DEPARTMENT OF WORKFORCE SERVICES

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE
STAFF: PATRICK LEE

BUDGET BRIEF

SUMMARY

The Department of Workforce Services (DWS), which was created in 1997, integrates job placement, job training and social services, including: child care assistance, food stamps, unemployment insurance and general assistance. Utah has developed an integrated service model and one-stop centers that seek to provide several services and create efficiency in the process. The state is divided into nine service areas. The budget presented in this brief contains the DWS administrative functions and the agency's operating divisions and programs.

BUDGET DETAIL

The Department of Workforce Services includes the following divisions and major programs:

Unemployment Insurance (UI) – collects employer contributions for deposit in the UI trust fund, determines eligibility, and pays weekly benefits from the trust fund to unemployed workers.

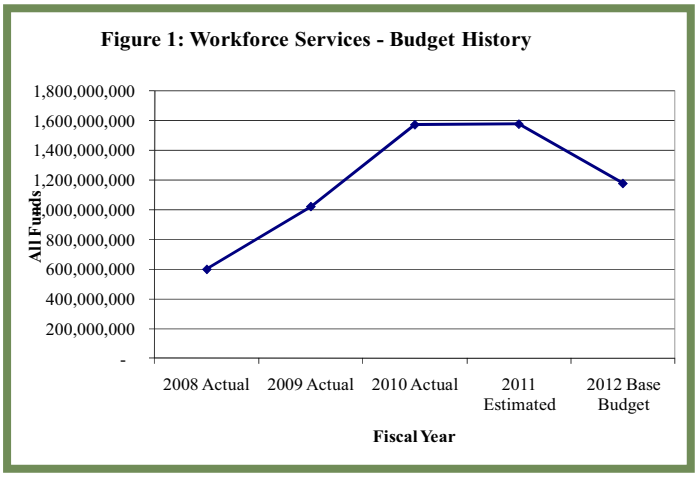
Eligibility Services – formed recently to provide a centralized model to administer DWS's eligibility services. Division workers determine eligibility for programs including: Medicaid, CHIP, food stamps (SNAP), child care, and general financial assistance programs.

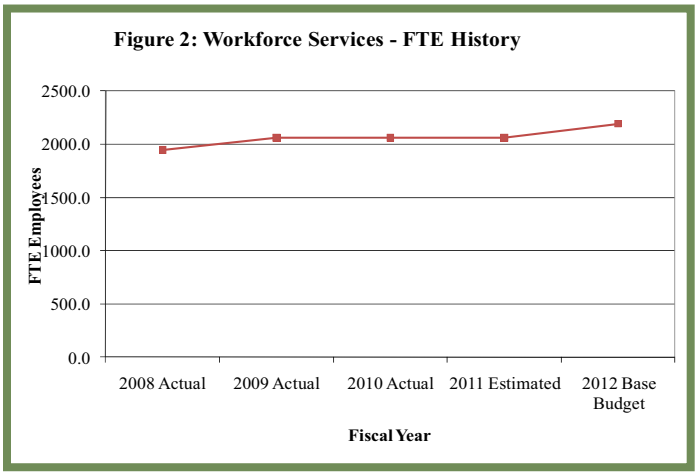
Workforce Development – also recently formed at the start of FY 2011, the division seeks to connect employers with those seeking jobs and works at the local level throughout the 9 service areas to do so.

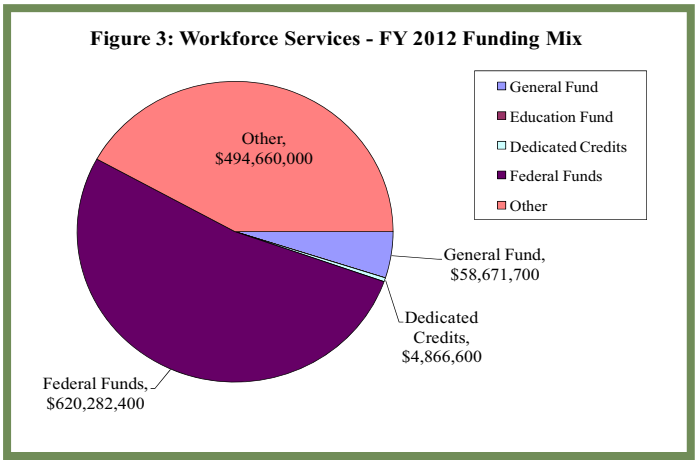
Family Employment Program – a program that offers financial assistance to assist parents with dependent children to connect to employment opportunities in order to provide for their families. FEP is funded by the U.S. Department of Health and Human Services through the Temporary Assistance for Needy Families (TANF) grant program.

Supplemental Nutrition Assistance Program (SNAP) – also known as 'food stamps' is a federal-state program to help low-income families buy the food they need to stay healthy, and continue to seek employment opportunities to provide for their family.

As indicated in the tables, the overall DWS budget has increased despite state fund reductions. This increase is due to funding for food stamps and unemployment benefits during FY 2009, 2010 and 2011.

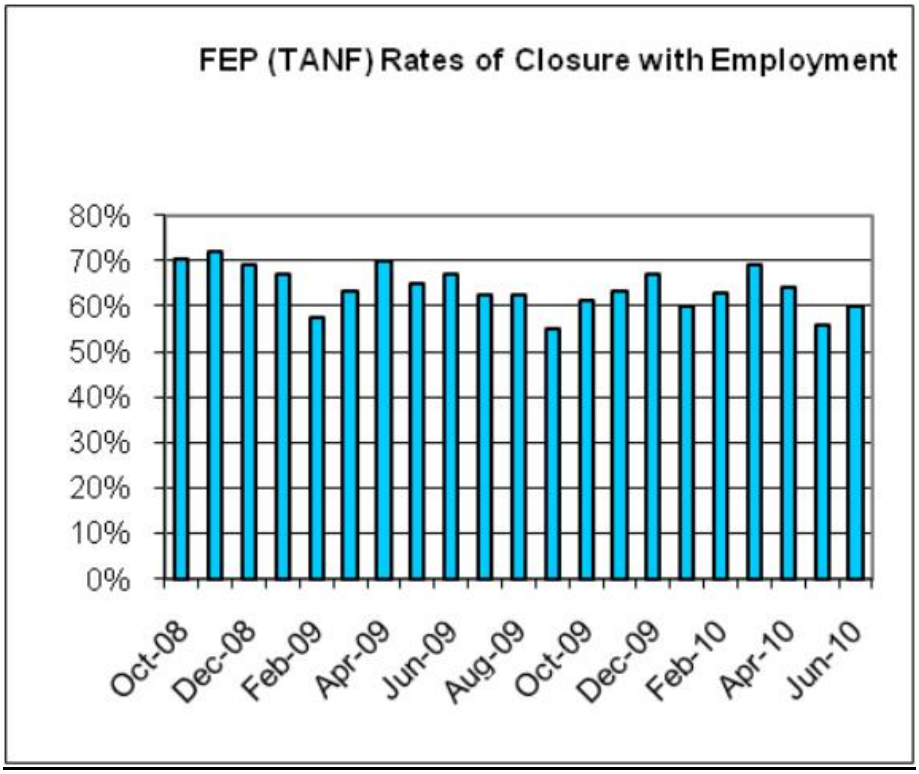






PERFORMANCE MEASURES

The Department of Workforce Services utilizes as one major performance indicator of success FEP Rates of Closure with Employment, or that the client obtains work. Of DWS clients over the past two years, rates have been near 70% for the client to obtain work. The Family Employment Program has a lifetime limit of 36 months and includes strict participation requirements in order to receive services. Throughout the process, every parent meets regularly with an employment counselor to develop and follow through on an Employment Plan.



INTENT LANGUAUGE

The following intent language was passed by the Legislature regarding DWS in the 2010 General Session.

The Legislature intends that, if the Department of Workforce Services continues to pursue proxies for Temporary Assistance for Needy Families (TANF) maintenance of effort requirements ("replacement MOE"), the Department shall also identify one-time General Fund budget adjustments equivalent to replacement MOE amounts. The Department shall also develop a plan for implementing such adjustments in case replacement MOE declines or is disallowed by the Federal Government.

The Legislature intends that, if the Department of Workforce Services continues to pursue proxies for Temporary Assistance for Needy Families (TANF) maintenance of effort requirements ("replacement MOE"), the Department shall in accordance with Utah Code 63J-1-104(6)(a) use any and all replacement MOE first, prior to expending free or restricted revenue.

The Legislature intends that the Department of Workforce Services report to the Office of the Legislative Fiscal Analyst the feasibility of allowing non-state entities working with low income individuals to submit the required information for Medicaid and other public programs eligibility via online methods by December 31, 2010.

BUILDINGS

For information on buildings used by the department, see Appendix A.

BUDGET DETAIL

The following table shows the budget history for the Department of Workforce Services. To eliminate the structural imbalance and as directed by the Executive Appropriations Committee, the *FY 2012 Base Budget* column includes 93% of FY 2011 ongoing General and Education Fund appropriations across the board. Targeted budget changes, reflecting policymaker direction, will likely replace the reductions shown here.

Federal Funds

Federal funds for DWS requiring legislative approval, including those for the American Recovery and Reinvestment Act, are shown in the Issue Brief *Federal Funds: Department of Workforce Services and Utah State Office of Rehabilitation* and were presented January 31, 2011, for subcommittee review and approval.

Workforce Services

Sources of Finance	FY 2010 Actual	FY 2011 Appropriated	Changes	FY 2011 Revised	Changes	FY 2012 Base Budget
General Fund	66,427,300	63,087,900	0	63,087,900	(4,416,200)	58,671,700
General Fund, One-time	444,500	0	0	0	0	0
Federal Funds	574,441,100	549,330,700	45,012,300	594,343,000	25,939,400	620,282,400
American Recovery and Reinvestme	277,898,900	25,000,000	0	25,000,000	(25,000,000)	0
Dedicated Credits Revenue	3,960,800	4,042,600	757,600	4,800,200	66,400	4,866,600
GFR - Special Administrative Expens	3,000,000	2,000,000	0	2,000,000	(2,000,000)	0
Unemployment Compensation Trust	626,197,000	466,550,000	395,419,000	861,969,000	(395,419,000)	466,550,000
Transfers - Medicaid	26,735,200	27,790,600	(641,300)	27,149,300	821,400	27,970,700
Transfers - Within Agency	0	30,000	(30,000)	0	139,300	139,300
Beginning Nonlapsing	2,596,600	0	46,500	46,500	(46,500)	0
Closing Nonlapsing	(46,500)	0	0	0	0	0
Lapsing Balance	(7,419,000)	0	0	0	0	0
Total	**$1,574,235,900**	**$1,137,831,800**	**$440,564,100**	**$1,578,395,900**	**($399,915,200)**	**$1,178,480,700**
Line Items						
Workforce Services	660,877,600	637,272,200	56,349,400	693,621,600	(693,621,600)	0
Administration	0	0	0	0	13,289,600	13,289,600
Operations and Policy	0	0	0	0	671,373,700	671,373,700
General Assistance	0	0	0	0	4,553,700	4,553,700
Unemployment Insurance	913,358,300	34,009,600	(11,204,300)	22,805,300	(91,600)	22,713,700
Unemployment Compensation Fund	0	466,550,000	395,419,000	861,969,000	(395,419,000)	466,550,000
Total	**$1,574,235,900**	**$1,137,831,800**	**$440,564,100**	**$1,578,395,900**	**($399,915,200)**	**$1,178,480,700**
Categories of Expenditure						
Personnel Services	135,079,300	48,891,800	(29,131,900)	19,759,900	10,644,400	30,404,300
In-state Travel	399,000	0	47,300	47,300	27,200	74,500
Out-of-state Travel	111,900	0	36,500	36,500	9,500	46,000
Current Expense	275,147,500	122,346,000	89,041,600	211,387,600	(17,141,000)	194,246,600
DP Current Expense	28,151,000	0	334,200	334,200	298,400	632,600
DP Capital Outlay	63,037,900	0	106,000	106,000	57,900	163,900
Capital Outlay	(55,921,500)	0	0	0	0	0
Other Charges/Pass Thru	2,702,466,700	861,061,600	485,662,800	1,346,724,400	(393,811,600)	952,912,800
Operating Transfers	(222,143,500)	66,375,100	(66,375,100)	0	0	0
Trust & Agency Disbursements	(1,352,092,400)	39,157,300	(39,157,300)	0	0	0
Total	**$1,574,235,900**	**$1,137,831,800**	**$440,564,100**	**$1,578,395,900**	**($399,915,200)**	**$1,178,480,700**
Other Data						
Budgeted FTE	2062.0	2062.0	0.0	2062.0	130.0	2192.0
Actual FTE	2067.5	0.0	0.0	0.0	0.0	0.0
Vehicles	113	121	0	121	0	121

LEGISLATIVE ACTION

The Analyst recommends the Legislature:

1. Adopt a total FY 2012 base appropriation for the Department of Workforce Services of $1,178,480,700 with adjustments as made by the subcommittee.
2. Allow the Department of Workforce Services to accept federal funds for the respective years presented in the Issue Brief *Federal Funds: Department of Workforce Services and Utah State Office of Rehabilitation* and direct the Fiscal Analyst to include the federal funds and associated federal programs in the annual appropriations act for approval by the Legislature.

APPENDIX A

The following tables give detail regarding the buildings utilized by DWS to provide administration and services throughout the state.

Facility	Leased/ Owned	Lease Expiration	Source of Funds: Federal funds	Source of Funds: Dedicated Credits	Source of Funds: Transfer	Source of Funds: General Funds	Annual Cost	Square Feet	Annual Cost per Sq Foot	Staff	Sq Feet Per Staff	Annual Cost per Staff
American Fork	Leased	9/30/2011	$ 240,908	$ 815	$ 10,397	$ 39,113	$ 291,233	12,326	23.63	41	301	$ 7,103
Beaver	Leased	8/31/2013	$ 21,282	$ 72	$ 918	$ 3,455	$ 25,728	1,608	16.00	3	536	$ 8,576
Blanding	Leased	6/30/2017	$ 143,092	$ 484	$ 6,176	$ 23,232	$ 172,984	10,731	16.12	20	537	$ 8,649
Brigham City	Leased	10/31/2011	$ 128,668	$ 436	$ 5,553	$ 20,890	$ 155,547	9,410	16.53	33	285	$ 4,714
Cedar City	Owned		$ 81,680	$ 276	$ 3,525	$ 13,261	$ 98,743	14,804	6.67	32	463	$ 3,086
Clearfield	Owned		$ 83,474	$ 283	$ 3,603	$ 13,552	$ 100,911	25,677	3.93	74	347	$ 1,364
CRESC	Leased	12/31/2010	$ 79,618	$ -	$ 68,080	$ 118,760	$ 266,458	24,196	22.02	160	151	$ 1,665
Delta	Leased	6/30/2014	$ 35,982	$ 122	$ 1,553	$ 5,842	$ 43,498	3,152	13.80	5	630	$ 8,700
Downtown SLC	Leased	3/31/2012	$ 304,650	$ 1,031	$ 13,148	$ 49,461	$ 368,291	23,328	15.79	43	543	$ 8,565
Emery County	Leased	11/30/2010	$ 45,887	$ 155	$ 1,980	$ 7,450	$ 55,473	7,442	17.89	7	1063	$ 7,925
Emery County	Leased	11/30/2013	$ 20,524	$ 69	$ 886	$ 3,332	$ 24,812	2,502	17.00	7	357	$ 3,545
Heber City	Leased	12/31/2012	$ 54,334	$ 184	$ 2,345	$ 8,821	$ 65,684	3,613	18.18	9	401	$ 7,298
Junction	Leased	2/28/2015	$ 3,376	$ 11	$ 146	$ 548	$ 4,081	265	15.40	1	265	$ 4,081
Kanab	Leased	9/30/2013	$ 27,837	$ 94	$ 1,201	$ 4,519	$ 33,652	1,850	18.19	3	617	$ 11,217
Loa	Leased	6/30/2011	$ 4,611	$ 16	$ 199	$ 749	$ 5,574	355	15.70	1	355	$ 5,574
Logan	Owned		$ 136,597	$ 462	$ 5,895	$ 22,177	$ 165,132	20,089	8.22	53	379	$ 3,116
Logan Bes Elig Svcs	Leased	6/30/2011	$ 21,556	$ -	$ 18,433	$ 32,154	$ 72,143	4,139	17.43	0		
Manti	Leased	12/31/2011	$ 62,698	$ 212	$ 2,706	$ 10,179	$ 75,795	4,767	15.90	22	217	$ 3,445
Metro Condo Parking	Leased	6/30/2026	$ 70,254	$ 238	$ 3,032	$ 11,406	$ 84,930	250 Stalls	339.72	0		
Metro Condo Parking O&M	DFCM		$ 68,045	$ 230	$ 2,937	$ 11,048	$ 82,260	250 Stalls	329.04	0		
Metro SLC	Owned		$ 151,312	$ 512	$ 6,530	$ 24,566	$ 182,921	36,008	5.08	87	414	$ 2,103

Facility	Leased/ Owned	Lease Expiration	Source of Funds: Federal funds	Source of Funds: Dedicated Credits	Source of Funds: Transfer	Source of Funds: General Funds	Annual Cost	Square Feet	Annual Cost per Sq Foot	Staff	Sq Feet Per Staff	Annual Cost per Staff
Midvale	Owned		$ 112,168	$ 380	$ 4,841	$ 18,211	$ 135,600	30,000	4.52	65	462	$ 2,086
Moab	Leased	6/30/2011	$ 164,755	$ 558	$ 7,110	$ 26,749	$ 199,172	7,969	24.99	17	469	$ 11,716
Nephi	Leased	5/31/2013	$ 46,694	$ 158	$ 2,015	$ 7,581	$ 56,448	3,150	17.92	9	350	$ 6,272
North Admin	Owned		$ 499,740	$ 1,692	$ 21,568	$ 81,135	$ 604,135	143,500	4.21	714	201	$ 846
Ogden Regional	Owned		$ 48,209	$ -	$ 41,223	$ 71,910	$ 161,342	30,045	5.37	73	412	$ 2,210
Ogden South	Owned		$ 112,809	$ 382	$ 4,869	$ 18,315	$ 136,374	23,800	5.73	75	317	$ 1,818
Panguitch	Leased	6/30/2013	$ 32,134	$ 109	$ 1,387	$ 5,217	$ 38,847	2,169	17.91	5	434	$ 7,769
Park City	Leased	11/30/2013	$ 12,631	$ 43	$ 545	$ 2,051	$ 15,269	1,145	13.34	3	382	$ 5,090
Park City	Leased	12/31/2010	$ 5,314	$ 18	$ 229	$ 863	$ 6,424	516	12.45	3	172	$ 2,141
PEP/TPO (For Sale)	Owned		$ 7,904	$ 27	$ 341	$ 1,283	$ 9,555	3,500	2.73	0		
Price	Leased	6/30/2013	$ 284,740	$ 964	$ 12,289	$ 46,229	$ 344,221	17,151	20.07	36	476	$ 9,562
Provo	Owned		$ 122,376	$ 414	$ 5,281	$ 19,868	$ 147,940	26,600	5.56	53	502	$ 2,791
Provo Regional	Owned		$ 34,181	$ -	$ 29,228	$ 50,985	$ 114,394	24,654	4.64	67	368	$ 1,707
Richfield	Owned		$ 29,895	$ 101	$ 1,290	$ 4,854	$ 36,140	5,600	6.45	21	267	$ 1,721
Richfield Parking	Leased		$ 1,750	$ 6	$ 76	$ 284	$ 2,115	8 stalls	264.38	0		
Richfield Regional	Owned		$ 17,879	$ 61	$ 772	$ 2,903	$ 21,614	5,427	3.98	10	543	$ 2,161
Roosevelt	Leased	6/30/2013	$ 119,731	$ 405	$ 5,167	$ 19,439	$ 144,743	9,405	15.39	34	277	$ 4,257
Roy	Leased	11/30/2013	$ 268,231	$ 908	$ 11,576	$ 43,549	$ 324,264	16,197	20.02	45	360	$ 7,206
Salt Lake Eligibility Center	Owned		$ 32,219	$ -	$ 27,550	$ 48,059	$ 107,829	33,220	4.32	160	208	$ 674
South County SLC	Owned		$ 145,831	$ 494	$ 6,294	$ 23,676	$ 176,295	36,500	4.83	73	500	$ 2,415
South Davis	Leased	4/30/2011	$ 193,707	$ 656	$ 8,360	$ 31,449	$ 234,172	10,994	21.30	40	275	$ 5,854
Spanish Fork	Leased	3/30/2013	$ 116,256	$ 394	$ 5,017	$ 18,875	$ 140,542	6,194	22.69	18	344	$ 7,808
St George	Leased	11/30/2011	$ 394,227	$ 1,334	$ 17,014	$ 64,005	$ 476,580	24,000	19.86	67	358	$ 7,113
St George Admin	Owned		$ 36,943	$ 125	$ 1,594	$ 5,998	$ 44,660	7,400	6.04	12	617	$ 3,722
St George Elig. Svcs	Leased	12/31/2010	$ 15,015	$ 51	$ 648	$ 2,438	$ 18,152	4,510	4.02	0		
Tooele	Leased		$ 126,722	$ 429	$ 5,469	$ 20,574	$ 153,194	7,741	19.79	19	407	$ 8,063
Vernal	Owned		$ 46,454	$ 157	$ 2,005	$ 7,542	$ 56,158	8,816	6.37	20	441	$ 2,808
Warehouse	Leased	5/31/2012	$ 23,411	$ 79	$ 1,010	$ 3,801	$ 28,301	5,360	5.28	0		
Wasatch Front S. Admin	Owned		$ 128,421	$ 435	$ 5,542	$ 20,850	$ 155,248	32,822	4.73	56	586	$ 2,772
West Valley	Leased	11/30/2013	$ 260,691	$ 882	$ 11,251	$ 42,325	$ 315,149	12,679	24.86	49	259	$ 6,432
Total			$ 5,227,425	$ 16,964	$ 400,804	$ 1,135,534	$ 6,780,727		12.77			