



WISCONSIN

**Department of Workforce
Development**

2011

ANNUAL REPORT



Advancing Wisconsin's economy and business climate
by empowering and supporting the workforce.







December 16, 2011

The Honorable Scott Walker
Office of the Governor
115 East, State Capitol
Madison, WI 53702

Dear Governor Walker:


As 2011 draws to close, I want to join others in congratulating you on a remarkably successful first year in office, and I am pleased to report on the contributions of the Department of Workforce Development (DWD). Under your leadership, DWD has acted quickly to set the Wisconsin workforce system on a new course, one that supports your goal of improving Wisconsin's business climate and helping the private sector create jobs.

DWD now has a clearly defined mission and vision. Our mission is to advance Wisconsin's economy and business climate by empowering and supporting the workforce; and our vision, to make Wisconsin the workforce of choice. To fulfill both, we announced the DWD Strategic Plan this fall. Our Strategic Plan sets the following goals:

-  Connect Jobseekers to Jobs (250,000).
-  Support the Development of a Highly Skilled Labor Force in Wisconsin.
-  Achieve Unemployment Insurance Solvency and Increase Program Integrity.
-  Deliver DWD Services More Efficiently and Support Increased Transparency and Accountability.

These goals not only help DWD fulfill its mission and vision, but they also reflect our commitment to improve operational efficiency and accountability. This aligns with the ongoing Wisconsin initiative to deliver programs and services to the people of Wisconsin in the most efficient way possible.

This has been a year of many remarkable achievements, including the following:

-  **2011-13 Budget** – The fiscally responsible budget required tough decisions to get Wisconsin moving forward. Budget provisions included a one-week waiting period for initial payment of Unemployment Insurance benefits, saving an estimated \$45.2 million yearly when the measure takes effect in 2012. The budget also includes \$15 million a year in state funding for vocational rehabilitation services to serve people with disabilities.

- **JobCenterofWisconsin.com** – Our objective is to get Wisconsin working again, whether in newly-developed jobs or filling existing job vacancies. At every opportunity, we promote this free, user-friendly employment site. Job postings by employers have set records, often exceeding 34,000 on a given day and approaching 180,000 through the end of November, more than double the roughly 75,000 total postings for all of last year. We improved the site, using web technology to capture tens of thousands of listings from other sites and post them on our site. With social media enhancements, the site can be accessed on Facebook and Twitter access, allowing a continuous feed with a sample of job postings and expert job search tips and strategies.
- **New website** – A top priority was to identify ways DWD can better serve the public and communicate the many services and options available to Wisconsinites. In June, we launched an updated and redesigned agency website: <http://dwd.wisconsin.gov>. The site makes it easier and more efficient for job seekers, employers and others to access information regarding DWD programs and services. This project was done in house with existing staff and resources.
- **Governor’s Council on Workforce Investment** – In step with efforts to create a more business friendly environment, the Governor’s Council on Workforce Investment now has greater private sector representation. The council will continue to play an important role as we work with partners and stakeholders to align resources, target funding and achieve the best results for Wisconsin citizens. DWD also is working closely with the Wisconsin Economic Development Corporation and other agencies to advance the economy.
- **Unemployment Insurance** – Working in consultation with the Unemployment Insurance Advisory Council, we are setting forth a plan to restore solvency in the UI trust fund, repay funds borrowed from the federal government and strengthen program integrity.

The year 2011 also included two major milestones in Wisconsin workforce history. Worker’s Compensation and the Wisconsin Apprenticeship Program each celebrated centennial anniversaries. Both programs were developed and initiated in Wisconsin, and both have served as national models. The apprenticeship program remains vital to meeting employer needs for skilled workers. With its focus on safety, the worker’s compensation program helps employers maintain safe, productive worksites while controlling costs.

We are pleased to be a part of your efforts to advance Wisconsin’s economy and create new employment opportunities for the people of Wisconsin. We look forward to continued success as we strive to meet our agency’s goals.

Sincerely,



Reggie Newson
Secretary

Department of Workforce Development

2011 Annual Report

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Glossary

Divisions

ASD: Administrative Services Division

DET: Division of Employment & Training

DVR: Division of Vocational Rehabilitation

ERD: Equal Rights Division

UI: Unemployment Insurance Division

WC: Worker's Compensation Division

Terms

Apprenticeship: Structured system of training designed to prepare individuals for skilled occupations.

Council on Workforce Investment (CWI): The statewide body responsible for assisting the Governor in the development and continuous improvement of the workforce delivery system in Wisconsin.

Forfeiture: The withholding of future payable benefits for intentionally concealing information affecting unemployment eligibility.

Job Center of Wisconsin (JCW): Includes both the state's 22 comprehensive Job Centers and www.JobCenterofWisconsin.com, the state's premier labor exchange, where employees can post resumes and employers can post available jobs.

Manufacturing Skills Standard Certification (MSSC): An industry-led training, assessment and certification system that certifies the skills necessary for success in two areas: Certified Production Technician or Certified Logistics Technician.

National Career Readiness Certificate (NCRC): A nationally-recognized certificate benchmarking an employee's competencies in reading, simple math and location information.

National Emergency Grant (NEG): a grant that provides a temporary expansion of a state's Dislocated Worker training and employment programs in response to an unexpected event which causes significant job losses.

Overpayment: Unemployment benefits received by a claimant that they are not eligible for and should not have received.

Office of Veterans' Services (OVS): An office within DET providing employment services targeted to veterans.

Reemployment and Eligibility Assessment (REA): One-on-one interviews with UI claimants to determine their continued UI eligibility, development of a work search plan and referral to Reemployment Services as necessary.

Reemployment Services (RES): A variety of services provided to UI claimants who are likely to exhaust their benefits.

Sector Strategy: A regional partnership of Workforce Development Boards, employers and educators that addresses the workforce needs of a specific industry sector.

Workforce Development Area (WDA): A region within a state designated by the Governor as the geographic region to be served by a Workforce Development Board.

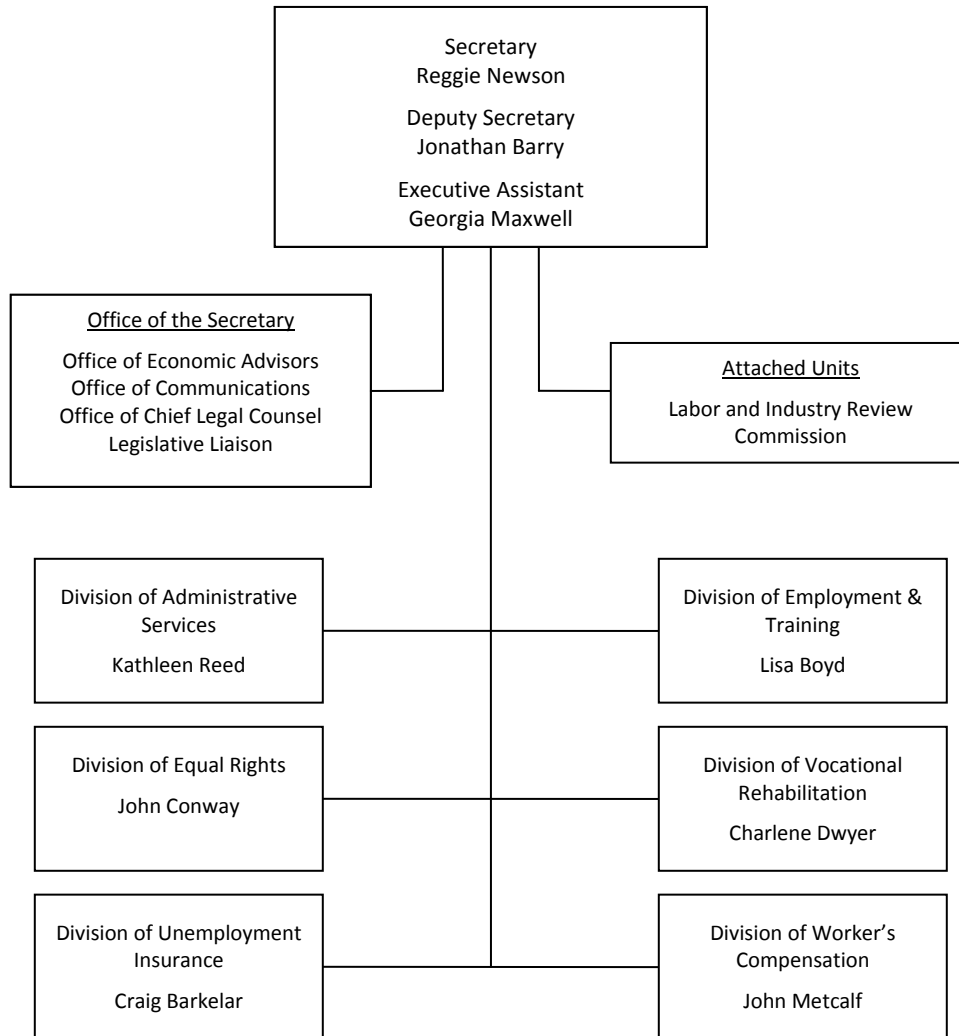
Workforce Development Board (WDB)/Workforce Investment Board (WIB): A policy-making body that sets workforce policy within a Workforce Development Area.

Workforce Investment Act (WIA): A federal law (Public Law 105-220) authorizing the development of statewide workforce delivery systems and appropriating funds to provide a broad spectrum of workforce-related services to employees and employers.

WORKnet: The state of Wisconsin's Labor Market Information website, providing a common resource to access employment and unemployment data.

Work Opportunity Tax Credit (WOTC): Available to private-sector employers who hire individuals from nine target groups that have consistently faced a barrier to employment.

DWD Organization



The Wisconsin Department of Workforce Development (DWD) is the state agency charged with advancing Wisconsin's economy and business climate by empowering and supporting the workforce. The department's vision is to make Wisconsin the workforce of choice by supporting Governor Walker's "Open for Business" agenda in partnership with the private sector to make available the resources necessary to ensure a skilled and talented workforce that will lead to high-wage, high-skill jobs for all Wisconsinites.

The department is led by Secretary Reggie Newson, appointed by Governor Scott Walker in October 2011. The annual operating budget for DWD is over \$400 million, and its staff totals approximately 1,600 full-time equivalent positions. DWD currently consists of five program divisions, an administrative services division and one administratively-attached entity, the Labor and Industry Review Commission (LIRC).

Division of Employment and Training

Mission

Provide a seamless continuum of services accessed by employers and members of the workforce and their families with the following results:

- Employers have the workers they need.
- Individuals and families achieve economic self-sufficiency by accessing job search, training and related services, making sound employment decisions and maximizing their workforce potential.

2011 Accomplishments

Special Projects

- Career 101 Funding - \$140,000 was made available to the 11 Workforce Development Areas via a competitive application process. Three boards were awarded \$28,000 contracts: Milwaukee Area Workforce Investment Board, Northwest Wisconsin Workforce Investment Board, and West Central Wisconsin Workforce Investment Board. The Career 101 pilot project is scheduled to end on January 31, 2012. Career 101 activities include career portfolio development, career assessment, cover letter and resume writing, job application writing, career research, job shadowing, internships, and paid work experience. To date, over 800 students have been introduced to Career 101 activities.
- Entrepreneurial Training - DWD worked with the University of Wisconsin- Extension to develop a pilot project to deliver entrepreneurship training to dislocated workers using \$300,000 in WIA funds. Under the curriculum developed for the project, 60 dislocated workers interested in starting their own business were selected to receive six to eight weeks of training at one of three Small Business Development Centers (SBDCs), followed by 1 year of mentoring by SBDC professors. The SBDCs chosen for this project include UW-Oshkosh, UW-Whitewater and UW-Milwaukee. So far, approximately 50 percent (30) of the students have completed the classroom portion of the project and are currently writing their business plans. After the students complete their business plans, they will seek financing from community sources and start their business.
- Sector Strategies - DWD and the Center on Wisconsin Strategy hosted seven sector strategy workshops from February 5, 2010 through March 2, 2011. The workshops focused on strategy building for industry partnerships in challenging economic times

and building industry partnerships and incorporating career pathways and bridges. National experts and local practitioners shared their knowledge on sector strategies and industry partnerships through keynote presentations and interactive discussions for the purpose of collaboration, peer learning and strategy building. Sector Strategy funding was initiated in March 2009 and will continue through December 2011. Since 2009, over \$5 million in WIA discretionary funds have been dispersed to all 11 Wisconsin Workforce Development Boards in support of this effort.

- ④ \$100,000 in Skills Jump Start Grants were disbursed in 2010 and ended in 2011, helping low-wage workers without a high school diploma complete their basic education and receive job training at a technical college for employment in high demand sectors such as energy and healthcare.
- ④ Between October 2010 and June 2011, six Manufacturing Skills Standard Certification (MSSC) expansion partnership grants were awarded totaling \$332,452. Local WDA partnerships used \$252,839.70 of these funds to continue statewide expansion of assessment and training to help additional Wisconsin manufacturers successfully obtain MSSC credentials and certifications. These partnership grants resulted in the following credentials:
 - ④ Safety: 146
 - ④ Quality Practices and Measurement: 123
 - ④ Manufacturing Production and Processing: 49
 - ④ Maintenance Awareness: 387
 - ④ Certified Production Technician: 12

Apprenticeship

- ④ DWD co-hosted the 100th anniversary celebration of Wisconsin's apprenticeship program in June 2011 at the Monona Terrace in Madison.
- ④ Three new apprenticeship programs were established – Wastewater Treatment Plant Operator, Dairy Grazier, and Substation Electrician.
- ④ 2,039 new apprentices began training in 2011.
- ④ 7,546 total apprentices representing 2,292 employers were in training in 2011.
- ④ 1,489 apprentices completed or graduated training in 2011.
- ④ DWD continued its partnership with the Department of Corrections—as of September 1, 2010 there were 830 apprentices in 23 trades.

Job Service / Job Center of Wisconsin

- The UI/JCW Integration Project was implemented on September 15. UI claimants filing a new, additional, or reopened claim when no work search waiver applies are required to register with www.JobCenterofWisconsin.com and post a resume. Job Service is working closely with UI to deliver multiple enhancements to the websites for JCW and UI Benefit Claims.
- Job Service is coordinating with the Wisconsin Economic Development Corporation and Workforce Development Boards to transform the way business services are provided in Wisconsin. Goals include increased coordination, rapid response assistance to help new or expanding businesses address recruiting needs, more specialized recruitment assistance, enhanced use of JCW, the National Career Readiness Certificate and other tools.
- Job Service is in the process of launching a marketing campaign for JCW in an attempt to reach more employers and provide more services to link employers with skilled workers.
- JCW reached the milestone of posting over 100,000 job openings on its website for the first time. At any given time, www.JobCenterofWisconsin.com has at least 30,000 job openings available. In an average week, JCW receives 2,762 new job openings. So far in 2011, JCW has received over 175,000 total job openings.

Job Service hosts many job fairs, using multiple methods for recruitment, assistance in application processes and assuring employers have access to job seekers with the required skills. For example:

- Oshkosh Defense job fair for veterans and community job seekers (February 27th and 28th): Job Service sent email blasts to JCW registrants who identified themselves as welders or assemblers. We also assisted with online application requirements and job fair logistics. About 2,000 jobseekers attended the fair each day and we received information that about 100 contingent welder offers were made on site.
- Mercury Marine (July 21st): Job Service held a large job fair at the Fond du Lac Holiday Inn for 150 production workers. Job Service assisted with recruiting more than 300 applicants who also attended. The company reported that 120 people were hired from

the event, and the remaining 30 would be hired by the end of August. The company will continue holding smaller job fairs hosted by the Fond du Lac Job Center

- In 2011, 9,441 new employer contacts were registered.
- At any given time, JobCenterofWisconsin.com has approximately 30,000 resumes posted.
- In 2011, 53,316 jobseekers registered with www.JobCenterofWisconsin.com.
- Job Service staff conducted 1,237 outreach visits serving 3,787 customers so far in 2011, not including not including Reemployment Services.
- Job Service staff provided significant resource room services to 188,635 customers.
- The Job Service Call Center responded to 1,416 jobseeker emails and handled 55,233 jobseeker-initiated phone calls.

Reemployment Services

- In 2011, RES scheduled 2,419 sessions for 38,958 customers. Of the total served, 3,012 customers were referred to counseling, 10,441 were designated as work ready, and 16,046 were referred to partner services.
- Of the 16,046 RES partner referrals, 4,428 were referred to WIA Title I for training.
- The program held 598 counseling sessions in 2011, serving 3,561 UI claimants.
- During the eight quarters for which we have data (July 2009 - June 2011), 36,238 RES customers exited UI. 16.45 percent of those who received RES exhausted their benefits, compared to 25 percent of claimants not receiving services. Average duration was 38.24 weeks vs. 44.63 for those not served, saving over \$52 million in benefits that would otherwise be paid.

Reemployment and Eligibility Assessment

- In 2011, REA scheduled 682 sessions for 14,760 customers. Of the total served, 1,197 customers were referred to counseling, 3,481 were designated as work ready, and 9,187 were referred to partner services.
- Of those referred to partners services, 2,133 were referred to WIA Title I training.

Assessment Testing

- Job Service Career Counselors proctored and scored 261 assessments.
- Job Service staff administered 1,167 typing tests.
- In 2011, 26,711 customers were granted access to KeyTrain, a pre-assessment online learning tool. There are on average of 400 unique users on a given week. These customers have passed 26,466 pretests and 10,860 lessons. Everybody who attends an RES or REA session receives a KeyTrain username and password, but not everybody actually logs onto KeyTrain. Of those who do practice on KeyTrain, if they score at least level 3 on the pre-tests, then they can continue to get scheduled for the WorkKeys assessments.
- Job Service scheduled, proctored, and monitored 6,958 WorkKeys tests in 2011

National Career Readiness Certificate

Job Service awarded 2,190 National Career Readiness Certificates in 2011, including:

- 293 Bronze
- 1,144 Silver
- 724 Gold
- 29 Platinum

Project Management and Special Populations

- Help Wanted Online (HWOL) job postings are now imported to www.JobCenterofWisconsin.com, Wisconsin's labor exchange system, making thousands more job postings per week available for job seekers.

- DWD implemented a Work Opportunity Tax Credit upgrade. WOTC is a program designed to encourage employers to hire job seekers who face barriers to gainful employment, thus creating jobs for populations that are otherwise underemployed. The upgrade provides online changes for scanning, filing and processing applications. These changes increase customer service, speed approval of the tax credit, and reduce manual processing. WOTC serves approximately 5,179 employers and processes almost 2,000 applications per week.
- The wireless lab was set up in the Green Bay Job Center on September 22, 2011, marking the first step in setting up wireless labs in all the Job Centers across the state and the remaining wireless labs were set up by the end of October.
- DWD completed programming required by the Social Security Administration to prevent employees from viewing Social Security number verification information. During that same timeframe, programming enhancements were completed on four Job Center systems including ASSET, JobNet Business, www.JobCenterofWisconsin.com, and JCS Admin. This programming will implement the Social Security changes, improve search functionality, collect search statistics, and synchronize JCW and RSS feed counts.
- Facebook and Twitter widgets were embedded on the home page of JobCenterofWisconsin.com in November 2011, further enhancing the use of social media to reach jobseekers.
- The JobCenterofWisconsin.com Trucking page was implemented in October 2011. This industry-specific page helps trucking industry employers and job seekers connect.
- Planning for JobNet virtualization is underway. Evaluation of open-source word processing tools for the JobNet machines has taken place. Using an open source solution will save DWD about \$81,000 per year.
- Since January 2011, 78 migrant labor camps have been certified, and no major labor camp complaints have been received.
- The Foreign Labor Certification program screened more than 600 domestic applicants for placement in H-2A jobs, resulting in the referral of 46 qualified applicants.
- DWD submitted Methods of Administration to U.S. Department of Labor Civil Rights Center for re-certification of compliance with civil rights requirements under the Workforce Investment Act in April 2011.

- In 2011 DWD issued grants for several programs and made modifications to those grants as necessary. Shown below are both the total number of grants issued, and those with modifications:
 - 77 grants to issue WIA formula funding in the amount of \$32,842,029.
 - 33 grants for Youth Apprenticeship in the amount of \$1,569,838.
 - Two grants for Apprenticeship Mentoring in the amount of \$100,000.
 - 28 Rapid Response grants in the amount of \$2,545,731.
 - One Milwaukee Summer Youth grant for \$422,400.
 - One new National Emergency Grant in the amount of \$904,444 for the Polaris plant shutdown.
 - Eight ARRA Retraining grants in the amount of \$775,648.
 - 21 NEG grants in the amount of \$7,750,530.
 - 22 ARRA SAGE grants in the amount of \$4,729,069.
 - One PRs grant for \$166,090.
 - 35 other miscellaneous grants totaling \$1,471,193.







Office of Veterans' Services

- OVS staff provided initial assessment and employment services to 9,986 newly registered veterans. Job placement for veterans who receive services from the OVS staff at the job centers currently averages 49 percent.
- The first Wisconsin Veterans in Piping (VIP) class was introduced, offering a 20-week pre-apprentice program in welding. The first class graduated on June 9, 2011 at Camp Williams. Students completing all requirements of the course are guaranteed a job as a second-year apprentice somewhere in the country by the United Association of Journeymen and Apprentices of the Plumbing, Pipefitting and Sprinkler Fitting Industry.
 - Fourteen of the 16 veterans in the class graduated and entered employment at various locations in Wisconsin, Minnesota, North and South Dakota.





- ④ 14 veteran job fairs were hosted and attended by 1,800 veterans. Approximately 45 percent of attendees have been offered employment or follow up-interviews with employers.
- ④ OVS created 31 National Emergency Grant On-The-Job Training contracts with employers. OVS staff continues to develop potential contracts.
- ④ OVS conducted four Transition Assistance Program (TAP) sessions in 2011 with returning service members. Through four TAP classes, 86 military personnel have completed the course.
- ④ OVS provides outreach assistance to Department of Corrections facilities and county jails that have veterans who need employment assistance before and after they are released. At any given time there are approximately 2,000 veterans incarcerated in DOC facilities and county jails. In 2011, OVS started providing outreach assistance to the county jail facilities where many veterans are incarcerated.
- ④ OVS met with the leadership of the Madison VA Hospital to look at how the facility could hire veterans using the federal special hiring authorities. 24 veterans have been hired through July 2011 and recruitment activities in August 2011 promoted another nine positions.

Workforce Training

- ④ Wisconsin received a \$2.55 million Disability Employment Initiative grant award from the U.S. Department of Labor to provide employment services and support to individuals with disabilities.
- ④ DWD convened a new Council on Workforce Investment and provided the Governor with a list of key workforce priorities; including statewide sector strategy subcommittees focusing on the healthcare, manufacturing and energy industries.
- ④ DWD received \$4.0 million in additional assistance from a National Emergency Grant to serve 2,580 dislocated workers in April 2011.
- ④ In addition, DWD received the following NEG funding to support manufacturing dislocations:
 - ④ NewPage Whiting Paper Mill, Stevens Point (North Central WDA) - start March 1, 2011; \$918,702; 136 participants served through October 31, 2011.

-  Polaris Industries, Osceola and Robin Manufacturing, Hudson (West Central WDA) - start July 1, 2011; \$918,010; 194 participants served through October 31, 2011.
-  DWD responded to 77 mass layoff notices impacting 5,642 workers.
-  DWD issued the state's WIA Strategic Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act, which was approved by the Governor's Council on Workforce Investment (CWI).
-  In 2011, a total of 2,734 WIA youth were served. Of those, 982 were older youth and 1,752 were younger youth.
-  DWD revamped WORKnet to make information about Wisconsin's workforce and businesses more accessible to economic developers, job seekers and employers.
-  DWD prepared a report to the state Legislature on the survey of Registered and Licensed Practical Nurses to enable the health sector to make decisions about the healthcare workforce.

Youth Apprenticeship

-  1,180 students are currently enrolled at 215 schools and apprenticing at 858 employers.
-  Through December 1, 2011, 991 Youth Apprenticeship State Skill Certificates were awarded.
-  DWD issued \$1,569,838 in grant funding for 2011-2012 Youth Apprenticeship local programs early in July.
-  DWD updated and completely revised the curriculums for DD/Architecture (now included in Architecture & Construction), curriculums for Biotechnology, DD/Engineering and DD/Mechanical Engineering (now included in STEM).

Division of Vocational Rehabilitation

Mission

To obtain, maintain, and improve employment for people with disabilities by working with Division of Vocational Rehabilitation consumers, employers, and other partners.

(Find a job; keep a job; get a better job)

DVR's primary services in support of an employment goal are:

- Career guidance and counseling
- Disability and employment assessment
- Job search and placement assistance
- Information and referral services
- Transition to work services for students with disabilities in high school
- Employment service support for persons with severe disabilities; includes time-limited, on-the-job supports
- Vocational and other training
- Rehabilitation technology
- Occupational licenses, tools, and other equipment
- Assistance in small-business plan development

2011 Accomplishments

- DVR served 40,383 individuals with disabilities who need assistance with entering, maintaining or improving their employment.
- 2,905 individuals with disabilities successfully entered the workforce, successfully reaching their employment goal.
- The earnings of these 2,905 recent additions to Wisconsin's workforce are projected to be \$48.9 million annually, representing a 194 percent return on the public investment. A hefty portion of these earnings are used to purchase goods and services, bolstering Wisconsin's economy and transforming successful DVR customers into workers and taxpayers, measurably decreasing their dependence on public assistance.

- Private-sector and state agency employers have benefited significantly from DVR On-the-Job Training (OJT) initiatives.
- 1,000 OJT private-sector hires were supported by a 50 percent payroll cost subsidy for employers providing up to 90 days of on-the-job training following a hire in just over two years. The OJT-hire initiative is a tremendous success, making it affordable for small employers to hire and train new employees.
- In this same time period, DVR has invested nearly \$1.5 million for 95 DVR job-seekers participating in six month OJT internships with 15 state agencies. Eighteen DVR Limited Term Employees (LTEs) are now part of the State's permanent workforce as a result of their successful completion of an OJT-LTE internship position. DVR has also trained state agency HR staff on how to utilize exceptional hiring procedures to increase the hiring of people with disabilities.
- A DVR efficiency evaluation as a result of the Governor's Waste, Fraud and Abuse recommendations resulted in changing statewide meetings from monthly to bimonthly and moving meeting locations to maximize the use of video-conferencing. A cost-benefit analysis on the mileage reimbursement and staff travel time indicated a savings of over \$20,000, moving seven individuals off the DVR wait list and increasing time spent in the field assisting consumers.
- DVR and the Wisconsin Department of Health Services worked collaboratively to establish an innovative model that provides a rapid job search and includes ongoing and individualized support after a placement is made for job seekers with severe and persistent mental illness. Through this Dartmouth College-designed model, DVR expanded its service choices for DVR consumers with the most significant disabilities with the addition of Customized Employment and Individual Placement and Support models.
- DVR became a program of excellence, achieving all six federal indicators for Federal Fiscal Year 2011. DVR instituted a consumer satisfaction survey in July 2011, garnering nearly 22,000 survey returns in the first four months with 97 percent of DVR consumers reporting they are very satisfied or satisfied with DVR services.

Division of Unemployment Insurance

Mission

Providing economic support for unemployed workers and stabilizing of the economy.

2011 Accomplishments

Benefit Service Accomplishments

- The Unemployment Insurance Division distributed \$2,105,694,700 in benefits to approximately 450,000 claimants in 2011:

Number of claimants paid	450,400
Amount of benefits paid	\$ 2,105,694,700
Number of UI initial applications	871,892
Number of weekly claims processed	8,786,869

- Claims specialists will have answered close to 1.2 million calls by year end, an average of 10,000 calls per employee.
- UI issued over 305,000 decisions with adjudicators handling over 600,000 calls.
- UI established \$41 million dollars of forfeitures and recovered over \$11.4 million in forfeitures.
- UI reduced the backlog of claims requiring manual processing by 65 percent.
- UI participated in the Department of Labor's (DOL) initiative on Program Integrity and secured \$1.5 million in grant money for process improvements. In 2010, the Wisconsin improper payment rate was estimated at 14.8 percent and is estimated to drop to nine percent by the end of 2011.
- UI participated in 108 Rapid Response/TRA presentations serving over 3,800 claimants.
- UI participated in seven Labor Law Clinics and four Friday Fundamentals sessions.
- UI partnered with the Division of Employment and Training (DET) to continue Reemployment Services (RES) to connect UI claimants to jobs.

Bureau of Legal Affairs (BOLA) Accomplishments

- BOLA conducted eight meetings with the UI Advisory Council.
- BOLA reviewed numerous public comments and proposals for legislative amendments to UI law; prepared and delivered department staff analyses of more than a dozen legislative proposals to the UI Advisory Council.
- Based on proposals from UI staff, DWD, the UI Advisory Council, the public and legislators, introduced an agreed-upon bill amending UI law in the legislature.
- BOLA will issue approximately 29,700 appeal tribunal decisions in unemployment benefit eligibility appeals.
- BOLA substantially reduced the number of backlogged benefit appeal decisions from 4,450 at the beginning of the year to fewer than 2,000 as of December. The average age of pending appeals also decreased from 39 days to 21.
- BOLA filed claims in over 175 bankruptcy proceedings to preserve claim recovery.

Financial Accomplishments

- Wisconsin was one of only two states to implement the Federal Tax Offset Program (TOPS) to intercept federal tax refunds for fraudulent overpayments and recouped over \$3.1 million.
- UI increased collections for all receivables:

Collections: January - November

Collection Type	2011 Total	2010 Total
Fraud Overpayment	\$14.5 million	\$8.1 million
Non-Fraud Overpayment	\$25.8 million	\$24.1million
Delinquent Employer Taxes	\$41.0 million	\$34.0 million

- UI provided multiple forecasts for projected reserve fund balances over the next three years.

- UI provided analysis and presentations on solvency proposals to the UI Advisory Council.
- UI collected and made payment to the federal treasury for interest due on September 30 2011 for the UI loan balance of \$1.2 billion.
- UI collectors and employer specialists handled over 135,000 calls.

Technical Accomplishments

- UI implemented the conversion of the benefit and legal data bases from IDMS to DB2 setting the stage for the start of the modernization of legacy applications.
- UI initiated the first phase of UI Modernization to create a common portal for UI claimants to also register with the Job Center of Wisconsin.
- UI implemented the State Information Data Exchange System (SIDES) for large third-party providers to automate the verification of claimant separation information.
- UI completed debit card contract negotiations for UI payments.
- UI implemented Clear2There, a telephone conferencing and recording service to streamline telephone hearings.
- UI developed and implemented the DOL reporting requirement to track potential SUTA dumping activities. SUTA dumping is the intentional transfer of employees from one business account to another account with a lower UI tax rate.
- UI completed the technical changes necessary to implement the one week waiting period effective January 1, 2012.

Worker's Compensation Division

Mission

The mission of the Division of Worker's Compensation is the promotion of healthy, safe work environments by maintaining a balanced system of services to ensure compliance with the provisions of the Wisconsin Worker's Compensation Act.

2011 Accomplishments

Bureau of Insurance Programs

- The Uninsured Employer Fund (UEF) has a \$10.8 million balance as of October 31, 2011.
- \$2.2 million in penalty assessments were collected from illegally uninsured employers.
- 17,113 Wisconsin employer investigations were completed.
- New insurance coverage resulted for about 39,645 Wisconsin employees.
- 1,305 employers were assessed penalties for operating without WC insurance.
- 45 claims for the UEF were investigated and processed.
- The UEF paid \$2.4 million to or on behalf of workers injured while working for illegally uninsured employers.
- The Self-Insured program monitored about 155 private and 54 public self-insured Wisconsin employers.
- There are three wrap-up projects being actively monitored. Wrap-up, or owner-controlled insurance, is a way for the owner of a building project to save significant money on their worker's compensation premiums while also emphasizing worker safety.
- Bureau staff gave several well-received presentations at a variety of venues on Worker's Compensation insurance requirements in Wisconsin.

Bureau of Legal Services

In 2011, the Bureau of Legal Services staff conducted the following activities:

- Scheduled hearings for 4,678 cases.
- Scheduled 793 pre-hearing conferences.
- Conducted 587 formal hearings.
- Conducted 981 pre-hearing and settlement conferences.
- Approved 4,607 settlements to resolve contested cases.
- Issued 6,270 judicial orders to resolve injury claim disputes.
- Resolved 3,682 health care service fee and necessity of treatment dispute cases through alternative dispute resolution.

There are fewer than 400 cases ready for hearing that have not been scheduled. The average time to schedule hearings on ready cases is about 48 days, down from nearly 200 days in 2007.

Bureau of Claims Management

- Approximately 57,000 claims were scrutinized for accurate and timely payments and 345 penalties were issued to insurers and employers for late payments to injured workers.
- Over 8,350 permanent partial disability worksheets were prepared for over 7,400 claims.
- Dispute Resolution staff reviewed roughly 10,900 medical reports.
- There were 292 initial Alternative Dispute Resolution cases (some carried over from the previous calendar year) addressed in the first three quarters of 2011, and 125 cases were resolved without a formal hearing.
- Over 366,000 document pages were scanned into the WC claim database.
- Since April 4, 2011, when the WC Division Bureau of Claims Management implemented the Kofax Fax Importation application, just over 15,000 batches have been processed by Claims Services staff.

- Over \$218,000 was collected for the year 2009 and 2010 late reporting surcharges (NOTE: This amount is based on state fiscal year 2011 collections).
- The State of Wisconsin Work Injury Supplemental Benefit Fund has a cash balance of slightly over \$6.5 million as of November 28, 2011. The variety of disability-related benefits paid out of the Fund averaged slightly over \$4.5 million over the past five state fiscal years.

Equal Rights Division

Mission

- To protect the rights of all people in Wisconsin under civil rights and labor standards laws.
- To achieve compliance through education, outreach, and enforcement by empowered and committed employees.
- To perform responsibilities with reasonableness, efficiency, and fairness.

2011 Accomplishments

- We reinstated "early referral mediation" in March. Mediators have had an astonishing success rate in over 75 percent of the 56 mediations to date.
- Caseload awaiting hearing reduced from 560 at one time to 480 as November 23.
- Cases pending more than 180 days after hearing without decisions reduced from 65 to 48.
- Implemented legislative changes to the prevailing wage laws.
- Implemented legislative changes to the child labor laws.
- Instituted a "Project Determination Online" application that allows those doing public works projects to issue their own project determinations on January 18, 2011. Since then, users have issued 2284 determinations of the total 3250 (over 70 percent) issued this year. This saves significant staff time and money.
- The Labor Standards Bureau (including prevailing wage, wage claims, minimum wage, overtime, business closing enforcement) collected over \$2.1 million in CY 2011 for over 3,600 affected employees.

Administrative Services Division

Mission

Reduce department costs and improve service delivery by providing responsive, efficient, transparent, and high quality administrative support services.

2011 Accomplishments

Financial Services

- Completed all state reporting requirements in a timely manner.
- Collected, compiled, reviewed and submitted all information required for incremental ARRA reporting.
- Continued agency leading practice for collections through the Department of Revenue.
- Completed the year with no significant financial findings by Legislative Audit Bureau in the audit of DWD.
- Implemented vendor review procedures through the DVR case management system to improve separation of duties and address Department of Education findings.
- Developed a paperless travel review process. DWD was one of the first agencies to receive delegation from the Department of Administration (DOA).
- Completed the UI Debit Card Request for Proposal successfully. Coordinated contract negotiation to final stages.
- Exceeded Minority Business Enterprise goal (MBE) of 5 percent. Total MBE expenditures were 12 percent of all vendor expenditures.
- Maintained compliance with Contract Sunshine reporting through a comprehensive automated feed.
- Developed fiscal monitoring plan for Workforce Development Boards.
- Developed timeline to complete fiscal reviews of all eleven boards in State Fiscal Year 2012.

- Restored DVR funding to the Maintenance of Effort level to take advantage of federal matching funds.
- Implemented the use of fringe percentages by program (1- UI, DET, ER, WC, ASD, 2 - LIRC, 5 - DVR) to more accurately charge fringe costs and reduce transfer allotment requests to DOA.

Human Resources

- Of the department's workforce, 13 percent (227) are veterans; 12.5 percent (218) have self-identified a disability; 1.03 percent (18) have a severe disability as defined by Wisconsin Statutes; and 3.4 percent (60) are veterans with a service-connected disability.
- Of the veterans with service-connected disabilities, 11.7 percent (7) have a 70 percent or greater service-connected disability; 63.3 percent (38) of them have a 30-69 percent service-connected disability; and 25% (15) of them have less than 30% service-connected disability.
- Processed 178 retirement transactions.
- Coordinated 124 training sessions with 1,100 participants.
- Coordinated the GEF-1 Seasonal Flu Clinic with over 330 staff being vaccinated.
- Scheduled 18 Employee Assistance Program (EAP) informational training sessions statewide increasing utilization from 4.6 percent to 6.4 percent.
- Developed and implemented a new Enterprise Level Request to Staff Position process to streamline the service and increase transparency. DWD subsequently secured approval from DOA assuring adequate internal HR controls exist, eliminating the need for DOA to review all position requests.
- Worked with OSER to develop, implement and share with other state agencies a method for making application materials available to raters electronically for recruitments with large numbers of applicants.

Information Technology

- Completed the conversion of the Unemployment Insurance database in October 2011 and eliminated use of the legacy IDMS database, preparing the way for UI Modernization efforts.
- Created an updated Security Awareness Course for all DWD staff to complete as part of annual security awareness training.
- Redesigned the JobNet computer network for DET to enhance security, reduce costs, and provide a more stable environment for job seekers in DWD job centers.
- Implemented a new backup system for disaster recovery and introduced technology that eliminates duplicate files, speeding up the DWD's backup of data.
- Implemented Wireless Mobile Labs in multiple Job Center locations throughout the state to provide job seekers with training and information to assist them in resume creation, training opportunities and job search assistance.
- Completed the Windows 7 testing phase; currently upgrading staff workstations across multiple divisions in DWD and for Deloitte staff.
- Continue to look for opportunistic server migrations from GEF1 to the Femrite Drive data center; Completed Department of Children and Families (DCF) and Deloitte H: drive (home directory) migration.
- Updated the call distribution system for the Service Desk to better improve service to DWD, DCF, DHS, local agency partners, employers and citizens who call for assistance.
- Took over 60,000 Service Desk calls.
- Implemented about 16,000 security changes.
- Procurement Accounting Log (PAL) is in production. All DWD Purchasing Card users switched to the new PAL system in July 2011 for the first statement period in State Fiscal Year 2012. DCF PAL is also in production. DCF Purchasing Card statements are loaded to DCF PAL starting in July 2011.
- Copied DWD's Time Distribution & Cost Allocation systems for use by DATCP and DCF.
- Copied DWD's Transaction Editor system for use by DCF. This system is used to validate & batch finance transactions and releases the transactions to the state accounting system WISMART.

- Developed a procedure for the DWD Financial Data Warehouse (WISARD) to generate a file of purchase orders for submission to the Government Accountability Board.
- Enhanced the DVR case management portion of the DWD Financial Data Warehouse (WISARD) to allow reporting on Authorization for Services, Tags, and Applicant Work History as well as other new features of the system.
- Completed a RAPIDS release that included vendor review functionality for DVR Vendors.
- Created the capability to report disability counts in the HR Affirmative Action Transaction Report.

General Services

- Processed approximately 8.2 million pieces of outgoing mail, 1.1 million pieces of incoming mail, and 7,000 UPS packages in the central office annually.
- DWD managed the relocation of the DVR & DET offices in Rhinelander.
- DWD managed the relocation of the Equal Rights office in the Milwaukee State Office Building.
- Central Support Services has scanned in excess of 167,000 documents consisting of 692,000 pages. These numbers consist of work from the Divisions of Vocational Rehabilitation and Employment and Training.
- Expanded our scanning services to include the Worker's Compensation Division.

Administrative Support

- Established a DWD Waste, Fraud, and Abuse Task Force to continue identifying and implementing agency efficiencies.
- Established a process for collecting, developing recommendations, implementing and tracking cost savings of waste, fraud, abuse, and administrative efficiencies suggestions.
- Conducted a COOP tabletop exercise in September 2011.



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