

Department of Employment Services

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Table CF0-1

Description	FY 2015	FY 2016	FY 2017	% Change
	Actual	Approved	Proposed	from FY 2016
OPERATING BUDGET	\$113,795,872	\$146,694,971	\$143,225,202	-2.4
FTEs	580.2	587.0	612.0	4.3

The Department of Employment Services (DOES) puts people to work. DOES achieves its mission by providing the necessary tools for the District of Columbia workforce to become more competitive using tailored approaches to ensure that workers and employers are successfully paired. DOES also fosters and promotes the welfare of job seekers and wage earners by ensuring safe working conditions, advancing opportunities for employment, helping employers find qualified workers, and tracking labor market information and other national economic measurements impacting the District of Columbia.

Summary of Services

DOES, the District of Columbia's lead labor and workforce development agency, provides customers with a comprehensive menu of workforce development services funded through a combination of federal grants and Local appropriations. DOES delivers basic income support services to unemployed or underemployed persons who lost their jobs through no fault of their own through the Unemployment Insurance division. The Labor Standards division ensures a safe and healthy work environment for workers in the District, administers a program to provide benefits to qualified individuals with employment-related injuries or illnesses, administers the District's wage-and-hour laws, and provides hearing and adjudication services to settle workers' compensation disputes. DOES's Workforce Development division provides job seekers with workforce development and training programs and services to ensure employers have access to qualified job candidates. Finally, DOES provides District youth with job training, academic enrichment, leadership, and employment opportunities through its Year-Round employment program, Mayor Marion S. Barry Summer Youth Employment Program, and Mayor Marion S. Barry Youth Leadership Institute.

The agency's FY 2017 proposed budget is presented in the following tables:

FY 2017 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table CF0-2 contains the proposed FY 2017 budget by revenue type compared to the FY 2016 approved budget. It also provides FY 2015 actual data.

Table CF0-2

(dollars in thousands)

Appropriated Fund	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change*	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change
GENERAL FUND										
LOCAL FUNDS	56,819	59,191	63,770	4,579	7.7	188.3	193.6	191.5	-2.2	-1.1
SPECIAL PURPOSE REVENUE FUNDS	22,795	39,124	44,105	4,981	12.7	114.6	143.4	212.6	69.2	48.2
TOTAL FOR GENERAL FUND	79,615	98,315	107,875	9,560	9.7	302.9	337.1	404.1	67.0	19.9
FEDERAL RESOURCES										
FEDERAL GRANT FUNDS	33,901	48,379	35,350	-13,029	-26.9	277.4	249.9	207.9	-42.1	-16.8
TOTAL FOR FEDERAL RESOURCES	33,901	48,379	35,350	-13,029	-26.9	277.4	249.9	207.9	-42.1	-16.8
PRIVATE FUNDS										
PRIVATE GRANT FUNDS	229	0	0	0	N/A	0.0	0.0	0.0	0.0	N/A
PRIVATE DONATIONS	0	1	1	0	0.0	0.0	0.0	0.0	0.0	N/A
TOTAL FOR PRIVATE FUNDS	229	1	1	0	0.0	0.0	0.0	0.0	0.0	N/A
INTRA-DISTRICT FUNDS										
INTRA-DISTRICT FUNDS	51	0	0	0	N/A	0.0	0.0	0.0	0.0	N/A
TOTAL FOR INTRA-DISTRICT FUNDS	51	0	0	0	N/A	0.0	0.0	0.0	0.0	N/A
GROSS FUNDS	113,796	146,695	143,225	-3,470	-2.4	580.2	587.0	612.0	25.0	4.3

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2017 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2017 Proposed Operating Budget, by Comptroller Source Group

Table CF0-3 contains the proposed FY 2017 budget at the Comptroller Source Group (object class) level compared to the FY 2016 approved budget. It also provides FY 2014 and FY 2015 actual expenditures.

Table CF0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2014	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change*
11 - REGULAR PAY - CONTINUING FULL TIME	25,006	28,209	32,284	35,660	3,377	10.5
12 - REGULAR PAY - OTHER	6,200	9,020	10,486	10,385	-100	-1.0
13 - ADDITIONAL GROSS PAY	757	378	0	0	0	N/A
14 - FRINGE BENEFITS - CURRENT PERSONNEL	7,080	8,002	9,222	10,232	1,010	11.0
15 - OVERTIME PAY	253	164	0	0	0	N/A
SUBTOTAL PERSONAL SERVICES (PS)	39,295	45,773	51,991	56,277	4,286	8.2
20 - SUPPLIES AND MATERIALS	230	340	841	579	-262	-31.2
30 - ENERGY, COMMUNICATION AND BUILDING RENTALS	591	603	823	855	32	3.9
31 - TELEPHONE, TELEGRAPH, TELEGRAM, ETC.	787	870	922	889	-33	-3.6
32 - RENTALS - LAND AND STRUCTURES	664	615	1,313	720	-593	-45.2
34 - SECURITY SERVICES	1,021	1,014	1,126	800	-325	-28.9
35 - OCCUPANCY FIXED COSTS	1,137	1,173	1,470	1,527	56	3.8
40 - OTHER SERVICES AND CHARGES	18,709	13,807	31,919	19,732	-12,187	-38.2
41 - CONTRACTUAL SERVICES - OTHER	7,890	10,171	12,646	13,729	1,083	8.6
50 - SUBSIDIES AND TRANSFERS	28,600	38,074	41,987	46,907	4,921	11.7
70 - EQUIPMENT AND EQUIPMENT RENTAL	887	1,356	1,657	1,210	-447	-27.0
SUBTOTAL NONPERSONAL SERVICES (NPS)	60,517	68,023	94,704	86,948	-7,756	-8.2
GROSS FUNDS	99,812	113,796	146,695	143,225	-3,470	-2.4

*Percent change is based on whole dollars.

FY 2017 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table CF0-4 contains the proposed FY 2017 budget by division/program and activity compared to the FY 2016 approved budget. It also provides FY 2015 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table CF0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
(1000) AGENCY MANAGEMENT								
(1010) PERSONNEL	478	551	464	-87	4.0	6.0	5.0	-1.0
(1015) TRAINING AND EMPLOYEE DEVELOPMENT	653	610	428	-181	12.0	4.2	1.0	-3.2
(1017) LABOR MANAGEMENT PARTNERSHIPS	50	114	0	-114	1.0	1.0	0.0	-1.0
(1020) CONTRACTING AND PROCUREMENT	876	971	584	-388	6.0	8.0	0.0	-8.0

Table CF0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
(1030) PROPERTY MANAGEMENT	1,591	1,077	720	-357	5.0	11.0	6.0	-5.0
(1040) INFORMATION TECHNOLOGY	2,977	3,191	3,330	139	29.8	27.0	28.0	1.0
(1050) FINANCIAL MANAGEMENT	3	0	0	0	0.0	0.0	0.0	0.0
(1060) LEGAL	385	366	371	5	0.0	3.0	3.0	0.0
(1070) FLEET MANAGEMENT	686	207	647	439	6.0	1.0	6.0	5.0
(1080) COMMUNICATIONS	307	344	363	20	5.0	3.0	4.0	1.0
(1085) CUSTOMER SERVICE	306	321	383	63	5.0	6.0	6.0	0.0
(1090) PERFORMANCE MANAGEMENT	1,257	1,748	2,163	414	18.0	15.0	17.0	2.0
SUBTOTAL (1000) AGENCY MANAGEMENT	9,569	9,500	9,453	-48	91.5	85.2	76.0	-9.2
(100F) AGENCY FINANCIAL OPERATIONS								
(110F) BUDGET OPERATIONS	1,081	1,675	1,487	-187	7.0	12.0	11.0	-1.0
(120F) ACCOUNTING OPERATIONS	1,353	1,254	1,380	125	14.1	11.0	12.0	1.0
SUBTOTAL (100F) AGENCY FINANCIAL OPERATIONS	2,434	2,929	2,867	-62	21.1	23.0	23.0	0.0
(2000) UNEMPLOYMENT INSURANCE								
(2100) TAX COLLECTIONS	14,052	20,733	11,429	-9,304	43.9	46.0	64.7	18.7
(2200) BENEFITS	10,982	20,608	17,486	-3,123	76.3	94.0	91.0	-3.0
(2400) BENEFIT PAYMENT CONTROL UNIT (BPC)	1,117	1,197	815	-382	15.7	16.0	9.0	-7.0
(2500) COMPLIANCE AND INDEPENDENT MONITORING	757	668	1,677	1,009	7.3	7.0	15.0	8.0
NO ACTIVITY ASSIGNED	3	0	0	0	14.8	0.0	0.0	0.0
SUBTOTAL (2000) UNEMPLOYMENT INSURANCE	26,910	43,206	31,407	-11,800	158.0	163.0	179.7	16.7
(3000) LABOR STANDARDS								
(3200) OFFICE OF WAGE HOUR	1,731	2,003	2,267	264	16.5	16.0	18.0	2.0
(3300) OFFICE OF OCCUPATIONAL SAFETY AND HEALTH	546	612	708	96	6.3	6.0	6.0	0.0
(3400) OFFICE OF WORKERS' COMPENSATION	16,225	14,077	15,204	1,127	60.7	68.0	68.0	0.0
(3500) OAH: ADMINISTRATIVE HEARINGS DIVISION	2,524	2,861	3,232	371	19.6	23.0	23.0	0.0
(3600) OAH: COMPENSATION REVIEW BOARD	1,333	1,522	1,725	203	12.3	13.0	14.0	1.0
SUBTOTAL (3000) LABOR STANDARDS	22,359	21,075	23,136	2,061	115.4	126.0	129.0	3.0
(4000) WORKFORCE DEVELOPMENT								
(4100) SENIOR SERVICES	584	566	584	17	2.1	2.2	2.2	0.0
(4200) PROGRAM PERFORMANCE MONITORING	1,100	1,361	1,205	-156	15.4	12.2	10.8	-1.4
(4250) LOCAL ADULT TRAINING	3,872	8,293	8,109	-183	4.2	4.3	12.1	7.8
(4300) OFFICE OF APPRENTICESHIP INFO. AND TRNG	728	818	838	20	5.2	6.0	6.0	0.0
(4400) TRANSITIONAL EMPLOYMENT	8,779	9,642	9,142	-500	22.7	22.1	22.0	-0.1
(4500) EMPLOYER SERVICES	1,712	2,367	2,876	509	21.9	16.4	21.6	5.2
(4510) FIRST SOURCE	1,017	1,132	1,153	21	6.2	9.1	9.0	-0.1
(4530) VETERAN AFFAIRS	264	603	825	222	6.3	6.0	7.4	1.4
(4600) ONE-STOP OPERATIONS	7,273	11,716	13,057	1,342	65.7	65.4	61.6	-3.7

Table CF0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
(4700) LABOR MARKET INFORMATION	826	1,162	1,013	-149	10.5	10.2	8.6	-1.6
(4810) YEAR-ROUND YOUTH PROGRAM	6,794	14,993	13,587	-1,406	19.4	18.6	22.6	4.0
(4820) MARION BARRY SUMMER YOUTH EMPLOYMENT PGM	17,964	15,218	20,054	4,836	10.4	10.6	11.1	0.5
(4830) MARION BARRY YOUTH LEADERSHIP INSTITUTE	930	1,233	1,274	41	4.3	5.8	8.3	2.5
(4900) STATE-WIDE ACTIVITIES	679	882	2,647	1,765	0.0	1.0	1.0	0.0
SUBTOTAL (4000) WORKFORCE DEVELOPMENT	52,521	69,984	76,363	6,379	194.3	189.8	204.3	14.5
(9960) YR END CLOSE								
NO ACTIVITY ASSIGNED	2	0	0	0	0.0	0.0	0.0	0.0
SUBTOTAL (9960) YR END CLOSE	2	0	0	0	0.0	0.0	0.0	0.0
TOTAL PROPOSED OPERATING BUDGET	113,796	146,695	143,225	-3,470	580.2	587.0	612.0	25.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2017 Operating Appendices** located on the Office of the Chief Financial Officer's website. "No Activity Assigned" indicates budget or actuals that are recorded at the division/program level.

Division Description

The Department of Employment Services operates through the following 5 divisions:

Unemployment Insurance (UI) – provides basic income replacement insurance to workers unemployed through no fault of their own, thereby contributing to the economic stability of the Washington, D.C. metropolitan area.

This division contains the following 4 activities:

- **Tax Collections** – collects quarterly taxes from for-profit local employers and reimbursement payments from local non-profit employers, which finance the payment of weekly benefits to workers unemployed without fault;
- **Benefits** – provides cash payments to customers who are unemployed through no fault of their own and are able, available, and actively seeking work;
- **Benefit Payment Control Unit (BPC)** – promotes and maintains integrity of the UI division through prevention, detection, investigation, prosecution, and recovery of UI overpayments made to claimants. BPC is also responsible for the investigation and determination of fraudulent and/or erroneous payment cases; and
- **Compliance and Independent Monitoring** – collects and analyzes necessary data to assess the validity of UI benefit payment activities, assesses the underlying causes of error in the UI benefit payment and collection of UI taxes, and recommends corrective action to the problems identified.

Labor Standards – provides worker protection and dispute resolution services for the workers and employers of the District so that disputes are resolved fairly and the safety of the workplace is ensured.

This division contains the following 5 activities:

- **Office of Wage Hour** – enforces the District’s wage-hour laws through compliance audits for the benefit of private-sector employees so that they can be paid at least the minimum wage, required overtime, all earned and promised wages, living wage, required sick leave, and amounts required by other labor laws;
- **Office of Occupational Safety and Health** – provides on-site consultation services, investigations, training, and program assistance to private-sector employers so that they can identify and correct workplace hazards;
- **Office of Workers’ Compensation** – processes claims and provides informal dispute resolution, insurance-coverage compliance monitoring, and related services to private-sector injured workers, employers, insurance carriers, and other stakeholders;
- **Administrative Hearings Division** – provides formal administrative hearings to employees, employers, and the District government so that rights and responsibilities are determined fairly, promptly, and in accordance with the workers’ compensation acts; and
- **Compensation Review Board** – provides administrative review of case decisions (compensation orders) issued by the Administrative Hearings Division and/or the Office of Workers’ Compensation.

Workforce Development – provides employment-related services for unemployed or underemployed persons so that they can achieve economic security and compete in the global economy.

This division contains the following 14 activities:

- **Senior Services** – provides subsidized employment placements to District residents who are both 55 years old or older and economically underprivileged so that they can develop or enhance their job skills and be placed in unsubsidized employment;
- **Program Performance Monitoring** – provides compliance, oversight, and technical assistance to training vendors, procurement staff, and departmental administrators;
- **Local Adult Training** – provides training programs that teach job skills that will facilitate the expansion of employment opportunities for District adult residents;
- **Office of Apprenticeship Information and Training** – provides apprenticeship promotional services and assistance to District residents and apprenticeship sponsors and administers the pre-apprenticeship program;
- **Transitional Employment** – provides an array of employment-related services that will assist hard-to-employ District residents to become self-sufficient;
- **Employer Services** – provides technical assistance, recruitment, referral, placement, planning, and oversight services to area employers/businesses so that they can hire qualified individuals;
- **First Source** – establishes hiring requirement of District residents for jobs associated with government-assisted projects in order to combat the under-employment of District residents;
- **Veteran Affairs** – administers the two federal grants, Local Veteran’s Employment Representative (LVER) and Disability Veterans Outreach Program (DVOP), which the agency receives from the Department of Labor (DOL). All services provided through these programs are directly for veterans;
- **One-Stop Operations** – provides comprehensive employment support, unemployment compensation, training services, and supportive services through a network of easily accessible locations;
- **Labor Market Information** – administers four Bureau of Labor Statistics programs and an Employment and Training Administration program under a Federal/State cooperative agreement;
- **Year-Round Youth Program** – provides year-round services to eligible youth, including subsidized employment, academic enrichment activities, and vocational training to prepare participants for the workforce;

- **Marion Barry Summer Youth Employment Program (SYEP)** – provides temporary, subsidized summer employment and academic/workforce enrichment activities to eligible District youth;
- **Marion Barry Youth Leadership Institute** – administers a four-level youth leadership training and development program emphasizing citizenship and leadership skills; and
- **State-Wide Activities** – includes Workforce Innovation and Opportunity Act statewide funding that is reserved for statewide activities including incentive grants, technical assistance, management information systems, evaluation, and “One-Stop” system building. In addition, permissible statewide activities include incumbent worker projects, authorized youth and adult activities, and additional system building. For additional information, please refer to the Workforce Innovation and Opportunity Act, Public Law 113-128, which was signed into law August 22, 2014.

Agency Management – provides for administrative support and the required tools to achieve operational and programmatic results. This division is standard for all agencies using performance-based budgeting.

Agency Financial Operations – provides comprehensive and efficient financial management services to, and on behalf of, District agencies so that the financial integrity of the District of Columbia is maintained. This division is standard for all agencies using performance-based budgeting.

Division Structure Change

The Department of Employment Services has no division structure changes in the FY 2017 proposed budget.

FY 2016 Approved Budget to FY 2017 Proposed Budget, by Revenue Type

Table CF0-5 itemizes the changes by revenue type between the FY 2016 approved budget and the FY 2017 proposed budget. For a more comprehensive explanation of changes, please see the FY 2017 Proposed Budget Changes section, which follows the table.

Table CF0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2016 Approved Budget and FTE		59,191	193.6
Other CSFL Adjustments	Multiple Programs	575	0.0
LOCAL FUNDS: FY 2017 Current Services Funding Level (CSFL) Budget		59,766	193.6
Increase: To align resources with operational spending goals	Multiple Programs	820	0.0
Increase: To align the Fringe Benefits budget with projected costs	Multiple Programs	109	0.0
Decrease: To align Fixed Costs with proposed estimates	Multiple Programs	-109	0.0
Decrease: To recognize savings from a reduction in FTEs	Multiple Programs	-277	-4.2
Decrease: To realize programmatic cost savings in nonpersonal services	Workforce Development	-5,610	0.0
LOCAL FUNDS: FY 2017 Agency Budget Submission		54,699	189.5
Enhance: To support the Marion Barry Summer Youth Employment program and the DC Career Connections	Workforce Development	9,336	0.0
Enhance: To support the Unemployment Profile Act	Unemployment Insurance	79	0.0
Enhance: To support Workforce Development activities	Workforce Development	0	2.0
Transfer-Out: To EOM for Mayor’s Office of Community Relations and Services	Agency Management	-92	-1.0
LOCAL FUNDS: FY 2017 Mayor’s Proposed Budget		64,022	190.5
Enhance: To support the Paid Sick and Safe program	Labor Standards	125	1.0
Reduce: To recognize savings from lapsed salaries and associated fringe costs	Multiple Programs	-377	0.0
LOCAL FUNDS: FY 2017 District’s Proposed Budget		63,770	191.5

Table CF0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
FEDERAL GRANT FUNDS: FY 2016 Approved Budget and FTE		48,379	249.9
Decrease: To align Fixed Costs with proposed estimates	Multiple Programs	-1,089	0.0
Decrease: To recognize savings from a reduction in FTEs	Multiple Programs	-1,725	-42.1
Decrease: To align budget with projected grant awards	Multiple Programs	-10,215	0.0
FEDERAL GRANT FUNDS: FY 2017 Agency Budget Submission		35,350	207.9
No Change		0	0.0
FEDERAL GRANT FUNDS: FY 2017 Mayor's Proposed Budget		35,350	207.9
No Change		0	0.0
FEDERAL GRANT FUNDS: FY 2017 District's Proposed Budget		35,350	207.9
PRIVATE DONATIONS: FY 2016 Approved Budget and FTE		1	0.0
No Change		0	0.0
PRIVATE DONATIONS: FY 2017 Agency Budget Submission		1	0.0
No Change		0	0.0
PRIVATE DONATIONS: FY 2017 Mayor's Proposed Budget		1	0.0
No Change		0	0.0
PRIVATE DONATIONS: FY 2017 District's Proposed Budget		1	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2016 Approved Budget and FTE		39,124	143.4
Increase: To support additional FTEs	Multiple Programs	5,973	69.2
Increase: To adjust the Contractual Services budget	Multiple Programs	5,862	0.0
Increase: To support the costs of pre-existing programmatic initiatives	Workforce Development	1,000	0.0
Increase: To align Fixed Costs with proposed estimates	Multiple Programs	400	0.0
Decrease: To align budget with projected revenues	Multiple Programs	-8,254	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2017 Agency Budget Submission		44,105	212.6
No Change		0	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2017 Mayor's Proposed Budget		44,105	212.6
No Change		0	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2017 District's Proposed Budget		44,105	212.6
GROSS FOR CF0 - DEPARTMENT OF EMPLOYMENT SERVICES		143,225	612.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

FY 2017 Proposed Budget Changes

The Department of Employment Services' (DOES) proposed FY 2017 gross budget is \$143,225,202, which represents a 2.4 percent decrease from its FY 2016 approved gross budget of \$146,694,971. The budget is comprised of \$63,769,697 in Local funds, \$35,349,506 in Federal Grant funds, \$1,000 in Private Donations, and \$44,104,999 in Special Purpose Revenue funds.

Current Services Funding Level

The Current Services Funding Level (CSFL) is a Local funds ONLY representation of the true cost of operating District agencies, before consideration of policy decisions. The CSFL reflects changes from the FY 2016 approved budget across multiple divisions, and it estimates how much it would cost an agency to continue its current divisions and operations into the following fiscal year. The FY 2017 CSFL adjustments to the FY 2016 Local funds budget are described in table 5 of this agency's budget chapter. Please see the CSFL Development section within Volume 1: Executive Summary for more information regarding the methodology used and components that comprise the CSFL.

DOES's FY 2017 CSFL budget is \$59,765,625, which represents a \$574,774, or 1.0 percent, increase over the FY 2016 approved Local funds budget of \$59,190,851.

CSFL Assumptions

The FY 2017 CSFL calculated for DOES included adjustments that are not described in detail on table 5. These adjustments were made for a net increase of \$600,250 in personal services to account for Fringe Benefit costs based on trend comparative analysis, the impact of cost-of-living adjustments, and approved compensation agreements, and an increase of \$9,959 in nonpersonal services based on the Consumer Price Index factor of 2.3 percent.

Additionally, adjustments were made for an increase of \$406 for Personal Services adjustments, which represents the projected impact of new positions requested in the FY 2016 budget, approved union contracts, and corresponding salary and other adjustments, and a decrease of \$35,841 for the Fixed Costs Inflation Factor based on projections provided by the Department of General Services.

Agency Budget Submission

Increase: The Local funds budget proposal includes an increase of \$820,010 across multiple divisions in nonpersonal services. The additional funding will support DOES' programs for career counseling, vocational training, resume assistance, and improved access to on-line services. The Fringe Benefits budget proposal was increased by \$109,000.

The agency's Special Purpose Revenue (SPR) budget proposal includes an increase of \$5,972,920 to the personal services budget across multiple divisions. The increase in funding supports an additional 69.2 FTEs, of which 24.0 FTEs were shifted from Federal Grant funds. These personnel will primarily provide support to DOES' Unemployment Insurance (UI) division. Additionally, the SPR budget proposal reflects an increase of \$5,861,678 for contractual services related to continuous maintenance of the UI system. The SPR budget proposal also includes a \$1,000,000 increase that has been allocated to the Workforce Development division in support of the Workforce Investment Council. Fixed Costs projections from the Department of General Services (DGS) and the Office of the Chief Technology Officer (OCTO) account for an increase of \$399,877 in SPR funds, which includes \$176,631 for Occupancy, \$114,050 for Telecommunications, \$102,067 for Energy, and \$7,129 for Security.

Decrease: The budget proposal in Local funds reflects a net reduction of \$109,191 based on Fixed Costs projections from DGS and OCTO. This adjustment is comprised of decreases of \$5,409 for Energy, \$22,364 for Occupancy, and \$83,077 for Telecommunications, and an increase of \$1,659 for Security. DOES' budget proposal recognizes savings from the elimination of 4.2 FTEs, accounting for a decrease of \$276,577 in Local funds. This adjustment includes the reassignment of 3.0 FTEs to the Office of Contracting and Procurement. The agency also leverages savings from streamlining its operations pertaining to adult and youth programs in the Workforce Development division, thereby reducing the budget by \$5,610,016 in Local funds.

In Federal Grant funds, the budget proposal includes a decrease of \$1,089,357 that aligns the budget with Fixed Costs projections from DGS and OCTO. These adjustments include reductions of \$72,444 for Energy, \$76,559 for Telecommunications, \$114,752 for Occupancy, \$232,540 for Security, and \$593,062 for Rent. DOES' budget proposal in Federal Grant funds eliminates 18.1 FTEs and reclassifies funding for 24.0 FTEs to SPR funds. These adjustments accounts for a decrease of \$1,725,301 from the personal services budget in Federal Grant funds. Also in Federal Grant funds, a decrease of \$10,214,752 across nonpersonal services aligns the budget with projections for grant awards. Projected grant awards to be received from Unemployment Insurance and UI Modernization Incentive Stimulus grants are the driving forces that led to the decrease to this appropriated fund. \$7,000,000 of these decreases will be shifted to Capital funds.

The agency's budget proposal in SPR funds includes a reduction in nonpersonal services across multiple divisions in the amount of \$8,253,681. This reduction offsets increases made to personal services and aligns the budget proposal with projected revenues.

Mayor's Proposed Budget

Enhance: The budget proposal in Local funds is increased by \$9,335,921 in the Workforce Development division. Of this amount, \$4,500,000 supports the DC Career Connections program, which serves out-of-school young adults to assist them with employment opportunities, transportation support, skills training, and performance incentives. The remaining \$4,835,921 supports the Marion Barry Summer Youth Employment Program to accommodate up to 1,500 more young adults that seek employment for the six-week program period. The agency will receive an additional \$79,217 in Local funds in the Unemployment Insurance division, which will be used to support the Unemployment Profile Act of 2015. DOES will serve unemployed and underemployed District residents as the agency identifies workforce needs and recommends ways to improve job-training programs and employment outcomes. An additional adjustment includes an increase of 2.0 Full-Time Equivalent (FTE) positions in the Workforce Development division. These costs will be absorbed within the proposed budget.

Transfer-Out: The department will transfer 1.0 FTE and \$91,819 in Local funds from the Agency Management division to the Executive Office of the Mayor to support the Mayor's Office of Community Relations and Services (MOCRS) within the Office of Community Affairs program.

District's Proposed Budget

Enhance: DOES' proposed Local funds budget increased by \$125,000 and 1.0 FTE in the Labor Standards division to perform an audit of District employers' compliance with provisions of the Sick and Safe Leave Act.

Reduce: DOES' proposed Local funds budget decreased by \$377,473 to reflect projected vacancy savings.

Agency Performance Plan*

Department of Employment Services (DOES) has the following strategic objectives for FY 2017:

Strategic Objectives

Strategic Objectives describe what the agency will do, at a high level, to achieve its Mission. These are action-based sentences that define what an agency does for its customers, whether the customers are residents or other District agencies, and how that improves the District.

Objectives

1. Provide high quality training programs for adults and youth that are business driven and lead to an industryrecognized credential to improve employment outcomes for District residents.
2. Improve integration and coordination with District government agencies to reduce duplication of services, improve customer service, and increase employment and job retention for the District's most vulnerable residents; e.g., people experiencing homelessness, receiving TANF benefits, Returning Citizens, and those residing in Police Service Areas with high crime rates.
3. Improve the efficiency, integrity, and performance of unemployment compensation benefits and unemployment tax services provided to claimants and District employers.
4. Provide a more efficient and effective system to prevent workers from exposure to unsafe working environments and from falling beneath an unacceptable income level at times of unemployment due to injury or illness.
5. Improve employment or placement of District residents in government assisted projects, while enhancing the enforcement of said efforts via monitoring of existing First Source Agreements.
6. Create and maintain a highly efficient, transparent, and responsive District government.

Activities

Activities include the work that happens on a daily basis to help achieve the strategic objectives. Activity names come from the Budget line items. This is further divided into “daily services” (ex. sanitation disposal), and long-term “key projects” that are high profile, one-time and span several years, (ex. redevelopment of Walter Reed Army Medical Center). Many agencies will mostly have daily services, whereas some agencies that are more capital-based will have several key projects.

1. Provide high quality training programs for adults and youth that are business driven and lead to an industryrecognized credential to improve employment outcomes for District residents. (1 Activity)

Activity Title	Activity Description	Type of Activity
Workforce Development Training Programs	Connecting residents 18 years of age or older to Workforce Development Training programs.	Daily Service

2. Improve integration and coordination with District government agencies to reduce duplication of services, improve customer service, and increase employment and job retention for the District's most vulnerable residents; e.g., people experiencing homelessness, receiving Temporary Assistance for Needy Families (TANF) benefits, Returning Citizens, and those residing in Police Service Areas with high crime rates. (2 Activities)

Activity Title	Activity Description	Type of Activity
Workforce Development Training	Connecting residents 18 years of age or older to Workforce Development Training programs.	Daily Service
Job Centers	Providing job seekers with a number of employment opportunities. Each center provides career counseling, resume assistance, job placement, vocational training, access to online services, information about local and national labor.	Key Project

3. Improve the efficiency, integrity, and performance of unemployment compensation benefits and unemployment tax services provided to claimants and District employers. (1 Activity)

Activity Title	Activity Description	Type of Activity
Unemployment Benefits	Providing temporary weekly benefits to workers who become unemployed due to no fault of their own.	Daily Service

4. Provide a more efficient and effective system to prevent workers from exposure to unsafe working environments and from falling beneath an unacceptable income level at times of unemployment due to injury or illness. (1 Activity)

Activity Title	Activity Description	Type of Activity
Hearings and Adjudication	Conducts formal administrative workers' compensation hearings for private and public sector employees and employers in the District of Columbia, so that rights and responsibilities are determined fairly, promptly, and according to due process.	Daily Service

5. Improve employment or placement of District residents in government assisted projects, while enhancing the enforcement of said efforts via monitoring of existing First Source Agreements. (2 Activities)

Activity Title	Activity Description	Type of Activity
First Source Management, Monitoring, and Enforcement	Managing and monitoring First Source Employment Agreements as well as handles all reporting regarding the agreements specified in the "First Source Employment Agreement Act"; e.g. the regular reports sent to the Council of the District of Columbia.	Daily Service
Business Services	Managing employer relationships, connecting them to the American Job Centers, and brokers' products and services provided by DOES. Encouraging local businesses to participate in District employment programs and to take advantage of the many free services that support their business needs; e.g., Office of Safety and Health consultations.	Key Project

6. Create and maintain a highly efficient, transparent, and responsive District government.
(7 Activities)**

Activity Title	Activity Description	Type of Activity
Workforce Development Training programs	Connecting residents 18 years of age or older to Workforce Development Training programs.	Daily Service
Staff Professional Development	Providing opportunities for staff to enhance and develop skillsets to improve efficiency and customer service.	Key Project

KEY PERFORMANCE INDICATORS

Key Performance Indicators measure how well an agency is achieving its Strategic Objectives. They are outcome oriented and should be used to answer the question, “What does the agency need to measure to determine success?”

1. Provide high quality training programs for adults and youth that are business driven and lead to an industryrecognized credential to improve employment outcomes for District residents. (10 measures)

Measure	New Measure/ Benchmark Year	FY 2014 Actual	FY 2015 Actual	FY 2015 Target	FY 2016 Target	FY 2017 Target
Percent of adult participants completing adult workforce development training programs		Not available	74%	Not available	75%	75%
Percent of adult participants employed after receiving intensive services and completing a training program	X	Not available	Not available	Not available	Not available	62%
Percent of youth employed after receiving intensive services and completing a training program	X	Not available	Not available	Not available	Not available	35%
Percent of residents with disabilities employed after receiving vocational rehabilitation	X	Not available	Not available	Not available	Not available	45%
Percent of residents who are hard-to-hire, unemployed for 12 months or more, employed after receiving intensive and/or core services	X	Not available	Not available	Not available	Not available	62%
Median earnings of adult participants employed after receiving intensive services and completing a training program	X	Not available	Not available	Not available	Not available	\$5,130
Median earnings of youth participants employed after receiving intensive services and completing a training program	X	Not available	Not available	Not available	Not available	\$1,586
Median earnings of participants with disabilities employed after receiving intensive services and completing a training program	X	Not available	Not available	Not available	Not available	\$4,685
Percent of adult participants who attain a credential after receiving intensive services and completing a training program	X	Not available	Not available	Not available	Not available	54%
Percent of youth participants who attain a credential after receiving intensive services and completing a training program	X	Not available	Not available	Not available	No available	33.6%

2. Improve integration and coordination with District government agencies to reduce duplication of services, improve customer service, and increase employment and job retention for the District's most vulnerable residents; e.g., people experiencing homelessness, receiving TANF benefits, Returning Citizens, and those residing in Police Service Areas with high crime rates. (1 Measure)

Measure	New Measure/ Benchmark Year	FY 2014 Actual	FY 2015 Actual	FY 2015 Target	FY 2016 Target	FY 2017 Target
Timeframe to access training from registration in WIOA	X	Not available	Not available	Not available	Not available	14

3. Improve the efficiency, integrity, and performance of unemployment compensation benefits and unemployment tax services provided to claimants and District employers. (2 Measures)

Measure	New Measure/ Benchmark Year	FY 2014 Actual	FY 2015 Actual	FY 2015 Target	FY 2016 Target	FY 2017 Target
Percent of all first unemployment insurance payments made to eligible claimants within 14 days of the first compensable week ending date		67%	81.6%	87%	87%	87%
Percent of new unemployment insurance status determinations made within 90 days of the ending date of the first quarter of liability		79.2%	75.9%	70%	70%	70%

4. Provide a more efficient and effective system to prevent workers from exposure to unsafe working environments and from falling beneath an unacceptable income level at times of unemployment due to injury or illness. (3 Measures)

Measure	New Measure/ Benchmark Year	FY 2014 Actual	FY 2015 Actual	FY 2015 Target	FY 2016 Target	FY 2017 Target
Percent of back wages collected from employers on valid wage and hour complaints		100%	97%	97%	97%	97%
Percent of workers compensation formal hearings finalized within 120 working days		77.9%	80%	80%	80%	80%
State ranking per premium rate to secure workers' compensation coverage in the District of Columbia		Not available	51	51	51	51

5. Improve employment or placement of District residents in government assisted projects, while enhancing the enforcement of said efforts via monitoring of existing First Source Agreements. (2 Measures)

Measure	New Measure/ Benchmark Year	FY 2014 Actual	FY 2015 Actual	FY 2015 Target	FY 2016 Target	FY 2017 Target
Percent of District residents filling new available positions		27%	Not available	28%	30%	30%
Number of First Source Agreements executed	X	Not available	Not available	Not available	Not available	100

6. Create and maintain a highly efficient, transparent and responsive District government. (9 Measures)**

Measure	New Measure/ Benchmark Year	FY 2014 Actual	FY 2015 Actual	FY 2015 Target	FY 2016 Target	FY 2017 Target
Contracts/Procurement Expendable Budget spent on Certified Business Enterprises	X	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016
Contracts/Procurement Contracts lapsed into retroactive status	X	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016
Budget Local funds unspent	X	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016
Budget Federal Funds returned	X	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016
Customer Service Meeting Service Level Agreements	X	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016
Human Resources Vacancy Rate	X	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016
Human Resources Employee District residency	X	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016
Human Resources Employee Onboard Time	X	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016
Performance Management Employee Performance Plan Completion	X	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016	Forthcoming October 2016

Performance Plan End Notes:

*For more information about the new structure and components of FY 2017 draft performance plans, please see the FY 2017 Proposed Budget and Financial Plan, Volume 1, Appendix E.

**"Create and maintain a highly efficient, transparent and responsive District government" is a new Strategic Objective this year required for all agencies.

***Key Performance Indicators that are new may not have historical data and may only have FY 2017 targets.