



Annual Report

*Service to Iowans
Fiscal Year 2001 Annual Report
Iowa Workforce Development*

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Iowa's Labor Force

Iowa's labor market indicators for 2000 depicted strength despite a slowing in the statewide economy late in the year. The state's average unemployment rate was among the lowest in the nation at 2.6 percent, and the 2000 labor force participation rate of 71.3 percent maintained its reputation as being one of the highest in the country. Also, the number of nonfarm jobs in Iowa peaked at 1,478,400 in 2000.

The year 2000 was particularly significant since it marked a change in the state's economic environment. After seven years of unparalleled prosperity, the statewide economy began to show signs of softening. In a state where labor shortages had been a major concern for several years, reports of layoffs escalated. To date, most of the state's major layoffs have been concentrated in durable goods manufacturing.

Unemployment for the first half of 2001 remained below 3 percent until June, when mounting layoffs began to take a toll. Unemployment is expected to keep increasing throughout the rest of the year, as the state reacts to a slow national economy, as well as the effects of the September 11 terrorist attack. However, overall economic conditions are expected to improve by the second half of 2002.

Iowa Workforce Development

Iowa Workforce Development (IWD) strives to improve the income, productivity and safety of all Iowans. In conjunction with state and local economic development efforts, IWD also assists businesses to fulfill their workforce needs. Primary IWD services are:

- Placement of people in jobs and assistance to employers with recruiting qualified workers.
- Training services for low-income and disadvantaged Iowans.
- Worker protection and safety through workplace inspections, consultation and education services to businesses and workers.
- Temporary income support and replacement for people who have lost their job through no fault of their own.
- Tax collection to support the unemployment insurance system.
- Information services for business, schools, individuals, economic developers, and government to allow them to make informed choices about careers, expansions, wage levels, etc.
- Workers' compensation benefits and entitlements and adjudication of support issues for workers who have been injured on the job.

Iowa Workforce Development is a department within the executive branch of Iowa state government. It was established in 1996 by Iowa Code Chapter 84A. At that time the Department of Employment Services and portions of the departments of Economic Development and Human Rights were merged into a new department with the purpose of administering the laws of Iowa relating to unemployment compensation insurance, job placement and training, employment safety, labor standards, and workers' compensation.

Under Richard Running's direction, the department is organized into six divisions: Administrative Services, Labor Services, Policy and Information, Unemployment Insurance, Workers' Compensation, and Workforce Development Center Administration.

A board of directors appointed by the governor oversees the department, except for the divisions of Labor, Workers' Compensation and Unemployment Insurance. The board consists of major customer groups, including employers and labor organizations. In addition, the Iowa Workers' Compensation Advisory Council, Inc. advises the Workers' Compensation

Division.

IWD provides services through a statewide delivery system developed in conjunction with our workforce development partners. IWD maintains a network of local centers within 16 regions of Iowa. Each region has a regional one-stop center with a network of permanent and intermittent satellite offices. Multiple workforce partners, including nonprofit organizations, the Department of Human Services, the Division of Vocational Rehabilitation, and community colleges, share many centers. Unemployment claims services are housed in one call center, located at 150 Des Moines Street, Des Moines.

Through a comprehensive Web site, the department provides major services, such as job placement services, initial claims filing for unemployment insurance, basic service information and labor market information, 24 hours a day, seven days a week.

In fiscal year 2001, IWD had 820 employees working in two administrative offices in Des Moines

and 71 regional one-stop centers and satellite offices serving all 99 Iowa counties. Two unions, the American Federation of State, County and Municipal Employees and Iowa United Professionals, represent the department's employees.

The Workers' Compensation Division has converted to electronic data interchange (EDI) protocols to simplify the process of data exchange for major customers and create a paperless system to meet customer needs and improve system efficiency. As of July 1, 2001, the EDI system was fully operational.

The department is responsible for the administration of state and federal statutes related to workforce and workplace issues. State and federal Occupational, Safety and Health Act administration and administration of workers' compensation laws are located within the department. IWD's emphasis is on voluntary compliance through education and preventive services rather than increased enforcement, fines and penalties.

Achieving Results for Iowa

Customer Satisfaction Results

The state of Iowa has a state ombudsman (SO) who handles complaints from citizens concerning all state departments. In 2000, 1.2

percent of all complaints received by the SO dealt with Iowa Workforce Development and its services. The percentage of total complaints has ranged from a high of 2.0 percent in 1996 to a low of 0.9 percent in 1999.

IWD-Related Complaints and Requests Processed by State Ombudsman's Office

Calendar Year	Complaints Received State Ombudsman Had Jurisdiction	Complaints Received State Ombudsman Did Not Have Jurisdiction	Information/Referral	Other	Total	Percentage of All Complaints Received
2000	40	0	22	11	73	1.20%
1999	28	0	10	10	48	0.90%
1998	42	0	27	0	69	1.40%
1997	32	0	22	1	55	1.20%
1996	42	1	17	0	60	2.00%

Customer comment cards also are available in each IWD office. During fiscal year 2001, customers indicated the following:

- Thirty percent were first-time visitors to an IWD office.
- Most visitors' purpose was to file a job insurance claim (50 percent) or receive job placement assistance (48 percent).
- Eighty-five percent indicated they received the information or service they requested.
- Seventy-four percent rated office procedures as very good or good.
- Eighty-three percent rated staff knowledge as very good or good.
- Seventy-eight percent rated their overall experience as very good or good.

Comment cards are tracked and suggestions for improvements are reviewed on a regular basis to improve the department's products and services.

Product And Service Results

Iowa Workforce Development provides a wide range of products and services to a large number of Iowans each year.

- Iowa employers submitted 42,112 requests to fill 104,228 job openings.
- Of those job openings, more than 86 percent were for permanent employment.
- Fifty-eight percent of Iowa businesses rely on IWD for advice or assistance regarding employment of immigrants (RSM McGladrey survey)
- About 194,000 Iowans used job placement services and 186,937 Iowans filed for unemployment insurance benefits when they lost their job through no fault of their own.
- Through workers' compensation, 28,957 Iowans filed for medical and income assistance.
- The IowaJobs Web site averaged almost 2 million hits per month and the IWD Web site averaged over

350,000 hits per month.

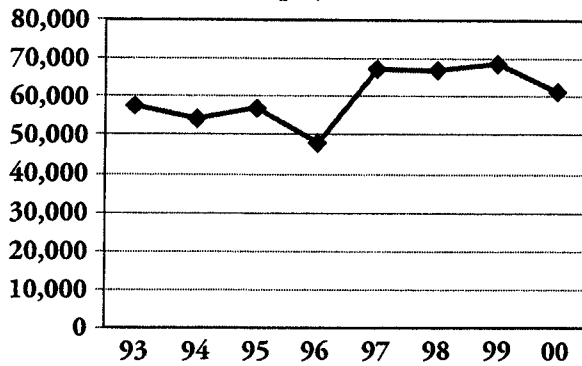
- More than 1.1 million Iowans are provided healthy, safe workplaces through the enforcement of Iowa's occupational health and safety laws.

The results IWD achieved in fiscal year 2001 are shown below in six categories: job placement; unemployment insurance; labor services; job training; and workers' compensation.

Job Placement

One of IWD's primary functions is to assist with job placement for both applicants and businesses. In fiscal year 2001 (program year 2000), 194,213 job applicants received placement assistance with 61,007 individuals placed in employment.

Job Applicants Placed in Employment



By working with Iowa businesses, IWD has steadily increased the average wage paid for job openings filled for Iowa businesses, providing Iowans with higher paying employment options.

Job Openings by Iowa Businesses and Average Wage of Job Openings Filled

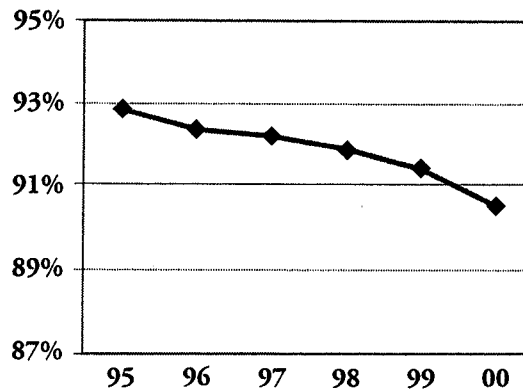
Program Year	Total Job Orders	Average Hourly Wage of Job Orders Placed
1993	118,432	NA
1994	136,470	NA
1995	138,284	NA
1996	120,876	\$7.30
1997	129,573	\$7.75
1998	131,502	\$7.95
1999	123,870	\$8.09
2000	104,228	\$8.68

The department is developing many self-service options for customers. These services are found on either the IWD Web site (www.iowaworkforce.org, which provides information about the department in general) or the IWD IowaJobs Web site (www.iowajobs.org, which lists more than 7,000 job openings daily).

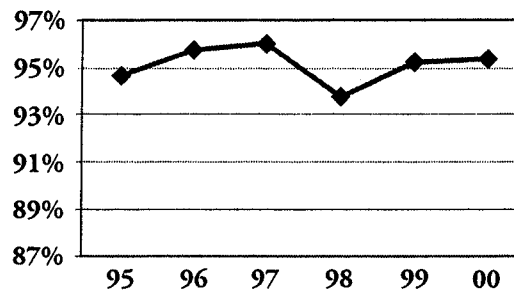
Unemployment Insurance

Efficient administration of the unemployment insurance (UI) system is critical to provide unemployed Iowans with temporary income support when they lose their job through no fault of their own. The Tax Performance System (TPS) and the Benefits Accuracy Measurement (BAM) determine the efficiency of the unemployment insurance system. TPS examines small random samples of basic tax functions to evaluate the UI tax operation's work products. BAM determines the accuracy of UI benefits' payments by thorough reviews of random samples of payments. Data collected from both programs are used as a basis for program improvement. The goal is to maintain TPS at 94 percent or better and BAM at 92 percent or better.

Benefit Accuracy Measurement

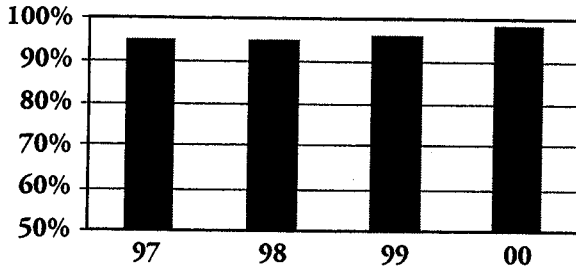


Measurement of the UI Tax Performance System



The quality of unemployment insurance appeals processed is measured by the percentage of appeals that meet the U.S. Department of Labor's quality standards. IWD consistently has 95 to 96 percent of its cases meet the required quality standards.

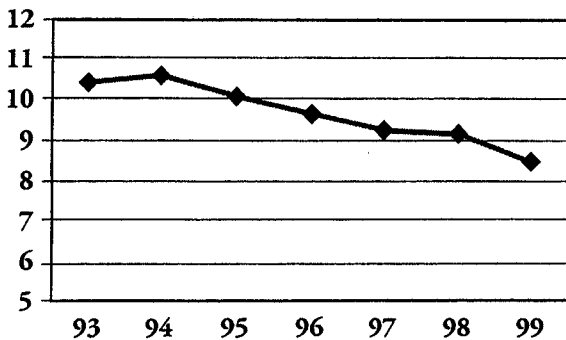
Percentage of UI Appeals Meeting DOL's Quality Standards



Labor Services

The Labor Services Division provides numerous services to the citizens and businesses of Iowa. A key measure of workforce health and safety is the occupational injury and illness incidence rate (the number of workplace injuries and illnesses per 100 employees). Due to increased compliance with health and safety regulations by Iowa businesses and better targeting of OSHA enforcement activities to high incidence rate industries, this rate has declined steadily each year since 1994. Iowa OSHA is redesigning procedures with the goal to lower the rate even further during the next five years.

Occupational Injury and Illnesses Incident Rates (All Industries)



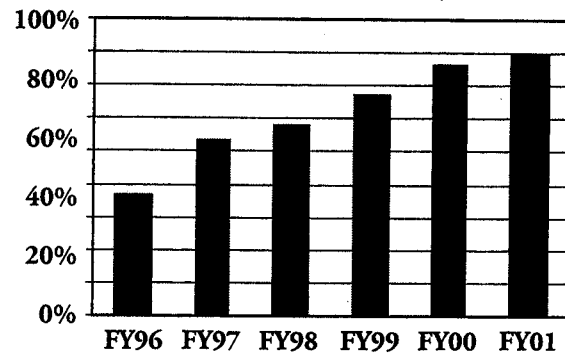
The Labor Services Division also is responsible for ensuring the safety of Iowans through amusement ride permits and inspections and elevator and boiler permits and inspections. While amusement ride injuries have remained steady at four to six per year,

elevator investigations have fluctuated from a high of 33 in fiscal year 1998 to a low of 15 this fiscal year. There were no serious injuries reported from fiscal year 1995 through fiscal year 2001 as a result of boiler or pressure vessel accidents.

Fiscal Year	Elevator Investigations	Amusement Ride Personal Injuries
1995	28	0
1996	30	4
1997	29	5
1998	33	6
1999	16	4
2000	21	5
2001	15	2

The OSHA Consultation Bureau strives to constantly improve their response rate to businesses requesting consultation services. The percentage of requests responded to within 60 days has doubled from 37 percent in fiscal year 1996 to 79 percent in fiscal year 2001.

Percentage of Consultation Requests Responded to Within 60 Days

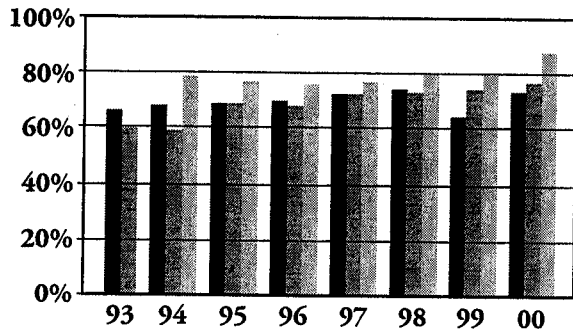


For additional information concerning the Labor Services Division's accomplishments, see page 8.

Job Training

The Job Training Partnership Act (JTPA) program was discontinued by Congress in fiscal year 2001 and replaced by the Workforce Investment Act (WIA). Through WIA, eligible Iowans receive training services with the goal of obtaining full-time employment. The percentage of adult, youth and dislocated workers who have received JTPA/WIA training services and entered employment has steadily increased over time. On the following chart, the bars for program year 2000 (fiscal year 2001) show the entered employment rates for WIA with previous years showing JTPA activities.

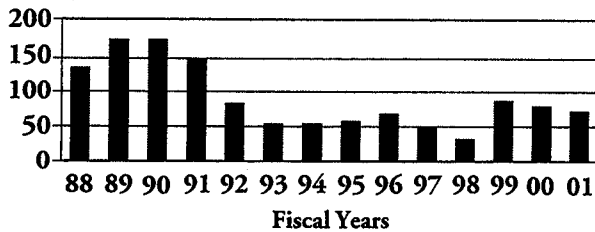
**Entered Employment Rates
JTPA/WIA**



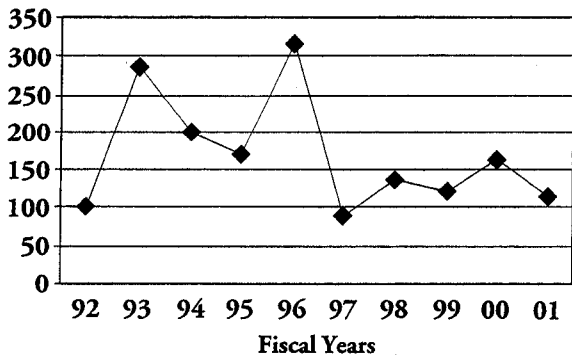
Workers' Compensation

The Workers' Compensation Division is continually working to improve their response time. The average number of days lapsed between the date of hearing to the date of decision was 72 days in fiscal year 2001, a decrease of 103 days from the high of 175 days in fiscal year 1990. The average days lapsed between a mediation application to the day the mediation was held for fiscal year 2001 was 113 days, a decrease of 203 days from the high of 316 days in fiscal year 1996.

**Average Days From Hearing
to Decision**



**Average Days From Application
to Mediation**



Compliance Results

IWD instituted a new accounting system in fiscal year 2001 to provide more timely and accurate financial reports. Ninety-five percent of all financial reports were submitted in an accurate and timely manner.

IWD is complying with the governor's Executive Orders concerning administrative rules review. The department's review plans have been approved by the governor's office and are being implemented.

All federal monitoring and compliance reports received in fiscal year 2001 indicated Iowa Workforce Development is complying with all necessary laws and regulations governing the programs we administer.

Accomplishments by Division-

Labor Services Division

Workplace Safety

Amusement Park/Ride Permits Issued, Inspections and Fees Generated:

Permits Issued 124

Inspections

Electrical 677

Mechanical-Electrical 580

TOTAL **1,257**

Fees Generated

Permit Fees \$2,840

Inspection Fees \$66,440

TOTAL **\$69,280**

Personal Injury Reports 2

Discrimination Case Activity

	New Cases	Closed Cases
TOTAL	21	25

Note: Limited to discrimination allegations by an employee against an employer for exercising his or her right under the Iowa Occupational Safety and Health Act.

Education and Public Sector

Consultation Activities

Educational Seminars 112

Number in Attendance 10,517

Ten-Hour Classes Conducted 37

Number Trained 638

Consultations Conducted 52

Serious Hazards Identified 144

Other-Than-Serious Hazards Identified 16

Employees Covered **2,224**

Private Sector Safety and Health

Consultation Activity

Consultations Conducted 321

Serious Hazards Identified 1,891

Other-Than-Serious Hazards Identified 323

Employees Covered **23,336**

Asbestos Licensing and Permit Activity

Individual Licenses Issued 1,180
(contractor/supervisor, project designer, inspector/
management planner, inspector, management planner,
worker)

New Company Permits Issued 13

Renewed Company Permits 69

TOTAL Company Permits **82**

Fees Collected

Individual Licenses \$30,220

Company Permits \$41,000

TOTAL **\$71,220**

Boiler Inspections and Fees Generated

(State and Insured Boilers)

	Inspections	Fees Generated
State Scheduled	3,415	\$169,240
Insured	16,082	\$250,520
TOTAL	19,497	\$419,760

Special Inspector Commissions

Number Granted 151

Fees Generated \$4,530

Facility Submissions Under the Emergency Planning and Community Right-to-Know Act, Section 312

Calendar Year 2000

Hazardous Chemical Forms 3,451

Total Hazardous Chemicals Reported 18,511

Facilities Submitting Electronically 1,525

Hazardous Chemical Locations Reported 25,183

Elevator Operating Permits Issued, Inspections Conducted and Fees Generated

Permits Issued 5,697

Inspections Conducted 5,533

Fees Generated **\$478,854.50**

**Construction Contractor Registration—
Registrations Issued, Fees Generated,
and Fines Levied**

Registrations Issued.....	6,991
Fees Generated.....	\$174,775
Fines Levied	\$31,175
Total Program Revenue	\$205,950

**Professional Athletic Licenses Issued and
Revenues Collected**

	Wrestling	Boxing	Tournaments	TOTAL
Licenses Issued	23	11	5	39
Revenues Collected	\$25,931	\$7,819	\$18,271	\$42,021

**Distribution of Employment by Industry and
Work-Related Deaths by Industry
Calendar Year 2000**

Industry	Number	Percent	Number	Percent
Total Private Sector	1,274,400	100.0	48	100.0
Agriculture, Forestry & Fish.	45,500	3.6	2	4.2
Mining	2,100	0.2	0	-
Construction	64,100	5.0	9	18.8
Manufacturing	261,100	20.5	11	22.9
Transportation & Public Utilities	73,000	5.7	12	25.0
Wholesale Trade	84,700	6.6	5	10.4
Retail Trade	273,500	21.5	3	6.2
Fin., Ins., Real Est.	85,800	6.7	1	6.2
Services	384,600	30.2	5	
Total Public Sector	242,100	100.0	5	100.0

Work Related Employee Fatalities

By Cause of Death (Calendar Year 2000)

Conditions Subject to IOSH/OSHA Inspections and Standards

Cause of Death	Number	Percent
Falls	11	20.8
Crushing Injuries	7	13.2
Electrocution	3	5.6
Drowning	2	3.8
Struck By or Against Object	1	1.9
Explosion	1	1.9
Hypothermia	1	1.9
Poisoning	1	1.9
Total	27	51.0

**Conditions Not Subject to IOSH/OSHA
Inspections and Standards**

Cause of Death	Number	Percent
Heart Attack	16	30.1
Vehicle Accident	9	17.0
Rail Accident	1	1.9
TOTAL	26	49.0
GRAND TOTAL	53	100.00

**Occupational Safety and Health Bureau
State Performance**

Private Sector Inspections	622	95.5
Public Sector Inspections	29	4.5
Total Inspections Conducted	651	100.0

Safety Inspections	364	55.9
Health Inspections	287	44.1

Accident Inspections	21	3.2
Complaint Inspections	217	33.3
General Schedule Inspections	404	62.1
Follow-Up Inspections	9	1.4

Construction Inspections	281	43.2
Manufacturing Inspections	176	27.0
Other Industry Inspections	194	29.8

	Number	Percent
Serious Violations	763	58.0
Willful Violations	8	.6
Repeat Violations	13	1.0
Other Violations	525	39.9
Failure to Abate Violations	6	.5
Total Number of Violations	1,315	100.0

(Average of 2.9 violations per 100 employees covered by the Inspections)

Serious Penalties Proposed	\$894,842
Average Penalty Per Violation	\$1,173
Willful Penalties Proposed	\$357,000
Average Penalty Per Violation	\$44,625
Repeat Penalties Proposed	\$85,100
Average Penalty Per Violation	\$6,546
Other Penalties Proposed	\$94,900
Average Penalty Per Violation	\$181
Failure to Abate Penalties Proposed	\$174,750
Average Penalty Per Violation	\$29,125
Total Penalties Proposed	\$1,606,592

Wage Collection Cases

Wage Claims Filed	1,188
Amount Collected	\$158,521
Lawsuits Filed	47

Policy and Information Division

The Policy and Information Division provides timely and accurate information on the Iowa labor market to a variety of users to enable them to make informed career, business and planning decisions. The division operates programs, in cooperation with the U.S. Bureau of Labor Statistics, which produce the basic employment, unemployment and wage information for Iowa and its counties. The division met or exceeded all federal requirements for these programs. The division also is involved in projects with national scope:

*The Automated Current Employment Statistics (ACES) program is used to produce the monthly employment, wage and earnings information for state and metropolitan areas throughout the United States. Iowa staff developed this system and now support its use throughout the country. In tandem with this effort, Iowa staff also serve on the national Current Employment Statistics (CES) policy advisory council.

*Iowa has been a member of the America's Labor Market Information System (ALMIS) Database Consortium for almost five years. Composed of several states, the consortium has worked with the federal Employment and Training Administration to set standards for all states for more efficient delivery of information. Recently, Iowa was selected to lead the consortium's efforts to procure an employer database to be used by all states in one-stop career centers for job search and related activities.

The division continues its collaborative relationships with the Institute for Decision Making (IDM) at the University of Northern Iowa and the Iowa Department of Economic Development and has successfully completed the transition of the Laborshed Project to IWD. Executive summaries of all the laborshed studies are on the agency Web site. IWD continues to work with IDM to improve the laborshed study and its methodology. Our goal is to expand the laborshed study to communities statewide and be able to provide analysis of labor availability on a statewide, regional and local basis.

The North American Free Trade Agreement (NAFTA) requires an international effort to convert the widely used Standard Industrial Classification System (SIC) to the North American Industrial Classification System (NAICS). These classifications form the basis for critical work done by businesses, policymakers, economic developers, and academic researchers. Iowa Workforce Development has embarked on a multi-year project to convert its databases.

IWD also is charged with overseeing the state's customer tracking system to help participating public organizations measure the impact of placement, education, training, and other services. Currently, eight state agencies or divisions are consistently using this data system to track the effectiveness of their programs and apply for additional funding in the form of federal financial bonuses and/or grants. Over the last year, IWD has made technological changes to speed the process and to reduce the costs of the program.

The division evaluates the ability of the Unemployment Insurance (UI) Trust Fund to pay future UI benefits under various economic

"The laborshed analysis recently completed for Fayette County Economic Development will be valuable to support the economic growth in Northeast Iowa. I was very pleased with the quality of both the finished product and the service I received from the IWD Workforce Research Group. It has already been a useful tool in working with existing, expanding and prospective industries."

**Sally Falb, Economic Development Director
Fayette County Economic Development**

“Current, accurate labor availability data is critical to economic and community development efforts. IWD has a product that meets our needs. Carroll Area Development Corporation appreciates the attention to detail and responsiveness of the staff, and this user-friendly laborshed analysis.”

**Jim Gossett, Executive Director
Carroll Chamber of Commerce
Area Development Corporation**

assumptions and determines if the fund balance is sufficient to continue to pay benefits through an economic downturn. Staff members also study the effect of proposed law changes on the UI trust fund, benefits paid, and employer contributions collected.

The division prepares several unemployment insurance reports that are used to meet federal workload reporting requirements, determine triggers for special programs, and describe the size and scope of the unemployment insurance program on local economies. Some reports are carried by national news media and are considered important economic indicators.

The division conducted a variety of activities to disseminate the information it produces and educate Iowans about how they can make use of it:

- There were more than 1,000 customer contacts. This included people receiving training in using labor market information, presentations for specific users and presentations to the Regional Workforce Investment Boards. Customers included Job Corps staff and students, the Iowa Council of Nurses, school counselors, secondary school students and teachers, job seekers and participants at various conferences.
- Six labor market/census workshops were sponsored by Iowa Workforce Development, the State Library of Iowa, Hawkeye Community College, Eastern Iowa Community College, Indian Hills Community College, and Iowa Western Community College at various locations throughout the state beginning July 2001. Workshop participants learned to identify growing industries, determine employment outlooks for specific occupations, and compare state and local economic trends.
- More than 90 publications were produced.
- A wide variety of information about the labor market is now readily available on the Iowa Workforce Development Web site. This includes the usual publications, as well as the interactive Iowa Workforce Information Network (IWIN), news releases on the monthly unemployment rate, employment and wages covered by unemployment insurance (including county-level data), prevailing wages surveys, affirmative action data, labor force summaries, Iowa Job Outlook, layoffs, and licensed occupations.
- The Policy and Information Division now hosts the Iowa Economy News and Trends Web site that gives key indicators of economic health and trends in the state. Indicators include housing sales, motor vehicle sales, projected income, business patterns, gross state product, exports, farmland values, city costs, poverty rates, and more.
- Resource guides for economic developers, grant writers, job seekers, counselors and educators were updated and distributed.
- Approximately 440 people were trained in courses that focused on using labor market information in the classroom and for making career decisions.
- Staff developed a labor market information business E-card, a mini-CD-ROM based directory of labor market products, services, and contacts. The colorful, Web-interactive E-card replaces the printed directory at a lower cost. An electronic version is also available on the IWD Web site.
- The division supports the department's and the state's strategic planning initiatives by providing data and staff support.

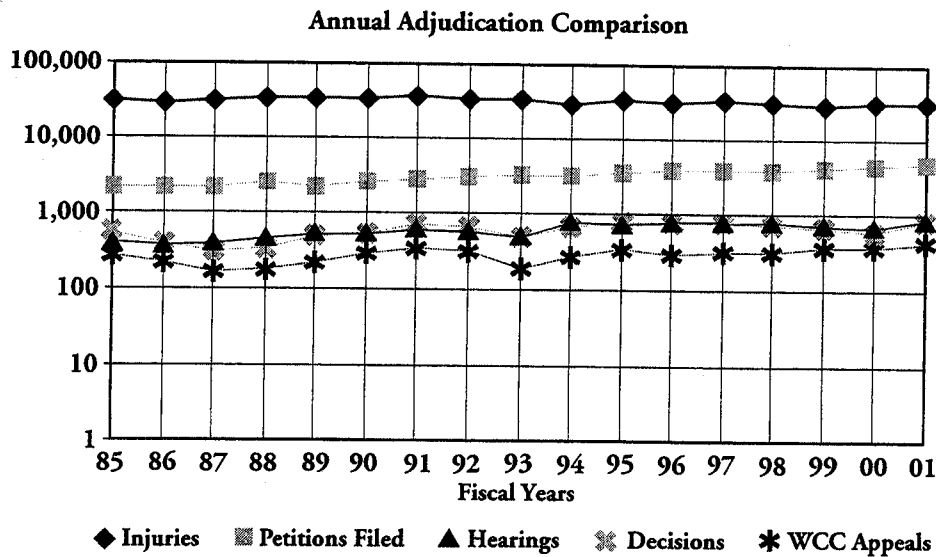
Workers' Compensation Division

The Workers' Compensation Division serves the 1.6 million covered workers in the state. During fiscal year 2001, 28,957 first reports of injury were filed with the agency. Injured workers filed 5,139 petitions, an

increase of 11 percent over fiscal year 2000.

The four workers' compensation compliance administrators handled 20,477 phone calls concerning workers' compensation laws and procedures.

The division conducted 750 mediations and 757 hearings; issued 768 first level hearing decisions and 318 appeal decisions.



The average number of days from petition to hearing was 352 days. This is the lowest number recorded since prior to fiscal year 1985, and an improvement of 15 percent over previous fiscal years.

The average number of days from hearing to decision at the first level was 72 days in fiscal 2001, a decrease from 79 days in fiscal year 2000.

All appeal decisions were filed within six months or less of full submission in fiscal year 2001.

In fiscal year 2001, the average number of days when parties certify that a case will be ready for hearing to the date of hearing was tracked. This average was 132 days in fiscal year 2001, or less than five months.

Fiscal Year	Deputy Decisions	Deputy Decisions Appealed to IC	Number for year	Appeal Case Inventory (Including Remands)	Appeal Decisions	Petitions Filed	Injuries	Percent of Contested Cases Pending as Appeals
FY80	388	190	190	96	114	1338	°	7.8
FY81	353	169	169	60	177	1602	°	3.9
FY82	395	225	225	47	156	1607	°	2.7
FY83	353	168	168	69	127	1749	°	3.4
FY84	403	212	212	87	212	1846	°	4.0
FY85	467	270	285	149	156	2353	°	5.4
FY86	361	209	231	154	143	2476	°	4.7
FY87	289	152	161	173	84	2400	°	4.6
FY88	308	170	179	155	120	2720	°	3.6
FY89	441	220	227	182	143	2375	°	4.5
FY90	470	283	307	221	151	2721	°	5.3
FY91	636	346	362	369	92	3052	°	8.4
FY92	589	313	327	302	272	3275	32211	6.7
FY93	455	168	193	105	320	3444	31363	2.2
FY94	585	281	277	139	211	3433	26706	2.9
FY95	712	345	357	167	240	3821	33054	3.3
FY96	680	301	312	226	161	4155	28567	4.0
FY97	698	325	340	265	202	4035	32059	4.7
FY98	648	336	336	296	231	3956	30670	5.1
FY99	601	354	379	340	235	4523	27080	5.7
FY00	534	366	390	210	404	4583	29133	3.4
FY01	768	413	438	225	318	5139	28957	°

Workforce Development Center Administration Division

Implementation of Iowa's Workforce Development System

With the implementation of the Workforce Investment Act, July 1, 1999, through June 30, 2000, became a year of transition for Iowa's workforce development system. As a result, it is anticipated that a new, stronger and more regionally focused approach to employment and training services began in the state of Iowa.

The vision of the Iowa Workforce Development system is:

A prosperous, healthy and productive Iowa, well equipped to thrive in an increasingly competitive

global economy. The primary prerequisite for this prosperity is a well-educated, skilled and productive workforce employed in safe and healthy high performance workplaces.

Iowa has sixteen (16) service delivery regions, each with a Regional Workforce Investment Board (RWIB), Youth Advisory Council (YAC) and at least one locally designated one-stop center. The RWIBs and YACs have been instrumental in pooling their time and resources to develop local Regional Customer Service Plans (RCSPs) that are tailored to the specific workforce needs of each area. Each RWIB received funding for support in the implementation of WIA to move all partners in the Workforce Development system well beyond the customary coordination of programs and services to an integrated network. This network provides improved counseling, job search assistance and career and labor market information, which realize significant increases in employment

earnings, retention and skills for the workforce, with net gains for employers and employees.

Iowa Workforce Development offered a variety of training opportunities to facilitate the implementation of WIA to all system partners. These opportunities were provided by private sector consultants as well as regional Department of Labor and state program staff. The training sessions ranged from two-day workshops to three-hour sessions over the Iowa Communications Network, (a statewide interactive video system). State and federal policy, implementation issues, comparisons between JTPA and WIA, reporting systems performance measures and tiers of service were some of the topics covered for both administrative and line staff employees.

Under the direction of the RWIBs, the new integrated system allowed partners to leverage state, federal and local funds, reducing the duplication of services and providing a variety of employment and training activities including the necessary support services. Centrally located staff supported by technology and satellite centers, governmental agencies, community-based organizations and private-sector partners focus their collective resources to more efficiently meet the community's workforce needs. Single-service offices are being replaced by one-stop Workforce Centers bringing additional services and resources to one convenient location for an integrated, systematic approach to employment and training.

The world of workforce development is filled with programs targeted to specific populations. For example, the Disabled Veteran Outreach program and the local veterans employment representatives are funded to serve veterans exclusively and the adult, dislocated worker, and youth programs under the Workforce Investment Act of 1998 serve eligible customers only.

The Wagner-Peyser program is unique for two reasons: the mission of the program and the funding source. The mission of the Wagner-Peyser program is to provide a labor exchange system accessible to business and job seekers regardless of eligibility or target population. Second, while most workforce development programs are funded with our tax dollars, the labor exchange system is maintained with an employer tax.

The Workforce Investment Act forced the Wagner-Peyser program to reexamine the services and how they are delivered. The vision behind this unique piece of legislation was to build a conduit between the needs of business and the skills of our workforce. Therefore it was incumbent upon Iowa Workforce Development, the exclusive recipient of Wagner-Peyser funding, to

not only make these services accessible, but also to be responsive to the needs of business and job seekers.

Due to the universal nature of the concept behind the Wagner-Peyser program, it has been difficult to clearly define the program's niche. The following pages attempt to clarify that important role and the direction we have taken over the past year. In short, the role that Wagner-Peyser services play in your community is as follows:

1. Identify, understand, and address the needs of business;
2. Provide an accessible system of labor exchange linking jobs/employers with qualified workers; and
3. Assist the job seeker to become self-sufficient through core, intensive, or case-managed services, or through referral to the appropriate service provider.

It was critical that "referral" was not overlooked as a primary role of the Wagner-Peyser program under this new Act. The essence of the Workforce Investment Act of 1998 is to build a highly integrated universal and seamless system of employment and training services. The Wagner-Peyser program has been a primary doorway to a multitude of customers. We realized that many of our customers may be better served and receive individual attention by service providers paid to meet the needs of a target population (i.e., veterans, older workers, dislocated workers, etc).

It was decided it is appropriate for Wagner-Peyser funded staff to deliver core and intensive services to business and job seekers entering the system through the Center portal. However, in accordance with a coordinated and integrated system of service delivery, it was equally appropriate for staff to assess the needs of the customer and make a referral to one of our partners or another service provider in the community.

WebPAS

An important new tool IWD began to use in 2001 to connect business and labor is a skill-based job match system called WebPAS. This tool is assisting IWD to do a better job of matching the skills of the customer to those needed on the job.

It was recognized that the success of this shift in service delivery and attainment of our priorities is linked to:

- The future of the unemployment insurance program in the field office;
- IWD's ability to build the capacity in staff to meet

the goals; and

- Marketing of the Workforce Development one-stop center system.

Just like the system being developed under the Workforce Investment Act, the service delivery plan is changing and evolving. For the Wagner-Peyser program, the constants throughout the year have been and will always be identifying and addressing the needs of business, providing an accessible system of labor exchange, and assisting the job seeker to become self sufficient.

New Employment Opportunities Fund (NEOF)
The New Employment Opportunities Fund (NEOF) was designed and implemented to support the underutilized workforce population to get and keep a job. NEOF works within the existing system to complement existing programs and a wide range of services offered to consumers and employers. The NEOF program funds are flexible in that they help remove barriers that are preventing an individual from becoming and staying employed.

Iowa Workforce Development identified five pilot projects for initial funding under NEOF, which served a total of 257 participants, with the goal of serving 100 participants through June 30, 2002. The projects and their target populations are:

Waterloo (Region 7) Immigrants and Refugees

Des Moines (Region 11) Minority Youth

Des Moines (Region 11) Offenders

Cedar Rapids (Region 10) Individuals With Disabilities

Davenport (Region 9) Individuals With Disabilities

The New Iowan Centers Program

The New Iowan Centers program (NIC) was a pilot initiative that began in mid-November of 2000. The two centers are located in the Sioux City IWD office and the Muscatine IWD office. These centers were initially created with the purpose of supporting workers, businesses, and communities in the form of information, referrals, job placement assistance, translation, language training, resettlement, as well as technical and legal assistance on such issues as forms and documentation related to employment.

The centers were open to anyone new to Iowa. Customers at the New Iowan Centers in the first year have come from more than 26 countries, worldwide. A

significant number of customers have been from other areas of the United States, resettling in Iowa. The overall number of customers to the New Iowan Centers in the first year of operation was 3,885.

Initially, the centers were established to focus on referrals to community agencies and programs, translation and interpretation, job placement assistance, and INS assistance. While these services are still available, the NICs have expanded their service provision based on community needs and employer requests. Sioux City's NIC has created several employment-based programs, from advanced ESL (English-as-a-second Language) classes, to a specific construction technique class, co-sponsored by the employer and the local community college. They also have conducted "Leadership Training" to instruct newcomer community leaders in government, law enforcement, the educational system, the judicial system, volunteerism, and meeting mechanics.

The Muscatine NIC has been focusing on outreach to employers, marketing and creating networks. Currently, further programs are being developed with the Eastern Iowa Community College at the Muscatine Community College campus, to provide "bridge" programs in the areas of information technology (computer training), certified nursing assistants and home health aides. Command Spanish (occupational Spanish curriculum) courses also are being developed at the request of local employers and service providers.

The New Iowan Centers will continue to provide community-responsive services. The New Iowan Centers program manager also has been providing technical support to other Iowa communities working toward development of their own New Iowan-type programming.

People With Disabilities Grant

Twelve Iowa state agencies and organizations have come together to receive a \$1 million grant from the Department of Labor to address the accessibility of workforce products and services for Iowa job seekers with disabilities. The purpose of this initiative is to enhance employment services for people with disabilities through the workforce development system.

Iowa's experience through its current grant initiatives with the Social Security Administration and the Rehabilitation Services Administration have identified that Iowa's Workforce Development system is not the service system of choice for people with disabilities. State agencies, advocacy organizations and private associations have come together as partners to develop this proposal with the understanding that those

services designed to serve everyone must become better equipped to serve people with disabilities.

The strategy of this proposal is to develop three tiers of resource teams, through its recognition that barriers exist in technology, physical layout, attitudes as well as in procedure and policy that exist across local, state and federal levels. Resource teams work with Regional Boards to direct the changes within their service systems, and with the workforce partners, to identify barriers and develop strategies to address them. The application is statewide in nature, in that the goal will be to impact policy developed on the State Level by those Partners committed to this initiative, that impact service delivery in all regions. The process to develop these policy changes will be through experience in working actively with the Boards and Partners in 7 of the 16 Iowa Regions over the two and one half years of the grant. These regions have been selected through an RFP process.

Unemployment Insurance Division

Filing Initial Unemployment Insurance Claims Online

Due to the groundwork during fiscal year 2001, jobless Iowans began applying for unemployment insurance benefits by entering their claims via the Internet from the comfort of their homes using a personal computer in August 2001. This self-service, online process is available 24 hours a day, seven days a week at www.iowaworkforce.org.

Claims filed online are processed more quickly, which means claimants may receive benefit payments faster. Applying for benefits online from home provides privacy to those people who may be uncomfortable talking to someone about being unemployed or who are apprehensive about walking into a Workforce

Center to file a claim.

Online filing is not available to out-of-state claimants. For those people and others who may choose not to go online, Workforce Development Centers hold group claim filing sessions. Also, Iowans always have the option of calling the UI Service Center to file their initial claim, Monday through Friday, 8 a.m. to 4 p.m., Central Time. Outside the Des Moines area, call (877) 891-5344; in Des Moines, call 281-4199.

Employer-Filed UI Claims

The Unemployment Insurance Division developed a new mass claim filing process during fiscal year 2001 that was implemented in August 2001. Employers can now transmit information for laid-off workers on a disk or cartridge to Iowa Workforce Development. The information is entered into IWD's computer system and the new or additional unemployment claim for each individual is then on record as being filed.

This enables employers to better assist non-English speaking employees with claim filing procedures; designate immediate release of benefit payments; and indicate those employees receiving holiday pay or wages during the first week of the claim.

Unemployment Insurance Tax Redesign

The division began the process to redesign the current unemployment insurance tax system. Existing tax systems of other states are being reviewed, as well as potential funding sources to cover the cost of the redesign. It is hoped that a redesigned system will:

- File and report taxes electronically;
- Allow real-time changes and corrections to update wage records automatically;
- Eliminate duplicate entries for employers, and IWD;
- Create opportunities for IWD staff to provide additional technical assistance to employers.

Financial Reports for Fiscal Year 2001 (July 1, 2000 – June 30, 2001)

Beginning Cash Balances

052	Penalty and Interest funds	1,021,009.97
054	Trade Expansion Act Benefit funds	92.40
127	Iowa Corp Earned Tuition	198,768.08
348	Admin contribution surcharge Funds	2,417,792.96
442	Amateur Boxing funds	81,421.03
447	Food Stamp allowance funds	100.00
497	Disaster Unemployment Benefits funds	-39.00
850	Athletic Comm Clearing funds	30.00
851	Wage Payment Collection funds	520.30
	Total	3,719,695.74

Plus Revenues

General Fund Appropriations	7,438,232.70
Other Appropriations	30,000.00
Federal Support	56,129,584.44
Intra State Transfers	18,565,803.73
Taxes Collected	8,504,058.34
Refunds and Reimbursements	309,114.05
Interest	279,238.58
Fees Licenses & Permits	93,555.60
Local Government	64,735.50
Other	1,562.61
Total	91,415,885.55

Minus Expenditures

01	Personal Services	43,321,047.70
02	Travel & Subsistence	990,008.74
03	Supplies & Materials	1,163,216.78
04	Contractual Services	39,317,658.10
05	Equipment & Repairs	3,432,061.45
06	Claims & Miscellaneous	2,505,676.20
07	Licenses, Permits & Refunds	58,888.66
08	State Aids & Credits	817,317.11
	Total	91,605,874.74

Minus Reversions

General Fund Reversions	519,797.89
Other Reversions	3,063.83
Total	522,861.72
Equals ending Cash Balance	3,006,844.83

Ending Cash Balances by Fund

052	Penalty and Interest funds	743,442.82
054	Trade Expansion Act Benefit funds	1,653.80
107	WDC Major Program funds	1,000.00
108	WDC Other funds	445,116.33
127	Iowa Corp Earned Tuition	198,768.08
348	Admin contribution surcharge Funds	1,528,443.07
442	Amateur Boxing funds	79,622.73
447	Food Stamp allowance funds	8,350.00
497	Disaster Unemployment Benefits funds	314.00
851	Wage Payment Collection funds	134.00
	Total	3,006,844.83

**Federal
Catalogue**

Number	PROGRAM NAME	EXPENDITURES
17.225	Unemployment Insurance	19,109,903.36
93.558	Temporary Assistance For Needy Families (TANF - PROMISE JOBS)	16,557,705.36
17.207	Employment Services	9,714,358.08
00.348	Administrative Contribution Surcharge	8,779,365.98
17.255	Workforce Investment Act (WIA)	7,557,723.51
17.253	Welfare-To-Work Grants	4,293,075.51
17.500	OSHA Enforcement	3,954,774.13
17.246	ETA Dislocated Worker	3,558,293.30
00.001	Workers' Compensation General Fund	2,854,198.35
17.245	Trade Adjustment Assistance—TAA & NAFTA	2,701,693.73
17.250	Job Training Partnership Act (JTPA)	2,584,269.26
00.002	Labor Services Division General Fund	1,647,491.49
17.002	Labor Force Statistics	1,647,491.37
17.804	Local Veterans' Employment Program (LVER)	1,329,577.39
00.052	Penalty And Interest Funds	873,334.12
17.801	Disabled Veterans' Outreach Program (DVOP)	815,082.57
10.561	Food Stamps Administrative Grants	501,289.27
00.022	Strategic Recruitment	474,402.21
17.257	One Stop Career Center Initiative	414,665.91
00.RB0	Reed Act ICN	390,684.68
00.023	Welfare-To-Work	261,445.46
00.108	Work Keys™	204,498.96
00.021	New Employment Opportunities	201,832.03
17.005	Labor Force Statistics	183,233.31
00.SN0	Social Security Administration	143,106.89
83.541	Disaster Unemployment Assistance (DUA)	134,205.58
00.004	Workforce Board General Fund	125,648.61
17.203	Labor Certification For Alien Workers	92,772.54
17.504	OSHA Consultation Agreements	82,844.58
10.561	Food Stamps Allowances	74,550.00
00.442	Athletic Commission	73,238.15
00.005	Rural County Estimates General Fund	55,797.64
00.018	Labor Management	53,162.58
00.851	Wage Payment Collections	34,046.37
00.011	TARGET Alliance	26,936.17

00.NW0	Norwest Bank	25,592.44
00.SW0	Making Connections	24,200.00
93.563	Child Support Enforcement	20,622.90
00.850	Athletic Commission Clearing Account	12,723.19
00.NI0	Northern Iowa Area Community College	12,145.09
17.202	Certification Of Foreign Workers For Temp Ag Employment	3,892.67
	TOTAL	91,605,874.74