



2013-2015 Budget Overview

Laurie Warner – Director

David Gerstenfeld – Unemployment Insurance

Graham Slater – Workforce & Economic Research

Martin Burrows – Business & Employment Services

Kara Waddell – Child Care Division

Karla Forsythe – Office of Administrative Hearings

April 2-4, 2013

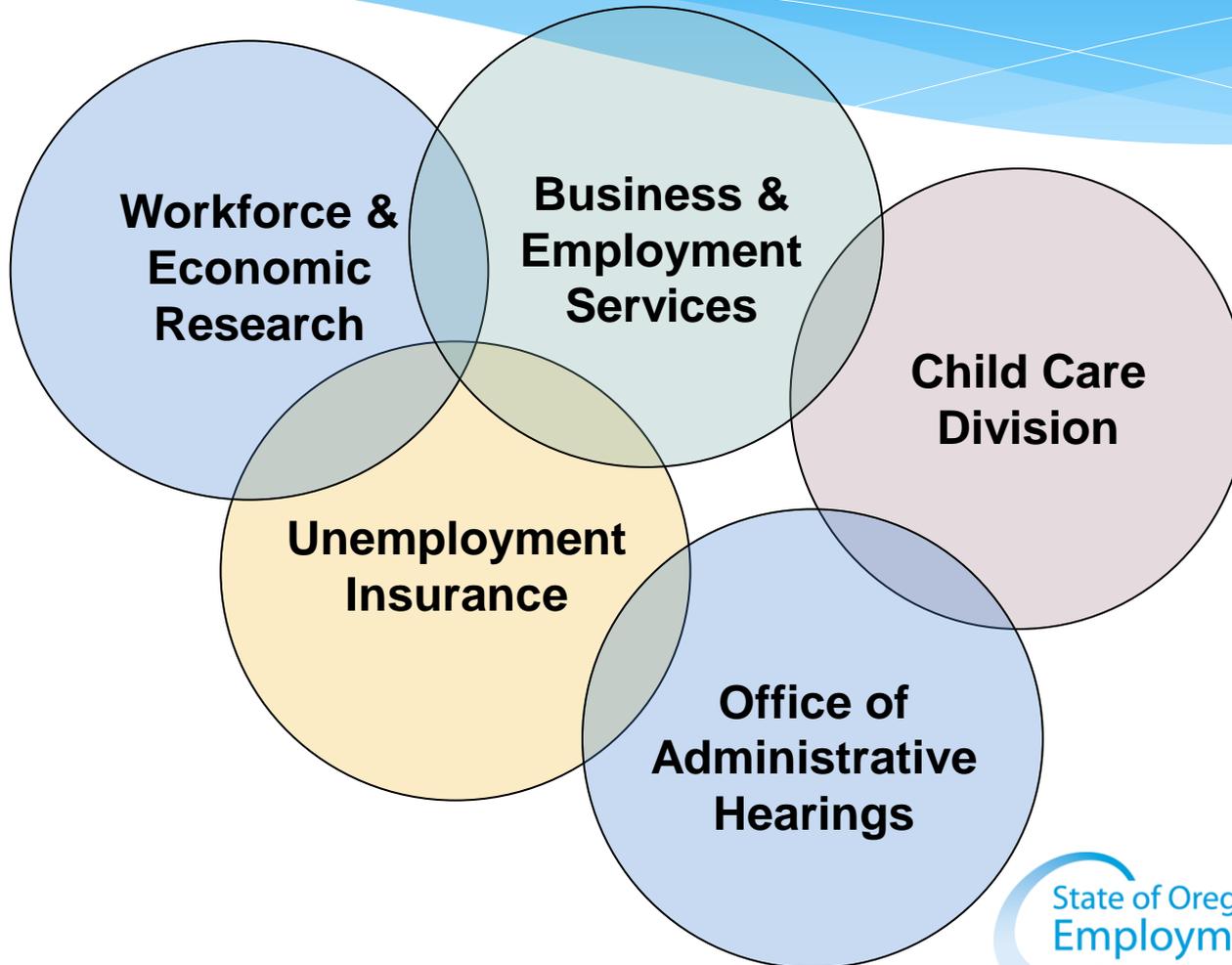
Agency Mission

The Mission of the Employment Department:
Support Business and Promote Employment



Department Programs Interrelated

Workforce & Economic Research - Unemployment Insurance -
Business & Employment Services - Child Care Division -
Office of Administrative Hearings



History

- 1913 The Public Employment Bureau
- 1930's The Great Depression
 - Employment Services
 - Unemployment Insurance
- 1940's Employment & Unemployment Statistics
- 1990's Child Care Division and the Office of Administrative Hearings

2013-15 Budget by Funding Type

Administration

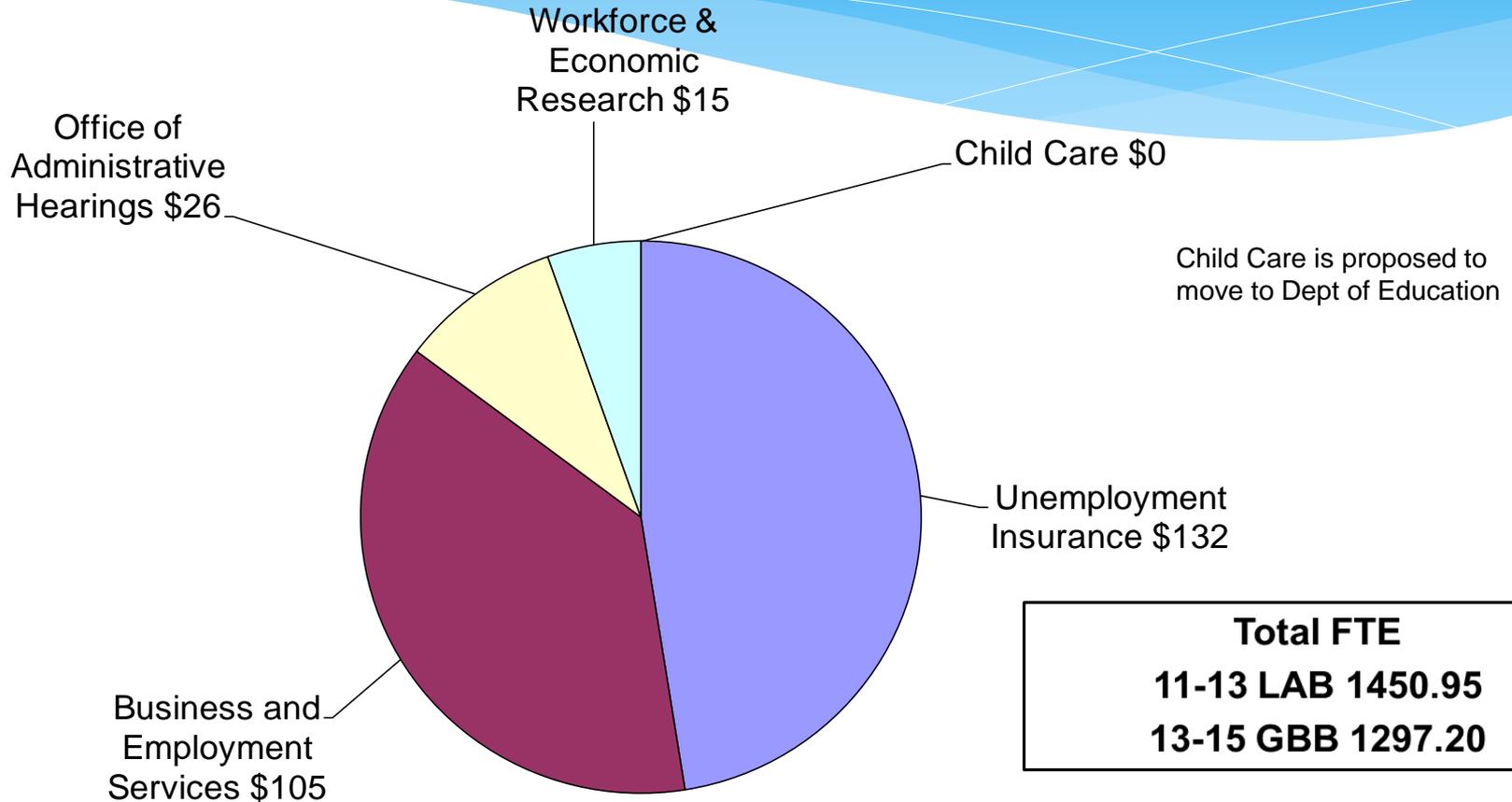
- General Fund \$0
- Other Fund \$122 million
- Federal Fund \$157 million

Unemployment Insurance Benefits

- Other Fund (Non-Limited) \$1.6 billion
- Federal Fund (Non-Limited) \$110 million

2013-15 Budget: Agency Operations

In Millions



2013-15 Administration Funding

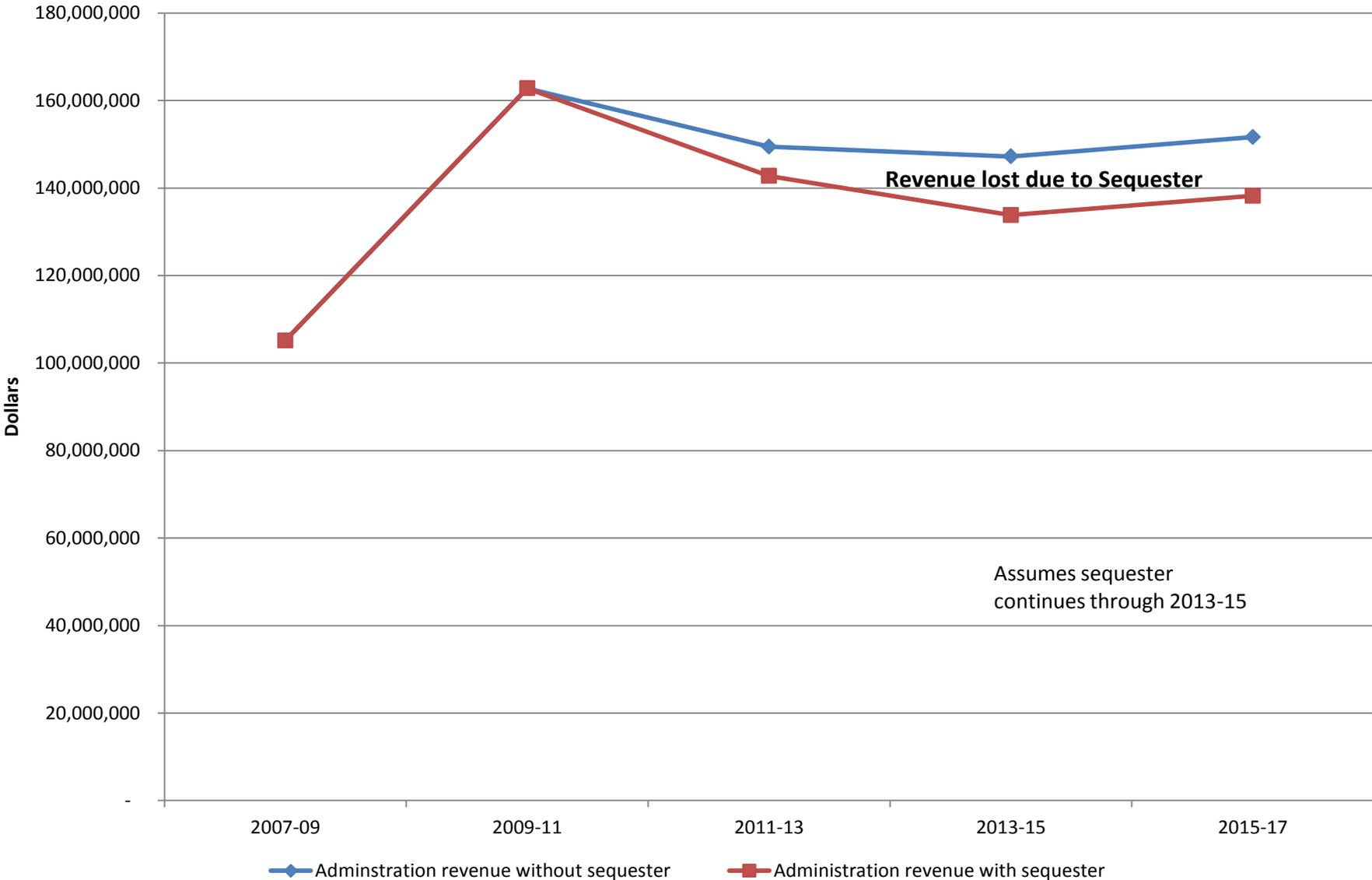
Major Federal Funds - ongoing

- Unemployment Insurance Administration
- Employment Services
- Veterans Employment Services
- Trade Act
- Bureau of Labor Statistics

Major Other Funds - ongoing

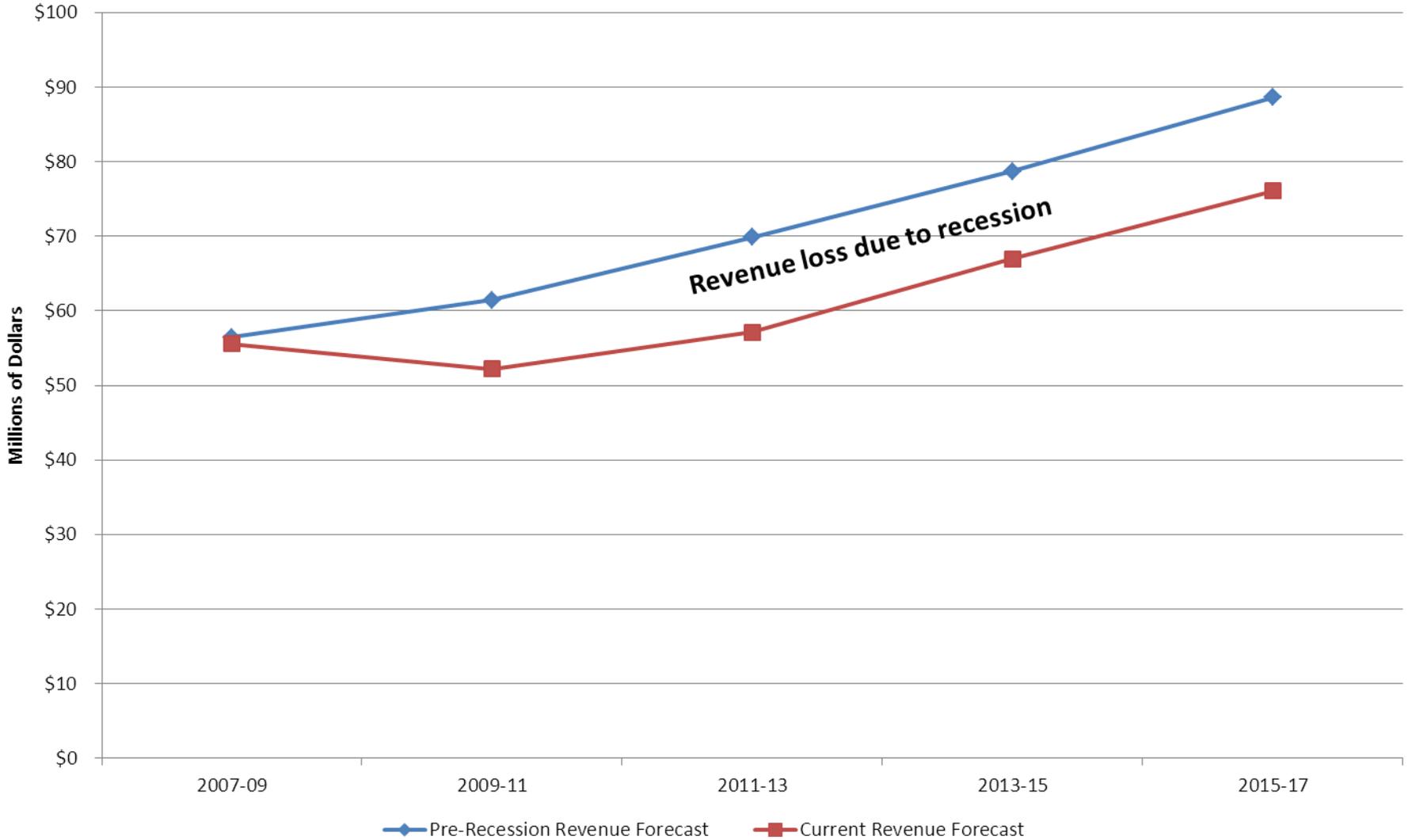
- Supplemental Employment Department Administrative Fund (SEDAF)
- Penalties and Interest
- Charges for services for Administrative Hearings

Federal Revenue Impact of the Sequester



Supplemental Employment Department Administrative Fund (SEDAF)

Revenue Forecast was Reduced by the Recession

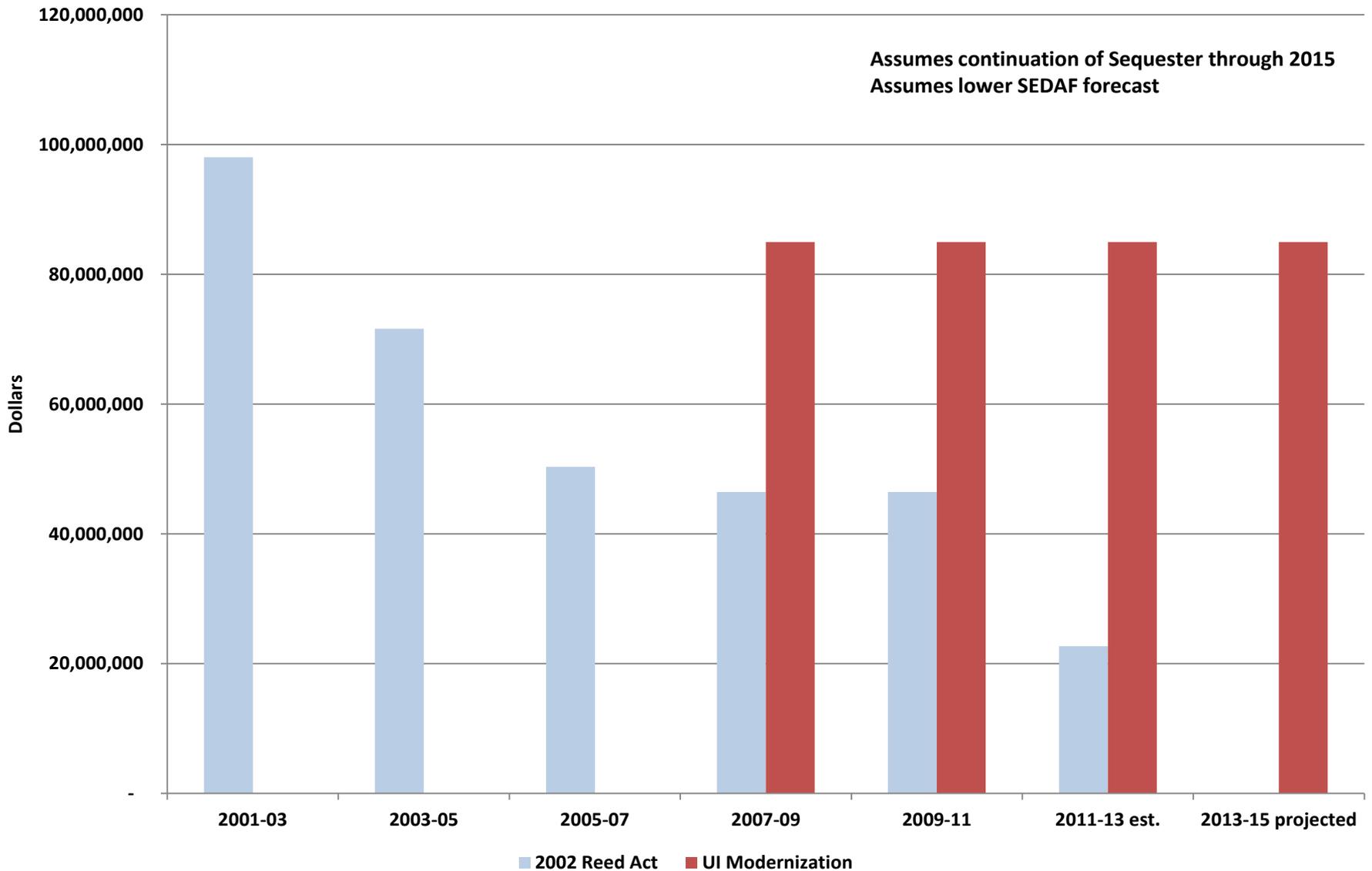


2013-15 Administration Funding

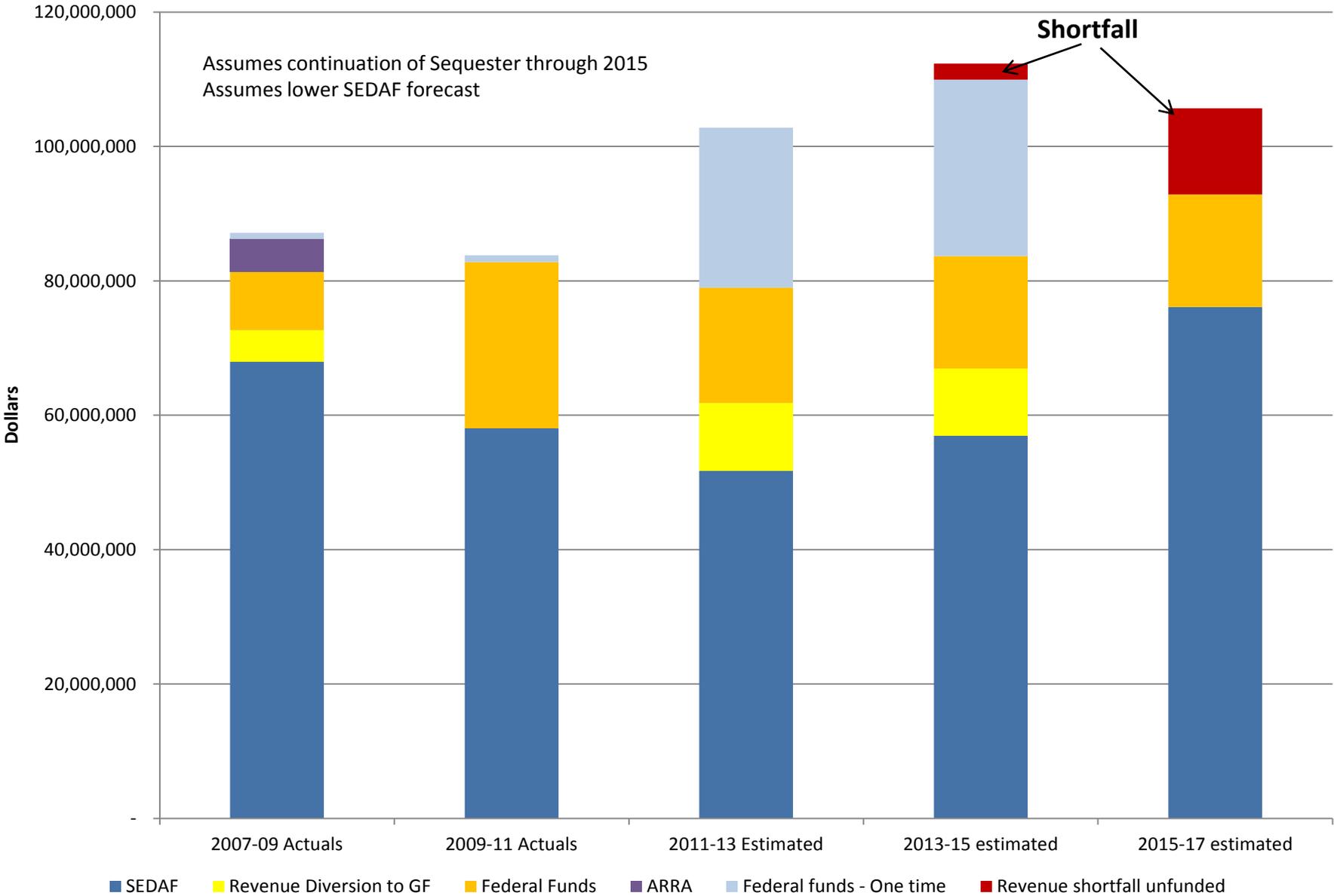
Federal One-Time Funds:

- Unemployment Insurance Reed Act
2002 (\$98 million)
- Unemployment Insurance Modernization Funds
2009 (\$85 million)
- American Recovery and Reinvestment Act
(ARRA) 2009 (\$5 million)

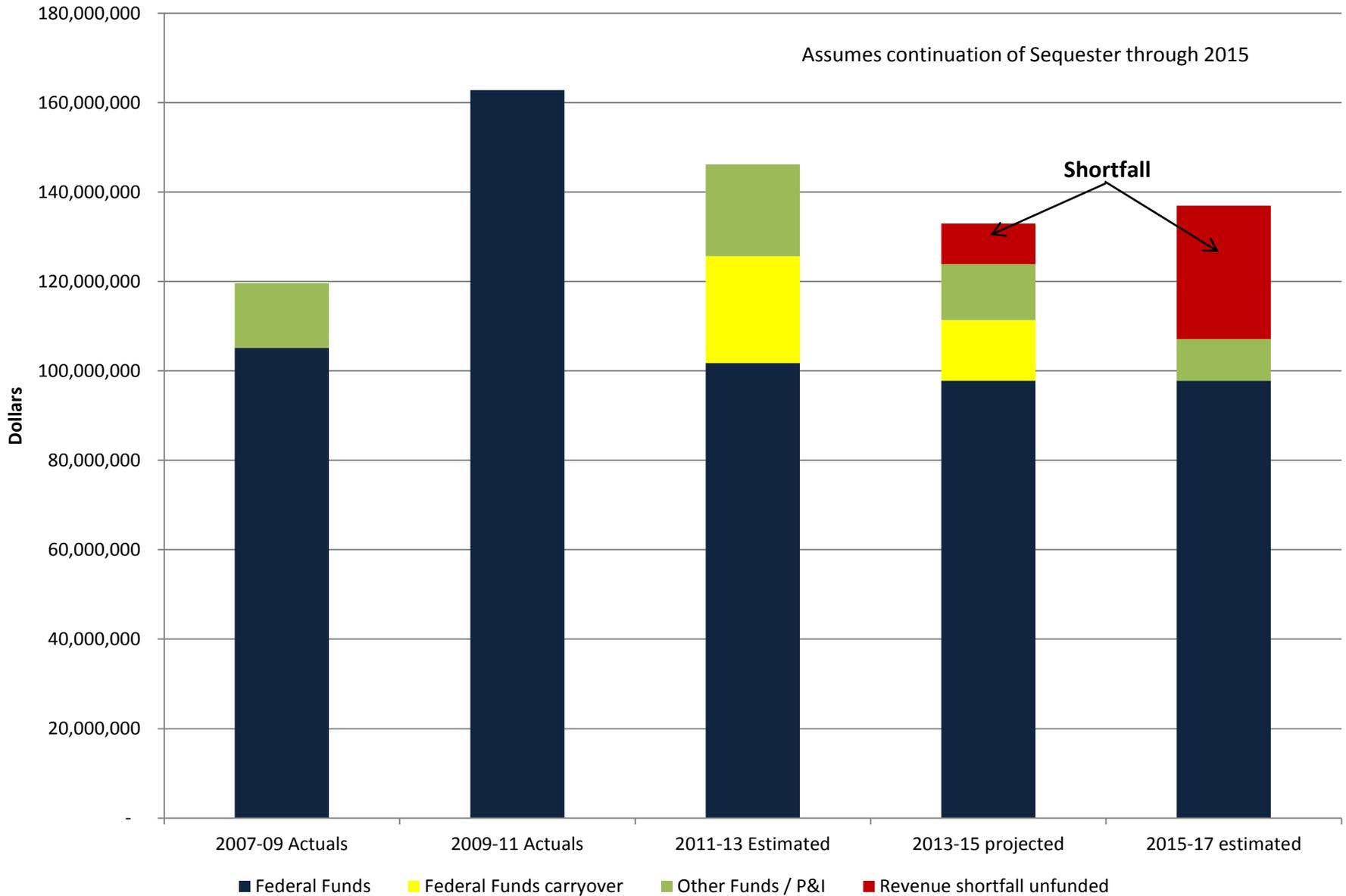
Federal Unemployment Insurance One-Time Funds Ending Balance



Business and Employment Services and Research Divisions Funding

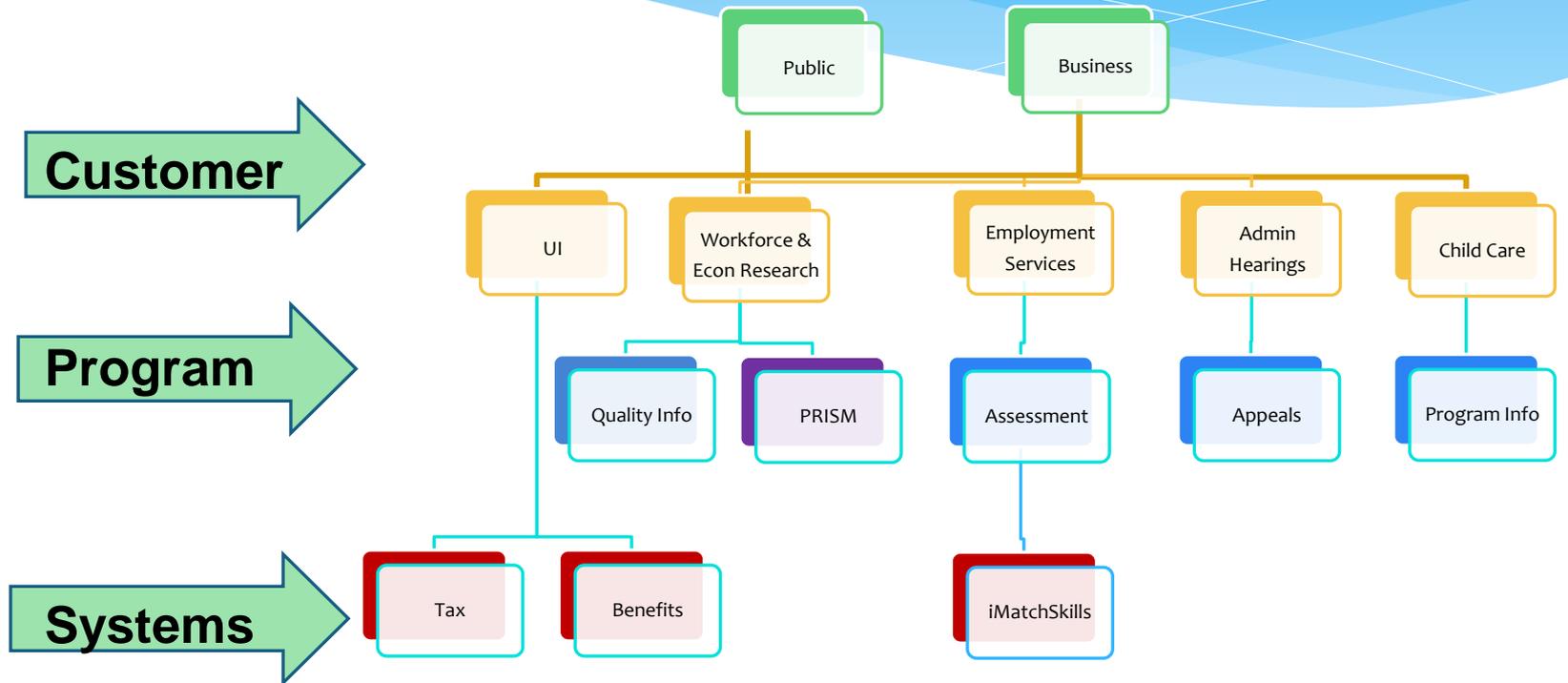


Unemployment Insurance (UI) Funding



Information Technology

Supports Delivery of Services



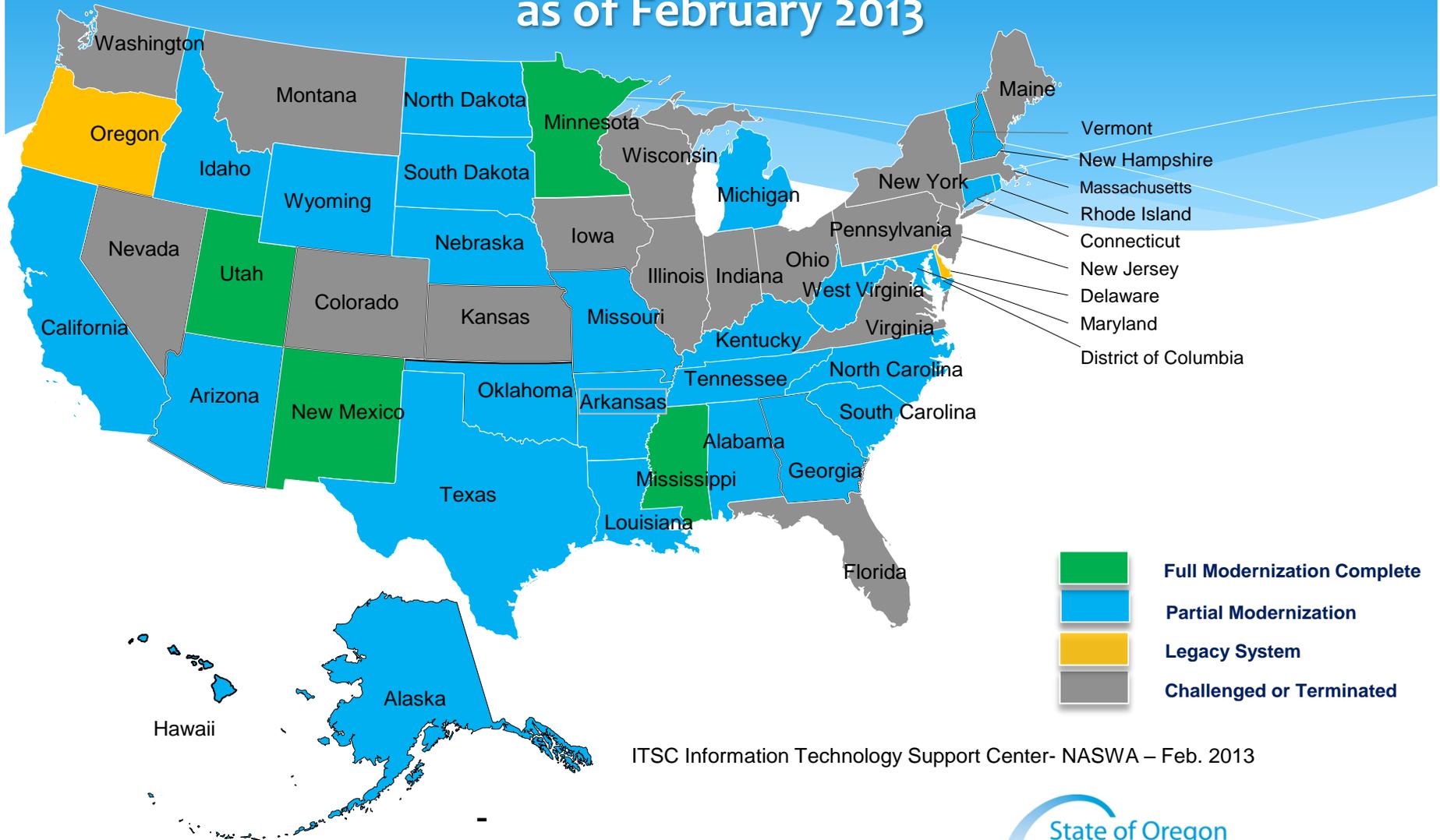
OED Information Technology Challenges

Current Systems

- Old technology/operating languages no longer taught
- Staff retiring – new employees have new language skills
- Customer functionality issues
- Systems not designed to communicate with each other limiting efficiency
- Program changes stress system; manual work around occurs; errors increase
- Not alone – all states struggling to address issues

UI IT Modernization by State

as of February 2013



ITSC Information Technology Support Center- NASWA – Feb. 2013

Recent State Experiences

Unemployment Insurance Program

- Collection of Tax – Payment of Benefits – Adjudication system modernization
 - 4 years to complete
 - \$60 to \$80 million
 - Risk reduced by learning from other states and use of experienced, successful vendors

Employment Service Program

- Labor Exchange modernization
 - 1 to 2 years to complete
 - \$2 to \$3 million

OED IT Division Transition

- New Governance Structure
- Cultural Change
- IT Draft Strategic Plan
- Quality Assurance and IT Project Work

2013-15 Policy Option Package Requests

- Unemployment Insurance – POP 103, 104
- Workforce & Economic Research – POP 110,113
- Business & Employment Services – POP 102, 109, 111,113

Additions not included in Governor's Balanced Budget needed:

- Emergency Unemployment Compensation benefits extended through December 2013
- Continuation of Unemployment Insurance Overpayment Reduction efforts through September 2014

Cost Containment & Program Delivery Improvements

- Increased electronic communication with employers
- Increased efforts to move UI claimants to work
- Transition to online reports from paper
- Consolidation of state vehicles
- Non-supervisory to supervisory staff ratio increased from 9:1 to 10:1 - working towards 11:1

Key Performance Measures

July 2011 – June 2012

The Department has 14 KPM's

- Each Division will discuss KPM's specific to their Division
- KPM #14 - Customer Service Measure
Target $\geq 95.5\%$; Actual = 86.8%

Agenda

- Unemployment Insurance
- Workforce & Economic Research
- Business and Employment Services
- Child Care
- Office of Administrative Hearings
- Conclusion



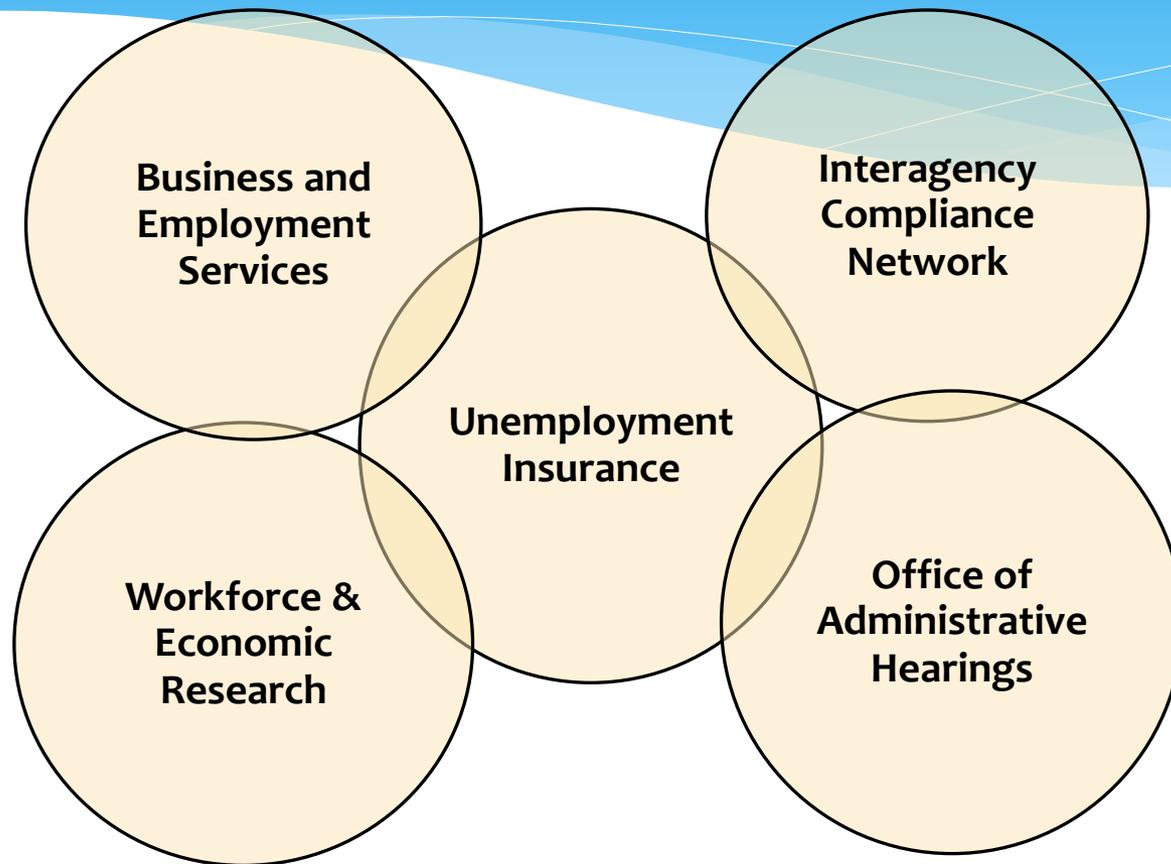
Ways and Means

Unemployment Insurance Division

David Gerstenfeld

Assistant Director for Unemployment
Insurance

Unemployment Insurance



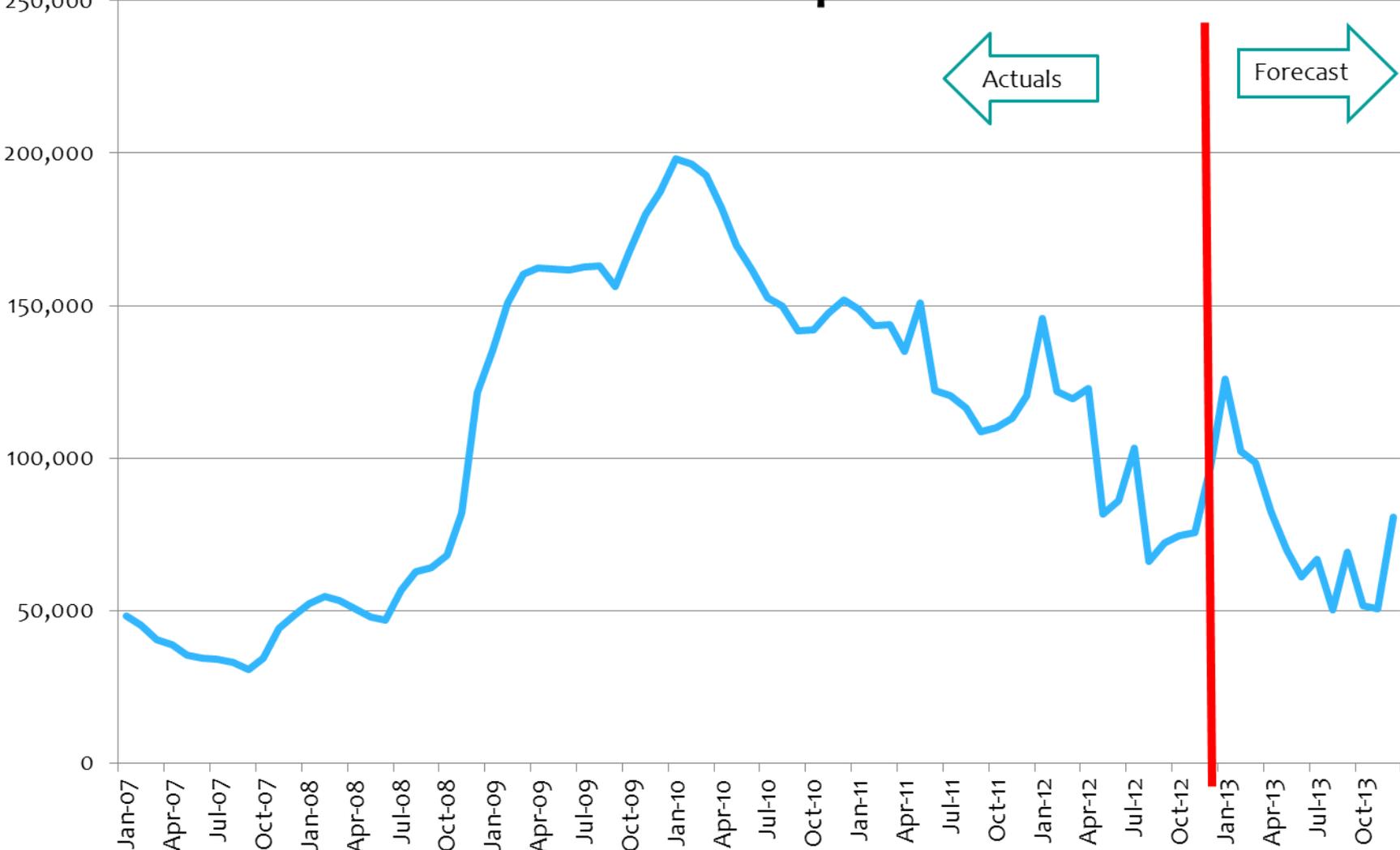
Unemployment Insurance Program

- Provides partial wage replacement to unemployed workers
- Stabilizes the economy in local communities
- Partner with Business and Employment Services to focus on re-employment

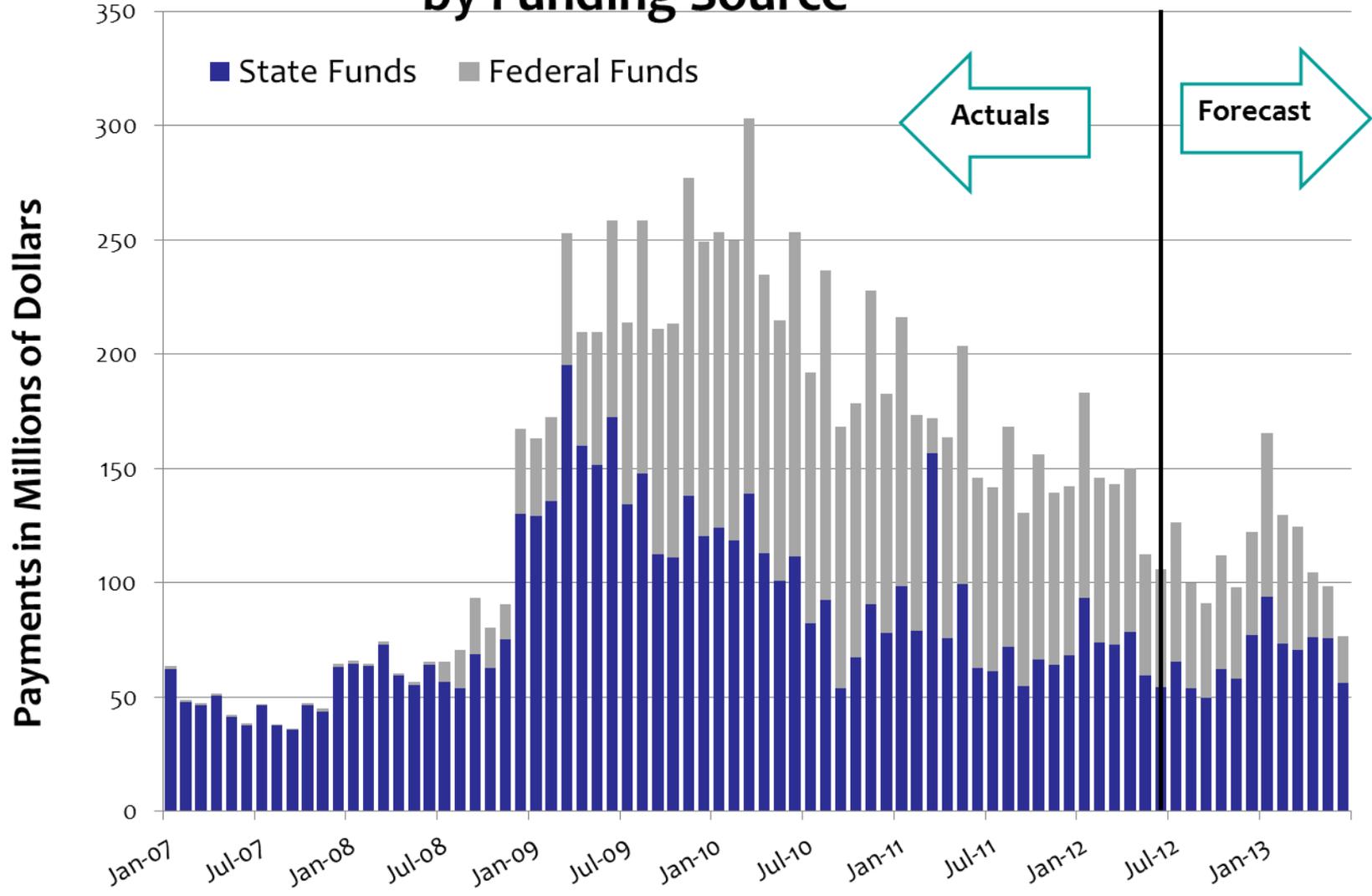
Unemployment Insurance is a Federal – State partnership

- Oregon employers pay taxes into Oregon's Unemployment Compensation Trust Fund
- Regular UI benefits are paid out of Oregon's Unemployment Compensation Trust Fund
- U.S. Department of Labor provides an administrative grant to Oregon to operate the Unemployment Insurance program
- As long as Oregon conforms to federal requirements, Oregon employers have reduced federal payroll (FUTA) taxes

Number of People Receiving Unemployment Insurance Benefits per Week



Unemployment Insurance Total Benefits Paid by Funding Source



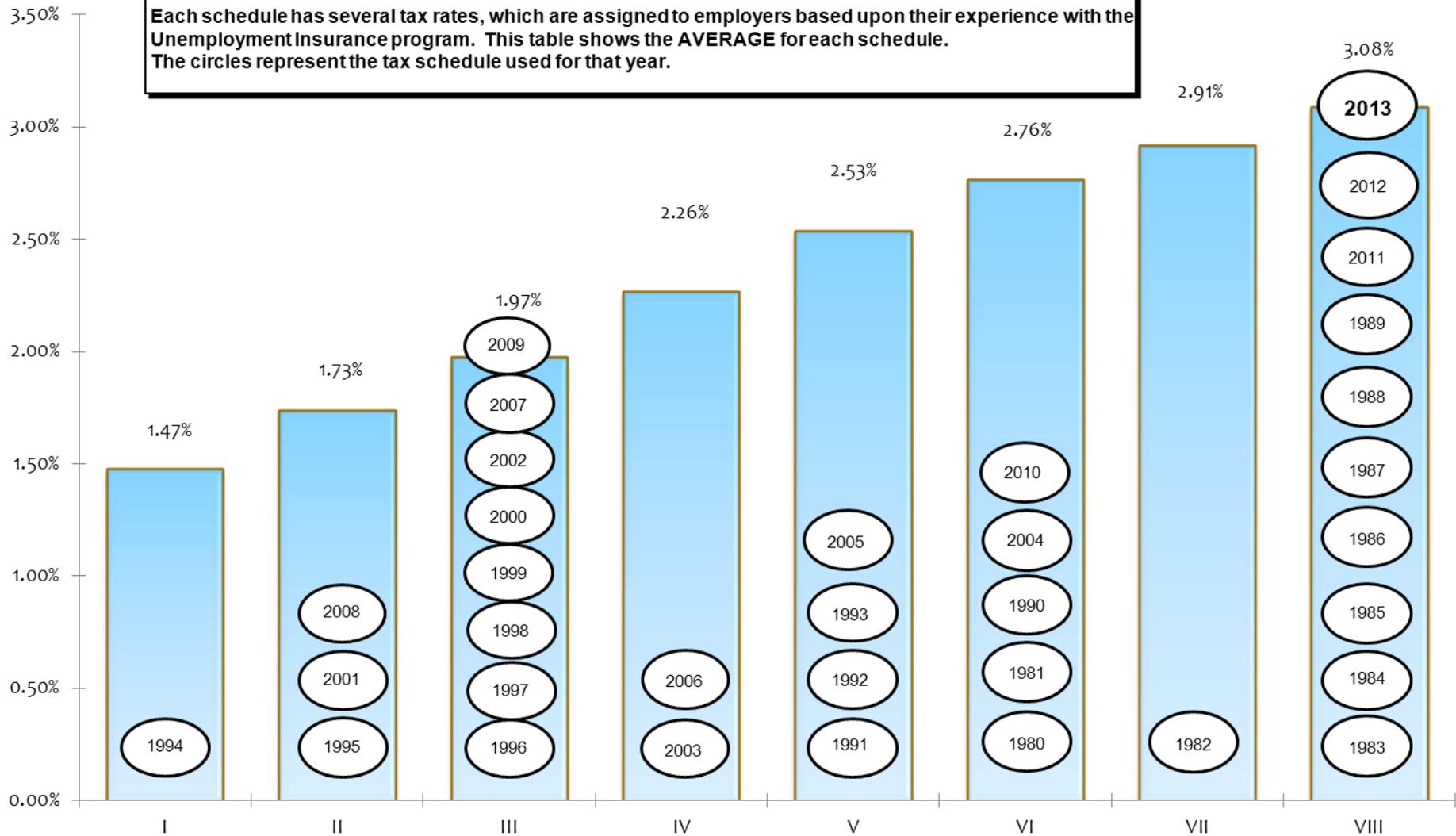
Weeks of Unemployment Insurance Benefits Available to Claimants

Benefit Type	Funding Source	Weeks of Benefits Available		
		Peak During Recession	March - December 2012 (benefit extensions decrease)	2013
Regular	State	26	26	26
Emergency UI	Federal	53	63 to 33	37
Extended Benefits	Federal	20	20 to 0	0
Total		99	99 to 59	63

AVERAGE TAX RATE FOR THE UNEMPLOYMENT INSURANCE TAX SCHEDULES

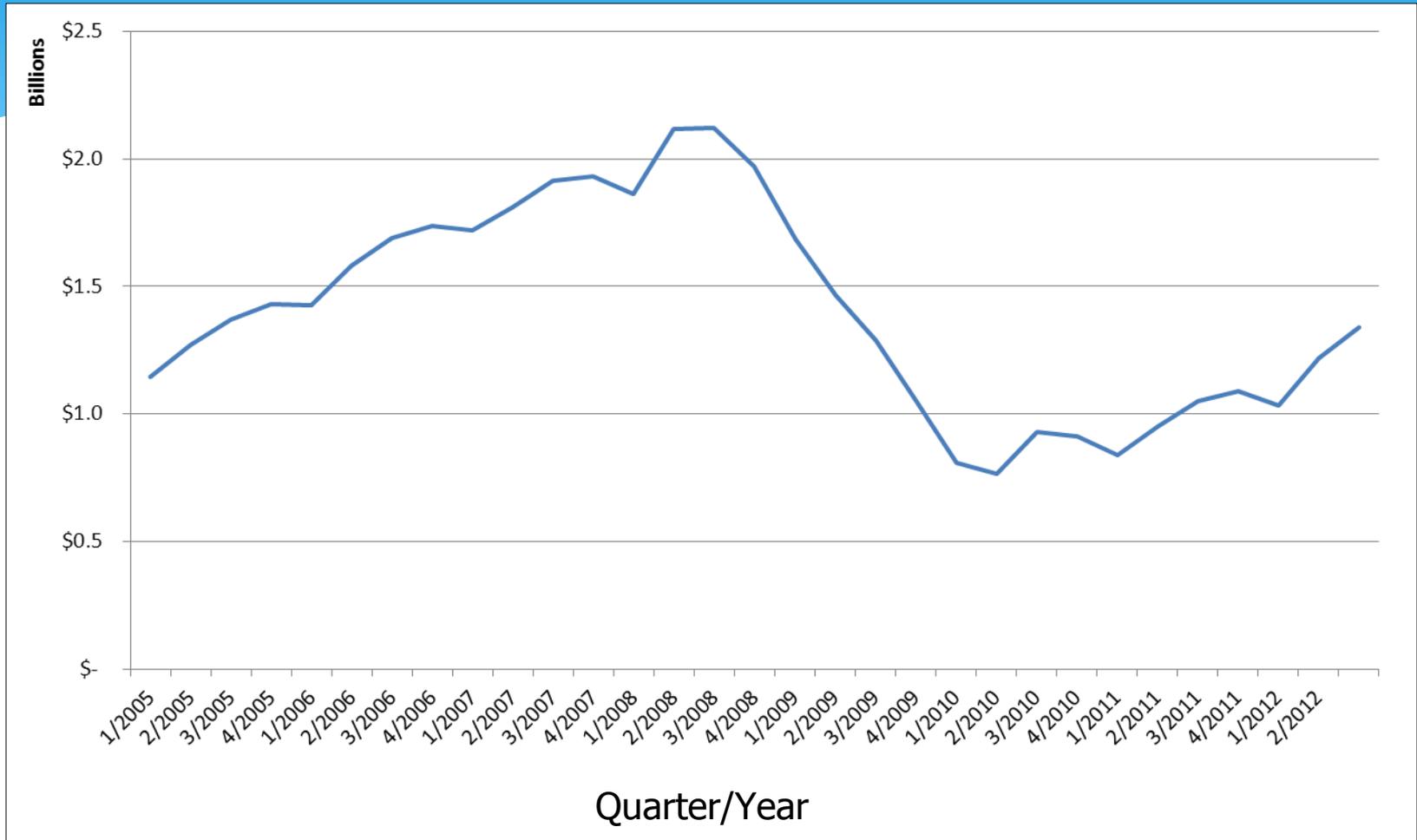
NOTE

Each schedule has several tax rates, which are assigned to employers based upon their experience with the Unemployment Insurance program. This table shows the AVERAGE for each schedule. The circles represent the tax schedule used for that year.



Annual Tax Schedules 1980-2013

Oregon UI Trust Fund Balance



Key Performance Measures

July 2011 – June 2012

- KPM #4 – Timeliness of First Payment
Target $\geq 95\%$ Actual = 95%
- KPM #5 – Non-monetary Timeliness
Target $\geq 80\%$ Actual = 82%
- KPM #6 – Cost Per Claim
Target $\leq \$160$ Actual = \$176
- KPM #12 – Timeliness of New Status Determinations
Target $\geq 80\%$ Actual = 79%

Challenges Facing the Unemployment Insurance System

- More long-term unemployed workers
- Adjusting to decreasing workload and funding
- Multiple changes to unemployment insurance laws and programs
- Outdated IT systems
- Benefit payment integrity - Improper payment rates for July 2011 – June 2012 ranged from 3.4 – 30.1%. Oregon's was 10.12%, near the national average of 9.08%

Impact of Sequestration

- Uncertainty remains about the impact of sequestration and continuing resolutions
- Federal Emergency Unemployment Compensation (EUC) benefits reduced by 10.7% starting March 31, 2013
- Administrative funding for the Unemployment Insurance program reduced
- Increased claim filings
- Increased work to implement required changes
- Funding reductions may be ongoing

Accomplishments

- Electronic communication with employers about claims
- Call Center improvements and efficiencies
- Claimants report their work search each week
- Check jail records each week
- Ongoing participation in Interagency Compliance Network
– coordinated enforcement with other agencies

Ongoing Improvements

- Possible consolidation of work units and locations
- Improved communications with claimants and employers
- Publicly accessible tax hearing decisions
- Offset federal tax refunds against overpayment debts
- Expand employer electronic communication
- Work process analysis and improvement
- Automate manual processes

Future Unemployment Insurance IT Projects

- Establish and begin implementing long-term modernization and integration plan
- Tax Auditor Program
- Expansion of electronic communication with employers

Proposed Legislation

SB 191 - Fraud and Overpayments

- Changes where existing fraud penalty is deposited
- Additional penalty for egregious or repeated fraud
- Expands period for offsetting some overpayments

SB 192 - Federal Conformity

- Employers who do not provide information to the Department do not get relief of charges
- Housekeeping - Work-Share and Self Employment Assistance

SB 252 - Late Payroll Report Penalty

SB 259 - Treasury Offset Program

HB 2242 - Alternate Base Year (housekeeping)

Call Center Maintenance and Upgrade Package 103

- Hardware and software lifecycle replacement
- Improved ability to serve the public without increasing staffing levels
- Revenue source: Federal Funds - \$2,594,177

Benefit Payment Control Package 104

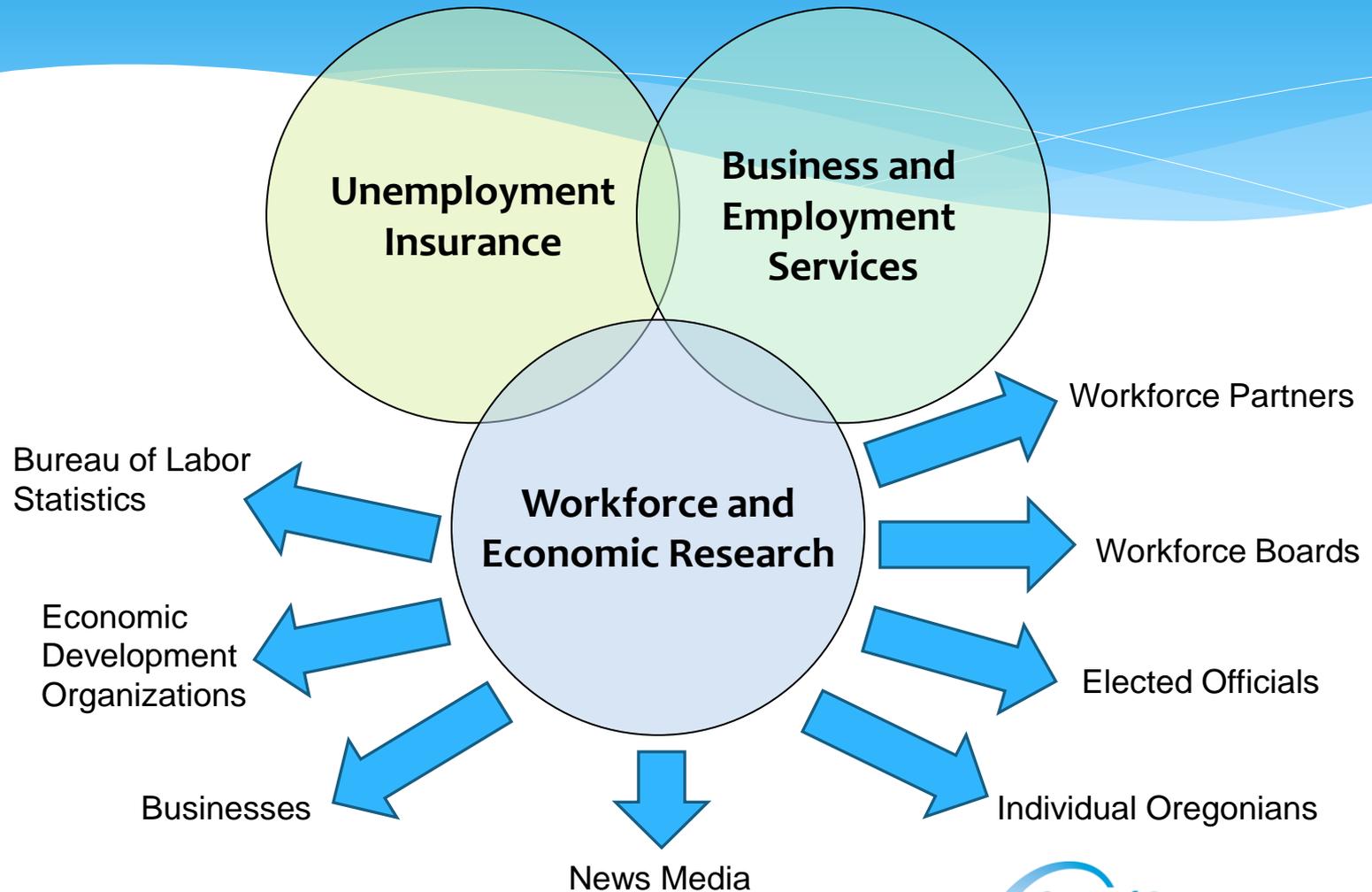
- Prevent, detect and recover unemployment insurance benefit overpayments
- Will increase overpayment collections by \$8 million
- Revenue sources:
 - Other funds: \$1,532,141
 - Federal funds: \$288,000
- Continues 12 limited duration positions (12 FTE) that were provided for in the 2011/2013 biennium



Ways and Means Workforce & Economic Research Division

Graham Slater
Administrator

Workforce & Economic Research



Workforce & Economic Research

Develop and distribute quality workforce and economic information to promote informed decision making.

Quality Information. Informed Choices.

Foundational Workforce Information

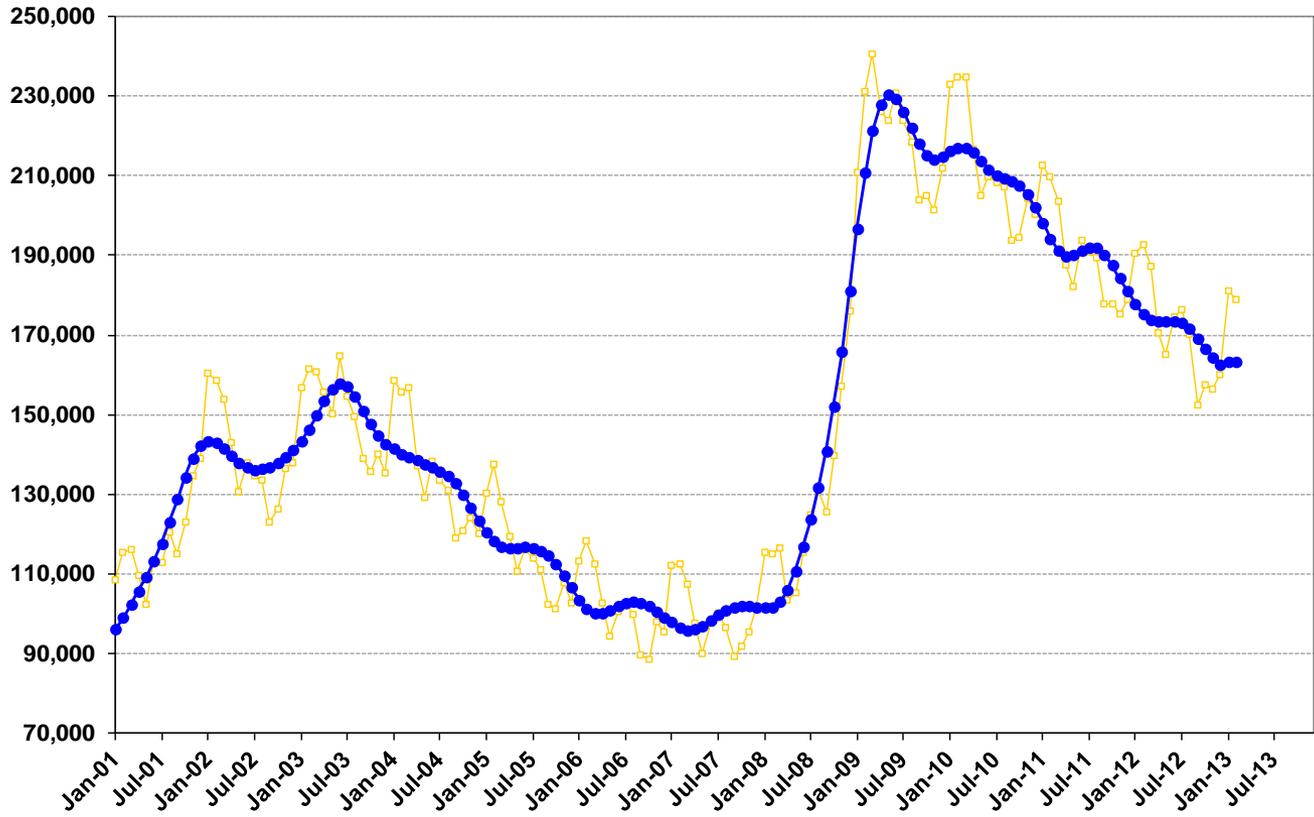
PRINCIPLE: Relevant, timely, useful, unbiased information

- The number of unemployed and unemployment rates
- Employment levels in Oregon's industries
- Job counts in different occupations
- Wages paid for different jobs
- Layoffs throughout Oregon's economy
- Industry and occupational employment projections
- Skills and educational requirements for Oregon's jobs
- In short: the basic workforce-related information infrastructure

But our information only comes alive when it's used by decision-makers, be they elected officials, workforce policy-makers, job seekers, students, or others. For example, it makes a difference that there are 60,000 more unemployed now than there were before the recession.

Oregon Total Unemployment: 2001 to Present

—□— Not Seasonally Adjusted —●— Seasonally Adjusted



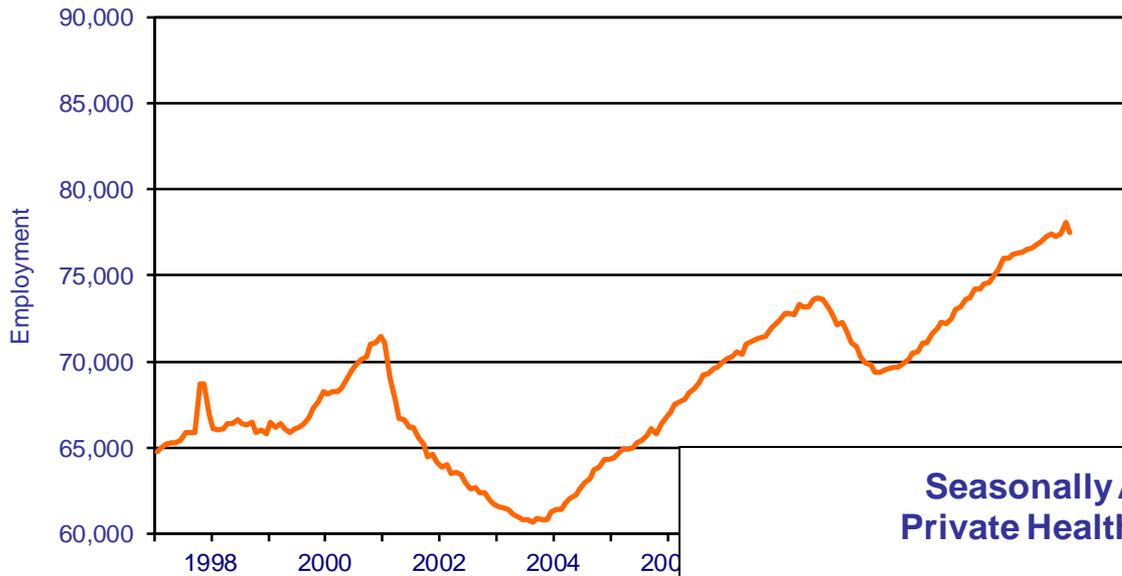
Number of unemployed:

Feb. '07 – 112,000

Feb. '10 – 235,000

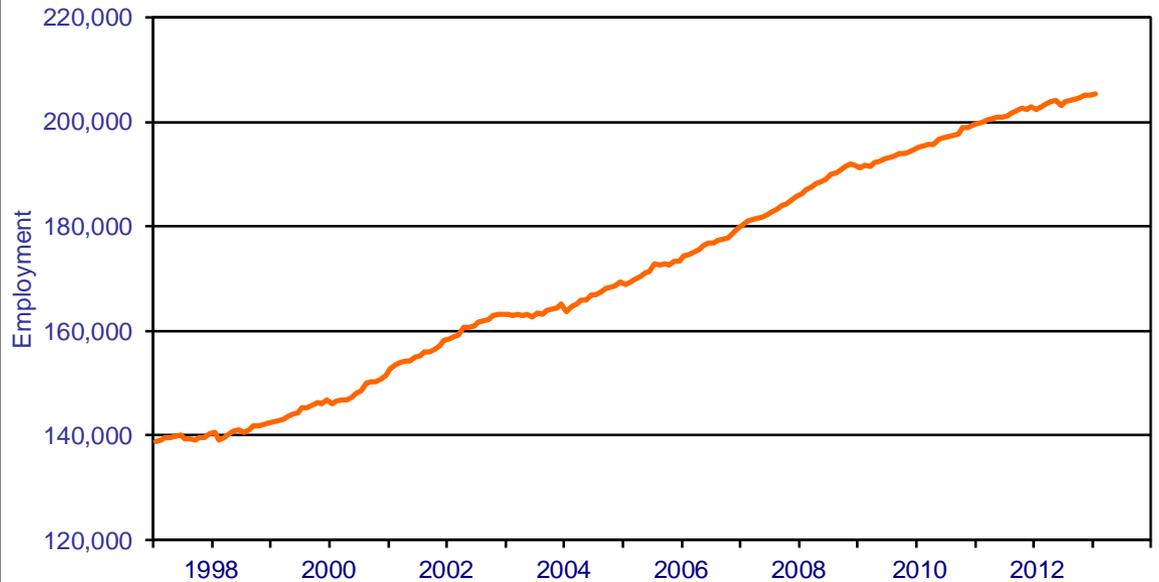
Feb. '13 – 178,000

**Seasonally Adjusted Employment in Oregon
Professional and Technical Services: 1997 - 2013**

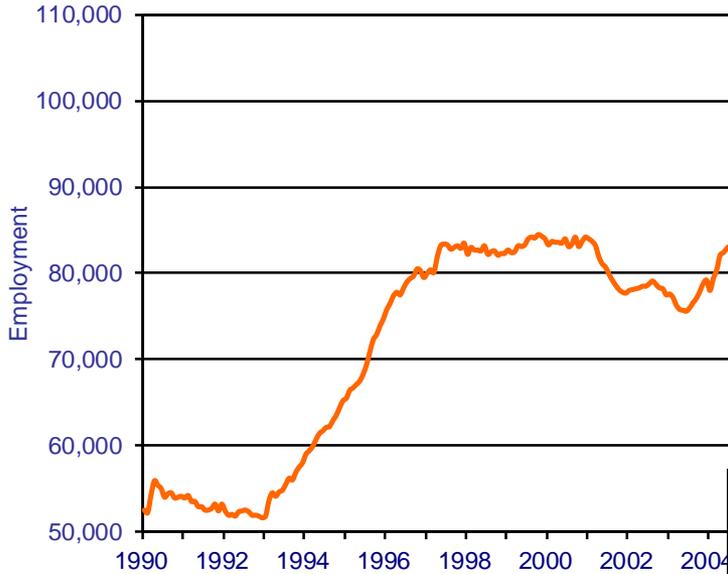


Job seekers and students need to know that some industries are doing quite well.

**Seasonally Adjusted Employment in Oregon
Private Health and Social Services: 1997 - 2013**



**Seasonally Adjusted Employment in Oregon
Construction: 1990 - 2013**

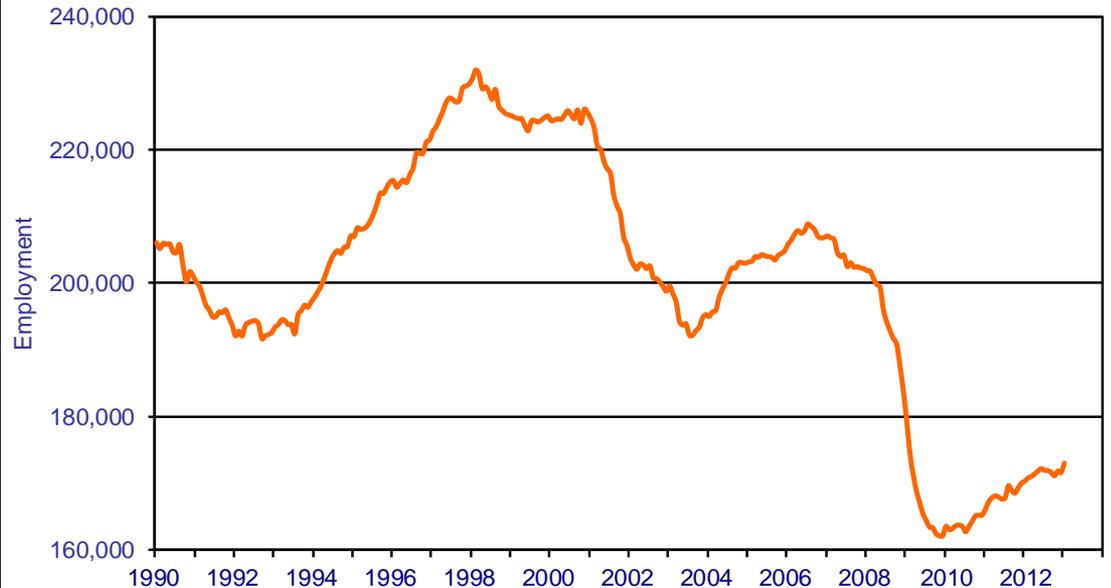


But others are not.

**Or they're adding
jobs only slowly.**

What happens if
businesses are so
efficient they don't
need all our available
workers?

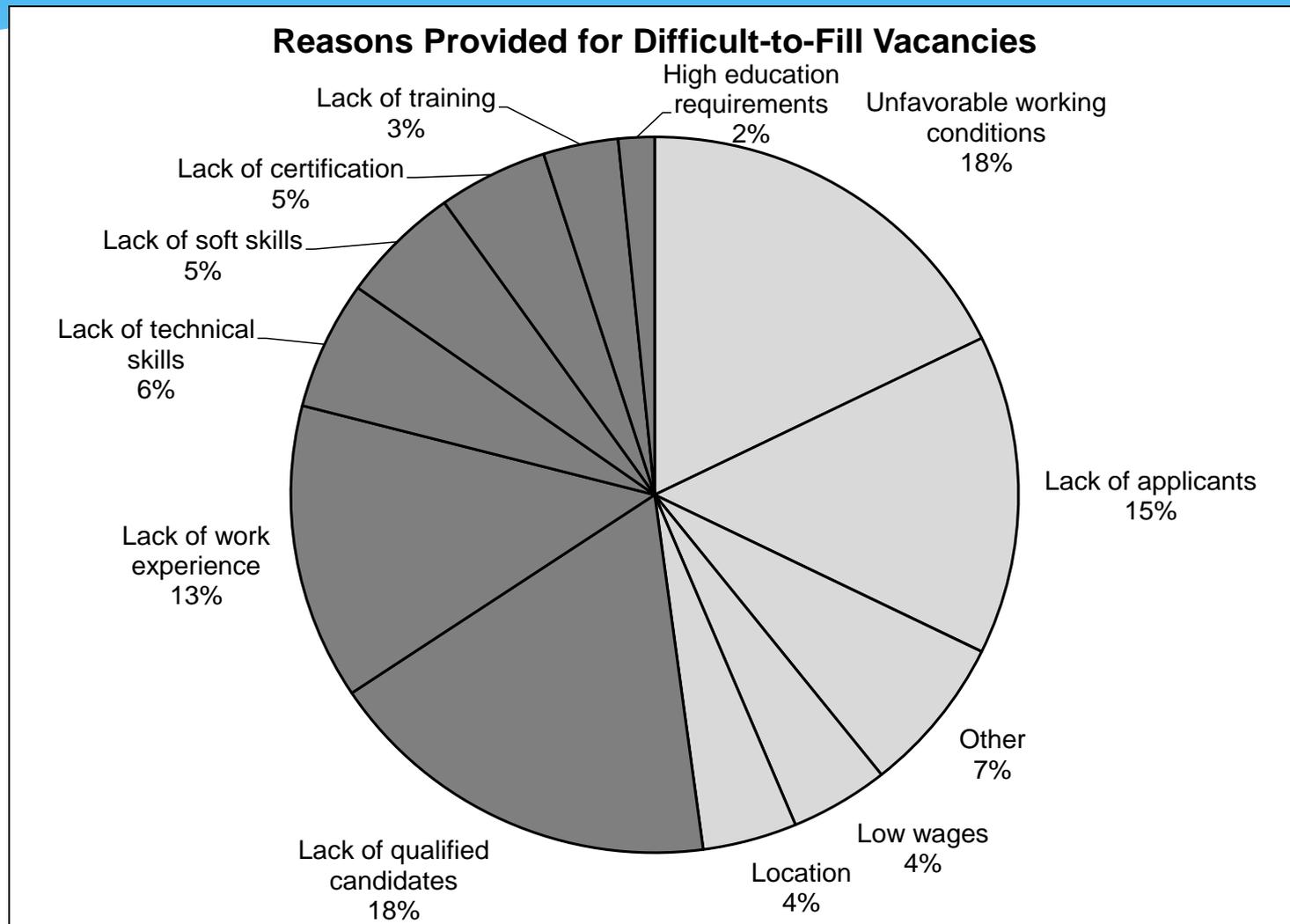
**Seasonally Adjusted Employment in Oregon
Manufacturing: 1990 - 2013**



We take all that basic data, add special studies, surveys, and analyses – and produce reports on topics of importance to our varied customers :

- Oregon's Key Workforce Challenges
- Benefits offered by different industries
- Current vacancies in Oregon's economy
- Employment estimates for Oregon's non-metropolitan areas
- Skills gaps in the fabricated metals industry
- On-shoring ... bringing jobs back from overseas
- Oregon's Per Capita Personal Income ... and why it's lower than the national average
- Helping colleges and workforce trainers to provide “the right training”
- Community health workers ... how many are there, what are they paid?
- Data and analysis to support Governor, Workforce Investment Boards, and other strategic planning

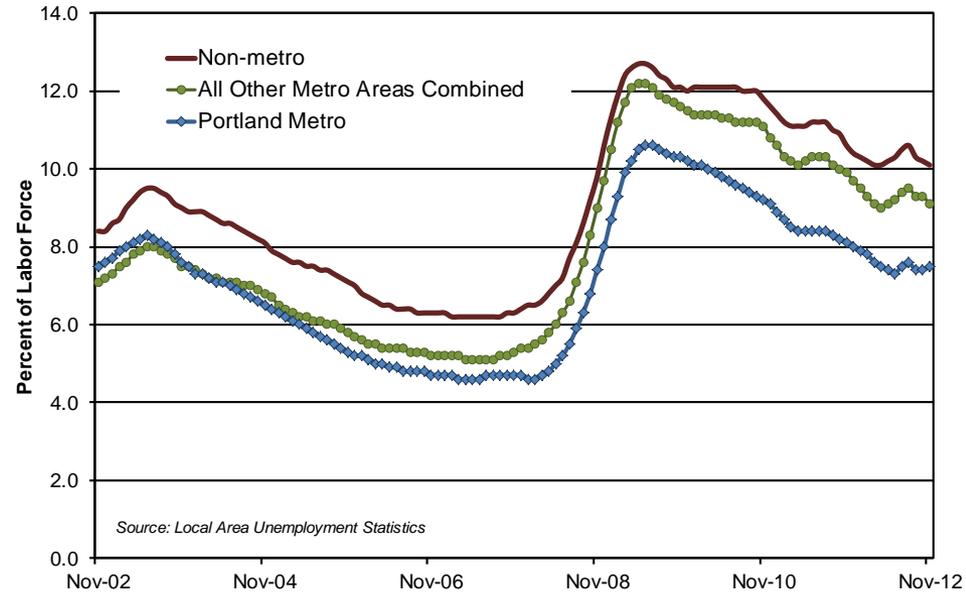
Example: We just learned that businesses believe 44% of their vacancies are “difficult to fill.” Learning more about this helps all of us better prepare Oregonians for the available jobs.



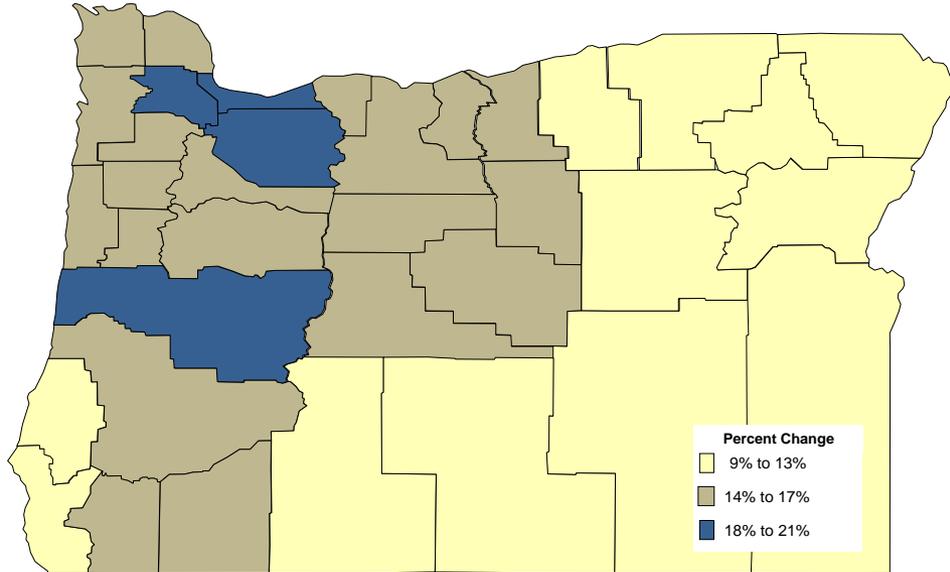
All of Oregon is Important

- Most statistics available at sub-state levels: counties, workforce regions, broader economic regions.
- Many reports, analyses, publications for sub-state regions.
- Eight regional economists, 13 workforce analysts spread all across Oregon.

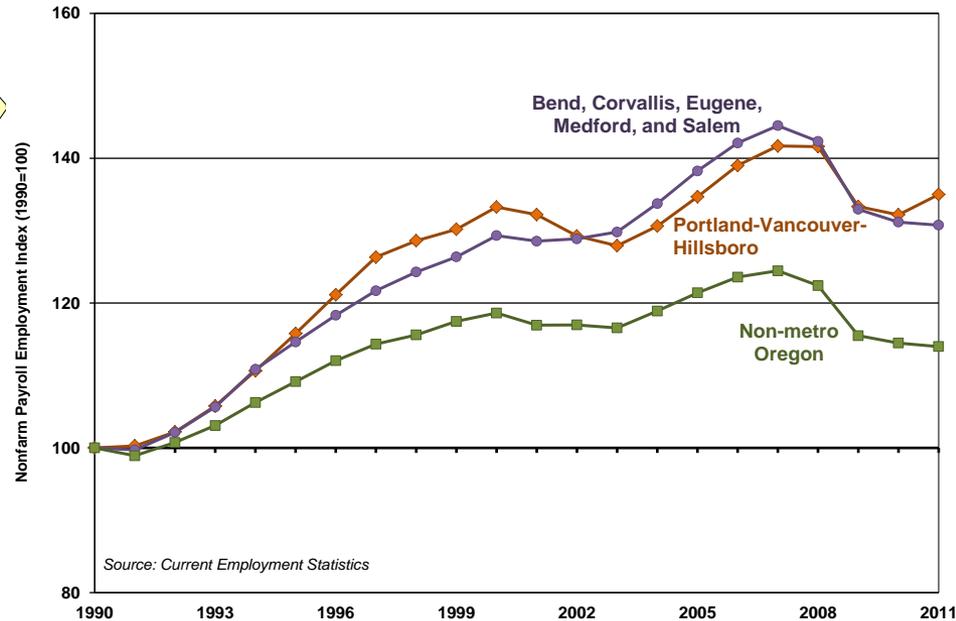
Oregon Seasonally Adjusted Unemployment Rates



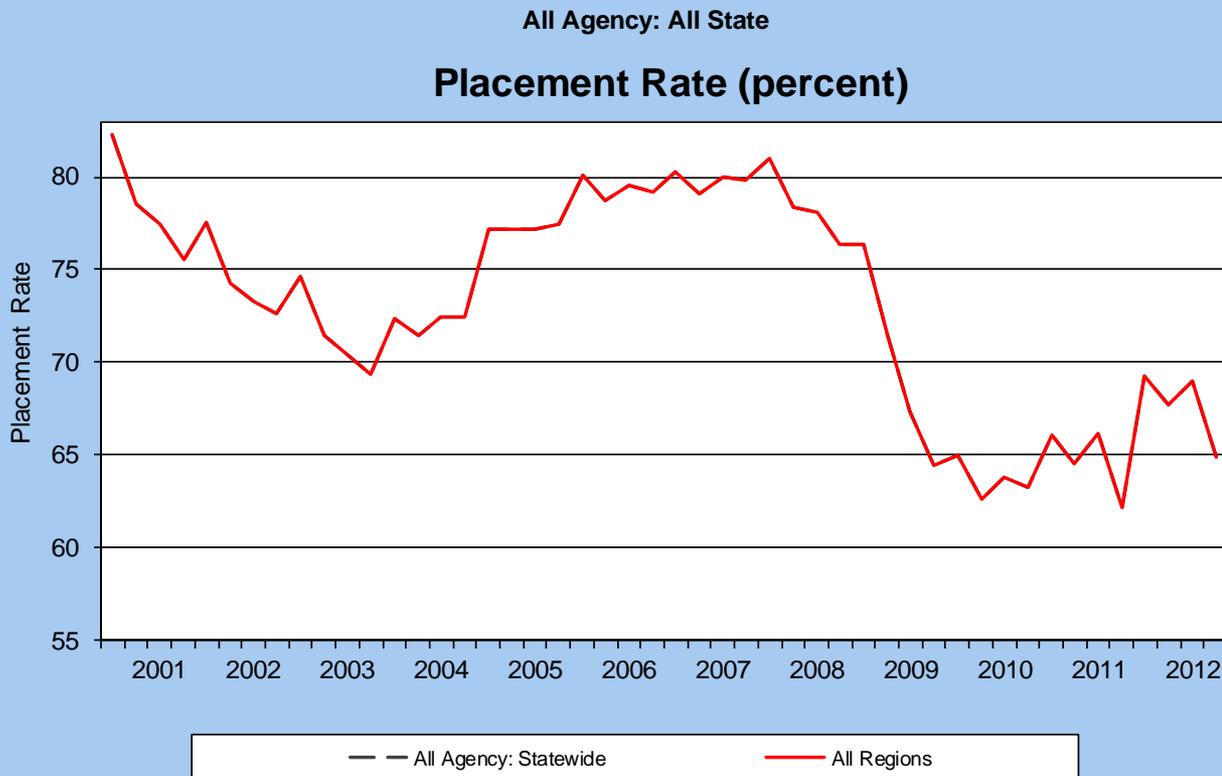
Projected Total Payroll Employment Growth, 2010-2020



Nonfarm Employment Index for Non-Metro Oregon, Portland, and Other Metro Counties Combined



Oregon's Performance Reporting Information System (PRISM) tracks success and program changes.



Measuring program changes:

- 39% of workforce training customers also served by Employment Department in 2005
- 93% in 2011

Key Customer Groups

- Contractual partners (federal, state, and others)
- Job seekers and the unemployed
- Employment Department and workforce partners
- Economic development organizations
- Regional Solutions Teams
- Other governmental entities (cities, counties, other state agencies)
- Businesses and business groups
- Workforce Investment Boards
- Education policy and planning groups
- Community colleges and universities
- Students and parents
- Elected officials, policy-makers
- Oregon Office of Economic Analysis
- News media

Key Customer Comments

1. “I have to put together an annual report for the SBA. If OK with you, I was going to use some of the information you presented.” *(Business)*
2. “(Research) ... remains a very valuable resource for small municipal jurisdictions ... providing us with the specific information we need ...” *(Local government)*
3. “Great to meet you today and thank you for doing the ‘Know Your Market’ workshop. It's awesome. I'm so glad I attended.” *(Job seeker)*
4. “I have so appreciated your assistance with demographic information.” *(Economic development)*
5. “You’ve given me valuable information and advice, as well as some great leads.” *(Veterans organization)*
6. “For many years, I’ve so appreciated the partnership with the Employment Department. Your professionalism and willingness to collaborate confirms my appreciation for all the Employment Department does to partner with education.” *(Education)*

Linkages within Employment Department

With Unemployment Insurance

- UI administrative records provide:
 - Most complete count of employment in Oregon
 - Foundation for all surveys
 - Foundation for workforce performance measures
- Information to guide UI program decisions (e.g. job search requirements)
- Information to guide the unemployed in training and return to work

With Business and Employment Services

- Information to guide job seekers in career and education planning
- Information to guide local offices in marketing, targeting of industries/occupations
- iMatchSkills provides information on wages, education requirements, skills of actual job vacancies across Oregon

Improvements & Priorities

- Maintain quality and integrity of all regular products and services
- Conduct in-depth analysis of Oregon's labor force changes
- Continue improvements to QualityInfo.org and online tools
- Plan and design a proposed new workforce performance measurement system
- Take on other special studies, based on key customers' needs
- Complete the transition of most reports and publications to “email distribution” and/or “online only”

Challenges

- Gradual degradation of federal funding for employment statistics, including sequester
- Federal policy and methodology impacts on data quality
- Balancing information / survey needs with employer burden
- Developing state and multi-state education-workforce data sharing / performance measurement systems

Research Special Projects Policy Option Package 110

- Similar Policy Option Package approved in 2009-11 and 2011-2013
- Continues Research's ability to conduct and/or coordinate special studies
- Other Funds - \$528,194
- Continues 3 Limited Duration positions from 11-13
- Positions filled only if projects are identified and customers or partners provide resources

Reduction Plans for 2013-2015

Policy Option Package 113

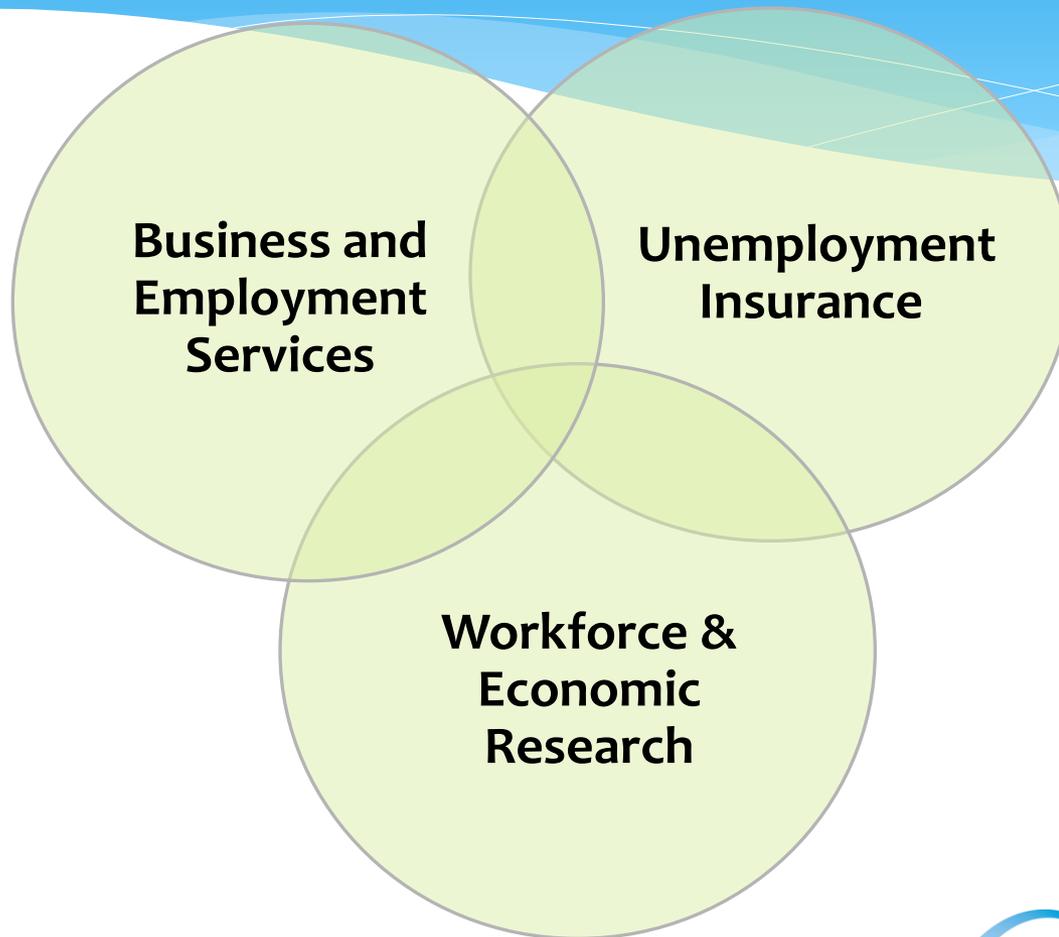
- Reduce two positions
 - Maintain staffing in field/reduce central office positions
- Complete the transition of most reports to online only
 - Cost savings are assumed in the proposed budget
 - Ten reports/publications have always been online only
 - 16 were hard copy but are now online
 - All our *Labor Trends* series and most future special reports will be online only by January 1, 2015
 - A few products – mostly posters, brochures, plus the CAREERS magazine – will continue to be hard copy
- Implement other non-staffing savings



**Ways and Means
Business & Employment
Services Division**

Martin Burrows
Administrator

Three Divisions Working Together To Serve Our Common Customers



Business & Employment Services Division

- Statewide Job Recruiting, Referral, and Placement
- Re-employment Services & Eligibility Assessments for Unemployment Insurance claimants
- Refer Job Seekers to Training and Community Services
- Integrated Service Delivery

Service Delivery

Options

Self Service

- iMatchSkills registration, review of job listings

Staff Assisted

- Customized labor market information, next step conversation, initial skills review

Staff Intensive

- Resume development, Job matching

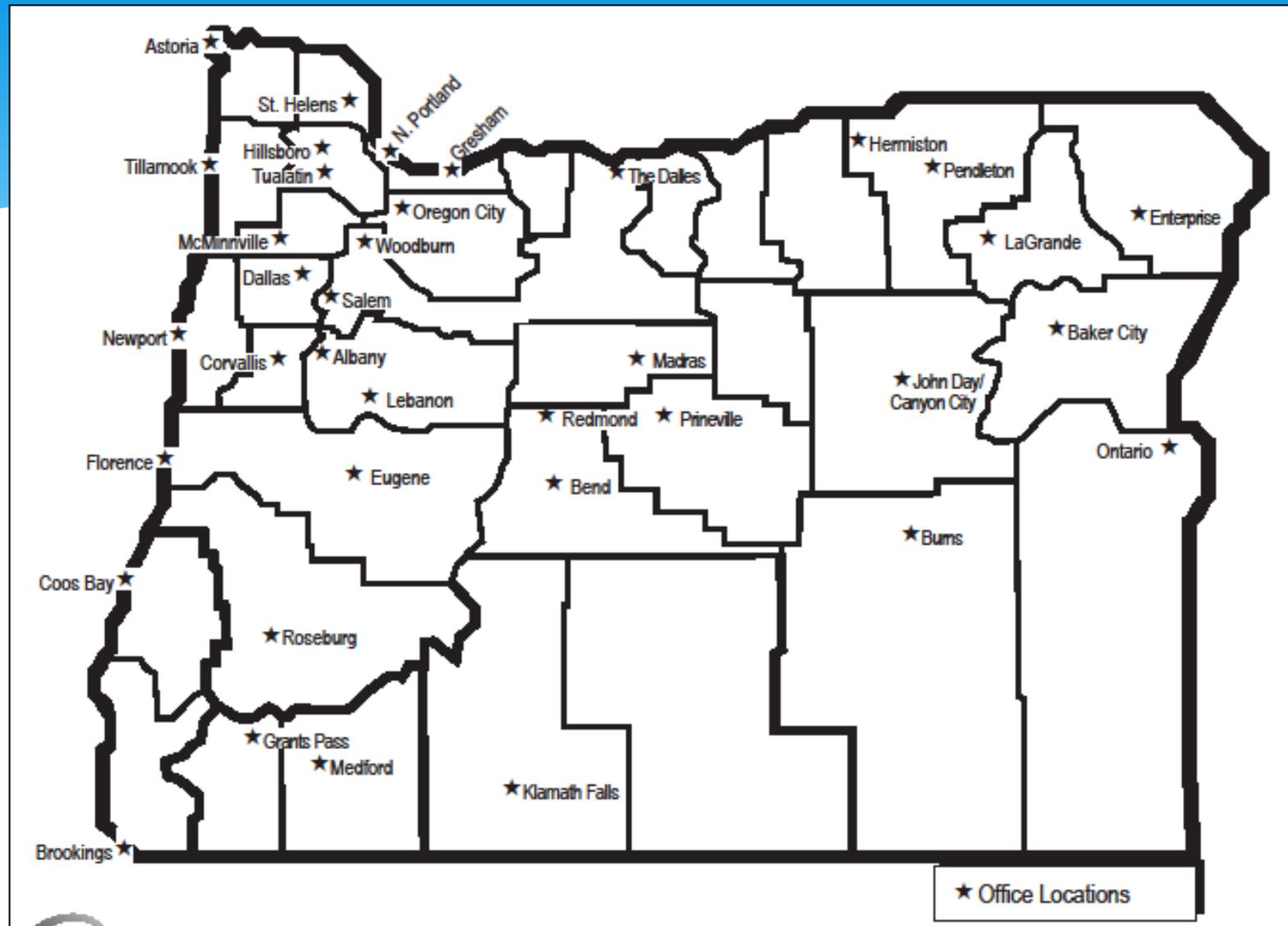
Access

In Person

Phone

Internet

(iMatchSkills®- Oregon's Job Matching System)



WorkSource Oregon

Integrated Service to Job Seekers Includes:

- Job Placement & Training Services
- Initial Skills Review
- iMatchSkills® Registration
- Individual Next Steps Planning
- Access to All Skills Development, Occupational Training, and Job Seeking Resources

iMatchSkills

iMatchSkills has been our primary means of matching jobseekers with jobs for over 10 years

- When developed it was cutting edge, technology is now outdated
- Need to invest in updating or replacing iMatchSkills
- Improvements are needed to provide:
 - Easier more streamlined access for all users
 - Improved job matching for job seekers and employers
 - Increase self service use
 - Mobile technology

B&ES Federal Programs

Veteran's Employment Assistance

- Connect Veterans to jobs through efforts of specialized staff.
- The Employment Department served 40,876 veterans in the last program year.

Trade Act Assistance

- Partner with Unemployment Insurance to help workers who lost job due to foreign trade.
- TAA participants increased from 1,102 to 2,047 from 2011 to 2012. 1,918 received training.

B&ES Federal Programs

Foreign Labor Certification

- Assures admission of foreign workers on permanent or temporary basis will not adversely affect opportunities, wages and conditions for US workers.

Work Opportunity Tax Credit

- Federal tax credit for hiring individuals from target groups facing significant barriers to employment.
- Certifications increased 55% from 2011 to 2012 from 7,084 to 10,982. Approximately \$30,507,600 in potential tax credits for employers.

B&ES Federal Programs

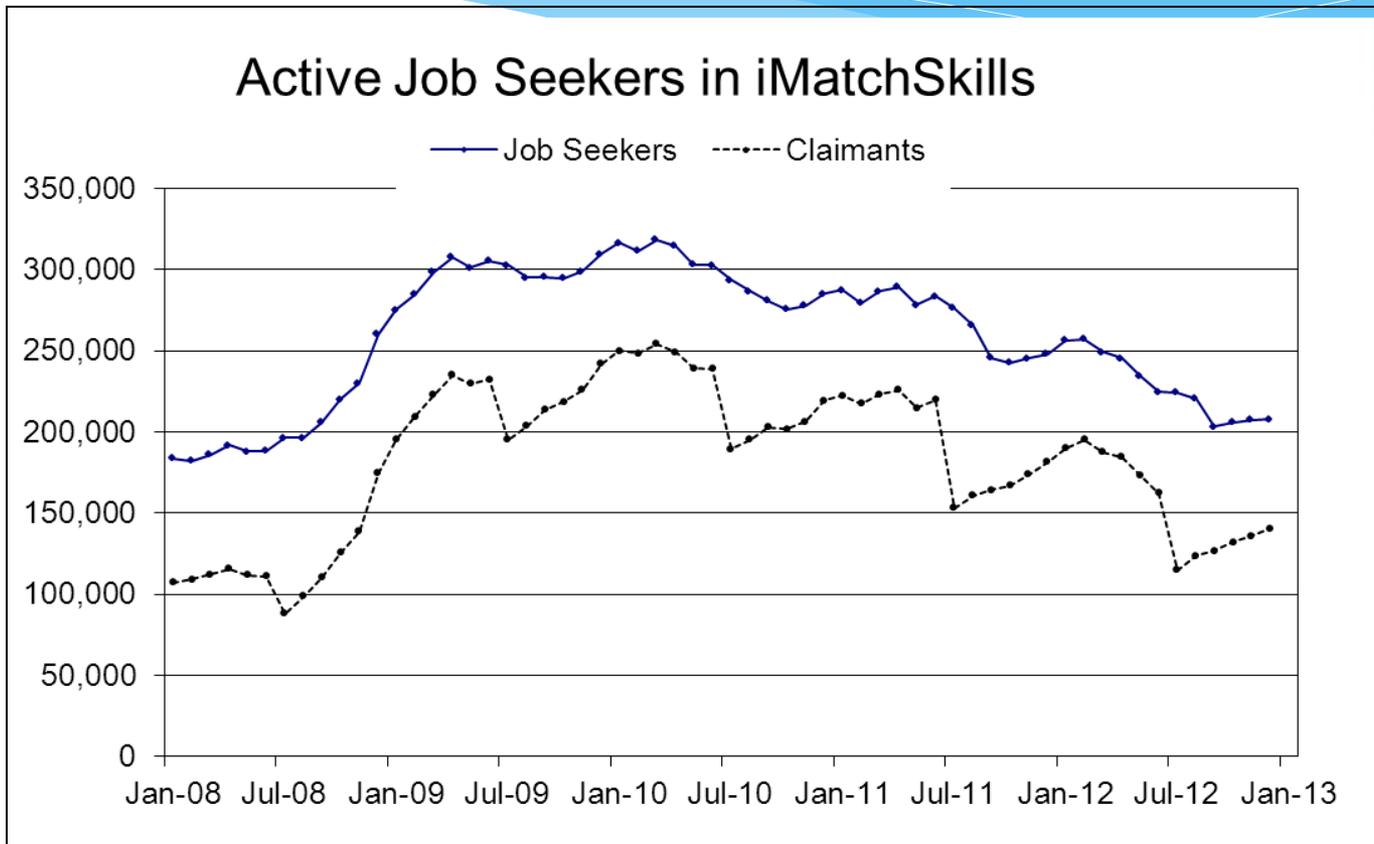
Self Employment Assistance

- Opportunity for claimants to start their own business.
- In 2012, partnering with Unemployment Insurance, 794 claimants approved for SEA participation.

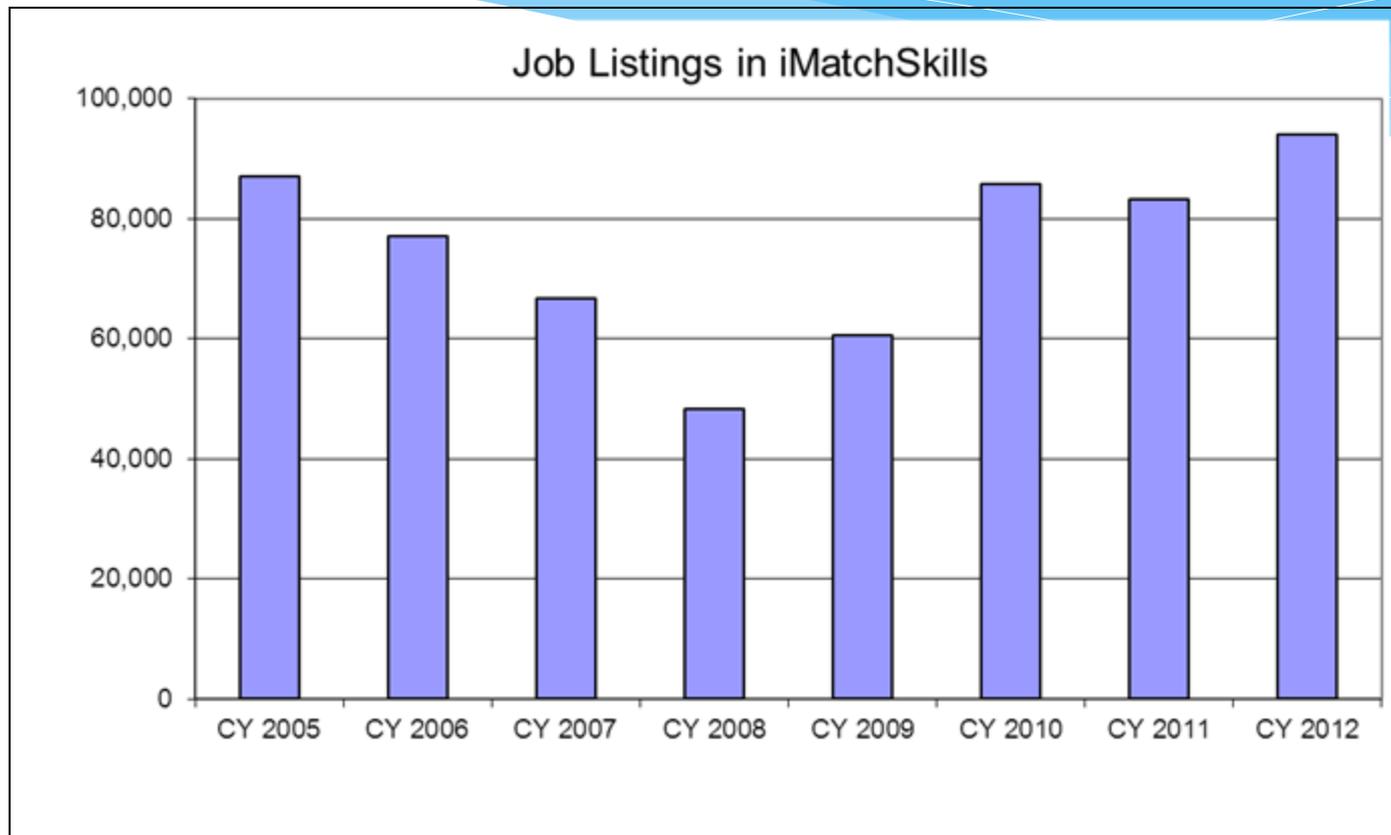
Migrant Seasonal Farmworker Program

- Services to farmworkers to combat the chronic underemployment experienced by workers who depend primarily on agricultural labor jobs.
- Number served increased from 6,441 in 2011 to 9,490 in 2012.

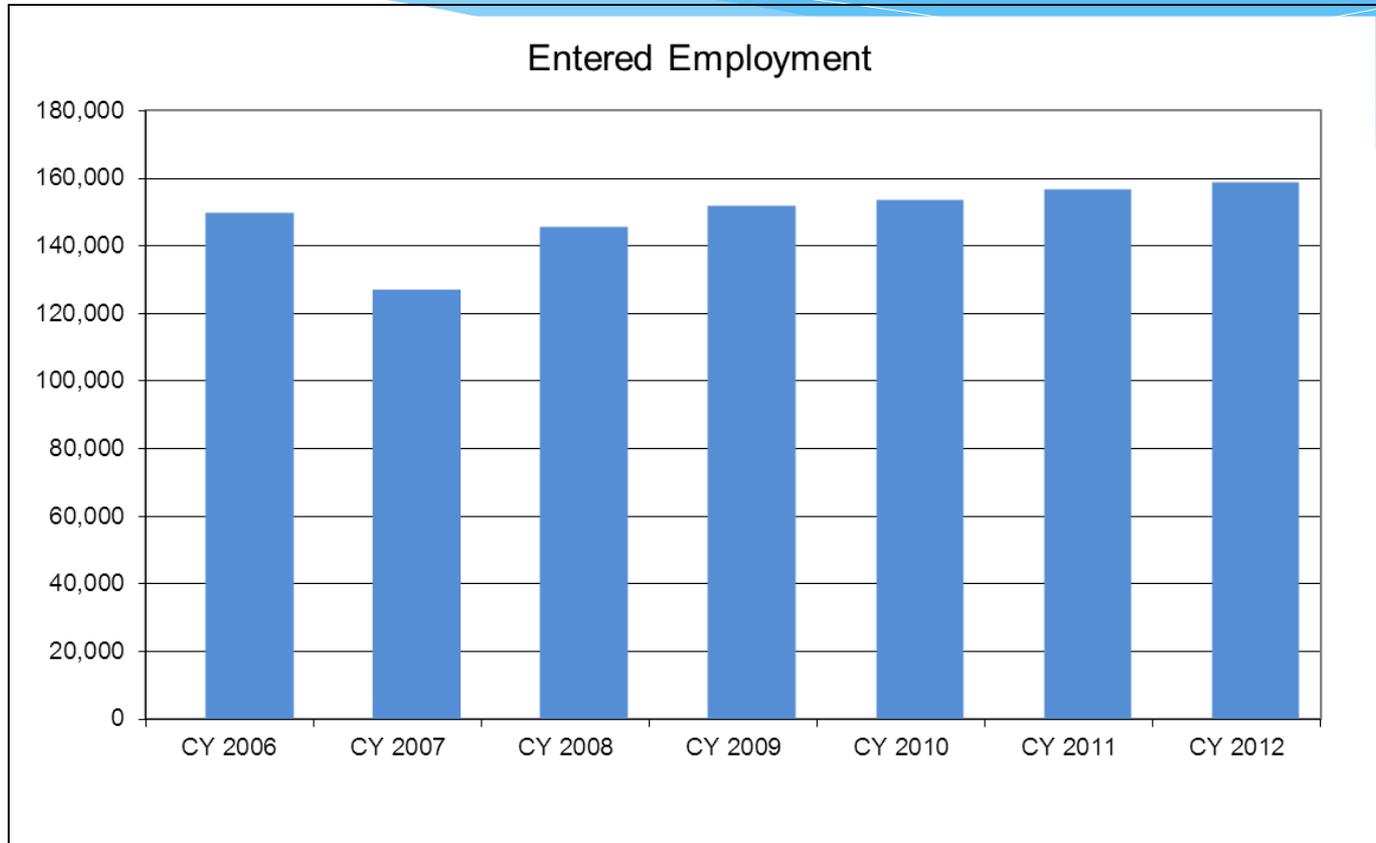
Continuing Demand above Pre-Recession Levels



Gradual Increase in Job Listings



Hiring Slowly Improves



B&ES - UI Working Together

- \$40-60 million savings to the Unemployment Insurance Trust Fund per year
- New claimants required to register for services at a WorkSource office
- Remain in contact with claimants for life of claim, including job referrals and other assistance
- Re-employment Eligibility Assessment Program (REA)
 - provides assistance in developing a reemployment plan and reviews eligibility requirements with claimants

Customer Service, Our Most Important Product:

From Job seekers:

“I have just become a client at WorkSource Oregon and I wanted to let you know that everyone has been so kind and helpful. The last time I needed to look for a job the conventional method was a highlighter and the Sunday Classifieds.”

“Karen from ... called me this morning and offered me the job, Yeah! I want to thank you so much for referring me for this job. I was starting to get really discouraged, not any more!”

“First of all thank you so much for all of your help and determination. I felt better just meeting with you this morning and have a much more positive outlook... ..I am pleased to say that I have already received a phone call from..... and have an interview scheduled”

“Misa went to extra lengths to assist me in the recruitment process, and I feel that she is the reason I got the job.”

Customer Service, Our most Important Product:

From Businesses:

“I appreciate what you folks did for me to find a very solid employee. Your prescreening saved me a lot of time; that is important for me as a small business owner.”

“Thank you for the use of your facility and staff to set up interviews... it went great!”

“Just a note of thanks. Unbelievable that you could send us two qualified applicants in a matter of 2 days and that one was hired on the spot with 20 years experience.”

“The Work Source experience exceeded all of our expectations. The level of professional, thorough and consistent communications gave us confidence that we would end up with a talented professional.”

“The help that WorkSource offered me has been amazing....The individuals selected all had the experience as well as the personality I was looking for... Another successful experience with WorkSource.”

Accomplishments

State Initiatives:

- Support of Initiatives including Back-to-Work Oregon, National Career Readiness Certificates, and Certified Work Ready Communities

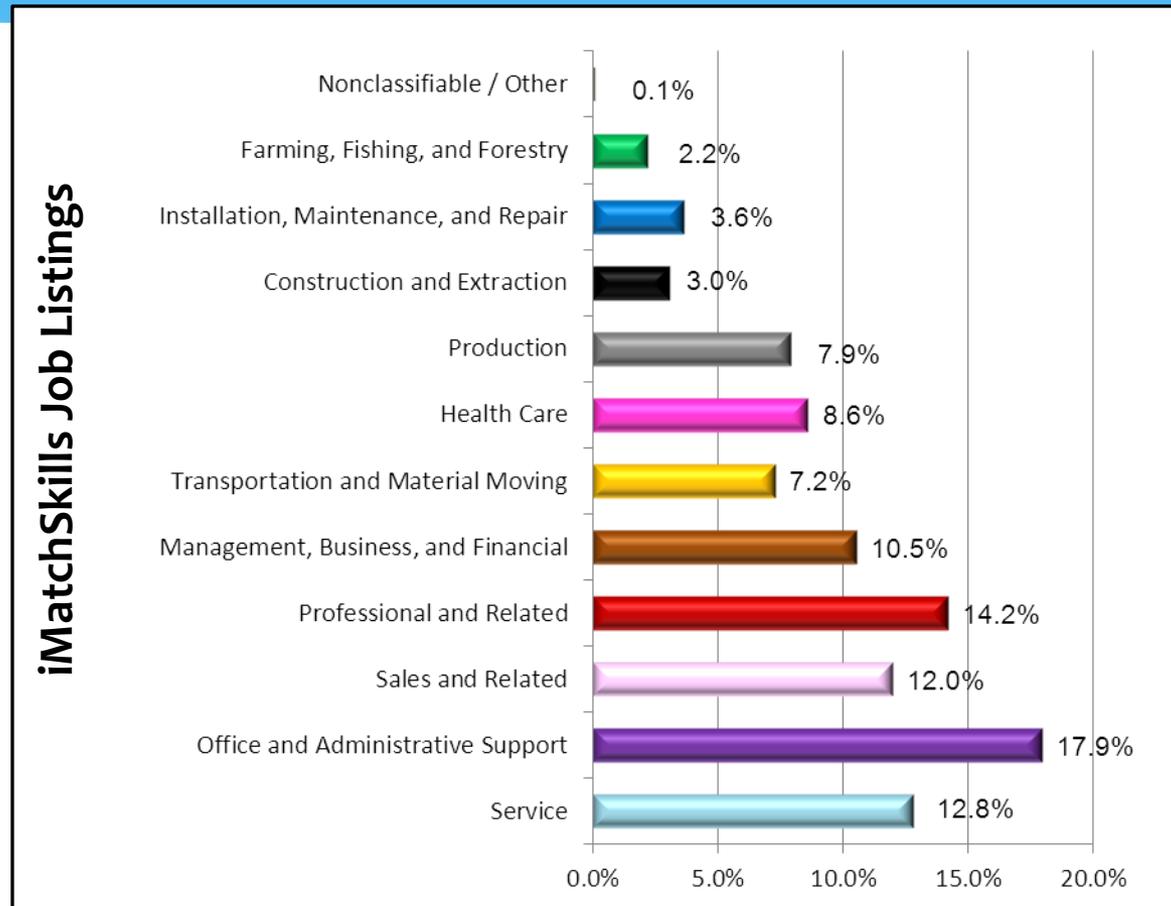
For Job Seekers:

- Engaged all Unemployment Insurance Customers at the beginning and throughout their claims
- During 2012, served 276,101 individuals and helped 158,900 get a job

For Businesses:

- Assisted 10,725 employers in listing jobs and finding new employees
- Approximately one-third of all Oregon jobs are listed with the Employment Department

iMatchSkills Job Listings Mirror Statewide Job Listings



Challenges

- Continuing economic conditions - lack of enough jobs relative to the number of job seekers
- Sequestration
- Declining and uncertain funding
- Customer expectations around technology continues to increase

B&ES Key Performance Measures

Reporting Year 2012

KPM #1 – Entered Employment

- Target \geq 57%
- Actual = 49%

KPM #2 – Employment Retention

- Target \geq 80%
- Actual = 81%

KPM #3 – Cost per Placement

- Target \leq \$200
- Actual = \$248

Ongoing Improvements

- Reduce the cost of unemployment
- Enhance or replace iMatchSkills with a system that is mobile ready and has current and improved functionality for job matching
- Strengthen and encourage existing and new partnerships at the local level

Trade Act

Policy Option Package 102

- Provides services to Workers Displaced by International Trade
- Funds Restricted to Training and Case Management Services for Displaced Workers
- Federal Funds - \$4 Million
- 24 Positions

Employment Contracted Services Policy Option Package 109

Grant, Contract and Job Placement Requests

- Other Funds - \$3.3 Million
- 23 Limited Duration Positions

Continuing Contractual Relationships

- Vocational Rehabilitation, Job Opportunity Basic Skills, Oregon Food Stamp Employment Transition, Dislocated Worker, and Community Corrections
- Partner Agency Customers Receive Comprehensive Employment Services

Re-employment & Eligibility Assessment Policy Option Package 111

- A joint project between B&ES and UI
- Demonstrated to produce cost savings to the UI Trust Fund and decrease the chances of a claimant exhausting benefits
- Designed to serve 50,000 claimants/year
- Federal Funds - \$4.3 Million
- 29 Positions

Reduction Plans for 2013-2015

Policy Option Package 113

- First stage of a multi-biennial plan
- Other Funds - \$3.4 Million
- 22 positions



Ways and Means

Child Care Division

Kara Waddell
Administrator

Child Care Division

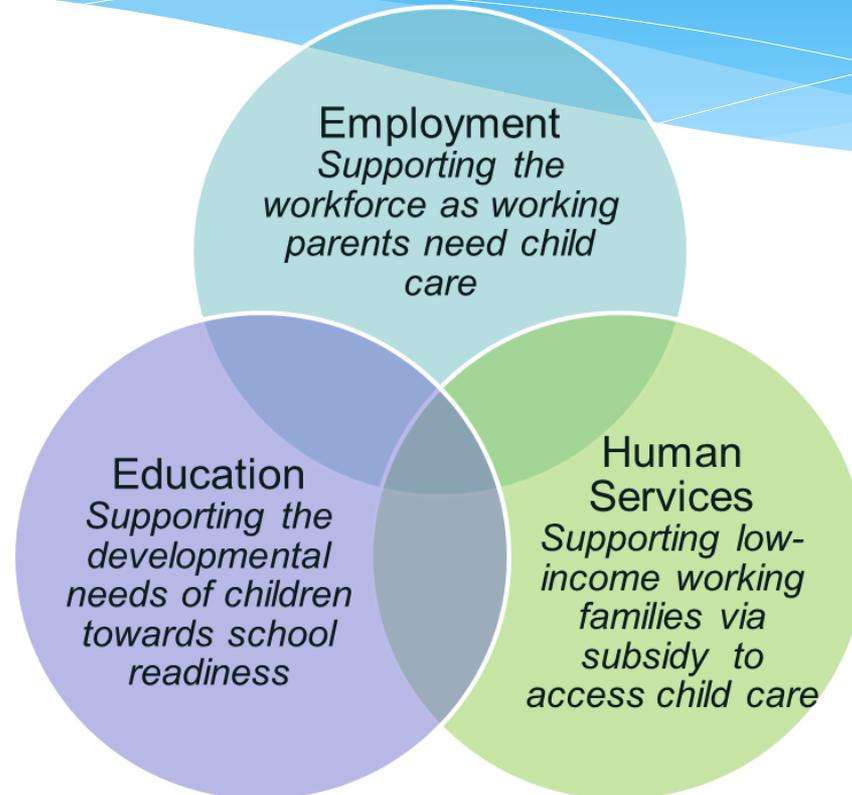
Our Division Mission is to:

Promote safe, quality, affordable and accessible child care for Oregon families.

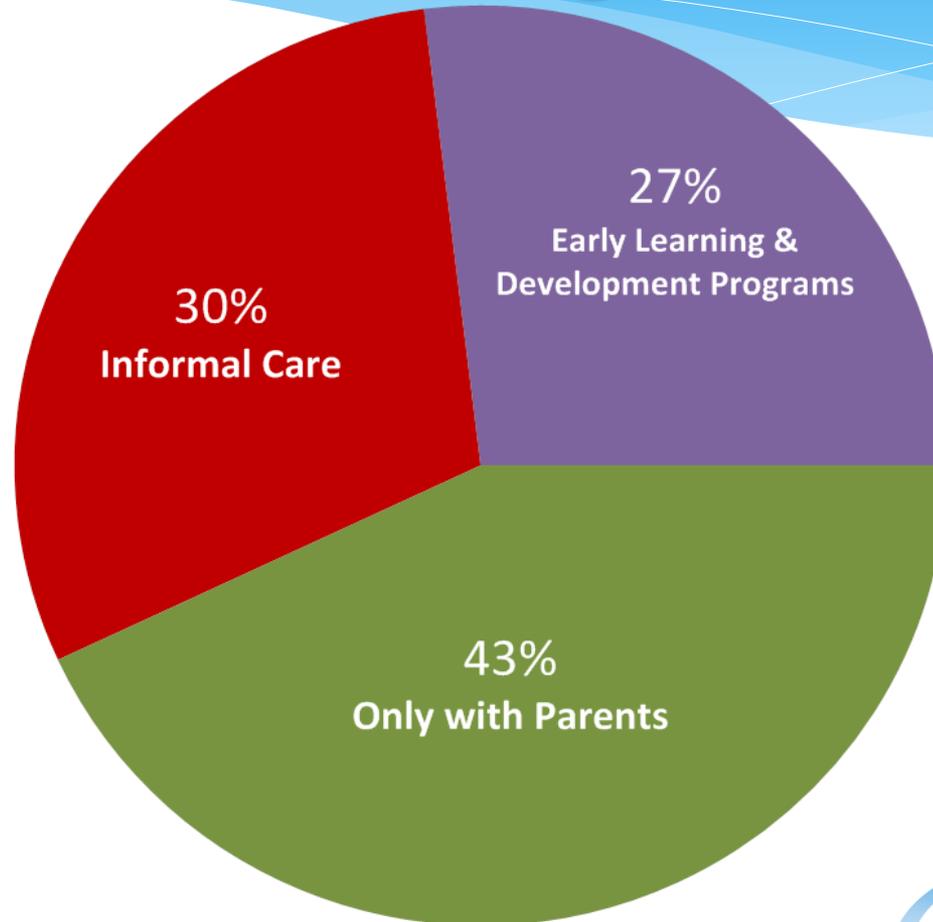
Our shared Mission with the Early Learning Council is to:

Ensure Oregonian children are ready to learn when entering kindergarten, and to support the raising of children in stable, attached families.

What is Child Care?



Where are Young Children in Oregon?



Child Health & Safety

- Conducts annual on-site health and safety inspections of approximately 4,500 licensed child care businesses
- Conducts background checks on 65,000 individuals and manages a central registry for those who supervise, care for or have access to children
- Investigates complaints about child care and works closely with Child Welfare and local authorities

Quality Child Care

High quality child care is essential for the well-being of children and for school readiness.

- Tiered Quality Rating and Improvement System (TQRIS)
- Oregon Registry Online
- Training and Professional Development Programs
- Quality Improvement of Informal Care

Access to Child Care

The Child Care Division supports access to child care by:

- Statewide accessibility of child care, including rural areas
- Funding child care subsidies for low-income working families and families of children with special needs
- Leading the Resource and Referral System for helping educate parents about quality child care and helping parents find suitable care

Partnerships

The Division is engaged in collaborative efforts among many partners to improve early learning, develop quality child care, and support parents.

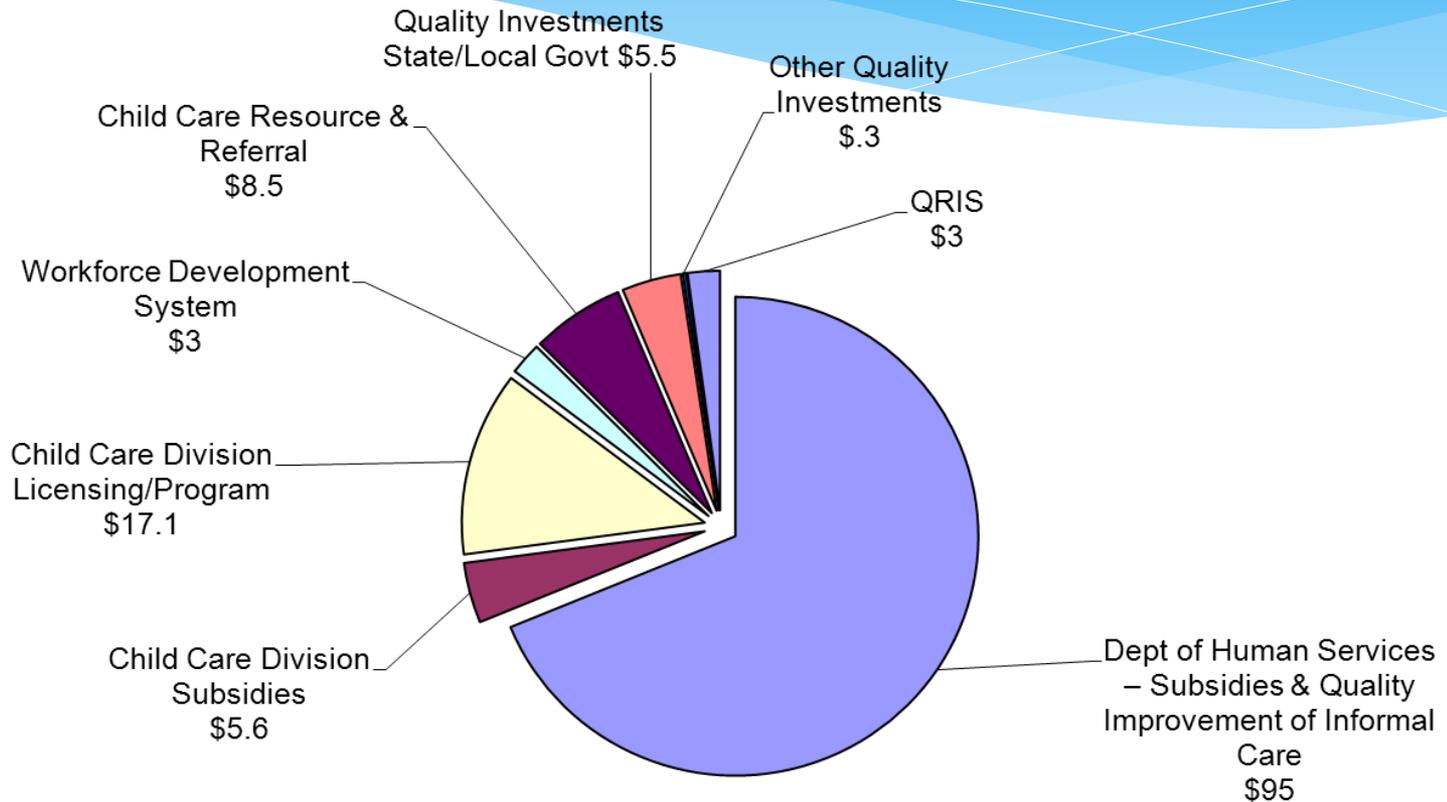
- The Division allocates federal funding to state and community partners to support quality initiatives, access to services, and subsidies for low-income working families
- Helping parents of children with special needs locate developmentally appropriate child care and navigate the system for getting financial assistance for child care

Federal Child Care Developmental Fund (CCDF)

- Child Care Division is the lead agency for the federal Child Care Development Fund
- 70% of CCDF funds are required to be spent on child care subsidy
- 4% of CCDF funds required to be spent on quality
- Almost 60% of Oregon's state licensing is paid for with CCDF quality dollars

Working with Others

Allocation of Child Care Funding (\$138 million)



Accomplishments

- Race to the Top grant for early learning
 - \$20.5 million to Oregon over 4 years
 - 68% of grant is for development of a Quality Rating and Improvement System and workforce development
- Expand child care subsidy delivery system
 - Contracted Slots

Challenges

- Maintaining a stable supply of safe, quality child care
- Promoting quality care and early learning that's also affordable
- Quality improvement of informal care
- Developing policies and practices that support children's developmental needs while meeting the work needs of parents
- Uncertainty about sequestration and federal funding – \$1.4 million by October 2013

Child Care Division KPM

- KPM #13 – Health and Safety Reviews for all licensed child care facilities
 - Target = 100%
 - 2012 Actual = 100% (Target Met)

Early Learning Council

- A governing and policy body for developing an aligned, efficient early learning system that:
 - Ensures young children are ready to start Kindergarten
 - Supports children being raised in stable, attached families
- Child Care Division has a standing role on the Council

Proposed Creation of an Early Learning Division at Department of Education

Opportunity to...

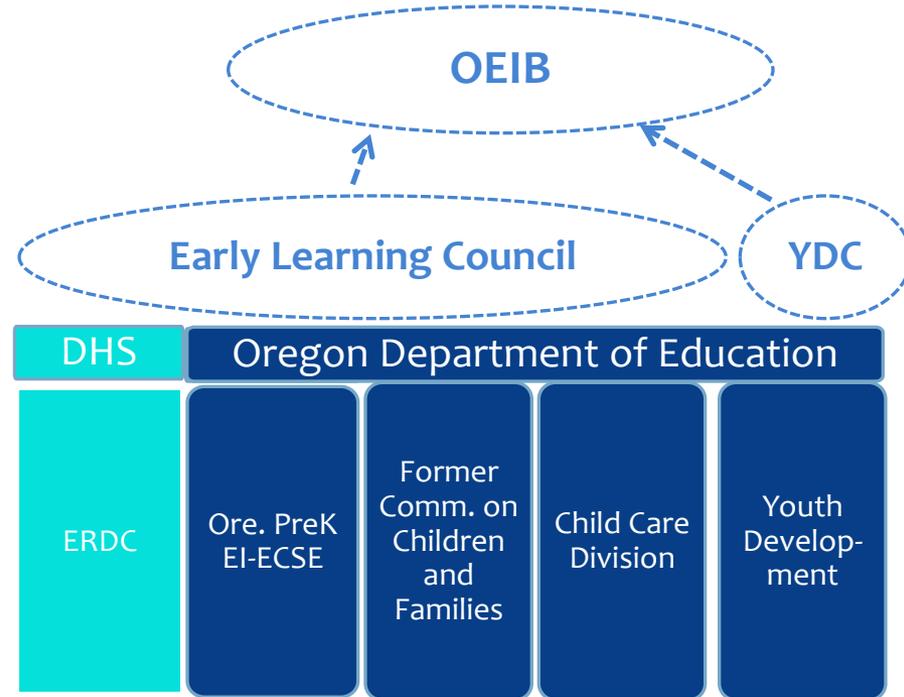
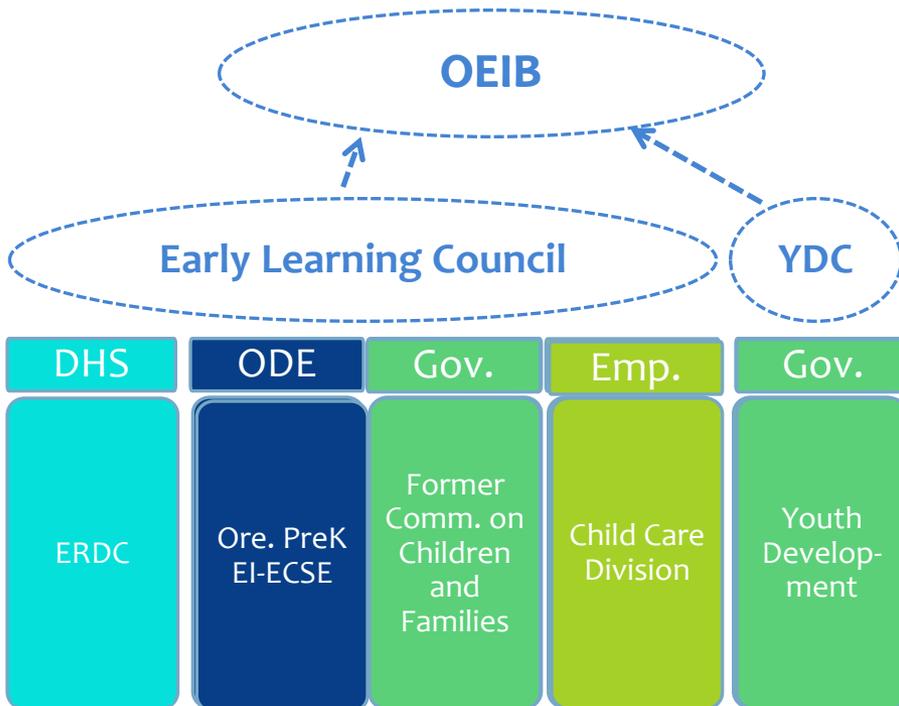
- Create an integrated, aligned early learning system
- Recognize child care as an opportunity for developmental growth and preparing children for school
- Ensure at-risk children are able to access high quality early learning and development programs

The Oregon Education Investment Board and the Early Learning Council

P-12 (Current)



**P-12 (Future
Early Childhood
Agency Shift)**



Policy Package 401 and HB 3234

The establishment of an Early Learning Division at Department of Education

- Moves the Child Care Division from Employment Department to the Early Learning Division
 - 83 positions
 - \$4.2 million in General Funds
 - \$3.7 million in Other Funds
 - \$130 million in Federal Funds

Policy Package 101

Allocated \$2.8 million in federal funds to the Child Care Division budget for a baseline budget for the Quality Rating and Improvement System

- Sustains an ongoing, baseline budget for the Quality Rating and Improvement System (QRIS)
- 2 permanent positions
- Note: The federal Race to the Top grant is providing millions to establish a statewide QRIS



Ways and Means

Office of Administrative Hearings

Karla Forsythe

Chief Administrative Law Judge

OAH Resolves Administrative Disputes

Hearings

- Impartial
- Fair
- Accessible
- Efficient

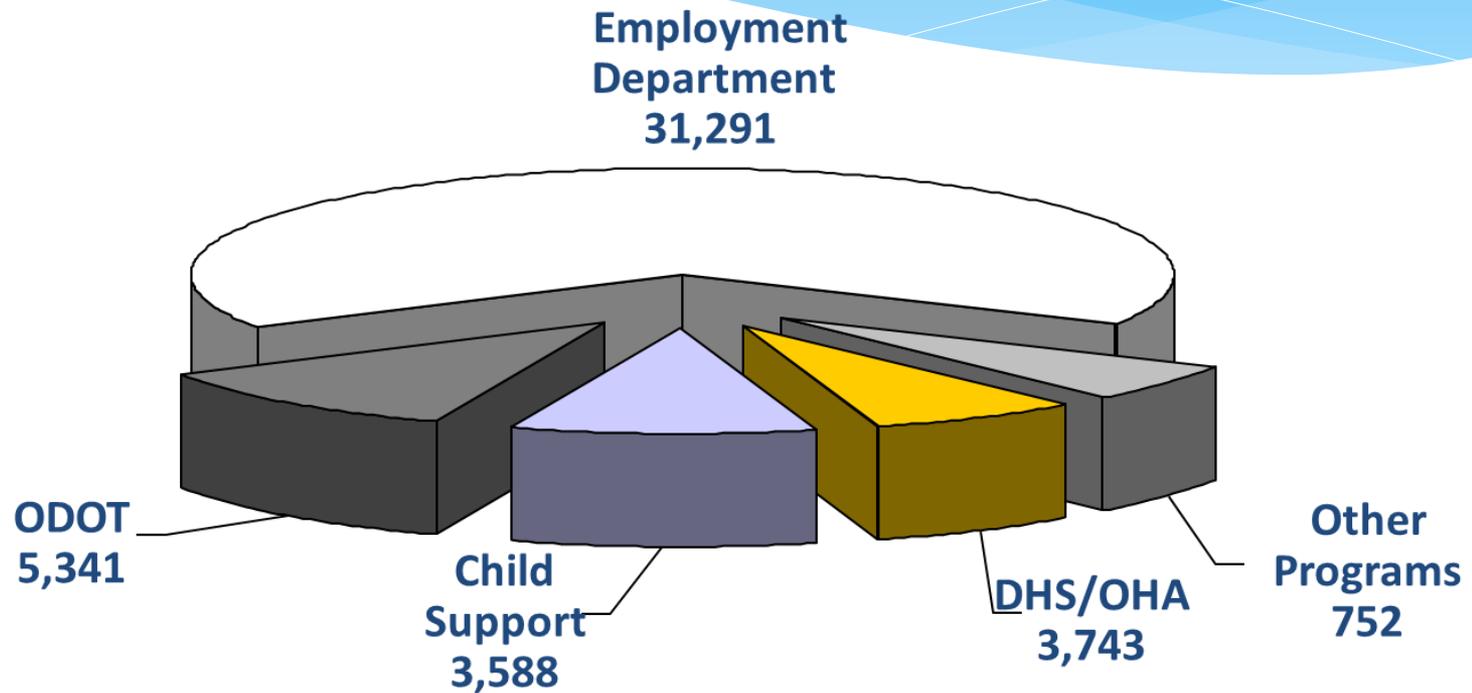
Orders

- Well reasoned
- Well written
- Timely

OAH Hears Many Different Issues

- Hearings address action taken by more than 85 public agencies
- The issues are important to the public: public benefits (Unemployment Insurance, Department of Human Services)
 - Child support
 - Driver license suspensions
 - Licensing and other regulatory action

OAH Received 44,715 Hearing Requests Between July 2011 and June 2012



47,177 requests between July 2010 and June 2011.

Accomplishments

- Speedier resolution of Unemployment Insurance appeals
- More efficient processing of UI appeals through use of electronic rather than paper files
- Revised rules enhance fairness of hearings while maintaining policy role for agencies
- Convenient and efficient hearings by telephone for more types of cases

Challenges

- Increasing productivity through technology
- Providing full, fair and timely hearings in all program areas despite high volume
- 2013-15 budget proposal anticipates reductions in the number of hearing referrals

Key Performance Measures

(July 2011 – June 2012)

- KPM #7 – UI Appeals Timeliness (cases resolved within 30 days)
 - Target $\geq 60\%$; 2012 Actual = 45.8%. July - December 2012 = 89%
- KPM #8 – Non-Unemployment Insurance Appeals Timeliness
 - Target $\geq 93\%$; 2012 Actual = 92.51%
- KPM #9 – Average Days to Issue an Order
 - Target ≤ 6.6 days; 2012 Actual = 5.94
- KPM #10 – Cost per Referral to OAH
 - Target $\leq \$400$; 2012 Actual = \$315

Thank you!

Questions?

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