

Iowa Workforce Development



Fiscal Year 2011 Annual Report

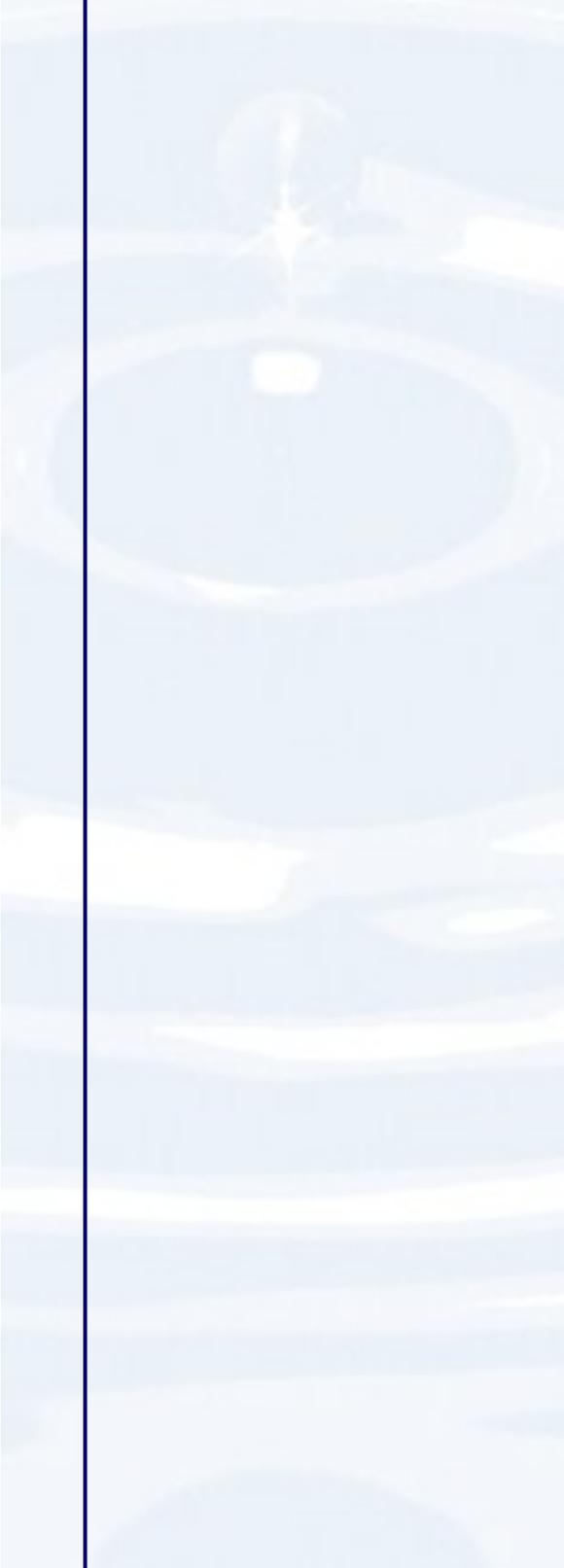


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Economic Environment



The economic recovery was two years old at the end of fiscal year 2011; however, the Iowa economy continued to struggle with a number of challenges. The ongoing housing downturn remained at the top of the list, but other adverse factors included rising food and gasoline prices, declining government payrolls, and the global disruption caused by Japan's March earthquake and tsunami. Against this backdrop, Iowa continued to compare favorably against most other states due to its thriving agricultural sector, which has close ties to the state's food processing and machinery manufacturers. In 2010, machinery, processed foods, and agricultural products accounted for close to 60 percent of Iowa's \$10.9 billion in export products, which were up 20 percent from 2009.

Although the state's job market showed some improvement during the fiscal year, hiring was still too weak to substantially reduce the ranks of the unemployed. Iowa's pool of unemployed persons averaged 102,300 for the fiscal year compared to 100,300 for fiscal year 2010, while the unemployment rate edged up to 6.1 percent from the prior year's 6.0 percent. Meanwhile, the U.S. unemployment rate for fiscal year 2011 was considerably higher at 9.3 percent.

Iowa's nonfarm employment reflected a steady, but uneven recovery during the past fiscal year. Hiring during the first half of the year was sluggish, but picked up the pace during the January through May 2011 period, when job gains occurred for five consecutive months. Most of the job growth during this period was supported by hiring in manufacturing, professional and business services, health care and social services and leisure and hospitality. In fact, health services, which had continued to expand throughout the recession, reached a record employment level of 180,000 by June 2011. On the other hand, the effects of the soft housing market continued to take a toll on construction, wood products manufacturing, certain parts of wholesale and retail trade, and the state's finance sector.

After spending three years recovering from floods that had occurred in eastern Iowa, flooding along the Missouri River caused substantial damage in six counties in the western part of the state in June. These counties included Fremont, Harrison, Mills, Monona, Pottawattamie and Woodbury. Businesses and residents in the area had to deal with a number of challenges, including transportation logistics and workforce issues. Over 60 miles of primary highway were closed for more than two months, and rail transportation was also impacted. Iowa State University's Center for Industrial Research and Service (CIRAS) conducted a survey of 200 manufacturers located in the six counties affected by the flooding. Of the sixty percent that responded to the survey, over half were concerned about levee conditions, road degradation, and disruptions to their workforce.

Iowa's economy is positioned to perform somewhat better in fiscal year 2012, but some of the state's progress toward a sustainable recovery will depend on the outcome of external events, such as the debt crisis in Europe and policy decisions being made in Washington. Despite these factors, Iowa has proven to be resilient. Iowa's largest companies reported improved expectations for levels of sales, capital spending, and employment for the first six months of calendar year 2012 according to the latest Iowa Business Council Overall Economic Outlook Survey Index (2011Q4). In addition, several Iowa companies have announced major expansion plans that will add hundreds of jobs in a wide array of industries. These jobs should help to further diversify the Iowa economy, as well as provide higher-paying jobs for the state's residents.

Department 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 55 field offices in conjunction with our workforce partners.

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.

The IowaJobs Web site at www.iowajobs.org lists more than 18,000 job openings daily.

The Iowa Workforce Information Network at [http:// iwin.iowaworkforce.org](http://iwin.iowaworkforce.org) provides workforce trend information.

Iowa Workforce Development, established in 1996, is a department within the executive branch of state government. At the time, the Department of Employment Services and portions of the Departments of Economic Development and Human Rights were merged with the purpose of administering the laws of Iowa relating to unemployment insurance, job placement and training, employment safety, labor standards, workers' compensation and others.

Iowa Workforce Development Overview



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 Labor Services Divisions' 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 Workers' Compensation Division is working on the development of a new system that will create a truly electronic and paperless system for Iowa. Division staff continued an emphasis on providing statewide educational presentations on the topic of workers' compensation and the division website continues to provide information to thousands of visitors.

The **Workforce Center Administration 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 an intricate system of field offices across the state through sixteen different regions, in conjunctions with our workforce partners. The Divisions' primary functions include employment services, business services, training resources and targeted population activities. A number of new programs and initiatives have guided the actions for the Division of Workforce Center Administration over the past year.

Workforce Center Administration



The Division of Workforce Center Administration provides primary customer contact for a variety of services, including job placement, unemployment insurance, job training, labor market information, re-employment and business services. These services are delivered by staff based in the Des Moines administrative offices, and through a network of offices in 15

Iowa regions, including 55 IWD staffed locations and additional access points provided by partners, communities, 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 2011 marked the third 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 Iowa Services
- ▶ Unemployment Insurance Services.

Efforts also began in 2011 to integrate PROMISE JOBS services, with implementation of a pilot project in the Burlington one-stop center.

Six centers were integrated in FY2011: Burlington, Cedar Rapids, Decorah, the John Morrell Transition Center in Sioux City, Red Oak, and Webster City, which added to the centers integrated during the previous two years of the project (Council Bluffs, Creston, Des Moines, Dubuque, Fort Dodge, Mason City, Newton and Waterloo). Iowa had 10 integrated regional One Stops, three integrated field offices, and an integrated transition center by the close of FY2011. The next regional One Stops on the list to adopt the integration model by the end of FY2012 will be Sioux City, Ottumwa, Marshalltown, Spencer, Carroll and Davenport.

From the start of the project in July 2009 through December 31, 2011, 91,693 Iowans have become members. Of that total, 80,369 are engaged in employment activities, 5,226 are in career development, and 6,098 are participating in career advancement. Fifty-six percent of the integration membership is male, and 44% is female. A total of 7,001 members are

Veterans, 902 are disabled Veterans, 10,012 are disabled, and 14,215 are over age 55.

Of the total members enrolled since July 2009, 12,877 have been identified as needing a GED, 49,721 have a high school diploma, 20,478 have some college, and 6,645 have a college degree. Identifying Iowans in need of digital literacy instruction continues to be a key part of Integration. Since July 2010, 65,183 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, 30,625 rate themselves as "2" or lower; 19,077 as "3," 12,155 as "4" and 3,326 as experts. Anyone self identifying themselves as lacking digital literacy instruction is referred to training to upgrade their skills.

Workforce Center Administration



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 June 30, 2010, IWD offices served 260,071 individuals, including 19,687 Veterans, 1,976 youth and 27,536 people over age 55. Of that total, 259,770 received staff-assisted services and 219,902 were referred to employment opportunities. The entered employment rate for that period was 62 percent and the retention rate at six months was 81 percent.

Further demographics of this group include:

- ▶ 142,062 were male
- ▶ 117,380 were female
- ▶ 258,095 were adults over age 18
- ▶ 181,150 were aged 18 through 44
- ▶ 48,814 were aged 45 through 54
- ▶ 5,118 were Migrant Seasonal Farm workers
- ▶ 5,345 were persons with a disability
- ▶ 8,007 were dislocated workers
- ▶ 57,153 were eligible unemployment insurance claimants

From July 1, 2010, through June 30, 2011, IWD's 55 field offices received 115,272 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. During this same period, IWD staff sent out 1,673,792 notices to Iowa workers letting them know about job opportunities and career events to help them with their work search. That total includes 1,424,888 emails and 248,904 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 to reduce postage costs. IWD staff offer all customers the opportunity to sign up for free email through Google, Hotmail or Yahoo in our centers. We are also starting to use social media, such as YouTube, Twitter, LinkedIn and Facebook, to distribute information to our customers.

In addition to offering no-cost email access, all IWD offices provide public access computers.

For the period of July 2010 through June 2011, 111,134 people took advantage of this service.

Some of the things they used the computer for included looking up job listings, using Microsoft software, writing resumes, taking typing tests, and on-line career assessments and interest inventories, for a total of 631,307 separate and distinct services.

IWD continues to look for ways to increase the number of available job opportunities posted on our job bank, www.iowajobs.org. Through the use of "indexing," we are able to automatically add jobs posted on employer websites, Federal jobs available in Iowa, 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. Each of IWD's 15 regions has its own job bank that is a subset of Iowa Jobs, 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 development groups focusing on job opportunities in multi-county areas, and another site featuring "green" jobs.

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IWD's job bank, www.iowajobs.org, regularly posts more jobs than many well-known sites such as CareerBuilder and Monster. Other identified advantages to using 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
- ▶ SmartCareerMove
- ▶ JobCentral
- ▶ VetCentral

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 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 2011, 167,174 individuals were active in PROMISE JOBS activities statewide with an average monthly caseload statewide of 13,233 families. Iowa performed better than average for the last Federal reporting period for the all-family rate. Iowa's all-family rate was 35.4 percent, compared to 29.4 percent nationwide. The national average for the two-family rate was 28.3 percent; Iowa's participation rate was slightly less at 27.0 percent .

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 19,687 Veterans. Success is measured by the fact that 55 percent of the veterans served found employment after receiving staff-assisted services, and 76 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. It includes information on training opportunities, health care and hospital benefits,

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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, Marshalltown, Waterloo, Davenport, Cedar Rapids, Des Moines, Sioux City, Council Bluffs, Creston and Ottumwa. Itinerant services are provided in Fort Dodge, Carroll, and Burlington. We also have a half-time Local Veterans Employment Representative (LVER) in Des Moines. This position works as part of the center's Recruitment and Placement Team, promoting Veterans to employers as an excellent source of skilled workers.

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. Any Food Assistance recipient who does not get Family Investment Program (FIP) payments can participate in job seeking skills training, adult basic education, and advanced education or vocational training. A new component is available through a partnership with DHS, IWD, Des Moines Area Community College and Kirkwood Community College. The Employment Training and Career Program provides tuition funding for approved certificate training programs in high growth, high demand occupations including information technology, healthcare, advanced manufacturing, transportation and service/retail.

National Career Readiness Certificate (NCRC)

Iowa Workforce Development expanded use of ACT's National Career Readiness Certificate, a WorkKeys program, to all 15 regions, in 2011.

The NCRC program tests the comprehension level of an individual in "reading for information," "locating information," and applied mathematics." Individuals receive a platinum, gold, silver or bronze certificate based on their level of understanding in a given area. The certificates can be presented to employers as another tool to demonstrate the skills a particular worker possesses. The certificate is being used widely with IWD's ex-offender initiative at correctional facilities in Rockwell City, Newton and Mitchellville, as part of the new FSET component, and other employment and training activities.

Ex-Offender Initiative

The Ex-Offender Initiative implemented in three Iowa correctional facilities in 2009 continued in 2011. Working in partnership with the Department of Corrections, three IWD workforce advisors work on site at the 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 Centers

Iowa Workforce Development established New Iowan Centers to offer workforce development services to persons who have recently moved to Iowa and are seeking employment. New Iowans can be from New York City 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. Through public-private partnerships, the New Iowan Centers provide one-stop workforce development services for new Iowans.

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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, 52.1 percent of those served found employment. Of those, 77.0 percent retained the employment, and 44.4 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 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, 57.7 percent have obtained employment, 82.9 percent have retained that employment, and 49.4 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 60.9 percent of the younger youth attained a skill, and 84.2 percent obtained either a GED or high school diploma.

Older youth were equally successful, with 80.0 percent finding employment, 74.5 percent maintaining the job, and 58.9 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, 2012, Iowa has 64 active Trade Act petitions, affecting approximately 5,825 total workers:

- Electrolux Central Vacuums in Webster City and leased workers from Manpower
- Group Dekko in Murray, including Grapevine Staffing & Advance Services
- Ceco Building Systems in Mt. Pleasant, including on-site leased workers from Team Staffing Solutions
- ZMI Portec in Sibley, including leased workers from Transfer Bulk Systems
- Electrolux Major Appliances in Webster City, including leased workers from Per Mar Security and Nussbaum Transportation

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- Trans-Lux Corporation, AKA Fair-Play, in Des Moines
- Klausner Furniture/Stylecraft in Milford
- Klausner Corporate Services in Milford
- Burlington Basket Company in West Burlington
- RR Donnelly in Spencer
- Dodger Industries in Eldora
- Electrolux Home Products in Jefferson
- Rockwell Automation in Sumner, including on-site leased workers from Manpower, Aerotek, Victory Personnel
- Collis Inc. in Clinton
- Donaldson Co. in Cresco
- Montezuma Manufacturing in Montezuma, including on-site leased workers from Temp Associates
- Skyjack Manufacturing in Emmetsburg
- Stream Global Services in Sergeant Bluff
- Cummins Filtration in Lake Mills, including leased workers from Manpower, Spherion Staffing, Hagemeyer North America
- Benco Manufacturing in Belle Plaine, including on-site leased workers from Temp Associates & Manpower
- Williamsburg Manufacturing in Williamsburg, including on-site leased workers from Manpower
- Gerdau Ameristeel in Wilton, including leased workers from Phoenix Corporation, FBG Janitorial & Per Mar Security
- Kenco Logistic Services in Webster City and Ames, including leased workers from Spherion Staffing Services & Manpower
- IPSCO Tubulars in Camanche
- Foam Rubber Products in Monticello
- Midland Forge in Cedar Rapids
- Rite Hite/Duct Sox in Dubuque
- Thermo Fisher Scientific in Dubuque, including leased workers from Sedona Staffing and Per Mar Security
- Vantec in Webster City, including on-site leased workers from Manpower
- Avaya (virtual offices in Iowa)
- Aalfs in Sioux City
- Powers Manufacturing in Allison
- NCM LP in Grundy Center
- Deco Products in Decorah
- Cooper Tire and Rubber in Cedar Rapids
- Merkel Freudenberg in Spencer, including on-site leased workers from Aventure Staffing
- Marsh USA Information Technology Department in Des Moines
- Tasler Inc. in Webster City, including on-site leased workers from Spherion Staffing
- Citicorp Credit Transaction Services Department in Urbandale
- Gelita USA in Sergeant Bluff, including on-site leased workers from Advance Services & Manpower
- Prudential in Dubuque
- Flexsteel Industries in Dubuque
- Soo Tractor Sweeprake in Sioux City
- ADP Total Source in Winter Springs FL
- First American Title in Waterloo
- DeLong Sportswear in Grinnell, Albia, and Atlantic
- Hewlett-Packard in Des Moines
- Intermec Technologies Service Center in Cedar Rapids, including on-site leased workers from Pace Staffing
- 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

Unemployment Insurance Services



The past few years have presented very unique challenges to Iowa businesses and workers. Fiscal year 2011 continued to experience extraordinarily high numbers of people claiming unemployment insurance benefits however saw progressively lower levels than the prior two years. Unemployment rates hovered around 6.0% throughout calendar year 2011 and saw a three year low of 5.7% in November 2011. As we turn the corner on this economy and start to see signs of recovery with lower unemployment insurance rates and increases in job postings, our goal in the Unemployment Insurance Division is to learn from this experience and create systems and process that are more efficient, secure, and customer friendly.

My Iowa UI (MIUI), the new web based unemployment insurance tax system, is an example of one of those systems. Over 30,000 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. We would like to thank all of our businesses that have offered their appreciation for this convenience and cost saving measure, as well as their ideas for enhancements. This new tool 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. Fortunately we were able to provide the financial support to victims of natural disasters, business downsizing, and seasonal layoffs. We have learned much from this experience and know we can be more efficient and effective. The Unemployment Insurance division is aggressively pursuing changes in our data management systems and all interfaces with our customer to reduce steps and continue to ensure the integrity of the unemployment insurance benefits system. As we make changes we will need input from our stakeholders and will be inviting suggestions.

IowaWORKS Virtual Access Points are another tremendous resource for unemployment insurance recipients and employers. On-line resources can now be accessed at over 500 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 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:

	FY07	FY08	FY09	FY10	FY11
Benefits Paid	\$339 million	\$350 million	\$634 million	\$709 million	\$508 million
Number of Claims	193,210	213,144	385,790	336,036	226,647

Unemployment Insurance Services



Employers used several existing programs to help workers. In addition, the federal government offered significantly more money to states. More employers took 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. Since the beginning of this recession: During FY 2011:

- ▶ 46 employers enrolled.
- ▶ 4470 employees participated.

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 2011, 33 employers have used the program.
- ▶ Approximately 13,588 claims have been filed during this time frame.

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. Eligible persons may receive up to 47 additional weeks of unemployment insurance benefits. During FY 2011 \$391.4 million was paid for 67,973 claims. This represents a decrease of 19% in total benefits paid on EUC.

In summary, the unemployment insurance system paid approximately 28% fewer benefits in FY 2011 than in FY 2010.

	FY 2009	FY 2010	FY 2011
Regular UI	\$633,987,994	\$708,673,924	\$507,608,146
Shared Work Program	\$4,198,022	\$8,997,971	\$2,383,965
Emergency UI (Federal)	\$159,034,303	\$465,595,122	\$391,440,438
Stimulus Payments (Federal)	\$31,783,718	\$100,388,263	\$24,030,549
Total	\$829,004,037	\$1,283,655,280	\$925,462,098

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 2011, 3602 applications were received. Approximately 86% of those applications are approved.

Unemployment Insurance Services



► *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 FY 2011, 5,062 claims have been filed with an alternate base period; 4,045 of those claimants have received benefits through this methodology that previously would not have been eligible.

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. 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. Rates are recalculated every year. Employers with higher layoffs generally have a higher tax rate.

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

Unemployment Insurance Services



Comparison of Taxes Collected and Benefits paid

In FY2011, we moved to tax table 3 resulting in an increase in the tax collected to begin to replenish the trust fund following two years of very significant discrepancies between benefits paid and taxes collected. Fortunately the balance in the trust fund on August 15, 2011 allowed IWD to return to table 4 for calendar year 2012.

	Taxes Collected	Benefits Paid
Fiscal Year 2007	\$322.4 million	\$338.8 million
Fiscal Year 2008	\$360.2 million	\$349.7 million
Fiscal Year 2009	\$360.9 million	\$634 million
Fiscal Year 2010	\$413 million	\$708 million
Fiscal Year 2011	\$576 million	\$508 million

Accomplishments

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.

The educational efforts included 47 employee misclassification presentations to government agencies, trade organizations, accountants and human resource professionals. A link was added to lowaworkforce.org to serve as an educational tool for anyone who had questions or wanted more information on employee misclassification. In addition, the management created a brochure for its investigators and field auditors to hand out to workers and employers in the field detailing what employee misclassification is and how to report it. Finally, a tip hot line and tip form were created for workers, employers, and the public to report potential cases of employee misclassification.

The Bureau has received 1,092 potential employee misclassification tips, leads and referrals from workers, employers, government agencies and the public. The completed investigations found that 307 employers misclassified 3,552 workers. These employers failed to report \$75,552,318 in wages for unemployment tax purposes, which resulted in assessments of \$3,776,149 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’ 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.

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.

Labor Market and Workforce Information



The Labor Market and Workforce Information Division continue to develop a wide array of information that is 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 3.0 was deployed in September 2011 to accommodate the new direction of the CES programs at the national level.

Quarterly Census of Employment and Wages (QCEW)

The Quarterly Census of Employment and Wages (QCEW) is in the midst of a national program redesign. The new system will allow for more data analysis and reporting. New enhancements will provide our users with more detailed workforce statistics. Also, the move away from mainframe systems to a server-based system provides for better cost efficiency, more portability and flexibility for better analysis and reporting accuracy. Iowa staff has been participating in several of these national program redesign subcommittees to provide input that will be instrumental in shaping the future of the program. The changes under consideration 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 2013.

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. Currently, Quarterly Workforce Indicator (QWI) data is available from 2000-2011 (1st qtr). On the Map data currently provides demographic worker/resident data for the periods of 2002 through 2009. The Census Bureau also created an On the Map animated application for Emergency Management during 2010 to provide real time data on areas of hurricanes, floods and wildfires.

Labor Market and Workforce Information



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 in May and November and require a response rate of 75 percent for each sampled area which includes nine Metropolitan Statistical Areas and four Balance of State Areas. The May 2010 OES survey was the first year in which information was partially based on data collected using the new 2010 Standard Occupational Classification (SOC) system, previous panels were collected based on the 2000 SOC. The May 2012 OES data will reflect the full set of detailed occupations using the new 2010 SOC

In 2010, the Bureau of Labor Statistics (BLS) received funding to begin the collection of an additional survey, the Green Goods and Services, which will collect new data on green jobs. This component of the BLS green jobs initiative will develop information on the number and trend of green jobs, their industrial, occupational, and geographic distribution, and the wages of the workers in these jobs. 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. Iowa sampled 170 establishments for the OES Green Goods and Services Survey, BLS plans to publish the first result in the spring of 2012.

During 2011, data from the 2010 OES survey was reported by ownership – private sector, federal government, state government and local employment. The state and local government data include state and local government-owned schools and hospitals.

The creation of an on-line secured website for employers to submit information for the OES survey has resulted in 20% of the responses being received electronically and provided savings to the program in reduced paper, postage and processing time.

Mass Layoff Statistics (MLS)

This program collects information on initial claims filed for unemployment insurance due to a mass layoff action that results in workers being separated from their jobs. A mass layoff event in Iowa occurs 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.

Data is reported quarterly and includes the number of claimants who have 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. The areas for which the data is produced include 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 was implemented during the fall of 2010. The internet-based system was created by BLS to allow ease of transmission of enhancements and data from BLS to states, districts, and territories. This will also allow the interchange and processing of files to be expedited which will result in a cost savings of time and money.

Labor Market and Workforce Information



Laborsheds

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 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, 49 individual Laborshed studies and nine regional analyses were completed. Industry-specific labor availability data was requested for business expansion and prospective recruitment for 193 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, the *Economic Returns & Career Transitions for Iowa Community College Students* was produced and published.

In addition, IWD provided analysis by request for:

- Kirkwood Community College, *Call Center Customer Service Certificate Program* (January 2010)
- Department of Corrections, *Offender Re-entry and Employment in Iowa* (April 2010)
- Western Iowa Technical Community College (April 2010)
- Iowa Valley Community College District (May 2010)
- Des Moines Area Community College (June 2010)
- Educational Policy Institute, Washington, DC (June 2010)

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

Last year saw the development and outreach of the first Skillshed Analysis. The original report 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.

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

Labor Market and Workforce Information



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 has recently been 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.

Workforce Surveys:

Workforce Needs Assessment Survey

The Workforce Needs Assessment Survey was conducted from September 2009 through January 2010 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 2009 through May 2010 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 was to collect and analyze data regarding the benefits being offered by employers by an aggregate total, industry, employee size, and industry cluster.

To date, a statewide Fringe Benefit Profile, as well as studies for the Technology Corridor and Council Bluffs Partnership has been completed. Iowa Lakes Corridor and Mid Iowa Growth Partnership are also in queue for studies to be 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 2011, the Regional Research and Analysis Bureau completed 16 dislocated worker fact sheets. These fact sheets provide employers and prospective businesses with information about potential 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 complies information about the interest workers have in training programs designed to improve their knowledge and find new employment .

Iowa's Unemployed: Coping with Recession

In 2010, the division led a study of unemployed Iowans to assess the impact of the recessions on their livelihood, the problems they face, and ways to alleviate those problems. Results of the survey research was used for program planning as well as to assist those affected cope with the trauma of being unemployed.

Labor Market and Workforce Information



Building Iowa's Childcare Workforce for the 21st Century

In 2010, the division led a research study and partnered with Iowa Department of Human Services, the Iowa Empowerment Board, the Iowa Department of Management and the Department of Statistics at Iowa State University to undertake a study of Iowa's childcare workforce. The results of the study were used for policy directives regarding childcare workforce in Iowa.

Grants:

State Energy Sector Partnership Grant (SESP)

The management of this \$6,000,000 energy sector job training grant was assigned to our bureau in March 2010. We have facilitated the distribution of funds through the RFP process and will be overseeing the project until January 2013. This grant will provide training and placement in energy sector jobs for over 3,000 Iowa workers.

State Data Quality Initiative Grant (SDQI)

In October 2010, the division received a one million dollar grant from Employment and Training Administration (ETA) to undertake and enhance workforce data quality. This is a three year grant and would be used also to establish a workforce data warehouse.

Green Job Grants

Iowa received two Labor Market Improvement grants this year funded by the American Recovery and Reinvestment Act. The first was a single state grant and the other a multi-state grant awarded to the State of Montana with Iowa as a partner.

Iowa:

This grant supports the analysis of labor market information data by assessing economic activity in energy efficiency and renewable energy. This grant allows Iowa Workforce Development and their Iowa partners to identify emerging occupations and skills required in the Green Economy. This information assists training organizations prepare Iowa's workforce for these new, uncharted job opportunities. The deliverables for this grant to date are as follows;

- Green Economy Business Demand Survey
- Auto Industry Supply Chain Study
- Regulation & Incentive White Paper
- State Building Deconstruction & Recycling Inventory
- Iowa Green Economy Laborshed Study
- Iowa Green Economy Human Capital Inventory
- Synopsis of Energy Sector Workforce Demographics
- Analysis of ARRA & I-Jobs Occupations
- Green Economy Supply & Demand Analysis
- Summaries of State Green Economy Educational Resources
- Links Web Portal to Iowa Works
- Modify the I-Works Labor Exchange System
- LMI Staff Green Jobs Training

Multi-State:

The Northern Plains and Rocky Mountain Consortium: Researching the Green Economy" created a consortium consisting of workforce agencies in seven contiguous states (Iowa, Nebraska, South Dakota, North Dakota, Wyoming, Utah, and Montana) to improve labor market information collection and research to enhance the labor exchange system for careers in the green economy. This collaborative project has allowed for the effective distribution of green surveys and is creating new methods to close the green jobs information gap. Research focused on green sectors that are expected to be significant drivers of the seven state area's economy, including clean coal

Labor Market and Workforce Information



research, wind energy, carbon sequestration, and biofuels.

Iowa led this initiative in the survey instrument design, data collection, and analysis of a business survey designed to collect data on green occupations in the economy. In addition, IWD has also conducted an IMPLAN impact analysis based on the expansion of green industries in Iowa which will be included in the full report. In April, IWD hosted a Green Jobs Conference in Des Moines where nearly 100 participants attended presentations and forums discussing the findings of our research and other pertinent green economy information. This project concluded in June.

Employer Database

Iowa Workforce Development, the U.S. Department of Labor's Employment and Training Administration, and the Analyst Resource Center signed a contract with infoUSA for production of the ARC Employer Database. The contract between Iowa Workforce Development and infoUSA is for a period of three years with two possible one-year extensions. We completed year two of the contract after the October 2010 release of the Employer Database.

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 12 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 are currently looking for a new state to assume the Project Manager duties for the next RFP and contract.

Career Products/Outreach

Training sessions on IWD websites were provided to librarians via the internet at the State Library. The two presentations included navigating through information in IWD's websites such as registering for work, conducting job searches and locating labor market information. Staff from IWD navigated the websites which were displayed on the librarians' monitors at their locations. The librarians asked questions and found the presentations to be extremely helpful as they spend a large amount of their time assisting patrons who are unemployed. The librarians would like to schedule additional sessions.

Staff produced long-term industry and occupational projections for the 2008-2018 time period for the state and IWD regions. The projections provide detailed information on the employment outlook. Short-term projections were created for the state for the 2009-2011 time period.

Several new publications were launched during the fiscal year:

- ▶ *Building Iowa's Child Care Workforce for the 21st Century* is a study conducted with Iowa State University that provides information on the demographics, educational attainment, training, and benefits awarded to child care providers.
- ▶ *Iowa Industry Projection Summaries 2008-2018* displays the industries expected to experience the most growth and the declines for the state and IWD regions.
- ▶ *Iowa Occupational Projection Summaries 2008-2018* displays the occupations expected to experience the largest growth, decline and most annual openings for the state and IWD regions.
- ▶ *Iowa's Workforce and the Economy 2010* provides information on topics such as: unemployment trends and assistance provided to the unemployed, nonfarm employment, highest paying industries and industry projections. In addition, articles of special interest are included on Iowa's: working women, manufacturing, wages of occupations, and the child care workforce.

Workers' Compensation



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 FY11 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 703 contested case hearings and issued 556 decisions. The average time for a case to remain pending from the date of the initiating petition until issuance of the decision was increased from 477 to 513 days. It must be noted that for much of the fiscal year the deputy commissioner staff was reduced from 12 to 10 due to budget cuts. The average time from hearing to decision was decreased from 84 to 79 days.

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 FY11 only 4,519 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 twelve -or ten- 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 79 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. Nevertheless, with the assistance of members of the deputy commissioner staff, the average monthly inventory of pending appeal cases increased in FY11 from 176 to 270.

Workers' Compensation



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 FY10 to 12,767 in FY11. They reviewed 4,486 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 staff of 6 compliance administrators has been reduced to 3, again 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 2003	620	FY 2003	58
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

Online Filing and Docket System

The Division of Workers' Compensation has 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.

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 by IWD.

Labor Services



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:

FY 2011 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
- 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: FY 2011

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. Mans OSHA Hotline for fatalities statewide within 24 hours. Directs appropriate action or inspection activities.

A report from the Bureau of Labor Statistics shows Iowa work place accident and illness rates fell from 4.7 per hundred full-time workers to 4.5 for the year 2010. For the state fiscal year 2011 fatalities in OSHA covered work places rose from 18 in 2010 to 24 in 2011.

Child Labor and Wage/Child Labor Enforcement:

Recent restructuring within the Wage/Child Labor Section has provided for an Executive Officer I over-seeing office activities and coordinating wage and child labor investigations. More proactive on all child labor complaints and injuries. Increase out outreach training for employer education on wage and child labor. 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 and Iowa OSHA as necessary.

Labor Services



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 and Iowa OSHA as necessary.

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 and documents.

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:

We 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. State Fiscal Year 2011 saw Iowa experiencing forty-eight (48) active VPP sites.

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

OSHA Enforcement:

Iowa OSHA Compliance (Enforcement) initiated one (1) Federal Directive or National Emphasis Program (NEP) for Primary Metal Industries and one (1) State Local Emphasis Program (LEP) for Asbestos in Construction. Both of these programs were initiated in May of 2011.

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



Amusement Ride Safety Program

Inspections 1,569

Boiler Safety Program

State Inspections 4,237

Private Inspections 21,843

Total Inspections 26,080

Elevator Safety Program

Annual Inspections 6,729

Other Inspections 2,364

3rd Party Inspections 1,445

3rd Party Other Inspections 0

Chapter 89A Remedial 0

Construction Contractor Registration

Registrations Issued 9,670

Citations Issued 30

Professional Athletic Program Licenses

Boxing, MMA & Wrestling Events 154

Asbestos Program

Licenses Issued 1,703

Permits Issued 91

Wage Payment Program

Wage Claims Received 510

Wage Claims Settled 736

Amount Collected \$116,320.18

Child Labor Program

Claims Closed 154

Work Permits Issued 4,254

Second Injury Fund

Amount Collected \$344,237.13

IOSH Consultation Activities

Education Seminars 257

Ten-Hour Classes 29

Attendance 624

Consultations Conducted 456

Employees Covered 17,697

Serious Hazards Identified 2,455

Voluntary Protection Program (VPP)

Active Facilities 48

Inactive Facilities 0

New Facilities 2

OSHA Enforcement Inspections

Accident Inspections 26

Complaint Inspections 112

General Inspections 455

Referral Inspections 149

Follow-Up Inspections 3

Other Related Inspections 288

TOTAL INSPECTIONS 1,033

OSHA Violations Issued

Serious Violations 1,492

Willful Violations 6

Repeat Violations 66

Other Violations 712

Failure to Abate Violations 5

TOTAL VIOLATIONS 2,281

OSHA Penalties Proposed

Serious Penalties \$1,498,925

Willful Penalties \$44,825

Repeat Penalties \$159,200

Other Penalties \$187,784

Failure to Abate Penalties \$95,700

Total Penalties \$1,986,434



IOWA WORKFORCE DEVELOPMENT ANNUAL REPORT

	<u>FY 2011</u>	<u>FY 2010</u>
Beginning Cash Balance		
Penalty and Interest Funds	\$3,912,670.00	\$3,879,252.00
Indirect Cost Pool	\$212,839.00	\$114,718.00
Boiler Inspections	\$644,059.00	\$546,863.00
Elevator Inspections	\$637,084.00	\$514,538.00
Contractor Registration	\$143,168.00	\$0.00
Ticket to Work	\$77,896.00	\$0.00
Labor Programs, State Appropriations	\$573,634.00	\$256,150.00
Field Offices, State Appropriations	\$3,300,777.00	\$2,473,451.00
Security Training, State appropriations	\$16,326.00	\$2,701.00
Offender, State Appropriations	\$200,421.00	\$75,972.00
Standard Skills Assessment, State Appropriations	\$0.00	\$303,291.00
Reoccurring Maintenance	\$13,894.00	\$15,953.00
Work Keys	\$4,608.00	\$11,578.00
Labor Surveys	\$57,754.00	\$0.00
Amateur Boxing Funds	<u>\$84,272.00</u>	<u>\$72,901.00</u>
	\$9,879,402.00	\$8,267,368.00
PLUS REVENUES		
General Fund Appropriations	\$19,722,218.00	\$20,567,695.00
Federal Support	\$93,773,597.00	\$103,242,753.00
Intra State Transfers	\$16,142,927.00	\$21,735,840.00
Taxes Collected	\$973,664.00	\$1,318,281.00
Refunds and Reimbursements	\$552,563.00	\$787,611.00
Local Governments	\$140,644.00	\$166,014.00
Interest	\$1,698,480.00	\$1,358,196.00
Fees, Licenses and Permits	<u>\$3,518,749.00</u>	<u>\$2,905,701.00</u>
	\$136,522,842.00	\$152,082,091.00
MINUS EXPENDITURES		
Personal Services	\$65,099,761.00	\$63,331,442.00
Indirect, IT Chargeback and Other Pooled Costs	\$7,409,879.00	\$17,907,942.00
Building and other rental expenses	\$2,231,054.00	\$2,318,585.00
Training Payments	\$9,315,417.00	\$7,055,165.00
Travel and Subsistence	\$998,059.00	\$930,600.00
Supplies and Materials	\$2,213,420.00	\$2,383,377.00
Contractual Services	\$33,654,883.00	\$42,873,286.00
Equipment and Repairs	\$4,907,860.00	\$2,988,892.00
IWD IT and other Intra-Transfers	\$7,801,746.00	\$6,763,082.00
Communications	\$1,413,448.00	\$1,435,706.00
ITD Reimbursements	\$1,780,628.00	\$1,838,432.00
Other Expenses	\$350,124.00	\$356,900.00
Licenses, Permits and Refunds	\$8,118.00	\$17,473.00
Aid to Individuals	<u>\$452,441.00</u>	<u>\$269,175.00</u>
Total	\$137,636,838.00	\$150,470,057.00
EQUALS ENDING CASH BALANCE	<u>\$8,765,406.00</u>	<u>\$9,879,402.00</u>



IOWA WORKFORCE DEVELOPMENT ANNUAL REPORT

	FY 2011	FY 2010
PROGRAM EXPENDITURES		
Unemployment Insurance	\$38,540,566.00	\$35,468,287.00
Workforce Investment Act (WIA)	\$19,451,058.00	\$25,888,457.00
Temporary Assistance for Needy Families	\$15,903,026.00	\$14,960,136.00
Employment Services, Wagner Peysner	\$7,243,705.00	\$5,769,235.00
Contractor Registration	\$507,671.00	\$357,822.00
Trade Adjustment Assistance - TAA, ATAA and TRA	\$14,147,752.00	\$11,025,191.00
Field Office, General Fund, Revolving Interest, misc	\$15,206,693.00	\$12,787,623.00
Labor Survey Receipt, Expenses	\$347,527.00	\$237,332.00
Division of Labor Services, OSHA/BLS Federal Funds	\$3,236,974.00	\$2,295,283.00
Division of Labor Services, General Fund & misc	\$3,316,766.00	\$3,482,523.00
Boiler Inspections	\$832,265.00	\$727,015.00
Elevator Inspections	\$1,421,943.00	\$1,012,361.00
Reed Act, Tax Redesign	\$776.00	\$3,591,638.00
Worker's Compensation, General Fund, misc receipts	\$3,582,154.00	\$3,596,393.00
BLS Labor Force Statistics	\$2,734,906.00	\$2,895,829.00
Veterans' Outreach/Employment Programs	\$1,588,387.00	\$1,460,209.00
North Carolina ALMIS	\$541,645.00	\$529,484.00
Disability Program - Navigator	\$276,015.00	\$600,861.00
WOTC	\$191,310.00	\$284,290.00
Food Stamps	\$136,642.00	\$128,184.00
Misclassification, Appropriations	\$480,273.00	\$437,358.00
Labor Certification for Alien Workers	\$61,634.00	\$91,696.00
Penalty and Interest (P & I) Funds	\$1,168,355.00	\$915,652.00
Admin. Indirect Cost Pool	-\$4,168.00	-\$6.00
Work Keys	\$51,333.00	\$63,083.00
Athletic Commission	\$98,243.00	\$67,592.00
Disaster Unemployment Assistance (DUA)	\$18,527.00	-\$19.00
Reoccurring Maintenance	\$13,894.00	\$35,596.00
Social Security Administration	\$215,902.00	\$260,958.00
Youth Services Program	\$57,169.00	\$12,467.00
Standard Skills Assessment, General Fund	\$0.00	\$303,291.00
Offender Program General Fund	\$234,682.00	\$200,740.00
Security Training, General Fund	\$2.00	\$1,375.00
Layoff Aversion Grant	\$750,321.00	\$1,170,886.00
Ticket to Work	\$7,629.00	\$0.00
ARRA Programs	\$5,275,261.00	\$11,454,234.00
Other Programs	\$0.00	\$41,248.00
Total	<u>\$137,636,838.00</u>	<u>\$142,154,304.00</u>