

DEPARTMENT OF WORKFORCE DEVELOPMENT

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY11 Adjusted Base	FY12 Recommended	% Change Over FY11	FY13 Recommended	% Change Over FY12
GPR	24,946,800	23,921,100	-4.1	23,921,100	0.0
PR-F	225,199,600	215,399,400	-4.4	210,976,500	-2.1
PR-O	8,465,400	5,463,000	-35.5	5,463,000	0.0
PR-S	62,894,900	62,627,300	-0.4	62,627,300	0.0
SEG-O	27,857,800	28,250,200	1.4	28,250,200	0.0
TOTAL	349,364,500	335,661,000	-3.9	331,238,100	-1.3

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY11 Adjusted Base	FY12 Recommended	FTE Change From FY11	FY13 Recommended	FTE Change From FY12
GPR	135.73	126.46	-9.27	126.46	0.00
PR-F	1,289.15	1,072.11	-217.04	1,033.61	-38.50
PR-O	13.60	13.60	0.00	13.60	0.00
PR-S	286.06	247.01	-39.05	247.01	0.00
SEG-O	103.55	102.30	-1.25	102.30	0.00
TOTAL	1,828.09	1,561.48	-266.61	1,522.98	-38.50

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 openings listed on Job Center of Wisconsin.

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 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**2009 AND 2010 GOALS AND ACTUALS**

Prog. No.	Performance Measure	Goal 2009	Actual 2009	Goal 2010	Actual 2010
1.	Number of job openings listed on Job Center of Wisconsin.	98,500	107,518	101,000	97,441
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%	88.7%	93%	86.5%
5.	Number of individuals achieving an employment outcome will increase over prior year.	2,375	2,683	2,390	2,684

Note: Based on fiscal year.

2011, 2012 AND 2013 GOALS

Prog. No.	Performance Measure	Goal 2011	Goal 2012	Goal 2013
1.	Number of job openings listed on Job Center of Wisconsin.	105,000	108,000	111,000
1.	Meet the 87 percent U.S. Department of Labor standard for intrastate promptness of first pays.	93%	87%	87%
5.	Number of individuals achieving an employment outcome will increase over prior year.	2,685	2,700	2,800

Note: Based on fiscal year.

DEPARTMENT OF WORKFORCE DEVELOPMENT

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Increase Employee Contributions to Pension and Health Insurance
2. Budget Efficiencies
3. Eliminate Long-Term Vacancies
4. Technical Modification
5. Eliminate Positions from the Division of Employment and Training
6. Transfer Accountant Position to Department of Children and Families
7. Program Revenue Reestimate
8. Division of Vocational Rehabilitation Statutory Modifications
9. Delete Obsolete Appropriations
10. Standard Budget Adjustments

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

	ACTUAL FY10	ADJUSTED BASE FY11	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY12	FY13	FY12	FY13
GENERAL PURPOSE REVENUE	\$20,102.2	\$24,946.8	\$26,563.4	\$26,563.4	\$23,921.1	\$23,921.1
State Operations	5,675.7	5,991.5	6,538.0	6,538.0	5,809.3	5,809.3
Local Assistance	718.9	985.7	985.7	985.7	887.2	887.2
Aids to Ind. & Org.	13,707.6	17,969.6	19,039.7	19,039.7	17,224.6	17,224.6
FEDERAL REVENUE (1)	\$271,877.7	\$225,199.6	\$223,116.1	\$218,693.2	\$215,399.4	\$210,976.5
State Operations	146,944.5	137,032.3	137,694.0	135,515.9	133,695.2	131,517.1
Aids to Ind. & Org.	124,933.2	88,167.3	85,422.1	83,177.3	81,704.2	79,459.4
PROGRAM REVENUE (2)	\$77,385.9	\$71,360.3	\$71,065.0	\$71,065.0	\$68,090.3	\$68,090.3
State Operations	76,905.0	70,607.1	70,314.2	70,314.2	67,374.6	67,374.6
Aids to Ind. & Org.	480.9	753.2	750.8	750.8	715.7	715.7
SEGREGATED REVENUE (3)	\$20,213.2	\$27,857.8	\$28,793.4	\$28,793.4	\$28,250.2	\$28,250.2
State Operations	12,012.1	13,302.9	14,238.5	14,238.5	13,695.3	13,695.3
Aids to Ind. & Org.	8,201.1	14,554.9	14,554.9	14,554.9	14,554.9	14,554.9
TOTALS - ANNUAL	\$389,579.0	\$349,364.5	\$349,537.9	\$345,115.0	\$335,661.0	\$331,238.1
State Operations	241,537.3	226,933.8	228,784.7	226,606.6	220,574.4	218,396.3
Local Assistance	718.9	985.7	985.7	985.7	887.2	887.2
Aids to Ind. & Org.	147,322.8	121,445.0	119,767.5	117,522.7	114,199.4	111,954.6

(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 Program (in FTE positions) (4)

	ADJUSTED BASE FY11	AGENCY REQUEST FY12	FY13	GOVERNOR'S RECOMMENDATION FY12	FY13
GENERAL PURPOSE REVENUE	135.73	135.73	135.73	126.46	126.46
State Operations	66.65	66.65	66.65	60.15	60.15
Aids to Ind. & Org.	69.08	69.08	69.08	66.31	66.31
FEDERAL REVENUE (1)	1,289.15	1,131.87	1,093.37	1,072.11	1,033.61
State Operations	915.07	863.07	828.57	849.73	815.23
Aids to Ind. & Org.	374.08	268.80	264.80	222.38	218.38
PROGRAM REVENUE (2)	299.66	276.21	276.21	260.61	260.61
SEGREGATED REVENUE (3)	103.55	103.55	103.55	102.30	102.30
TOTALS - ANNUAL	1,828.09	1,647.36	1,608.86	1,561.48	1,522.98
State Operations	1,384.93	1,309.48	1,274.98	1,272.79	1,238.29
Aids to Ind. & Org.	443.16	337.88	333.88	288.69	284.69

- (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 FY10	ADJUSTED BASE FY11	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY12	FY13	FY12	FY13
1. Workforce development	\$316,942.9	\$265,074.7	\$262,720.7	\$258,329.0	\$252,061.8	\$247,670.1
2. Review commission	\$3,219.9	\$3,302.9	\$3,357.5	\$3,326.3	\$3,196.0	\$3,164.8
5. Vocational rehabilitation services	\$69,416.2	\$80,986.9	\$83,459.7	\$83,459.7	\$80,403.2	\$80,403.2
TOTALS	\$389,579.0	\$349,364.5	\$349,537.9	\$345,115.0	\$335,661.0	\$331,238.1

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

	ADJUSTED BASE FY11	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY12	FY13	FY12	FY13
1. Workforce development	1,477.35	1,297.62	1,259.12	1,224.92	1,186.42
2. Review commission	26.68	25.68	25.68	25.50	25.50
5. Vocational rehabilitation services	324.06	324.06	324.06	311.06	311.06
TOTALS	1,828.09	1,647.36	1,608.86	1,561.48	1,522.98

(4) All positions are State Operations unless otherwise specified

1. Increase Employee Contributions to Pension and Health Insurance

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-543,500	0.00	-543,500	0.00
PR-F	0	0.00	0	0.00	-4,399,300	0.00	-4,399,300	0.00
PR-O	0	0.00	0	0.00	-69,900	0.00	-69,900	0.00
PR-S	0	0.00	0	0.00	-1,343,700	0.00	-1,343,700	0.00
SEG-O	0	0.00	0	0.00	-462,100	0.00	-462,100	0.00
TOTAL	0	0.00	0	0.00	-6,818,500	0.00	-6,818,500	0.00

The Governor recommends increasing state employee contributions towards pension and health insurance costs. Employees will generally pay 50 percent of the total required retirement contribution, which for calendar year 2011 equals 5.8 percent of salary. The Governor further recommends increasing employee contributions for health insurance from approximately 6 percent of the premium to 12.6 percent of the premium. These modifications are necessary to bring state employee compensation in line with private sector employment and reduce compensation costs.

2. Budget Efficiencies

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-1,610,400	0.00	-1,610,400	0.00
PR-O	0	0.00	0	0.00	-422,500	0.00	-422,500	0.00
PR-S	0	0.00	0	0.00	-52,400	0.00	-52,400	0.00
TOTAL	0	0.00	0	0.00	-2,085,300	0.00	-2,085,300	0.00

The Governor recommends reducing funding, excluding salary and fringe benefits, in most GPR and PR appropriations by 10 percent to create additional efficiencies and balance the budget.

3. Eliminate Long-Term Vacancies

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-488,400	-9.27	-488,400	-9.27
PR-F	0	0.00	0	0.00	-3,317,400	-59.76	-3,317,400	-59.76
PR-S	0	0.00	0	0.00	-1,091,000	-15.60	-1,091,000	-15.60
SEG-O	0	0.00	0	0.00	-81,100	-1.25	-81,100	-1.25
TOTAL	0	0.00	0	0.00	-4,977,900	-85.88	-4,977,900	-85.88

The Governor recommends eliminating position authority and related funding for positions that have been vacant for longer than 12 months.

4. Technical Modification

The Governor recommends incorporating position changes related to budget repair legislation, and converting the department's legislative liaison position to unclassified status.

5. Eliminate Positions from the Division of Employment and Training

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	-1,162,400	-20.28	-1,162,400	-20.28	-1,162,400	-20.28	-1,162,400	-20.28
PR-S	-1,249,700	-22.45	-1,249,700	-22.45	-1,249,700	-22.45	-1,249,700	-22.45
TOTAL	-2,412,100	-42.73	-2,412,100	-42.73	-2,412,100	-42.73	-2,412,100	-42.73

The Governor recommends adjusting funding and position authority in the Division of Employment and Training to offset an increase of positions in the Division of Unemployment Insurance and to formalize a transfer of positions to the Department of Children and Families in the 2009-11 biennium.

6. Transfer Accountant Position to Department of Children and Families

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	-116,400	-1.00	-116,400	-1.00	-111,600	-1.00	-111,600	-1.00
TOTAL	-116,400	-1.00	-116,400	-1.00	-111,600	-1.00	-111,600	-1.00

The Governor recommends decreasing expenditure and position authority to reflect transferring an accountant position from the department to the Department of Children and Families. See Department of Children and Families, Item #19.

7. Program Revenue Reestimate

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	-2,562,400	0.00	-2,562,400	0.00	-2,562,400	0.00	-2,562,400	0.00
TOTAL	-2,562,400	0.00	-2,562,400	0.00	-2,562,400	0.00	-2,562,400	0.00

The Governor recommends adjusting the department's expenditure authority based on reestimates of funding.

8. Division of Vocational Rehabilitation Statutory Modifications

The Governor recommends removing statutory references to home-craft services based on the elimination of the program by the federal government.

9. Delete Obsolete Appropriations

The Governor recommends deleting certain appropriations due to inactivity and lack of funding.

10. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendation			
	FY12		FY13		FY12		FY13	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	1,616,600	0.00	1,616,600	0.00	1,616,600	0.00	1,616,600	0.00
PR-F	-921,100	-137.00	-5,344,000	-175.50	-921,100	-137.00	-5,344,000	-175.50
PR-O	52,400	0.00	52,400	0.00	52,400	0.00	52,400	0.00
PR-S	3,580,800	0.00	3,580,800	0.00	3,580,800	0.00	3,580,800	0.00
SEG-O	935,600	0.00	935,600	0.00	935,600	0.00	935,600	0.00
TOTAL	5,264,300	-137.00	841,400	-175.50	5,264,300	-137.00	841,400	-175.50

The Governor recommends adjusting the department's base budget for: (a) turnover reduction (-\$2,198,800 in each year); (b) removal of noncontinuing elements from the base (-\$3,688,000 and -137.0 FTE positions in FY12 and -\$8,110,900 and -175.5 FTE positions in FY13); (c) full funding of continuing position salaries and fringe benefits (\$11,235,500 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 (-\$310,100 in each year); and (g) minor transfers within the same alpha appropriation.