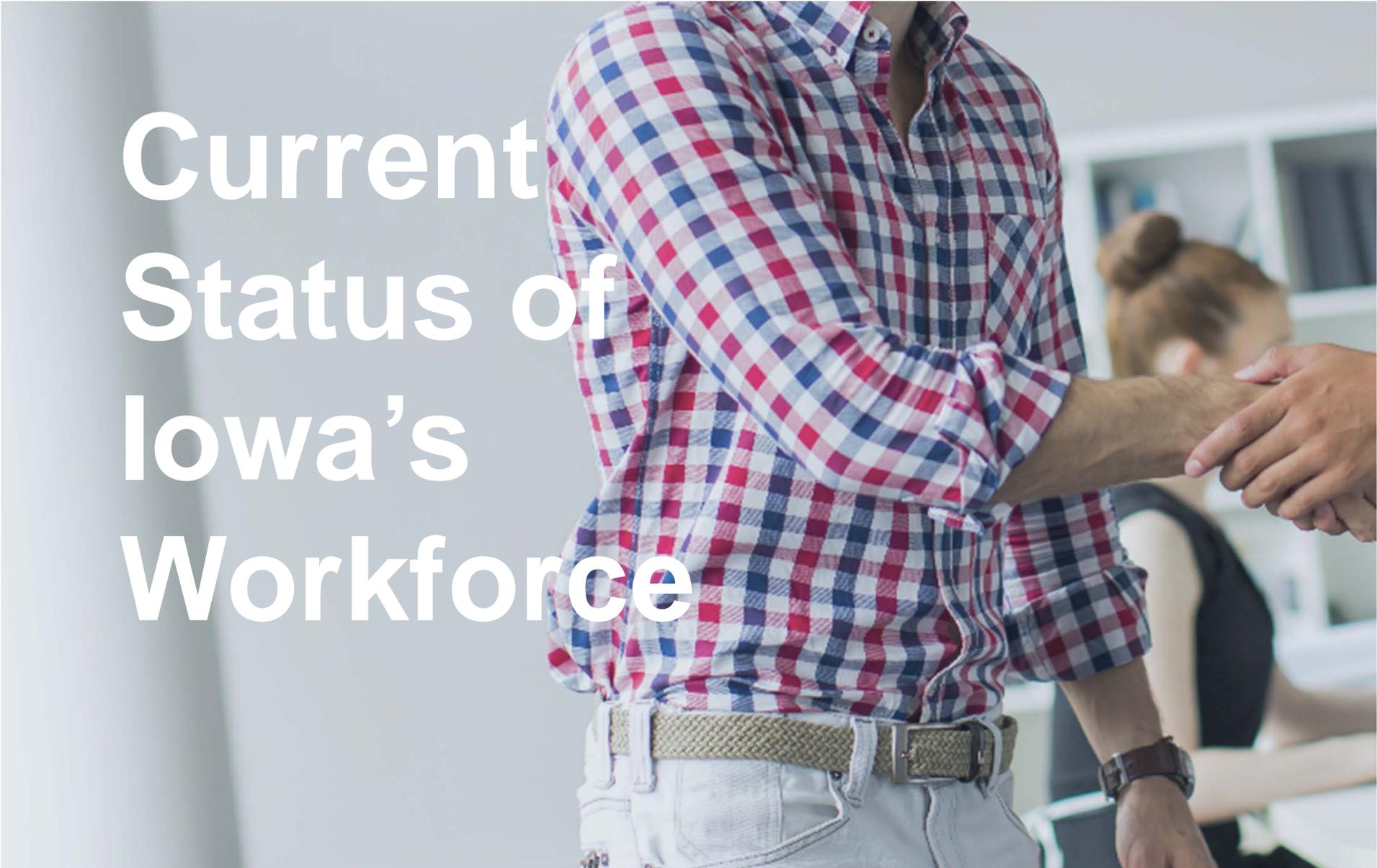
Division Administrator

Oversees 15 Iowa *WORKS* regional offices and four satellite offices

Works with district and regional managers to effectively and efficiently deliver workforce services to Iowans

Provides leadership and consistency across the state in assessing workforce needs and ensuring resource accountability





Current Status of Iowa's Workforce



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3.4%

Current Iowa
Unemployment
Rate

The U.S. unemployment
rate is 5.0 percent for
December 2015

4.4%

2014 Average
Unemployment
Rate*

3.8%

2015 Average
Unemployment
Rate*

75,200

Unemployed
Persons In
The Year 2014*

64,100

Unemployed
Persons In
The Year 2015*

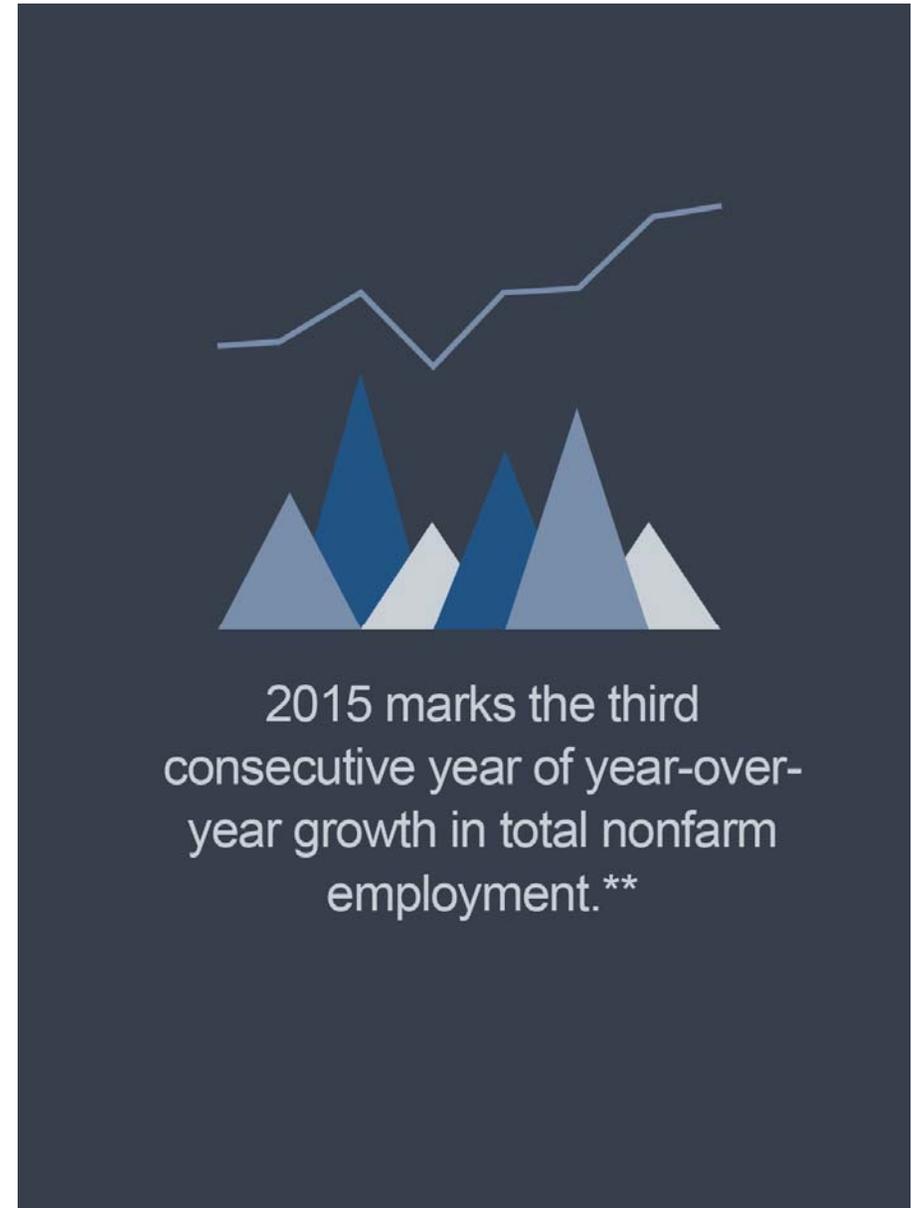
*Local Area Unemployment Statistics

The total number of
nonfarm jobs in Iowa
increased by

24,300

2014 to 2015**

**Current Employment Statistics



Homemakers & Retirees

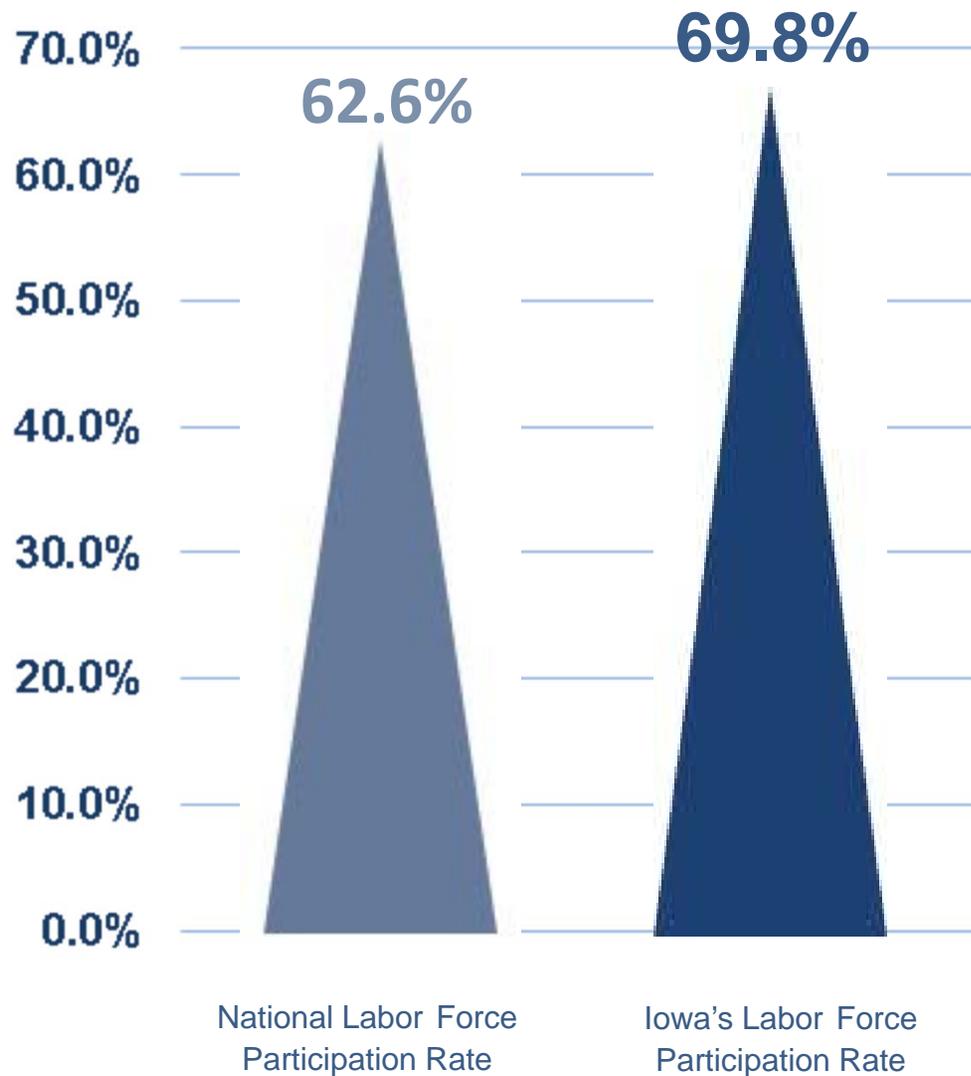
6.7% surveyed
identified themselves
as a homemaker

31.5% of homemakers
are likely to accept
employment if they find
the right opportunity

10.9% surveyed
identified themselves
as retired

18.4% of these
individuals are likely
to return to the
workforce if they find
the right opportunity





IOWA'S LABOR FORCE PARTICIPATION

—
7.2 %

Greater than the Nation

Source: BLS, December 2015



Iowa *WORKS* Field
Offices served

170,234

Iowans during FY 2015

including:

45,974

without a high school diploma

34,645

with a post-secondary degree

13,672

Veterans



NCRC

Apr. 2009 - Sep. 2015

66,055

Total
NCRC Certificates
Awarded



80%

Of Total Certificates
Awarded Were Silver
Or Gold



The number
of initial UI claims
is down by 8%
since 2012

FY 2012

193,893

FY 2013

188,905

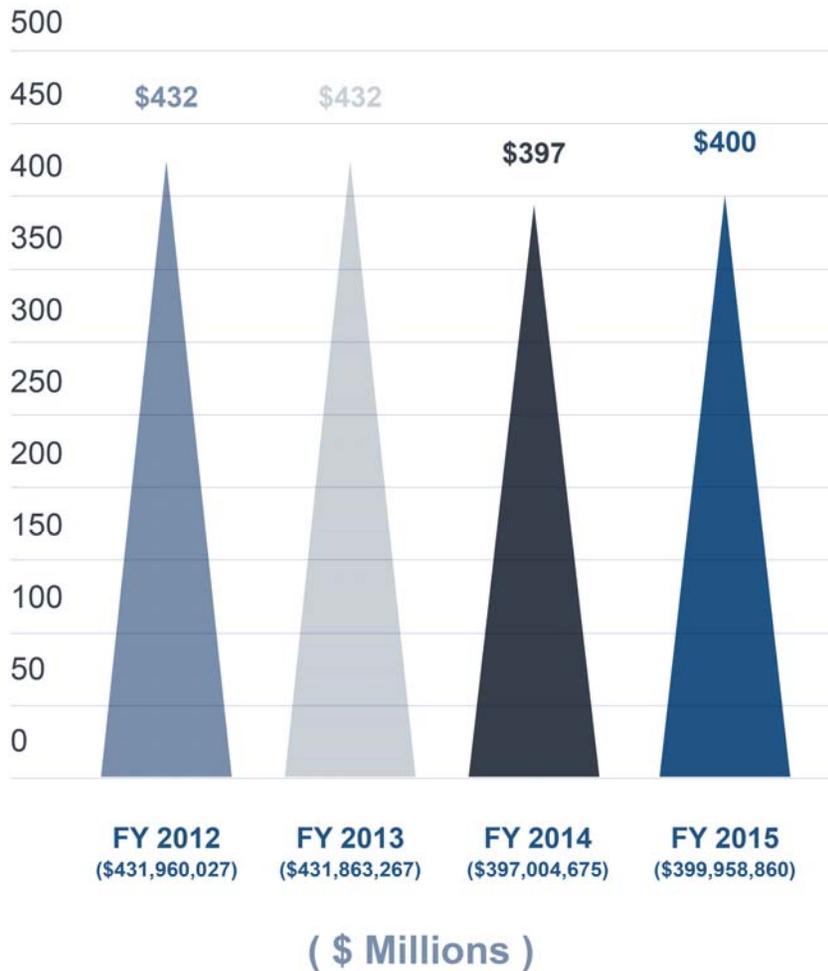
FY 2014

177,327

FY 2015

177,850

Regular UI Benefits
[ETA-5159 302-14]



Program
comparison of
total UI benefits
paid in Iowa





FY 2015

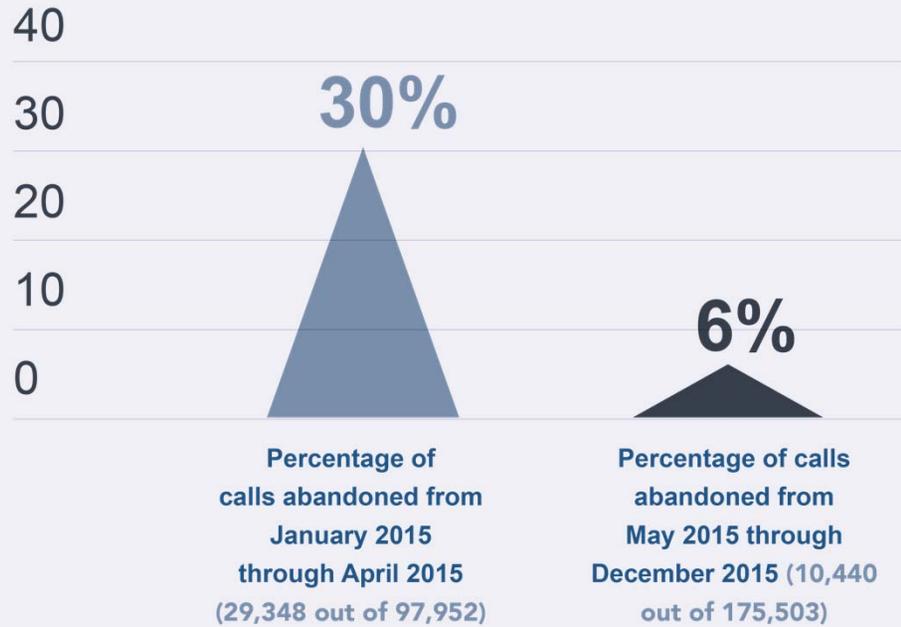
Accomplishments & Challenges

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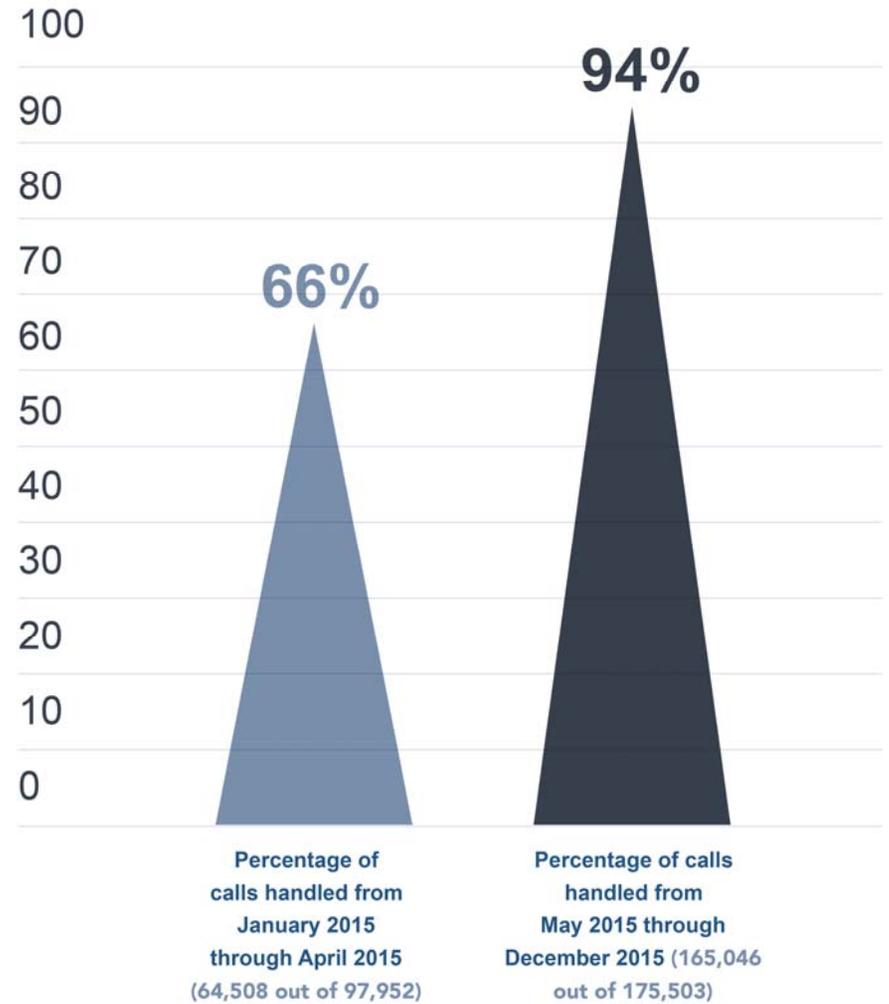
UI Customer Service

Percent of Calls Abandoned



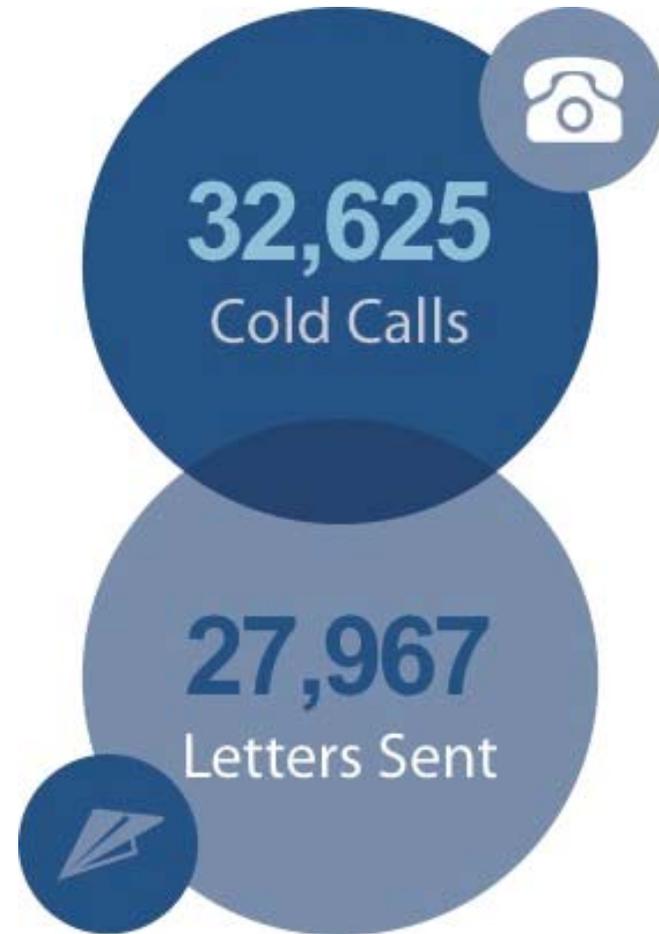
January to April 2015 Average Wait Time = 11:06
May to December 2015 Average Wait Time = 1:04

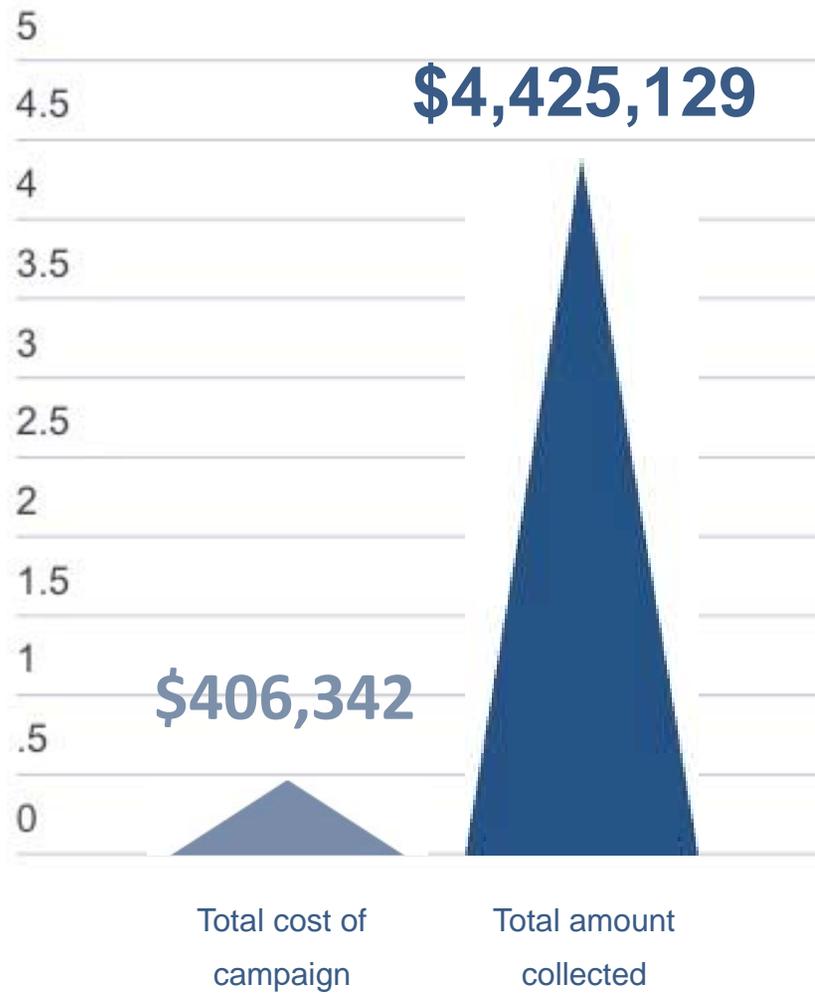
Percent of Calls Handled



Four Month Debt Collection Campaign

The Unemployment
Insurance Division
of IWD from
June – October 2015
conducted a
campaign aimed at
collecting debt from
both employers and
claimants





ROI
 —
1,089 %

UI Appeals Bureau

2015 – 2016

60%

U.S. Department of Labor
30-day timeliness goal

UI Appeals Bureau
improved from

12%

in June 2015 to

98%

in January 2016



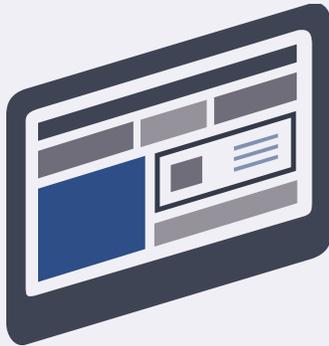
Leading IWD to repair,
rebuild, reinforce and create
dynamic and effective
workforce partnerships



IWD Partners and Stakeholders

NASWA (National Association of State Workforce Agencies)
IA Chamber Alliance Legislative Reception
Value Stream Mapping Kickoff Event
Region 11 Des Moines Office
Region 5 Ft Dodge Field Office
Iowa Central Community College Visit
Region 8 Carroll Field Office
Region 12 Sioux City Field Office
Western Iowa Tech Community College Visit
DMACC visit
Region 14 Creston Field Office
Region 1 Dubuque and Peosta Field Office
Northeast Iowa Community College
Greater Dubuque Development
Region 6 Marshalltown Field
Iowa Valley Community College
Region 9 Davenport Field Office
Eastern Iowa Community College
Region 16 Burlington Field Office
Southeastern Community College
Region 14 Creston Recognition Event
Southwest Iowa Community College
Region 13 Council Bluffs Field Office
Western Iowa Community College
DMACC Career Fair
Region 10 Cedar Rapids Field Office
Kirkwood Community College
Region 3 and 4 Field Office
Northwest Iowa Community College
Iowa Lakes Community College
Region 15 Ottumwa Field Office

Region 2 Mason City Field Office
Iowa Central Community College
Meeting and tour with Senator Rita Hart
Iowa City One Stop Field Office
Clinton Community College
WIA/ WIOA Youth Development Roundtable
Sioux City Chamber Alliance Event
Northeast Iowa Business Network and Economic Development
Decorah Office
Community College Presidents Meeting and Presentation
Council Bluffs Iowa
Iowa Job Honor Awards Attendee
Corridor HR/DCO Meeting, Iowa City BioVentures Center
Iowa Lakes Community College TRIOA Annual STEM Conference
HBI Announcement for Emmet County
Iowa Farm Bureau Conference AgState Tech Journey Graduation Speaker
Washington DC Meeting
Triumph Food Facility Meeting
ABI Public Policy Speaking Engagement
John Deere Event Transition Grand Opening
3rd Annual Community Report and Presentation
IA Women's Hall of Fame Reception
NFIB Meeting Hawkeye Community College Waterloo
Region 7 Field Office
NASWA UI National Directors Conference, Albuquerque NM
Region 9 Board Meeting
IACCT Conference Speaking Event
Iowa City Field Office Visit with Senator Dvorsky
Vermeer Business Meeting, Pella Iowa
Region 14 Field Office Visit Creston Iowa with Congressman Young
DMAC Opportunity National Event Ankeny IA

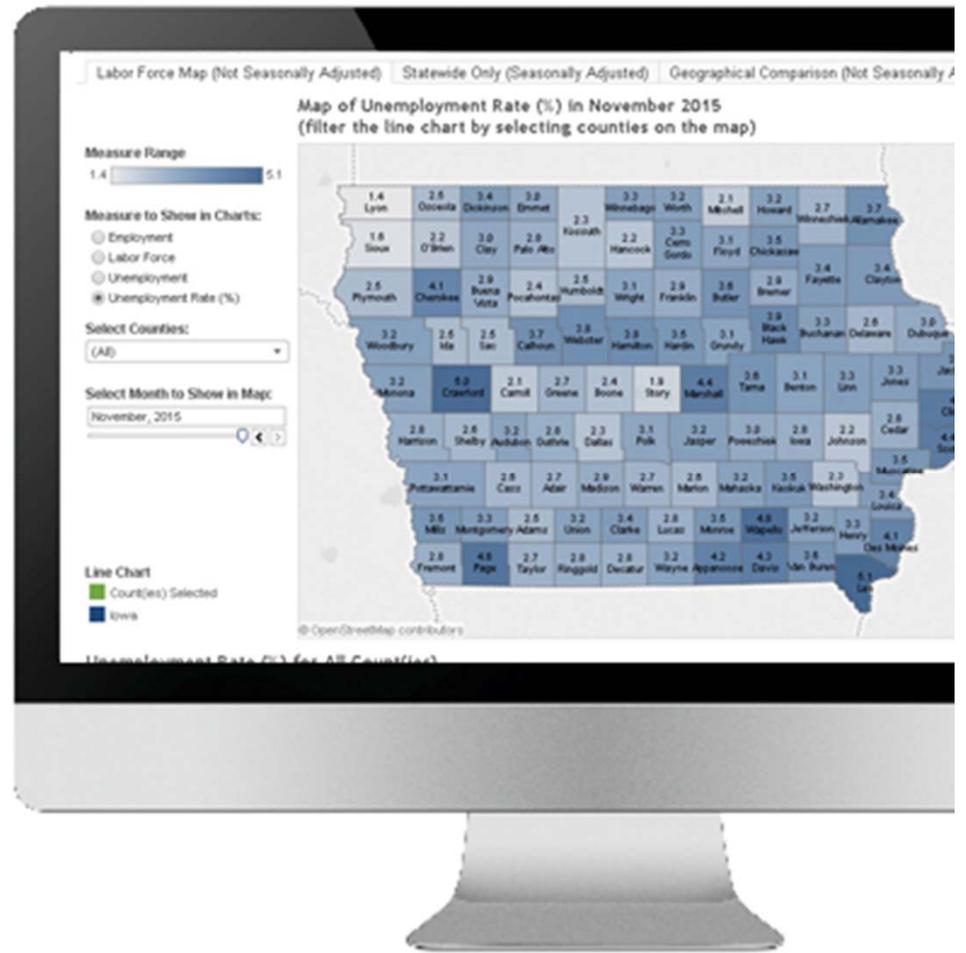


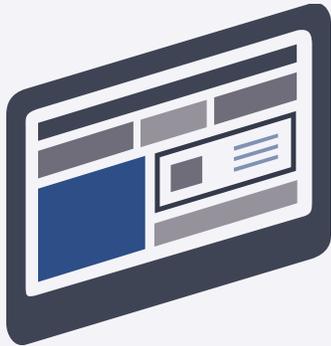
January

2016

New user friendly
LMI website unveiled

www.iowalmi.gov

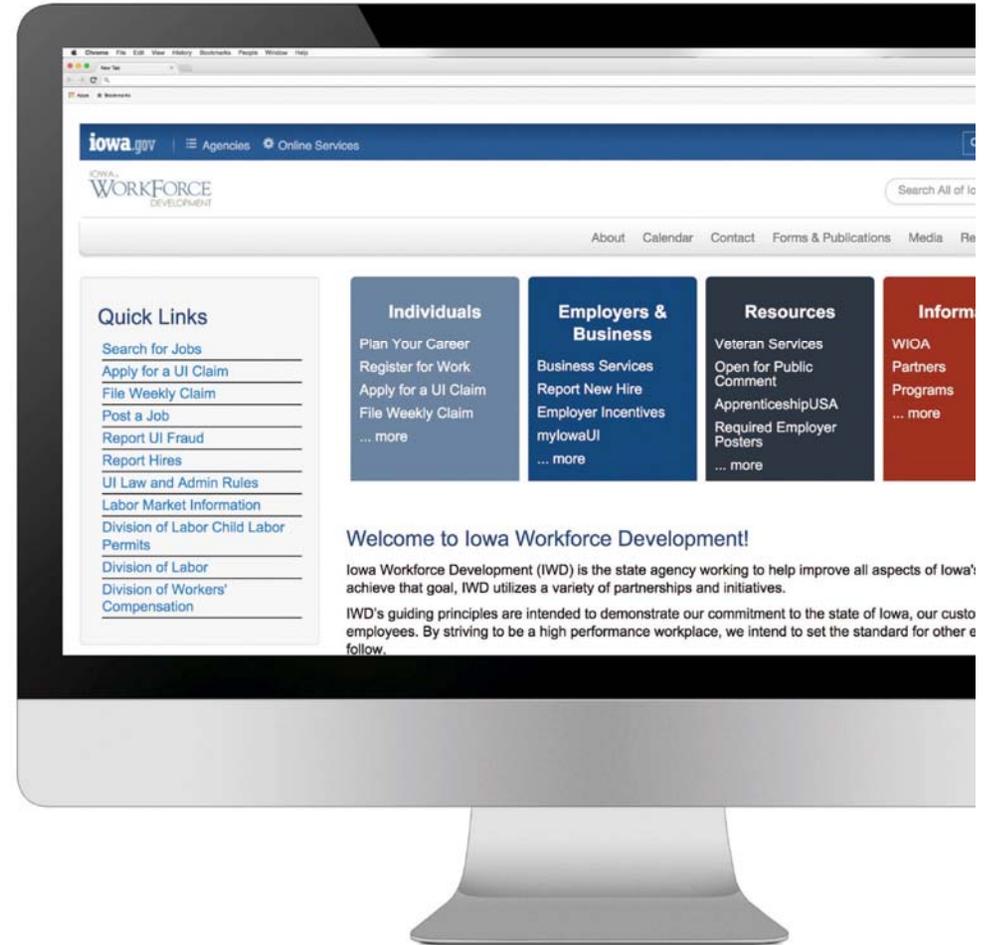




July

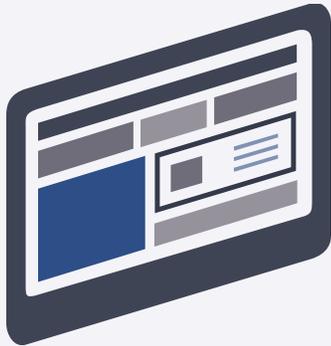
2015

New user-friendly
IWD website unveiled



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November

2015

The Home Base Iowa website was revealed



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More Than

1,700

Veterans
hired-to-date
in Iowa

More Than

1,300

Designated
Home Base Iowa
businesses



Iowa Jobs (Online Job Bank)

IowaJobs.org is the state's largest job bank with more than 42,900 job orders totaling more than 53,300 job openings

Jobs are listed by employers, Iowa Workforce Development staff, as well as received from the National Labor Exchange in a daily file

IowaJobs.org receives jobs from 1,252 employers indexed by the NLE (us.jobs)



Four satellite offices serve the following 15 communities:

Clarion, Clinton, Fort
Madison, Humboldt, Keokuk,
Maquoketa, Mount Pleasant,
Muscatine, New Hampton,
Pocahontas, Postville,
Washington, Waukon,
Webster City & West Union

In 2015, IWD began providing services in communities not served by a field office, such as: resume writing, interviewing skills, unemployment insurance assistance, assessment testing, information about available jobs, employer hiring and recruitment resources, and upcoming job fairs.

Audit Report

January 1, 2012- January 13, 2015

State Auditor Mary Mosiman found improper payments in the amount of \$909,554.17

\$66,162.49 in overpayments based on fraudulent claims

\$97,119.29 from fictitious employer schemes

\$23,026.50 in uncollected penalties

\$723,245.89 resulting from a telephone system malfunction





Workforce Innovation & Opportunity Act Implementation



Workforce
Innovation &
Opportunity Act

Introduction to WIOA

Forging the future in workforce management statewide

WIOA is an important federal law that redesigns how services for job seekers are carried out.

WIOA Implementation

Top Three Goals



Why Is WIOA Important?

It provides resources to continue to address the skills gap, and allows states to be innovative and state-specific on how those federal dollars are spent.



WIOA Partners

Regional Workforce Investment Boards
Iowa Department of Education
Iowa Vocational Rehabilitation Services
Department for the Blind
Department of Human Services
Department of Corrections
Department on Aging
Economic Development Authority



Touchstone Reform

First legislative reform in 15 years of the public workforce system. WIOA is an important federal law that has redesigned how services for job seekers are carried out.

Connecting the Worker to the Employer

Core programs - such as adult, dislocated worker and youth - to help job seekers get access to employment, education, training and support services, and to match employers with the skilled workers they need to compete in the economy.





Bridging The Skills Gap

What Are We
Doing About It?

Apprenticeship Grants

JD NDWG (National Dislocated Worker Grant) expanded to include information technology, construction, manufacturing and health care.

Apprenticeships in cooperation with USDOL's Greer Sisson and business/industry is vital for the future



Disability Employment Grants

IWD awarded \$2.5 million grant for people with disabilities through the Disability Employment Initiative (DEI)

Iowans with disabilities are the largest underutilized cohort of potential workers



Disabled Iowans

20.5% of those identifying as unemployed stated disability as a reason for unemployment

30.5% of those identifying as unemployed stated additional training/education would be required to reenter the workforce

41.9% of these respondents gave disability issues as an obstacle to pursuing this training



NGA Talent Pipeline & Future Ready Iowa

From 2010 to 2015, Iowa will add
612,000 jobs to its economy

68% of all jobs are expected to require
postsecondary education and training
beyond high school

Goal is for 70% of Iowans in the
workforce to have education or training
beyond high school by 2025

S.T.E.M.

Science, Technology, Engineering & Mathematics

Stem reaches middle school and high school students to get them excited about the fields of science, technology, engineering and mathematics

We continue to encourage career exploration



P.O.E.T.S.

Providing Opportunities for ExOffenders to Succeed

Ex-offenders - 2nd largest
work-ready pool of employees
behind lowans with disabilities

92% of those currently
incarcerated will be released

Most important factor in reducing recidivism,
from our perspective and the Department of
Corrections, is employment



This Is Our Challenge!

2014 – Q1 2015

4,660

Individuals were released
from prison (Department
of Corrections)

Of These

48%

could not be matched to wage
records in the first quarter
following their release

A photograph of a man in a blue and white striped shirt carrying a young girl in a green and white striped shirt on his shoulders. They are both looking upwards against a bright blue sky with light clouds. The text 'Future Forward' is overlaid in large white font on the right side of the image.

Future Forward

Future Ready



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Future Ready Iowa

Vision: A Future Ready Iowa that prepares individuals for dynamic careers and lifelong learning, meets employer needs, grows family incomes and strengthens communities.

Future Ready Iowa helps more Iowans attain the “new minimum” of high-quality education and training beyond high school by aligning education, workforce, and economic development resources.

Goal: By 2025, 70 percent of all Iowans in the workforce will have earned education or training beyond high school (the new minimum) that meets employer needs.

Unemployment Insurance Services Account

The UI Services Account will help reduce fraud and improve process performance. The services account will also capture participant data and is integrated across state agencies and programs.

This is an important part of the WIOA implementation because the UI Services Account will capture relevant data and will allow us to remain compliant when reporting success of workforce programs.



The Idaho Project (iUS System)

This program is a .NET based solution that takes the place of the 40 year old mainframe where Iowa is currently running its unemployment programs

The iUS system has been built to withstand the numerous changes and requirements that are administered in unemployment

The iUS System has the potential to be the backbone of Iowa's unemployment program for the next 40 years



Misclassification

IWD has been taking the necessary steps to strengthen the unit and improve the coverage throughout the state.

A Department of Labor Grant will allow IWD to upgrade the misclassification case management system and add staff. These improvements will allow the agency to be more proactive and efficient in combatting worker misclassification.



Misclassification

In 2015, Iowa Workforce Development (IWD) received 129 employee misclassification tips, leads and referrals from workers, employers, government agencies and the public. The completed investigations found that 35 employers misclassified 349 workers.

These employers failed to report \$6,016,334.75 in wages for unemployment tax purposes, which resulted in assessments of \$389,983.62 in unpaid employment taxes, penalties and interest.

Improved Fraud Detection Efforts

The UI Integrity department's Fraud Investigators have begun to utilize Iowa's fraud detection, Pondera Solutions. Fraud Investigators use Pondera Solutions as their primary source for identifying fraud investigations, including cross-matches.

Pondera Solutions has identified fictitious employers and fraudulent UI benefit payment schemes. This comprehensive data analytics tool will assist IWD with identifying fraud more rapidly and mitigate potential loss to the UI Trust Fund.

IWD 2016 Goals

- Eliminate back logs in UI tax: adjustments, transfers and refunds
- Improve collection efforts
- State Information Data Exchange Systems (SIDES)
- Treasury Offset Program (TOP)
- Department of Revenue



Future Needs

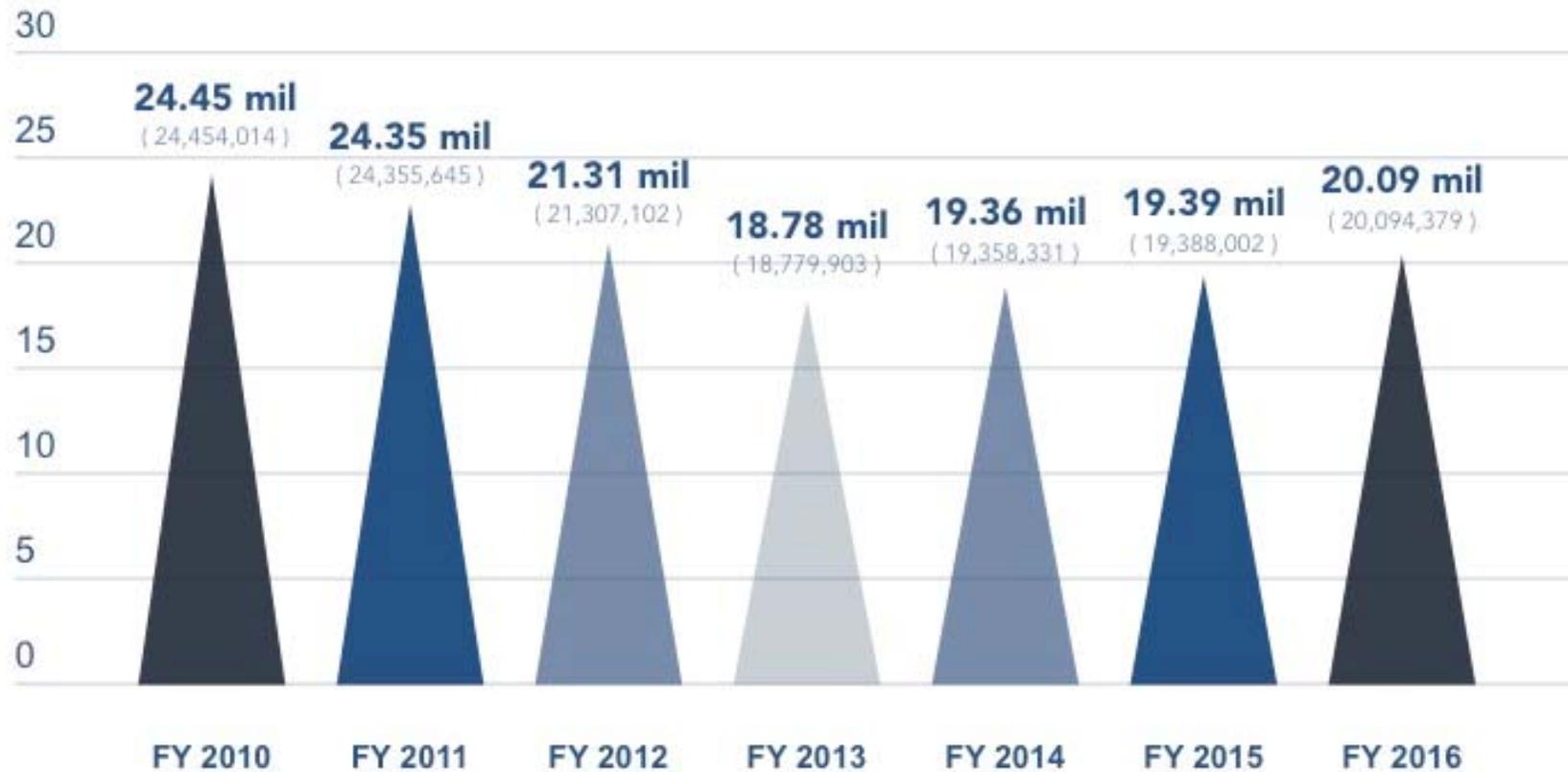
Budget Synopsis & Overview

80% Federal Funding

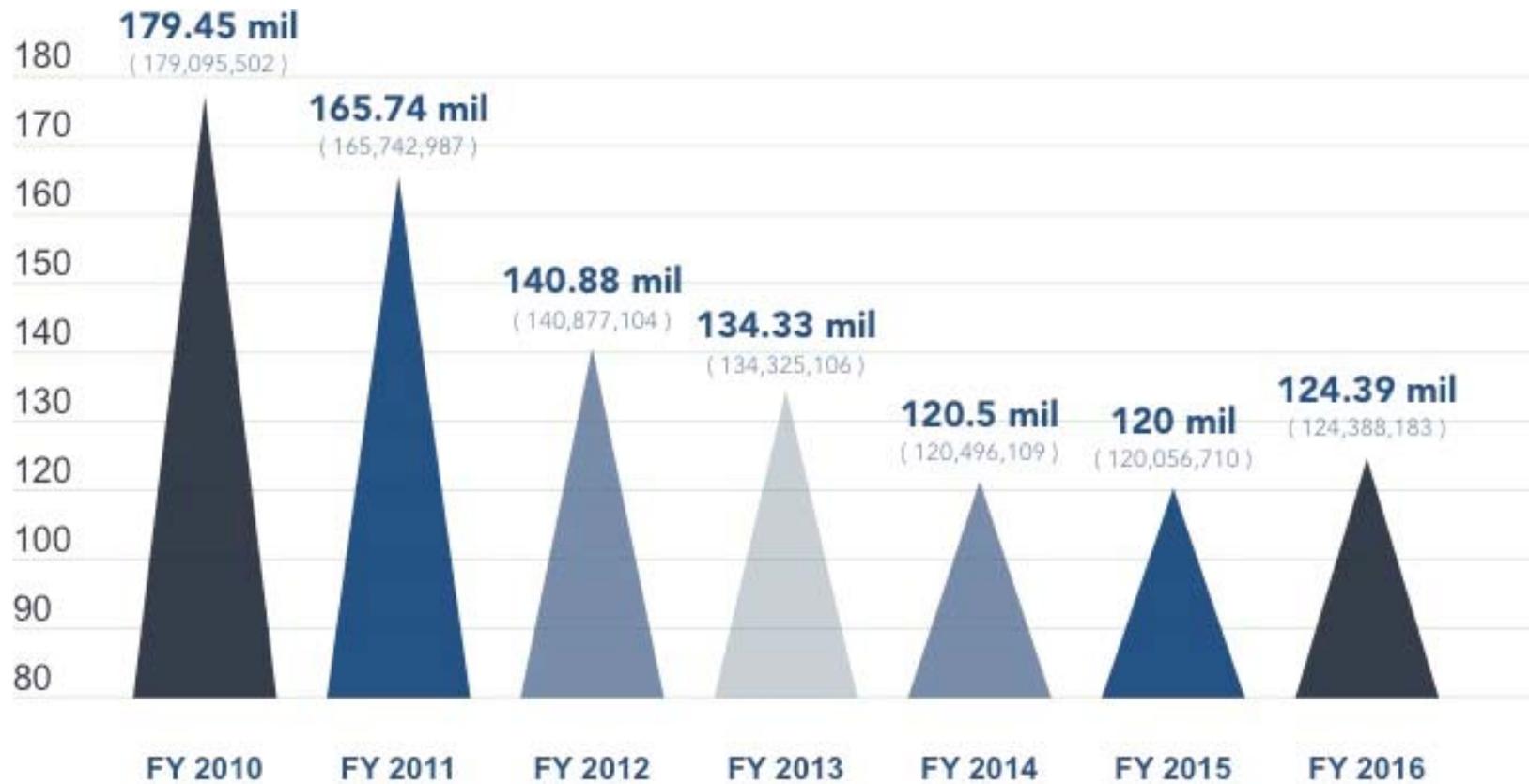
20% State Funding



IWD State Funding Pattern (millions)



IWD Federal Funding Pattern (millions)





Total Dollars / \$19,083,512

Field Operations

48% / \$9,179,413

Labor

19% / \$3,548,720

Workers Comp.

17% / \$3,259,044

P & I

9% / \$1,766,413

Reserve Interest

3% / \$494,000

Misclassification

2.5% / \$451,458

Offender Re-Entry

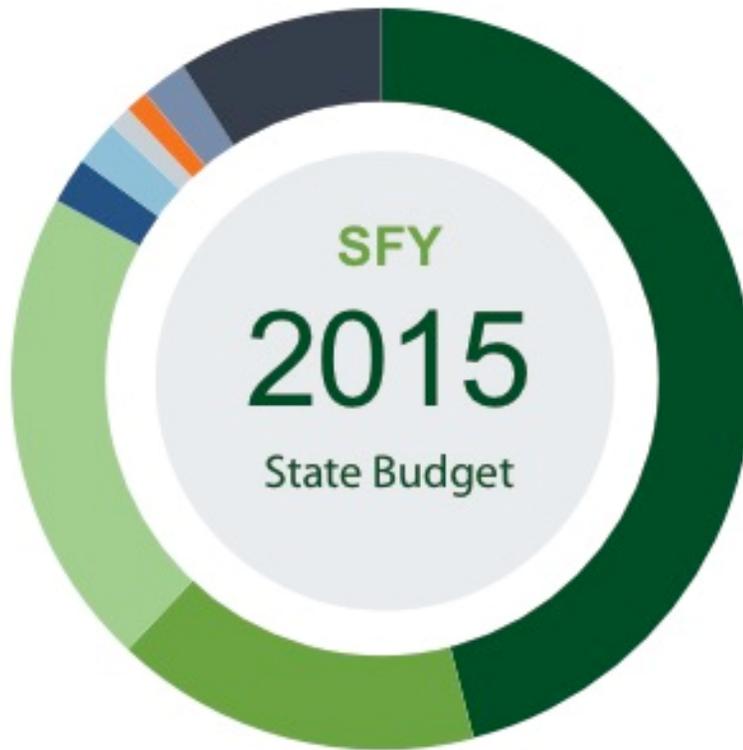
1% / \$284,464

Skills Training

.5% / \$100,000



Total Budget Dollars
\$19,338,002



Field Operations	47% / \$9,179,413
Labor	18% / \$3,548,720
Workers Comp.	17% / \$3,259,044
P & I	9% / \$1,766,084
Misclassification	2.25% / \$451,458
Reserve Interest	2% / \$400,000
Offender Re-Entry	1.75% / \$358,464
I-3 Accounting	1.25% / \$274,819
Skills Training	.5% / \$100,000

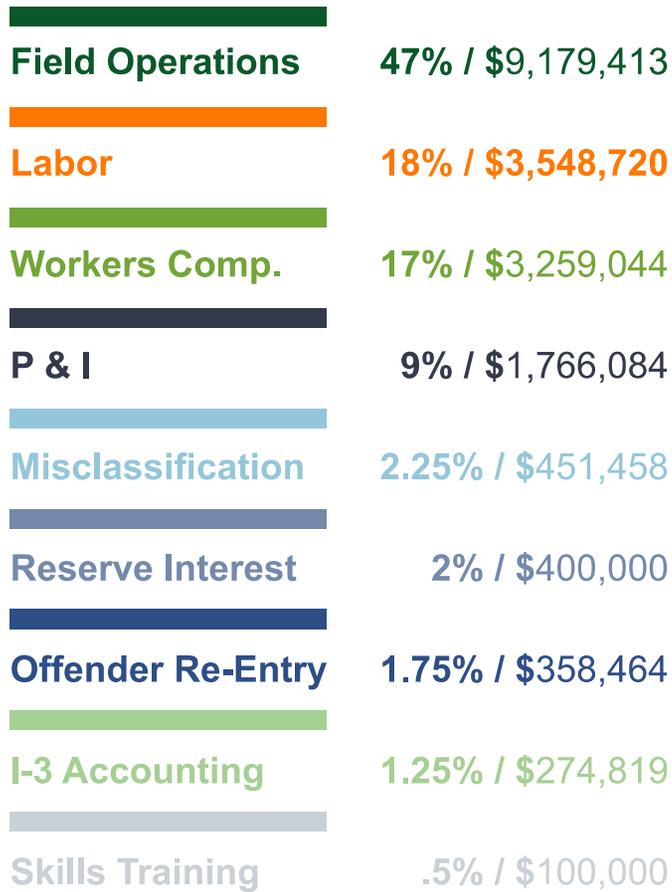
Total Budget Dollars
\$20,094,379



Field Operations	46% / \$9,179,413
Labor	21% / \$4,305,097
Workers Comp.	16% / \$3,259,044
P & I	9% / \$1,766,084
Misclassification	2.25% / \$451,458
Reserve Interest	2% / \$400,000
Offender Re-Entry	1.75% / \$358,464
I-3 Accounting	1.25% / \$274,819
Skills Training	.5% / \$100,000

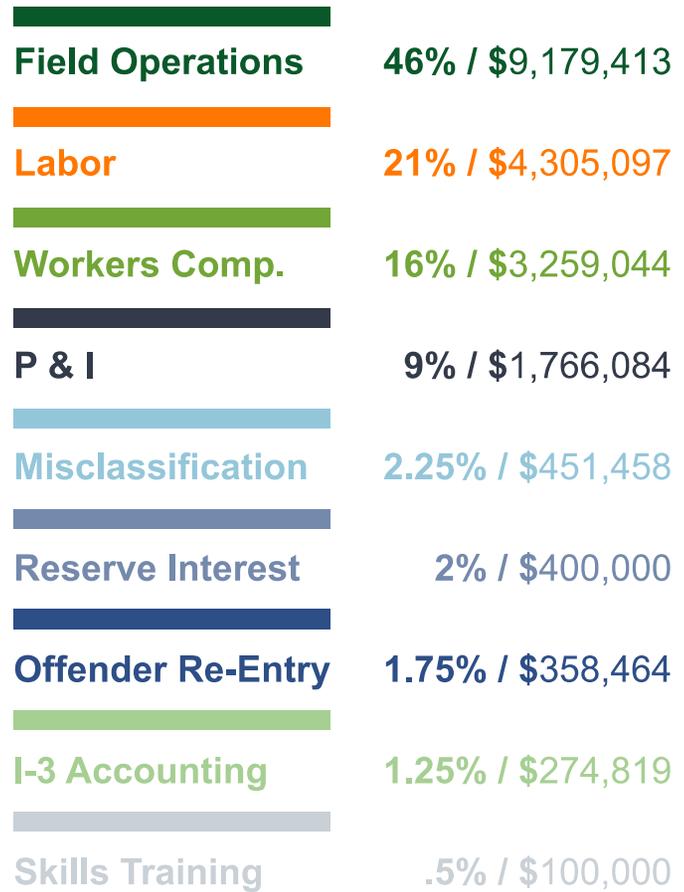
SFY 2015

Total State Budget Dollars / \$19,338,002



SFY 2016/17

Total State Budget Dollars / \$20,094,379



Thank you from Megin in Oelwein:

It felt like my whole world was turned upside down. I was losing my job and my health insurance with a four month old baby at home. I reached out to every organization I could think of for help and was either denied help or was passed off to talk to someone else that never led anywhere.

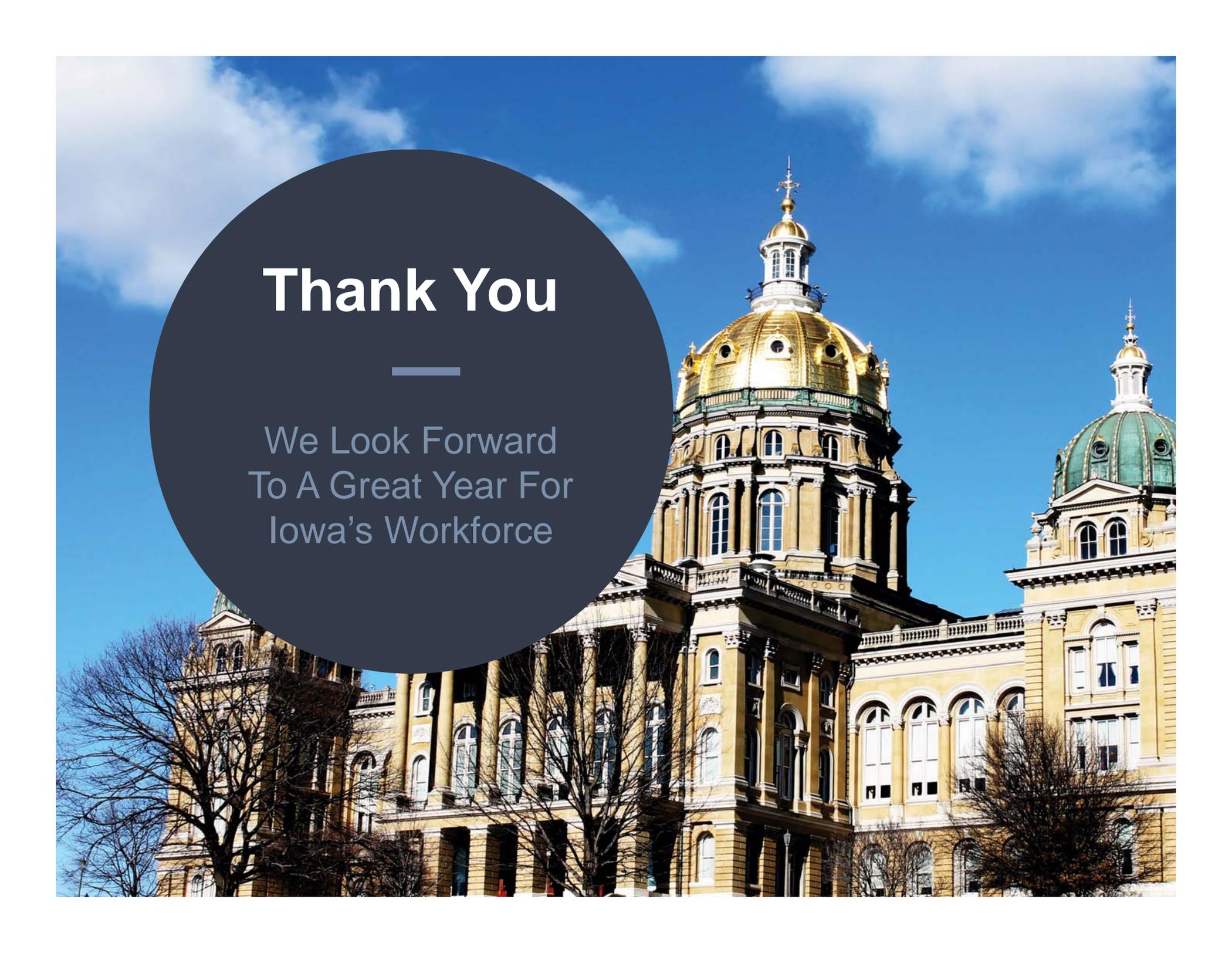


Thank you from Megin in Oelwein:

I am so thankful that IowaWORKS came to my town and made themselves available to me!

I couldn't have done it without the help of Mrs. Munford with IowaWORKS. They are a great asset to the community and I hope they will continue to come to town so that more people can find the help that they need.

*Very appreciative,
Megin*

The image shows the Iowa State Capitol building in Des Moines, Iowa, featuring a prominent golden dome and classical architectural details. A large, dark grey circle is overlaid on the left side of the image, containing the text. The background is a clear blue sky with some light clouds.

Thank You

We Look Forward
To A Great Year For
Iowa's Workforce