2013 ANNUAL REPORT

Jobs for People. People for Jobs.

DWS

Department of WORKFORCEServices

2013

ANNUAL REPORT

FROM THE DIRECTOR

As 2013 began, our goal was to build on our past accomplishments, while striving for new ones, in our continued efforts to move the needle from *Good to Great*. Throughout 2013, the agency identified best practices and worked toward improving areas in an effort to provide the best services possible to our customers.

Through the dedication and hard work from staff, our agency was honored with an Achievement Award from the Governor's Quality Award program. This recognition demonstrates our significant progress in building sound and notable processes through our commitment and practice of quality principles to attain performance excellence.

In our ever-increasing goal to provide superior service to our customers, we enhanced and opened new facilities. The Arkansas Workforce Center in Conway was again recognized by the very customers it serves in Faulkner County as First Runner-up for Best Employment Agency.

With an ongoing focus on collaborative and innovative initiatives with our partners, the agency continued to offer effective programs to build a skill-ready workforce to enrich the economic growth of Arkansas. Training opportunities helped connect people to jobs and provided in-demand skills to keep Arkansas businesses competitive in the global marketplace.

We take pride in our achievements and are grateful for the economic improvements made throughout the year. However, we realize there is and always will be work to be done. We are committed to facing each and every challenge with due diligence, helping Arkansas lead the way to economic prosperity. We are pleased to present our 2013 Annual Report.

Sincerely,

Artee Williams

Jobs for People. People for Jobs.

DWS

Department of WORKFORCEServices

OUR VISION

To be Arkansas' preferred provider of workforce services and solutions.

OUR MISSION

To enable the Arkansas workforce to compete in the global economy by linking a comprehensive array of services for employers and job seekers.

OUR CORE VALUES

ACCOUNTABILITY

We concern ourselves with the responsibilities we have to our customers, state, agency partners and colleagues. Accordingly, we use good judgment when making decisions, and we take ownership for our actions.

DISCIPLINE

We demonstrate discipline in our thoughts and actions, always striving to improve our processes and never settling for mediocrity.

AGILITY

We are flexible and embrace innovation in order to align ourselves with our ever-changing world.

PASSION

We are dedicated to improving the well-being of our state and show pride and enthusiasm in providing quality services to our customers.

TEAMWORK

We care about each other, both professionally and personally, and we are cooperative with each other and our partners, uniting to achieve a common mission.

OUR AGENCY

The Arkansas Department of Workforce Services is a state agency that helps cushion the impact of economic downturns and brings economic stability to the state by assisting employers and job seekers with their employment needs.

Because DWS is a state agency, it does not earn a profit and does not measure success by business growth and expansion. The size of the agency's budget and the staffing levels are adapted to best meet the needs of the state and its customers, while balancing the requirements of stakeholders. The agency is unique from other Arkansas state agencies in that it is 99 percent federally funded with taxpayer dollars. Even though the agency is almost entirely funded with federal money, the Arkansas Legislature appropriates the agency's funds and has the authority to pass legislation affecting agency programs and services on a state level.

DWS provides a variety of employment-related products and services to more than 200,000 job seekers and approximately 70,000 employers on an annual basis. DWS offers these services at Arkansas Workforce Centers throughout the state. Additionally, DWS continues to build effective partnerships with other organizations to better serve customers.

OUR EMPLOYER SERVICES

DWS leverages state and/or federal funding and partnerships to identify workforce needs, support training programs and provide other products and services that offer employers, individuals and communities the opportunity to achieve and sustain economic prosperity.

Through Arkansas JobLink, employers have access to the largest, most diverse source of job seekers in the area. AWC trained staff can help facilitate the appropriate match between job seekers and job positions through key products and services:

- Identifying skill requirements and developing job postings
- Workforce skill assessments
- Recruitment and applicant screening for job openings
- Locating pertinent labor market information
- Training of new or incumbent employees

Identifying and helping to meet the workforce needs of Arkansas employers is critical for continued job creation.

HIGHLIGHTS Training Trust Fund

DWS obligated more than $1.2 million in training funds to assist

businesses and industries in training more than 1,400 new and incumbent workers. The Arkansas Pipe Trades Association was approved this funding to implement an Accelerated Welder Training Program. This program will result in 192 individuals receiving training that leads to certification and employability as an apprentice in the pipe fitting and pipe welding trades.

Educational Project of the Year Award

DWS provided training trust funds to develop a regional industrial maintenance training program for Green Bay Packaging's Arkansas Kraft Division.

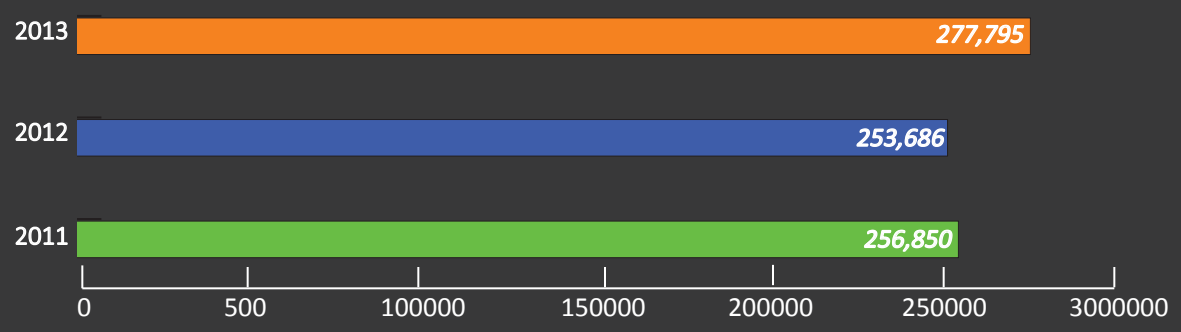
In January 2009, a Morrilton training site was formed by Green Bay Packaging and Arkansas Tech University-Ozark Campus for the purpose of educating Green Bay and other regional industry workers in industrial maintenance, electrical and instrumentation topics such as electronics, mechanical drive systems and hydraulics for industrial applications. During the 86th Annual Morrilton Chamber of Commerce Banquet and Award Ceremony held November 4, 2013, the partnership between Green Bay Packaging's Arkansas Kraft Division and Arkansas Tech University-Ozark Campus was named "Education Project of the Year." Because of these partnerships and resources, industries throughout the Arkansas River Valley are remaining viable and competitive in the global market.

OUR JOB SEEKER SERVICES

Statewide Arkansas Workforce Centers provide the latest information about high-demand occupations and worker availability, including salary and/or wage rates.

Whether an individual is looking for a job or seeking a better job, Arkansas Workforce Centers offer intensive services for those needing personal assistance, training for those who qualify, and assistance with job search skills such as résumé writing, interview preparation and access to a statewide referral system linking job seekers to job vacancies across the state. Auxiliary aids and services are available upon request to individuals with disabilities.

In 2013, ***277,795*** customers received employment-related services.



PROGRAM HIGHLIGHTS

DWS is committed to helping job seekers in their search for employment and in assisting employers to find qualified applicants.

DWS manages and administers multiple services and programs that are specialized for meeting the needs of job seekers, employers and the general public.

Microsoft IT Academy Program

Arkansas is the first state in the nation to offer the Microsoft IT Academy to adult job seekers. Previously, Microsoft IT Academy was only focused on high school students and educators in a classroom environment. Now, select Arkansas Workforce Centers offer adult instruction for the Microsoft IT Academy courses. Once completed, participants are then referred to an Arkansas Adult Education Center for the completion of the Microsoft product certification by way of a proctored exam.

Microsoft IT certifications differentiate persons in today's competitive job market and broaden their employment opportunities. Some of the products offered for training include Microsoft Word, Excel, Outlook, PowerPoint, Publisher, and more. Topics range from computer basics to high-level programming, along with information and communications technology management.

Arkansas Microsoft IT Academy is a partnership with Microsoft, Arkansas Department of Workforce Services, Arkansas Department of Education and Arkansas Department of Career Education.

CAREER READINESS CERTIFICATION

Career Readiness Certification is a portable credential that demonstrates attainment of workplace employability skills. Since its inception in January 2008, a total of 53,619 certifications have been awarded through December 31, 2013.

Employers are constantly seeking a competitive edge, and employers need employees who are workplace ready and have the foundational skills necessary to succeed. By hiring job seekers who have achieved an Arkansas Career Readiness Certification, hidden costs associated with lost production time, turnover and on-the-job training can be reduced.

Training takes less time and is more effective when employees enter the job with these foundational skills. Individuals can earn a CRC by taking three WorkKeys® assessments. These assessments measure "real world" skills in applied mathematics, locating information and reading for information—abilities that employers believe are critical to job success.

8,337 Certifications Issued in 2013

CRC Certification Levels*

Platinum—Level 6 17 issued
Individual demonstrates core employability skills for 99% of jobs.

Gold—Level 5 1,732 issued
Individual demonstrates core employability skills for 90% of jobs.

Silver—Level 4 5,180 issued
Individual demonstrates core employability skills for 65% of jobs.

Bronze—Level 3 1,408 issued
Individual demonstrates core employability skills for 30% of jobs.

**Levels based on WorkKeys® assessments for core employability skills on the profiled jobs.*

OCCUPATIONAL SKILLS ASSESSMENT

A new occupational skills assessment system is utilized within the Arkansas Workforce Centers to help customers assess their skills and identify other jobs for which they may be qualified.

Based on previous work and volunteer experience, the system compiles a job seeker's skills, matches that skill set to real-time job openings, identifies skill gaps and provides a list of educational and training institutions where those skill gaps can be addressed.

During 2013, regional training sessions were conducted for staff in order to provide consistent, quality assessments for all customers, as well as provide marketing tips to increase Arkansas' customer usage rates. Over 375 employees, from both the Department of Workforce Services and Workforce Investment Act partners, attended specialized training sessions. The occupational skills assessment system continued to gain momentum, with more than 35,000 assessments completed through 2013. This is a 69 percent increase over 2012.

DISCRETIONARY GRANTS

& SPECIAL PROGRAM HIGHLIGHTS

ARKANSAS ENERGY SECTOR PARTNERSHIP

The Arkansas Energy Sector Partnership program was established to develop and deploy curriculum and programs that prepare participants for careers in energy-efficient and green jobs.

The Department of Labor recognized the success of the AESP project by inviting the project team to attend a workshop for the highest performers nationwide to share best practices. Through community outreach and education programs, more than 14,835 Arkansans participated in energy-efficiency programs. The AESP video, showcasing the successful training programs, can be viewed at http://dws.arkansas.gov/Programs/AESP/index.htm.

- AESP achieved 171.5 percent of the entered training goal with 3,842 participants enrolled in AESP programs.
- AESP participants who completed their training and entered employment totaled 2,686 (176.4 percent of the program goal).
- AESP successfully recruited 1,855 members of priority populations (high school dropouts, offenders, unemployed workers and other disadvantaged, at-risk individuals) to participate in trainings, which is 618.3 percent of the original anticipated number of 300.
- Many incumbent workers who participated in a training program experienced a wage increase from 7 percent to 8 percent, based on a study of a statistically-significant random sampling of more than 500 incumbent workers.
- There were 603 AESP participants who received supportive services that enabled them to remain in training despite financial hardship.
- More than 92 courses and 7 apprenticeship programs have incorporated energy-efficiency curriculum that will be sustainable beyond the life of the grant.
- Through the life of the grant, which concluded in June 2013, a cumulative total of $2,301,540.71 in leveraged resources was utilized to support AESP grant activities.

ARKANSAS PARTNERSHIP FOR NURSING'S FUTURE

The Arkansas Partnership for Nursing's Future grant provides funding to enable Arkansas workers statewide to be trained for careers in the nursing profession, which include Certified Nursing Assistants, Licensed Practical Nurses, Associate Degree Nurses and Bachelor of Science Degree Nurses.

This $4.9 million grant, received in 2012 from the Department of Labor, will train a total of 1,500 participants during the grant's timeframe of April 1, 2012, to April 2, 2016. In 2013, the Arkansas Partnership for Nursing's Future had already reached close to 40 percent (approx. 600 participants) to be served.

ARKANSAS VETERANS EDUCATION AND TRAINING PARTNERSHIP

The Arkansas Veterans Education and Training Partnership provides resources for veterans to enter training programs for targeted renewable and energy-efficiency industries, healthcare professions and other occupations that are identified as high-demand occupations in Arkansas.

AVETP met all of its goals in the first year of the three-year grant, which ends June 30, 2015. Thus far, AVETP has assisted 173 veterans, or 38.4 percent of the total three-year goal of 450, with training and/or supportive services. AVETP has placed 100 participants who have completed training into employment, which is 28.1 percent of the total grant goal. Partners in this program include DWS Veterans staff, Arkansas Association of Two-Year Colleges and the Arkansas Apprenticeship Coalition.

JOBS FOR VETERANS

The state's commitment to serving our veterans population is strong. Through this federal grant, the state educates employers and job seekers of the services available to veterans and ensures that Arkansas Workforce Centers adhere to priority of service to veterans.

Through the Veterans Retraining and Assistance Program (VRAP), the state continues to provide employment and training opportunities to veterans. As of June 27, 2013, Arkansas has received 1,017 approved applications, and 601 participants have entered training in high-demand occupations.

Local office staff are educated on the specific tools directed at providing customized training to veterans.

OUR OUTREACH EFFORTS

CAREER EXPOS

DWS and Arkansas Workforce Centers employees participated in career and business expos all around the state. These expos are equal opportunity events for job seekers and employers alike. Employers meet, inform and interview hundreds of potential applicants, while job seekers have the opportunity to ask questions and make valuable connections. DWS and AWC offer a multitude of services and programs to help bring those job seekers and employers together.

FACEBOOK PAGE

The DWS Facebook page was launched in June 2012 as another avenue to connect job seekers with employers. In 2013, DWS posted over 475 jobs, averaging approximately eight listings weekly. The DWS fan base is made up from 48 different cities around the state and continues to grow.

GOVERNOR'S DISLOCATED WORKER TASK FORCE

The expertise of Arkansas Department of Workforce Services, Arkansas Economic Development Commission, AFL-CIO, Workforce Investment Areas and other agencies, as appropriate, are united to meet the needs of dislocated workers and employers.

In 2013, the task force responded to more than 89 company layoffs or closures affecting 6,555 workers. More than 4,000 workers were served at 72 Worker Assistance Workshops. Additionally, the transition centers program was successful in helping many dislocated workers find other employment without having to apply for unemployment insurance benefits. A new mobile workforce unit was added to the task force fleet. During 2013, the mobile units were utilized at 79 events statewide to assist job seekers and employers and/or supported 40 opportunity fairs, along with 10 transitional centers.

INFORMATION DESK

Providing a single point of contact for handling customer issues.

The primary purpose of the DWS Information Desk, implemented in April 2012, is to provide a single point of contact for handling customer issues in an efficient and timely manner. The significance of this program is evidenced by the more than 8,400 inquiries fielded in 2013. Sixty-seven percent of these calls were handled solely by the Information Desk staff, without transferring to a subject matter expert. The Information Desk staff also follows up with callers to ensure their inquiries are resolved satisfactorily. The follow-up is designed to be completed within two business days of the call resolution.

OUR IMPROVED FACILITIES

Arkansas Workforce Center-Hope

DWS and its partners collaborate to provide comprehensive services to employers and job seekers at the Arkansas Workforce Centers located throughout the state.

These convenient "one-stop" centers are designed to eliminate the need to visit multiple locations. The centers integrate various workforce development programs into a single system, making the resources much more accessible and user-friendly to job seekers, as well as expanding services to employers.

HOPE PROJECT

The Arkansas Workforce Center at Hope was relocated to the former Hope Migrant Farm Labor Center. The project was completed in November 2013 and includes approximately 7,500 sq. ft. of usable office space. The new facility reflects a more modern design, is energy-efficient and uses more ambient lighting.

GRAND OPENINGS

Arkansas Workforce Centers continue to strive in meeting the changing needs of Arkansas' workforce, ensuring that each office is easily accessible and customer friendly. Many of the challenges are met daily by providing well-trained, service-oriented staff. Both Blytheville and Helena offices held grand opening celebrations in 2013 to better serve and support the needs of their customers.

Helena

Three offices relocated to the **Helena Arkansas Workforce Center,** which now houses Temporary Assistance for Needy Families, previously located at Marianna, and both the Helena TANF office and the Employment Services/Unemployment Insurance office.

The **Blytheville Arkansas Workforce Center** office relocated to the Arkansas Northeastern College Campus, giving better access to agency programs and services.

Blytheville

OUR ACHIEVEMENT AWARD

GOVERNOR'S QUALITY AWARD PROGRAM

DWS was presented the Achievement Award during the 19th Annual Awards Celebration for the Governor's Quality Award Program held on September 16, 2013. The Achievement Award is designated for those organizations that have demonstrated systematic and notable processes through their commitment and practice of quality principles to achieve performance excellence. DWS was one of sixteen organizations that received a quality award.

The Governor's Quality Award program in Arkansas includes four award levels (in descending order of qualifications): Governor's Award, Achievement Award, Commitment Award and Challenge Award.

(l-r) AEDC Executive Director Grant Tennille, DWS Director Artee Williams, Lockheed Martin Quality Engineer Manager Kenny Loyd

(l-r, 1st row) Kim Friedman, Artee Williams, Lauren Goins, Roger Harrod
(l-r, 2nd row) Ron Calkins, Ken Ferguson, Earnest Sweat, Phil Harris

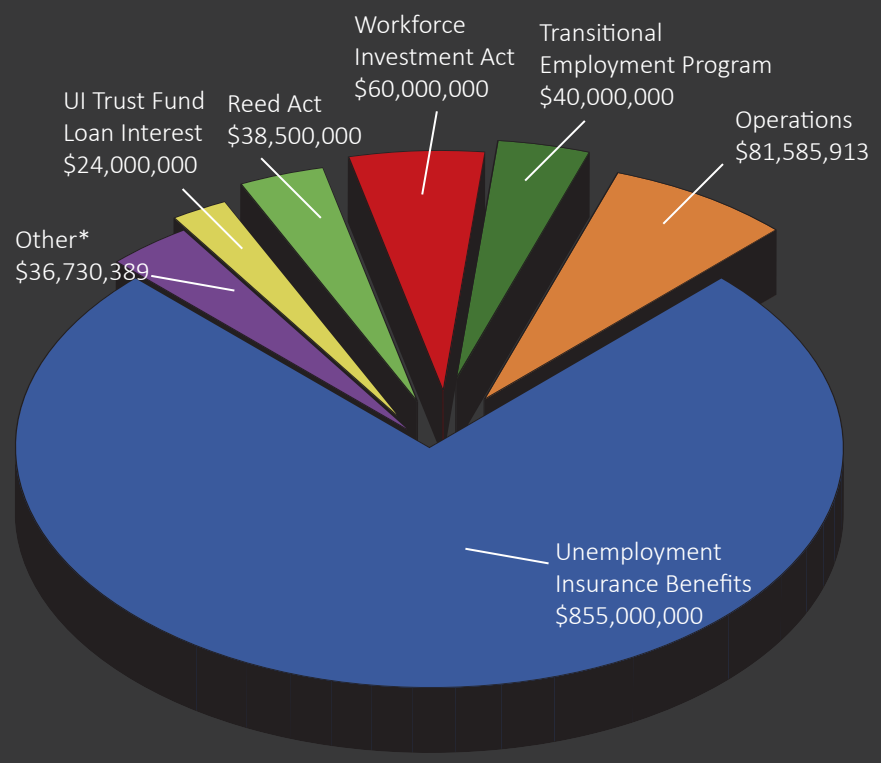
Organizations that apply for a quality award in Arkansas are assessed against the Malcolm Baldrige National Quality Award criteria. The criteria provide organizations with an integrated results-oriented framework for implementing and assessing processes for managing all operations. The criteria are a set of questions organized into seven major categories: (1) Leadership; (2) Strategic Planning; (3) Customer Focus; (4) Measurement, Analysis and Knowledge Management; (5) Workforce [Human Resource] Focus; (6) Operations Focus; and (7) Results. Organizations use this framework to tailor their systems and processes toward ever-improving quality performance.

In addition to the recognition, DWS received an in-depth evaluation of its management systems and a written feedback report citing strengths and areas for improvement. DWS plans to use this feedback report to make significant changes that will increase the value of its services to customers and stakeholders.

OUR FINANCIAL DATA

Grants	FY 2013-2014
Unemployment Insurance Benefits	$ 855,000,000
Operations	$ 81,585,913
Transitional Employment Program	$ 40,000,000
Workforce Investment Act	$ 60,000,000
Reed Act	$ 38,500,000
UI Trust Fund Loan Interest	$ 24,000,000
Training Allowances & Payments*	$ 7,000,000
Special Fund*	$ 11,330,389
Disaster Relief Payments*	$ 5,000,000
Training Trust Fund*	$ 5,000,000
UI Administration Fund*	$ 5,000,000
Individual Development Account Trust Fund*	$ 1,700,000
Workforce Investment Act ARRA*	$ 200,000
Loans to Workforce Investment Boards*	$ 1,500,000
Total:	**$1,135,816,302**

**Noted in "Other" category portion of chart*



UI Trust Fund Status

Unemployment Insurance Trust Fund

December 31, 2013

Beginning Balance, January 1, 2013	$ 81,430,959
Receipts	
UI Contributions	$351,300,088
Reimbursable Employers: Local Govt, State & Not-for-Profit	$ 19,887,931
Reimbursement from Other States	$ 20,594,411
Rent Income	$ 8,769
Total Receipts	$391,791,199
Total Balance Available to Pay UI Benefits	$473,222,158
Disbursements	
Unemployment Benefits Payments	$295,621,987
Interstate Benefits	$ 6,182,099
Repayment of Title XII Advances	$ 75,000,000
Total Disbursements	$376,804,086
Excess (Deficiency) of Receipts over Disbursements	$ 14,987,113
Ending Balance, December 31, 2013	$ 96,418,072

AGENCY STATISTICS

- A total of 277,795 individuals received employment assistance.

- A total of $301,804,086 was paid in regular unemployment insurance, military and federal benefits, and Emergency Unemployment Compensation.

- Employers filed 109,412 quarterly wage reports totaling $105,454,221.28 through the online UI tax filing, wage reporting and payment site.

- A total of 25,042 individuals from targeted populations were certified for the Work Opportunity Tax Credit, resulting in potential tax credits of $61,188,600 for Arkansas employers.

- A total of 6,327 Career Pathway enrollments, with 1,048 receiving employability certificates; 562 receiving technical certificates; 769 earning associate degrees; 487 receiving certificates of proficiency; and 23 earning their GEDs.

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DWS maintains multiple websites to assist job seekers, employers and the general public.

www.dws.arkansas.gov • www.ARJobLink.com • www.discover.arkansas.gov

www.arjoblink.arkansas.gov • www.ArkansasAtWork.org • www.careerwatch.org

Arkansas Department of Worforce Services
#2 Capitol Mall | P.O. Box 2981 | Little Rock, AR 72203
www.dws.arkansas.gov | 855-225-4440
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Voice 1-800-285-1121 | TDD 1-800-285-1131