

The UTAH DEPARTMENT OF WORKFORCE SERVICES



2012 ANNUAL REPORT



*Jon Pierpont,
Executive Director
Utah Department of
Workforce Services*

The Department of Workforce Services and the State Workforce Investment Board focus on ensuring the availability of a skilled workforce to support Utah's growing economy. The board, consisting of workforce leaders from both the private and public sectors, is given the statutory charge to work with DWS to coordinate workforce development services with higher education, public education, vocational rehabilitation and human services. Meanwhile, DWS is federally designated as the one-stop operator

for the state of Utah.

We have provided significant leadership on workforce issues to support Governor Herbert's initiatives in education, energy, jobs and self-determination. In 2012, the Memorandum of Understanding for Utah's One-stop Partners was extended through 2017 by the 16 signatory partners. In December 2012, Utah's State Workforce Services Plan was approved by federal partners. Also, through our customer training program funds, we have provided over \$12.4 million to support Utah's ambitious and critical goal to have 66 percent of Utahns with a post-secondary degree or certificate by 2020.

Having a well-trained workforce accelerates economic growth, and connecting this trained workforce with the needs of employers is crucial. DWS increased the number of job placements during the most recent four quarters to 59,108 per quarter, an average increase of 4,641 placements each quarter over the previous year.

This Annual Report shows clearly how the DWS operating divisions and their partnerships in the public and private sectors are enhancing cooperative efforts of workforce, education and economic development entities while also providing an array of other critical services for Utahns. Tying our activities closely to business needs, building the skills of our workforce and doing our work efficiently are critical components to achieve Governor Herbert's ambitious goals to have Utah as the best-performing state economy and also as the nation's best-managed state. We remain firmly committed to doing our part in this effort.



*Rich Thorn, Chair
State Workforce
Investment Board*

See DWS' FOUR CORNERSTONE
PRINCIPLES on pg. 8



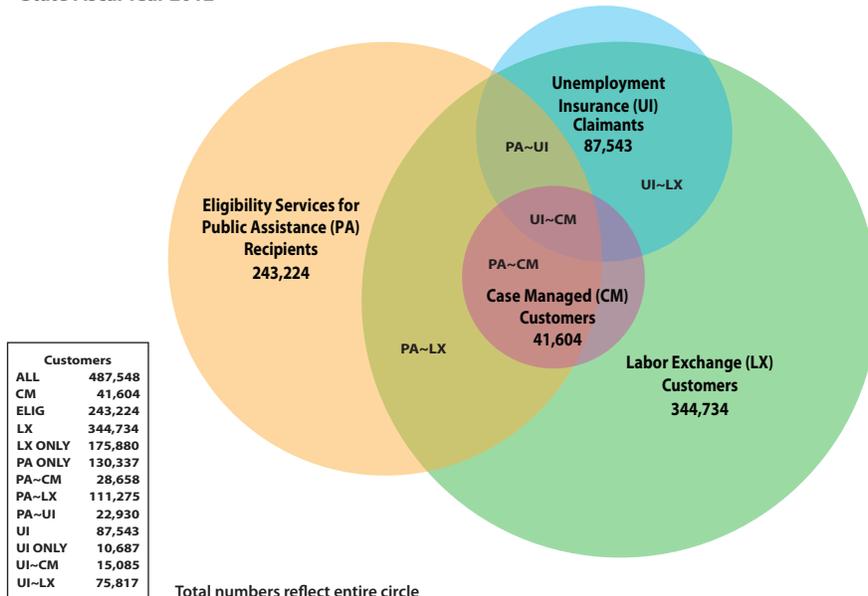
HIGHLIGHTS

- 487,548 distinct working-age customers served in SFY 2012
- 344,734 used DWS' labor exchange system in SFY 2012
- One-stop partner MOU extended through 2017 by 16 partners
- Workforce Research and Analysis began detailed assessment of skills gap issues for critical Utah occupations
- Increased job placements by 12 percent per quarter
- Temporary Assistance case closures with Employment from November 2011–September 2012 saved \$700 thousand in staffing and administrative costs and \$14 million in Food Stamp payments
- Re-employment and Eligibility Assessment program saved UI Trust Fund \$4.2 million
- Reduced SFY12 total operational expenses by \$8.4 million compared to SFY11



SERVING A VARIETY OF CUSTOMER GROUPS IN AN INTEGRATED MODEL

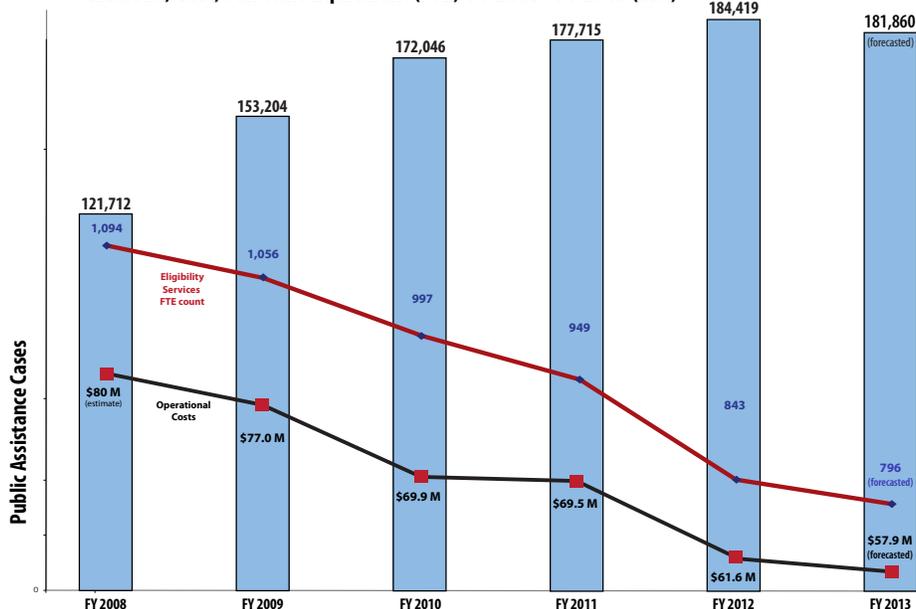
Total Distinct Customers = 487,548 (customers ages 18 to 64)
State Fiscal Year 2012

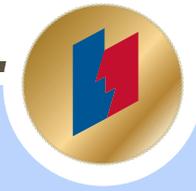


USING INNOVATIVE APPROACHES TO SERVE MORE CUSTOMERS WHILE REDUCING COSTS

Public Assistance - Eligibility Services

Caseload, Cost, Full-Time Equivalent (FTE) FY 2008 - FY 2013 (est.)





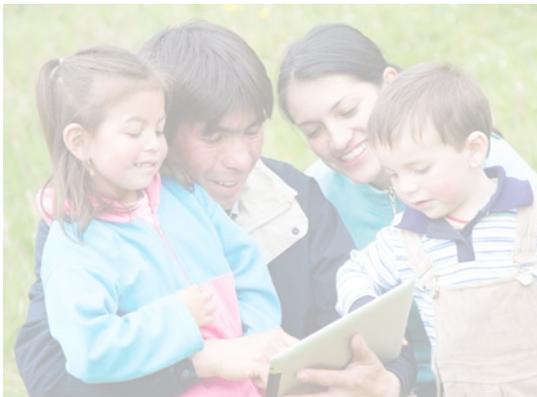
ELIGIBILITY SERVICES

Utah Citizens Served in 2012 (Average Monthly)

HOUSEHOLDS	178,760
INDIVIDUALS	386,518
CHILDREN	216,644

Eligibility Services Division provided 24/7 program access to Food Stamp, Financial, Medicaid and CHIP customers through telephone and online technologies. Highlights included:

- During several years of increased caseloads, reduced cost per case by over 36 percent while increasing quality from 90 percent to 95 percent.
- Improved the average speed at which customer calls are answered, even as the number of calls increased:
 - December 2011 — 19:42 minutes (105,060 calls)
 - December 2012 — 5:49 minutes (133,383 calls)
- Though averaging 23,734 applications per month in 2012, ESD's days to determine benefits remained well below federal and state allowable times.



Self-Directed Eligibility Customers' myCase Statistics

Total myCase accounts:
227,518

New myCase accounts since January 1, 2012:
87,392

myCase Third Party Access

The goal of the Third Party Access enhancement to myCase is to create a portal that meets not only the needs of our customers, but also the business needs of the vast majority of third party and authorized representatives. This will reduce calls from third party providers and authorized representatives, enhancing community partner relationships. Third Party Access will allow family members, hospital staff, community advocates and others granted permission by the customer to navigate each aspect of the eligibility process on behalf of the customer.

Launch date for myCase Third Party Access was January 25, 2012. Through December 2012, we observed:

- 3,118 providers/authorized representatives established a third party account
- 2,960 customer and third party links had been established

WORKFORCE DEVELOPMENT

Workforce Development Division served over 340,000 working-age Utahns through online labor exchange, 33 one-stop Employment Centers, and local workforce, education and economic development partnerships in DWS' nine economic service areas.

Bear River:

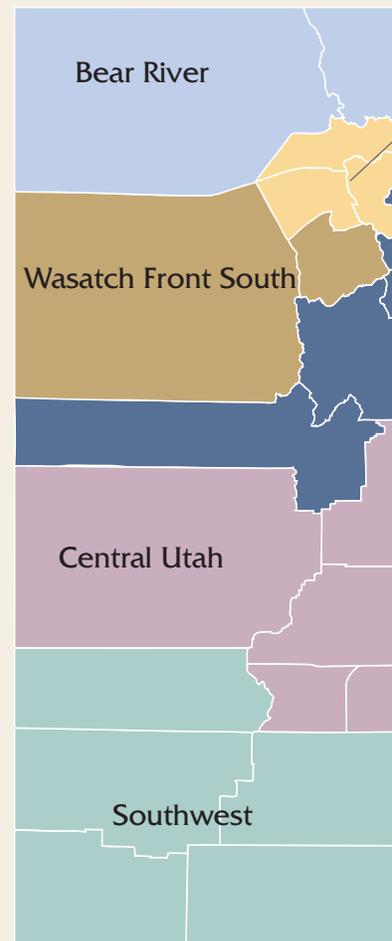
- Assisted more than 14,500 customers to obtain employment in the most recent four quarters.
- To prepare youth for employment, partnered with Box Elder School District, Utah State University and Bridgerland Applied Technology Center to design new pre-engineering curriculum in Science, Technology, Engineering and Math.
- Created a "Platinum Service" program to assist employers to get more qualified and prepared job seekers.
- Engaged all customers in work readiness activities to find employment and reduce or eliminate the need for other supportive services.
- Developing a "virtual advisory board" process to gather more robust data on employer needs for qualified job seekers.

Wasatch Front South:

- Assisted more than 97,350 customers to obtain employment in the most recent four quarters.
- Lifting Youth to Future Employment program served 967 youth, an increase of 200 from the previous year, working with State Office of Education and local school districts to re-engage high school dropouts.
- Work Success intensive job preparation and connection services resulted in 53 percent of customers obtaining employment within four weeks of participation.
- Completed over 18,300 one-on-one interviews with Unemployment Insurance claimants to accelerate employment and reduce costs to the UI Trust Fund.

Central Utah and Southwest:

- Assisted more than 20,800 customers to obtain employment in the latest four quarters.
- Through education partnerships, created programs and curriculum with Snow College, Dixie ATC and Southwest ATC. Economic development partnerships included Southern Utah University's Business Resource Center, Six County Association of Governments and Washington County Economic Development to continue the Business Expansion and Retention project, which supports business needs and assists job seekers to obtain employment.
- Through increased focus on youth program success, achieved 20 percent increase in literacy and numeracy outcomes from previous year.
- Continued support of the Safety Net Committee, the Utah-Arizona partnership to help isolated populations access services, especially those who are victims of domestic violence and child abuse.



- Increased overall job placements by 4,641 per quarter in latest four quarters compared to the previous year.
- Achieved over 17,300 veterans job placements during latest four quarters.
- DWS' labor exchange has greater market share of job seekers served than most other states — 31 percent vs. 14 percent for similar agencies in other states.



Wasatch Front North:

- Assisted more than 45,250 customers to obtain employment in the latest four quarters.
- Held “Strive to Thrive” youth leadership conference attended by more than 200 at-risk youth. Also have membership on the Ogden United Executive Committee, which focuses on improving outcomes for the Ogden School District, especially reducing the student dropout rate.
- Created the “Restart Program” to assist ex-offenders in obtaining employment by participating in DWS paid internships.
- Hosted job fair at Ogden–Weber ATC for laid-off Hostess Brands workers. About 200 former Hostess Brands workers and 30 employers attended, and hiring activities began immediately.

Mountainland:

- Assisted more than 41,750 customers to obtain employment in the latest four quarters.
- Received Governor’s Award of Excellence for Innovation and Efficiency for improved methods to connect work-ready job seekers with employers.
- Opened new employment center in Lehi, replacing the previous center in American Fork. Will save over \$575,000 in facility costs over next five years.
- Partnered with radio station 1480 AM to develop and implement the “Utah Jobs Radio Show” to engage more employers and job seekers and to connect them more quickly.

Uintah Basin, Castle Country and Southeast:

- Assisted more than 13,250 customers to obtain employment in the most recent four quarters.
- Job fairs were held throughout the area, with more than 1,275 job seekers attending and more than 140 job seekers hired in the month following the job fair. KVEL (Uintah Basin Radio Station) held a job fair in Vernal where DWS, local employers and the Uintah Basin ATC provided information about local jobs, skill requirements and available resources. Over 200 job seekers and community members attended the event, in addition to Duchesne High School and Uintah High School students.
- Participated in the Bridge Program, which invests Job Growth Funds focusing on supporting small businesses that are willing to add new jobs to the economy.



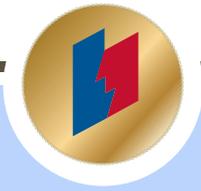
HOUSING & COMMUNITY DEVELOPMENT

Housing and Community Development administers a number of state and federal programs critical to Utahns. HCD strengthens its main customers and partners (local governments, associations of governments, quasi-governmental organizations and local leaders) through extensive professional assistance. This included 701 instances of classroom training and 1,568 instances of technical training. HCD infrastructure-building projects and assistance initiatives directly created or maintained 7,634 jobs in Utah in 2012. Programs and accomplishments included:

- **Pamela Atkinson Homeless Trust Fund:** Since implementation of the ten-year plan to end chronic homelessness, this fund and associated programs have reduced chronic homelessness in Utah by 72%, resulting in significant cost savings — \$11 million per year.
- **Olene Walker Housing Loan Fund:** Created or preserved 756 affordable housing units while directly creating 750 jobs. Funds provided by the Legislature are leveraged in excess of nine to one.
- **Permanent Community Impact Board:** Mitigated impacts from coal mines and oil and gas extraction on federal lands with 98 infrastructure projects that included water systems, sewer projects, roads, health and public safety, public buildings and planning.
- **Community Development Block Grants:** Provided funds to rural communities for locally prioritized projects in essential infrastructure, including community centers, senior centers and fire stations.
- **State Small Business Credit Initiative:** Still in its infancy, this initiative assists small business expansion by helping them receive the credit they need. The program has already created over 100 jobs.
- **Utah Weatherization Assistance Program:** Targeting households with seniors, small children and people with disabilities, this program helped 1811 lower-income households by making their homes more energy efficient, reducing energy costs on average 33 percent.
- **State Community Services Office:** At the forefront of the initiative to make Utah the first state in the U.S. to end chronic homelessness, this office administers 12 programs critical to Utah's most vulnerable citizens. These include homelessness reduction, support for food pantries, domestic violence shelters, and block grants that communities prioritize for programs that provide work, healthcare, shelter and food to citizens living in poverty.
- **State Energy and Lifeline:** Provided utilities assistance to 41,695 low-income citizens. Targeted customers are the elderly, disabled or households with small children.



Uintah County Library and Resource Center, made possible by Community Impact Board funding.

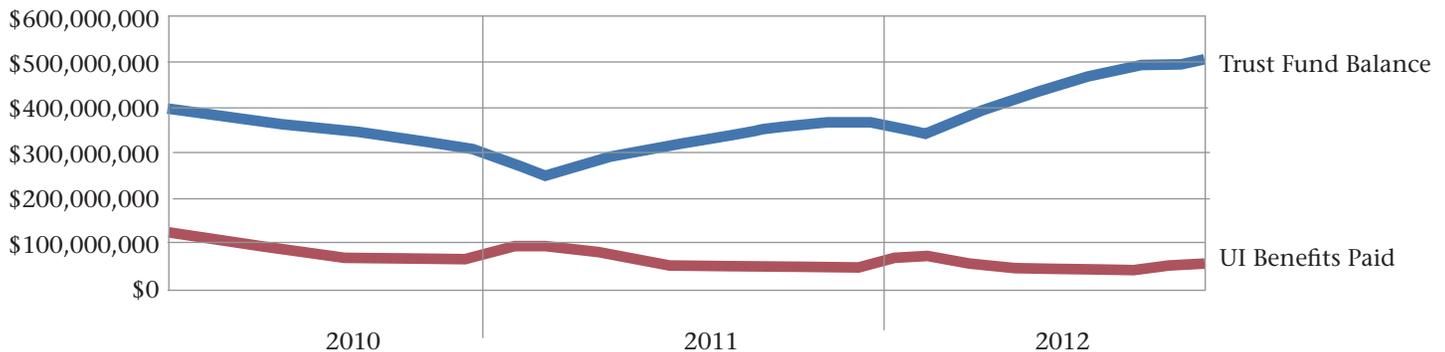


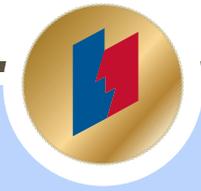
UNEMPLOYMENT INSURANCE

The Unemployment Insurance Division worked with 70,000 Utah businesses and 113,399 unemployed workers in 2012 by providing contributions, benefits and appeals services through telephone and online technologies. The following are highlights:

- **Setting a new national standard for excellence:** Utah's Unemployment Insurance Division was recognized by the U.S. Department of Labor as the top-performing medium-sized state in the three critical areas of unemployment benefits, appeals and tax operations. This "Triple Crown" was once thought impossible and hadn't been achieved by any state in the first 76 years of the unemployment program — until Utah did it in 2011. Now, for the second year in a row, Utah has earned the UI Triple Crown!
- **Earning national best practices award:** The American Institute for Full Employment announced that DWS earned the 2012 Full Employment Best Practices Award for its Online Overview and Evaluation Workshop initiative. This online program introduces UI claimants to multiple DWS re-employment services and asks questions to identify the claimant's barriers to becoming reemployed. Based on their responses, claimants are required to take as many as five online workshops. Those who do not complete the workshops without good cause are denied benefits. Each workshop lasts between 15 and 25 minutes and mirrors the content of the staff-assisted workshops. Initial outcomes indicate that UI claimants who participate in the workshops have become reemployed at a 50 percent higher rate than those who fail to complete the workshops. Claimants also see the value of the workshops, as they are voluntarily completing 35 percent more online workshops than required.
- **Moving ongoing unemployment claims online:** Though initial claims may be filed by telephone or online, UI claimants with ongoing claims are now required to file their weekly claims online. In addition to being the most effective and efficient means for filing, the online claims also allow greater program accountability through tracking of claimants' work search details. Since the second week of implementation, 99 percent of all UI claimants had successfully filed their weekly claim online, with special provisions for individuals with disabilities or language barriers.
- **Balancing UI tax rates with the long-term Solvency of the UI Trust Fund:** Utah paid record amounts of UI benefits to laid off workers during the most recent recession, which significantly reduced the UI Trust Fund balance. As the Utah economy began to improve the last three years, DWS and the Governor's Office saw an opportunity to provide some needed tax relief to all employers. In 2012 legislation was passed that provided approximately \$26 million in UI tax relief for Utah businesses; legislation is being introduced in 2013 to reduce UI taxes another \$22 million. These actions will provide needed tax relief to all Utah employers and stimulate job growth with no anticipated negative impact on the long-term solvency of the Trust Fund.

UI TRUST FUND





DWS' FOUR CORNERSTONE PRINCIPLES

Governor Herbert identified four major goals that support his vision to move Utah forward as the nation's best-managed state, the best-performing economy and to be recognized as a premier global business destination:

- **EDUCATION:** An educated workforce is critical for a prosperous economy.
- **JOB:** Promote public policies that lead to private sector job growth.
- **ENERGY:** Innovation plus initiative equals energy independence.
- **SELF-DETERMINATION:** Continue to find Utah solutions to Utah problems.

In December 2012, Jon Pierpont was appointed by Governor Herbert as the executive director of Utah's Department of Workforce Services. He announced a very focused approach to support Governor Herbert's vision:

"At the Utah Department of Workforce Services, our goals are to help Utah citizens find employment and to be the best managed state agency in Utah. In our stewardship of public funds, we have proven to be innovative, efficient and committed to positive results for our customers and for taxpayers. We will continue this leading role to streamline government services. We have identified four cornerstone principles that will guide our efforts: Operational Excellence, Exceptional Customer Service, Employee Success and Community Connection."



Workforce Services



*"DWS will be the best-managed state agency in Utah."
—Jon S. Pierpont, Executive Director*

Operational Excellence

We will deliver the highest quality services, with innovative methods, at the most efficient cost

Exceptional Customer Service

We will meet the needs of our customers with responsive, respectful and accurate service

Employee Success

We will provide an environment that fosters professional growth and personal fulfillment

Community Connection

We will actively participate with and engage our community partners to strengthen Utah's quality of life

Equal Opportunity Employer/Program

Auxiliary aids and services are available upon request to individuals with disabilities by calling 801-526-9240. Individuals with speech or hearing impairments may call the Relay Utah by dialing 711. Spanish Relay Utah: 1-888-346-3162.