

DEPARTMENT OF WORKFORCE DEVELOPMENT

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY09 Adjusted Base	FY10 Recommended	% Change Over FY09	FY11 Recommended	% Change Over FY10
GPR	26,482,100	24,384,600	-7.9	24,539,500	0.6
PR-F	218,179,100	216,540,100	-0.8	217,979,900	0.7
PR-O	7,918,300	8,780,800	10.9	8,889,300	1.2
PR-S	44,226,800	65,575,200	48.3	65,575,200	0.0
SEG-O	21,166,400	24,098,300	13.9	24,108,000	0.0
TOTAL	317,972,700	339,379,000	6.7	341,091,900	0.5

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY09 Adjusted Base	FY10 Recommended	FTE Change From FY09	FY11 Recommended	FTE Change From FY10
GPR	145.62	129.73	-15.89	129.73	0.00
PR-F	1,122.81	1,111.65	-11.16	1,093.65	-18.00
PR-O	7.60	13.60	6.00	13.60	0.00
PR-S	286.06	287.06	1.00	287.06	0.00
SEG-O	103.55	103.55	0.00	103.55	0.00
TOTAL	1,665.64	1,645.59	-20.05	1,627.59	-18.00

AGENCY DESCRIPTION

The department is headed by a secretary who is appointed by the Governor with the advice and consent of the Senate. The department's programs are administered by the Office of the Secretary and the following six divisions: Equal Rights, Unemployment Insurance, Vocational Rehabilitation, Worker's Compensation, Employment and Training, and Administrative Services.

The department's functions include:

- Developing and maintaining systems for unemployment insurance, worker's compensation and other income maintenance benefit payments to help minimize the effects of decreased or irregular purchasing power of workers due to unemployment or work-related injury or illness, and to promote self-sufficiency.
- Assisting employers looking for workers and people looking for jobs. Developing training opportunities to improve job skills of Wisconsin residents in order to help business and industry meet skilled work force needs. Providing leadership among the state agencies on the development of employment and training policy and planning. Coordinating local planning for, and effective delivery of, labor exchange and employment and training program services through the state's one-stop job center system.
- Providing programs, services, assessment and training to people with disabilities to develop skills needed to obtain employment.
- Promoting compliance with laws and codes designed to protect the public from discrimination in employment, housing and public accommodations, and to assure adherence to fair labor standards.

The Labor and Industry Review Commission is attached to the department for limited purposes. This three-member body decides appeals on department decisions in disputed equal rights, worker's compensation and unemployment insurance cases.

MISSION

The mission of the department is to provide a system of employment-focused programs and services that enable individuals and employers to fully participate in Wisconsin's economy.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Workforce Development

Goal: Job applicants who use job centers will gain wider access to available jobs in Wisconsin.

Objective/Activity: Increase employers' access to available labor pools and job seekers' access to available jobs by increasing the number of job orders posted on JobNet.

Goal: Provide employer-funded temporary economic assistance to Wisconsin's eligible unemployed workers and stabilize Wisconsin's economy by paying unemployment insurance benefits as quickly as possible.

Objective/Activity: First payment promptness for paying intrastate worker claims for unemployment insurance will exceed the federal standard established by the secretary of the U.S. Department of Labor.

Program 3: Economic Support

Note: Effective July 1, 2008, this program was transferred to the Department of Children and Families.

Goal: Promote the self-sufficiency of participants by providing services that result in increased earned income.

Objective/Activity: Increase the employment placement average hourly wage of Wisconsin Works (W-2) or Food Share Employment and Training (FSET) participants. In the 2007-09 biennial budget, this measure added FSET and changed to calendar year to be consistent with contracts for these services.

Goal: Promote family stability and the movement to self-sufficiency by providing child care subsidies to low-income working families at less than 200 percent of the federal poverty level.

Objective/Activity: Maintain prior fiscal year levels for child care subsidies that assist low-income families in obtaining and retaining employment.

Program 5: Vocational Rehabilitation Services

Goal: Obtain, maintain and improve employment for people with disabilities by working with vocational rehabilitation consumers, employers and other partners.

Objective/Activity: Provide high-quality employment preparation, assistive technology and placement services to eligible individuals not on the order of selection waiting list.

PERFORMANCE MEASURES

2007 AND 2008 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2007	Actual 2007	Goal 2008	Actual 2008
1.	Number of job orders listed on JobNet.	85,000	91,103	88,000	97,326
1.	Exceed the 87 percent U.S. Department of Labor standard for intrastate promptness of first pays by 6 percent, or a minimum of 93 percent.	93%	91%	93%	93%
3.	Maintain or increase W-2 / FSET hourly average wage at time of employment placement. ^{1,2}	\$8.29	FSET \$8.90 W-2 \$8.61	\$8.29	FSET \$9.15 W-2 \$8.65
3.	Maintain the number of families receiving child care subsidies. ²	51,000	52,763	51,000	52,876
5.	Number of individuals achieving an employment outcome will increase over prior year.	2,366	3,164	2,370	3,663

Note: Based on fiscal year.

¹Based on calendar year.

²Effective July 1, 2008, this program was transferred to the Department of Children and Families. Therefore, these program goals are no longer applicable to the Department of Workforce Development.

2009, 2010 AND 2011 GOALS

Prog. No.	Performance Measure	Goal 2009	Goal 2010	Goal 2011
1.	Number of job orders listed on JobNet.	98,500	101,000	105,000
1.	Exceed the 87 percent U.S. Department of Labor standard for intrastate promptness of first pays by 6 percent, or a minimum of 93 percent.	93%	93%	93%
5.	Number of individuals achieving an employment outcome will increase over prior year.	2,375	2,390	2,400

Note: Based on fiscal year.

DEPARTMENT OF WORKFORCE DEVELOPMENT

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Government Efficiency Measures
2. Across-the-Board 1 Percent Reductions
3. Additional GPR Reductions
4. Equal Rights Administration
5. Vocational Rehabilitation Matching Funds
6. Reemployment Initiative
7. Conversion of Database Systems
8. Prevailing Wage Law, Contractor Records Requirement
9. Transfer of Refugee Services
10. Attorney Reorganization
11. Federal Program Aids Reestimate and Statutory Clarification
12. Worker's Compensation Interagency Agreements
13. Worker's Compensation Uninsured Employers Fund Reestimate
14. Worker's Compensation Operations Fund Reestimate
15. Unemployment Administration Reestimate
16. Unemployment Assessments Reestimate
17. Unemployment Interest and Penalty Payments Reestimate
18. Standard Budget Adjustments

ITEMS NOT APPROVED

19. Increase Collection Capacity of Uninsured Employers Fund

Table 1
Department Budget Summary by Funding Source (in thousands of dollars)

	ACTUAL FY08	ADJUSTED		GOVERNOR'S RECOMMENDATION		
		BASE FY09	AGENCY REQUEST FY10	AGENCY REQUEST FY11	FY10	FY11
GENERAL PURPOSE REVENUE	\$23,568.5	\$26,482.1	\$27,129.9	\$27,656.6	\$24,384.6	\$24,539.5
State Operations	6,980.2	7,237.7	7,302.1	7,302.1	5,576.3	5,467.8
Local Assistance	958.3	1,050.1	1,050.1	1,050.1	1,012.1	1,012.1
Aids to Ind. & Org.	15,630.0	18,194.3	18,777.7	19,304.4	17,796.2	18,059.6
FEDERAL REVENUE (1)	204,694.1	218,179.1	222,660.6	224,044.8	216,540.1	217,979.9
State Operations	132,979.0	126,718.0	132,801.1	134,275.6	132,785.0	134,259.5
Aids to Ind. & Org.	71,715.1	91,461.1	89,859.5	89,769.2	83,755.1	83,720.4
PROGRAM REVENUE (2)	48,521.1	52,145.1	74,868.3	74,868.3	74,356.0	74,464.5
State Operations	47,549.5	51,388.1	74,104.9	74,104.9	73,607.5	73,716.0
Aids to Ind. & Org.	971.6	757.0	763.4	763.4	748.5	748.5
SEGREGATED REVENUE (3)	22,987.4	21,166.4	24,384.4	24,404.8	24,098.3	24,108.0
State Operations	12,161.3	13,066.4	14,384.4	14,404.8	14,143.4	14,153.1
Aids to Ind. & Org.	10,826.1	8,100.0	10,000.0	10,000.0	9,954.9	9,954.9
TOTALS-ANNUAL	299,771.1	317,972.7	349,043.2	350,974.5	339,379.0	341,091.9
State Operations	199,670.0	198,410.2	228,592.5	230,087.4	226,112.2	227,596.4
Local Assistance	958.3	1,050.1	1,050.1	1,050.1	1,012.1	1,012.1
Aids to Ind. & Org.	99,142.8	118,512.4	119,400.6	119,837.0	112,254.7	112,483.4

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

Table 2
Department Position Summary by Funding Source (in FTE positions) (4)

	ADJUSTED		AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
	BASE FY09	AGENCY REQUEST FY10	AGENCY REQUEST FY11	FY10	FY11	
GENERAL PURPOSE REVENUE	145.62	145.62	145.62	129.73	129.73	
State Operations	76.54	76.54	76.54	60.65	60.65	
Aids to Ind. & Org.	69.08	69.08	69.08	69.08	69.08	
FEDERAL REVENUE (1)	1,122.81	1,130.06	1,115.81	1,111.65	1,093.65	
State Operations	832.57	841.82	827.57	830.57	812.57	
Aids to Ind. & Org.	290.24	288.24	288.24	281.08	281.08	
PROGRAM REVENUE (2)	293.66	293.66	293.66	300.66	300.66	
SEGREGATED REVENUE (3)	103.55	104.55	104.55	103.55	103.55	
TOTALS-ANNUAL	1,665.64	1,673.89	1,659.64	1,645.59	1,627.59	
State Operations	1,306.32	1,316.57	1,302.32	1,295.43	1,277.43	
Aids to Ind. & Org.	359.32	357.32	357.32	350.16	350.16	

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

(4) All positions are State Operations unless otherwise specified

**Table 3
Department Budget Summary by Program (in thousands of dollars)**

	ACTUAL FY08	ADJUSTED BASE FY09	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY10	FY11	FY10	FY11
1. Workforce development	\$215,882.1	\$236,843.3	\$265,537.1	\$264,995.5	\$256,777.4	\$256,280.7
2. Review commission	3,076.4	3,322.4	3,449.1	3,449.1	3,403.0	3,403.0
5. Vocational rehabilitation services	80,812.6	77,807.0	80,057.0	82,529.9	79,198.6	81,408.2
TOTALS	299,771.1	317,972.7	349,043.2	350,974.5	339,379.0	341,091.9

**Table 4
Department Position Summary by Program (in FTE positions) (4)**

	ADJUSTED BASE FY09	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY10	FY11	FY10	FY11
1. Workforce development	1,315.90	1,324.15	1,309.90	1,295.85	1,277.85
2. Review commission	25.68	25.68	25.68	25.68	25.68
5. Vocational rehabilitation services	324.06	324.06	324.06	324.06	324.06
TOTALS	1,665.64	1,673.89	1,659.64	1,645.59	1,627.59

(4) All positions are State Operations unless otherwise specified

1. Government Efficiency Measures

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-1,286,500	-9.89	-1,286,500	-9.89
PR-F	0	0.00	0	0.00	0	1.89	0	1.89
TOTAL	0	0.00	0	0.00	-1,286,500	-8.00	-1,286,500	-8.00

The Governor recommends reducing funding and position authority in the department's state operations and aids appropriations in the amounts shown to create additional operational efficiencies and balance the budget by: (a) eliminating position vacancies across funding sources; and (b) reducing administrative law judge positions and support staff for the Equal Rights Division.

2. Across-the-Board 1 Percent Reductions

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-260,100	0.00	-260,100	0.00
PR-O	0	0.00	0	0.00	-79,200	0.00	-79,200	0.00
PR-S	0	0.00	0	0.00	-442,500	0.00	-442,500	0.00
SEG-O	0	0.00	0	0.00	-175,700	0.00	-175,700	0.00
TOTAL	0	0.00	0	0.00	-957,500	0.00	-957,500	0.00

The Governor recommends reducing most nonfederal appropriations by 1 percent to create additional efficiencies and balance the budget.

3. Additional GPR Reductions

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-511,500	0.00	-511,500	0.00
TOTAL	0	0.00	0	0.00	-511,500	0.00	-511,500	0.00

The Governor recommends reducing funding by the amounts shown to balance the budget. The Governor also recommends providing the secretary of the Department of Administration the authority to allocate funds that may be received from federal economic recovery legislation that are intended to stabilize state budgets, as prescribed in that legislation, to offset reductions to agencies.

4. Equal Rights Administration

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-325,500	-6.00	-434,000	-6.00
PR-O	288,000	0.00	288,000	0.00	325,500	6.00	434,000	6.00
TOTAL	288,000	0.00	288,000	0.00	0	0.00	0	0.00

The Governor recommends increasing the child labor work permit fee to \$10 to support the operations of the Equal Rights Division. The Governor also recommends converting funding for six positions in the Equal Rights Division from general purpose revenue to program revenue.

5. Vocational Rehabilitation Matching Funds

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	639,800	0.00	1,166,500	0.00	319,900	0.00	583,300	0.00
TOTAL	639,800	0.00	1,166,500	0.00	319,900	0.00	583,300	0.00

The Governor recommends increasing funding to the Vocational Rehabilitation Program to draw down additional federal funds.

6. Reemployment Initiative

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	1,050,000	11.25	1,400,000	15.00	1,050,000	0.00	1,400,000	0.00
TOTAL	1,050,000	11.25	1,400,000	15.00	1,050,000	0.00	1,400,000	0.00

The Governor recommends increasing expenditure authority to allow for more flexible use of these funds and redirecting federal funds from Reed Act distributions to provide targeted reemployment services to unemployment claimants.

7. Conversion of Database Systems

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	223,300	0.00	223,300	0.00	223,300	0.00	223,300	0.00
TOTAL	223,300	0.00	223,300	0.00	223,300	0.00	223,300	0.00

The Governor recommends increasing expenditure authority for the conversion of database systems in the Worker's Compensation Division.

8. Prevailing Wage Law, Contractor Records Requirement

The Governor recommends expanding projects covered under state prevailing wage laws to include private projects that receive public financing. The Governor also recommends lowering the threshold for projects subject to prevailing wage to \$2,000 and eliminating the current multiplier, which increases the threshold annually. The Governor further recommends removing charges for investigation of complaints and implementing a fee for frivolous complaints. Finally, the Governor recommends requiring a contractor, subcontractor or agent performing work on a project that is subject to the prevailing wage law, other than a state highway project, to submit weekly reports to the contracting municipality or agency authorizing the work.

9. Transfer of Refugee Services

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	0	0.00	0	0.00	-6,095,300	-9.05	-6,039,700	-9.05
TOTAL	0	0.00	0	0.00	-6,095,300	-9.05	-6,039,700	-9.05

The Governor recommends transferring expenditure authority, positions and program activities associated with refugee services from the department to the Department of Children and Families. See Department of Children and Families, Item #25.

10. Attorney Reorganization

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	0	0.00	0	0.00	177,800	1.00	177,800	1.00
TOTAL	0	0.00	0	0.00	177,800	1.00	177,800	1.00

The Governor recommends improving the provision of state legal services by reorganizing certain vacant attorneys and legal support staff under the secretary of the Department of Administration on July 1, 2009. The Governor also recommends the creation of a 1.0 FTE unclassified chief legal advisor position. See Department of Administration, Item #4.

11. Federal Program Aids Reestimate and Statutory Clarification

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	1,884,000	0.00	3,830,200	0.00	1,884,000	0.00	3,830,200	0.00
TOTAL	1,884,000	0.00	3,830,200	0.00	1,884,000	0.00	3,830,200	0.00

The Governor recommends providing expenditure authority to reflect reestimates of revenues and expenditures for federal program aids and operations. The Governor also recommends clarifying the terms of existing federal fund transfers from the department to the Department of Health Services for independent living services.

12. Worker's Compensation Interagency Agreements

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	21,900,000	0.00	21,900,000	0.00	21,900,000	0.00	21,900,000	0.00
TOTAL	21,900,000	0.00	21,900,000	0.00	21,900,000	0.00	21,900,000	0.00

The Governor recommends providing expenditure authority to reflect reestimates of revenues and expenditures for interagency agreements, including a memorandum of understanding between the department and the Department of Health Services and Department of Children and Families for ongoing mainframe information technology services.

13. Worker's Compensation Uninsured Employers Fund Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	1,900,000	0.00	1,900,000	0.00	1,900,000	0.00	1,900,000	0.00
TOTAL	1,900,000	0.00	1,900,000	0.00	1,900,000	0.00	1,900,000	0.00

The Governor recommends providing expenditure authority to reflect reestimates of revenues and expenditures for uninsured employers fund payments.

14. Worker's Compensation Operations Fund Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	640,900	0.00	650,600	0.00	640,900	0.00	650,600	0.00
TOTAL	640,900	0.00	650,600	0.00	640,900	0.00	650,600	0.00

The Governor recommends providing expenditure authority to reflect reestimates of revenues and expenditures for the worker's compensation operations fund.

15. Unemployment Administration Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	1,580,000	0.00	1,580,000	0.00	1,580,000	0.00	1,580,000	0.00
TOTAL	1,580,000	0.00	1,580,000	0.00	1,580,000	0.00	1,580,000	0.00

The Governor recommends redirecting federal funds from Reed Act distributions and expanding the use of these funds for unemployment administration and bank fees. The Governor also recommends providing expenditure authority to reflect reestimates of revenues and expenditures for unemployment administration.

16. Unemployment Assessments Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	456,900	0.00	456,900	0.00	456,900	0.00	456,900	0.00
TOTAL	456,900	0.00	456,900	0.00	456,900	0.00	456,900	0.00

The Governor recommends providing expenditure authority to reflect reestimates of revenues and expenditures for unemployment tax and accounting system assessments.

17. Unemployment Interest and Penalty Payments Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	132,800	0.00	132,800	0.00	132,800	0.00	132,800	0.00
TOTAL	132,800	0.00	132,800	0.00	132,800	0.00	132,800	0.00

The Governor recommends providing expenditure authority to reflect reestimates of revenues and expenditures for unemployment interest and penalty payments.

18. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	8,000	0.00	8,000	0.00	-33,800	0.00	-33,800	0.00
PR-F	-32,500	-4.00	-944,500	-22.00	-57,700	-4.00	-969,700	-22.00
PR-O	38,400	0.00	38,400	0.00	26,500	0.00	26,500	0.00
PR-S	-92,900	0.00	-92,900	0.00	-286,900	0.00	-286,900	0.00
SEG-O	396,000	0.00	396,000	0.00	343,400	0.00	343,400	0.00
TOTAL	317,000	-4.00	-595,000	-22.00	-8,500	-4.00	-920,500	-22.00

The Governor recommends adjusting the department's base budget for: (a) turnover reduction (-\$2,403,800 in each year); (b) removal of noncontinuing elements from the base (-\$112,000 and -4.0 FTE positions in FY10 and -\$1,024,000 and -22.0 FTE positions in FY11); (c) full funding of continuing position salaries and fringe benefits (\$2,371,900 in each year); (d) overtime (\$158,300 in each year); (e) night and weekend differential pay (\$67,400 in each year); (f) full funding of lease and directed moves costs (-\$90,300 in each year); and (g) minor transfers within the same alpha appropriation.

ITEMS NOT APPROVED

The following requests are not included in the Governor's budget recommendations for the Department of Workforce Development.

Decision Item	Source of Funds	FY10		FY11	
		Dollars	Positions	Dollars	Positions
19. Increase Collection Capacity of Uninsured Employers Fund	SEG-O	57,800	1.00	68,500	1.00
TOTAL OF ITEMS NOT APPROVED	SEG-O	57,800	1.00	68,500	1.00