

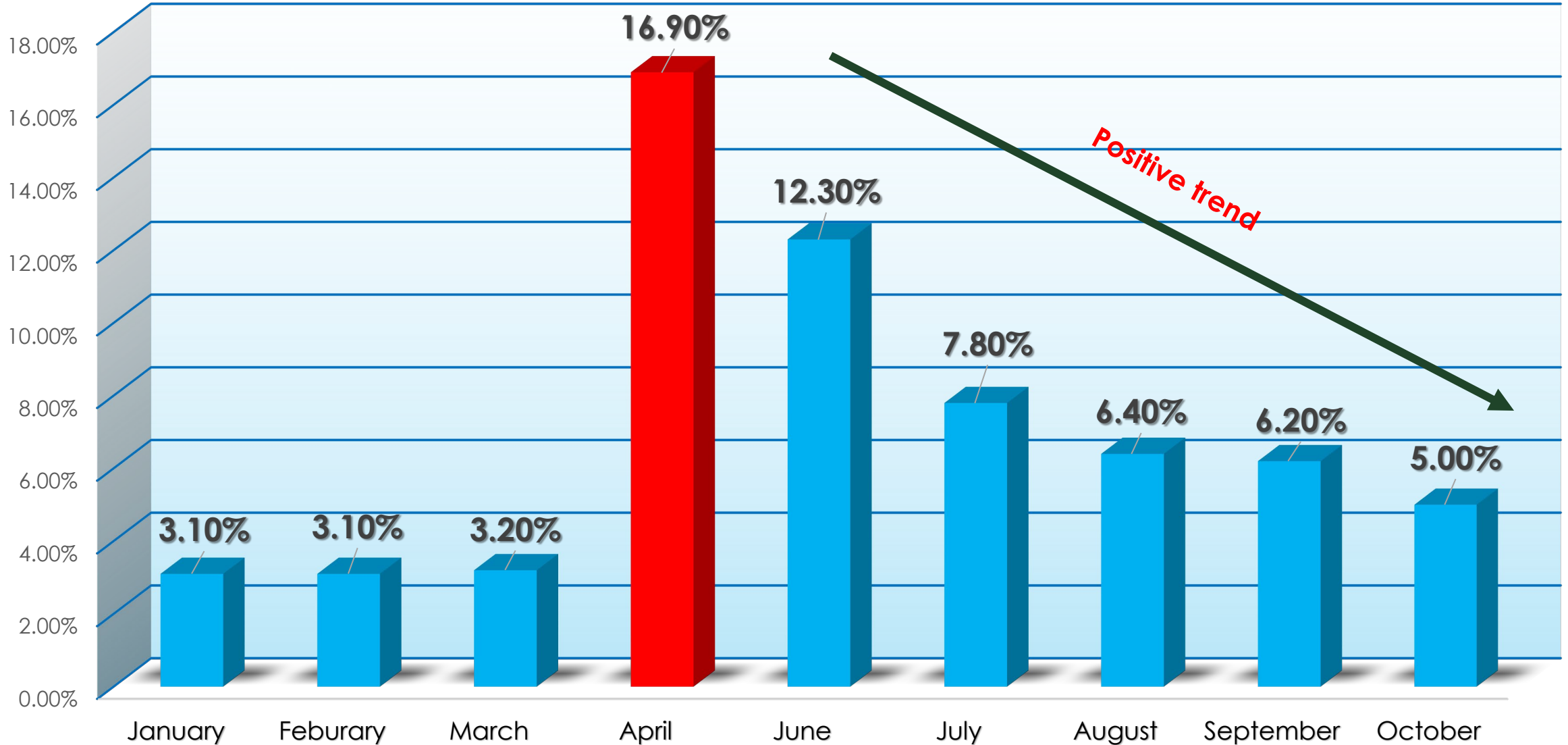
Indiana's Workforce Development System

Fred Payne, Commissioner
Department of Workforce Development

AGENDA

- **Economic Overview**
- **Department of Workforce Development Agency Overview**
 - **Workforce Programs**
 - **Office of Work-Based Learning and Apprenticeship**
 - **Unemployment Insurance Program**
- **2021-2023 Budget Request**
- **Vision/Direction**

Indiana Unemployment Rate 2020

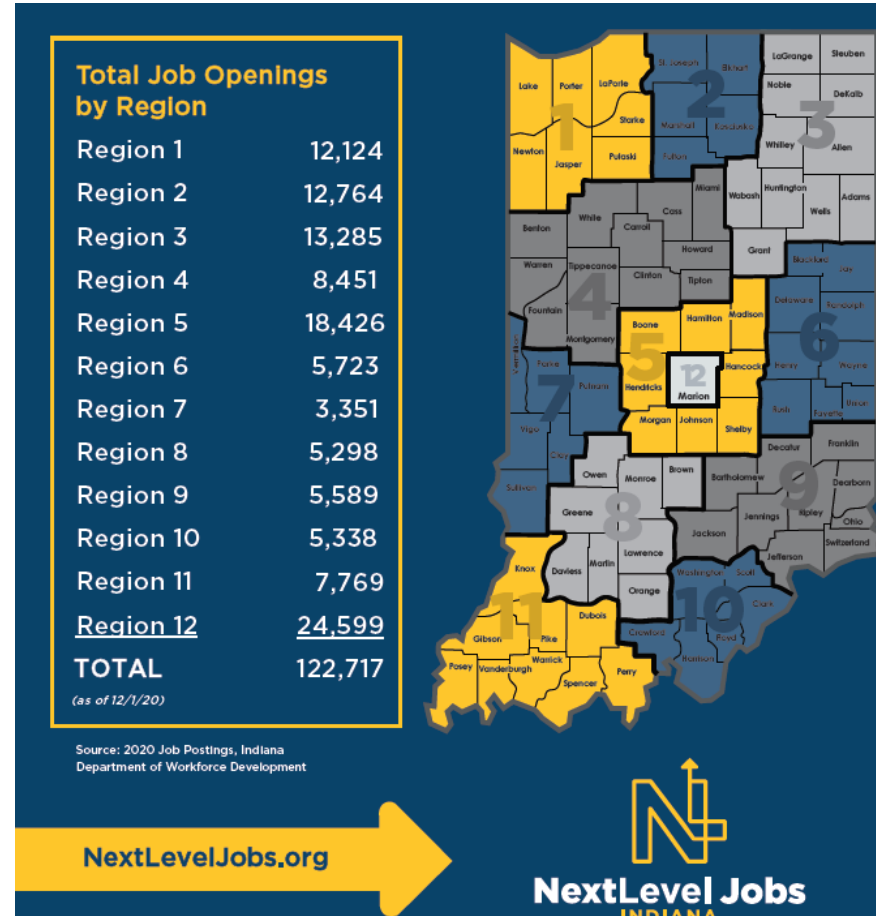


INDIANA'S RECOVERING LABOR MARKET

- **Current Unemployment Rate:** 5.0% (5% previously in April 2015) v. National Rate of 6.9%
 - Below national average for more than 6 years
 - 2nd Lowest in the Midwest (MN at 4.6%)
- **Labor Force:** -48,000 Hoosiers since beginning of pandemic
 - Approx. 3.34M Hoosiers in the labor market.
- **Labor Force Participation Rate:** 63.1% (64.4% Jan) v. National Rate of 61.7% (63.4 Jan)
- **Largest Industries:**
 - Trade, Transportation, & Utilities
 - Manufacturing
- **120,000 Job posting around the state**

Job Openings

- Job postings from around the state
- WDB regions

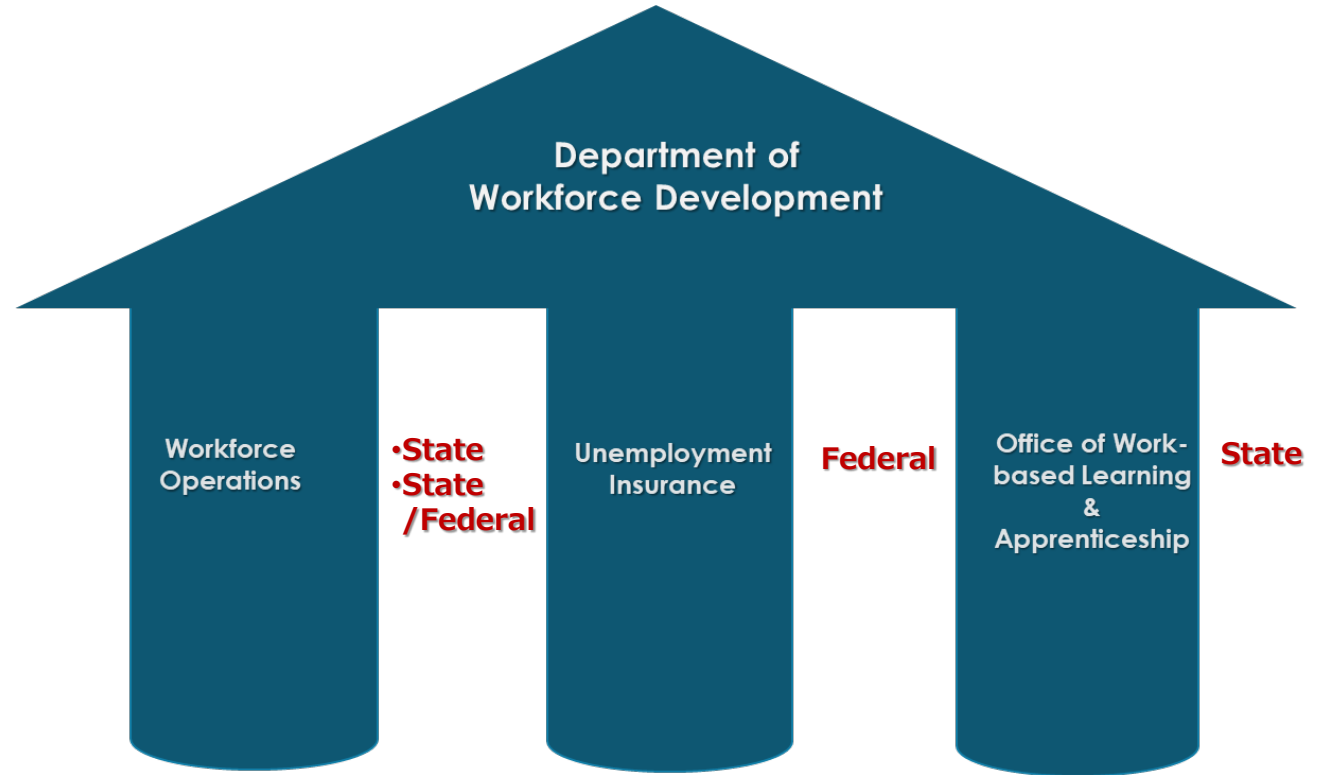


Despite high unemployment,
employers around the state are hiring

STRUCTURE OF DWD

3 PILLARS

**Employment & Re-
Employment Agency
with three pillars to
serve Hoosiers**



DWD provides Hoosiers with employment & re-employment services using three pillars

STRUCTURE OF DWD

3 PILLARS

**WF Operations
contains programs
that are both federally
and state funded**



Workforce operations have both federally and state funded programs

2019-2020 WORKFORCE PROGRAMS SUMMARY

- **Next Levels Jobs** program has resulted in **2068** engaged employers and more than **30,000** individuals trained between the Employer Training Grant and the Workforce Ready Grant since inception.
- **\$5,850** annual wage increase, on average, of Next Level Jobs participants.
- **Adult Education** served **89,000** individuals connecting them to secondary credentials and post-secondary certifications since inception.
 - **16,211 HSE's awarded Ranked #3 in the Nation.**
 - **67% of all enrollments obtain Measurable Skill Gain or HSE – Ranked #1 in the Nation.**
 - **Integrated Education and Training participants 81% employed 4th quarter after exit.**

2019-2020 WORKFORCE PROGRAMS RE-CAP

- **Jobs for America's Graduates (JAG)** Indiana has the largest JAG network in the country with **130** programs, serving more than **7,800** at-risk teens.
 - **96%** graduation rate
 - **91%** with Military/Career/Post Secondary plans
 - More than **\$16M** in scholarships for JAG Graduates
- **Re-employment Services – RESEA & Jobs for Hoosiers**
 - Provides for introduction to WorkOne services and key workshops designed to get UI recipients re-employed quickly
 - **20,007** participants
 - Transitioned from in-person to a hybrid of in-person, virtual, and telephonic services

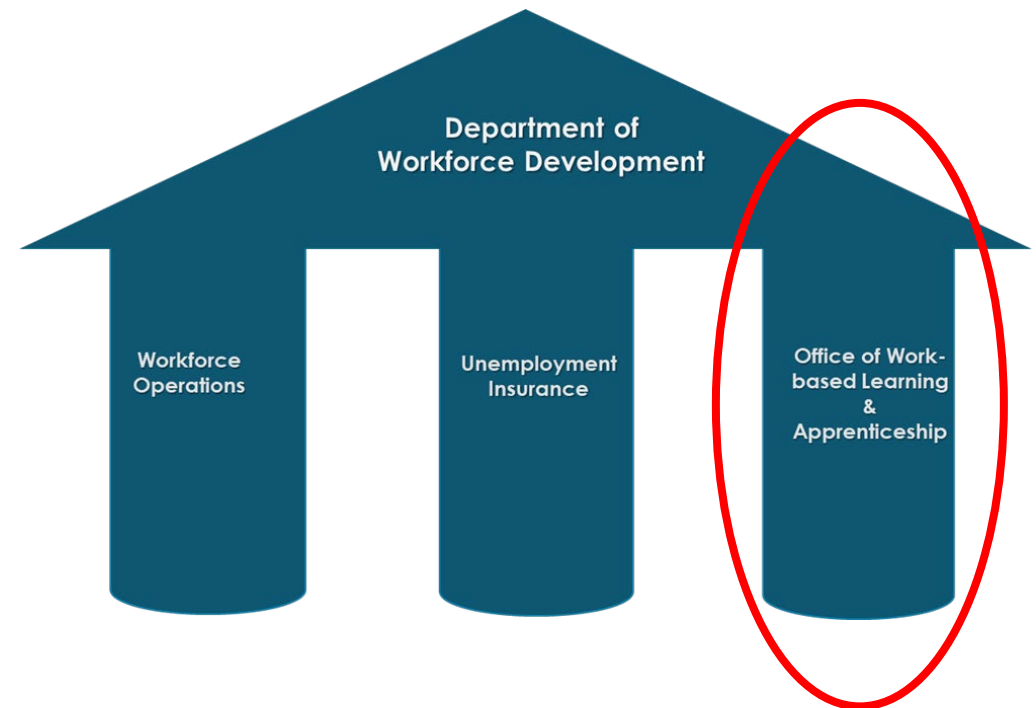
Key Points

- Indiana JAG continues to be a national leader
- More than 20k Hoosiers participants served through RESEA

STRUCTURE OF DWD

3 PILLARS

Office of Work-Based Learning (OWBLA)
increasing work-based learning and apprenticeships throughout the state



OWBLA is funded with state and federal dollars

Office of Work-Based Learning & Apprenticeship Key Accomplishments

- **193% increase in work-based learning and apprenticeship participants through the end of 2019.** Original goal = double the number of Hoosiers in WBL by the end of 2019 from 12,500 to 25,000. As of December 31, 2019, there were **over 35,000** participants.
- **Creation of more than 100 certified State Earn and Learn (SEAL) programs with schools & businesses.** In 2020 we shifted our focus to comprehensive WBL programs. Those include certified SEALs and U.S. DOL registered apprenticeship. Together there are more than **1,216 programs** throughout the state for youth and adults.
- **National Rankings for new apprenticeship programs and program completions.** Since OWBLA's inception in 2018, Indiana has ranked as high as **#2** in the country for the number of new U.S. DOL registered apprentices and ranks consistently at **#3** for apprenticeship completions.

Key Points

- Exceeded original goals
- Created recognized programs for schools & businesses
- Nationally ranked

Office of Work-Based Learning & Apprenticeship Key Accomplishments

- **Awarded more than \$3million in U.S. DOL expansion funds with nearly 5,000 program participants.** Demographics: Female = 34%, Black = 44%; White = 43%, 9% = Hispanic.
- **Strengthened partnerships with Workforce Development Boards.** This is part of OWBLA's plan to gain efficiencies & effectiveness in building a statewide system of apprenticeship and regional SEALs.
- **Creation of programs in all key economic sectors.** All five key economic sectors have current comprehensive SEAL programs: Advanced Manufacturing – 34%, Health and Life Sciences – 32%, Building and Construction – 11%, IT and Business Services – 10%, Transportation and Logistics – 5%.
- **Stronger education, union, and community partnerships.** OWBLA has worked with professional organizations, sector partnerships, and industry networks to support and promote the scaling of work-based learning statewide.-12

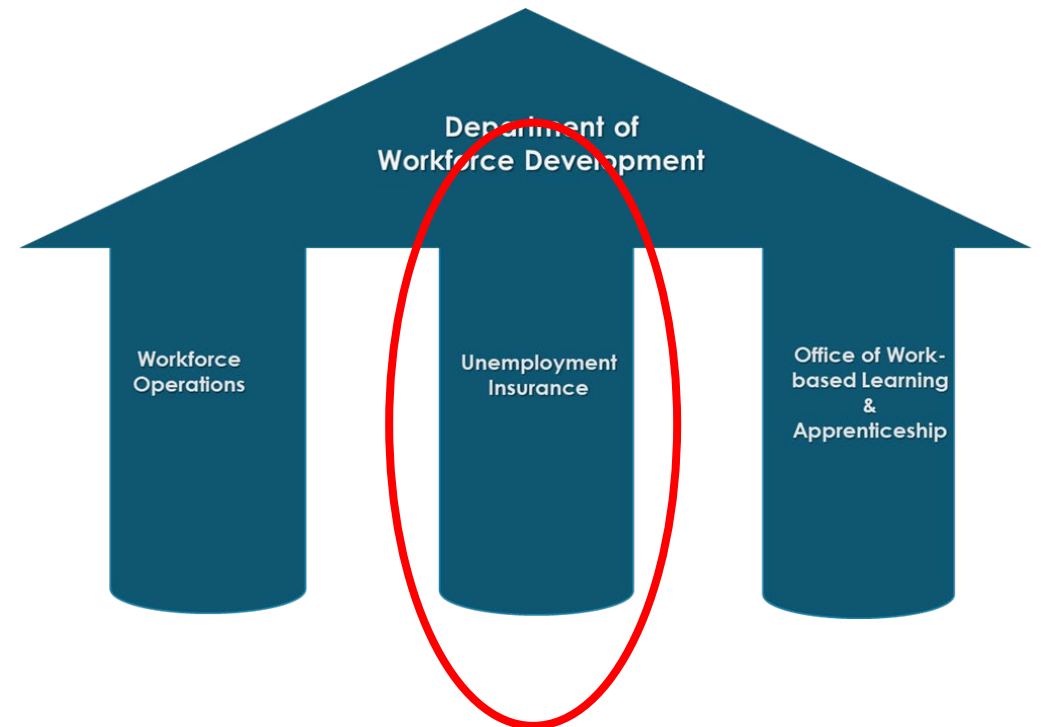
Key Points

- More than 5k program participants served with DOL funding
- Strengthened partnerships
- Programs created in five key economic sectors

STRUCTURE OF DWD

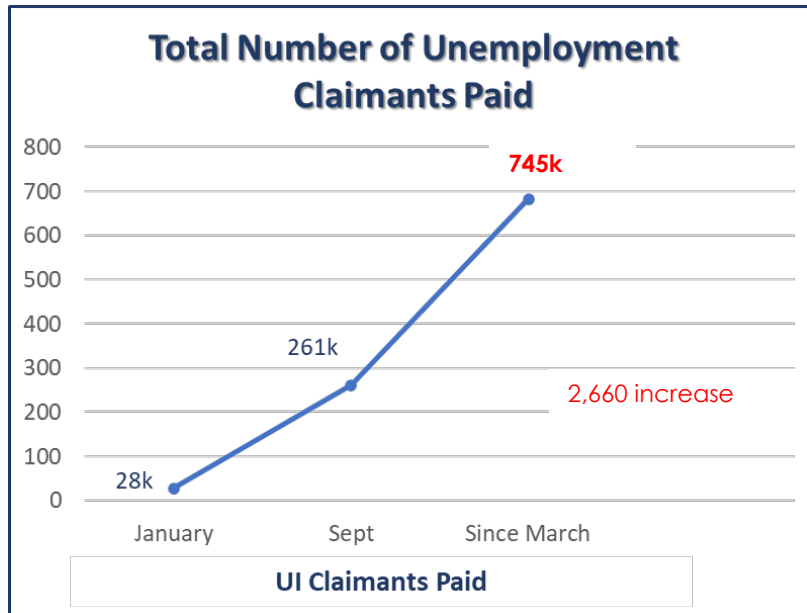
3 PILLARS

**Unemployment insurance
program** funded with
federal dollars

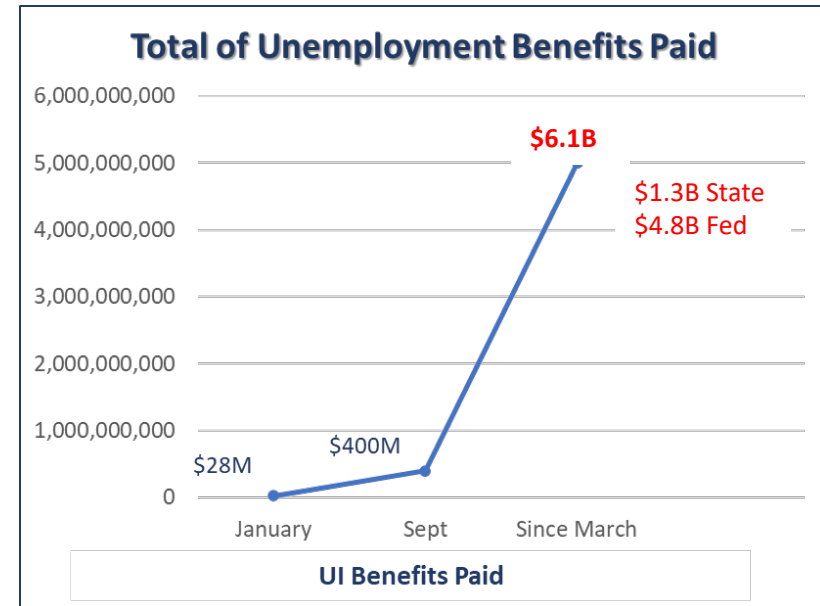


Unemployment insurance administration

UI Claims Payment Summary



extreme
spikes in
volume

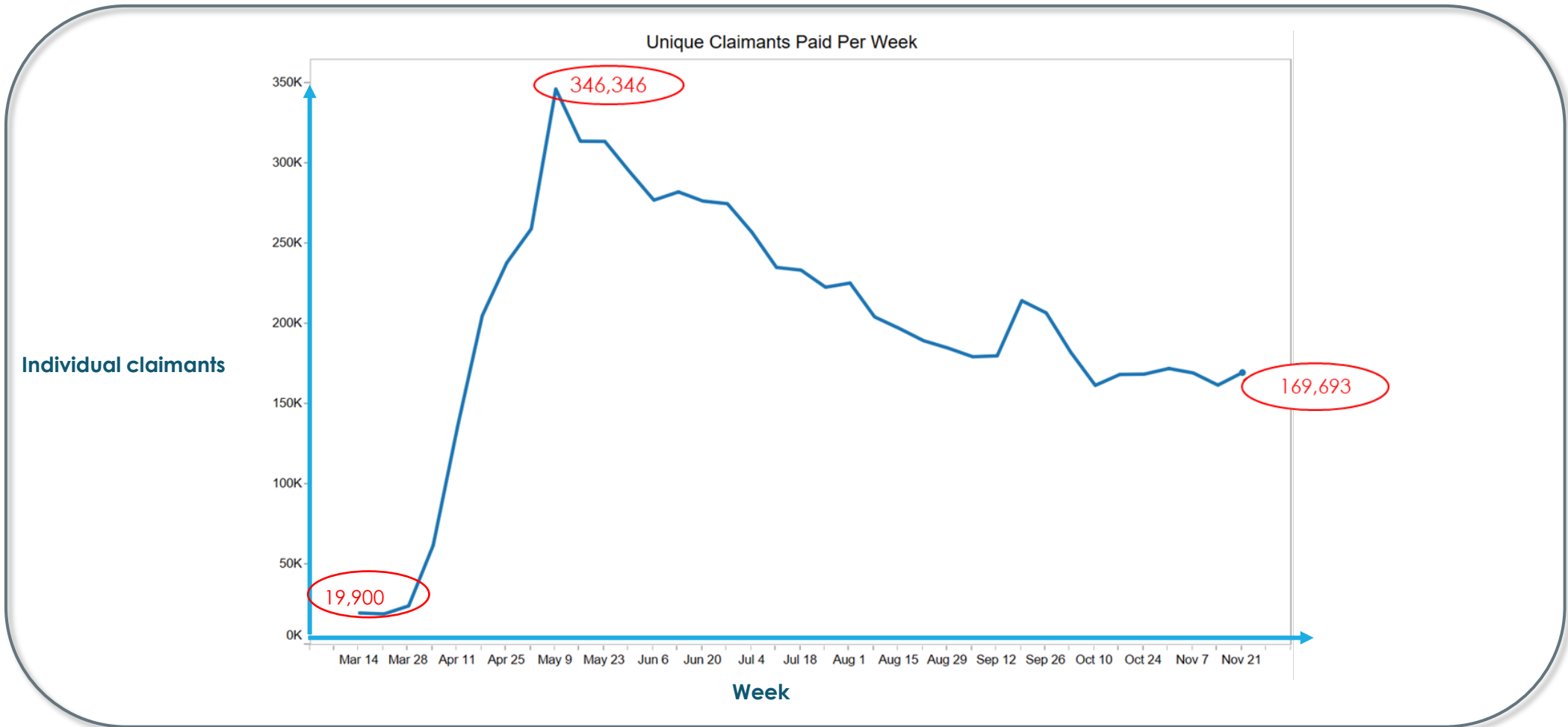


- Number of claims increased by 2,660% in short period of time
- Implemented new federal programs to deliver increased benefit payments

UI pandemic plan & strategy

- **Plan:** Pay 85% of claims within 21 days & implement federal programs
- **Strategy:** Increase the use of targeted automation, technology & manpower

Weekly Payment of Claims



Key Points

- Unique individual claims paid peaked in May
- Consistently trending down since April 25th

UI STAFF INCREASES

- Pre-COVID: 436 - Nov. 1, 2020: 1128

CONTACT CENTER

- Pre-COVID: 8,600 calls received first week of March 2
- COVID Calls:
 - March/April: 200-250K calls received per week
 - May/July: 125-200k per week
 - Aug/Sept: 105-115k per week
 - Oct: 60-75k per week
- Wait times: 3 min 39 sec average in Oct.

BENEFITS

- Pre-COVID: 21k claimants (avg) paid weekly in March
- COVID: High of 346k claimants paid in May to avg. of 170k claimants paid in Oct.

Changes in 3 Hi-Impact Areas

1. Staff
2. Contact Center
3. Benefits

Operational Changes

Who	Change
Navient	Call center; also added Adjudication and Fraud assistance
NetFor	Implemented telephone filing for those without internet access; added Contact Center and Special Claims work
Staff	Massive hiring and training (condensed and virtual)
Staff	<ul style="list-style-type: none"> Transitioned 80% to remote. Providing TA & monitoring production Implemented virtual desktop: IT solution for teleworking
Staff	Executive order changes: 1) waived waiting week, 2) work search waiver, 3) able/available (childcare, sick, etc)
Staff	Increase auto-adjudication (balance quick decision & payment accuracy)
Staff	Reopened DWD at Gov Center, including IDVA space & computer labs
Staff	Constant review of workflow, production, staffing needs

Federal Program Implementation

Program	Terms
PUC: Pandemic Unemployment Compensation	\$600 weekly add-on (March 27- July 25)
PUA: Pandemic Unemployment Assistance	Weekly UI benefits for independent contractors, self employed, others (March-Dec 2020)
PEUC & EB: Pandemic Emergency Unemployment Compensation & Extended benefits	Both programs offer an additional 13 weeks of UI benefits, one via CARES Act and one via permanent UI law. Both have different rules.
Funding for reimbursable employers	50% reimbursement of UI charges for reimbursable employers
LWA: Lost Wage Assistance	\$300 weekly add-on (Aug 1-Sept 5)
Implementation of programs required: IT changes, staff training, claimant and employer education, and general change management	

Successfully implemented operational changes to meet the moment & federal program requirements

FRAUD PREVENTION AND DETECTION

Fraud Tools:

- **Data analytics:** Identify opportunistic fraudsters through the data they provide
- **Increased ID** verification, including ID.Me
- **Integration** with the Integrity Data Hub (NASWA): multi-state crossmatch, suspicious actor repository, and ID verification
- **Share information**/partner with OIG, ISP, FBI, Secret Service
- **Working more closely** with Key Bank, as well as other banks where fraud is occurring (Well Fargo, Sutton, Green Dot)
- **Increased security** when bank account changed (2 factor authentication and messaging to claimants)

Examples of Fraud Activity

- ID Theft
- Collecting UI while working
- Account take-overs

States W/Heaviest Activity

- AZ
- CO
- MD
- NY
- OH
- TX
- WA

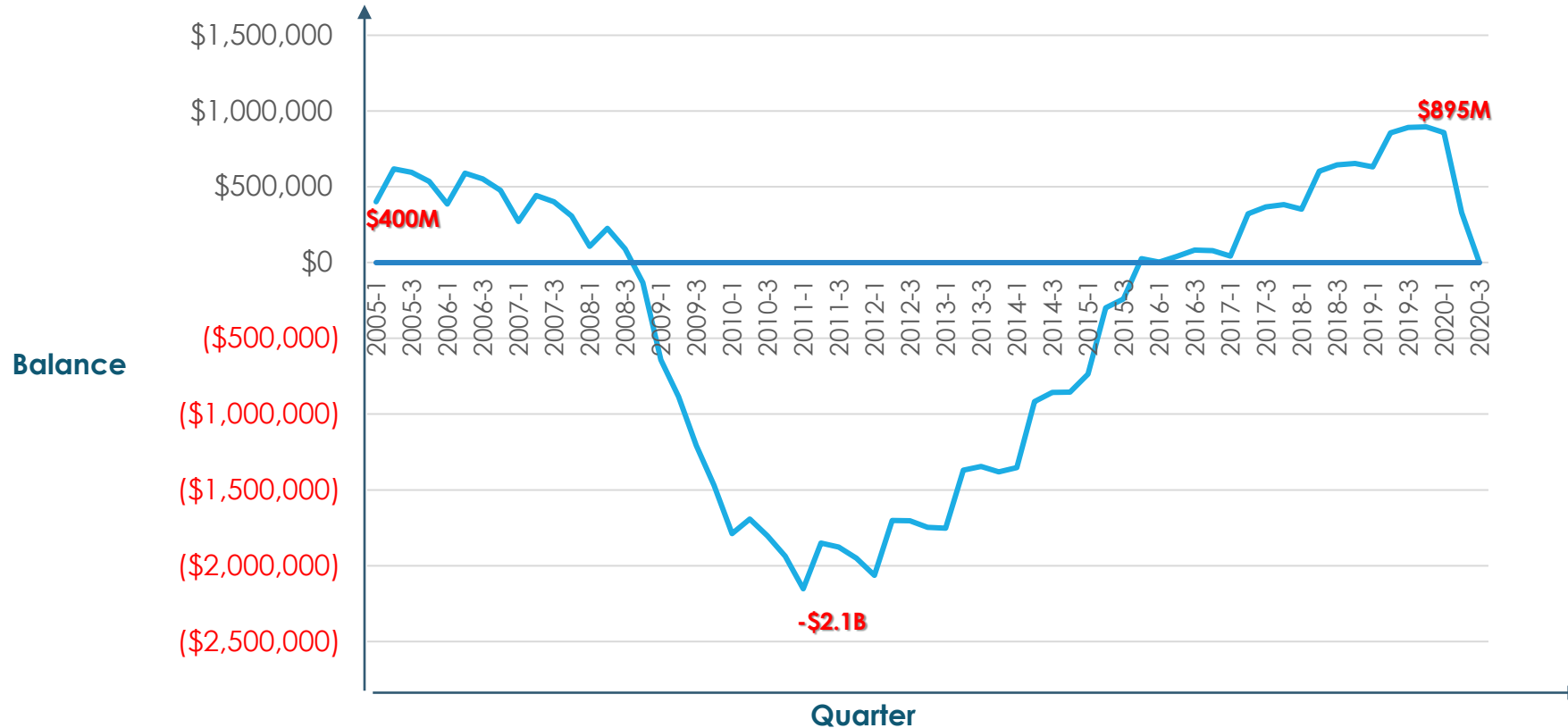
Fraudsters made big push at Indiana in July. We began “locking claims” and added multiple identification checks.

Key Points

- * Fraud increased nation-wide
- * Partnering with state and federal authorities
- * Increased fraud detection & prevention tools
- * Increased public awareness (articles, social media posts, interviews, emails to claimants & businesses)

UNEMPLOYMENT INSURANCE TRUST FUND BALANCE

Trust Fund Quarterly Balance Chart



- Trust fund balance consistently increased since 2011
- Highest trust fund balance earlier this year

- **Current Net Loan Balance as of 11/23/20: \$85M**
- **Interest:**
 - Waived through end of 2020
 - Interest should be around 2.4%
- **FUTA Credit Reductions:**
 - If outstanding advance on January 1 of two consecutive years, employers are subject to a credit reduction of 0.3%.
 - $0.3\% \times \$7000 = \$21/\text{employee}$
 - Credit reduction increases annually
- **Rate Adjustments:**
 - Same Schedule due to 2020 legislation
 - Rates impacted

- Began federal borrowing in October 2020
- No interest during 2020

2021-2023 Budget Request

DWD 2021-2023 REQUEST

Appropriation	FY22 & FY23 Request/year
NLJ Employer Training Grant	\$16,964,066
Adult Education	\$12,985,041
Dropout Prevention/JAG	\$6,800,000
Workforce Ready Grant	\$3,000,000
OWB & Apprenticeship	\$510,000
DWD Other	\$2,431,518
TOTAL	\$42,690,625

- 2021-2023 Budget Request
- Training & education

Vision/Direction

Theme: Serving Hoosiers through COVID 19, while accelerating our forward recovery

RECOVERY FORWARD

1. Increase job training, including short term high wage/high demand job certifications, resulting in an increase in median income, and post secondary credential attainment.
 - Continued program alignment
 - Enhance job & skill matching abilities
2. Administration of federal UI assistance programs & transition as appropriate.
 - Prepared to ramp up/down federal pandemic programs

FOCUS

1. Increased education/skills training and proper program alignment
2. Enhance job & skills matching through technology and partnerships
3. UI administration (continue to evolve with federal government)

Thank You!