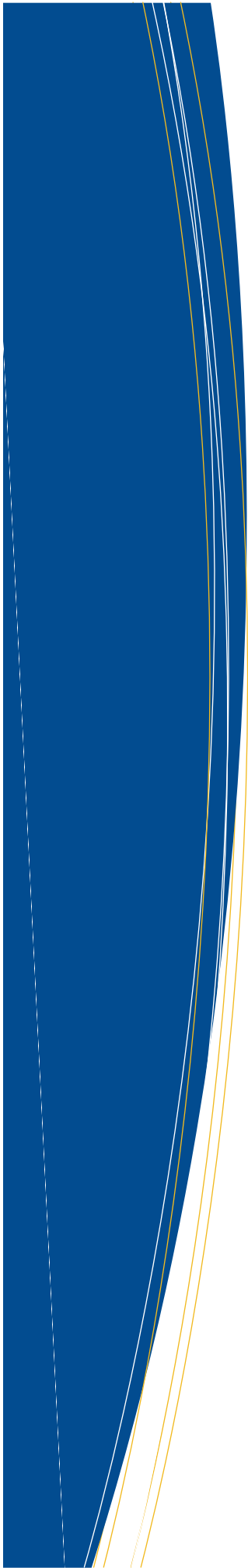




Iowa Workforce Development  
Annual Report  
Fiscal Year 2012



## ECONOMIC ENVIRONMENT

Iowa ended its third year of a moderate economic recovery as fiscal year 2012 came to a close. Though many of the fundamentals in the state's economy reflected strength during the year, employment had not returned to its pre-recession level, and job growth remained tepid. Furthermore, there was a distinct dichotomy in where hiring occurred. Most of the state's job growth was concentrated in the goods-producing industries of construction and manufacturing, while the service-providing industries showed little momentum except for healthcare. Within the manufacturing sector, machinery products was one of the state's fastest-growing subsectors in 2011, accounting for the creation of several thousand higher-paying jobs.

The state's nonfarm employment advanced by 12,200 in FY 2012 led primarily by growth in manufacturing and construction, which were up 9,900 and 3,800, respectively. Healthcare was the strongest of the service-providing industries with an annual gain of 2,600 jobs, while government continued to be the biggest drag on the statewide economy. Although all three levels of government employment dropped from one year ago, state government lost the most jobs at 1,900.

By the second half of the fiscal year, Iowa's unemployment rate began to drop below 5.5 percent. This came as the result of fewer layoffs and a stronger hiring pattern. The state's unemployment rate averaged 5.5 percent in FY 2012 compared to 6.1 percent in FY 2011, while the number of unemployed dropped to 91,600 in FY 2012 from the prior year's level of 102,200. The slow economic recovery appeared to take a disproportionate toll on the state's youth (16 to 24 years of age) and minority workers, groups for which the unemployment rate was typically in the double digits.

Despite severe drought conditions, Iowa's agricultural sector continued to prosper, fueling impressive increases in personal income and the state's land values. Personal income in Iowa rose to \$123.9 billion in CY 2011 compared to \$116.0 billion in CY 2010, registering an annual gain of 6.8 percent. The value of Iowa's farmland reached a historical peak in 2011, climbing to \$6,708 per acre, and Iowa's exports rose above last year's level, as the state benefited from several fast-growing markets such as Brazil, Russia, South Africa and the Ukraine.

There were notable signs during the year that the state's housing industry was beginning to become a bright spot. All indicators were tracking upward from the year before and were helping to restore consumer confidence. Record low interest rates, fewer bank-owned foreclosed properties and leaner inventories helped to support price appreciation. According to *Housing Predictor*, Iowa was one of a handful of states to see home price appreciation in most of its markets in 2011.

While Webster City dealt with the devastating loss of its long-established Electrolux plant, Iowa was successful in its efforts to attract more jobs in the areas of advanced manufacturing, biotechnology and information technology. During the second half of FY 2012, Mitas opened an agricultural tire manufacturing plant in Charles City and DuPont opened a \$40 million plant genetics research facility in Johnston that will create 400 new jobs in research and development. Meanwhile, ground was broken on the Valent Bio Sciences Corporation in Osage and the CJ BIO America lysine production facility near Fort Dodge. These projects are just a few examples of how the state is transitioning toward a new economy that will provide individuals with jobs that offer higher pay and an opportunity to use their advanced skills. As business confidence strengthens toward the end of FY 2013, job growth will expand across a wider range of industries, making it easier for more Iowans to have access to these opportunities.

## IOWA WORKFORCE DEVELOPMENT OVERVIEW

Iowa Workforce Development contributes to the economic security of Iowa's workers, businesses and communities through a comprehensive statewide system of employment services, education and regulation of health, safety and employment laws.

The agency continually strives to improve processes and align the organization in such a way to provide effective, demand driven products and services. Iowa Workforce Development's administrative, labor services, workers' compensation, labor market information, and the unemployment insurance service staff are located in Des Moines. Additionally, the agency maintains a statewide delivery system of 15 regional IowaWORKS Centers, 4 satellite IowaWORKS offices and nearly 1,000 Virtual Access Technology sites serving all 99 counties.

Through a comprehensive Web site, Iowa Workforce Development provides customers access to major services such as posting résumés; access to a statewide job bank; labor services information, unemployment claim information and filing options; and labor market information, 24 hours a day, seven days a week.

These services and more are found on the IWD Web sites:

- General information about the department can be found at [www.iowaworkforce.org](http://www.iowaworkforce.org).
- The IowaJobs Web site at [www.iowajobs.org](http://www.iowajobs.org) lists more than 25,000 job openings daily.
- Workforce Trend Information is available at [http:// iwin.iowaworkforce.org](http://iwin.iowaworkforce.org).

The **Labor Services Division** is responsible for the administration of state and federal statutes related to public health, safety and workplace issues. Iowa's Occupational Safety and Health Act administration is located within the department. The Division's emphasis is on voluntary compliance through education and preventive services. The Division continues to implement the vision of creating a "culture of safety" throughout Iowa's labor force.

The **Labor Market and Workforce Information Division** oversees the development of workforce and economic related information. A large portion of the information is produced in cooperation with the Bureau of Labor Statistics and the Employment and Training Administration of the U.S. Department of Labor. Workforce Trends describe areas of information in terms of their economic conditions, industries, labor supply, occupations, and wages.

The **Unemployment Insurance Division** provides services to both businesses and Iowans through the collection of UI tax payments, processing of benefit payments, quality control and fraud detection. The Unemployment Insurance Division is updating the tax collection system in order to create a streamlined, electronic system for the benefit of all users. The new system is nearly complete and will be available for employers to file their first quarter 2010 reports.

The **Workers' Compensation Division** performs three core functions: adjudicating disputed workers' compensation claims, enforcing compliance standards and educating Iowans about workers' compensation law and procedures. Iowa's Workers' Compensation Commissioner, oversees this division of Iowa Workforce Development. The Division is working on the development of a new system that will create a truly electronic and paperless system for Iowa.

The **Workforce Services Division** provides a wealth of information, services and resources to Iowans, businesses, and partners across the state. The Division administers the programs and services through physical offices and Virtual Technology sites across the state in sixteen different regions. The Division's primary functions include employment services, business services, training resources and targeted population activities.

## UNEMPLOYMENT INSURANCE SERVICES DIVISION

At the close of 2011, our commitment in the unemployment insurance division was to continue to create systems and process that are more efficient, secure, and customer friendly. While we did not meet all of our personal goals, we have made several changes that will help us make decisions on unemployment insurance claims faster, unemployment insurance tax filing process easier and heightened the security and integrity of the system.

My Iowa UI (MIUI), the new web based unemployment insurance tax system, is an example of one of those systems. Over 32,000 employers have already registered and electronically enter their tax reports and make payments on-line in a highly secure environment. MIUI is designed as a portal for businesses, accountants, and third party administrators (TPA) to manage their unemployment insurance account on-line. This past year we have added an additional feature to MyIowaUI that will allow businesses and accounting firms to register on-line and immediately receive their account number, eliminating the processing time and paper forms. We would like to thank all of our businesses that have offered their ideas for enhancements as MyIowaUI will continue to be a work in progress as long as we continue to receive feedback.

Unemployment insurance benefits have been a life line for many Iowans. The system has been challenged to pay benefits for multiple programs often times requiring significant system and procedural changes. This past year we have implemented new processes that have saved time and money and improved on the security of our systems:

- Implemented a process to automatically process UI claims
- Established procedures for electronic claim notification
- Installed a new call distribution system, voice response and messaging system that provides greater flexibility in responding to our customers and lays the ground work for additional enhancements.
- Centralized the majority of the UI benefits program saving overhead costs and improving the convenience for our customers.
- Won a \$3 million special budget appropriation to continue our redesign efforts into 2013.

In 2013, the Unemployment Insurance division will be aggressively pursuing changes in our data management systems and all interfaces with our customer to reduce steps, make information more accessible in a secure environment, and continue to ensure the integrity of the unemployment insurance benefits system.

IowaWORKS Virtual Access Points are another tremendous resource for unemployment insurance recipients and employers. On-line resources can now be accessed at over 700 locations across Iowa and growing. The unemployed can file a claim for benefits along with their weekly report at one of these locations, and conduct an on-line search for employment. Employers can file their quarterly tax report through [My Iowa UI](#). In all cases a toll free number and instant messaging are available to address questions and concerns.

# UNEMPLOYMENT INSURANCE SERVICES DIVISION

## Unemployment Insurance System Performance

As evidenced below, UI Benefits has experienced some very dynamic fluctuations processing and paying out record numbers of unemployment insurance claims. While payment of benefits remained high, the number of claims filed has dropped much closer to the pre-recessionary levels. Below is a summary of the changes from year to year:

Total Iowa Unemployment Insurance Benefits Paid							
	Fiscal Year						FY11 to FY 12
Program	2007	2008	2009	2010	2011	2012	
Regular Unemployment Insurance (Millions)	\$339	\$350	\$634	\$709	\$508	\$432	-15.00%
Number of Claims	193,210	213,144	385,790	336,036	226,647	193,893	-14.50%

Employers used several existing programs to help workers. Businesses continue to take advantage of two existing programs:

*Work Share Program:* This program provides an alternative to laying off employees. Employees get reduced hours and reduced pay plus a portion of regular unemployment insurance benefits. Most importantly, employees continue to work and continue to get employer-offered benefits and the employer retains their skilled workforce while the economy recovers. Participation in this program has gone down in 2012, which is an indication of a recovering economy. During FY 2012:

- ▶ 21 employers enrolled; down from 46 in 2011.
- ▶ 1808 employees participated; down from 4470 in 2011.

*Employer Filed Claims:* This program allows employers to file claims on behalf of their employees. Employers feel they are assisting their employees to ease the pain of a layoff. In 2012 we saw a slight increase in participation and appreciate businesses willingness to assist their workers with this application.

- ▶ In 2012, 39 employers have used the program as compared to 33 in 2011
- ▶ Approximately 16,669 claims have been filed during this time frame as compared to 13,588 in 2011.

### **Emergency Unemployment Compensation (EUC)**

The Emergency Unemployment Compensation (EUC) program continues benefits after all eligibility for regular Unemployment Insurance (UI) is exhausted. EUC payments began in July 2008. In 2012, the number of weeks of eligibility dropped from 47 additional weeks of unemployment insurance benefits to 20 weeks. The program is scheduled to end December 29, 2012. During FY 2012 total EUC benefits paid propped by 33% over FY 2011 and regular benefits dropped by 15%.

## UNEMPLOYMENT INSURANCE SERVICES DIVISION

Program	Total Unemployment Insurance Benefits Paid			
	Fiscal Year			
	2009	2010	2011	2012
Regular Unemployment Insurance	633,987,994	708,673,924	507,608,146	431,960,027
Voluntary Shared Work	4,198,022	8,997,971	2,383,965	1,004,515
Emergency Unemployment Compensation (EUC)	159,034,303	465,595,122	391,440,438	262,192,457
Economic Stimulus Payments (\$25 per week)	31,783,718	100,388,263	24,030,549	0
<b>Total</b>	<b>829,004,037</b>	<b>1,283,655,280</b>	<b>925,463,098</b>	<b>695,156,999</b>

### **Additional Federal Funding**

In FY 2009 the federal government gave states the opportunity to receive additional federal funding to pay benefits if they expanded eligibility criteria. Iowa responded by enacting two enhancements: Training Extended Benefits and the Alternate Base Period.

► *Training Extension Benefits.* Participants in this program may receive up to an additional 26 weeks of benefits while enrolled in training for a high demand or technology occupation, only after all regular benefits and federal extensions are exhausted. They must be enrolled and making satisfactory progress in training to receive unemployment benefits. During FY 2012, 3021 applications were received. Approximately 90% of those applications are approved.

► *Alternate Base Period:* This provision gives an alternate way to calculate the base period for unemployment benefits. This applies where the current method of calculation makes an individual ineligible for unemployment benefits. The law moves the base period closer, by one quarter, to the date someone files for unemployment benefits. During CY 2012, 3,986 claims have been filed with an alternate base period and 3,128 of those claims paid benefits

### **Unemployment Insurance (UI) Trust Fund**

The UI program is funded through state and federal payroll taxes. These taxes are paid by employers based on a portion of workers' wages. Funds are placed in a special fund, called the UI Trust Fund. The Trust Fund can only be used to pay unemployment insurance benefits.

By the end of FY 2011, over 35 states depleted their Trust Funds and borrowed in excess of \$48 billion from the federal government. 28 of those states still have debt to be repaid to the federal government. Iowa is one of a hand full of states that remained solvent. Iowa had been on the same UI tax rate table for six years. Due to the drain on the Trust Funds, Iowa was forced to move to tax table 4 in FY 2010 and table 3 in FY 2011 adjusting the new employer rate to 1.5% and 1.9% respectively as well as the range for experience rated employers from 0 percent to 9 percent. 2012 and 2013 marked improvements in the rates for businesses by going to tables 4 and 5 respectively. This represents a savings of approximately \$93 million dollars to businesses in 2012 and nearly \$100 million in 2013.

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Tax Rate Comparison							
	2007	2008	2009	2010	2011	2012	2013
Percent employers with UI tax rate of 0% (do not pay taxes)	45%	45%	46%	43%	43%	43%	43%
Percent employers with tax rate of 1% or less	75%	75%	75%	53%	53%	54%	56%
Percent employers with highest tax rate. (Max rate 8.0% for 2007-2009, Max rate 9.0% for 2010-2012. Max rate 8.5% for 2013)	9%	9%	9%	8%	8%	9%	11%
Tax Rate for Average Employer	1.45%	1.47%	1.45%	1.94%	2.21%	1.98%	1.76%

### **Comparison of Taxes Collected and Benefits paid**

In FY2012, we moved to tax table 4 resulting in a rate decrease which allowed the trust fund to continue to grow and put the state in the position to move to table 5 in 2013.

	Taxes Collected	Benefits Paid (State \$ Only)
<b>Fiscal Year 2007</b>	\$322 million	\$339 million
<b>Fiscal Year 2008</b>	\$360 million	\$350 million
<b>Fiscal Year 2009</b>	\$361 million	\$634 million
<b>Fiscal Year 2010</b>	\$413 million	\$708 million
<b>Fiscal Year 2011</b>	\$576 million	\$508 million
<b>Fiscal Year 2012</b>	\$653 million	\$432 million

### **Other Accomplishments for Fiscal Year 2012**

*Employer Misclassification Unit:* Misclassification of workers as “independent contractors” rather than “employees” is a growing problem in Iowa and is costing millions of dollars. The Iowa Legislature provided special funding for extra help to protect workers, businesses, and tax payers. The purpose of the effort to identify misclassification of workers is to educate employers and workers about employee misclassification, enforce Iowa’s existing unemployment tax laws, and forward our findings to other state and federal agencies for further investigation.

During 2012, the Bureau has received 191 employee misclassification tips, leads and referrals from workers, employers, government agencies and the public. The completed investigations found that 61 employers misclassified 1,409 workers. These employers failed to report \$17,876,573 in wages for unemployment tax purposes, which resulted in assessments of \$953,799 in unpaid employment taxes, penalties and interest.

Upon completion of an investigation of a bona fide case of employee misclassification, we refer cases to the Division of Labor’s Contractor Registration program, the Iowa Workers’



## UNEMPLOYMENT INSURANCE SERVICES DIVISION

Compensation Division, and the state Department of Revenue to determine what obligations are owed under those laws and programs. Similarly, those entities share information with the Misclassification Unit. IWD also signed an agreement with the Internal Revenue Service that also allows for the transfer of information related to employee misclassification.

*Special Budget Request:* In September 2012, the UI Division was awarded \$3,076.967 to help support unemployment insurance integrity through prevention, detection, and recovery of payments; improve overall performance, and address out-dated IT systems. Some of the projects funded through this grant include:

- Business process analysis of the benefit payment system
- Promotion of the electronic data exchange system for businesses
- Development of an improved interface of the initial UI claim and employment services
- Implementation of the Treasury Offset Program for the recovery of UI overpayments from federal tax returns
- Development of Customer Relationship Management software to better manage the various "touch point" we have with our business
- Establishing an offsite disaster recovery facility with redundant storage and server infrastructure.

*Debit Cards to Pay Benefits:* In August 2008, Iowa implemented the Debit Card program as another way claimants receive unemployment benefits. Debit cards eliminate lost or missing checks and assure money gets to the person when it's expected. People can access funds from ATM machines, from most merchants, and from all Visa-branded banks.

Debit cards continue to grow in popularity. Fewer people choose to receive unemployment benefits via a paper check. At the end of 2012, benefits were paid using the methods below:

- Direct Deposit 75%;
- Debit Card 24%;
- Paper checks 1%.

## **LABOR MARKET AND WORKFORCE INFORMATION DIVISION**

The Labor Market and Workforce Information Division continues to develop a wide array of information used to describe the labor market in terms of its jobs and workers. The information is used by businesses, economic developers, educators, government planners and policy makers, grant writers, legislators, job seekers and students. Most of the information is available on the Iowa Workforce Development website, primarily through the Iowa Workforce Information Network (IWIN). Staff also provides special analyses of the information that is collected, and develops customized products that meet specific customer needs. The following descriptions highlight the products and programs that were undertaken during the past fiscal year.

### **Federal/State Cooperative Programs**

The division works with the national Bureau of Labor Statistics (BLS) on five different programs. The division also partners with the U.S. Census Bureau on an additional program. These programs are cooperative in nature and involve federal-state input. The programs include: The Current Employment Statistics (CES), The Quarterly Census of Employment and Wages (QCEW), the Local Employment Dynamics (LED), the Occupational Employment Statistics (OES), the Mass Layoff Statistics (MLS), and the Local Area Unemployment Statistics (LAUS).

### **Current Employment Statistics (CES)**

The program computes current employment and wage data that is used as a leading economic indicator. The system provides analysts with a comprehensive visual graphing capability, and facilitates the flow of data between the state, regional and national levels. The CES staff also had several tools to assist them in reviewing their monthly estimates throughout the preliminary, final and benchmark calculation processes. However, the National Office took over the role of data collection, analysis and publication from the states early in 2011.

The Automated Current Employment Statistics (ACES) team continues to support the BLS national office staff and state users of the current system. ACESweb 3.13 was deployed in December 2012 to accommodate new enhancements and ease of reporting for the CES programs at the state and national level.

### **Quarterly Census of Employment and Wages (QCEW)**

The Quarterly Census of Employment and Wages (QCEW) program is in the midst of a national redesign. The new system will allow for more data analysis and reporting. New enhancements will provide users with more detailed workforce statistics. Also, the move away from mainframe systems to a server-based system provides for cost efficiency, more portability and flexibility for better analysis and reporting accuracy. A member of the QCEW staff will participate in the implementation of the national program redesign by providing system trainings for the state and regional staff. The changes programmed for the QCEW program will allow for much greater flexibility in data analysis, and will provide many more built-in tools for editing, creating queries and publication-ready tables and graphs. This process is currently in the testing stage and is scheduled to be online by January 2014.

### **Local Employment Dynamics (LED) and 'On the Map'**

This program, a cooperative effort between Iowa Workforce Development and the U. S. Census Bureau, has been redesigned to provide better graphics and more data analysis. Currently, Quarterly Workforce Indicator (QWI) data is available from 2000-2011 (4th qtr). 'On the Map' data currently provides demographic worker/resident data for the periods of 2002 through 2010, which has the ability to display employment trends in standard and self-

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described geographical areas. Version 3.0 of the On the Map for Emergency Management was deployed in 2012 to add expanded report content and provide real time data on areas of hurricanes, floods, wildfires and the FEMA Disaster Declaration Areas. Also, the National Weather Service Snowfall Probability Forecasts are now available.

### **Occupational Employment Statistics Wage Survey (OES)**

The program collects detailed occupational wage and employment data on a sample of nearly 7,000 Iowa establishments. The surveys are conducted twice a year and require a response rate of 75 percent for each sampled area which includes four balance of state areas and the nine metropolitan statistical areas of: Ames, Cedar Rapids, Davenport-Moline-Rock Island, Des Moines-West Des Moines, Dubuque, Iowa City, Omaha-Council Bluffs, Sioux City and Waterloo.

The OES survey now collects data using the 2010 Standard Occupational Classification system. The May 2012 OES data will reflect the full set of detailed occupations using the 2010 system.

The Bureau of Labor Statistics published the first statewide data from the Green Goods and Services collection in the spring of 2012. The information may be used to understand the labor market impact of economic activity related to protecting the environment and conserving natural resources and by businesses, policymakers, and other stakeholders.

### **Mass Layoff Statistics (MLS)**

This program collects information on initial claims filed for unemployment insurance when a mass layoff action occurs that results in workers being separated from their jobs. An Iowa mass layoff event takes place when an establishment has at least 20 workers involuntarily separated from their job for at least 31 days and they file initial unemployment insurance claims.

The quarterly data provides the number of claimants who experienced a closure or a permanent layoff.

### **Local Area Unemployment Statistics (LAUS)**

The LAUS program provides monthly and annual estimates for the civilian labor force, employment, unemployment, and the unemployment rate by place of residence. Data is produced for the state, metropolitan statistical areas, micropolitan areas, combined statistical areas, counties, and cities with a population of 25,000 or more residents.

The national LAUSOne program for annual processing was tested during 2012. BLS created the internet-based system to allow ease of transmission of enhancements and data from BLS to states, districts, and territories. This will also facilitate an expedited interchange and processing of files which will result in a cost savings of time and money.

**Other major LMI programs and activities that enhance the workforce evaluation and needs include:**

### **Laborshed Studies**

Laborshed Studies have assisted economic development efforts throughout the state for the past ten years and continue to be a unique tool utilized for retention and

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recruitment of business. The studies are conducted by Iowa Workforce Development (IWD) in partnership with local development groups, utilities, community colleges, and local officials. A Laborshed is defined as the area or region from which an employment center draws its commuting workers regardless of natural or political boundaries.

These studies give communities the ability to document and illustrate the characteristics of their labor force, which is an effective tool for retaining and expanding existing businesses while also attracting prospective new employers into the area. The studies include potential labor force, availability and willingness to change/enter employment, occupations, wages, benefits, commuting distances, education, advertising sources for employers, out commute/in commute, and underemployment.

In fiscal year 2010, 38 individual Laborshed studies and nine regional analyses were completed. Industry-specific labor availability data was requested for business expansion and prospective recruitment for 129 different projects throughout Iowa.

### **Educational Outcomes Measures**

IWD uses wage records from the state's unemployment insurance (UI) database to answer questions regarding the state's employment rate, earning levels, types of industry by gender and race, academic degrees, and types of programs. All of the wage data, as well as student records, are used for research purposes only, and are published as aggregated data to protect individuals' identities. This project was developed in cooperation with the Iowa Department of Education (DE) and Iowa community colleges. Through this partnership, an annual report was produced and published.

In addition, IWD provided analysis by request for:

- Iowa Workforce Development, Promise Jobs Analysis
- Des Moines Area Community College, Workforce Training Academy CNA Program
- Des Moines Area Community College, Workforce Training Academy Program
- Northeast Iowa Community College, ASPEN Prize Application
- Hawkeye Community College, Gainful Employment Report
- Western Iowa Technology Community College, Wage & Employment by Industry
- Indian Hills Community College, Gainful Employment Report
- Iowa Community College Trustees, Statewide Economic Impact Report
- Des Moines Area Community College, CNA Program by Industry Report
- Indian Hills Community College, ASPEN Prize Reporting
- Northeast Iowa Community College, ASPEN Prize Reporting
- Hawkeye Community College, Hawkeye CC Economic Impact Report
- Northwest Iowa Community College, Northwest CC Economic Impact Report

Data sharing agreements have been established with the Department of Education, Department of Corrections, Criminal and Juvenile Justice Planning in the Department of Human Rights, Drake University, U.S. Department of Labor's Office of Apprenticeships, all 15 community college districts in Iowa and the States of Illinois, Nebraska, South Dakota.

### **Skillshed Studies**

The original report, developed over the past couple of years, was based on proprietary data, the Laborshed & Workforce Needs Survey. This project was developed and regional analysis was conducted in nine regions within Iowa. The analysis compared the data from the Laborshed & Workforce Needs Survey to show supply and demand for skills and labor. The analysis also showed the gaps between those skills possessed by the workforce and those skills needed by employers. The education and training needed to fill these gaps between supply and demand was then determined.

## LABOR MARKET AND WORKFORCE INFORMATION DIVISION

The concept was then used in an interstate consortium brought together by a DOL grant through the State of Minnesota and The Institute for Work & the Economy out of Chicago. With Iowa leading this initiative, the states of Indiana, Nebraska, Missouri, and the Workforce Region in Peoria, Illinois collaborated to design a Skillshed that could be used by all states and locales given available information.

The Skillshed was expanded to include an Excel Macro that automatically formulates much of the data and tasks which was also developed by IWD. Widely available information is entered into a formatted spreadsheet. The macro then sorts and ranks the jobs within the region by growth and wage criteria and creates job profiles for the top and bottom 50 occupations.

Given the influx of requests for skills data, this has been valuable information and continues to be expanded to meet the needs of the growing list of consumers. There have been five requests for Skillshed analyses the past year covering the majority of the state.

### **Employer Database**

Iowa Workforce Development, the U.S. Department of Labor's Employment and Training Administration, and the Analyst Resource Center (ARC) signed a contract with infoUSA for production of the ARC Employer Database. The contract between Iowa Workforce Development and infoUSA is for five years with two possible one-year extensions. The October 2012 release of the Employer Database completed the fourth year of the contract.

The Employer Database is a privately collected, acquired database containing employer information such as name, address, telephone number, contact person, and industry designation for over 14 million businesses throughout the country.

Iowa Workforce Development is responsible for the procurement and dissemination of the database to all 50 states, the District of Columbia, Puerto Rico and the Virgin Islands for use in workforce and economic development activities. ETA and the Analyst Resource Center have contracted with the state of Connecticut to assume the role of Project Manager for the next RFP and contract.

### **Workforce Surveys:**

#### **Workforce Needs Assessment Survey**

The Workforce Needs Assessment Survey was conducted from September 2010 through January 2011 by Iowa Workforce Development. Employers were asked to provide information regarding both their current level of employment and their current and expected job vacancies. The goal of the survey was to collect and analyze data regarding the demand for workers and the skills required of workers in the area.

This information can be used by economic developers, government agencies, employers, and the Department of Education (DE) to guide their decision making on issues related to workforce development, vocational training, and employee recruitment. Responses to the survey were detailed in a statewide report, and 18 individual regional marketing area reports were also produced.

#### **Fringe Benefit Profile**

The Fringe Benefit Profile was conducted from October 2010 through May 2011 by Iowa Workforce Development. Employers were asked to provide information regarding their current benefit packages for full-time and part-time employees. The goal of the survey

## LABOR MARKET AND WORKFORCE INFORMATION DIVISION

was to collect and analyze data regarding the benefits being offered by employers by an aggregate total, industry, employee size, and industry cluster. A statewide Fringe Benefit Profile, as well as studies for the Greater Council Bluffs, Iowa Lakes Corridor, Mid Iowa Growth Partnership, Northeast Iowa Business Network, Technology Corridor, and Western Iowa Advantage regions have been completed.

### **Dislocated Worker Analysis**

When an organization has a mass layoff event, Iowa Workforce Development holds a rapid response information session, usually at the location of the business. During this session, IWD staff asks participants to complete a dislocated worker survey. The information from these surveys are aggregated and analyzed and distributed in the form of the Dislocated Worker Fact Sheets.

In fiscal year 2012, the Regional Research and Analysis Bureau completed 18 dislocated worker fact sheets. These fact sheets provide workforce office staff, employers and prospective businesses with information about affected workforce in the area. There is demographic information, along with median salaries, education level, work experience, and advertising utilization. For workforce professionals the fact sheet also compiles information about the interest workers have in training programs designed to improve their knowledge and find new employment.

Iowa has also been leading a 10-state initiative designed to create and utilize a common dislocated worker survey. The group, with the support of DOL/ETA, has been successful in the creation and utilization of this common worker survey in six of the ten states to date. Future projects for this initiative include a regional database of workers and a pre-event employer survey.

### **Grants:**

#### **State Energy Sector Partnership**

The Labor Market and Workforce Information Division has managed the BLS \$6 million grant since January 2010. The project serves businesses, dislocated, underemployed and incumbent workers in Iowa with training funds for occupations as specified in the Green Jobs Act of 2007. The funds will also train workers for emerging occupations in Iowa's clean energy economy. The project has already met its' goal for training by over 1,000 participants. A six month no-cost extension was received to allow the division to focus on finding unemployed workers jobs in Iowa. The grant will expire on June 30, 2013.

#### **State Data Quality Initiative Grant (SDQI)**

In October 2010, the division received a \$1 million grant from Employment and Training Administration (ETA) to undertake and enhance workforce data quality. IWD is in the process of designing a database warehouse that will build the capability to link data sets for evaluation of the effectiveness of our various training programs and initiatives with the Department of Education and Iowa College Student Aid Commission. The three agencies together have developed a plan to match student unit records and unique individual ID's with institutional and workforce record systems, as well as planning for common database system architecture and inter-operability.

# WORKERS' COMPENSATION DIVISION

The Workers' Compensation Division has three core functions: adjudication of disputed workers' compensation claims, enforcement of compliance standards, and education of lowans about workers' compensation law and procedures. The Commissioner oversees this division of Iowa Workforce Development. The division continued to reassess and revise its processes during FY12 in order to provide more prompt adjudication and effective compliance enforcement. The division has also invested significant time to map our processes to prepare for much needed technological advances. The Workers' Compensation Division staff continued an emphasis on providing statewide educational presentations to assist businesses and workers understand our state's workers' compensation laws. In addition, the division continually strives to update the website which provides information to thousands of visitors.

The deputy commissioners conducted 623 contested case hearings and issued 540 decisions. The average time for a case to remain pending from the date of the initiating petition until issuance of the decision was decreased from 513 to 453 days. It must be noted that for much of the fiscal year the deputy commissioner staff was reduced from 12 to 11 due to budget concerns. The average time from hearing to decision was increased from 75 to 77 days, which is negligible given, for much of the year the division was short one transcriptionist.

Annual reports showing claim adjusting actions were required to be filed via Electronic Data Interchange (EDI) protocols. The division once again continued to focus increased compliance enforcement by actively enforcing the requirements for filing first reports of injury. The division will transition from Release 2 to the more updated and common Release 3 of EDI in the upcoming year.

## **Hearing-Level Adjudication**

Adjudication occurs when a dispute arises over an employee's entitlement to benefits. Most injury claims are resolved without adjudication. Annually, over 20,000 injuries are reported, however, in FY12 only 4,488 petitions for benefits were filed.

Workers' Compensation adjudication procedures resemble those used in the district court for non-injury cases. An injured worker files a petition seeking benefits. A period for preparing the case for hearing through motions, discovery and investigation follows. The deputy commissioners conduct hearings to decide claims in Des Moines or one of seven other cities around the state. The average time from the date of hearing to the date the decision was issued is 77 days.

Case inventories and waiting time had been increasing regularly prior to FY03. At the end of FY02 the inventory was 6,579 cases, the time for resolution averaged 651 days and the time from hearing to decision averaged 75 days. Rules that govern preparing cases for hearing and scheduling hearings were amended in FY05. The time consumed to resolve cases is directly related to the size of the inventory and number of staff. Further improvement is expected as the staff continues to reduce the existing inventory, if budgetary cuts are not continued.

## **Appeal-Level Adjudication**

Any party dissatisfied with a deputy commissioner's decision can appeal to the commissioner for a de novo review of the case. The large number of decisions at the hearing level produced a large number of appeals. Staff that formerly assisted the commissioner with appeals was shifted in 2003 to hearing-level adjudication so fewer people would be impacted by delay. The average monthly inventory of pending appeal cases increased in FY12 from 270 to 272.

# WORKERS' COMPENSATION DIVISION

## Compliance

Compliance administrators monitor injury and claim payment reporting, acting as ombudsmen. The requests for information about workers' compensation law decreased from 19,516 in FY11 to 12,767 in FY12. They reviewed 4,753 settlements for approval. As time allows, the division of workers' compensation coordinates with the Division of Labor to enforce proof of coverage compliance. Injury and claim payment data is reported to the agency using the Electronic Data Interchange (EDI) protocol. In the future, the EDI database will be used to monitor claim payment practices as part of the compliance plan. The compliance staff has been reduced from 6 to 3 full-time employees in recent years due to budget cuts.

## Education

The division provides information about workers' compensation law and procedures to the public on the web, including news and updates, EDI materials, weekly benefit schedules, summaries of recent appeal decisions and access to the hearing schedule. The division issues publications that disseminate information about workers' compensation law and procedures at meetings, conferences or seminars for attorneys, insurance personnel, employee groups and employer groups.

Average Days from Petition to Decision		Average Days from Hearing to Decision	
FY 2004	617	FY 2004	52
FY 2005	607	FY 2005	50
FY 2006	569	FY 2006	73
FY 2007	502	FY 2007	75
FY 2008	473	FY 2008	53
FY 2009	437	FY 2009	56
FY 2010	477	FY 2010	84
FY 2011	513	FY 2011	79
FY 2012	453	FY 2012	77

## Online Filing and Docket System

The Division of Workers' Compensation had received limited funding for the implementation of an electronic compliance and litigation system. The system has been designed and the code has been written by our vendor. The remaining work is to migrate existing data from our Mainframe into the new application and then perform several rounds of user acceptance testing of the application. The new system is designed to save internal and external costs, expand the time the Division is "open for business," and streamline the process in contested cases. The new system's implementation is an opportunity to amend the outside practices before the Division to increase efficiencies. Significant cost savings were realized by modifying an existing system from the state of Georgia. Implementation continues with IWD IT and is dependent upon their staffing on the project.

## Enforcement

The Division of Workers' Compensation has increased its focus on requirements to file First Reports of Injury and assessing \$1,000.00 fines for failure to do so. The Division hopes to enforce 86.13A assessments for late commencement of benefits through the compliance division once the new computer system is successfully launched.



## WORKFORCE SERVICES DIVISION

The Division of Workforce Services provides primary customer contact for a variety of services, including job placement, unemployment insurance, job training, labor market information, re-employment and business services, and case management. These services are delivered by staff based in the Des Moines administrative offices, and through a network of offices in 15 Iowa regions, including 15 one-stop offices, four satellite locations, and a growing number of access points provided by partners, communities, schools, and subcontracted agencies. One-stop Service Centers are established in each region to provide the customer with a single source for employment and training services and information, with many basic services such as job search and unemployment claims also available through the agency's websites.

### Integration Update

The close of fiscal year 2012 marked the fourth anniversary of Iowa's One-Stop integration project. Iowa's Integration model is driven by the following objectives:

- Provide Iowa businesses with the skilled workers they need while workers gain and expand skills that are in demand.
- Improve efficiency and effectiveness of workforce services and processes.
- Make a relevant, valuable contribution to each region's economic vitality.

While the vision of system integration includes an effective inclusion of all workforce programs in a given region, the concentration currently in the integrated centers is on the following programs:

- Employment & Re-Employment Services (Wagner-Peyser)
- WIA Adult and Dislocated Worker Services
- Trade Adjustment Act Services
- Veteran Services
- New Iowan Services
- PROMISE JOBS (welfare reform)
- Food Assistance Employment & Training
- Unemployment Insurance Services

Four centers were integrated in FY2012: Sioux City, Spencer, Carroll and Ottumwa, which added to the locations integrated previously (Burlington, Cedar Rapids, Decorah, Council Bluffs, Creston, Des Moines, Dubuque, Fort Dodge, Mason City, and Waterloo). The next regional One Stops on the list to adopt the integration model in FY2013 will be Marshalltown and Davenport, which will conclude rollout of the model.

From the start of the project in July 2009 through December 31, 2012, 129,587 Iowans have become members. Of that total, 112,728 are engaged in employment activities, 7,804 are in career development, and 9,055 are participating in career advancement. Fifty-five percent of the integration membership is male, and 45% is female. A total of 9,706 members are

Veterans, 1,284 are disabled Veterans, 13,975 are disabled, and 22,111 are over age 55. Of the total members enrolled since July 2009, 17,968 have been identified as needing a GED, 70,240 have a high school diploma, 29,066 have some college, and 9,527 have a college degree. Identifying Iowans in need of digital literacy instruction continues to be a key part of Integration. Since July 2010, 100,432 Iowans using integrated centers have been asked to assess their computer skills on a scale of 0 to 5, with 0 as none and 5 as expert. Of that total, 45,755 rate themselves as "2" or lower; 29,916 as "3," 19,419 as "4" and 5,342 as experts. Anyone self-identifying themselves as lacking digital literacy instruction is referred to training to upgrade their skills.

# WORKFORCE SERVICES DIVISION

## Employment Services

Employment services focus on providing a variety of employment related services including job search assistance, placement assistance, re-employment services to unemployment insurance claimants, and recruitment services to employers with job openings. Depending on the needs of the labor market, other services such as job seeker assessment of skill levels, abilities and aptitudes, career guidance when appropriate, job search workshops and referral to training may be available. The services offered to employers, in addition to referral of job seekers to available job openings, include assistance in development of job order requirements, matching job seeker experience with job requirements, assisting employers with special recruitment needs, arranging for Job Fairs, helping employers with hard-to-fill job orders and job restructuring, and dealing with layoffs.

For the last reporting period ending September 30, 2012, IWD offices served 210,360 individuals, including 18,120 Veterans and 24,291 people over age 55. Of that total, 210,273 received staff-assisted services and 174,791 were referred to employment opportunities. The entered employment rate for that period was 65 percent and the retention rate at six months was 83 percent.

Further demographics of this group include:

- 116,470 were male
- 93,401 were female
- 209,467 were adults over age 18
- 143,620 were aged 18 through 44
- 41,242 were aged 45 through 54
- 4,218 were Migrant Seasonal Farm workers

From July 1, 2011, through June 30, 2012, IWD's field offices received 160,700 job orders from employers. This does not represent the total number of openings since a job order can reflect an employer's need for multiple workers. One of IWD's functions is to match available workers with job opportunities listed by employers. From July 1, 2011, through June 30, 2012, IWD staff sent out 1,497,389 notices to Iowa workers letting them know about job opportunities and career events to help them with their work search. That total includes 1,315,133 emails and 182,256 mailers sent through the U.S. Mail. Email is seen as a more efficient and cost effective way for IWD to reach job seekers, and the agency has switched to only using email for job order notifications. IWD staff offer all customers the opportunity to sign up for free email through Google, Hotmail or Yahoo in our centers, and at our Virtual Technology locations. We are also using social media, such as YouTube, Twitter, LinkedIn and Facebook, to distribute information to our customers.

IWD continues to look for ways to increase the number of available job opportunities posted on our job bank, [www.iowajobs.org](http://www.iowajobs.org). Through the use of "indexing," we are able to automatically add jobs posted on employer websites, and job opportunities within a 50 mile commute with Iowa's borders with Missouri, Nebraska, Minnesota, South Dakota, Wisconsin and Illinois. We believe many Iowans would be interested in jobs within that commuting distance that could allow them to remain Iowans, stay in their homes, and keep their children in their school. IWD is the nation's largest user of indexing, which has doubled the number of jobs posted on the agency's website and created the largest source of job opportunities in the state.

Each of IWD's 15 regions has its own job bank that is a subset of IowaJobs, allowing people interested in a specific part of the state to focus on jobs in that area only. In addition, we have created a number of job banks for local chambers of commerce and economic

## WORKFORCE SERVICES DIVISION

development groups focusing on job opportunities in multi-county areas.

Other identified advantages to posting jobs with IWD include staff assistance providing matches to both job seekers and employers, jobs are posted in “real time,” and no fees are charged to either party.

Jobs posted with IWD automatically go to multiple websites:

- Iowa Jobs
- US.jobs
- VetCentral

Additionally, we have taken advantage of our partnership with the Direct Employers Association to launch a number of .jobs microsites, which offer us the opportunity to provide all of our job information on mobile and hand-held devices. We currently have the following .jobs microsites, with three more under development targeted at youth, internships and seasonal jobs:

- workiniowa.jobs—Mobile version of iowajobs.org
- workiniowa-vets.jobs—Contains a military crosswalk so the vet can enter their MOS or MOC and find jobs that match their experience. Additional outreach for federal contractors to show OFCCP Auditors
- workiniowa-disability.jobs—Helps employers reach the disability community – according to Google Adwords, ‘disability’ is a highly searched word by job seekers. Helps employers comply with Affirmative Action /EEOC efforts
- workiniowa-stem.jobs—Features job opportunities in science, technology, engineering and math
- workiniowa-green.jobs—Features “green” job opportunities

Iowa was also the first state to create a customized job bank specifically for apprenticeship opportunities certified by the US Department of Labor. This site, [www.iowaworkforce.org/apprenticeship](http://www.iowaworkforce.org/apprenticeship) has since been replicated in other states and identified by DOL as a best practice.

### **PROMISE JOBS (PJ)**

PROMISE JOBS, or “Promoting Independence and Self Sufficiency through Employment, Job Opportunities & Basic Skills,” is Iowa’s welfare reform program. Designed to assist Family Investment Program (FIP) recipients to become self-sufficient, PROMISE JOBS is a participation and eligibility requirement for most FIP recipients. Participants develop an individualized Family Investment Agreement (FIA) that outlines the steps they will take to leave public assistance. Persons who fail to participate or comply with their FIA are considered to have chosen a Limited Benefit Plan (LBP) and lose their FIP benefits. IWD has a contract with the Iowa Department of Human Services to administer the PROMISE JOBS program, and staff is located in each of our 15 service delivery areas. A person must be receiving FIP benefits in order to receive PROMISE JOBS assistance. A number of activities are available to PROMISE JOBS participants, including: Workplace Essentials, job seeking skills training, work experience, on-the-job training, monitored employment, GED/ABE/ESL, post-secondary education, parenting skills and family development services. Financial assistance is available for child care, transportation, short-term training, and high school completion.

For FY 2012, 137,279 individuals were active in PROMISE JOBS activities statewide with an average monthly caseload statewide of 15,950 families. Iowa’s all-family rate for FY 2012 was 38.4 percent and Iowa’s rate for two-family was 29.3 percent.

# WORKFORCE SERVICES DIVISION

## **Disabled Veterans Outreach Program (DVOP)**

Under Federal Priority of Service regulations, Veterans and Eligible Spouses are entitled to priority of service for qualified training programs funded by the US Department of Labor. Specially trained Workforce Advisors, themselves all disabled Veterans, work with Veterans recently separated from military service or with barriers to employment. Barriers may include disabilities incurred while on active duty, substance abuse, convictions, work history and others that could hinder their ability to obtain suitable employment. Services include counseling, assessment testing, referrals to other supportive service agencies, and identifying training opportunities. Active outreach is conducted with employers, community and Veteran service organizations, unions, and local counseling and social service agencies to ensure Veterans know about and receive services for which they are eligible.

For the last reporting period, IWD offices served 18,120 Veterans. Success is measured by the fact that 60 percent of the veterans served found employment after receiving staff-assisted services, and 82 percent retained that employment six months later. One very successful tool in promoting the benefits available to Iowa veterans is the continued use of a publication originally developed in 2009. "Iowa Veterans Benefits & Services; A Guide to Federal, State and Local Veterans Programs" is provided to Veterans and their families by IWD, DOL VETS and Iowa county veteran's affairs officers. In addition to featuring pictures of Iowa Veterans and active service members, it includes information on training opportunities, health care and hospital benefits, dependent and survivor benefits, life insurance, home loans, employment and other veterans' service organizations.

IWD continues to be focused on providing access and services to Veterans across the state. Veterans Representatives are currently based in Dubuque, Mason City, Spencer, Fort Dodge, Waterloo, Davenport, Cedar Rapids, Des Moines, Sioux City, Council Bluffs, Creston and Ottumwa. Itinerant services are provided in Carroll and Marshalltown, and a staff person is being added in Burlington. We also have a half-time Intensive Service Coordinator in Des Moines. This position works with VA Vocational Rehabilitation to assist disabled Veterans enrolled in training programs.

## **Food Assistance Employment and Training Program (FAET)**

Food Assistance recipients in the Des Moines and Cedar Rapids areas are eligible for employment and training services through a contract between the Iowa Department of Human Services and Iowa Workforce Development. Food Assistance recipients who are not receiving Family Investment Program (FIP) payments can participate in job seeking skills training, adult basic education, and expanded education or vocational training. Services related to job seeking and work readiness workshops, including the National Career Readiness Certification (NCRC) are offered at the two One-Stop Center locations. In addition, Food Assistance recipients seeking to enhance their skill set to be prepared for high-demand, high wage occupations can participate in expanded education certification through the community colleges in those areas.

## **National Career Readiness Certificate (NCRC)**

Iowa Workforce Development continues to expand use of ACT's National Career Readiness Certificate, a WorkKeys program, throughout the state at one-stop centers, satellite offices, schools, and Virtual technology locations. All Iowa residents are able to take the NCRC assessments at no cost.

The NCRC program tests the comprehension level of an individual in "reading for information," "locating information," and applied mathematics." Individuals receive a

## WORKFORCE SERVICES DIVISION

platinum, gold, silver or bronze certificate based on their level of understanding in a given area. KeyTrain is also available at no cost to persons needing remediation before testing or wishing to improve their score.

The certificates can be presented to employers as another tool to demonstrate the skills a particular worker possesses. The certificate is also being used widely with IWD's ex-offender initiative at correctional facilities in Clarinda, Rockwell City, Newton and Mitchellville, as part of the new FSET component, in PROMISE JOBS, Veterans services, and other employment and training activities.

### **Ex-Offender Initiative**

The Ex-Offender Initiative implemented in three Iowa correctional facilities in 2009 expanded to a fourth location in 2012. Working in partnership with the Department of Corrections, four IWD workforce advisors work on site at the Clarinda, Mitchellville, Newton and Rockwell City prisons. This staff works with soon to be released ex-felons, with the goal of having them placed in a job before they leave prison.

### **New Iowan Services**

Iowa Workforce Development provides New Iowan Services persons who have recently moved to Iowa, or within Iowa, and are seeking employment. New Iowans can be from New York City, Newell or Nicaragua – they don't have to be from another country.

The centers are designed to support workers, businesses, and communities with information, community service referrals, job placement, translations, language training, and resettlement assistance, as well as technical and legal assistance concerning forms and documentation.

### **Workforce Investment Act**

The Workforce Investment Act (WIA) is a federally funded employment and training program designed to prepare adults, economically disadvantaged youth and dislocated workers for participation in the work force. The goal of WIA activities is to increase the employment, retention and earnings of participants, and increase occupational skill attainment by participants to improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the Nation.

The Adult training program is designed to prepare adults (19 and older) for participation in the labor force by increasing their occupational and educational skills, resulting in improved long term employability, increased employment and earnings, and reduced welfare dependency. Three levels of service are available to adults: core services, intensive services, and training services. Adults must first receive core services before they can move on to intensive services, and must receive intensive services before they can move on to training services. Because Adult program funds are limited, priority in the provision of intensive and training services must be given to adults who are low income or welfare recipients. In the last reporting period, 59.7 percent of those served found employment. Of those, 80.7 percent retained the employment, and 52.1 percent obtained a credential.

The Dislocated Workers program provides retraining and re-employment services to individuals who have been dislocated from their jobs, and to displaced homemakers. Employment services reach beyond basic job placement. Job seekers have access to computerized resource centers for career exploration, resume preparation, skills

## WORKFORCE SERVICES DIVISION

assessment and testing, job search, on-line work registration, and on-line unemployment insurance claims filing. Job seekers also have access to a variety of skill building workshops, job search assistance curriculum and individual case management. In the last reporting period, 83.4 percent have obtained employment, 94.9 percent have retained that employment, and 61.0 percent obtained a credential.

The Youth training program is designed to improve the long-term employability of youth (14 through 21), enhance the educational, occupational and citizenship skills of youth, encourage school completion or enrollment in alternative school programs, increase the employment and earnings, reduce welfare dependency, and assist youth to make a successful transition from school to work, apprenticeship, the military, or post-secondary education and training. Many regions throughout the state are striving to engage more out-of-school youth in providing support and services that will lead the youth to gainful employment. It is important that youth are employed in a field that not only interests them, but one in which they have the potential to obtain the skills and abilities to be successful. Data for that group shows 66.5 percent of the younger youth attained a skill, and 81.6 percent obtained either a GED or high school diploma. Older youth were equally successful, with 80.4 percent finding employment, 85.8 percent maintaining the job, and 58.2 percent obtaining a credential.

### **Trade Adjustment Assistance (TAA)**

The TAA program helps workers who have lost their jobs as a result of foreign trade. The TAA program offers a variety of benefits and services to eligible workers, including job training, income support, job search and relocation allowances, a tax credit to help pay the costs of health insurance, and a wage supplement to certain reemployed trade-affected workers 50 years of age and older.

As of January 13, 2013, Iowa has 133 active and pending Trade Act petitions:

- Electrolux Central Vacuums in Webster City and leased workers from Manpower
- Electrolux Major Appliances in Webster City, including leased workers from Per Mar Security and Nussbaum Transportation
- Trans-Lux Corporation, AKA Fair-Play, in Des Moines
- Klausner Furniture/Stylecraft in Milford
- Burlington Basket Company in West Burlington
- RR Donnelly in Eldridge
- Cummins Filtration in Lake Mills, including leased workers from Manpower, Spherion Staffing, Hagemeyer North America
- Advanced Urethane Technologies in Dubuque
- IBM in Des Moines
- Dex One in West Des Moines, including on-site leased workers from Advantage XPO
- S4 Carlisle Publishing Services in Dubuque
- UPS in Des Moines
- IC System in Mason City
- Siemens Energy in Fort Madison
- Rockwell Collins in Cedar Rapids
- Hostess Brands, statewide
- Rock Creek Athletics in Grinnell
- CDR Systems Incorporated in Estherville
- Iowa Health Des Moines in Des Moines
- Century Link in Des Moines and Waterloo
- Verizon Data Systems in Cedar Rapids
- CoreLogic Consumer Services in Des Moines
- Schneider Electric in Cedar Rapids
- I Level by Weyerhaeuser, statewide

# LABOR SERVICES DIVISION

The Iowa Division of Labor Services provides a broad range of services to constituents and businesses of Iowa. This enables smaller employers with limited resources to develop and cultivate safety and health programs to provide safer workplaces for their employees. The Division strives to develop outreach programs and activities to educate employers and employees on all facets of Division of Labor jurisdiction.

Businesses and government working together can build a culture of safety, which provides an economic benefit to employers and employees throughout Iowa. Businesses and employers that support workplace safety and health initiatives develop healthier, more productive employees. This in turn decreases accidents and illnesses on the job and decreases workers' compensation costs.

## **Amusement Ride Inspections**

A central location was provided to owners of inflatables for inspections at the Iowa State Fair Grounds.

## **Athletic Commission (Boxing, Mixed Martial Arts (MMA) & Wrestling)**

- Timely permitting
- Oversight of covered events
- Timely enforcement of all non-compliant Athletic Commission activities
- Appropriate assistance to customers and walk-ins

## **Asbestos Permit & Licensing**

- Timely processing of all requests for asbestos license and permits
- Timely enforcement of non-compliant contractors
- Customer service needs for all walk-ins

## **Boiler Inspection**

The Commissioner and staff works with the Boiler Board on a variety of topics annually. A regular agenda item is a constituent concern of how an owner may obtain a waiver or variance from applicable Iowa Code. They are also called upon to review code and rules for appropriate action and/or adoption or modification. The Board also addresses other responsibilities including adopting administrative rules.

## **Bureau of Labor Statistics**

This section collects the data for OSHA and the Bureau of Labor Statistics surveys. The division mans the OSHA Hotline for fatalities statewide within 24 hours. Directs appropriate action or inspection activities.

## **Child Labor and Wage/Child Labor Enforcement**

Restructuring within the Wage/Child Labor Section provided an Executive Officer overseeing office activities and coordinating wage and child labor investigations. Proactive on all child labor complaints and injuries. Increase outreach training for employer education on wage and child labor. Assess civil action when necessary. Ensure customer service needs are provided to all telephone calls, e-mails, written, faxed communications and walk-in customers.

## **Contractor Registration**

The Division of Labor and the Labor Commissioner have focused our primary concerns to public service, outreach and education to our customers. Contractor Registration has focused on timely processing all requests for permits. Our field investigators are traveling state wide and providing 20 day notices to all contractors needing permits to register for permits with no civil consequence within that time frame. We are also coordinating referrals to UI Tax, Misclassification Unit and Iowa OSHA as necessary.

## LABOR SERVICES DIVISION

Our walk-in customers will all be personally served during normal business hours. We have also conducted outreach activities at construction expositions, Governors Safety Conference and trade shows. We have bi-lingual field staff to assist with outreach during field activities or in the office as well as bi-lingual contractor registration literature.

### **Elevator Inspection**

The Labor Commissioner and the Elevator Safety Board meet monthly to serve the public on waiver, variance requests and any other topic requiring action. They work to adopt administrative rules and keep the Legislative informed on necessary code changes. The Elevator Section has been working over the past two (2) years to migrate to a new data base called AMANDA. This new operating system will allow for much easier access by the public including eventual electronic payment and a more public user friendly portal. The Elevator section has added hundreds of new annually inspected conveyance with the new wind towers, falling within our jurisdiction.

Commissioner Mauro has made current annual inspection of all conveyance in the Elevator Sections number one priority.

### **OSHA Consultation**

The division ensured there was extensive outreach to small employers (especially those with classifications under all Local Emphasis Programs (LEP's) and National Emphasis Programs (NEP's).

Consultation and Education also administers Iowa OSHA's Voluntary Protection Program which promotes effective worksite based safety and health programs through partnerships with management, labor and OSHA. Businesses and Employers receiving VPP status are recognized for their outstanding commitment to workplace safety and health. Iowa had forty-one (41) active VPP sites during State Fiscal Year 2012.

We continue VPP, Alliance and Partnership outreach and provide customer service with all walk-ins or assistance from OSHA Enforcement for abatement.

### **OSHA Enforcement**

Emphasis programs allow enforcement to better utilize staff-time and resources toward industries with higher incidence rates and more safety and health concerns. This allows Iowa OSHA to strive towards reducing the number of accidents and illnesses throughout the state. It is Iowa OSHA's hope to continue to refine education, outreach and selection methods for enforcement. We look forward to substantially decreasing the number of accidents and deaths in the future.

Iowa OSHA is committed to working with our Federal partners to ensure we are meeting our annual and five year strategic performance goals. We are committed to timely turn around on all OSHA inspection activities. Our supervisors are ensuring appropriate utilization of field time for inspectors. Referrals to other sections within the Division of Labor where action may be necessary.



## LABOR SERVICES DIVISION

Amusement Ride Safety Program		Elevator Safety Program	
Inspections	1,784	Annual Inspections	7,030
		Other Inspections	953
Boiler Safety Program		3rd Party Inspections	1,350
State Inspections	3,895	3rd Party Other Inspections	383
Private Inspections	23,088	Chapter 89A Remedial	0
<b>TOTAL INSPECTIONS</b>	<b>26,983</b>	<b>TOTAL INSPECTIONS</b>	<b>9,716</b>

Construction Contractor Registration		Professional Athletic Licenses	
Registrations Issued	12,574	Boxing, MMA & Wrestling Events	145
Citations Issued	746		
		Wage Payment Program	
Child Labor Program		Wage Claims Received	699
Claims Closed	100	Wage Claims Settled	663
Work Permits Issued	4,412	Amount Collected	\$117,547

Second Injury Fund	
Amount Collected	\$573,000

## LABOR SERVICES DIVISION

IOSH Consultation Activities		Voluntary Protection Program (VPP)	
Education Seminars	103	Active Facilities	41
Ten-Hour Classes	29	Inactive Facilities	0
Attendance	624	New Facilities	0
Consultations Conducted	394		
Employees Covered	20,343		
Serious Hazards Identified	2,520		

OSHA Enforcement Inspections		OSHA Violations Issued	
Accident Inspections	17	Serious Violations	1,513
Complaint Inspections	140	Willful Violations	15
General Inspections	490	Repeat Violations	52
Referral Inspections	129	Other Violations	752
Follow-Up Inspections	4	Failure to Abate Violations	1
Other Related Inspections	273	TOTAL VIOLATIONS	2,333
TOTAL INSPECTIONS	1,053		

OSHA Penalties Proposed	
Serious Penalties	\$1,267,032
Willful Penalties	\$1,050,000
Repeat Penalties	\$69,120
Other Penalties	\$217,319
Failure to Abate Penalties	\$3,650
TOTAL PENALTIES	\$2,607,121

# FINANCIALS

## EXPENDITURE REPORT BY DIVISION AND PROGRAM - JUNE 30, 2012 FINAL REPORT

	'12 BUDGET	'12 EXP
<b>DIRECTOR'S OFFICE</b>		
Indirect Cost, Customer Services	\$323,903	\$313,748
Indirect Cost, Communications	\$549,356	\$558,901
Indirect Cost, Director's	\$499,729	\$478,833
Marketing, Penalty and Interest	\$50,000	\$37,650
Director's Office, Penalty and Interest	<u>\$25,000</u>	<u>\$564</u>
	<u>\$1,447,988</u>	<u>\$1,389,696</u>
<b>ADMINISTRATIVE SERVICES DIVISION</b>		
Indirect Costs, Admin	\$740,969	\$722,744
Indirect Costs, Accounting	\$698,805	\$669,345
Indirect Costs, Budgeting and Reporting	\$445,700	\$387,807
Indirect Costs, Purchasing	\$167,194	\$160,314
Indirect Costs, Personnel	\$277,044	\$292,660
Indirect Costs, Premises	\$735,582	\$608,032
Indirect Costs, Overhead	\$1,414,746	\$1,271,012
Indirect Cost, Printing	\$153,096	(\$41,618)
Indirect Cost, Supply Rm	\$249,604	\$180,463
Indirect Costs, Previous Year's Surplus	\$119,785	\$1,295
Indirect Cost, Fiscal Agent Funds	\$161,775	\$130,602
Penalty and Interest, Infrastructure	\$250,000	\$127,789
Penalty and Interest, General Operations	\$750,000	\$0
Penalty and Interest, Temporary Loans	\$1,000,000	\$0
Penalty and Interest, Permanent Loans	\$570,000	\$0
* Supply Room	<u>\$0</u>	<u>\$0</u>
Total Division	<u>\$7,734,300</u>	<u>\$4,510,445</u>
<b>INFORMATION TECHNOLOGY DIVISION</b>		
IT Services Bureau	\$7,020,394	\$6,599,517
IT, Software Licensing, Penalty and Interest	\$275,000	\$274,770
IT, REA Program	\$152,650	\$115,549
IT, Applications, TAA	\$141,585	\$18,909
IT, Applications, WIA	\$112,445	\$110,209
Unemployment, ICON	<u>\$131,135</u>	<u>\$133,207</u>
Total Division	<u>\$7,833,209</u>	<u>\$7,252,161</u>

CONTINUED

# FINANCIALS

CONTINUED	'12 BUDGET	'12 EXP
<b>LABOR DIVISION</b>		
Athletic Commission, To Date, Revenue Received	\$126,597	\$72,967
BLS, COF 50-50, Federal Share	\$12,540	\$16,697
BLS, COF 50-50, State Share	\$16,220	\$16,697
BLS, ROSH, 50-50, Federal Share	\$88,411	\$85,791
BLS, ROSH, 50-50, State Share	\$95,074	\$85,790
Boiler Inspection, Revenue Received	\$1,433,463	\$902,181
Elevator Inspection, , Revenue Received	\$1,790,151	\$1,452,866
Contractor Registration, Revenue Received	\$1,356,772	\$563,436
Misc Receipts, Revenue Received	\$12,637	\$12,637
Labor, 100% State (AB, LA, LH, MW)	\$666,182	\$641,326
OSHA, Data Initiative, 100% Federal	\$77,034	\$74,621
OSHA, 100% Federal	\$7,000	\$5,613
OSHA, 90-10, Federal Share	\$571,625	\$592,148
OSHA, 90-10, State Share	\$281,911	\$232,814
OSHA, 50-50, Federal Share (AB, CT, HE, LA, SF)	\$2,034,153	\$2,070,694
OSHA, 50-50, State Share (AB, CT, HE, LA, SF)	\$2,615,296	\$2,517,393
State Appropriations, Estimated Unob.	<u>\$278,021</u>	<u>\$0</u>
	<u>\$11,463,087</u>	<u>\$9,343,671</u>
<b>WORKER'S COMPENSATION DIVISION</b>		
Automation	\$155,010	\$16,023
Misc. Receipts, Revenue Estimate	\$434,934	\$317,772
Penalty and Interest, Appropriated, Oblig, SFY 11	\$18,507	\$18,507
State Appropriation, Work Comp (WC,WJ,WT)	<u>\$2,949,044</u>	<u>\$2,949,044</u>
	<u>\$3,557,495</u>	<u>\$3,301,346</u>
<b>ARRA FUNDING</b>		
WIA, OJT Program	\$878,755	\$675,282
Data Quality Initiative	\$990,025	\$159,208
State Energy Sector Partnership (SA/FM/PF)	\$5,025,289	\$2,971,690
Mercy Healthcare Training (FR/FM/PF)	\$2,714,925	\$922,670
UI Modernization	<u>\$5,058,171</u>	<u>\$0</u>
	<u>\$14,667,165</u>	<u>\$4,728,850</u>
<b>LABOR MARKET &amp; WORKFORCE INFORMATION DIVISION</b>		
Actuarial, Unemployment	\$230,000	\$199,065
Information and Policy	\$152,219	\$125,406
Actuarial, Penalty and Interest	\$154,651	\$140,978
Labor Benefit Surveys, IDED	\$162,794	\$162,794
Labor Surveys, Misc Receipts	\$153,025	\$38,316
Laborshed, Gov 10%	\$673,000	\$746,119
Laborshed, Wagner Peyser, incl. mapping (LM,LW,LT)	\$188,599	\$149,692
Outcome Tracking, State Appropriations	\$270,000	\$136,084
Return on Investment	\$200,000	\$176,054
Miscellaneous Revenue	\$17,577	\$2,184
LMI, Trade Act	\$70,000	\$39,743
ACES	\$1,023,851	\$937,794
CES	\$125,044	\$116,222
ES-202	\$537,813	\$471,996
LAUS	\$221,603	\$217,202
MLS	\$71,286	\$43,585
North Carolina ALMIS	\$550,000	\$549,988
OES/BLS	\$409,908	\$390,203
One Stop LMI	<u>\$469,785</u>	<u>\$422,107</u>
	\$5,681,155	\$5,065,532

## FINANCIALS

CONTINUED	'12 BUDGET	'12 EXP
<b>WORKFORCE ADMINISTRATION DIVISION</b>		
Alien Labor Certification, est.	\$120,519	\$72,527
Alien Labor Certification, Reserve for SFY 2013	\$20,285	\$0
ATAA Training	\$776,271	\$731,492
Food Stamps, Field Operations (incl WA/WX)	\$128,505	\$100,383
Food Stamps, Reserve for SFY 2013	\$79,337	\$0
Governor's 10%, NCRC Program	\$333,000	\$72,282
Governor's 10%, Brochures	\$100,000	\$69,685
Governor's 10%, Previous Year Credit	\$0	(\$86,181)
Penalty and Interest, Workforce Admin	\$40,000	\$38,083
Promise Jobs, Field Office, Pass Thru (incl WA/FN)	\$13,959,756	\$12,867,735
Promise Jobs, Quality Assurance, Field (incl WA/FN)	\$419,663	\$392,665
State Approps, Field Operations, UI Reserve Fund	\$4,238,260	\$3,675,541
State Approps, Field Operations, P and I Funds	\$1,217,084	\$0
State Approps, Field, Integration and State Board	\$8,671,352	\$8,671,352
Youth Build/Americorp Grant	\$214,476	\$50,262
Youth Build/Americorp Grant P & I Match	\$10,000	\$10,672
SS, WIPA Grant & DHS (FP, PF, DH)	\$332,805	\$332,805
State Appropriations, Offender, Field (incl WA)	\$254,403	\$241,752
TAA Administration, Field Operations (incl WA/FR)	\$1,225,951	\$1,163,763
TAA Training	\$14,584,141	\$10,484,249
TAA Case Management, 430 Grand	\$446,026	\$64,730
TAA Admin Reserve for SFY 2013	\$802,919	\$0
Ticket to Work	\$135,868	\$18,913
Unemployment, Basic Funds, Field Operations	\$9,420,336	\$8,578,075
Unemployment, REA Grant, Field Operations (incl FN)	\$491,789	\$502,503
Unemployment, RES/REA, EUC Grant	\$830,000	\$133,379
Veteran's DVOP, Field Operations (incl WA)	\$1,357,871	\$1,384,802
Veteran's DVOP, Reserve for SFY 2013	\$332,964	\$0
Veteran's LVER, Field Operations	\$192,942	\$182,922
Veteran's LVER, Reserve for SFY 2013	\$42,037	\$0
Wagner Peyser, Field Operations (incl WA/WX)	\$5,277,617	\$5,099,207
WIA, Adult Program	\$4,276,747	\$3,696,329
WIA, Youth Program	\$5,954,753	\$5,227,249
WIA, Dislocated Worker Program	\$7,691,502	\$6,281,434
WIA, National Emergency Grants	\$12,368,557	\$4,424,475
WIA, Incentive Grant	\$668,564	\$663,660
Work Keys, Testing Fees	\$62,833	\$48,098
WOTC	\$300,323	\$332,351
WOTC, Reserve for SFY 2013	<u>\$58,481</u>	<u>\$0</u>
	<u>\$97,437,937</u>	<u>\$75,527,194</u>

# FINANCIALS

CONTINUED	'12 BUDGET	'12 EXP
<b>UNEMPLOYMENT DIVISION</b>		
DUA, Disaster Funding	\$8,979	\$6,683
Reed Act Program	\$900,000	\$1,141,048
UI Appeals	\$3,457,117	\$3,295,380
UI, Administration	\$932,302	\$724,551
UI, Overhead	\$50,000	\$38,229
UI, Tax	\$4,348,744	\$4,242,122
UI, Field Audit (FA,FB,FC)	\$2,019,153	\$1,607,660
UI, Quality Control	\$1,046,645	\$995,844
UI, Inspections	\$1,290,299	\$1,260,175
UI, Call Center	\$7,646,531	\$7,272,105
UI, Recovery Unit	\$996,431	\$999,031
State Appropriations, Misclassification	\$451,458	\$451,458
Misclassification, Unemployment Funds	\$205,919	\$143,740
Unemployment, Automation, SBR's	\$2,087,372	\$1,250,915
Unemployment, Automation, Integrity	\$255,321	\$221,555
Unemployment, Automation, (IT Chargeback)	\$3,146,050	\$2,941,386
REA SBR	\$1,444,570	\$282,013
UI Integrity, Reserve for SFY 2013, 25%	\$0	\$0
UI, Baseline, Reserve for SFY 2013	\$5,630,432	\$0
Other UI Funds	\$0	\$0
Tax Specific, Penalty and Interest	<u>\$100,000</u>	<u>\$52,552</u>
	<u>\$36,017,323</u>	<u>\$26,926,447</u>
<b>UNOBLIGATED FUNDS</b>		
Alien Labor Certification, Unobligated	\$50,799	\$0
Food Stamps, Unobligated	\$35,181	\$0
Penalty and Interest, Unobligated	\$2,851,428	\$0
Reed Act, (Benefit Redesign), Unobligated	\$6,128,916	\$0
State Appropriations (Offender), Unobligated	\$48,421	\$0
Trade Act, Admin, Unobligated	\$2,035,740	\$0
UI Baseline, Unobligated	\$2,329,150	\$0
UI, REA Program, Unobligated	\$971,403	\$0
Wagner Peyser, Unobligated	\$1,631,478	\$0
Wagner Peyser, Gov 10%, Unobligated	<u>\$561,431</u>	<u>\$0</u>
	<u>\$16,643,947</u>	<u>\$0</u>

# FINANCIALS

## IOWA WORKFORCE DEVELOPMENT FUNDING BY SOURCE EXPENDITURE REPORT BY SOURCE JUNE 30, 2012 FINAL REPORT

	SFY 12 BUDGET	SFY 12 EXPENSES	% EXP
<b>FEDERAL FUNDS:</b>			
<b>US DEPARTMENT OF LABOR</b>			
BUREAU OF LABOR STATISTICS	\$2,960,241	\$2,701,597	91.26%
EMPLOYMENT AND TRAINING ADMINISTRATION	\$70,957,035	\$45,499,290	64.12%
OCCUPATIONAL SAFETY & HEALTH ADMIN.	\$2,689,812	\$2,743,076	101.98%
UNEMPLOYMENT DIVISION	\$62,351,659	\$36,368,829	58.33%
<b>US DEPARTMENT OF HUMAN SERVICES</b>			
HEALTH AND HUMAN SERVICES	\$14,955,247	\$13,693,588	91.56%
<b>STATE GENERAL FUND</b>			
FIELD OFFICES	\$8,974,176	\$8,913,104	99.32%
LABOR PROGRAMS	\$3,952,704	\$3,494,020	88.40%
WORKER'S COMPENSATION	\$2,949,044	\$2,949,044	100.00%
MISCLASSIFICATION	\$451,458	\$451,458	100.00%
OUTCOME TRACKING	\$270,000	\$136,084	50.40%
WORK COMP AUTOMATION	\$155,010	\$16,023	10.34%
<b>OTHER SOURCES</b>			
ATHLETIC COMMISSION	\$126,597	\$72,967	57.64%
BOILER INSPECTIONS	\$1,433,463	\$902,181	62.94%
ELEVATOR INSPECTIONS	\$1,790,151	\$1,452,866	81.16%
CONTRACTOR REGISTRATION	\$1,356,772	\$563,436	41.53%
INDIRECT RESERVE FUND	\$119,785	\$1,295	1.08%
LABOR COMMISSION, MISC. RECEIPTS	\$12,637	\$12,637	100.00%
LABORSHED	\$315,819	\$201,110	63.68%
Youth Build Program	\$214,476	\$50,262	23.43%
NORTH CAROLINA ALMIS	\$550,000	\$549,988	100.00%
PENALTY AND INTEREST	\$7,311,670	\$701,565	9.60%
REVOLVING ACCOUNT INTEREST	\$4,238,260	\$3,675,541	86.72%
LABOR MARKET INFO, MISC RECEIPTS	\$17,577	\$2,184	12.43%
TICKET TO WORK	\$135,868	\$18,913	13.92%
WORK KEYS, TESTING	\$62,833	\$48,098	76.55%
WORKER'S COMPENSATION, COPYING	\$434,934	\$317,772	73.06%
<b>TOTAL OF ALL SOURCES</b>	<b><u>\$188,787,228</u></b>	<b><u>\$125,536,928</u></b>	<b>66.50%</b>

\* IT Chargebacks, Indirect and Supply Room are not included as they do not represent revenue. They are distribution accounts.



IOWA<sup>®</sup>  
**WORKFORCE**  
DEVELOPMENT

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