COLORADO DEPARMENT OF LABOR AND EMPLOYMENT
STRATEGIC PLAN FY 2012-2013

I.   EXECUTIVE DIRECTOR'S LETTER

My fellow Coloradans:

"The greatest danger in times of turbulence is not the turbulence, it is to act with yesterday's logic" – Peter Drucker

The Colorado Department of Labor and Employment is facing serious challenges. But in meeting those challenges head on, real opportunities exist as well. The Department must change; change its systems, processes, the way we deliver service and our culture. If we are to meet the needs of the Colorado taxpayers, we must transform the Department and the way we do business. We must become effective, efficient and elegant.

The economic forecast is static at best and the need for the services we provide will continue to grow and create stress on the system. Federal funding cuts are anticipated and the competition for federal grants grows. Our technology is outdated and inflexible, slowing our processes at a time when employers and workers expect efficient systems to meet their needs in a timely manner.

Unemployment in Colorado continues to hover around 8.5%, down from a high of 9.7%. However, the decline is not due to the creation of jobs, but to a decrease in labor force participation. Disenfranchised and dispirited workers have given up hope and simply stopped looking for work. More than 29,500 Coloradans have exhausted all levels of unemployment benefits. These Coloradans are now seeking other safety net services putting further stress on our state's systems and resources. We estimate that only 20,000 to 30,000 new jobs will be added to our economy in 2012 and about the same number in 2013. This represents annual job growth of 1 to 1.5 percent compared to the higher growth rates of 2 to 2.5 percent seen from 2005 to 2007. Job growth was much greater in the 1990s when it frequently ranged between 4 and 5 percent.

To meet these challenges and turn them into opportunities, we have developed a clear vision, mission, commitment and set of values, outlining a clear strategy and roadmap, focusing on key priorities. Our strategic goals and initiatives have clear measurements and our values have defining behaviors that will inform employee performance.

The Colorado Department of Labor and Employment used our strategic planning process as an opportunity to address culture change as we looked at our future planning to meet the needs of all Coloradans. Our approach included setting a baseline for what the current state in our organization looks like. Employees and leaders were interviewed and an employee survey was conducted. We examined productivity, proper resources and tools, leadership, customer service, teamwork, communication and the culture. All CDLE senior leaders took a hard look at the current state data, owned it as leaders and made a commitment to leading the strategy with a different approach than had been taken in the past.

Using strategic planning best practices, we began by re-creating the Vision and Mission as a foundation for our strategic plan and engaged 20% of the over 1,100 employees in getting their input and buy-in. Leaders rolled this out to all employees in their divisions as they worked to align their Division visions with CDLE's and make the connection to day-to-day work. Strategic initiatives and goals were set using a SMART framework that complemented actions addressing our twice-yearly employee survey. Realistic timelines were set for the strategic goals and work began immediately involving employees. We have also had a new approach to our leadership meetings, over the last four months which includes building leadership skills and competencies that will help execution in these tumultuous times. In addition, all Divisions and shared support organizations continue to hold leadership meetings to build their leadership and business acumen and address measureable steps toward strategy, cross-departmental synergies and culture change. To further address CDLE customer-centric culture change, employees have joined with leaders as a Values Team to create a set of values that have corresponding measureable behaviors to drive the strategy. The Values Team has embarked on ways to drive the values into the work and measure performance, execution and attitude as we meet our short and long term milestones in our strategic plan. We are establishing a plan to maintain the culture change into the future. Focusing on culture is a first for CDLE and has received resounding support from employees and leaders, clearly a shot of energy back into our work. We believe culture is our bedrock to guide decisions toward elegant, efficient and effective customer service while developing our employees in these challenging times.

In order to meet the challenges ahead, and be prepared to take advantage of opportunities, we are doing a thorough review of how we do business, both internally and externally, in every Division throughout the Department. Over the next three years, CDLE will be addressing the goals of efficiency, effectiveness and elegance by:
- *Identifying key strategic initiatives*: Customer Service; Employee Engagement and Accountability; Process Improvement; Partnerships & Stakeholder Relationships; and Technology
- *Addressing the need for culture change:* Customer service must be a priority. In order to excel and provide the best service possible, our employees must be trained, productive and engaged. Our goal of "establishing a culture of employee engagement and accountability resulting in high performance" directly addresses this need for culture change. We are assessing the following: who our customers are; what their needs are and how to better serve them; how to have a productive and engaged workforce by seeking employee input via twice yearly engagement surveys, all staff meetings, and employee suggestion boxes in each division; and how all of our systems and processes provide the services required. Employees have been engaged in our

- ***Developing greater coordination between and among state agencies:*** Greater coordination is needed to reduce duplication and overlap of services and to assure maximization of our resources. To achieve this, we will determine and assess our existing partnerships, conduct a gap analysis and identify additional partnerships and align program and resources to maximize services.
- ***Implementing a regular regulatory/legislative review process:*** Each Division will establish a calendar and timeline to review all rules and regulations
- ***Identifying slow/burdensome agency processes and addressing needed changes:*** Each Division is reviewing the reporting and information requests we make of our customers to determine what we are asking of employers/businesses and how can we make it easier for them to respond. We have convened stakeholder groups in each Division that meet regularly. As part of this initiative, we are looking at how technology could simplify our processes and creating a department-wide technology roadmap to identify possible cost savings. As we upgrade our technology, we are working to ensure that future systems can share data and information.

Throughout these difficult times, and as we work to change our culture and deliver outstanding customer service, our core work continues. We have implemented legislation to address our UI Trust Fund insolvency and continue our work to improve service delivery to those who have lost their jobs through no fault of their own. The Employment and Training Division has refocused its efforts to assure we are meeting the needs of both job seekers and businesses in communities throughout the state and that we are maximizing our resources by collaborating with other agencies and partners. While we work to assist those injured on the job, assuring they get the care and benefits they deserve, we are also working to contain employer costs and minimize the need for litigation. Through our Oil and Public Safety Division we continue to protect the workplace and communities with a variety of safety programs and are working to assure that leaking petroleum storage tanks are cleaned up quickly and efficiently, turning hazardous sites into new business opportunities. And, during these tough economic times, we are continually working to assure that workers who have not been paid or have been subjected to unfair labor practices receive the wages they deserve.

Our focus is, and will continue to be, on what's best for the customers, the employees and the organization and we are working to balance these needs. At CDLE, we are embracing change, working to remove barriers and roadblocks and holding ourselves accountable.

To achieve our vision of "Quality and Excellence in all we do", we must change; change our culture, change our service delivery, and change our organization to provide the best service possible. The citizens of Colorado deserve no less.

Sincerely,

Ellen Golombek
Executive Director

II. INTRODUCTION, STATUTORY AUTHORITY, AND ORGANIZATIONAL CHART

A. INTRODUCTION

The Colorado Department of Labor and Employment has five major functions:

We connect job seekers with great jobs. We've been assisting Colorado's workforce for decades by providing funding for job training and employment services for workers and employment services for employers. CDLE continues to enhance the delivery of new programs and services throughout our network of Workforce Centers.

We help people who have lost their jobs by providing temporary wage replacement through the Unemployment Insurance Program. Unemployment insurance helps workers pay bills and contributes to the economic stability of the state. New delivery and customer services systems will continue to help these workers.

We assist workers who have been injured on the job. The Division of Workers' Compensation administers the system to provide for quick and efficient delivery of disability and medical benefits to injured workers at a reasonable cost to employers, while minimizing the need for litigation.

We ensure fair labor practices. Workers who have not been paid or have been subjected to unfair labor practices are assisted. We make sure that workers receive the wages they have earned and understand their rights and also assist employers in understanding their responsibilities.

We protect the workplace — and Colorado communities — with a variety of safety programs. The Division of Oil and Public Safety oversees the use of explosives in the state, ensures that boiler, amusement rides and devices, and conveyances are operating safely and properly, and that leaking petroleum storage tanks are remediated quickly and efficiently.

B.   STATUTORY AUTHORITY

Unemployment Insurance
Unemployment Insurance (UI) Program: 8-70-101 through 8-82-103, C.R.S. is the Colorado Employment Security Act which establishes the framework for Colorado's UI Program.   The UI program was originally authorized under the Social Security Act and Federal Unemployment Tax Act.

Division of Employment & Training
Workforce Development Programs: 8-71-101 through 8-71-224, C.R.S. creates Workforce Development; and 8-15.5-101 through 8-15.5-108, C.R.S., establishes the Displaced Homemakers Act. Workforce Development administers the following federal programs: the Wagner-Peyser Act; the Workforce Investment Act; the Trade Adjustment Assistance Program (Public Law 93-618); the Trade Act of 2002 (Public Law 107-210), and the Jobs for Veterans Act (Public Law 107-288).

Colorado Workforce Development Council: 24-46.3-101 through 24-46.3-102, C.R.S creates the state work force development council (state council) within the department of labor and employment. The statute establishes the state council as a state work force investment board in accordance with the federal "Workforce Investment Act of 1998".

Division of Labor
8-1-103 C.R.S. The Colorado Division of Labor administers laws and regulations governing wages, minimum wage, working conditions, youth employment, certain union issues and grievances, and employment-related immigration laws.

Division of Oil and Public Safety
Storage Tanks: 8-20.5-101 through 8-20.5-401 C.R.S. provides for the regulation of above- and below-ground storage tanks.

Fuel Products: 8-20-101 through 8-20-415 C.R.S. governs the Divisions development of rules covering the design, construction, location, installation, and operation of equipment for storing, dispensing, handling, and utilizing liquid fuel products.

Boilers: 9-4-103 (3) C.R.S. requires the Division to establish rules and a schedule for the inspection of boilers and pressure vessels to ensure they conform to the Colorado boiler construction code.

Conveyances: 9-5.5-101. C.R.S. creates the "Elevator and Escalator Certification Act" that requires the Division to license inspectors/mechanics and register all conveyances in the State.

Explosives: 9-7-105 C.R.S. requires the Division to ensure the safety of workers, the public, and the protection of property by promulgating rules related to the use, storage, and transport of explosives.

Amusement Rides and Devices: 8-20-1002 C.R.S. requires the Division to establish rules for the registration, construction, repair, and maintenance of amusement rides and for the financial responsibility of operators.
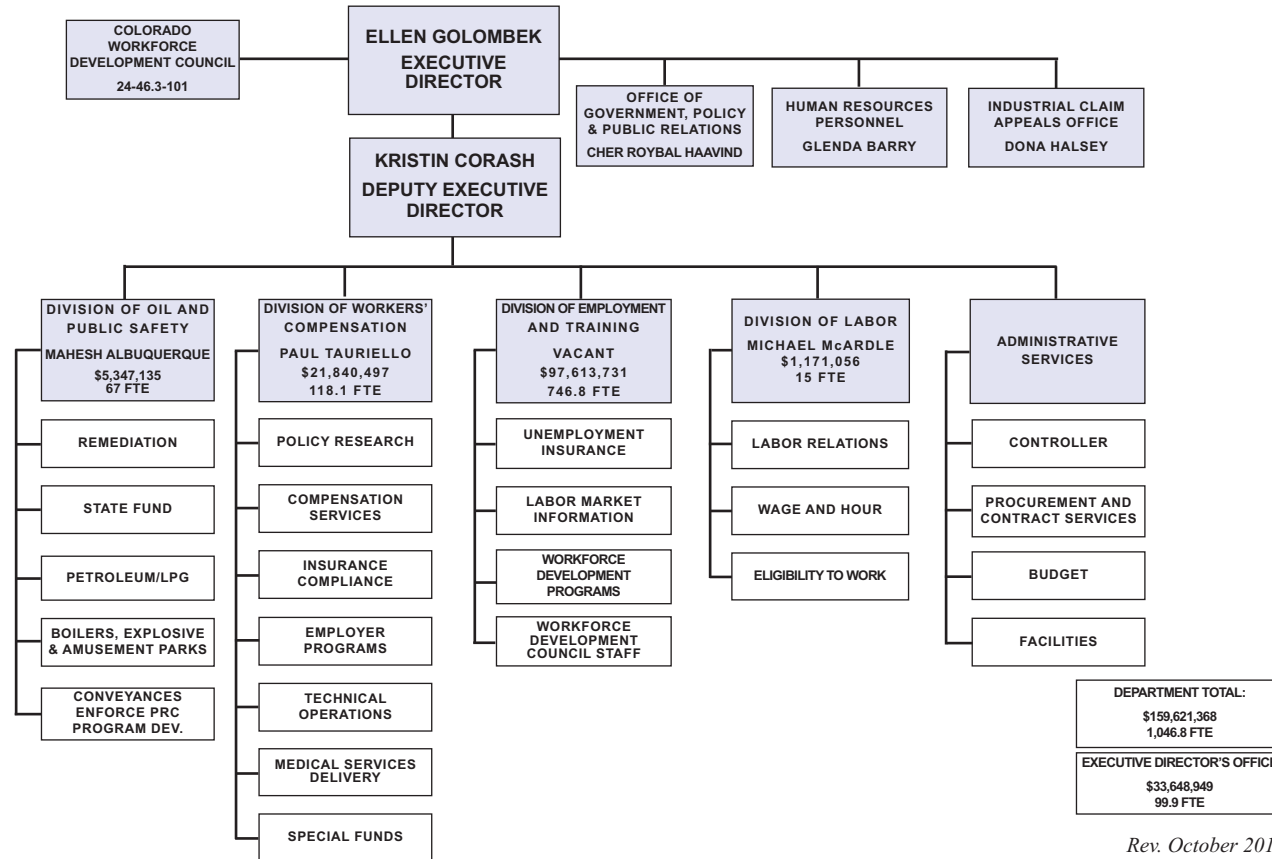

Division of Workers' Compensation
8-40-101 through 8-47-209 C.R.S. The Colorado Division of Workers' Compensation is the state office responsible for administering and enforcing the workers' compensation law in this state. In doing so, it recognizes the intent of the Colorado General Assembly to ensure the quick and efficient delivery of disability and medical benefits to injured workers, at a reasonable cost to employers. As the agency overseeing workers' compensation in this state, the Division establishes rules, procedures and programs to enforce the law and to resolve disputes that may arise between the employer and the injured worker.

The Workers' Compensation Cost Containment Program 8-14.5-101 C.R.S. sets forth the legislative declaration that adjustments to employer's premiums should be weighted in a manner to encourage the adoption and implementation of workplace safety programs. The Cost Containment Program is a voluntary safety program that allows qualifying employers to receive discounts on their premiums. In addition, participating employers realize savings by reducing the number and costs of workplace accidents.

The Special Funds Unit, consisting of the Major Medical Fund 8-46-201 C.R.S., the Subsequent Injury Fund 8-46-101 C.R.S., and the Medical Disaster Fund 8-46-301 C.R.S., provides benefits for workers' under certain circumstances; such as when the amount spent on medical benefits exceeds a certain level or when injuries at two or more employers combined to result in permanent, total disability. The Major Medical Fund was closed to work-related injuries occurring on or after July 1, 1981. The Subsequent Injury Fund was closed to work-related injuries occurring on or after July 1, 1993; and to occupational diseases occurring on or after April 1, 1994. As of June 30, 2009, there are 1, 555 injured workers receiving benefits from these funds.

Colorado Department of Labor and Employment

COLORADO WORKFORCE DEVELOPMENT COUNCIL
24-46.3-101

ELLEN GOLOMBEK
EXECUTIVE DIRECTOR

KRISTIN CORASH
DEPUTY EXECUTIVE DIRECTOR

OFFICE OF GOVERNMENT, POLICY & PUBLIC RELATIONS
CHER ROYBAL HAAVIND

HUMAN RESOURCES PERSONNEL
GLENDA BARRY

INDUSTRIAL CLAIM APPEALS OFFICE
DONA HALSEY

DIVISION OF OIL AND PUBLIC SAFETY
MAHESH ALBUQUERQUE
$5,347,135
67 FTE

- REMEDIATION
- STATE FUND
- PETROLEUM/LPG
- BOILERS, EXPLOSIVE & AMUSEMENT PARKS
- CONVEYANCES ENFORCE PRC PROGRAM DEV.

DIVISION OF WORKERS' COMPENSATION
PAUL TAURIELLO
$21,840,497
118.1 FTE

- POLICY RESEARCH
- COMPENSATION SERVICES
- INSURANCE COMPLIANCE
- EMPLOYER PROGRAMS
- TECHNICAL OPERATIONS
- MEDICAL SERVICES DELIVERY
- SPECIAL FUNDS

DIVISION OF EMPLOYMENT AND TRAINING
VACANT
$97,613,731
746.8 FTE

- UNEMPLOYMENT INSURANCE
- LABOR MARKET INFORMATION
- WORKFORCE DEVELOPMENT PROGRAMS
- WORKFORCE DEVELOPMENT COUNCIL STAFF

DIVISION OF LABOR
MICHAEL McARDLE
$1,171,056
15 FTE

- LABOR RELATIONS
- WAGE AND HOUR
- ELIGIBILITY TO WORK

ADMINISTRATIVE SERVICES

- CONTROLLER
- PROCUREMENT AND CONTRACT SERVICES
- BUDGET
- FACILITIES

DEPARTMENT TOTAL:
$159,621,368
1,046.8 FTE

EXECUTIVE DIRECTOR'S OFFICE
$33,648,949
99.9 FTE

Rev. October 2011

III. 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 and is an imperative mission of the state especially during these difficult economic times.

IV. VISION

CDLE's vision is ***Quality and excellence in all we do***. "All" includes external and internal customer service, products, relationships with partners and stakeholders, processes, information technology, and our values-based culture. This is an aspirational and motivational vision to which all our work relates and was created with staff input and agreement. To reach toward this vision, we have committed to:

- Outstanding customer service
- An inclusive culture
- Knowledgeable employees who drive our success
- Being a trusted and strategic partner
- Continuing process improvement

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

Department-wide objectives:

I. **Employee Engagement & Accountability**
Objective: Establish a culture of employee engagement and accountability resulting in high performance
Measurement: Increased employee engagement will be demonstrated through improved results on the twice-yearly CDLE employee satisfaction survey. Additional measures may be developed in the future.
Strategies:
- Mentoring, coaching and staff development
- Creating and sustaining a values-based culture
- Identifying and encouraging behaviors based on our values that improve accountability and performance
- Improving communication to and from employees

II. Customer Service

Objective: Increase customer satisfaction
Measurement: Customer satisfaction will be measured through the creation and implementation of an ongoing customer service survey.
Strategies:

- Assessment and feedback: create and implement ongoing customer service surveys
- Establish a culture of service

III. Process Improvement

Objective: Reform and Improve Key Processes
Strategies:

- By July 1, 2012, identify our team to help us lead the continuous process improvement effort
- By August1, 2012, select a process of improvement that we can use throughout the department (Lean has been selected)
- By September 1, 2012, begin training our process improvement team members in our selected process
- By October 1, 2012, team members will begin facilitating process improvement discussions within each division
- By June 30, 2013, at least one process improvement will be made within each division

IV. Technology

Objective: Implement optimal technology solutions to deliver timely and accurate customer service
Strategies:

- Simplify our approach and consolidate systems and processes where possible
- Take a strategic approach to technology
- By September 30, 2012, do an assessment: find out where we are, what we have, what will help us the most and then prioritize each based on efficiencies gained, cost, and overall need
- Move forward with plans to replace the CUBS and CATS systems in UI
- By December 31, 2016, implement the new CUBS and CATS systems in UI

V. Partnerships & Stakeholder Relationships

Objective: Increase opportunities with strategic partners and stakeholders to provide value to Colorado
Strategies:

- By July 2012, assess who are our current partners are and why they value us
- By December 2012, each division will determine opportunities for new partnerships to leverage resources and will continue this on an ongoing basis

- By February 1, 2013, CDLE will set a strategy to expand our network

Objectives by Division

Following are strategies by division that each is following to meet the department-wide objectives as well as their own division-specific objectives, measures, and strategies.

Employment and Training and the Colorado Workforce Development Council

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. The Colorado Workforce Development Council (CWDC) provides leadership and direction for workforce programs in the state. Its mission is to create a business-focused workforce system that effectively helps prepare Coloradans for the jobs of today and tomorrow.

Specific Strategies for Department-Wide Objectives

I. Employee Engagement and Accountability:

Objective: Establish a culture of employee engagement and accountability resulting in high performance
Strategies:

- During FY 12-13, programs will implement mechanisms for staff to provide input to guide strategic planning and support the restructuring of programs in the Division
- Each program will incorporate CDLE's values and align behaviors into managers' performance plans
- Programs will provide regular all-staff meetings utilizing available technology to allow employees across the state to participate
- Improved engagement will be measured through the twice-yearly employee satisfaction survey

Context: In order to align the Employment and Training programs' strategic plans with CDLE's vision, mission, and objectives, the programs within Employment and Training must communicate well with employees, helping them to understand the direction of CDLE and listen to their ideas and suggestions.

II. Customer Service:

Objective: Increase customer satisfaction
Strategies:

- By improving the engagement of business to determine their current and future needs, we will provide better customer service to both the business customer and the job seeker.

- During FY 12-13, Workforce Development Programs will work with the Business Services Alignment initiative to develop and issue comprehensive policy and procedures for the listing of job openings and conduct of business services activities. It is anticipated that there will be more than a 5% increase in outreach to employers through this effort.
- Development and implementation of the Virtual Workforce Center system and utilizing technology solutions is a key strategy for providing quality customer service throughout Colorado, especially in the rural areas.

Context: Workforce business services are provided by the state through workforce programs and at each local region. The services provided vary by region; this is confusing and frustrating for businesses and job seekers alike. 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.

III. Process Improvement:

Objective: Reform and Improve Key Processes
Strategies:
- During FY 12-13, Workforce Development Programs will begin the use of electronic forms to create and manage on-line sign-off and tracking of internal documents.
- The Colorado Rural Workforce Consortium will create a level of consistency and performance through a regularly updated Operations Manual and providing training on how to use the manual, providing training on best practices through the Virtual Workforce Centers, Business Services standardization, and coordination of resources and marketing.
- The CWDC will develop an electronic member handbook and orientation training to increase the engagement and knowledge of CWDC members and local Workforce Investment Board (WIB) members. This will be used by CWDC to train and support all members and serve as a template for consistent messaging to all local WIBs.

Context: These initiatives will create improved consistency, continuity, and efficiency as well as greater engagement and better information.

IV. Technology:

Objective: Implement optimal technology solutions to deliver timely and accurate customer service
Strategies:
- During FY 2012-13, Workforce Development Programs will expand statewide access/usage of the Virtual Job Fair technology to support hiring by employers and access to job openings by individuals. It is anticipated that more than 3,000 individuals will benefit from this new service.
- As part of a recent upgrade to e-colorado.org, Employment and Training's knowledge management portal, Workforce Development Programs (WDP) has purchased on-line forms creation and management software. WDP will train staff

- The Rural Workforce Consortium will complete development of the first phase of Virtual Workforce Centers at the Libraries. This partnership with the libraries will provide workforce center services to communities without workforce centers.
- The CWDC will continue to create effective and efficient methods of communication and collaborative meetings through the use of virtual meetings, work sessions and board meetings. Cost savings of a virtual meeting versus an in-person meeting is over $15,000 per meeting. Savings in the number of hours required of CWDC members (volunteers) and staff in drive-time alone will exceed 100 hours per meeting.

Context: As resources, including staff, time, and funding, become more scarce, the Employment and Training division is working to create more efficient ways to hold meetings and meet customer needs through technology. Virtual meetings, job fairs, and workforce centers enable more customers, partners, and staff members to participate and in a more cost effective and convenient manner.

V. Partners and Stakeholders:

Objective: Increase opportunities with strategic partners and stakeholders to provide value to Colorado.

Strategies:
- The CWDC will convene partners and stakeholders to align the efforts of economic development, education, workforce development, government and business at the local, regional and state levels.
- The Consortium will engage in a comprehensive asset mapping effort with its partners to identify influence points, tell its story, identify advocates and testimonials, and then develop strategies to maximize those assets.
- The statewide network of workforce centers and community colleges in conjunction with Workforce Development Programs will begin the implementation of the Trade Adjustment Assistance (TAA)/Community College grant. This grant targets the development of training programs in the green energy industry for TAA program participants.
- A new strategy for business outreach will be developed that serves community colleges and the workforce centers and avoids duplication of efforts.

Context: We must utilize these challenging times to get better at what we do, to increase effectiveness and responsiveness to ensure ease of business in government, to eliminate redundancies where possible, increase collaboration, leverage resources, and increase communication. Employment and training recognizes that it "cannot do it all." The Division will do what it does best, and link to the rest. The synergies we find by working closely with our partners and stakeholders will enable us to provide increased value even during these challenging times.

Employment and Training 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."

Performance Measure	Outcome	FY 2010 Actual		FY 2011 Actual		FY 2012 Approp.		FY 2013 Request	
		Incidents	Change	Incidents	Change	Incidents	Change	Incidents	Change
The percentage of persons working in the quarter immediately following receipt of workforce services	Benchmark*	57%	+1%	50%	-7%	53%	+3%	54%	+1%
	Actual	52.59%	-.10%	53.19%	+.60%				

Performance Measure	Outcome	FY 2010 Actual		FY 2011 Actual		FY 2012 Approp.		FY 2013 Request	
		Incidents	Change	Incidents	Change	Incidents	Change	Incidents	Change
The percentage of UI Claimants working in the quarter immediately following receipt of workforce services	Benchmark*	57%	+1%	51%	-6%	54%	+3%	55%	+1%
	Actual	55.42%	-2.52%	55.94%	+.52%				

Performance Measure	Outcome	FY 2010 Actual		FY 2011 Actual		FY 2012 Approp.		FY 2013 Request	
		Incidents	Change	Incidents	Change	Incidents	Change	Incidents	Change
The percentage of those completing training programs who were working in the quarter following completion of all workforce services	Benchmark*	80%	+.5%	80%	0%	81%	+1%	82%	+1%
	Actual	79.46%	+1.56%	80.73%	+1.27%				

*The benchmarks are negotiated annually with the US Department of Labor.

Performance Measure	Outcome	FY 2010 Actual		FY 2011 Actual		FY 2012 Approp.		FY 2013 Request	
		Incidents	Change	Incidents	Change	Incidents	Change	Incidents	Change
The number of employers obtaining services through the workforce system	Benchmark*	23,000	+500	15,000	-800	15,500	+500	16,000	+500
	Actual	14,829	-2126	13,727	-1102	14,521	+794		

*The benchmarks are 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:

- Supporting sustainability of the 10 targeted industry sector initiatives will leverage resources among the workforce system, industry, education and other stakeholders maximizing employment and training opportunities across all growth industries across the state.
- Technology initiatives will offer "anywhere, anytime" educational and employment opportunities to Colorado's job seekers, students, employers, and workforce professionals. The E-Colorado portal, the Virtual Job Fair, the Virtual Workforce Center at the Libraries, and other technologies will enable access and use of learning resources through a comprehensive, easy-to-navigate electronic interface.
- Virtual Workforce Centers at the Libraries will be available to support the Rural Workforce Consortium region including 52 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
- Business services processes and messaging will be aligned across workforce regions to improve the delivery of basic business services and enhance the development of on-the-job training and internships. A unified message for the workforce system reflecting the alignment will be created and used in statewide business outreach efforts. This effort will be incorporated into the Colorado Workforce Development Council's performance incentive system, which promotes continuous improvement within the state's workforce centers and will enhance the on-line resources utilized to coordinate and track regional business services activities.
- A return on investment model that includes business impact will be developed to evaluate the overall effectiveness of workforce programs.

Evaluation of Prior Year Performance:

Outcomes for all workforce system employment and training programs were directly impacted by the jobless recovery and budget reductions initiated by Congress. This is evidenced by the FY 2010 decrease in the percentage of all job seekers and UI claimants obtaining employment by the first quarter after services were provided, and the decrease in the number of employers accessing workforce services. The exception were those receiving training, which speaks directly to the competitive edge that recent training and achievement of credentials provides to those seeking employment.

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.

Key Workload Indicators:

	FY 2009	FY 2010	Percent Change	FY 2011 Projection	FY 2012 Projection
Total Job Seekers Served	544,004	499,702	-8.1%**	452,096	425,321
Total UI Claimants Served	318,078	303,298	-4.6%**	274,403	256,694
Total Job Seekers Receiving Training Services	11,196*	8,711	-22.2%	8,533	8,121
Total Job Openings Received	97,416	103,481	+6.2%	108,552	111,468

*Includes those served with American Recovery and Reinvestment Act funds. Only a small amount of these funds remained to be spent during FYY2010, thus reducing the number that were trained during that year.

**The number of job seekers and UI claimants served has declined and is expected to decline further as a result of the phase-out of extended UI benefits, and the eventual recovery of the economy

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.

Specific Strategies for Department-Wide Objectives

I. Employee Engagement and Accountability:

Objective: Establish a culture of employee engagement and accountability resulting in high performance
Strategies:
- Leaders create recognition and acknowledgment system for teams
- Clear, timely and transparent communications to staff
- Communicate and create opportunities for engagement in problem solving, strategizing, and analyzing progress towards performance goals
- At least 25% of managers' time and at least 10% of supervisors' time will be spent coaching, mentoring and developing staff

Possible Measures:
- PPS reform
- Core Measure progress
- Employee satisfaction survey
- Implementation of staff ideas toward performance improvement
- # of opportunities to engage
- # of hours coaching and developing staff

Context: Through our employee engagement survey, we know that employees don't feel valued, respected or engaged. There is a lack of trust and accountability from the bottom up, top down and across programs within the UI Divison. There has been a turnover of leadership in the last five years (three Directors) that has help foster this environment. If we are to achieve our goals and change our culture, we must engage our employees and management and hold them accountable to transparent, consistent and well communicated performance standards.

II. Customer Service:

Objective: Increase customer satisfaction through more timely and effective interactions with claimants and employers
Strategies:
- Create metrics and baseline by 6/30/12
- Set metric for improvement by 12/31/12, 12/31/13

- Continue to solicit feedback and improve customer service on both the claimant and employer side of the business

Context: Colorado's Unemployment Insurance (UI) workload has increased steadily since 2008. There were 169,862 Colorado initial claims filed in 2008; 284,708 were filed in 2009; and 237,928 were filed in 2010. The federal and state extended benefits program contributed to the increased claims workload. The extraordinary demands on all aspects of the UI Program's services impacted the ability to meet all of the required federal performance metrics, especially in the key areas of first-payment promptness and improper payments.

Additionally, wait times for those trying to contact the UI Program have been as high as 3 hours over the last several years. Today, wait times have been reduced to an average of 1:39 but that is still not acceptable. For employers, we are working on automating some of our self-service systems, which will be online no later than December 2012.

III. Process Improvement:

Objective: Reform and Improve Key Processes
Strategies:
- Develop Process Improvement Team (PIT) Charter by 10/11
- Identify renewal and reorganization gap analysis (continuous)
- Establish framework for PIT functions and relationship with permanent organizational structure
- Establish training for new organization structure by 12/11

Possible Measures:
- Meeting or exceeding all deadlines
- Performance improvement process identification related to performance measurements
- Efficiencies and effectiveness improvement as measured by progress toward meeting goals

Context: In an effort to be "lean" and provide efficient, effective and elegant customer service, we must – daily – look at all of our systems and processes to identify how, when and where to change, alter and streamline our customer service delivery. This includes technology resolutions, but also includes eliciting ideas from those on the frontline administering the systems and processes.

IV. Technology:

Objective: Implement optimal technology solutions to deliver timely and accurate customer service
Strategies: Join Consortium (WyCAN – Wyoming, Colorado, Arizona and North Dakota) to maximize federal funds and reduce the need for state funds to replace CATS and CUBS systems.
- Colorado fit gap/ on boarding review requirements completed 3/12 to assure our ability to participate in the consortium
- RFP development for vendor 4/12; Select vendor 7/12
- Develop communication plan for operations and project liaisons

- Development and implementation of new systems – 8/12 through 2015-16

Possible Measures:
- Meeting or exceeding all deadlines
- Development of communication plan
- Meeting business requirements (set % goal)

Context: UI technology is outdated and inflexible. The legacy mainframe system was brought online in 1985 and does not have the capabilities of modern systems. As a result, some UI staff must manually account for some claims and necessary programming changes are labor-intensive and take a great deal of time and resources. The limitations of our CUBS and CATS systems make it much more difficult to keep up with the workload and provide timely and efficient services to claimants and employers.

V. Partners and Stakeholders:

Objective: Increase opportunities with strategic partners and stakeholders to provide value to Colorado.

Strategies: Leverage key partnerships internally and externally to minimize improper payments, including communications with Administration, legislature and UI Stakeholders and businesses

Possible measures:
- Develop and implement improper payment reduction plan
- Communicate "Everyone Owns Integrity" plan
- Identify process changes
- Measure performance

Context: Federal Performance Standards require that the rate of improper payments be 12% or less. Currently, Colorado's rate of improper payments is around 17.6%. In order to meet (and surpass) this standard, the UI program has taken several steps, in coordination with the USDOL. We have created an UI Integrity Task Force which will oversee efforts to ensure the UI Program achieves desired results in reducing improper benefit payments. As the UI Integrity Task Force monitors the results of its action plans, statutory and regulatory obstacles may be identified. Tactical solutions will be developed through process or procedural changes, and long-term strategic solutions to change state statute and/or regulations will be recommended

Unemployment Insurance Objective:
To minimize the impact of unemployment on Colorado's economy by ensuring timely and accurate benefits payments

Performance Measure	Outcome	FY 2010 Actual		FY 2011 Actual		FY 2012 Goal		FY 2013 Goal	
		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	85%	-6%**	84.6%	-0.5%				

*Percent of *all* 1st payments made within 14/21 days after the week ending date of the first compensable week in the benefit year.
** FY 2009 Actual was 90.5%.

Performance Measure	Outcome	FY 2010 Actual		FY 2011 Actual		FY 2012 Goal		FY 2013 Goal	
		Metric	Change	Metric	Change	Metric	Change	Metric	Change
Reduce the percentage of improper payments to the national acceptable level. (as a percent of all UI benefits payments)	National Benchmark <= 10%	N/A	N/A	N/A	N/A	12.5% (National Average)	-28% (from current level)	10%	-20%
	Actual	17.8%	N/A	17.4%	-2.2%				

*Strategy***:** The primary objective of the UI Program, in support of the citizens and businesses of Colorado, is to minimize the impact of unemployment on the state's economy by ensuring <u>timely and accurate</u> benefits payments to eligible claimants. These core principles ensure that efficiency, effectiveness, and integrity drive our program and support Colorado's economy. In 2011 the UI program went through a reorganization and operations "renewal" process that has streamlined management, concentrated staffing in customer services and integrity functions, refocused training and certification, and reprioritized continuous process improvement. These efforts will allow the UI program to meet these identified performance metrics as well as all federal performance Over the next three years, the Colorado UI Program will target meeting federal performance standards for 1) payment timeliness on unemployment insurance benefits; and, 2) minimization of improper benefits payments

<u>First Pay Promptness</u>:
- To manage the substantial increase in workload and adjust for the declining budget during FFY 2012, UI reorganized our staff to focus on direct-service assignments.
- We prioritized and reassigned 90 percent of adjudicators to focus on issues related to first payment promptness. This process will continue into FFY 2012 and will be reevaluated based on need for 2013 and moving forward
- An Internet claim-filing application for initial, additional, reopen, and extended benefit claims was brought online and is expected to reduce the number of backdated claims throughout FFY 2012 and into 2013.
- We are tracking performance data for individual staff on a weekly basis and by holding management and staff accountable for performance moving forward.

<u>Improper Payments</u>:
- In coordination with the national effort to ensure program integrity and reduce improper payments, Colorado UI has developed a three pronged approach to reduce improper payments focused on: Prevention, Detection, and Collection.
- We have increased the number of staff resources dedicated to claim adjudication and to the detection and collection of improper payments.
- Technological improvements are in progress.
  - ✓ Colorado is in the process of securing a vendor that will automate the Benefit Payment Control (BPC) system, which will increase early detection of earnings overpayments by fully utilizing the National Directory of New Hires.
  - ✓ In partnership with Wyoming, Arizona and North Dakota, efforts to replace the aging legacy systems will begin no later than November 2011, and a formal request for proposal is scheduled in mid-2012.
- BPC staff's performance plans are currently under review for the purpose of reevaluating performance metrics in order to increase the improper payment-detection rate and decrease the rate of improper payments due to benefit-year earnings work-search verification, and unreported job separations.
- The use of the Internet, publications, and telephony system to publicize and educate claimants on the definition of fraud and the penalties and consequences because of fraud will provide additional methods in which the UI Program can communicate critical information to claimants. In addition, claimants will be provided specific information in handbooks and on the Internet to report their gross earnings timely and accurately, as well as logs to record their earnings and work-search activities. These additional methods will provide necessary tools to claimants to contribute to Colorado's efforts to reduce its improper-payment rate.
- Federal systems are being used to verify alien status, validate social security numbers, and conduct cross-match audits. In the near future, Colorado will join the Treasury Offset Program (TOP) to recover improper payments via offset of federal-tax-refund payments
- In addition to our collections work internally, state statute enables the UI Program to receive offsets from state tax refunds. As of January 2012 the UI Program will be able to receive offsets in gaming proceeds.

Evaluation of Prior Year Performance:

First Pay Promptness
- Previous year's plans were not successful because the internal policy of adjudicating only valid claims combined with a regulation allowing 14 days to request benefit payment results in the process to adjudicate a claim being scheduled after the first compensable week due date.
- The unprecedented workload and increased call volume causes claimants without Internet access to have difficulty getting through to the Customer Service Center (CSC) to file timely initial claims. This results in backdating the effective date of the claim which negatively affects first-pay promptness.
- In FFY12 more staff will be focused on direct-service duties and we will track, through the workload-distribution system, staff productivity.

Improper Payments

Colorado has three main root causes of improper payments: work-search, separation, and benefit-year-earnings issues.
- Work-Search Verification
  In 2010, Benefits Accuracy Measurements (BAM) investigators found improper payments resulting from work-search issues. Many improper payments were established because claimants did not return the claimant questionnaire or participate in the claimant-interview process, Improved communications with claimants, and training and coaching will be provided to all investigators. We will further analyze the nonresponses for any trends or patterns to determine if there are any identifiable barriers that contribute to the overall nonresponse rate.
- Separation Issues

The BAM program also found improper payments resulting from separation issues.

For the majority of cases where the UI Program had responsibility, BAM found that the UI Program either took incorrect action or failed to follow proper procedures. For the majority of cases where the claimant had responsibility, the claimant provided inadequate information. In some instances the employer did not provide any information or provided late or inadequate information. The UI program has developed a plan to address efforts to communicate to the employer the need for their participation and responsibility in maintaining the integrity of the UI Program as well as renewed efforts to effect positive change in the quality of its determinations.
- Benefits-Year Earnings

The BAM program found improper payments resulting from benefit-year-earnings issues. This occurs when claimants either did not report their earnings or reported their earnings incorrectly when requesting payment. The improper payments were generally detected through the claimant interview and/or through verification of wages. We are improving communications to help claimants understand their responsibility to properly report any work and earnings while receiving benefits.

Key Workload Indicators:

Number of Weeks Claimed

Calendar Year	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Forecast*	2013 Forecast*
UI Weeks Claimed	1,198,286	1,189,924	1,562,509	3,673,371	3,386,823	2,819,327	2,003,132	1,751,309

*Forecast assumes moderate growth in the economy.

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.

Specific Strategies for Department-Wide Objectives

I. Employee Engagement and Accountability:

Objective: Establish a culture of employee engagement and accountability resulting in high performance.

Strategies:

- By Sept. 2012, establish a training or staff development program specific to the needs of every unit within the DOWC
- By October 2011, begin implementing the above training, with at least one training to occur for each unit within the division
- Conform with department-wide efforts to survey employees for engagement and respond with appropriate actions, establish a management team to analyze the results to lead an employee involved collaborative group to recommend change actions

Context: The DOWC recognizes that our success is dependent on the skills, training, and commitment of our staff members. To ensure that our staff members are ready to meet shifting and growing challenges, we are prepared to make the important investments needed to maintain and expand their capabilities and to inspire innovation. Through active and continual involvement of our staff in the development of our strategies and day-to-day work we will create the essential platform for success.

II. Customer Service:

Objective: Increase customer satisfaction

Strategies:

- By Sept. 2012, research best methods for surveying DOWC customers for satisfaction with DOWC services
- By Jan, 2013, select a method for surveying DOWC customers for satisfaction with DOWC services
- By June 2013, begin surveying customers, analyzing results, and implementing improved processes based on those results

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.

III. Process Improvement:
Objective: Reform and Improve Key Processes
Strategies:
- By Jan. 1 2012,, identify at least two existing staff members to assist the DOWC supervisor of project and data management in his role a key coordinator of the department's process improvement initiative
- By September 2012, train the above-identified staff members in the method selected for CDLE process improvement, and begin practical application of the process improvement with at least one division program
- By June. 2013, review 40 recommendations for amendments to the workers' compensation rules of procedure, as submitted by key stakeholders

Context: The DOWC has numerous programs that serve the public and our stakeholders in many ways. How these programs fulfill their objectives is dependent on dynamic processes that require continuous review. The DOWC is committed to discovering the best method for reviewing work processes, evaluating the alternative means to accomplish any particular task, implementing the optimal alternative as efficiently as possible, and monitoring its success.

IV. Technology:
Objective: Implement optimal technology solutions to deliver timely and accurate customer service
Strategies:
- Maintain key elements of existing automation systems through collaboration with OIT by ensuring that key staff members with needed training and experience are available to serve DOWC needs
- By June 2013, analyze progress and success of one other state agency's effort to migrate their automation system from a mainframe to a client/server platform

Context: The Division continues to utilize a mainframe computer system developed in 1991 when the Division was created. As technology changes and fewer people with the ability to support such a legacy system are available, the Division will continue to examine the potential to move to a different system and is hopeful that consideration will be given to implementing a newer system at a state-wide level.

V. Partners and Stakeholders:
Objective: Increase opportunities with strategic partners and stakeholders to provide value to Colorado
Strategies:
- By Sept. 2012, formally identify a wide range of DOWC partners and stakeholders
- By Jan. 2013, begin research of best methods for surveying DOWC partners and stakeholders for how well they feel involved with, heard, and respected by the DOWC
- By April. 2013, select a method for the above
- By June 2013, begin surveying partners and stakeholders

Context: The DOWC requires a high level of involvement with stakeholders in order to be effective in the formulation of policy and to be responsive to the needs of all customers. The growing complexity of issues affecting the workers' compensation system, as well as the expanding number of interested parties, requires more sophistication in the engagement of stakeholders. The DOWC is committed to being a leader in reaching out to and hearing from these important partners.

Division of Worker's Compensation Objective:
Reduce costs associated with workplace accidents for employers participating in the Premium Cost Containment program (PCC).

Performance Measure	Outcome	FY 2008-09 Actual		FY 2009-10 Actual		FY 2010-11 Actual		FY 2011-12 Request	
		reduction	change	reduction	change	reduction	change	reduction	change
Reduce costs associated with workplace accidents for employers participating in the Premium Cost Containment program (PCC).*	Benchmark	$15.5M		$16.3M	5.0%	$17.1M	5.0%	$17.9M	5.0%
	Actual	$12.2M		$34.9M*	185%	$17.1M	(51%)		

* This is measured in reduced costs in the latest year as compared to the previous year. PCC accident cost reduction.

Strategy: The Division will work to involve more employers in its Premium Cost Containment (PCC) program, through educating employers regarding the benefits of the program. The division will be actively participating at events frequented by targeted employers to leverage opportunities for education. These events include safety conferences, regulatory forums, and training sessions. Additionally, staff will be 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.

Evaluation of Prior Year Performance:

The remarkably high reduction figure for the previous year is attributable to a single employer's year over year accident cost reduction. This particular employer had suffered a sixteen-million dollar loss in the year prior to joining the program and therefore realized a massive reduction the following year in comparison.

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 2008-09	FY 2009-10	FY 2010-11
Educational Outreach Events	19	7	13
Employer Program Audits and On-Site Visits	6	2	8
Certified Employers	1,920	1,923	1,698

<u>**Division of Labor**</u>

The mission of the Division of Labor is to aid Colorado employees, employers, and the general public through the responsible administration, regulation, and enforcement of Colorado labor laws.

Specific Strategies for Department-Wide Objectives

I. Employee Engagement and Accountability:
Objective: Establish a culture of employee engagement and accountability resulting in high performance
Strategies:
- The Division is in the process of creating new policies, charts, and checklists that were recommended by the State Auditor. These materials will clearly define employee expectations, resolve areas of uncertainty, and assist employees in meeting their professional and customer service goals.
- The Division is creating a peer review process to review closed claims with the goal of improving compliance officer adherence to the law.
- Employees at the Division have been afforded increased opportunities to avail themselves of training, education, professional advancement, and other programs that serve to improve workplace knowledge and skills while also boosting morale and camaraderie.

Context: The ongoing process and technological improvements at the Division of Labor, in tandem with a renewed emphasis on employee input and feedback, have created an atmosphere well suited to encouraging success, monitoring performance, and attending to areas of deficiency.

II. Customer Service:
Objective: Increase customer satisfaction
Strategies: Enhance customer service is planned through attainment of the following:
- The implementation of educational videos on the Division website;
- Constant refinement of publications and website content via analysis of Google analytics results and search trends;
- Improvements to all Division publications; and
- Modifications to phone system options based upon call assessments and classification.

Context: The customer base for the Division of Labor 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's 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.

III. Process Improvement:
Objective: Reform and Improve Key Processes
Strategies:
- Review and update all advisory Bulletins by January 2012
- Appoint a committee to review all claims closure categories by March 2012
- Create a peer review process to review closed claims with the goal of improving compliance officer adherence to the law by July of 2012.

Context:
The Division of Labor initiated significant process improvement projects in the past year which are crucial to the efficient implementation of immigration and wage and hour laws.
These projects have provided staff with the tools to complete their work more rapidly, consistently, and professionally and subsequently enabled customers to better understand and utilize Division services and products.

IV. Technology:
Objective: Implement optimal technology solutions to deliver timely and accurate customer service
Strategies:
The Division of Labor will continue to implement planned and emerging eComp changes in scheduled phases, with ongoing testing, revisions, and increased functionality expected in both the short- and long-term. Changes include:
- Increasing program usability both internally and externally;
- Modifications to the online wage complaint submission form; and
- Adding extensive functionality to increase the efficiency of Compliance Officers.

Context:
The technological goals of the Division of Labor are comprised of the constant assessment, refinement, and incorporation of new technologies and systems which attain improved staff and customer service experiences.

V. Partners and Stakeholders:
Objective: Increase opportunities with strategic partners and stakeholders to provide value to Colorado.
Strategies: The Division of Labor aspires to collaborate extensively in FY 11-12 with a number of agencies and entities, including:
- Unemployment Insurance on the use of CATS/CUBS databases to improve employment verification law enforcement by comparing FTE counts provided by employers with CATS information.

- The Colorado Department of Human Services to explore sharing new hire directory information and its applicability to the administration of Division laws. As recommended by the State Auditor, FTE counts provided by the employer can be compared to the number of new hires reported to Human Services.
- The U.S. Department of Labor, Wage and Hour Division, to enter into a partnership to communicate and cooperate on areas of common interest, to provide employers and employees with compliance assistance information , to conduct joint investigations and share information as appropriate.
- The Colorado Bar Association, Mountain States Employers Association, community organizations and associations, etc., to offer Division services and educational presentations. Outreach to employer associations has begun with the goal of contacting each member of the Division outreach list and providing presentations by July 2013.

Context:
The Division of Labor actively collaborates and partners with many different agencies, organizations, associations, and individuals. The common goals of all such interactions include information sharing, an increased ability to enforce Division laws and regulations, receipt of constructive feedback on Division services, laws, and regulations, and the dissemination of educational information to the public.

Division of Labor's Division Objective:
Provide assistance to employers and employees in understanding and complying with Colorado's labor laws through the comprehensive program of "Compliance through Education" and successfully resolve wage disputes in a timely fashion.

Department Performance Measures		FY 09-10 Actual	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Request
Percentage of claims successfully resolved* through mediation, conciliation, and other efforts.	Benchmark	85%	85 %	85 %	85%
	Actual	84 %	85%		

* Successful claims include paid wage claims and achievement of employer compliance. Unsuccessful claims include employer bankruptcy, lack of Division authority, and employer noncompliance.

Strategy: The Division will continue to utilize a multifaceted approach in making sure that employees are treated fairly. This approach consists of extensive educational efforts, rulemaking, and compliance activities. In order to meet the percentage of claims successfully resolved benchmark of 85%, the Division will focus on: increased staff training, new, improved, and standardized agency claim processing and quality control review procedures, and innovative ways to achieve compliance.

Evaluation of Prior Year Performance: A new Wage Order and minimum wage were successfully issued and implemented on schedule, and new Advisory Bulletins were issued on their target date (and subsequent improvements have also occurred). Accompanying fact sheets, guides to the law, and staff training documents were all updated and disseminated in a timely fashion. The Division's 5,776 new claims in FY 10-11 were lower than the 5,857 new claims received in FY 09-10. The lower amount of new claims may be due to deteriorating economic conditions and a significant number of failed/bankrupt businesses which lead to workers' choosing not to file.

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.

Specific Strategies for Department-Wide Objectives

I. Employee Engagement and Accountability:
Objective: Establish a culture of employee engagement and accountability resulting in high performance
Strategies: **Specific Strategies for Department-Wide Objectives**

I. Employee Engagement and Accountability:
Objective: Establish a culture of employee engagement and accountability resulting in high performance
Strategies:
- Engage employees by implementing peer review process in all OPS sections
- By July 1, 2012 improve method of tracking peer review results
- Incorporate peer review results in employee performance plans for 2012-2013
Context:
While most sections in OPS already conduct peer reviews to ensure quality and consistency of technical work products, an improved method of tracking peer review results will be implemented by July 1, 2012. The new peer review process will also include an evaluation by peers for core competencies, not just the technical quality and timeliness of work products. These peer review evaluation results will be included as part of the employee's performance plans. Only through sharing of ideas, challenging the status quo, performance ownership, and a can-do attitude from all OPS employees, will we be successful in accomplishing our vision, mission and commitments.

II. Customer Service:
Objective: Increase customer satisfaction
Strategies:
- Begin developing customer service surveys for OPS customers
- By July 1, 2012 implement random customer service surveys following customer interactions in the field and office
- By December 31 increase the amount of online and electronic transaction options for customers to use in lieu of paper
Context:
State government exists to serve the public, and only through great customer service for both our internal and external customers will we realize our vision of quality and excellence in all we do. By July 1, 2012 begin implementing random customer service surveys following customer interactions in the field and in the office. The survey data will be evaluated to

identify and develop ways for us to better serve our customers' needs. Other ongoing customer service initiatives include transition to a more paperless environment utilizing more electronic report submittals and enhancements to the existing online fee payment and electronic fund transfer capabilities that already exist in the Oil and Boiler programs, expanding them to all OPS programs by December 2013.

III. Process Improvement:

Objective: Reform and Improve Key Processes
Strategies:
- By January 1, 2012 begin the evaluation of all major regulatory review and approval processes within OPS
- By July 1, 2012 begin implementing changes to improve quality and efficiency of service delivery
Context:
The OPS utilizes hundreds of processes in the daily implementation of its various regulatory programs, in the office as well as in the field. While the processes are routinely evaluated and improved upon, there is always room for further improvement. OPS will be conducting a reorganization and consolidation of the three Oil programs (Inspection, Remediation and Fund) which will result in numerous process improvements, some through the elimination of duplicative or redundant efforts. Another area of focus is the transition towards a paperless environment. Continuously seeking and implementing employee driven process improvements will enable OPS to effectively accomplish our vision and our mission to ensure environmental protection and public safety.

IV. Technology:

Objective: Implement optimal technology solutions to deliver timely and accurate customer service.
Strategies: By September 2013complete a consolidated OPS Enterprise Database, which will help transition OPS towards a paperless environment.
Context: Each section within OPS currently stores, accesses and process data utilizing separate disparate databases that don't communicate with each other. These database applications are built on platforms that are obsolete and no longer fully supported, and their failure could potentially impact OPS operations. Two years ago OPS submitted a decision item and capital construction request to procure and build a consolidated Enterprise Database to support all the OPS programs on one platform and move to a paperless environment. This $1.6 million request was approved in 2009. The RFP for vendors was developed in 2010, and in September 2011 a vendor was selected and has already begun preliminary work on the Enterprise Database.

V. Partners and Stakeholders:

Objective: Increase opportunities with strategic partners and stakeholders to provide value to Colorado.
Strategies: By December 31, 2012 participate in at least five major outreach events with partners and stakeholders.

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. By December 31, 20012 OPS will participate in at least five state or national meetings actively engaging with partners and stakeholders. Some of the events will include partnering with other state environmental regulatory agencies such as CDPHE at an all-day outreach meeting hosted by the Colorado Hazardous Waste Management Society in October 2011, partnering with the federal EPA at the National Tanks Conference in St Louis in spring 2012, hosting the Western Weights and Measures Associations annual technical conference in Breckenridge in September 2012, conducting a series of outreach training events for the regulated community throughout the state, and partnering with local associations such as the Colorado Wyoming Petroleum Marketers Association and contractors and consultants.

Division of Oil and Public Safety's Division Objective:
Protect public health and safety by minimizing hazards that could cause injuries

Performance Measure	Outcome	FY 09-10 Actual	FY10-11 Actual	FY11-12 Estimate	FY12-13 Request
Percent of field inspections with noted violations.	Benchmark	25%	25%	25%	25%
	Actual	26%	29%		

This measure indicates the percentage of amusement ride, boiler, conveyance, explosive storage facilities, conveyances, and petroleum storage tank facility inspections with noted violations.

Strategy: Minimize hazards that cause injuries by increased enforcement of violations noted during field inspections.
- Place a high priority on thorough and quality inspections that effectively identify violations.
- Use inspector time to instruct facility operators on proper methods to achieve compliance which will directly minimize hazards that could potentially cause accidents or injuries.
- Effectiveness determined based on an eventual decrease in the percent of facilities with noted field violations. The percent of violations is expected to drop by 2% each year with a goal for 2016 of 20%.

Evaluation of Prior Year Performance: Significant enhancements to inspection procedures, inspector training and focus on quality over the last year have resulted in a higher rate of violation identification. Inspectors are spending more time educating owners on compliance requirements during field inspections. Therefore, over the next few years we expect to see improvements in the compliance rates and a reduction in field violations.

Key Workload Indicators:
Number of facilities: 26,104
Number of facilities inspected: 17,452
Number not in compliance: 6,480