DEPARMENT OF LABOR AND EMPLOYMENT
PERFORMANCE PLAN FY 2018-2019

I. MISSION STATEMENT

The mission of the Colorado Department of Labor and Employment (CDLE) is **to protect and promote the integrity and vitality of Colorado's employment environment**. This statement encompasses every function of the Department as we serve Colorado' employers and workers to help our state thrive

II. VISION

CDLE's vision is **quality and excellence in all we do**, which means fulfilling our mission while providing an exceptional customer experience.
By:
- Consistently delivering exceptional service
- Building and strengthening stakeholder relationships
- Continuously improving processes
- Implementing optimal technology solutions, and
- Embracing a culture of engagement and accountability

III. VALUES

In order to have quality and excellence in all we do, CDLE is creating a values-based organization.
Our core values are:

- Integrity
- Accountability
- Collaboration
- Excellence
- Adaptability
- Teamwork
- Respect

IV. DEPARTMENT DESCRIPTION

The Colorado Department of Labor and Employment (CDLE) includes six main divisions – Workers' Compensation, Employment and Training, Oil and Public Safety, Labor and Unemployment Insurance, and Vocational Rehabilitation – which serve Colorado's workers and businesses through administrative, support and regulatory services, as well as housing the Colorado Workforce Development Council. The Department is serving Colorado by:

- ensuring fair labor practices,
- helping businesses recruit employees,
- presenting an up-to-date and accurate picture of the economy,
- protecting our communities with a variety of consumer protection and safety programs,
- ensuring benefits to injured workers,
- contributing to a stable economy by providing temporary wage replacement, and
- helping individuals with disabilities obtain, maintain or regain employment.

Our mission at CDLE is to protect and promote the integrity and vitality of Colorado's employment environment. We have more than 1,000 employees advancing this mission through services to businesses and workers across Colorado. In good economies and bad, we are serving our customers to help our state's workforce thrive, compete and succeed while supporting our business community with resources and information to help them save valuable time and money. We have divisions that are internationally renowned for their policy setting and serve as models for other states. We have programs that are engaging stakeholders in innovative ways and others that are pursuing new partnerships to maximize service.

Unemployment Insurance Division:

- *The Unemployment Insurance (UI) Division* provides unemployment insurance in a fair, timely, accurate, and efficient manner to the employers and citizens of Colorado, to stabilize the workforce, and to minimize the impact of unemployment on the state's economy.
  UI is funded 79 percent by Federal Funds provided by the United States Department of Labor and Employment, and 21 percent by State Cash Funds (Unemployment Revenue Fund and Employment Support Fund and Employee Leasing Company Certification Fund).

  The UI Division consists of four operating branches and a policy and communications unit located at 251 E. 12th Avenue in Denver, Colorado. The four operating branches - Claimant Services, Employer Services, Appeals, and Technology, Integrity and Program Support (TIPS)—provide the UI Division's key services to the citizens and employers of Colorado.

  - **Claimant Services** is the UI Division's largest operating branch providing

benefit-related services. This branch handles all inquiries from unemployed individuals providing phone, internet, and in person services. Additionally, this branch adjudicates unemployment claims applying current statute and regulations to determine claimants' entitlement and eligibility to collect benefits.

o **Employer Services** determines employer liability, establishes accounts, obtains premiums and wage reports, collects premiums from employers, registers employee-leasing companies, audits employers, detects misclassified workers, and determines employment relationships. Employer Services is also responsible for the assignment of the appropriate paying method (contributory or reimbursing) and the experience ratings for Colorado contributory employers.

o **Appeals** have staff located throughout the state and provide a hearing venue for decisions issued by the Benefits, Employer Services, and TIPS branches that are appealed by a claimant or employer. Interested parties may attend the hearing either in person or by telephone.

o **Technology, Integrity, Program Support** (TIPS) is composed of Telephony Operations and Business Analysts; Quality Assurance, which performs federal oversight reviews to measure accuracy and quality; Benefit Payment Control, which provides overpayment prevention and processing by detecting and recovering improperly paid benefit payments; and Program Support, which provides administrative support functions for the UI Division.

The Colorado Workforce Development Council (CWDC or Council) advises the Governor and Legislature on workforce policy and oversees the expenditures of federal employment and training funds. The Council designates Federal Workforce Development Areas, certifies local Workforce Development Boards, and serves on behalf of and makes recommendations to the Governor as appropriate. The CWDC is also required to review local plans and plans for system partners and approves or rejects on behalf of the Governor. In addition, the Council solicits grants and funds to support the development of a business-led workforce system. Funding for the Council comes from the Federal Workforce Innovation and Opportunity Act funding through the Departments of Labor and Employment, Human Services, Education, Local Affairs, and the Community Colleges. The Office of State Planning and Budgeting (OSPB) is responsible for determining the share of the cost to operate the Council that will be contributed by each of the required partners under the Workforce Innovation and Opportunity Act. The CWDC also oversees the implementation of several pieces of state legislation related to talent development.

A central function of the CWDC is to provide a vehicle for the business community to lead competency-based talent development in Colorado and to ensure the alignment of education, training, workforce and economic development in meeting the economy's needs for workforce.

The **vision** of the CWDC is that every Colorado business has access to a skilled workforce and

every Coloradan has access to meaningful employment, resulting in statewide economic vitality. This vision is aligned with the Governor's **Vision 2018: A Healthy Colorado:** World-Class Education & Workforce

The CWDC's **mission** is to facilitate the creation and sustainability of a business-led, competency-based, Colorado talent development system that appropriately integrates the work of education, training, economic and workforce development to meet the needs of businesses, workers, job-seekers and students.

Employment and Training (E&T):
The Employment and Training (E&T) Division consists of two distinct program areas: Workforce Development Programs (WDP) and the Colorado Rural Workforce Consortium (CRWC).

- ❖ *Workforce Development Programs (WDP)* provides a wide range of employment and training services for businesses and job seekers, delivered by the following workforce regions:
  - Adams County
  - Arapahoe/Douglas Counties
  - Boulder County
  - City and County of Denver
  - El Paso/Teller Counties
  - Jefferson/Clear Creek/Gilpin Counties
  - Larimer County
  - Weld County
  - Mesa County
  - Rural Consortium – remainder of counties divided into eleven sub-regions

Programs administered by WDP are funded by federal grants, and State General and cash funds. WDP is responsible for policy guidance, program oversight and administration, and overall programmatic and fiscal integrity in accordance with federal guidelines for each employment and training program and special initiative. WDP administers several major programs, including the following:

- Wagner Peyser Act (WP) – Employment Services is a federally-funded program that provides non-fee labor exchange services to businesses and job applicants, matching job applicants with appropriate job openings, and offering self-service or staff assisted service options.
- Workforce Investment and Opportunity Act (WIOA) – WIOA is a federally-funded program that serves eligible adults and youth who need additional employment services, education, and/or training to prepare them to enter the workforce or to reenter the workforce after a job loss.
- Veterans Employment and Training Program This federally-funded program provides services to veterans and ensures that public labor exchange standards and

priorities of services are being met and businesses/employers are aware of veteran program requirements and are encouraged to hire veterans.

- The Work-Based Learning unit to coordinate and align federal, state and local strategies. We are creating demand by working with existing apprenticeship programs to determine their needs, and help with recruitment, skill assessment, training, and with sector partnerships and industry/trade associations to develop new registered apprenticeship programs.
- Other employment services include: Migrant Seasonal Farm Worker (MSFW), Trade Adjustment Assistance Program (TAA), Trade Readjustment Allowance Program and Displaced Homemaker Program.
- Additional programs for employers include: the Work Opportunity Tax Credit program (WOTC) and Foreign Labor Certification.

❖ *The Colorado Rural Workforce Consortium (CRWC)* is one of the ten federally designated workforce regions in the state of Colorado. The region serves 52 rural counties and is made up of the 10 regions whose vision is that every Colorado business has access to a skilled workforce and every Coloradan has access to meaningful employment, resulting in statewide economic vitality. The regions include Pueblo, Broomfield, Upper Arkansas, Rural Resort, Northwest, Western, Eastern, Southeast, Southwest, and South Central. The CRWC's mission is to foster business-focused workforce partnerships, effectively preparing rural Coloradans for the jobs of today and tomorrow.

The Division of Labor Standards and Statistics (DLSS) administers Colorado employment and labor laws pertaining to wages paid, hours worked, minimum wage, labor standards, child labor, employment-related immigration laws, and working conditions. This division also gathers, analyzes and produces comprehensive labor market information on employment conditions in Colorado and conducts all-union agreement elections, certifications of all-union provisions, and investigates and mediates allegations of unfair labor practices.

- *The Wage and Hour Section* assists Colorado employees and employers with a variety of workplace laws, including minimum wage, overtime, unpaid wages, rest and meal period regulations, and other workplace requirements.

- *The Labor/Union Section* conducts certain union elections, assists with unfair labor practice charges, and oversees Colorado labor laws including the Colorado Labor Peace Act and the Industrial Relations Act.

- *The Employment Verification Section* oversees the administration of the Employment Verification Law and the Public Contracts for Services Law. The verification law applies to all private and public sector employers in the state, and the contracts law applies to all contractors with contracts for public services. The Division conducts random audits and accepts complaints related to both laws.

- *The Youth Employment Section* directs the administration of the Colorado Youth Employment Opportunity Act, and provides guidance on terms and conditions of employment for minors, including hazardous occupations, age, and work hour restrictions.

- *The Workplace Conditions Section* oversees the Social Media Workplace Law, the Employment Opportunity Act, and the Keep Jobs in Colorado Act. The Social Media Workplace Law governs employer access to personal social media accounts of employees, the Employment Opportunity Act prohibits employer access to credit history information, and the Keep Jobs in Colorado Act requires 80% Colorado labor on certain public projects. The Section adjudicates complaints under all 3 laws, and educates employers and employees about their various rights and responsibilities.

- *The Labor Market Information* (LMI) Section - gathers, analyzes and produces comprehensive information on employment conditions in Colorado through cooperative programs with the Bureau of Labor Statistics, the Employment and Training Administration and the U.S. Census Bureau. All programs are federally funded. LMI serves policymakers, the workforce development system, educators, employers, job seekers and the general public through the dissemination of information, including the development of comprehensive training curriculum in the retrieval and use of this information. LMI completes the requirements of the Bureau of Labor Statistics funded programs as specified in the Bureau of Labor Statistics Cooperative Agreement and the requirements of the Employment and Training Administration funded programs per the federal Workforce Information Grant.

  LMI activities are authorized under the Wagner-Peyser Act of 1933, Section 14, and Section 15 as amended by the Workforce Investment Act of 1998, Section 309. The Colorado Work Force Investment Act authorizes CDLE to administer labor market information under C.R.S. 8-71-223(1)(a). Customers and constituents served by the Division include public and private employers, employees, unions, minors, and contractors. The Employment Support Fund is a primary source of funding for the Division. Detailed information, Fact Sheets, FAQs and other resources are available at www.coloradolaborlaw.gov .

The Division of Oil and Public Safety (OPS) is responsible for a variety of regulatory functions related to environmental and consumer protection and public safety, including establishing and enforcing rules, regulations and statutes which govern amusement rides and devices, explosives, boilers, conveyances, fuel products, underground and aboveground petroleum storage tanks, cleanup of petroleum spills and reimbursement of cleanup costs to qualifying storage tank owners/operators. The division is funded by cash funds with a small amount of federal funding. The Division of Oil and Public Safety is comprised of the following sections:

- *The Petroleum Compliance Section* enforces standards governing the registration, installation, repair, upgrade, operation, and closure of underground and aboveground storage tanks containing petroleum and other regulated substances through annual records requests and periodic compliance inspections conducted by State personnel. The Compliance Section also enforces weights and measures regulations pertaining to petroleum products, including verifying the calibration of fuel pump dispensing meters, and testing petroleum products to verify compliance with state quality standards.

- *The Petroleum Remediation Section* enforces cleanup standards governing the remediation of petroleum contamination and petroleum releases to the environment.

- *The Petroleum Storage Tank (State) Fund (Fund) Section* manages the Fund and receives and processes applications to the Petroleum Storage Tank Fund for reimbursement of costs related to assessment and cleanup of petroleum contaminated sites. Monies in the Fund are supplied by the ERS (Environmental Response Surcharge), a fee applied to deliveries of fuel to retail stations. The ERS ranges from $0 if the balance is above $12 million, up to $100 if the balance is below $3 million.

- Legislation in FY 2013 created the PCRF (Petroleum Clean-up and Redevelopment Fund) to assist with the redevelopment of blighted properties previously operated as gas stations or some other business that contained petroleum storage tanks and from which petroleum contamination has been discovered. Property owners, including former tank owners, who are not eligible for the Petroleum Storage Tank Reimbursement Fund, may apply for assistance if they meet the required criteria.

- *The Boiler Inspection Section* regulates boilers and pressure vessels. A boiler is generally defined as a closed pressure vessel in which water is heated, or steam is generated, and circulated for domestic hot water, heating or power. Boilers and pressure vessels are located in most public buildings, such as schools, churches, hotels, restaurants, health clubs, nursing homes, apartments, dry cleaners, office buildings, and in manufacturing, so the Boiler Inspection Section coordinates with the owners of these facilities to ensure their compliance with the regulations. Boiler inspections are performed by state inspectors and by special (insurance company) inspectors commissioned by the state program.

- *The Explosives Section* regulates individuals and businesses that use, manufacture, possess, sell, store, transport or dispose of explosives or blasting agents. This section does not regulate military explosives, law enforcement agencies, mining, or fireworks.

- *The Amusement Rides and Devices Section* protects the public through a registration process and enforcement of regulations related to carnivals, amusement parks, and other amusement rides and devices. The section ensures that amusement rides and devices that operate in the state have annual third-party safety inspections and that all required

maintenance and inspections are recorded and performed daily prior to rides being open to the public.

- *The Conveyance Section* regulates the installation, alteration, and periodic inspection and testing of conveyances as defined in the Elevator and Escalator Certification Act. These conveyances consist of elevators, platform lifts, personnel hoists, dumbwaiters, escalators, moving walks, and automated people movers like the trains at Denver International Airport. The section is responsible for ensuring that conveyance owners comply with minimum safety standards regarding the performance of the above activities within the conveyance industry.

The Division of Workers' Compensation administers and enforces the provisions of the Workers' Compensation Act. The objective of the Workers' Compensation Act, and thus the Division, is to assure the quick and efficient delivery of disability and medical benefits to injured workers at a reasonable cost to employers, with a minimum of litigation. The division is funded by cash funds.

The operations of the DoWC generally fall into the categories of dealing with claims, insurance, or medical issues. The division works closely with stakeholders and other customers that include insurance companies, attorneys, physicians, and other health care providers. The Special Funds Unit, consisting of the Major Medical Fund, the Subsequent Injury Fund, and the Medical Disaster Fund, operates like an insurance company and actually pays out benefits. These programs are funded by a separate surcharge on workers' compensation premiums, and are closed to new injuries. The funds pay out to certain individuals who met the statutory criteria when they were open. Otherwise, the DoWC's role is one of oversight and it does not pay benefits.

The Division mediates disputes and assists parties with settling their claims. The DoWC has a voluntary safety program, funded by a specific surcharge on workers' compensation insurance premiums, for employers to reduce the number of accidents for those employers participating in the program. The DoWC also administers the self-insurance program whereby qualified employers may self-insure their workers' compensation liability.

The Division of Vocational Rehabilitation (DVR) provides a range of individualized vocational services to help applicants and eligible individuals with disabilities obtain, maintain or regain employment that is consistent with their strengths, resources, priorities, concerns, abilities, capabilities, interests and informed choice. Services may include, but are not limited to, education, vocational training, physical or mental restoration, job placement and on-job supports.

The U.S. Department of Education, through a grant administered by the Rehabilitation Services Administration (RSA) provides reimbursement for 78.7 percent of eligible rehabilitation expenditures up to the total annual federal grant. The matching funds for federal dollars are either General Fund dollars or local government funds, primarily from school districts in the

School to Work Alliance Program (SWAP).

DVR also administers state and federal grants for the Centers for Independent Living (CIL), the Business Enterprise Program (BEP) and Older Individuals who are Blind (OIB); and participates in two 100% federally funded demonstration projects: ASPIRE (Achieving Success by Promoting Readiness for Education and Employment) and BOND (Benefit Offset National Demonstration).
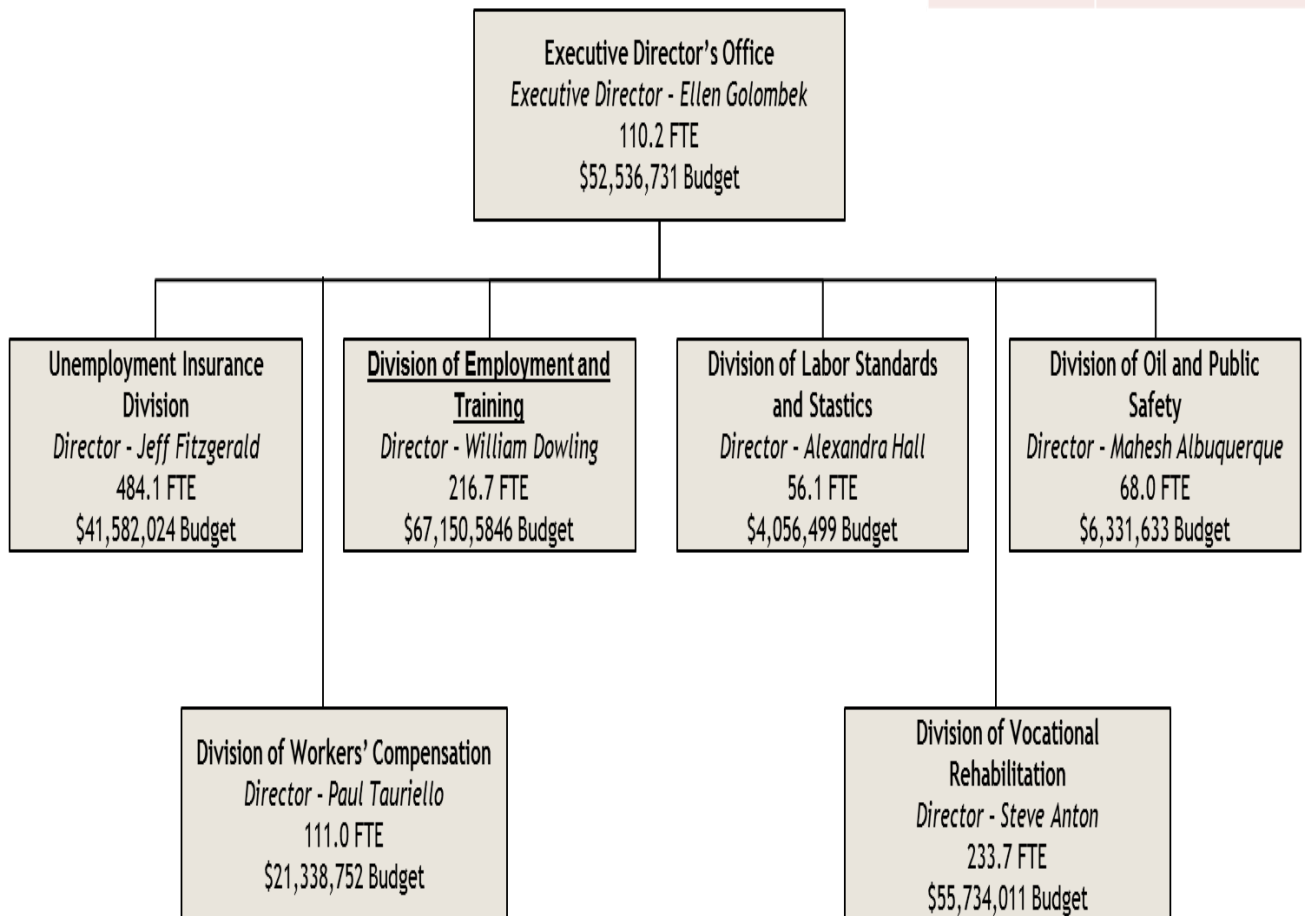
DVR programs are delivered through 27 statewide locations and coordinated through an administrative office located at 633 17th Street in Denver, Colorado. A summary of DVR programs follows:

- Vocational rehabilitation services: Provides vocational services to help eligible individuals with disabilities obtain, maintain and regain employment. This is the largest program area, accounting for approximately 78% of the DVR Long Bill.
- SWAP: Provides employment related assistance to youth and young adults experiencing mild to moderate disability-related barriers to employment. This is the second largest program area, accounting for approximately 18% of the DVR Long Bill.
- BEP: Provides training, support and business management opportunities to persons with blindness. This is the third largest program area, accounting for approximately 3% of the DVR Long Bill.
- CIL: The CILs are consumer-driven and community based private nonprofit agencies that provide an array of independent living services to people with disabilities. DVR provides technical support for funding compliance and administration for nine CIL facilities located throughout the state.
- OIB: OIB provides funds to assist older blind individuals with independent living. DVR administers the OIB contract awards.
- ASPIRE: This is a six state program designed to assess the best mix of service and supports for households with youth receiving Social Security Supplemental Income benefits. ASPIRE is scheduled to conclude in September 2018.

Colorado Department of Labor and Employment

Total Department FTE & budget breakdown (based on FY 2017-18 appropriations)	
1,279.8	Total FTEs
$248,730,234	Total funds
$21,380,958	General funds
$72,394,276	Cash funds
$9,515,450	Re-appropriated funds
$145,439,550	Federal funds

Executive Director's Office
Executive Director - Ellen Golombek
110.2 FTE
$52,536,731 Budget

Unemployment Insurance Division
Director - Jeff Fitzgerald
484.1 FTE
$41,582,024 Budget

Division of Employment and Training
Director - William Dowling
216.7 FTE
$67,150,5846 Budget

Division of Labor Standards and Stastics
Director - Alexandra Hall
56.1 FTE
$4,056,499 Budget

Division of Oil and Public Safety
Director - Mahesh Albuquerque
68.0 FTE
$6,331,633 Budget

Division of Workers' Compensation
Director - Paul Tauriello
111.0 FTE
$21,338,752 Budget

Division of Vocational Rehabilitation
Director - Steve Anton
233.7 FTE
$55,734,011 Budget

V.   OBJECTIVES, PERFORMANCE MEASURES, STRATEGIES AND EVALUATION OF SUCCESS

Department-wide objectives:

I.   **Customer Service**

Objective: Consistently deliver exceptional service.

Measurement: Customer satisfaction will be measured through the creation and implementation of an ongoing customer service survey and after a baseline is set will increase by 5% annually up to a threshold of 90%.

Customer Satisfaction across CDLE will increase by 5% annually up to 90%	Benchmark	70.7%	90%	90%	90%	90%
	Actual	87.8%	96.81%			

Measurement: Number of surveys submitted.

Customer Survey Responses will increase 5% annually	Benchmark	New	3225	3386	3555	3733
	Actual	3071	3334			

Strategies:
- ▪ Develop multimedia survey response capabilities utilizing e-mail, Internet, and mail
- ▪ Foster an agency wide culture of service based on values.
- ▪ Utilize customer feedback and strategic initiatives to improve service delivery
- ▪ Set annual customer satisfaction improvement goal
- ▪ Engage employees across the agency by developing a cross-agency committee that focuses on customer service
- ▪ Maintain an effective Continuity of Operations Plan (COOP)
- ▪ Achieve or exceed goals on all strategic initiatives

Results:

The online CDLE customer survey was rolled out in April 2012. We evaluated the survey after the first quarter to determine our benchmark (49.5%) and our targeted areas for improvement.
- ▪ Timeliness on service delivery;
- ▪ Consistency among staff; and
- ▪ Website navigation.

Annual Results for CDLE Customer Satisfaction Survey:

FY 2012-13 – 63.42% (online only)
FY 2013-14 – 67.27%
FY 2014-15 – 87.76%
FY 2015-16 – 96.81%

There were 3334 survey responses during FY 2016-17; 1916 (57.47%) were postcard responses and 1418 (42.53%) were electronic responses.

The Customer Service Initiative (CSI) team has begun its' third year. A new Team Lead will be appointed before the end of 2016. The team has surpassed their primary goals, continuing to achieve high satisfaction levels and respectable response rates. The CSI team is currently evaluating strategy for the 2017 calendar year.

Recent accomplishments include:
▪ Published quarterly survey results for our Agency and each Division within CDLE during this FY.
▪ Onboard new members to replace those completing their 2-year commitment.
▪ Present quarterly awards to staff who have been recognized (by name) on a customer survey response. On-going.
▪ Updated electronic surveys for a few Divisions targeting internal customers.

With the addition of DVR into CDLE, the team will evaluate current DVR satisfaction surveys to determine whether to continue their current strategies, or incorporate the Division into the CDLE customer survey. The CSI team will continue to recognize excellent customer service each quarter with our 'Great Job' awards, for individuals who are singled out for their excellent service.

II.   **Employee Engagement & Accountability**

Objective: Establish a culture of engagement and accountability that affords employees the opportunity, structure, and tools to thrive and provide an exceptional customer experience.

Measurement: Employee engagement will be demonstrated through increased percent stating agrees or strongly agrees on the annual CDLE employee survey.

Performance Measure	Outcome	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Improve employee survey results by 5% annually	Benchmark	80.4%	84.8%	85.2%	85.1%
	Actual	80.7%*	81.1%**	81.0%***	

Performance Measure	Outcome	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Improve employee survey response rate by 5% annually to 90%	Benchmark	83%	87%	90%	81%
	Actual	75%*	88%**	77%***	

*Data source: September 2014 Employee Engagement Survey
** Data source September 2015 Employee Engagement Survey
***Data source September 2016 Employee Engagement Survey

Research shows that employee satisfaction is an important factor in customer satisfaction, productivity and performance. That is why CDLE has made it a high priority. Based on the results of the employee survey, CDLE has developed the following strategies to increase employee satisfaction:

Strategies:
- Maintain the Employee Quality and Excellence Plan (EQEP) as a tool, simplifying the tool and process and improve communication
- Encourage and support mentoring, coaching and development planning with staff
- Purposely make growth and development opportunities available to employees.
    - Communicate both official and one-on-one opportunities like:
    - Cross training,
    - exposure to other areas,
    - new duties,
    - training,
    - membership on strategic initiative teams and other department-wide teams, and
    - volunteer opportunities
    - When possible, promote from within through reallocation and open competitive announcements with a goal of 50% of announced positions being filled with internal candidates.
- Grow accomplished supervisors and managers
- Maintain Covey as the foundation of the Leadership Development Program with a goal of 80% of all new managers and supervisors completing within one year.
- Provide training and teambuilding for intact teams with a goal of 80% of all new employees taking True Colors within their first six months.
- Provide professional coaching for leaders and high potential staff with a goal of 20 new coaches and one new coaching circle each year.
- Continue to utilize the CDLE Employee Engagement Survey, modifying survey questions where appropriate
- Continue the Upward Feedback survey tool
- Maintain and better communicate the CDLE Rewards and Recognition Program
- Continue to work on succession planning so that CDLE can maintain its high quality of employees over time.

- ▪ Hire and promote employees who demonstrate leadership and values that fit CDLE's culture.
- ▪ Maintain higher performance scores for existing employees than those who separate.
- ▪ Routinely evaluate employee communication tools to ensure they are effective
- ▪ Establish a cross-agency Employee Engagement and Accountability team to collaborate, share best practices, and advance agreed-upon legacy efforts, that will create more employee engagement with the ultimate outcome of improving the customer experience throughout CDLE
- ▪ Encourage the practice of appropriate change management
- ▪ Sustain a values-based culture
- ▪ Identify and encourage behaviors based on our values that improve accountability, and performance, and support the vision of quality and excellence in all we do
- ▪ Provide a leadership development and coaching program for the Leadership Team to empower them to be their best

Results:
- ▪ Refined our performance and development plan (Employee Quality and Excellence Plan) to strengthen accountability at all levels in the organization
- ▪ Improved and expanded lines of communication from employees to management and executive staff
- ▪ Empowered staff through employee driven committees to elicit feedback for change
- ▪ Refined the CDLE Leadership Development program
- ▪ 2015-2016 notable achievements:
  - ✓ Increased opportunities and means for staff to recognize one another's great work.
  - ✓ Maintained high levels of overall CDLE employee satisfaction at 81.1%
  - ✓ Hosted brown bag and lunch and learn educational sessions to increase employee engagement
  - ✓ Created and disseminated a supervisor survey that has resulted in a Quarterly Supervisor Tool Kit with tips and ideas to assist supervisors to effectively discuss CDLE Values with their staff
  - ✓ Worked with other committee chairs to align outcomes across the strategic initiatives and committees.
  - ✓ Met goal of 50% of announced positions were filled from within CDLE.
  - ✓ Met goal of higher performance scores for existing employees than those who separate.
  - ✓ Employee communication tools were changed and are being evaluated including:
    - ● Incorporated Communication as part of the LDP and Intact Team trainings offered by ODT,
    - ● New format and delivery tools for all staff meetings,
    - ● Reduced the number of emails going to employees by sending the Weekly Wire,
    - ● Moved the Intranet site to Google for better employee access, and
    - ● Stakeholder newsletters and information is now shared with all staff.

The original employee survey was conducted in June 2011. Based on the results and comments from that survey as well as stakeholder comments and economic realities, we developed our strategic plan and initiatives and made other changes at CDLE. With change there is naturally some level of anxiety, and change can be difficult. The employee survey bears that out. From FY 2011-12 to FY 2012-13 the percent of employees stating they were satisfied decreased by 12.4%. At the same time, the percent who stated they were dissatisfied increased slightly (1.22 percentage points). The difference is made up by the increased number of responses that were undecided or gave no response to some questions (+7.93 percentage points). We believe this is the result of new employees wanting to participate in the survey but not yet having formed an opinion. Given our objective to increase by 5 percent each year, the FY 2013-14 goal was to have at least 68.5% of employees stating agree or strongly agree on the annual CDLE employee survey. The actual results showed 76.6% satisfaction, an increase of 17.5% over FY 2012-13 and a 3% increase over our original survey. In 2014-15, participation in the survey was 75%, in 2015-16 it was 87.9%, and this year the participation rate was 77%. The goal is to maintain 85% or higher participation every year.

III. __Process Improvement__

Objective: Maximize the value we bring to our customers and stakeholders through our work processes

Measurement: Implement five key process improvements annually that bring savings of cost, time, and/or create an exceptional experience for our customers or stakeholders

Performance Measure	Outcome	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Implement process improvement in each of five divisions	Benchmark	5	5	5	5
	Actual	7	5	8	

Strategies:
- Develop a culture of continuous process improvement, focusing on the customer
- Continue to identify and implement process improvement opportunities
- Continue to determine the priority of projects
- Continue to report out results of process improvements
- Continue to collaborate internally through the Process Improvement Forum
- Collaborate with other agencies to learn and share best practices and efficiencies
- Continue to make Lean training opportunities available to staff

Results:
- Established core leadership team for process improvement
- Determined the priority of projects and allocation of resources

- ▪ Reported out results of process improvements
- ▪ Established a process improvement forum for exchange of best practices and efforts within CDLE
- ▪ Ranked highest in the state on Lean related questions in the 2014 Statewide Employee Engagement Survey

A total of eight process improvement projects utilizing the Lean methodology have been completed at CDLE during FY 2015-16. CDLE continues to measure the outcomes from each project to ensure sustainability of the improvements recognized by these efforts.

- ▪ **X-Teams** – Learning from the first iteration of Agile Staffing, UI is working on a more targeted, dedicated agile staffing model called X-Teams. The X-Team staff have been selected and trained from the CP, CSC, BPC, and NSA unit. All units have minimum hour agreements and are meeting weekly to evaluate predicted need and availability for the following week. Data and metrics specific to the X-Team are being created to track effectiveness.
- o **Redeterminations** – The Redeterminations unit performed an analysis of the UIB5 process to identify improvement opportunities. As a result, the team saw a reduction in errors on wage reporting, earnings, and information along with a decrease in processing delays for claimants and employers while eliminating rework for the Redeterminations unit.
- o **Concurrent Enrollment** – The Colorado Workforce Development Council, in conjunction with the Colorado Department of Education (CDE), the Department of Higher Education (DHE) and the Colorado Community College System (CCCS), held a week-long LEAN event aimed at streamlining and centralizing certain processes that would make concurrent enrollment for high school students significantly easier and less costly for district schools and institutions of higher education. Outcomes for the event included identifying processes that are draining resources and achieve consensus on viable solutions that will improve the return on investment, creating a process for reporting data on concurrent enrollment programs that is reliable, accurate, and compatible between districts and institutions, developing a centralized repository to house the various forms required tor registering students in concurrent enrollment courses and reducing, and making electronically available, multiple forms that are utilized by concurrent enrollment functions.
- o **Boiler** – The Division of Oil and Public Safety worked to value stream map all of its processes in an effort to identify program areas that are in need of focused process improvements. The team identified more than five areas that will be focused on during the upcoming year using various process improvement methodologies.
- o **Undeliverable Mail** – The Operational Excellence program in Unemployment Insurance facilitated a returned mail event to address the cost and problems associated with mail being returned as undeliverable. The event focused on creating and piloting a centralized team responsible for processing and correcting the addresses of mail returned as undeliverable. The hope will be to significantly reduce the pieces of mail returned thereby reducing the cost associated with processing mail more than once.

- o **Wage and Hour Complaints Data Collection** – The Division of Labor implemented a new data collection form for wage and hour complaints. Lean techniques were used to revise the form in order to prevent mistakes which would result in incorrect or incomplete information.
- o **Appeals** – The Division of Unemployment Insurance, Appeals Department have begun piloting a paperless exchange of documents between themselves and the Industrial Claims and Appeals Office (ICAO). In addition, the group is working to utilize Salesforce to not only reduce paper, but replace the current scheduling system, which will automate much of the process and greatly reduce handoffs.
- o **Jobseeker Services** – The Workforce Development Council worked with multiple state and federal funded programs to streamline the jobseeker services available in Colorado. The group is working to reduce duplication and streamline services as well as define clarity on the nature of service delivery partnerships that must be established in each workforce development area.

The Lean methodology has encouraged collaboration and greater engagement among staff of all levels within CDLE.

IV. **Technology**

Objective: Implement optimal technology solutions that create an exceptional customer experience

Measurement: Timely resolution of technology issues identified by users of applications and infrastructure as reported in the service desk system.

Performance Measure	Outcome	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Overall CDLE % of service incidents resolved within Service Level Objective	Benchmark	90%	90%	90%	90%
	Actual	98.9%	98.3%		

Performance Measure	Outcome	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Overall CDLE percent of critical systems meeting their availability targets	Benchmark	90%	90%	90%	90%
	Actual	99.1%	94.5%		

Measurement: Percentage of critical systems and applications meeting their availability targets.

Strategies:
- ▪ Define the portfolio of technology projects, services and assets for the Department.
- ▪ Approach technology projects with a focus to better serving the customer; where possible, engage the customer in the project
- ▪ Actively engage and partner with OIT

- Develop appropriate technology governance processes to effectively prioritize, manage and report on our technology activities and projects.
- Implement technologies that align with the Governor's Office of Information Technology roadmap and drive improved costs, productivity and support for the customers of the Department.
- Execute on operational processes and have in place the necessary skills to satisfy project demands, problem resolution needs and system availability requirements.
- Assure appropriate funding is in place for successful technology projects and support activities.
- Continue the IT Steering Committee with members from OIT and across CDLE who provide IT governance; meets to review status and make critical decisions regarding IT operations, support and projects.
- Aligning all IT efforts to meet current and known future security requirements.

Results:
- A tracking mechanism was put in place to manage the overall portfolio of projects and critical services for the agency.
- Regular governance meetings are held to prioritize work efforts and proactively manage issues and risks.
- Several major projects prioritized, funded and initiated during FY 2016:
  o Unemployment Insurance (UI) Modernization Project Phase 1 was kicked off and currently is underway (Code Migration);
  o Implemented a new UI system to manage our Appeals process using SalesForce.com;
  o Implemented a pilot to prove the technology for modernization of Oil and Public Safety Licensing, Permitting and Inspection Applications using SalesForce.com;
  o CDLE Financial ERP System (Colorado Labor and Employment Accounting Resource – CLEAR) implemented numerous enhancements of the system to improve claimant access and payment workflow;
  o Modernization of Workers Compensation Application workflow and user interfaces.

V. **Partnerships & Stakeholder Relationships**

Objective: Build and strengthen relationships with partners and stakeholders

Measurement: Survey two stakeholder groups per year to assess how CDLE could provide better service.

Performance Measure	Outcome	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Survey 2 stakeholder groups	Benchmark	2	2	2	2
	Actual	2	2		

Measurement: Hold at least 10 stakeholder group meetings annually.

Performance Measure	Outcome	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Stakeholder group meetings annually	Benchmark	10	10	15	15
	Actual	12	10		

Strategies:
- ▪ Create monthly employer email campaign
- ▪ Rebrand all Veterans services marketing collateral
- ▪ Rebrand DVR via new website and marketing collateral
- ▪ Create DVR social media presence
- ▪ Create DVR stakeholder survey to determine brand equity
- ▪ Promote Disability Employment Awareness Month
- ▪ Promote "Industry Weeks" during Workforce Development Month
- ▪ Create subscription sign up option via CDLE website for employers/businesses
- ▪ Host Workers' Comp Employer Safety Awards program
- ▪ Pilot social media tools in one workforce region within Rural Consortium

Results:
- ● Mountain Region Facebook page created and launched
- ● Email blast to 60,000 employers each month
- ● New Veterans materials developed and launched
- ● DVR website created and launched
- ● DVR social media presence launched
- ● DVR stakeholder branding survey developed
- ● More than 20 mentions during 2016 Workforce Development Month
- ● Disability Jobline 9 Oct 2016

Objectives by Division

Initiatives by Division

The following pages document strategies by agency within CDLE that each is following to meet the goals of the department-wide initiatives.

Unemployment Insurance

The mission of the Unemployment Insurance Program is to provide unemployment insurance in a fair, timely, accurate, and efficient manner to the employers and citizens of Colorado, to stabilize the workforce, and to minimize the impact of unemployment on the state's economy.

I. Customer Service:

Objective: Consistently deliver exceptional service.

Measurement: Customer satisfaction will be measured through the creation and implementation of an ongoing customer service survey, and after a baseline is set, will increase by 5% annually.

Performance Measure	Outcome	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Current Year	FY 2018-19 Projection
Customer Satisfaction will increase by 5% annually	Benchmark	54.1%	72%	82.5%	+5%
	Actual	67.44	77.5%		

Context: Colorado's UI workload began to decrease throughout the latter half of the FFY 2016-17 from FFY 15-16 as the economy continued to grow. This allowed the UI Division to continue to explore new ways to better serve the customers that will also be sustainable and scalable during times of good and bad economy. In the Customer Service Center (CSC), online chat service is available in many local workforce centers throughout Colorado and provides the customer instant access to CSC agents. Online chat will be available in all workforce centers by fall of 2017.

We also continue to make improvements to the self-service applications to provide an improved customer experience and drive toward customer self-service. A key strategy for 2017-18 FFY is to further expand options for the customers in the self-service applications for both claimants and employers. We are in the process of updating the online claim filing system to allow the customer to provide improved fact finding, which will also assist the staff processing claims to make better quality decisions in a timely manner. The telephone and online payment-request applications are being updated to provide clearer information and more explanation regarding the eligibility requirements, which will allow the customer to be paid accurately when the payment is due. For the employer online application, the ability to select some electronic correspondence was added in late 2016. The application is currently being redesigned to improve the customer experience, including a new home page that puts everything need to manage the account from the home page, updated printing functionality,

and a new responsive design that will allow an employer to access account information from a mobile device or a computer. This will be available to employers by the summer of 2017.
Strategies:

- Assessment and feedback: create and implement ongoing customer service survey.
- Gather feedback from customers regarding updates to self-service systems.
- In all process-improvement efforts, use Lean tools to engage identified customer groups as directly as possible in order to better define and achieve success.
- Leverage technology enhancements as opportunities to optimize customer experience.
- Continue to refine cross-training model using lessons learned in the past year with a focus on making the cross-training model scalable by increasing FTE participation by 25 percent. Overall data and metrics on cross-training efforts to date tracking to demonstrate improved service delivery to customers and improved performance to Federal metrics.

EMPLOYEE ENGAGEMENT & ACCOUNTABILITY

II. Employee Engagement and Accountability:

Objective: Establish a culture of employee engagement and accountability that affords employees the opportunity, structure, and tools to thrive and provide an exceptional customer experience.

Measurement: Employee engagement will be demonstrated through improved results on the twice-yearly CDLE employee surveys.

Performance Measure	Outcome	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18	FY 2018-19
Improve employee survey results by 5% annually up to 90%	Benchmark*	78.0	82%	85.7%	+5%
	Actual	77%	80.7%		

*Departmental Policy

Context:

Change management and process improvement is an inherent reality in UI programs to efficiently and effectively address customer needs while responding to variations in budget cycles. To ensure the success of current and future customer-service and process-improvement efforts, the UI Division launched the Operational Excellence (OpX) Program in 2015. Operational Excellence is a philosophy of leadership, teamwork, and problem solving resulting in continuous improvement throughout the organization by focusing on the needs of the customer, empowering employees, and optimizing processes. The program provides infrastructure and expertise to guide the division through effective and sustainable process improvement.

Through the use of OpX principles, we will promote successful, formalized change-management practices including encouraging employee participation and acceptance in all

projects. To emphasize the importance of employee engagement, the UI Division's management team includes shared goals on the performance plan of each individual supervisor, manager, and director. The shared goals focus on the values displayed in interactions and communications between each individual within the management team and staff, as well as a focus on developing and coaching staff.

Using the Department's strategic plan, the UI Division created a business plan that outlines tasks to ensure strategic benchmarks are met. Organizational and operational performance will also be tracked through individual performance plans of all staff. Goals for the individual plans are created according to the UI Program's priorities and performance measurements in the business plan. By evaluating individual and team performance, it is possible to determine the organization's strengths and its progress towards achieving program goals, priorities, and federal performance results. Success is measured by the Division's overall performance, rather than that of the individual, team, or branch.

The UI Division recognizes the need to sustain the accomplishments of the completed Lean projects. Thus, the UI Division has adopted a comprehensive OpX program to provide support and infrastructure to guide, facilitate, and monitor projects' implementations.

Strategies:
- ▪ Mentoring, coaching and staff development
- ▪ Creating and sustaining a values-based culture
- ▪ Improving communication to and from employees
- ▪ Documenting all key processes
- ▪ All employees communicate and create opportunities for engagement in problem solving, strategizing, and analyzing progress towards performance goals
- ▪ All individual staff and teams are aware of their performance accountability expectations concerning State and National Performance Goals and they are reflected in their performance plans
- ▪ Front line staff as key team members in all process improvement rapid improvement events

PROCESS IMPROVEMENT

III. Process Improvement:

Objective: Maximize the value we bring to our customers and stakeholders through our work processes.

Measurement: Implement at least one key process improvement annually that bring savings of cost, time and/or creates an exceptional experience for our customers or stakeholders.

Performance Measure	Outcome	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18	FY 2018-19
Implement 1 process improvement annually	Benchmark*	1	1	1	1
	Actual	1	2		

*Departmental Policy

Measurement: Seek to meet all federal compliance standards by FFY 2018-19 with emphasis on the federal core measures

Performance Measure	Outcome	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18	FY 2018-19
Meet all federal Core Measures	Benchmark	21	21	21	21
	Actual	13	15		

Context and Rationale for targeted key Unemployment Insurance processes and outcomes:

As of the end of the calendar year 2016, the UI Division is meeting or exceeding 18 of the 21 federal metrics. In addition to increasing the number of metrics met, the UI Division was able to maintain the acceptable of performance on the two measures that had not been met before 2015. The UI Division continues to analyze its performance to make improvements toward meeting all the metrics. Benefits, Timeliness and Quality metrics have continued to improve over the past year. Focus on improving and simplifying work flow for front-line staff, based on their recommendations, provided for increased gains in Timeliness and Quality metrics and will continue to be used during this program year.

In an effort to be "lean" and provide efficient, effective, and elegant customer service, the UI Division is increasing process visibility to identify how, when, and where to change, alter, and streamline our customer-service delivery. This includes not only technology solutions but also includes eliciting ideas from those on the frontline administering the systems and processes and considering national best practices. In the past year, the OpX Program built on the model of using unit champions, who advance the process-improvement efforts, to drive more improvements in alignment with the goals of the UI business plan and the CDLE strategic plan.

The primary objective of the UI Division, in support of the citizens and businesses of Colorado, is to minimize the impact of unemployment on the state's economy by ensuring timely and accurate benefit payments to eligible claimants. These core principles ensure that efficiency, effectiveness, and integrity drive our program and support Colorado's economy. As process improvements are evaluated, one of the key factors of consideration is that processes and systems are created to be scalable in preparation for the next down-turn in the economy.

Determinations made by the UI Division on unemployment claims and the resulting outcome, relative to the percentage of those decisions that are prompt, is a key customer service and internal process within the UI Division for a number of reasons:

- The time it takes for decisions to be made on claims can be a primary driver for inbound calls into our Customer Service Center (CSC).
- The adjudication function is a primary driver of other internal functions within the UI Division—its outcomes are inputs into other business processes.
- Because of an outdated information technology system platform, there are limitations to access on the status of a pending claim for a customer; this in turns drives inbound calls to the CSC.
- Similarly, current information technology hinders communication capabilities to customers on the status of their pending claim, again driving inbound calls to the CSC.
- Finally, when the UI Division does make payments promptly to waiting customers, it prevents inbound calls/rework.

The second key process within the UI Division is the internal Benefits Accuracy Management (BAM) Team procedure for improper-payment detection, and the resulting outcome measuring the estimated percent of improperly paid benefits to claimants. This is a primary focus for the Division because:
- The percentage of properly paid benefits has a direct bearing on both types of customers—claimants and employers.
- The health of the UI Trust Fund is impacted by the percentage of properly paid benefits.
- The breakout report of improperly paid benefits illuminates for the Division the areas it can control and improve upon for this measure, versus those outside the scope of our direct control.
- Analysis of improper payments suggests strategies that can be used by the UI Division to improve prevention of future improper payments and collection of current improper payments.
- Finally, underpayments of benefits drive inbound calls to our CSC.

Proper execution in these key processes allows the UI Division to meet these internal as well as all federal performance measures. The UI Division will target meeting federal performance standards for 1) payment timeliness on unemployment insurance benefits; and, 2) minimization of improper benefit payments.
Evaluation of Prior Year Performance:

First Pay Promptness
- In FFY 2016-17 we continued to adjust staff workload to allow all Claims Processing and cross-trained staff an opportunity to complete current timely claims issues and future timely claims issues, resulting in increased timeliness scores, integrity in those scores provided, and allowed for management focus and training on staff failing to meet productivity requirements. This will continue to be the process moving forward.
- In FFY 2016-17 the UI Division continued the training programs emphasizing Colorado law, regulations, and case law which helped to maintain accurate and timely payments to customers .

<u>Improper Payments</u>
The three main root causes of improper payments in Colorado for the most recent completed period are bulleted below. The UI Davison will focus our efforts on reducing the rate in these areas during the FFY 2017-18.

- **Work Search**
  Improper payments resulting from work-search verification occur when BAM investigators determine that claimants did not seek work as required. The Integrity Task Force added messaging to claimants on their responsibilities and the eligibility requirements to receive benefit payments. The UI Division is updating existing self-service applications used by claimants to request benefit payments to provide more information to help them understand what constitutes a valid work search, provide the information necessary to determine their eligibility, and the consequences for not meeting this requirement.

- **Benefit-Year Earnings**
  Improper payments resulting from benefit-year earnings occur when BAM investigators find that a claimant incorrectly reported wages for a week in which the claimant was paid benefits. This occurs when a claimant either did not report earnings or reported earnings incorrectly when requesting payment. The improper payments were generally detected through the claimant interview and/or through verification of wages. The UI Division added messaging to help claimants understand their responsibility to properly report any work and earnings while receiving benefits, including explicit guidance in applications, emails/letters, publications, and verbal messages played on the CSC queue while waiting on hold.

- **Other Pay**
  Improper payments resulting from this category occur when BAM investigators determine that other pay resulting from a job separation was incorrectly reported, not reported, or processed improperly. For the majority of cases where the claimant had responsibility, the claimant provided inadequate information or failed to report the other pay as required. In some instances, the employer did not provide information or provided inadequate information. While a rarity, for most of cases where the UI Division had responsibility, BAM found that the UI Division either took incorrect action or failed to follow proper procedures. Claims Processing and all cross-trained staff are focused on ensuring that staff issue quality decisions through training and continual feedback from quality reviews of work. The UI Division updated the self-service application used by claimants to file their initial claims to improve the questions thereby obtaining the better information up front to be able to determine their eligibility. The UI Division is updating the existing applications used by claimants to request benefit payments, to provide better explanation of type of other pay that must be reported and the consequences for not providing accurate information. The Integrity Task Force also added messaging geared toward the employer to stress the importance

of responding timely and accurately to requests for information, which helps to maintain the integrity of the UI trust fund.

The above analysis of improper payments helps to illustrate why the U.S. Department of Labor (USDOL) set the acceptable standard for improper payments at 10 percent or less for states—specifically, not all the elements that can be used to determine benefit payments are within the control of the Division, and as such benefit decisions are made on the information available at that time. Further, either party (claimant or employer) can appeal the determination of a benefit, and at that time present new information that can impact the amount of a benefit payment, up or down. Such changes after an appeal still count as improper payments caused by the Division.

Objective: Improve processes to ensure timely and accurate benefit payments

Key Process: Determinations made by the UI Division on unemployment claims.

Key Process	Inputs	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Current Year	FY 2018-19 Projection
Determinations made by the UI Division on unemployment claims	% FTE working within Claims Processing Unit on new claims adjudication	77.9%	91.8%		
	New Claim Filings Per Quarter	Q1=52,494	Q1=38,456		
		Q2=49,248	Q2=48,618		
		Q3=43,251	Q3=45,937		
		Q4=39,171[1]	Q4=41,020		
	Total Adjudication Issues Detected per Quarter*	Q1=96,051	Q1=105,601		
		Q2=97,336	Q2=106,577		

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[1] Data includes claims filed through 09/22/2016.

| | | Q3=93,969 | Q3=106,891 | | |
| | | Q4=86,663 | Q4=108,044 | | |

NOTE: An issue is a temporary hold established to prevent payment while the UI Division investigates eligibility to collect benefits. An individual claim processed can have multiple issues that must be resolved before a determination can be made.

Outputs:

Key Process	Outputs	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Current Year	FY 2018-19 Projection
Determinations made by the UI Division on unemployment claims	Total Estimated Claims Processed per Quarter	Q1=49,743	Q1=51,975		
		Q2=45,674	Q2=46,472		
		Q3=45,637	Q3=49,043		
		Q4=39,686	Q4=47,471		
	Total Issues Resolved per Quarter	Q1=89,539	Q1=114,346		
		Q2=91,347	Q2=102,238		
		Q3=100,402	Q3=107,895		
		Q4=99,216	Q4=105,030		

Outcome Measurement: Meet or exceed federal performance metrics for first payment promptness

Performance Measure	Outcome	FY 2015-16 Actual		FY 2016-17 Actual		FY 2017-18 Current Year		FY 2018-19 Projection	
		Metric	Change	Metric	Change	Metric	Change	Metric	Change
Meet or exceed federal performance metrics for First Payment Promptness*	National Benchmark >= 87%	87%	0%	87%	0%	87%	0%	87%	0%
	Actual	82.6%	-2%	76%	-7.9%				

*Percent of *all* 1st payments made within 14/21 days after the week ending date of the first compensable week in the benefit year.

Key Process: Unemployment Insurance internal Benefits Accuracy Management Team (BAM) process for improper payment detection.

Key Process	Inputs	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Current Year	FY 2018-19 Projection
Unemployment Insurance internal Benefits Accuracy Management Team process for improper payment detection	% of FTE within Quality Assurance Team working on Benefit Accuracy Management review	77.8%	77.8%		
	Federally mandated caseload of total claims reviewed per quarter	Q1=123 paid; 124 denied	Q1=120 paid; 123 denied		
		Q2=120 paid; 120 denied	Q2=118 paid; 116 denied		
		Q3=122 paid; 122 denied	Q3=118 paid; 123 denied		
		Q4=120 paid; 123 denied	Q4=125 paid; 120 denied		

Outputs:

Key Process	Outputs	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Current Year	FY 2018-19 Projection
Unemployment Insurance internal Benefits Accuracy Management Team process for improper payment detection	Improper Payment Error Cause % Breakout[2]	Benefit-Year Earnings: 36.4%	Benefit-Year Earnings: 25.45%		
		Separation Issues: 31.5%	Separation Issues: 28.31%		
		Work-Search Verification	Work-Search Verification: 23.34%		

2

		: 17.2%			
		Other Improper Payment Issues: 7.9%	Other-Pay Issues: 12.27%		
		Eligibility Issues (able to work, available for work, failing to report): 5.9%	Ability/Availability to Work: 5.38%		
			Work Registration: 4.13%		
		Base Period Wage Issues (incorrect wages used to determine benefits): 1.1%	Base Period Wage Issues (incorrect wages used to determine benefits): 1.13%		
	Improper Payment Error Responsibility % Breakout	Claimant Only: 58.4%	Claimant Only: 55.15%		
		Claimant, Employer, and Agency: 12.6%	Claimant, Employer, and Agency: 4.54%		
		Agency Only: 11.9%	Agency Only: 7.33%		
		Claimant and Employer: 7.9%	Claimant and Employer: 15.20%		
		Claimant and Agency: 5.7%	Claimant and Agency: 8.69%		
		Agency and Other: 1.4%	Agency and Other: 0%		

		Employer and Agency: 1.1%	Employer and Agency: 4.79%		
		Claimant, Employer, Agency, and Other: 1%	Claimant, Employer, Agency, and Other: 0.91%		
			Employer Only: 3.4%		

Outcome Measurement: Reduce the percentage of improper payments to the nationally acceptable level (as an extrapolated percentage of all UI benefits payments)

Performance Measure	Outcome	FY 2015-16 Actual		FY 2016-17 Actual		FY 2017-18 Current Year		FY 2018-19 Projection	
		Metric	Change	Metric	Change	Metric	Change	Metric	Change
Reduce the percentage of improper payments to the national acceptable level.	National Benchmark <= 10%	12.5% (National Average)	-28% (from 2010 level)	10.67% (National Average)	-20%	10.0%		10.0%	
	Actual	12.9%	-27%	10.85%					

Strategies:
Continue OpX Program to provide infrastructure and expertise to guide the division through effective and sustainable process improvement.

First Pay Promptness:
 ● During FFY 2016-17 staffing levels were maintained and stabilized to a level sufficient to complete work during the busiest times of the year on a timely basis. Impacts of staff attrition were minimized by hiring staff twice per year and leveraging cross-trained staff. Workload distribution was adjusted to provide all Claims Processing staff

an opportunity to complete current timely claims issues and future timely claims issues, resulting in increased timeliness scores, integrity in those scores provided, and allowed for management focus and training on staff failing to meet productivity requirements. Performance data for individual staff is tracked on a weekly basis and management and staff are held accountable for performance. As a result of these efforts, the division has met and exceeded first pay promptness standards during each of the last four quarters.

- The efforts cited above have met with success and the division will continue this approach in the coming year. The division will also continue to focus the training curriculum on the principles of Colorado law, regulations, and case law to enable staff to make timely and accurate payment decisions.

Improper Payments:

- In coordination with the national effort to ensure program integrity and reduce improper payments, the UI Division has developed a three-pronged approach to reduce improper payments focused on: Prevention, Detection, and Recovery.
- Review the payment request application and modify language for further clarification. Add definitions to terms to ensure user understanding.
- Educate customers about improper payments and their impacts. For employers, focus on providing information on the importance of providing information and how it affects their rate. For claimants, focus on understanding of the requirements and taking steps to prevent the improper payment from occurring.
- Federal systems are being used to verify legal-immigration status, validate social security numbers, and conduct cross-match audits.
- In January 2013 we began utilizing the Treasury Offset Program, which allows benefit overpayments caused by unreported earnings and/or fraud to be collected by intercepting federal income-tax returns, which resulted in more than $8 million recovered since its inception. In late October 2016, BPC began accepting online credit-card payments as an additional method for an individual to make a payment towards an overpayment debt. Since it went live, BPC collected $352,589 through the online system. In the year period between May 2016 and April 2017, the UI Division recovered more than $13 million in overpaid benefits.
- In addition to our collections work internally, state statute enables the UI Division to receive offsets from state tax refunds, lottery winnings, and gaming proceeds on accounts referred to Department of Personnel and Administration's Central Collection Services.

Key Workload Indicators:

Number of Weeks Claimed

Calendar Year	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Estimate*	2017 Forecast*	2018 Forecast*
UI Weeks Claimed	1,562,509	3,673,371	3,386,823	2,692,331	2,345,180	2,068,742	2,110,117	1,849,367

*Forecast assumes moderate growth in the economy.

TECHNOLOGY

IV. Technology:

Objective: Implement optimal technology solutions that create an exceptional customer experience.

   Measurement: Develop systems which improve ease of access to services or provide customer's choices for more effectively con conducting business with the Division.

Performance Measure	Outcome	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Increase employer utilization of Premium Payment tool	*Benchmark*	+15%	+15%	+15%	+15%
	Actual				

Performance Measure	Outcome	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Increase employer utilization of all online applications	*Benchmark*	N/A	Baseline	+15%	+15%
MyUI Employer	*Actual*	12%	34.8%		
E-Response	*Actual*	9.7%	35.4%		
		FY 2014-15	**FY 2015-16**	**FY 2016-17**	**FY 2017-18**
Increase claimant utilization of all online applications	*Benchmark*	Baseline	+5%	+5%	+5%
MyUI Claimant	*Actual*	55%	59%		
Online claim filings	*Actual*	72%	69%		
Online payment requests	*Actual*	55%	55%		

Context: While the UI legacy mainframe technology is outdated and inflexible, the UI Division is updating and marketing self-service tools to customers to provide better service. These tools streamline current processes and will integrate with new modernized technologies once implemented. These technologies include online applications that allow all of our customers to communicate with us in a more efficient manner. In the coming year, projects to improve the self-service applications functionality for the claimants include: further clarifying the information requested of an individual who requests payment of benefits; add the ability for the customer to upload documentation needed by UI Division staff; and create a message center allowing important updates about unemployment to be sent to customers using the self-service applications.

For the employer self-service application, the UI Division is updating the system to improve the user experience and make the site responsive to be used on any type of device with an Internet connection. Other upcoming improvements are being evaluated and prioritized for implementation in the next one to three years, depending on the level of effort and priority score received.

After successfully moving adjudication workflow distribution to Salesforce in 2014, other branches within the UI Division evaluated the need for a more centralized method of distributing the workload to improve service to customers. The work units began gathering the documentation necessary to move to the same platform.

As an example, the UI Appeals Branch implemented a modernized docketing and reporting system in 2016 that is based upon the Salesforce platform. This new system offers not only a stable, supported platform but also provides numerous functional improvements. It has increased efficiency by reducing the number of screens a user must access to view information relevant to an appeal and will also allow the sharing of information with other units using the same platform. Forms creation will also be significantly streamlined, significantly reducing the work needed for this process. The Employer Services and Benefit Payment Control units will add their workflow distribution using Salesforce.

The UI Division is moving to a cloud-based telephony system that will offer improved functionality. This new system will be implemented by early fall 2017 and will free up staff resources that will be able to be utilized in other areas where there is a business need.

Lastly Colorado's UI Division, along with the Governor's Office of Information Technology (OIT), is undertaking the UI Modernization Project to establish a more cost-effective system that enables the Division to eliminate excessive costs and enable long-term improvement to increase operational effectiveness and efficiency of the unemployment insurance operational program. The project intends to adopt an 'incremental renewal and investment' approach to keep the solution technologically current and avoid the need for future replacement initiatives. The project began work in February 2016 and will continue through the end of 2018.

Major objectives of the program:
- Establish a modern, cost-effective infrastructure solution in which to host the modernized applications.
- Minimize the risk associated with the modernization by using a project approach that has minimal adverse impacts to end-users of the system.
- Adopt an application architecture based on micro-services to enable modularization of the solution that maximizes long-term benefits (i.e. code reuse, reduced maintenance and enhancement effort, distributed architecture, cloud implementation/infrastructure hosting).
- Reduce and minimize reliance on external vendors as providers of software development and management services (avoid vendor dependency).
- Add and enhance system features that incorporate new and modern capabilities as appropriate.
- Align system and policy with industry best practices in UI operations and data management.

Phases of the project: In order to address the goals and objectives, the UI Modernization Project was initially divided into three phases. These phases allow the UI Division and OIT to coordinate and accomplish isolated types of modernization work with minimal risk. Specifically the three phases include:

Phase 1 – "Lift and Shift": Migrate copies of the existing legacy mainframe solutions from their current mainframe environment to a new non-mainframe environment. No changes are expected to the features or functions of the solutions; the only intended change is to the underlying technology upon which the solutions are built.

Phase 2 – "Refactor": Optimize the technical 'backend' architecture and components, focusing on data and modularization for services, to enable long-term extension and enhancement. During this phase the changes being made will not impact or be visible to the end-users of the system; users will be largely unaware that changes are taking place.

Phase 3- "Extend & Enhance": Change the system(s) to realize business and end-user improvements. This may include business process changes, changes to the graphical interfaces, reports, and other readily visible components of the solution.

Strategies:
- Simplify our approach and consolidate systems and processes where possible
- Employ a software 'code conversion' strategy that makes maximum use of the existing tested and verified solution functionality
- Develop communication and change management plan for operations and project liaisons
- Market and onboard employers to use the online services
- Adopt a long-term modernization strategy that involves annual investment to incrementally renew the solution and avoid future 're-modernization'

V. Partners and Stakeholders:

Objective: Build and strengthen relationships with partners and stakeholders.

Measurement: New rulemaking will reflect 100% stakeholder outreach.

Performance Measure	Outcome	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Current Year	FY 2018-19 Projection
100% stakeholder outreach for proposed rules	Benchmark	100%	100%	100%	100%
	Actual	100%	100%		

*Departmental Policy

Measurement: 80% of stakeholders acknowledge that their views were heard during the rule making process.

Performance Measure	Outcome	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Current Year	FY 2018-19 Projection
80% of stakeholders' views heard	Benchmark	80%	80%	80%	80%
	Actual	80%	80%		

*Departmental Policy

Context: The focus of this objective is to improve relationships with internal and external partners to: more efficiently and effectively administer the UI program, to protect and promote the integrity and vitality of Colorado's employment environment, and to ensure the health and stability of the UI Trust fund. To accomplish these goals, the Division must elicit assistance and feedback from our partners and stakeholders to better create new processes.

In 2015 the UI Management Team made a commitment to further integrate and align reemployment services and technology between Unemployment Insurance and the Workforce System. To that end, the UI Division and statewide Workforce Development stakeholders partnered in a Lean event to articulate a strategy to strengthen joint efforts in order to better serve the customer needs around reemployment needs. In doing so, the aim is that the Department will realize the end goal of faster return to employment, which mutually benefits job-seeking customers as well as employers, thereby decreasing the average duration of claimants' reliance on UI payments. This result is a healthier UI trust fund and promotes economic stability within our state.

The UI/ Workforce partnership will continue to focus on a program focused on reemployment

services for job seekers most likely to exhaust unemployment insurance benefits as well as ex-military claimants. When selected for the program, the job seeker is required to visit a Colorado Workforce Center for an orientation, work readiness assessment, and exposes the job seeker to a host of customized reemployment tools and services.

In another effort to drive job seekers to our Workforce Centers and increase their competitiveness in the job market, the UI Division recently amended benefit work search rules to allow for selected groups (like ex-military claimants) to substitute certain workforce services in lieu of traditionally mandated job contacts to receive unemployment compensation. The UI Division is evaluating its work-search requirements to determine the best method to allow additional populations to utilize the workforce services and count them towards a work search. In addition, the UI Division is working to expand the definition of work search.

Finally, in concert with new Federal Workforce Innovation and Opportunity Act (WIOA) law, the UI Division increased accessibility options for job seekers that visit workforce centers and have unemployment insurance questions by providing computer-based, real-time chat functionality. This service supports the WIOA objective to create a host of core services at the workforce centers and allows job seekers an avenue to timely UI services in an electronic means that is more suitable to today's environment.

The UI Division also made notable progress with external stakeholder partners in the area of UI employer Audits processes and approaches as well as in clarification of independent-contractor-versus-employee designation in the employment environment. Following the passage of Senate Bill 16-179, which went into effect in August 2016, internal UI staff and external partners collaborated to draft and finalize regulations that will provide additional guidance to businesses and employers. The UI Audits team continues to provide in-person seminars for employers to provide compliance assistance and education in communities around the state.

Strategies:
- Continue to refine the rules process by soliciting input from stakeholders
- Continue to work with UI Stakeholders, comprised of business, worker, and labor interests to consider all viewpoints
- Continue to integrate UI and workforce systems through partnerships and collaboration
- Leverage best practices to better integrate administration of UI with rapid reemployment of eligible UI claimants
- Continue to gather stakeholder feedback to assess how UI could provide better service

Employment and Training

Colorado Workforce Development Council

The CWDC's **mission** is to facilitate the creation and sustainability of a business-led, competency-based, Colorado talent development system that appropriately integrates the work of education, training, economic and workforce development to meet the needs of businesses, workers, job-seekers and students.

ROLES:

COUNCIL: Governor appointed public-private partnership of industry and community leaders with state and local agency leaders to advise, oversee and inform the work.

COMMITTEES: Standing committees are chaired by a Council business member and serve as collaborations between industry and public partners to steer the work of the CWDC. Committees include the Executive Committee, Advocacy Committee, Sectors Steering Committee and the Education and Training Steering Committee. Taskforces and workgroups exist under each committee to accomplish the cross-system, cross-partner work of the CWDC.

COALITION: Advised by the ***Governor's Workforce and Education Cabinet workgroup,*** this coalition of state agencies and their local system partners collaborate to align the work of economic development, workforce development, education and training with the needs of industry to **"Grow the middle class by connecting people to careers",** through shared goals and measures**.**

STAFF: The CWDC Director and staff support the Council, the Committees and the Coalition to ensure that the CWDC operates strategically and effectively. The Director and staff provide timely information, effective communication, and factual support for all roles of members and partners. CWDC staff serve as the conveners and coordinators of cross-agency, cross-system efforts, provide staff support, technical assistance and tools to the coalition, committees, taskforces and workgroups of the CWDC and its partners. (*NOTE: The staff of the CWDC are housed at CDLE, and the Director of the CWDC is accountable to the Executive Director of CDLE).*

ENABLED BY: Federal Law (WIOA); State Law; Executive Orders; By-laws, MOU's and Grants.

STRATEGIES: The CWDC sets priorities, establishes policies, provides incentives, and facilitates development of common goals and performance measures across systems and partners. It facilitates, convenes, coordinates and provides technical assistance, tools, templates, and peer networks through three key strategies, all focused on industry-led, customer-centered, competency-based talent development.

SECTORS: These public-private industry specific and cross-industry partnerships utilize **Next Generation Sector Strategies** as the vehicle for aligning public partners with industries' needs in an effective, results-driven manner. They provide the "home" for career pathway systems-building, engaging industry leaders and public partners in a continuous dialogue to ensure that education and training systems respond to industry needs. Additional issues are also addressed such as policy, supply chain and transportation.

- The CWDC launched the Colorado model of Next Generation Sector Partnerships in 2013, evolving them into industry-led powerful partnerships that are changing the way the private

sector, public sector and education work together. www.sectorssummit.com
- The Colorado model is the flagship of the national model which launched in March 2017, in Arizona, with over 19 regions and states convening to learn from this work. http://www.nextgensectorpartnerships.com/
- The goal is to have strong public-private partnerships in each of the states Key Industries, and every region of the state by 12/31/18.
  - o Currently 24 emerging or active regional industry specific partnerships are working in
  - o 11 of the 14 economic development regions of the state, in
  - o 8 different Key Industries.
  - o An Industry Intermediary Consortium of 6 statewide industry specific trade associations are currently working to leverage effort for a stronger industry-led eco-system.

Measures for Sector Partnerships:

Performance Measure	Outcome	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Current Year	FY 2018-19 Projection
Sector Partnerships in Key Industries	Benchmark*	4	6	8	10
	Actual	4	7		
Sector Partnerships in Regions	Benchmark*	8	9	11	14
	Actual	7	11		
Number of Emerging & Active Partnerships	Benchmark*	18	23	28	30
	Actual	20	24		

*See the Key Performance Indicators for FY2016 from the Sector Partnerships Survey: http://www.sectorssummit.com/2016-colorado-sector-partnership-key-performance-indicator-results/

CAREER PATHWAYS: Aligns career pathway programs and local systems developed with high demand industries in each economic development region of the state and scales them into a statewide system with multiple pathways.
- The CWDC has coordinated this cross agency work to create an effective process, and has produced a career pathways step-by-step guides. Version 3.0 was recently published and can be found here: https://www.colorado.gov/pacific/sites/default/files/Career_Pathways_Step-by-Step_Guide_v3_2016_e.pdf
  - o This process has been used to create career pathways in critical occupations within high demand industries. These pathways can be found at www.careersincolorado.org

- In 2016-17 an IT Pathway was developed in partnership with the Colorado Technology Association and can be found here: https://secure.collegeincolorado.org/careerpaths#/Industry/InformationTechnology
  - Healthcare and Construction career pathways are currently being finalized and will be available at www.careersincolorado.org on July 1, 2017.
  - The CWDC voted to focus on Business Administration, Support and Management and CyberSecurity for the 2017-18 career pathways.
  - The goal is to create 6 new career pathways and refresh existing pathways by June 30, work-based learning opportunities throughout all forms of education and training.
- Creation of a competency-based system requires a commitment from business to work with public partners to identify competencies (knowledge, skills and abilities), to use these competencies in their hiring practices, and work with public partners to create integrated work-based learning opportunities, from internships to apprenticeships and on-the-job training programs. Public partners must adapt education and training to teach to these competencies and provide opportunities for applied learning through projects and meaningful work-based learning for students. The process of learning theory in the classroom, practice in through projects and application on the job, will create an industry-led, competency-based system of career pathways.
  - To this end the CWDC supports the Business Experiential Learning Commission (BEL Commission), through the creation and implementation of a work-based learning strategic plan. This plan [just realized that it is not posted online, I need to post and get a link], provides guidance for:
    - Establishing an In-School Youth Apprenticeship Program, CareerWise Colorado. www.careerwisecolorado.org launched 5 pilots with career pathways in 4 industries in 2017, and will expand to 4 additional pilots and 2 additional industries in 2018.
    - Establishment of the Work-Based Learning Unit within CDLE's Employment & Training, to assist in the expansion of apprenticeships for opportunity youth and adults as well as expansion in non-traditional occupations, such as cyber-security, and IT.
    - Establishment of common messaging for the value of work-based learning for all populations, people from all backgrounds, and for almost every occupation.
  - Skillful is a national initiative of the Markle Foundation in partnership with LinkedIn. Skillful is partnering with Colorado and national organizations to help build a skills based labor market for today's digital economy. It's helping connect workers to good paying middle-skills jobs by providing them with opportunities and training options for a meaningful career path, and helping businesses find the skilled talent they need to grow. www.skillful.com
    - CWDC serves as the convener of the partnership with Colorado, and is working to ensure that Skillful builds upon the existing infrastructure while providing valuable tools and resources to state and local partners.

Measure: Career Pathways built for critical occupations in high demand industries

Performance Measure	Outcome	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Current Year	FY 2018-19 Projection
Career Pathways Built*	Benchmark	2	4	6	8
	Actual	2	4		

*FY2015 Manufacturing, FY2016 IT, FY2017 Healthcare & Construction, FY2018 Business & CyberSecurity

POLICY, RESEARCH & COMMUNICATIONS: Using data to better inform ourselves, partners and stakeholders is critical and is helping to guide informed decision making for limited resources in talent development across workforce, education and training. Through broad, intentional and aligned communication, the partners of the Talent Development Network, work with and support each other. By creating a bottom up, and top down Talent Development Network brand, message and communication campaign, every business and individual in Colorado will know how to *design their unique path to success, this brand is talentFOUND*.

- The CWDC convenes cross-system partners to produce the Annual Talent Pipeline Report. This report is here: https://www.colorado.gov/cwdc/colorado-talent-pipeline-report
- The CWDC, through a grant from the National Governors Association, Center for Best Practices, convened partners to create a talent development data dashboard, to monitor and share information on services to students, job-seekers, workers and business. www.coloradotalentdashboard.com
- The CWDC convened state and local partners to create the State Strategic Plan for the Workforce Innovation and Opportunity Act. The full plan is here: https://www.colorado.gov/ sites/default/files/17-0321_CO_WIOA_State_Plan.pdf the goals laid out in the plan are summarized here: https://www.colorado.gov/cwdc/colorado-state-plan-goals
  - o The CWDC and partners are currently creating a WIOA dashboard to measure the progress against implementing the state plan in alignment with regional plans and local area plans. This dashboard will be available by 12/31/18.
- One goal of this plan is to "Create and deliver a unified message for internal and external communication and connections" specifically to "Establish a brand for the Colorado workforce development system that represents the vision and strategies of the WIOA combined partners." This goal aligns with the Governors dashboard goal to "Increase access to the talent development network". CWDC convened partners to establish this brand with a soft launch in 2016, talentFOUND, is the brand of the Colorado Talent Development Network. www.talentfound.org
  - o The goal for talentFOUND is to create an online gateway of information that will provide students, job-seekers, workers and business easy access to the information, programs, tools and resources to help them Discover Ability, Develop Talent and Find Success.

o   talentFOUND will do this through a network of partners from business, government, education, and community based organizations. The goal is to have 100 charter affiliates of talentFOUND by 12/31/17.

Measure: talentFOUND Charter Affiliates

Performance Measure	Outcome	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Current Year	FY 2018-19 Projection
Number of Affiliates	Benchmark	0	30	100	120
	Actual	0	32		

The CWDC staff are responsible for convening and coordinating this collaborative work as directed by the CWDC members, and the Governor's Workforce and Education Cabinet workgroup. The work could not be accomplished except for the commitment and dedication of the following partners.

The CWDC is fortunate to be housed at the Colorado Department of Labor and Employment which in addition to being one of the funders of the CWDC's operating budget, also provides offices and operating support.

KEY STATE PARTNERS:
Primary: Governor's Policy Office, CDLE, CDHE, CDE, OEDIT, CDHS, CCCS along with their local partners.
Additional: DORA, CDOC, CDOT, CDA, DOLA, HCPF, CDPHE, and DMVA

NATIONAL PARTNERS: National Governors Association, National Association of State Workforce Agencies, US Departments of Labor, Education, Economic Development and Health and Human Services

INDUSTRY PARTNERS:
● 24 Regional Sector Partnerships
● CO Technology Assn
● CO Advanced Manufacturing Alliance
● CO BioScience Assn
● CO Cleantech Industry Assn
● CO Association of Commerce & Industry
● Assc. General Contractors
● CO Contractors Assn
● CO Photonics Industry Assn
● Colorado Succeeds
● Metro Denver Chamber of Commerce
● CO Business Round Table

PARTNERING INITATIVES:
● WIOA Cross System Implementation

- ColoradoSTEM
- BEL Commission
- CareerWise Colorado
- SKILLFUL
- Colorado Companies to Watch
- Two Generation Prosperity Initiative
- Opportunity Project
- Denver Opportunity Youth Initiative
- CO Opportunity Scholarship Initiative

Workforce Programs

Employment and Training includes Workforce Development Programs and the Rural Workforce Consortium. Its mission is to provide administration and delivery of workforce initiatives that enhance Colorado's economic vitality.

Process

In alignment with the strategic direction of the Colorado Workforce Development Council, Workforce Development Programs administers, oversees, disseminates funding, creates policies, and develops virtual technologies to support the statewide network of workforce centers who are primarily responsible for direct services to job seekers. Workforce centers, including those in the Rural Workforce Consortium, offer both one-on-one and self-service options to job seekers, who may choose to access these services on-line through Connecting Colorado, the Virtual Job Fair, or go in-person to a workforce center. All job seekers register in Connecting Colorado; then they may receive a variety of services, including access to job listings, matching to appropriate openings and referrals to employers, vocational counseling, skills assessments, labor market information, work search workshops, job fairs, and, when appropriate, referrals to training programs that will increase their ability to compete for jobs. All job seeker services, outputs, and outcomes are captured in Connecting Colorado including the "Total Job Seekers Served" and the "Percentage of Persons Working in the Quarter Immediately Following Receipt of Workforce Services."

Workforce Development Programs also administers, oversees, disseminates funding, creates policies, and develops virtual technologies to support the statewide network of workforce centers, including those in the Rural Workforce Consortium, who are primarily responsible for direct services to employers. Workforce centers offer a tiered approach to businesses who wish to list their job openings with the workforce system. On-line self-services include access to Connecting Colorado, where a business can self-list their job openings, run job matches to find qualified applicants, and also take advantage of virtual job fairs. Additional customized services can be offered by workforce center business services representatives, such as writing job orders, recruiting qualified job seekers, conducting job fairs, providing interviewing space, compiling labor market information, developing training and wage subsidies, or offering access to tax credits to incentivize hiring of targeted groups. All business services activities, outputs, and outcomes are captured in Connecting Colorado, including the "Total Job Openings Received" and the "Employer Participation" rate.

Outputs

Description	FY2015-16 Actual	FY2016-17 Actual	Percent Change	FY2017-18 Current Year	FY2018-19 Projection
Total Job Seekers Served	296,176				
Total Job Openings Received	641,282				

Objective: Increase entered employment outcomes and business participation in the workforce system to support the Colorado Blueprint goal to "Educate and train the workforce of the future."

Measurement: Meet the negotiated percentage goal of persons working in the quarter immediately following receipt of workforce services.

Performance Measure	Outcome	FY 2015-16 Actual		FY 2016-17 Actual		FY 2017-18 Current Year		FY 2018-19 Projection	
		Incidents	Change	Incidents	Change	Incidents	Change	Incidents	Change
The percentage of persons working in the quarter immediately following receipt of workforce services	Benchmark*	60%	+ 5%	60%	+ 5%	52.5%*	-7.5%	52.5%*	0%
	Actual	64.11%	+7.61%						

*This measure is negotiated annually with the US Department of Labor

Strategy: Employment and Training's programs will pursue implementation of the following strategies to increase employment outcomes for all job seekers, UI claimants and those completing training programs, and increase employer participation in the workforce system:
● Support sustainability of the targeted industry sector initiatives maximizing employment and training opportunities across all growth industries across the state.
● Implement technology initiatives that offer "anywhere, anytime" educational and employment opportunities to Colorado's job seekers, students, employers, and workforce professionals.
● Make resources available to support the Rural Workforce Consortium area which includes 51 counties. Methods to measure success will be identified for outcomes such as the following:
   ✓ Jobs Posted
   ✓ Jobs created
   ✓ Training Completed
   ✓ Certifications
   ✓ Job orders filled and people hired
   ✓ People served by us and our partners
● Develop an impact analysis model that includes business impact to evaluate the overall effectiveness of workforce programs.

● **Context:** Workforce business services are provided by the state through workforce programs and at

each local workforce area. The services provided vary by area; this is confusing and frustrating for businesses and job seekers alike. By standardizing the core basic services that are provided to businesses through the workforce system, we will be able to better serve all customers and more clearly identify opportunities for collaboration. Additionally, the Virtual Workforce Center will provide greater access to workforce services for both job seekers and employers.

Evaluation of Prior Year Performance: Outcomes for all workforce system employment and training programs were directly impacted by the return to a pattern of job growth and the reduction of the unemployment rate to its lowest level in 8 years. This is evidenced by the FY 2017 increase in both the number of businesses receiving services and the number of job openings listed, while at the same time the number of job seekers registering in Connecting Colorado has decreased. Concurrently, the improved labor market data has resulted in federal funding decreases that impact the number of customers receiving training and achieving credentials. Funding levels have also been impacted by Congressional action to decrease what is known as discretionary spending on programs such as those administered by the US Department of Labor.

Despite these challenges, the percentages achieved met the US Department of Labor standards for "entered employment" at the 80% of goal or greater level. This is considered acceptable and not subject to a corrective action plan process. Workforce Development Programs expects to improve program performance with the strategies detailed above as the economy strengthens and additional jobs are created.

Division of Labor Standards and Statistics

The Division of Labor Standards and Statistics mission is to improve the function of Colorado's labor market by providing objective information and impartial labor law enforcement.

<u>Wage and Hour Claims:</u>

Strategic Policy Initiative: Customer Service; Partnership & Stakeholder Relationships; Employee Engagement & Accountability

	Outcome	FY 15-16 Actual	FY 16-17 Actual	FY 17-18 Current Year	FY 18-19 Projection
Percentage of claims successfully resolved through adjudication, mediation, and other efforts.	Benchmark	85 %	85 %	85%	85%
	Actual	71%	N/A	N/A	N/A

Strategies:
- Adjudicate and mediate wage and hour claims in an impartial and efficient manner;
- Provide direct, high quality service to Colorado workers filing wage and hour claims by maintaining current staffing levels, providing ongoing training to develop a seasoned team of compliance investigators, periodically reviewing and refining claim adjudication processes, and continuing to reduce the claim backlog until it is eliminated. As the backlog is reduced the Division will be able to provide better customer service through more timely resolution of claims;
- Outreach to a broad customer base through educational programs and projects including stakeholder meetings, formal rulemaking, in-person presentations, webinars, publications and website content to influence the fair treatment of Colorado workers;

Context: The customer base for the Division of Labor Standards and Statistics includes employees, employers, third-party representatives, law firms, and many others. All such customers seek and request timely and accurate information; desire a fair opportunity to present their perspective or inquiry to the agency; and wish to be treated with respect, professionalism, and impartiality. The Division of Labor Standards and Statistics educational materials are at the forefront of establishing and conveying Colorado's workplace requirements. Creating, maintaining, and revising publications and public materials are crucial to ensuring that customers are well educated and informed through all phases of their interactions with the Division. Diversity in methods of correspondence, expediency in response to inquiries, and expertise in the subject matter are common preferences of the Division's customers.

Inputs:
- *Handling incoming phone calls*
- *Assisting walk-in customers*

- *Processing online and written wage and hour claims*
- *Employee and employer contact/coordination*
- *Record information gathering*
- *Monetary recovery*
- *Number of claims received/resolved*

Outcomes: The Division places a strong emphasis on achieving proper and timely payment of valid wage claims. However, historical precedent and recent economic trends have demonstrated that some employers will refuse to comply with the law and compensate their employees appropriately. Outcomes regarding fines, penalties, and the overall functioning of the new law will be available in future periods.

Process: The Division accepts written wage complaints that address a variety of different wage and hour topics. The Division receives approximately 6,000+ written wage complaints and written inquiries per year. Common issues include: non-payment of overtime, minimum wage, promised/contractual wages, commissions, bonuses, vacation pay, improper deductions from pay, rest and meal period violations, subminimum wage infractions, tip and gratuity disputes, and incomplete recordkeeping.

Evaluation of Prior Year Performance: A new Wage Order and State Minimum Wage of $9.30 per hour were successfully issued and implemented on schedule in January of 2017. Accompanying fact sheets, guides to the law, and staff training documents were updated and disseminated in a timely fashion.

Division of Oil and Public Safety

The mission of the Division of Oil and Public Safety (OPS) is to protect the public and our environment by ensuring the safe storage and use of fuel products and explosives, and the safe operation of amusement rides, boilers and conveyances.

Objective: Build and strengthen relationships with partners and stakeholders.
Measurement: Participate in at least 5 major outreach events annually.

Strategic Policy Initiative: Partnership & Stakeholder Relationships

Performance Measure	Outcome	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Current Year	FY 2018-19 Projection
Participate in at least 5 major outreach events	Benchmark	5	5		
	Actual	14			

Strategies:
▪ Identify important outreach events
▪ Schedule participation in outreach events

Context: The cornerstone of OPS's success and ability to get things done, and the one thing that separates OPS from other regulatory agencies are the great relationships we have with our partners and stakeholders. The trust and confidence that our partners and stakeholders have in us, that is evidenced by them not just supporting but championing our initiatives, comes from our continuous engagement with them.

During FY 2016-17, OPS representatives served as trainers for the National Institute of Standards and Technology's Retail Motor Fuel Device training course; taught classes for the ITRC (Interstate Technology & Regulatory Council) on Light Non-Aqueous Phase Liquid; served on the Colorado Energy Office Alternate Fuels Colorado Committee to evaluate proposed compressed natural gas fuel stations for the purpose of determining grant funding (up to $500,000) for the purchase of equipment to build new CNG stations; and spoke to the Denver Oilmen's Club about accomplishments and upcoming initiatives including revisions to the Petroleum Storage Tank regulations, implementing incentives for compliance and upgrades, and the online Owner Operator Guidance for the Petroleum Programs. OPS conducted a stakeholder meeting to introduce proposed new requirements that will be added to the Petroleum Storage Tank regulations necessary for compliance with the Federal Petroleum Storage Tank regulations that went into effect in 2015.

Boiler and Conveyance program staff collaborated with stakeholders to discuss proposed revisions to regulations that streamlined the regulations to delete antiquated language and clarify existing requirements. The Conveyance program added requirements for Colorado-specific inspector training which will be conducted free of charge by program staff, NAESA

International, the primary inspector certification entity, and industry representatives. The Boiler and Conveyance programs continued their outreach and training events to owners, building and fire officials, inspectors and contractors across the state; such as, the Colorado Chapter of the International Code Council, Colorado Association Institute (home-owner associations), Western Colorado Code Professionals, Fire Marshalls Association of Colorado, and the American Society of Heating, Refrigerating and Air-Conditioning Engineers. Boiler program staff met with inspectors from each of the insurance companies that inspect boilers in Colorado to provide a demonstration of inspection and data entry procedures, with the goal of more consistent and accurate inspections. The Amusement Rides and Devices program staff collaborated with the International Association of Trampoline Parks regarding training and inspection and conducted leaning enhancements to processes and reports. The Explosives program manager collaborated with the Colorado School of Mines for training of explosive users with the Colorado Department of Transportation. Program staff developed voice-over web-casts to provide specific instruction in the completion of permit applications and clarification of related qualification requirements, and developed a Google e-group to better communicate with all ski resort Snow Safety Directors regarding explosives use in avalanche mitigation throughout the state.

Division of Workers' Compensation

The Division of Worker's Compensation's (DOWC) mission is to assure the quick and efficient delivery of disability and medical benefits to injured workers at a reasonable cost to employers, without the necessity of litigation.

Objective:
Reduce costs associated with workplace accidents for employers participating in the Premium Cost Containment program (PCC).

Process:
1. Promote employer participation in the Premium Cost Containment Program through educational outreach and individualized technical assistance.
2. Evaluate applications for new certification and audit existing certified employers through file review, accident investigation, and site visits/inspections for compliance with program requirements.
3. Advise board in their decision to approve, continue, deny, or revoke certification of employers in the program.

Measure:
Reduce costs associated with workplace accidents for employers participating in the Premium Cost Containment Program (PCC) by three percent annually. Benchmark represents 3% increase in cost reduction over prior year.

Outputs:
1. Educational outreach events to promote program participation to employers.
2. Accident investigations of new applicant and currently certified employers.
3. Site visits/inspections of new applicant and currently certified employers.
4. Review of new, and renewal applications for certification in the program.
5. Staff support and advice to the Cost Containment board.

Strategic Policy Initiative: Process Improvement; Employee Engagement & Accountability; Partnership & Stakeholder Relationships

Performance Measure	Outcome	FY 2015-16 Actual		FY 2016-17 Actual		FY 2017-18 Current Year		FY 2018-19 Request Year	
		Reduction	Change	Reduction	Change	Reduction	Change	Reduction	Change
Reduce costs associated with workplace accidents for employers participating in the Premium Cost Containment program (PCC) by 3%.*	Benchmark	$21.3M	3.0%	21.9M	3.0%	22.6M	3.0%	23.3M	3.0%
	Actual	$24.5 M	18.4%**						

*This is measured in reduced costs in the latest year as compared to the previous year. PCC accident cost reduction.
**Change as measured over prior year's *benchmark* value

*Strategies***:**
▪ Involve more employers in the Premium Cost Containment (PCC) program by:
  ✓ Actively participating at events frequented by targeted employers to leverage opportunities for education.
  ✓ Working closely with workers' compensation insurers and brokers to promote the effectiveness of the PCC program so that they will in turn encourage policyholder participation.

Context:
The DOWC exists to administer the workers' compensation system in a manner that assures the quick and efficient delivery of disability and medical benefits to injured workers at a reasonable cost to employers, without the necessity of litigation. The customers we serve expect us to accomplish this mission as effectively and efficiently as possible. The division therefore believes that this expectation is best met through active communication and engagement with our customers on a regular basis.

Evaluation of Prior Year Performance:

The change over the previous year is believed to be due in part to the board actively monitoring new and existing employers certified in the program. The board consistently emphasized the importance of a working return-to-work/modified duty program. The board also put a strong emphasis on employers to implement root cause analysis in every accident investigation. Many employers in the program were able to aggressively offer return-to-work/modified duty positions to their injured workers. Such efforts are a critical aspect of workers' compensation cost control.

Key Workload Indicators:

Key workload indicators include the total number of employers certified each month and year, number of educational outreach events for the purpose of increasing participation in the program, and number of employer site visits for the purpose of verifying program effectiveness.

Premium Cost Containment Program	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Current Year	FY 2018-19 Projection
Educational Outreach Events	13			
Employer Program Audits and On-Site Visits	7			
Certified Employers Reviewed	1,678			

Division of Vocational Rehabilitation

The Division of Vocational Rehabilitation (DVR) provides a range of individualized vocational services to help applicants and eligible individuals with disabilities obtain, maintain or regain employment that is consistent with their strengths, resources, priorities, concerns, abilities, capabilities, interests and informed choice. Services may include, but are not limited to, education, vocational training, physical or mental restoration, job placement and on-job supports.

The U.S. Department of Education, through a grant administered by the Rehabilitation Services Administration (RSA) provides reimbursement for 78.7 percent of eligible rehabilitation expenditures up to the total annual federal grant. The matching funds for federal dollars are either General Fund dollars or local government funds, primarily from school districts in the School to Work Alliance Program (SWAP).

DVR also administers state and federal grants for the Centers for Independent Living (CIL), the Business Enterprise Program (BEP) and Older Individuals who are Blind (OIB); and participates in two 100% federally funded demonstration projects: ASPIRE (Achieving Success by Promoting Readiness for Education and Employment) and BOND (Benefit Offset National Demonstration).

DVR programs are delivered through 27 statewide locations and coordinated through an administrative office located at 633 17th Street in Denver, Colorado. A summary of DVR programs follows:

- Vocational rehabilitation services: Provides vocational services to help eligible individuals with disabilities obtain, maintain and regain employment. This is the largest program area, accounting for approximately 78% of the DVR Long Bill.
- SWAP: Provides employment related assistance to youth and young adults experiencing mild to moderate disability-related barriers to employment. This is the second largest program area, accounting for approximately 18% of the DVR Long Bill.
- BEP: Provides training, support and business management opportunities to persons with blindness. This is the third largest program area, accounting for approximately 3% of the DVR Long Bill.
- CIL: The CILs are consumer-driven and community based private nonprofit agencies that provide an array of independent living services to people with disabilities. DVR provides technical support for funding compliance and administration for nine CIL facilities located throughout the state.
- OIB: OIB provides funds to assist older blind individuals with independent living. DVR administers the OIB contract awards.
- ASPIRE: This is a six state program designed to assess the best mix of service and supports for households with youth receiving Social Security Supplemental Income benefits. ASPIRE is scheduled to conclude in September 2018.
- BOND: This is a multi-state program that tests the effects of changing to a gradual reduction of benefits for Social Security Disability Income beneficiaries returning to work. BOND is scheduled to conclude in September 2017.

The mission of the Division of Vocational Rehabilitation (DVR) is to assist persons with disabilities to succeed at work and live independently. This mission is accomplished by providing individualized vocational services leading to employment outcomes that are consistent with individual's strengths, resources, priorities, concerns, abilities, capabilities, interests and informed choice; and may also include referring individuals to other DVR programs such as BEP, SWAP and CIL.

The goal of DVR is to provide high quality vocational rehabilitation services while operating with fiscal responsibility, consistently exceeding federal performance standards and being a leader in the implementation of CDLE strategic initiatives.

In summary, there are three primary components to the DVR process:
1. Application and eligibility determination. A vocational rehabilitation counselor determines an applicant to be eligible when he or she: has documented evidence of a physical or mental impairment, experiences impediments to employment because of the impairment(s) and requires vocational rehabilitation services to secure, retain or regain employment.
2. Individualized plan for employment (IPE) development. An IPE identifies the employment objective of the eligible applicant as well as the services and supports needed to achieve the employment objective. Each plan is developed through a collaborative effort between the counselor and the applicant; and must reflect applicant's strengths, abilities, capabilities, priorities, concerns, interests, resources and informed choice.
3. IPE implementation. Factors that influence the time required to implement the IPE include, but are not limited to: the necessary level of education, training or restorative services to meet the employment objective, the degree of engagement of the applicant, justified amendments to the IPE and the availability of vendor resources.

Strategic Policy Initiatives: **Employee Engagement & Accountability**

Objective: Exceed the current Federal standard for the percent of successful employments of total cases closed.

Measurement: The current Federal standard requires 55.8% of all closed cases to yield successful employment outcomes. WIOA does not retain this specific metric, but DVR will continue to use it to gauge improvement from prior years.

Objective: Exceed the current and proposed Federal standards for the wages of successful employment outcomes.

Measurement: Prior to WIOA, the Federal Standard required that the average hourly wages for successful employment outcomes be at least 52% of the average state hourly wage. WIOA does not retain this metric, but instead, proposes a standard based on median wages at the second quarter of employment. Because the WIOA standard will be base-lined through

Federal Fiscal Year 2018, DVR will retain the current metric to gauge improvement from prior years and will set an objective for the WIOA standard after the baseline period.

Strategic Policy Initiatives: Customer Service

Objective: Exceed the current and proposed Federal Standards for the number successful employment outcomes. New Federal Standards under the Workforce Innovation and Opportunity Act (WIOA) will be base-lined through Federal Fiscal Year 2018. Consequently, DVR will maintain the prior Federal Standard for this plan year, which defines an employment outcome as successful if it is maintained for at least 90 days.

Measurement: The standard requires exceeding the prior year performance by at least one additional case closure. WIOA does not retain this metric, but instead, proposes a standard based on a measure of employment outcomes at the second and fourth quarters after employment. DVR will retain the current metric to gauge improvement from prior years and will set an objective for the WIOA standard after the baseline period.

Strategies for Objectives:
▪ Link performance metrics at each organizational level of the division - from first line counselor to district office supervisor and regional manager - to establish targeted accountability for results.
▪ Incorporate quality assurance measures into the performance metrics to ensure that an emphasis on performance does not distract from compliance to division policies and best practices.
▪ Develop case aging and case cost monitoring to support delivery of timely and cost effective rehabilitative services.
▪ Conduct monthly field management reviews of the metrics to drive performance, identify issues and implement corrective actions.
▪ Involve staff in process improvement activities such as LEAN to maintain a focus on employee engagement with continuing process improvement.
▪ Increase focus on staff training to ensure rehabilitation best practices and soft-skills are not subordinated to the emphasis on performance management.

Context of Strategies: The division is staffed with a cadre of management, administrators, rehabilitation counselors and field support staff that are skilled in delivering high quality rehabilitative services. The division continues to expand the capabilities of its staff and the efficiency of services to stakeholders through the implementation of process changes, improved fiscal controls and more performance-driven management systems.

Evaluation of Prior Year Performance: FY13-14 and FY14-15 results were depressed by the effects of the wait list. Improved performance in the current year resulted from elimination of the wait list, which enabled the division to work through the large queue of people waiting for services and return to a more normal process flow; and implementation of the performance

management systems which enabled the division to focus resources on key leading indicators and performance outcomes.

Strategic Policy Initiative: **Process Improvement**

Objective: Initiate a Lean event to improve the case management process and its associated outcomes; and implement recommendations as approved.

Measurement: Effectiveness of the Lean event will be measured by any of the following: a reduction in average case processing time, the number of work elements either modified or eliminated, staff hours saved or positive impacts on quality measures.

Strategy: Utilize a dedicated Lean facilitator and a state-wide team of rehabilitation counselors and support staff to identify near term and longer term improvements to the case management and documentation process.

Context: The efficacy of the case management process is one of the primary determinants of good customer service, division productivity and employee morale. The division has identified a need to improve the process and believes that its prior Lean experiences with performance management and quality assurance systems can be leveraged to improve the case management process.

Strategic Policy Initiative: **Partnerships & Stakeholder Relationships**

Objective: Build and strengthen relationships with partners and stakeholders to assist the division in becoming more effective in meeting the employment needs of people with disabilities.

Measurement: Conduct meetings with key stakeholder organizations as well as regional general stakeholders' meetings in each year.

Strategy: Conduct individual peer-to-peer meetings between the division director and the leaders of the stakeholder organizations to establish a firmer foundation for future cooperation and promote a more candid discussion of issues and opportunities. For the general stakeholders' meetings utilize a series of statewide meetings in a town hall meeting forum.

Context: Maintaining regular open forum communications with all stakeholder groups is essential to ensure DVR is aware of and responsive to the needs of the communities it serves.

Primary inputs, outputs and outcomes are displayed in the table below.

Description	FY14-15 Actual	FY15-16 Actual	FY16-17 Estimate	FY17-18 Estimate
Benchmark: RSA** minimum standard = prior year +1	1,705	1,340	2,540	2,793
Input: Applications received	5,038	6,650	7,440	8,184
Output: Total customers served	15,428	19,064*	20,288*	21,635*
Output: Number of successful employments.	1,339	2,480	2,792	2,932
Benchmark: RSA** minimum standard = 55.8%	55.8%	55.8%	55.8%	55.8%
Outcome: Percent of successful employments from cases closed during service.	45.0%	65.6%	66.0%	67.5%
Benchmark: RSA** minimum standard = 52% of average state wage	$12.70	$12.74	$12.80	$12.87
Outcome: Average wages for successful employments.	$11.62	$11.70	$12.00	$12.30
Outcome: Median Earnings Second Quarter After Exit***	N/A	N/A	NEW	NEW
Outcome: Employment Fourth Quarter After Exit***	N/A	N/A	NEW	NEW

* = SFY estimates: beginning balance of customers in process + total applications – total cases closed
** RSA= Rehabilitation Services Administration – U.S. Department of Education
*** WIOA Performance Goal with base line data to be collected July 2016-2018