COLORADO DEPARMENT OF LABOR AND EMPLOYMENT
STRATEGIC PLAN FY 2013-2014

I.   EXECUTIVE DIRECTOR'S LETTER

Our mission at the Colorado Department of Labor and Employment 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 resource and information to help them save valuable time and money.

Division of Employment and Training
The programs within our Employment and Training Division are meeting the needs of job seekers and businesses in communities throughout the state. Workforce Programs within the division is expanding services to jobseekers through online tools and resources. In 2011-12 the program rolled out a virtual job fair tool through the state's network of workforce centers and has served more than 10,000 job seekers through this new technology. Through federal grants we have placed more than 1,000 workers through on-the-job training and energy sector partnership grants, serving the state's long-term unemployed and training the for state's new energy industry. The Rural Consortium has rolled out Virtual Workforce Centers at the Libraries that enable job seekers to access employment support services within their communities. These added points of service will help us enhance service delivery and cost effectiveness in government.

Division of Workers' Compensation
Our Division of Workers' Compensation is assisting those workers 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. The division has helped thousands of Colorado employers, large and small, save millions of dollars every year through its free risk management program and services—$17 million saved in 2011-12 and over $289 million since such services were introduced in the early 1990's. The division's oversight of insurance claims management activity has detected payment mistakes totaling millions of dollars – in 2011-12 more than $1.8 million in underpayments to the state's injured workers.

Division of Oil and Public Safety
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 economic development opportunities. In 2011-12 the division developed and implemented an Electronic Fund Transfer (EFT) program enabling Petroleum Storage Tank Fund applicants to receive reimbursement checks electronically and have them deposited directly into their bank accounts, reducing paperwork and postage costs for reimbursement awards. In 2011-12 the division, in

conjunction with other local partners, received a $900,000 grant from the Environmental Protection Agency to assist in redevelopment efforts along the historic Colfax corridor in Denver and Lakewood. The division's Petroleum Brownfields program is a strategic partner in the project and will provide no-cost, technical support during the planning of petroleum-related environmental site assessments, participate in community outreach activities and development of effective cleanup technologies within the Project area.

Division of Labor
Our Division of Labor is working to assure that workers who have not been paid or have been subjected to unfair labor practices receive the wages they deserve. In 2011-12 we recovered more than $1 million in unpaid wages for Colorado employees. We received over 45,000 phone calls from the public to our call center, and handled thousands of additional direct calls to employers and employees. We improved online public guidance offerings, including labor and employment law publications, fact sheets, and extensive website content. More than 1,000 employees benefited financially from the Division's mediation and conciliation processes.

Division of Unemployment Insurance
Without question no division within the department has faced as much unprecedented strain and change in the last five years as our Division of Unemployment Insurance – which during the recession at times experienced as high as a 220% increased in workload. As supplemental federal funding decreased and workload continued, we pursued organizational changes to address continued demand for services.

Not only has the division seen unprecedented strain on the administration of unemployment benefits but the fund that pays those benefits also became overwhelmed and in 2010 forced the state's Trust Fund into insolvency. With the successful passage of HB 12S-1002, in June of 2012 the division was able to sell $630 million in Special Revenue Bonds which paid off outstanding federal loans and returned the fund to solvency. As a result, Colorado employers will save an estimated $20-120/employee in overall UI-related payments (premium, interest, surcharges) in 2013-14. The statutory structure of the bond deal allows Colorado employers to realize a positive benefit to their experience ratings as a result of bond principal repayments and also "turns off" the solvency surcharge which is currently charged to employers.

Though we have seen modest improvements in the economy and related workload, replacing our two-decade old legacy benefits and premiums IT system remains our priority. By maximizing federal funds through a four-state consortium, in 2011-12 we began a long overdue IT replacement that will allow the division to obtain a new IT platform providing greater stability, service delivery and efficiency. The full system replacement is scheduled for 2016.

At CDLE 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 grant funding opportunities. But, we still have work ahead to fulfill our vision of *quality and excellence in all we do* and an engaged workforce is critical to our success.

We asked our employees what they need to more effectively and efficiently do their jobs and excel and the results of that survey became the foundation for our strategic plan.

STRATEGIC PLAN

Customer Service – In the first quarter of 2012 we began our customer service survey process. Initially, our outreach for survey respondents has been through our website and requests from staff. Our plan is for more focused outreach efforts over the next 12 months including options like survey cards with anonymous drop boxes and having the internet survey address printed on business cards. With our first results just coming in, each Division now has a baseline and is developing an action plan based on the main themes and concerns of our customer base.

Employee Engagement and Accountability – Initiating change and, in particular culture change is difficult in any business, but perhaps even more so in state government. We began surveying our staff within the first six months of the new leadership. While our initial numbers were relatively high (both response and satisfaction), the numbers have declined in some areas. We believe the decline is due in part to the changes we are implementing in both process and accountability standards. As our staff continues to acclimate to these changes, and we implement recognition and incentive programs, we believe these numbers will begin to show improvement.

Process Improvement - CDLE set a goal to improve at least one process in each of our Divisions annually. Since then, we have embraced the LEAN process improvement system. To date, we have completed a LEAN project in Workers' Compensation and Unemployment Insurance. The Divisions of Labor, Oil and Public Safety and Employment and Training are currently training staff in the LEAN process and selecting a process/system for review. To develop and sustain our work, we have a department-wide LEAN coordinator and each division has identified a key staff person to be trained and lead the LEAN process in their area.

Technology - We are currently prioritizing our 25 technology projects and have formed a technology steering committee with representatives from each of the main program areas. Our two major technology projects in Oil and Public Safety and Unemployment Insurance are being closely managed by their respective PMOs and are on target for both milestones and timelines.

Partnerships and Stakeholders Relationships - For every new rule we have implemented, we have met with stakeholders prior to posting to get feedback. Once posted, we have again met with stakeholders to get any additional input. In one case where there was stakeholder concern, we extended the comment period one month to assure that all stakeholders felt heard and had a second hearing before actually promulgating the ultimate rule. We continue our meetings with Senate and House leadership as well as with leadership and members of our committees of reference.

CDLE, through each of our strategic initiatives continues to strive for transparency, communication and openness in order to provide the most efficient, effective and elegant customer service. While we still have challenges within some of our Divisions, the work continues in every division and program to provide the best service possible to our customers, the citizens of Colorado.

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.
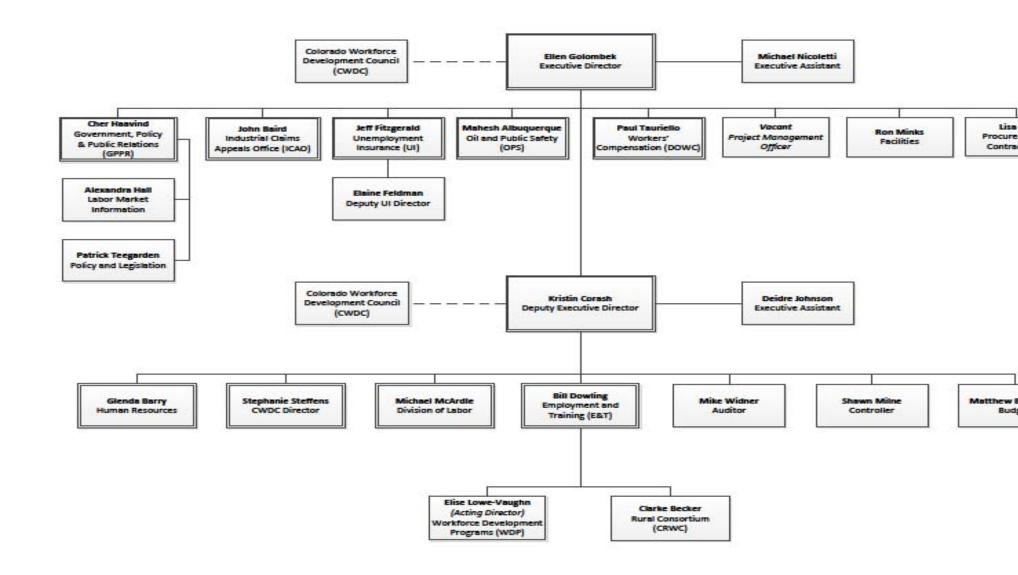
Division of Workers' Compensation
8-40-101 through 8-47-209 C.R.S. The Colorado Division of Workers' Compensation is the state office responsible for administering and enforcing the workers' compensation law in this state. In doing so, it recognizes the intent of the Colorado General Assembly to ensure 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.

Labor Market Information monitors and reports on employment conditions in Colorado through cooperative programs with the U.S. Bureau of Labor Statistics and the U.S. Census Bureau. All programs are federally funded. 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).

C. ORGANIZATIONAL CHART

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

VALUES

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

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

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

Department-wide objectives:

I. Customer Service

Objective: Increase customer satisfaction

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 95%.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Customer Satisfaction across CDLE will increase by 5% annually up to 90%	Benchmark	TBD	54.5%	+5%	+5%
	Actual	49.5%			

Strategies:

- Develop survey response capabilities through e-mail, Internet, and telephony
- Create and implement ongoing customer service surveys
- Establish a culture of service
- Set baseline satisfaction
- Implement changes to improve satisfaction

The CDLE customer survey was rolled out in April 2012. We evaluated the survey after the first quarter to determine our benchmark and our areas for improvement. We noticed three common themes across CDLE in the comments from our customers that we are working to improve including:
  o Timeliness on service delivery;
  o Consistency among staff; and
  o Website navigation.
All Divisions are implementing actions to address these three themes within their programs, which will result in improved customer satisfaction across the department.

II. Employee Engagement & Accountability

Objective: Establish a culture of employee engagement and accountability resulting in high performance
Measurement: Employee engagement will be demonstrated through increased percent stating agree or strongly agree on the annual CDLE employee survey.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Improve employee survey results by 5% annually	Benchmark	74.36%	68.5%	+5%	+5%
	Actual	65.2%			

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:
- 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
- Growing accomplished supervisors and managers
- Succession planning

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 2010-11 to FY 2011-12 the percent of employees stating they were satisfied decreased by 9.16%. At the same time, the percent who stated they were dissatisfied increased slightly (1.22%). The difference is made up by the increased number of responses that were undecided or gave no response to some questions (+7.93%). We believe this is the result of new employees wanting to participate in the survey but not yet having formed an opinion. (CDLE has been hiring a large number of new employees into the customer service center in UI to improve customer service.) Although the satisfaction results did not increase by 5%, we believe the tool, although imperfect, is useful in providing strategic direction and holding ourselves accountable.

III.   Process Improvement

Objective: Reform and Improve Key Processes
Measurement: Identify and implement at least one key process improvement in each of the five divisions annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Implement process improvement in each of five divisions	Benchmark	5	5	5	5
	Actual	5			

Strategies:
- Establish core leadership team for LEAN process improvement
- Identify process improvement opportunities
- Determine the priority of projects
- Report out results of process improvements
- Evaluate LEAN process in CDLE and create a sustainability plan

Each of CDLE's five divisions has implemented at least one successful process improvement project. All projects have outcome measures showing how the process has become more efficient and effective – more lean.

IV.   Technology

Objective: Implement optimal technology solutions to deliver timely and accurate customer service
Measurement: Successful implementations of all new IT projects.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% successful IT project implementation	Benchmark	100%	100%	100%	100%
	Actual	100%			

CDLE is taking a strategic approach to technology management. Our strategies include:

Strategies:
- Assess where we are, what we have, what will help us the most and then prioritize each based on efficiencies gained, cost, and overall need
- Simplify our approach and consolidate systems and processes where possible
- Develop milestones and timelines
- Assure appropriate funding and expertise are in place for success

V. Partnerships & Stakeholder Relationships

Objective: Increase opportunities with strategic partners and stakeholders to provide value to Colorado
Measurement: New rulemaking will reflect 100% stakeholder outreach.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% stakeholder outreach for proposed rules	Benchmark	100%	100%	100%	100%
	Actual	100%			

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

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
80% of stakeholders' views heard	Benchmark	80%	80%	80%	80%
	Actual	100%			

Measurement: 16 meetings annually with chairpersons and ranking minority members of the committees of reference

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
16 meetings annually with committees of reference	Benchmark	16	16	16	16
	Actual	16			

Strategies:
- Assess who our current partners are and why they value us
- Each division will determine opportunities for new partnerships to leverage resources and will continue this on an ongoing basis
- Set a strategy to expand our network
- Ongoing assessment of our responsiveness to the legislature and constituents through quarterly meetings with leadership of two committees of reference and communication with individual legislators.

Each division has surveyed 3-5 existing partners and stakeholders on why they value the partnership and CDLE can improve. The results of that survey will serve as a foundation for improving existing partnerships, goal setting, and network expansion. Each division has provided copies of their stakeholder databases that will be built into one master CDLE database for resource mapping, communication and outreach, policy development, and advocacy.

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.

I. Customer Service:

Objective: Increase customer satisfaction
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 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Customer Satisfaction across CDLE will increase by 5% annually up to 90%	Benchmark*	TBD	54.5%	+5%	+5%
	Actual	49.5%			

*New measure based on CDLE strategic plan.

Measurement: 5% increase in employer participation in Connecting Colorado annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
5% increase in employer participation annually	Benchmark*	TBD	16,422	+5%	+5%
	Actual	15,640			

*New measure based on standard set by statewide Business Services Alignment Initiative to support the strategic direction of the Colorado Workforce Development Council and the Colorado Blueprint.

Measurement: 5% increase in Libraries participating in the Virtual Workforce Center at the Libraries initiative.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
5% increase in library participation annually	Benchmark*	40	32	+5%	+5%
	Actual	30			

*When the project began, there were approximately 80 libraries that benefited from improved broadband connectivity. At that time, it was estimated that half of them, or 40, would potentially participate as Virtual Workforce Centers at the Libraries.

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 2010-11 Actual		FY 2011-12 Actual		FY 2012-13 Estimate		FY 2013-14 Estimate	
		Incidents	Change	Incidents	Change	Incidents	Change	Incidents	Change
The percentage of persons working in the quarter immediately following receipt of workforce services	Benchmark*	50%	-7%	53%	+3%	54%	+1%	55%	+1%
	Actual	53.19%	+.60%	52.01%	-1.18%				

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

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

Performance Measure	Outcome	FY 2010-11 Actual		FY 2011-12 Actual		FY 2012-13 Estimate		FY 2013-14 Estimate	
		Incidents	Change	Incidents	Change	Incidents	Change	Incidents	Change
The percentage of UI Claimants working in the quarter immediately following receipt of workforce services	Benchmark*	51%	-6%	54%	+3%	55%	+1%	56%	+1%
	Actual	55.94%	+.52%	54.17%	-1.77%				

*This measure is based on the reemployment measure that is negotiated annually between the Unemployment Insurance Division and the US Department of Labor

Measurement: Meet the negotiated percentage goal of those completing training who were working in the quarter immediately following receipt of workforce services.

Performance Measure	Outcome	FY 2010-11 Actual		FY 2011-12 Actual		FY 2012-13 Estimate		FY 2013-14 Estimate	
		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%	+.0%	81%	+1%	82%	+1%	83%	+1%
	Actual	80.73%	+1.27%	80.49%	-.24%				

*Determined by a baseline established for FY2010-11

Measurement: Meet the negotiated goal for the number of employers obtaining services through the workforce system.

Performance Measure	Outcome	FY 2010-11 Actual		FY 2011-12 Actual		FY 2012-13 Estimate		FY 2013-14 Estimate	
		Incidents	Change	Incidents	Change	Incidents	Change	Incidents	Change
The number of employers obtaining services through the workforce system	Benchmark	15,000	-800	15,500	+500	16,275	+725	17,090	+815
	Actual	13,727	-1,102	15,640	+1,913				

*Strategy***:**
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 FY13-14, Workforce Development Programs will continue to 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 each year.
▪ 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.
▪ 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 10 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 available Virtual Workforce Centers at the Libraries 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
- Align business services processes and messaging across workforce regions to improve the delivery of basic business services and enhance the development of on-the-job training and internships.
  - ✓ Create a unified message for the workforce system reflecting the alignment
  - ✓ 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.
  - ✓ Incorporated this effort into the Colorado Workforce Development Council's performance incentive system
- Develop a return on investment 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 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.

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 2011 decrease in the percentage of all job seekers and UI claimants obtaining employment by the first quarter after services were provided. 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. The number of employers accessing the workforce system increased; one positive indicator that economic recovery is occurring, however slowly.

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 2010 Actual	FY 2011 Actual	Percent Change	FY 2012 Projection	FY 2013 Projection
Total Job Seekers Served	499,702	460,662**	-8.00%	483,700	507,800
Total UI Claimants Served	303,298	272,905**	-10.03%	289,700	304,200
Total Job Seekers Receiving Training Services	8,711	6,254*	-18.20%	6,567	6,895
Total Job Openings Received	103,481	186,046***	+55.60%	195,350	205,150

*This reduction resulted from the reduction of funds available after Recovery Act funds were fully spent.
**The number of job seekers and UI claimants served has declined as a result of the phase-out of extended UI benefits and the gradual improvement of the economy.
***Job openings have increased in part because of the gradual increase in jobs created, but primarily because CDLE now have access to the job listings from Job Central, the national data based supported by the businesses and the National Association of State Workforce Agencies.

II. Employee Engagement and Accountability:
Objective: Establish a culture of employee engagement and accountability resulting in high performance
Measurement: Employee engagement will be demonstrated through improved results on the annual CDLE employee survey.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Improve employee survey results across CDLE by 5% annually	Benchmark*	74.36%%	68.5%	+5%	+5%
	Actual	65.2%			

*New measure based on CDLE strategic plan

Strategies:

- During FY 13-14, programs will implement mechanisms for staff to provide input to guide strategic planning and support the restructuring of programs in the Division with a focus on LEAN processes
- 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.

III. Process Improvement:

Objective: Reform and Improve Key Processes
Measurement: Identify and implement at least one key process improvement annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Implement 1 process improvement annually	Benchmark	1	1	1	1
	Actual	1			

There were three processes improved including:

	Pre	Post
- Grant application	sole grant writer	team approach
- Cycle time to distribute grant funds	4 weeks	3 weeks
- Policy and guidance issuance for grants	up to 8 weeks	reduced 10%

Measurement: The Rural Consortium will provide training to 100% of local regions annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% of local regions trained.	Benchmark	100%	100%	100%	100%
	Actual	85%			

Measurement: CWDC will train 100% of new members.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% of new CWDC members trained.	Benchmark	100%	100%	100%	100%
	Actual	100%			

CWDC's goals and commitment to our members and partners require informed members who can serve with knowledge and understanding. Therefore, having all members trained is a high priority.

Strategies:
- During FY 12-13 and FY13-14, Workforce Development Programs will expand 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 utilize a variety of facilitation tools to engage partners, stakeholders and council members in effective meetings and work sessions that produce action, clearly defined implementation and measurable outcomes.

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
Measurement: Successful implementation of all new IT projects.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% successful IT project implementation	Benchmark	100%	100%	100%	100%
	Actual	100%			

Measurement: 3,000 individuals and businesses will participate annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
3,000 entities participate annually	Benchmark*	3,000	3,000	3,000	3,000
	Actual	3,330			

*Based on usage during the first year of implementation

Strategies:

- During FY 2012-13 and FY13-14, 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 in the use of the software and be the first to utilize this capability. Then, this capability will be made available to all sections of the Division and the statewide network of workforce centers. The result will be the reduction in paper documents and the streamlining of internal review processes.
- 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 forms, 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.
Measurement: 90% active participation of council members.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
90% active participation of council members	Benchmark*	90%	90%	90%	90%
	Actual	85%			

*CWDC's goals for active engagement of members

Strategies:

- 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 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.

- Building upon the alignment work, the CWDC will convene program level staff of stakeholder and partner organizations to develop a cross functional multi-agency Career Pathways initiative.
- 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.

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: Increase customer satisfaction through more timely and effective interactions with claimants and employers
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 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Customer Satisfaction across CDLE will increase by 5% annually	Benchmark*	TBD	54.5%	+5%	+5%
	Actual	49.5%			

*Departmental Policy

Context: Colorado's UI workload remains higher than that in 2008. There were 169,862 Colorado initial claims filed in 2008; a peak of 284,708 were filed in 2009; 237,928 were filed in 2010; 199,376 were filed in 2011. The federal and state extended benefits programs contribute to the increased claims workload. The extraordinary demands on all aspects of the UI Division'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.

Staffing recruitments are being made to increase the number of front-line service staff with the understanding that this staff will often be the resource pool from which other branches fill vacancies. This necessitates hiring enough staff to have consistently low wait times, even with fluctuating funding levels. For employers, we are automating some of our processes through Internet self-service systems, which will be online no later than 12/2012.

Strategies:
- Assessment and feedback: create and implement ongoing customer service surveys
- Establish a culture of service
- Develop a Voice of the Customer workgroup to analyze customer feedback and make recommendations for operations and communications improvements based on survey data.
- Set baseline satisfaction
- Implement changes to improve satisfaction

II. Employee Engagement and Accountability:

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

Measurement: Employee engagement will be demonstrated through improved results on annual CDLE employee surveys.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Improve employee survey results across CDLE by 5% annually	Benchmark*	74.36%	68.5%	+5%	+5%
	Actual	65.2%			

*Departmental Policy

Measurement: 100% of managers and supervisors go through new performance evaluation training.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% performance evaluation training	Benchmark*	100%	100%	100%	100%
	Actual	100%			

*Departmental Policy

Measurement: At least 10% of managers' time will be spent coaching, mentoring and developing staff members.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
10% of managers' time coaching, mentoring, developing	Benchmark*	10%	10%	10%	10%
	Actual	10%			

*Departmental Policy

Measurement: At least 25% of supervisors' time will be spent coaching, mentoring and developing staff members.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
25% of supervisors' time coaching, mentoring, developing	Benchmark*	25%	25%	25%	25%
	Actual	25%			

*Departmental Policy

Context: Within this objective, the UI Program has developed a 3-year plan to ensure it not only meets all federal acceptable-level-of-performance (ALP) program measures, but also that it ranks as one of the top ten states on those measures. Measures that are failing currently to meet the ALP by 10 percent or greater will have a multi-year approach to meet the federal metric

along with milestones for performance progress measures targeted towards achieving performance levels equivalent to the regional average performance level (Region 4) and/or to the national average performance level.

Organizational and operational performance will also be tracked through individual performance plans, which include senior leaders and uses the state's performance-plan system. Goals for the individual plans are created according to the UI Program's priorities and performance measurements. 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.

Strategies:
- Mentoring, coaching and staff development
- Creating and sustaining a values-based culture
- Improving communication to and from employees
- Leaders create recognition and acknowledgment system for teams
- 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

III. Process Improvement:
Objective: Improve efficiency and effectiveness of operations processes to meet and exceed performance measurements and improve daily operations
Measurement: Identify and implement at least one key process improvement annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Implement 1 process improvement annually	Benchmark*	1	1	1	1
	Actual	2			

*Departmental Policy

There were two process improvement projects undertaken, *Adjudication – Fact Finding* and *Document Management*. Performance metrics include the following:

Adjudication – Fact Finding	Goals	Post
	Improve Customer Experience	Increased Customer Satisfaction
	Increase call Quality by 25%	Met Quality Standards
	Call vs. Mail Savings	Postage savings approx.. $350,000
	Reduce additional adjudication	Reduced adjudication follow up by approx.. 30%
Document Management	Goals	Post
	Standardize processes	80% of processes established
		Prepare for future improvement workshops and training

Measurement: Meet all federal compliance standards by FY 2014-15

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Meet all federal compliance standards by FY 2014-15	Benchmark*	22	22	22	22
	Actual	9			

*US DOL Requirements

Evaluation of Prior Year Performance:
First Pay Promptness
The UI Division studied national best practices and worked in consultation with USDOL to develop new procedures and policies to reach our timeliness goals no later than September 2013. As am initial measure in 2012 we stabilized staffing pattern and work load distribution:

- The reorganization and hiring freeze associated with the reorganization resulted in a 17 percent vacancy rate in the Claimant Services Branch. Additionally, staff moved into Claimant Services through the reorganization required training in the new job duties, which negatively affects first-pay promptness.
- The unprecedented workload and increased call volume causes claimants without Internet access to have difficulty getting through to Claimant Services' Customer Service Center (CSC) to file timely initial claims. This negatively affects first-pay promptness.
- In FFY13 more staff will be focused on direct-service duties and the Division will track, through the workload-distribution system, staff productivity.

Improper Payments
In order to meet (and surpass) this standard, the UI Division has taken several steps, in coordination with the USDOL. We created a UI Integrity Task Force, which oversees efforts to ensure the UI Division achieves desired results in reducing improper benefit payments. As a result of the UI Integrity Task Force, statutory and regulatory obstacles were identified. Tactical solutions were developed through process or procedural changes, and long-term strategic solutions to change regulations were adopted. The Task Force continues to monitor the results of the action plan. The three main root causes of improper payments in Colorado in 2011: work-search, separation, and benefit-year-earnings issues.
- Work-Search Verification
  Improper payments resulting from work-search verification occur when Benefits Accuracy Measurements (BAM) investigators are unable to verify that a claimant sought work as required. In 2011 and 2012, the percentage of improper payments found by BAM investigators resulting from work-search issues was down significantly from 2010. BAM modified its procedures to handle the nonresponse of the questionnaire in a more appropriate manner. Additional measures include improving communications with claimants; federal BAM experts provided training to the BAM

investigators; coaching continues to 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

  Improper payments resulting from separation issues occur when BAM investigators determine that a different entitlement decision should have been made on a job separation. In most cases, this occurs because the BAM investigator obtains additional or different information than that available at the time the original decision was made. The BAM program also found improper payments resulting from separation issues. For the majority of cases where the UI Division had responsibility, BAM found that the UI Division 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 Division is renewing efforts to focus on quality decisions being made, as well as improving communications with the employer to stress the importance of their participation and responsibility in maintaining the integrity of the UI trust fund.

- Benefit-Year Earnings

  Improper payments resulting from benefit-year earnings occur when BAM investigators find that a claimant incorrectly reported wages or other payments, such as vacation or holiday pay, for a week in which the claimant was paid benefits. 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, including explicit guidance in publications, e-mail messages when an individual reports earnings when requesting payment of benefits, and verbal messages played on the CSC queue while waiting on hold. The additional 30 percent personnel resources within BPC allow a dedicated focus to clear backlogs in BPC cross-match systems.

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% 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.

- Develop 1- 3 year plan on all corrective action plans

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

Performance Measure	Outcome	FY 2011-12		FY 2012-13		FY 2013-14		FY 2014-15	
		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.

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 2011-12		FY 2012-13		FY 2013-14		FY 2014-15	
		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%	-20%				
	Actual	12.9%[1]	-27%						

Strategies:
- Develop 1- 3 year plan on all corrective action plans

First Pay Promptness:
- 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.
- In late FY 2012, the UI Division shifted its focus back to first-payment promptness and borrowed staff from other branches to increase the number of staff processing claims by approximately 45 percent.
- During FY 2013 increase the number of staff processing claims by nearly 80 percent to allow the UI Division to focus on not only first-payment timeliness, but also the other federal measures for 21-day timeliness and quality.
- Track performance data for individual staff on a weekly basis and hold management and staff accountable for performance.

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[1] This data includes BAM cases closed through 09/30/2012. It is estimated because cases can still be reopened and changed.

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 Collection.
- We have increased the number of staff resources dedicated to the detection and collection of improper payments.
- Technological improvements are in progress. Colorado UI is in the process of implementing the automated Benefit Audit, Reporting, and Tracking System (BARTS), which will increase early detection of earnings overpayments, in addition to utilizing the National Directory of New Hires cross-match on a weekly basis. BARTS will be implemented by 03/2013.
- Federal systems are being used to verify legal-immigration status, validate social security numbers, and conduct cross-match audits. Colorado UI is in the process of implementing the Treasury Offset Program to recover improper payments via the offset of federal tax-refund payments. The secure file exchange is currently being tested with an anticipated implementation date in November 2012.
- BPC is now able to accept credit-card payments as an additional method for an individual to make a payment towards an overpayment debt.
- 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	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Estimate	2013 Forecast*	2014 Forecast*
UI Weeks Claimed	1,189,924	1,562,509	3,673,371	3,386,823	2,692,331	2,594,993	2,341,261	2,089,575

*Forecast assumes moderate growth in the economy.

IV. Technology:

Objective: Create and implement a long term strategy for a state of the art information technology platform for national UI model to enhance service to claimants and businesses.

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

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Increase employer utilization of Premium Payment tool	Benchmark	N/A- new tool	Baseline	+15%	+15%
	Actual	N/A- new tool			

*Departmental Policy

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.

Strategies:
- Simplify our approach and consolidate systems and processes where possible
- By December 2012 implement My UI Employer
- Develop 1-3 year technology strategy and priority plan
- Develop communication plan for operations and project liaisons
- By December 31, 2016, implement the new CUBS and CATS systems in UI

V. Partners and Stakeholders:

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

Measurement: New rulemaking will reflect 100% stakeholder outreach.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% stakeholder outreach for proposed rules	Benchmark	100%	100%	100%	100%
	Actual	100%			

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

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
80% of stakeholders' views heard	Benchmark*	80%	80%	80%	80%
	Actual	80%			

Context:
In 2012, through our UI Stakeholder's Partner group, which includes external labor and employment community leaders, the UI Division worked to pass legislation initiatives which paid off outstanding federal loans and returned the UI trust fund to solvency. Currently we are working with our stakeholders to improve business facing self-service tools to interface with Unemployment Insurance, gathering data for key ongoing operational improvements to streamline services, and working on implementing USDOL national priorities within the state of Colorado including: improper payments, misclassification, and re-employment of claimants. It is through co-operation and coordination with our stakeholders that we will improve operations to become more customer centric and improve standards to ultimately become a top ten UI program.

Strategies:

- By February 1, 2013, CDLE will set a strategy to expand our network
- By December 2012, each division will determine opportunities for new partnerships to leverage resources and will continue this on an ongoing basis
- By September 2012, implement misclassification working sub committee
- By December 2012 convene working group to vet and provide recommendations on business self-service tools

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.

I. Customer Service:

Objective: Increase customer satisfaction

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 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Customer Satisfaction will increase by 5% annually	Benchmark*		54.5%	+5%	+5%
	Actual	49.5%**			

*Departmental Policy
** Across CDLE

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

Measurement: Reduce costs associated with workplace accidents for employers participating in the Premium Cost Containment Program (PCC) by five percent annually. Benchmark represents 5% increase in cost reduction over prior year.

Performance Measure	Outcome	FY 2011 Actual		FY 2012 Actual		FY 2013 Estimate		FY 2014 Estimate	
		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 5%.*	Benchmark	$17.1M		$17.9M	5.0%	$18.8M	5.0%	$19.7M	5.0%
	Actual	$17.1M		$16.9M	0.5%				

*This is measured in reduced costs in the latest year as compared to the previous year. PCC accident cost reduction. Benchmark was derived from previous years' historical averages.

Objective: Comply with statutory mandates of the Subsequent Injury and Major Medical Insurance Funds requiring the provision of medical benefits to "promote recovery, alleviate pain or reduce disability" in the most timely and cost effective manner, as well as acting as responsible stewards of the monies intended for the provision of medical and compensation benefits, including the denial of payment that exceeds or is outside the purview of their intended use.

Measurement: Pay liabilities of the Subsequent Injury and Major Medical Insurance Funds at or below the annual independent actuarially estimated level. Benchmark represents expected costs as estimated by independent actuary.

Performance Measure	Outcome	FY 2011 Actual		FY 2012 Actual		FY 2013 Estimate		FY 2014 Estimate	
		Total costs	difference	Total costs	difference	Total costs	difference	Total costs	difference
Oversee and manage the payment of liabilities associated with the Subsequent Injury and Major Medical Insurance Funds, controlling costs as a fiduciary for the funds while delivering all benefits owed in accordance to statute	Benchmark	$11.9M		$10.4M		$10.7M		N/A*	
	Actual	$8.3M	(30%)	$8.7M	(16%)				

*Actuarial estimates for expenses for this period are not expected to be published until 12/12.

*Strategies***:**
- Rollout customer service survey
- Evaluate responses
- Make appropriate changes
- Involve more employers in the Premium Cost Containment (PCC) program by:
  - ✓ Actively participating at events frequented by targeted employers to leverage opportunities for education.
  - ✓ Work 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 drop of .5% from the previous year is believed to be due in part to many of the certified employers being hit hard by the recession. Although the program is open to all industries, a significant number of participating employers tend to be in higher risk industries such as construction. Due to reduced work, layoffs, and other economic factors, many of these employers were not able to aggressively offer return-to-work/modified duty positions to their injured workers. Such efforts are usually a routine aspect of workers' compensation cost control, but it has often not been a viable option to these businesses in the current economy.

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 2009-10	FY 2010-11	FY 2011-12
Educational Outreach Events	7	13	7
Employer Program Audits and On-Site Visits	7	8	23
Certified Employers Reviewed	1,923	1,698	1,700

II. Employee Engagement and Accountability:

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

Measurement: Employee engagement will be demonstrated through improved results on the annual CDLE employee survey.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Improve employee survey results across CDLE by 5% annually	Benchmark	74.36%	68.5%	+5%	+5%
	Actual	65.2%			

Measurement: 100% of managers and supervisors go through new performance evaluation training.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% performance	Benchmark	100%	100%	100%	100%
evaluation training	Actual	100%			

Measurement: 100% staff participation in staff development.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% participation in staff	Benchmark	100%	100%	100%	100%
development	Actual	100%			

Strategies:
- Establish a training or staff development program specific to the needs of every unit within the DOWC
- 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.

III. Process Improvement:
Objective: Reform and Improve Key Processes
Measurement: Identify and implement at least one key process improvement annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Implement 1 process	Benchmark	1	1	1	1
improvement annually	Actual	1			

The identified process was *Medical Policy Carrier/Provider Payments*. Process improvement metrics include:

	Pre	Post
• Medical policy handle time	801 minutes	341 minutes
• Average lead time	33 days	16 days
• Number of handoffs	20	12

2.34

Strategies:
- Identify at least two existing staff members to assist the DOWC supervisor of project and data management in his role as key coordinator of the department's process improvement initiative
- Train the above-identified staff members in the LEAN method of process improvement, and begin practical application of the process improvement with at least one program
- 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
Measurement: Successful implementation of all new IT projects.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% successful IT project implementation	Benchmark	100%	100%	100%	100%
	Actual	100%			

Measurement: 100% system uptime (not including planned maintenance outages)

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% system uptime	Benchmark	100%	100%	100%	100%
	Actual	100%			

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

Measurement: New rulemaking will reflect 100% stakeholder outreach.

Performance Measure #6a	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% stakeholder outreach	Benchmark	100%	100%	100%	100%
for proposed rules	Actual	100%			

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

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
80% of stakeholders' views	Benchmark	80%	80%	80%	80%
heard	Actual	100%			

Strategies:
- Formally identify DOWC partners and stakeholders
- Begin research of best methods for surveying DOWC partners and stakeholders for how well they feel involved with, heard, and respected by the DOWC
- Select a method for the above
- 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 Labor

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.

I. Customer Service:

Objective: Increase customer satisfaction

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 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Customer Satisfaction across CDLE will increase by 5% annually up to 90%	Benchmark		54.5%	+5%	+5%
	Actual	49.5%			

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.

Measurement: Successfully resolve 85% of claims through mediation, conciliation, and other efforts.

Performance Measure	Outcome	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Percentage of claims successfully resolved* through mediation, conciliation, and other efforts.	Benchmark	85%	85%	85%	85%
	Actual	85%	88%		

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

Strategies:
- Constant refinement of publications and website content in conjunction with Google analytics results and search trends;
- Increased outreach to a broad customer base through multi-method educational programs (10+ new website partnerships);
- Modifications to phone system options based upon call assessments and classification.
- Continue to utilize a multifaceted approach in making sure that employees are treated fairly including:
  - ✓ Extensive educational efforts;
  - ✓ Rulemaking, and
  - ✓ Compliance activities
- Focus on: increased staff training
- Improve, and standardize agency claim processing and quality control review procedures

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.

Evaluation of Prior Year Performance: A new Wage Order and minimum wage were successfully issued and implemented on schedule in January of 2012, 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 5,348 new claims in FY 11-12 were slightly higher than the 5,297 new claims received in FY 10-11, but still lower than the 5,857 new claims filed in FY 09-10. The lower amount of new claims over the last two years may be due to deteriorating economic conditions and a significant number of failed/bankrupt businesses which lead to workers' choosing not to file.

II. Employee Engagement and Accountability:
Objective: Establish a culture of employee engagement and accountability resulting in high performance
Measurement: Employee engagement will be demonstrated through improved results on the twice-yearly CDLE employee survey.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Improve employee survey results by5% annually	Benchmark	74.36%	68.5%	+5%	+5%
	Actual	65.2%			

Measurement: 100% of managers and supervisors go through new performance evaluation training.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% performance evaluation training	Benchmark	100%	100%	100%	100%
	Actual	100%			

Strategies:
▪ The Division is in the process of creating a wide array of new policies, charts, and checklists. 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.

III. Process Improvement:

Objective: Reform and Improve Key Processes
Measurement: Identify and implement at least one key process improvement annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Implement 1 process improvement annually	Benchmark	1	1	1	1
	Actual	1			

The identified process was Employment Verification Closed Audit Peer Review.

Strategies:
- Review and update all Advisory Bulletins
- Review and modify all claims closure categories
- Create a peer review process to review closed claims with the goal of improving compliance officer adherence to the law

Context: The Division of Labor has initiated a number of improvements in our processes; these new endeavors are ongoing and crucial to the efficient implementation of immigration and wage and hour laws. The projects provide 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. In the next few years, we plan to "LEAN" our closed claims review process.

IV. Technology:

Objective: Implement optimal technology solutions to deliver timely and accurate customer service
Measurement: Successful implementations of all new IT projects.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% successful IT project implementation	Benchmark	100%	100%	100%	100%
	Actual	100%			

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.
Measurement: New rulemaking will reflect 100% stakeholder outreach.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% stakeholder outreach for proposed rules	Benchmark	100%	100%	100%	100%
	Actual	100%			

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

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
80% of stakeholders' views heard	Benchmark	80%	80%	80%	80%
	Actual	100%			

Strategies:
The Division of Labor will collaborate extensively with a number of agencies and entities to:
- Communicate and cooperate on areas of common interest;
- Provide employers and employees with compliance assistance information;
- Conduct joint investigations and share information as appropriate;
- Offer Division services and educational presentations.
- Post new Division of Labor content and materials on partner websites.

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 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.

I. Customer Service:

Objective: Increase customer satisfaction

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 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Customer Satisfaction across CDLE will increase by 5% annually up to 90%	Benchmark		54.5%	+5%	+5%
	Actual	49.5%			

Objective; Protect the public and environment and minimize petroleum releases by maximizing operational compliance through facility inspections.

Measurement: Increase the percent of petroleum facilities that are operating in compliance with regulations.

Performance Measure	Outcome	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Estimate	FY 13-14 Request
Protect the public and environment and minimize petroleum releases by maximizing operational compliance through facility inspections. Effectiveness determined based on an increase in the percent of petroleum facilities that are operating in compliance with regulations.	Benchmark	75%	80%	85%	90%
	Actual	68%	65.8%		

Objective: Ensure public safety by minimizing hazards that cause injuries through periodic inspections.

Measurement: Ensure public safety by increasing the percent of field inspections without violations.

Performance Measure	Outcome	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Estimate	FY 13-14 Request
Ensure public safety by minimizing hazards that cause injuries, as identified by field inspections without significant violations: Percent of field inspections without violations.	Benchmark	65%	70%	75%	80%
	Actual	71%	81.4%		

Strategies:
- Begin developing customer service surveys for OPS customers
- Implement random customer service surveys following customer interactions in the field and office
- Increase the amount of online and electronic transaction options for customers to use in lieu of paper
- 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.

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.

II. Employee Engagement and Accountability:
Objective: Establish a culture of employee engagement and accountability resulting in high performance
Measurement: Employee engagement will be demonstrated through improved results on the twice-yearly CDLE employee survey.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Improve employee survey results by 5% annually	Benchmark	74.36%	68.5%	+5%	+5%
	Actual	65.2%			

Measurement: 100% of staff participate in peer review process.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% participation in peer review process	Benchmark	100%	100%	100%	100%
	Actual	60%			

Strategies:
- Engage employees by implementing peer review process in all OPS sections
- 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.

III. Process Improvement:
Objective: Reform and Improve Key Processes
Measurement: Identify and implement at least one key process improvement annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Implement 1 key process improvement annually	Benchmark	1	1	1	1
	Actual	1			

The identified process improvement project was *Streamline Funding/Payments*. Performance metrics include:

	Pre	Post
• Payment resolve	84 days	28 days
• Handoffs	15	5

Strategies:
- Begin evaluating all major regulatory review and approval processes within OPS
- Using the LEAN methodology, implement 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.
Measurement: Successful implementations of all new IT projects.

Performance Measure #5	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% successful IT project implementation	Benchmark	100%	100%	100%	100%
	Actual	Two year project, 50% complete			

Strategies:

- Complete a consolidated OPS Enterprise Database, which will help transition OPS towards a paperless environment.

Context: Each section within OPS currently stores, accesses and processes 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 begun preliminary work on the Enterprise Database.

V. Partners and Stakeholders:

Objective: Increase opportunities with strategic partners and stakeholders to provide value to Colorado.
Measurement: New rulemaking will reflect 100% stakeholder outreach.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% stakeholder outreach for proposed rules	Benchmark	100%	100%	100%	100%
	Actual	80%			

Measurement: Participate in at least 5 major outreach events annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Participate in at least 5 major outreach events	Benchmark	5	5	5	5
	Actual	5			

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. By December 31, 2012 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.