2008 Report on Accomplishments

Executive Branch Management Scorecard

DEPARTMENT OF LABOR · UNITED STATES OF AMERICA

FRANCES PERKINS
DEPARTMENT OF LABOR BUILDING

United States Department of Labor

DOL: Celebrating Accomplishments, Planning for the Future

Secretary's Message

Dear DOL Colleagues:

Since January 2001, I have had the honor of working with you to protect, support and promote the competitiveness of America's workforce. Based upon these nearly eight years of effort and results, I am especially proud to present the *2008 Report on Accomplishments – **DOL: Celebrating Accomplishments, Planning for the Future***. Through this report, we celebrate our collective milestones, and plan responsibly for the future.

These achievements have been shaped by responding in new and innovative ways to the challenges of the 21st Century and are due, in part, to the leadership of our Senior Executive Service (SES) team. At the seventh annual SES Leadership training Conference, we will have the opportunity once again to share ideas and best practices and build upon the milestones already achieved.
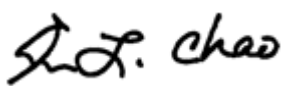
Looking back over my tenure as Secretary of Labor, we successfully updated the white collar overtime regulations under the Fair Labor Standards Act, which has been on the agenda of every Administration since 1977. These new regulations provided millions of low-wage vulnerable workers with strengthened overtime protection. In 2003, the Department achieved the first major update of union financial disclosure regulations in more than 40 years, giving rank and file members enhanced information on how their hard-earned dues are spent. The Department also set new worker protection enforcement records, including recovering a record amount of back wages for U.S. workers, many of whom are low-wage immigrant workers. We also launched comprehensive reform of the nation's publicly funded worker training programs, to better serve dislocated and unemployed workers.

In 2006, President George W. Bush signed the *Pension Protection Act*, which strengthens both defined benefit and defined contribution pension plans, improving the retirement security of America's workers, retirees and their families. The passage of the Mine Improvement and New Emergency Response (Miner) Act of 2006 was the most significant mine safety legislation in nearly 30 years. It provided the Department with new tools to better ensure miner safety and the Mine Safety and Health Administration has moved quickly to implement this legislation.

The foundation of these successes is a tradition of sound management at the Department of Labor. These program management results were complemented by DOL's ongoing success in implementing the President's Management Agenda (PMA). On June 30, 2005, the Department became the first executive branch department to achieve green progress and status in all five major components of the PMA. And three years later, we're still going strong.

Since 2001, the Department has succeeded in our four critical priorities: protecting workers' safety and health; protecting workers' pay, benefits, and pensions; securing the employment rights of our veterans; and increasing the competitiveness of America's workforce. We should celebrate these results – they are your achievements!

With Gratitude,

Elaine L. Chao

Statement from the Deputy Secretary

Dear Colleagues:

Looking back over the past seven years, I am proud of what the Department of Labor – *our* team – has accomplished. Under Secretary Elaine L. Chao's leadership and thanks to your diligent efforts, we successfully advanced opportunities for meaningful employment and increased the competitiveness of America's workforce. We achieved these results by working together and increasing our accountability to the American public. This teamwork was evident to me when I served as Solicitor of Labor – and, as Deputy Secretary of Labor, I continue to see it transform the Department.

Your hard work led to record-setting results during the past few years to protect workers' health, safety, pay, benefits and union member rights. With Secretary Chao's vision, we:

- ➢ recovered over **$1.27 billion** in back wages for workers since 2001;

- ➢ reduced workplace fatality and serious injury and illness rates to record lows. Since 2002, the overall injury and illness rate has declined by 17 percent. And since 2001, worker fatalities have dropped by **seven percent**;

- ➢ recovered or protected nearly **$11 billion** for participants in pension plans, health plans, and other employee benefits plans, and closed over 28,000 civil and 1,200 criminal cases – obtaining indictments against more than 800 individuals for crimes against plans and participants since 2001;

- ➢ posted record results in enforcing equal opportunity rights for individuals working for federal contractors – with an increase in financial recoveries of 78 percent since 2001; and

- ➢ increased the protection of union members' rights by enforcing the laws on union transparency and democracy. In 2007, the number of convictions reached 118 – an increase of 15.7 percent from 2001. The number of financial compliance audits rose by **226 percent** – from 238 to 775.

These programmatic achievements are complemented by DOL's eleventh consecutive unqualified audit opinion – and an eighth consecutive *Certificate of Excellence in Accountability Reporting* from the Association of Government Accountants, both of which demonstrate effective stewardship of taxpayers' hard-earned dollars.

Finally, I will close with an historical note. Earlier this year, Secretary Chao surpassed Secretary James P. Mitchell in length of tenure and became the underline fourth longest-serving Secretary of Labor in history – and the longest serving Secretary since Frances Perkins. Through strong, consistent leadership, our team *is* fulfilling its mission and *is* making a difference.

Thank you for making these impressive results possible. The hard work you do every day reaches every workplace in America and touches the lives of every single worker.

Sincerely,

Howard M. Radzely

DOL: Celebrating Accomplishments, Planning for the Future

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Introduction

Mission

The Department of Labor fosters and promotes the welfare of the job seekers, wage earners, and retirees of the United States by improving their working conditions, advancing their opportunities for profitable employment, protecting their retirement and health care benefits, helping employers find workers, strengthening free collective bargaining, and tracking changes in employment, prices, and other national economic measurements. In carrying out this mission, the Department administers a variety of Federal labor laws including those that guarantee workers' rights to safe and healthy working conditions; a minimum hourly wage and overtime pay; freedom from employment discrimination; unemployment insurance; and other income support.

The President's Management Agenda: "Winning at Labor" Through the Years

When President George W. Bush introduced his Management Agenda (PMA) in 2001, the Department seized this opportunity and quickly demonstrated solid progress in implementing its initiatives. Sound management has always been a focus here at DOL. In the third quarter of Fiscal Year (FY) 2005, DOL became the *first* agency to achieve green status scores for all five government-wide initiatives. Of this achievement, Office of Management and Budget (OMB) Deputy Director for Management, Clay Johnson, said, "both federal employees and taxpayers win when agencies better manage their programs, people, and costs, and I congratulate the Department of Labor for leading this government-wide effort." And as highlighted on the March 31, 2008 PMA scorecard, DOL has continued its momentum – and has also achieved green scores in the agency-specific initiatives of *Eliminating Improper Payments*; *Faith-Based and Community Initiative*; and *Real Property Asset Management.* Over the past several years, DOL's team also received the following honors:

- President's Quality Awards for *Expanded Electronic Government* (2006), *Performance in Integrating Management Systems* (2005), *Strategic Management of Human Capital* (2004), and *Budget and Performance Integration* (2004)
- DOL's *Performance and Accountability Report* (*PAR*) has been ranked #1 or #2 in each of the last six

years by the George Mason University Mercatus Center, including four consecutive #1 rankings for DOL's 2002-2005 reports. In addition, Mercatus cited DOL's 2007 PAR Highlights Report as the best in government

- Eight consecutive *Certificates of Excellence in Accountability Reporting* from the Association of Government Accountants (2000-2007)
- Eleven consecutive unqualified (or "clean") financial audits (1997-2007)
- The Performance Institute's Top E-Gov Award (2002)
- Government Executive's Grace Hopper Government Technology Award for GovBenefits.gov (2002)

Congratulations, DOL!

Strategic Management of Human Capital

Developing our Human Capital Resources and Succession Planning

With growing numbers of retirements on the horizon, the Department is striving to ensure that we have a sufficient number of leaders on board – and ready to fill anticipated skill or competency gaps. Career development programs like the Senior Executive Service (SES) Candidate Development, Management Development, and Master of Business Administration (MBA) Fellows Programs support DOL's strategy to encourage professional leadership development and ensure that DOL is positioned for the future.

Identifying Tomorrow's Leaders <u>Today</u>: SES Candidate Development Program (CDP)

Congratulations to the three SES CDP classes that completed this prestigious 12- to 18-month program since the program's inception in September 1999. In the first two classes, 100 percent of the 36 candidates completing the program received Office of Personnel Management (OPM) certification for SES placement, and 19 (53 percent) of those individuals have thus far been placed

Developing DOL Talent through:
Secretary's Internship Program
Student Educational Employment Program
Career Intern Program; Career Enhancement Program
E-Learning Management System (LearningLink)
Professional Administrative Support Services
(PASS) Program

in SES positions. A third SES CDP class of 20 concluded in May 2007.

Of the 56 total graduates from the three SES CDP classes, the Department retained 45 (80 percent) of them after completing the program. Of the 19 graduates who have thus far been placed into SES positions, 17 were retained for at least three years following graduation and 15 continue to be employed by DOL. The Department's SES CDP is critical to ensure that DOL is able to meet the at least 70 percent of the anticipated attrition in our career SES ranks within the next five years.

Building Leaders through the Management Development Program

The Department's Management Development Program (MDP) prepares select mid-level staff with the skills necessary to become future supervisors, managers, or executives. Participants in the program complete a 12- to 18-month developmental program that includes the OPM 360º competency assessment, classroom training, and rotational assignments designed to develop and enhance managerial competencies. So far, 82 participants have completed the program, and of the 48 graduates from the first two classes, 54 percent (26) have been promoted to managerial or supervisory positions.

Cultivating Business Skills in DOL: the MBA Fellows Program

Launched by Secretary Chao in 2002, the MBA Fellows Program seeks potential leaders who demonstrate competency in the areas of strategic thinking, quantitative analysis, program management, and marketing. The program's goal is to retain at least 70 percent of all participants, current and former, over a period of three years. To date, there have been six classes with a total of 92 participants – DOL retained 70

(76 percent) of these fellows – exceeding our own established target. Congratulations to the 46 MBA Fellows from the first four classes that found permanent placements in the Department! DOL's seventh class of MBA Fellows reported on June 23, 2008.

MBAs Employed in DOL

Fiscal Year
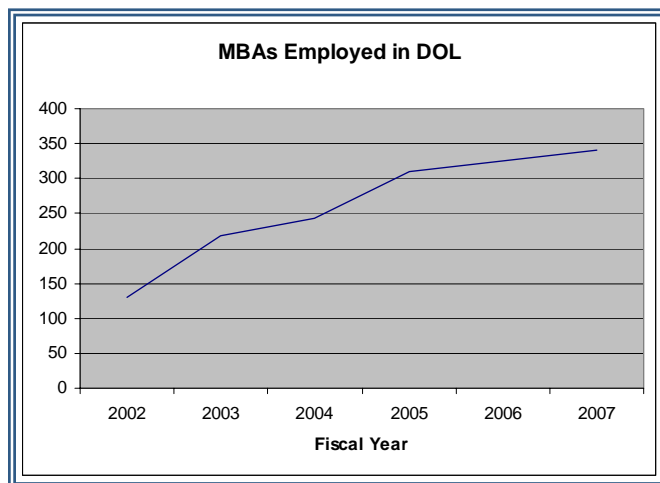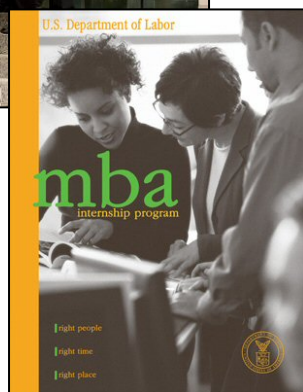
Since our Last Report…

**Deputy Secretary of Labor
Howard M. Radzely**

Howard M. Radzely was confirmed as Deputy Secretary of Labor in December 2007. Prior to serving as the Acting Deputy Secretary and Deputy Secretary, Howard served for over 3 years as the Solicitor of Labor. He joined the Department in June 2001 as the Deputy Solicitor of Labor and also served two stints as Acting Solicitor. Before coming to the Department, Howard was in private practice in Washington, D.C. concentrating in labor and employment law. He graduated summa cum laude from the University of Pennsylvania's Wharton School of Business and magna cum laude from the Harvard Law School, where he served on the Harvard Law Review. Prior to entering into private practice, Howard clerked for the Honorable J. Michael Luttig, United States Court of Appeals for the Fourth Circuit, and for the Honorable Antonin Scalia, Supreme Court of the United States. He currently serves on the board of directors for the Overseas Private Investment Corporation and is a designated member of the Congressional-Executive Commission on China, which monitors China's human rights record and legal development. Howard and his wife Lisa have two children.

The Right Staff-   In the Right Job-   At the Right Time

2001 – Before	Today
Broad-based, agency-wide training was possible only through a series of workshops, training seminars or through individual agency initiatives. 	*LearningLink*: Training for DOL Employees Department-wide training is possible through the Internet! By 2010, everyone in DOL will have access to the *LearningLink* e-training tool. You and your supervisor will be able to develop learning plans, request common training programs, agency-specific courses, and track training participation – all online.

Securing our Mission-Critical Occupations

In FY 2003, in the wake of increased security measures, the Department began evaluating the competency of all its Mission Critical Occupations (MCOs). DOL created competency-based examination questions for MCOs – now used to fill more than 80 percent of the mission-critical positions in the Department. We improved our recruitment strategies to better target and attract the right pool of applicants for vacancies and enhanced our training programs. This hard work played a major roll in DOL's green status score on the PMA Human Capital Scorecard.

Recruiting Tools: Attracting and Placing the Right People – *Faster*

In FY 2007, the Department reached out to managers to give them *more* tools to recruit quality staff – including recruitment bonuses, retention incentives, and student loan repayment programs. The *Chief Human Capital Officer Management Satisfaction Survey* is a new OPM Web-based survey that is sent to all Federal managers who recently hired employees. At DOL, managerial satisfaction with our hiring flexibilities increased from 13 percent in FY 2006 to 22 percent in FY 2007.

DOL is also working diligently to reduce the time it takes to bring new hires on board once a vacancy closes. Last year, the Department exceeded its target of making 60 percent of non-SES hiring decisions within 45 days of the vacancy closing date by achieving 63 percent. For SES positions, the average time-to-hire rate for FY 2007 was 86 days. In FY 2008, DOL's goal is to reduce the average SES time-to-hire to 60 days by expediting the steps in the SES hiring process that have traditionally caused the most significant delays.

Improving DOL's Performance Management System

In 2006, the Department passed OPM's Performance Appraisal Assessment Tool (PAAT). PAAT evaluated the strengths and weaknesses of DOL's performance management culture and provided suggested improvements. The Department's score was largely a result of employee performance plans, which now align at least one performance element with Departmental goals and all the performance elements on results. Additional changes made to improve the performance management system include:

- a new requirement to certify that mid-year progress reviews are completed in a timely manner.
- training, through *LearningLink*, for all current and new non-supervisory employees on the details and advantages of our performance management system.
- enhanced performance management training for managers and supervisors to help them understand their responsibilities and the steps they should take to improve employee performance, clarify expectations, monitor work, and address both positive and negative performance.

Improving Financial Performance

2001 – Before	Today
On February 15, 2001, the Office of Inspector General (OIG) issued a fourth consecutive clean audit opinion to the Department on its consolidated financial statements for FY 2000. The arduous task of closing the Department's accounting books for audit delayed the timeliness of the audit opinion by three and a half months.	On November 9, 2007, the OIG's independent auditors issued a clean audit opinion on the Department's consolidated financial statements 40 days after the close of FY 2007—DOL's eleventh consecutive clean audit. The ability to produce more timely financial statements and continue to receive a "clean audit opinion" better demonstrates the success of the Department's efforts to secure the best performance and highest measure of accountability to the American people.

Responsible stewardship of public funds is the prime objective of the Department's efforts to improve financial management under the PMA. DOL is proud of its eleven-year span of clean audit opinions.

Despite increasingly tight deadlines to make financial statements more timely and relevant, the Department received unqualified or "clean" audit opinions on its consolidated financial statements over the past eleven years. Starting in FY 2004, the Department accelerated the preparation of financial statements to issue DOL's audit report by November 15th – three months earlier than in past years.

Credit for the achievement of a green rating for the scorecard to improve financial performance is partially due to the Department's implementation of a managerial cost accounting system. In an age of acute budgetary constraints, the ability to provide managers and decision makers with useful cost information is critical to making well-informed decisions about limited resources.

In FY 2005, the Department achieved a green score on the then-new PMA *Eliminating Improper Payments* scorecard. In support of this accomplishment, Employment and Training Administration's (ETA) Office of Workforce Security deserves praise for exploring new ways of reducing erroneous payments in the Unemployment Insurance program and leading DOL to green.

The Department also improved its system of internal control under the guidance of OMB Circular A-123. A new *Secretary's Order* issued in 2006 furthered

Departmental efforts to safeguard resources by ensuring the accuracy and reliability of information, verifying compliance with applicable laws, regulations, and policies, and promoting operational economy and efficiency.

Since our Last Report…

Assistant Secretary for Employee Benefits Security Bradford P. Campbell

Bradford P. Campbell was confirmed Assistant Secretary of Labor for the Employee Benefits Security Administration (EBSA) in August 2007. Previously, Brad served as Acting Assistant Secretary since October 30, 2006 and as Deputy Assistant Secretary for Policy since March 5, 2004. Brad joined the Department in 2001 as a Senior Legislative Officer in the Office of Congressional and Intergovernmental Affairs where he represented the Department of Labor to the Congress on issues pertaining to the Employee Retirement Income Security Act (ERISA) and the EBSA. Prior to joining the Department, Brad worked on Capitol Hill as Legislative Director for then-Congressman Ernest Fletcher and as Senior Legislative Assistant to former Congressman, and current Securities and Exchange (SEC) Chairman, Christopher Cox. Brad received his B.A. from Harvard University, and his J.D. from the Georgetown University Law Center.

Cost Analysis Manager

2001 – Before	Today
Managerial cost accounting was not being practiced in DOL. To the extent agencies had any cost information on their programs, manual processes and spreadsheets were utilized.	To achieve the objectives of the PMA and comply with prevailing Federal reporting requirements, in 2003 and 2004, DOL implemented a managerial cost accounting (MCA) system referred to as Cost Analysis Manager (CAM). DOL obtained a green on the PMA scorecard as a result. This system has enabled DOL managers to understand the cost structure of their programs, and better assess their efficiency and relation to outcomes. DOL management now knows the cost of significant outputs of their major programs, which enhances decision-making and assists in the efficient and effective operation of programs. CAM data are used to support the DOL budget formulation process and assist agencies to defend their budgets with Congress and OMB.

As noted above, DOL's managerial cost accounting system – CAM – provides program managers with costs of outputs and activities to better understand how those costs affect the operations of their programs and the achievement of their performance goals. This tool collects and allocates costs to activities – and ties these costs to program performance, which improves accountability and transparency by showing the results for the tax dollars spent.

Year	CAM Milestones
2003	CAM is born from OCFO's efforts to develop cost models.
2004	18 models completed for 15 agencies, over 150 Agency personnel from financial, budget, performance and program communities trained on CAM system.
2005	CAM generates costs for several performance goals down to the indicator level for the Annual Report.
2006	CAM generates performance goal and indicator costing for 60 percent of the goals in the Annual Report.
2008	CAM cost models allocate net cost at the strategic goal, performance goal and indicator levels for the annual *Performance and Accountability Report* – making more transparent the connection between resources and measured results of DOL programs. Agencies' CAM models also capture unit costs that inform analyses of resource investments for key program outcomes.

Congratulations on 45 Years of Service!
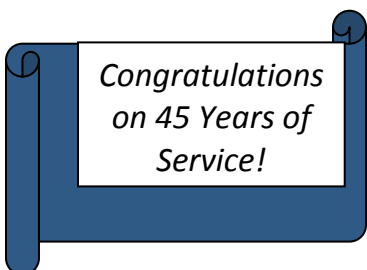
National Office
Mary Ellen Ayres – BLS
Mary E. Edwards – OSHA
Jannie B. Emery – ETA
Stanley Hankin – OPA
Patrick C. Jackman – BLS
Thomas D. Joyce – ETA
Mary F. Parran – BLS

Barbara A. Templeton – BLS

Regional Office
Joseph E. Kane – OALJ
Wanda Joyce Thompson – ESA
Elizabeth M. Gojmerac – ESA
Howard L. Marsh – EBSA

Performance Improvement Initiative

2001 – Before	Today
Departmental budget making was a tedious, paper-based exercise. Budget preparation relied on a combination of word processing and spreadsheet software, email exchanges, and routine hand couriering of paper files. A lack of DOL-wide technology led to a time-intensive and error-prone process.	In 2006, DOL launched the Departmental E-Budgeting System (DEBS) system pilot with the FY 2008 budget formulation. DEBS was used in crafting the FY 2009 budget the President submitted to Congress this year. DEBS allows DOL to manage its budget data electronically through a centralized and secure database. DEBS strengthens internal governance and control by making it easier for DOL officials to access, configure and analyze budget data. The preparation of budget reports during all phases of budget formulation has been streamlined.

When the PMA's *Budget and Performance Integration* (BPI) initiative was launched in the summer of 2001, it reinforced the need to meet the requirement of the Government Performance and Results Act of 1993 (GPRA) – which called for integration of performance information and budget formulation and documentation. Over the next five years, BPI led to the establishment of structures and mechanisms to achieve this goal – but more importantly, it led to a cultural shift in how government agencies informed the budget through robust performance analysis and improvement strategies.

Having accomplished much of the mechanics for BPI, in 2007, the initiative was renamed the *Performance Improvement Initiative* to advance program performance outcomes resulting from the improved budget decision-making process.

To further advance the importance of improving the effectiveness and efficiency of government programs and promote greater accountability, on November 13, 2007, President Bush signed Executive Order 13450: *Improving Government Program Performance*. Specified in it were the duties of agency heads in implementing the order, the creation of an agency Performance Improvement Officer, and the establishment of a Performance Improvement Council under the auspices of OMB.

Back in 2002, in support of BPI, the Departmental Budget Center (DBC) established and coordinated department-wide task groups to create the first DOL performance-based budget for the FY 2004 budget cycle. These task groups reconvened to review the lessons learned for improvements in FY 2005. The integrated performance budget continues to evolve and improve from feedback from the agencies, OMB, and Congressional staff.

This early work did not go unrecognized. The June 30, 2004, OMB Executive Branch PMA Scorecard gave DOL a green status score – becoming one of only two Cabinet Departments to achieve that score to date. Later in the year, in December, we received the President's Quality Award in *Budget and Performance Integration* in recognition of our PMA accomplishments. At the same time the performance budget was evolving in structure and character, the need to bring a technological solution to the drudgery of producing the Department's budget documents was being built: the Departmental E-Budgeting System (DEBS).
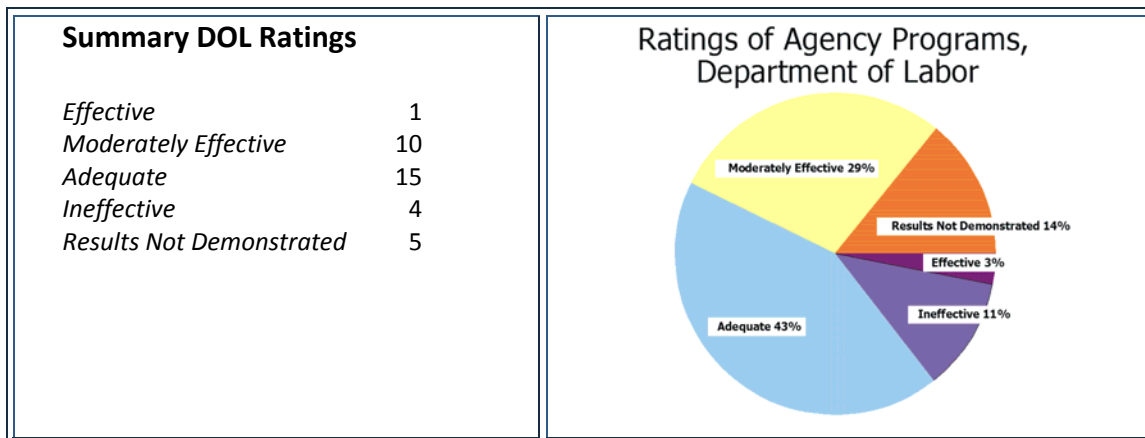

Automation of the budget formulation process allows budget analysts the ability to easily and electronically merge budget data with justification narratives using a Web browser and familiar word processing and spreadsheet tools. In 2006, a DEBS pilot project among

five DOL budget accounts was successfully used for the FY 2008 requests. In 2007, all DOL agencies used DEBS to craft the FY 2009 budget requests. By decreasing the amount of budget processing work and optimizing budget analysis, DEBS will yield a payback in 3.81 years; offer a total of $22.6 million in benefits; and a return on investment of 110 percent. An additional benefit of the automated budget is our ability to post the Congressional Budget Justifications on the DOL Web site the same day as hard copies are delivered to Congress.

At the same time DBC was leading the charge on the radical changes in the budget process, the Center for Program Planning and Results took the lead on the program performance side of the equation. Of major importance was the Program Assessment Rating Tool

(PART) – also launched in 2002. The PART was introduced by OMB to review and rate agencies or agency programs throughout the Federal government. PART scores and ratings are primarily based on outcome-orientation of performance measures, ambitiousness of performance targets, sound program management, program efficiency, and results achieved. Information gleaned from a PART assessment becomes one aspect of the decision-making process regarding funding requests presented in the budget and provides a blueprint for program improvement planning.

Built around a five-year assessment cycle – some DOL agencies and programs have been assessed twice – 35 DOL PARTs have been conducted to date.

Summary DOL Ratings	
Effective	1
Moderately Effective	10
Adequate	15
Ineffective	4
Results Not Demonstrated	5

Ratings of Agency Programs, Department of Labor

Moderately Effective 29%
Results Not Demonstrated 14%
Effective 3%
Ineffective 11%
Adequate 43%

The source for detailed PART results for all assessed Federal government programs can be found at *www.ExpectMore.gov* Web site; DOL programs appear at: http://www.whitehouse.gov/omb/expectmore/agency/012.html

The foundation for any organization's performance-based budget and program performance improvement is its strategic plan. The plan, as required by GPRA, sets out the priorities, performance goals, targets, and strategies for a five-year period beyond the current year and calls for an update every three years. The *Fiscal Year 2006-2011 DOL Strategic Plan* – http://www.dol.gov/_sec/stratplan/main.htm – was published on September 30, 2006, after a full year of interaction among all agencies and executives of the Department and external stakeholders – including OMB, Congress, and the public. With the next plan due to be published by September 2009, we will soon begin again the complex process for planning the way ahead to 2014.

In addition to the long-term view of the strategic plan and the annual performance objectives as presented in the performance budget, the third element is assessing and reporting program results. GPRA also requires an annual performance report, which has been combined with the publication of required financial reporting to create the annual *Performance and Accountability Report* (PAR). Since the first report covering FY 1999 was published in 2000, the quality of the Department's annual reports has steadily improved. Recognizing that the PAR can be an overwhelming document – combining detailed performance information and the annual financial statements – earlier this year the Department published a companion PAR *Highlights*. This allows for a much more user-friendly reader experience and together with the full budget and PAR on the DOL Web site, public access to the entire range of DOL's budget and performance information is readily available.

From the inception of the PAR, George Mason University's Mercatus Center has scored and ranked the 24 Federal agencies required to submit the annual performance report. In every year, Mercatus scored DOL among the top:

> Number 5 — FY 1999
> Number 4 — FY 2000
> Number 3 — FY 2001
> Number 1 — FY 2002 - FY 2005
> Number 2 — FY 2006
> Number 2 — FY 2007

For the FY 2007 ratings, Mercatus singled out DOL for the quality of our *Highlights* document, "the best of all in our view . . . is clearly written and exceptionally concise given the amount of substantive content it conveys." These accolades are a testament to the Department's reporting quality in providing *transparency* in our disclosure of successes and failures; documenting the tangible *public benefits*, and demonstrating *leadership* in using our annual performance information to devise strategies for improvement.

All these DOL PMA *Performance Improvement Initiative* activities and accomplishments do not exist in isolation. They act together to move us forward in the cultural shift that has fostered a closer dialogue among program, performance, budget, and finance staff. We have seen improvements in budget development through DEBS, introduced program performance accountability in personal performance standards, established a firm foundation of knowledge in the development of performance goals and metrics, and provided the public a rigorous assessment of our results, challenges, and progress.

Since our Last Report…

Chief Financial Officer
Douglas W. Webster

Douglas W. Webster was confirmed as the Chief Financial Officer in December 2007. Doug previously served as the Principal Finance Advisor to the Iraq Ministry of Transportation under the Coalition Provisional Authority, Iraq from January to September 2004. In this capacity, he had oversight responsibility of a ministry budget approaching $1B, provided financial advice to the Iraqi Minister of Transportation and oversaw the creation of a 4,000 member ministry security force.

In 1972, Doug began a 21 year military career in which he served as C-130 navigator, air operations officer, senior acquisition, engineering management officer, and coordinator for systems engineering policy across the Department of Defense. Prior to joining the Department of Labor, Doug served as a senior manager at Grant Thornton LLP. He has a B.S. in Engineering from the University of California, Los Angeles in 1972; a M.S. in Systems Management from the University of Southern California in 1983; and a PhD in Business Administration from US International University in 1991. He is a Certified Government Financial Manager, a Project Management Professional, certified in Information Technology Infrastructure Library, and co-author of the book *Activity-Based Costing and Performance.*

Since our Last Report…

Secretary Chao Surpasses Tenure of Secretary James P. Mitchell

In May 2008, Secretary Chao passed Secretary James P. Mitchell in length of tenure – and Secretary Chao became the fourth longest-serving Secretary of Labor in history – and the longest serving Secretary since Frances Perkins. Secretary Mitchell served as President Eisenhower's Secretary of Labor from 1953 to 1961.

Competitive Sourcing: Building the Most Effective Organization

2001 – Before	Today
No public-private competitions under OMB Circular A-76 were conducted, but several organizations such EBSA conducted "direct conversions" to obtain contractor support for new and incremental commercial work requirements.	DOL has completed 28 A-76 competition studies covering 1,068 FTE positions, resulting in an aggregate cost savings of approximately $67 million over five-year competition performance periods. Of the 28 completed competitions, 26 were retained "in-house" and will continue to be performed by federal employees.

Initiated during the Eisenhower Administration in 1955, the intent of the Federal government's *Competitive Sourcing* program is to achieve cost savings and operational efficiencies in the performance of Federal government work activities that are commercial in nature. The overriding theme of this program is that the Federal government should not compete with the competitive private sector for the provision of commercial goods and services needed by the American public.

Between FYs 2001 and 2003, the Department of Labor was not engaged in the conduct of public-private competitions under OMB Circular A-76. Unlike the Department of Defense – which has been a proactive competitive sourcing participant since the mid-1970s – civilian agencies like DOL focused their attention during this time on establishing Competitive Sourcing Program Management Offices, conducting competition feasibility studies, and developing long-range competition plans under the PMA. During this timeframe, several DOL Agencies did complete "direct conversion" management studies as a cost analysis determinant for acquiring contractor staff to perform new and expanding workload requirements to meet critical mission goals.

FY 2004 was the first year that DOL completed A-76 public-private competitions, whereupon the Office of the Assistant Secretary for Administration and Management (OASAM) took the lead in completing three competitions of Information Technology Services (9 FTE), Invoice and Voucher Payments (11 FTE), and Printing and Reprographics (12 FTE). All of these competitions resulted in continued in-house performance. The Employment Standards Administration's (ESA) Office of Labor-Management Standards (OLMS), the Occupational Safety and Health Administration (OSHA) and the Bureau of Labor Statistics (BLS) also contributed as original program participants, whereby OLMS completed a competition

of the reports disclosure functional area (8 FTE) that resulted in conversion to contract performance, and BLS completed a competition of conference center support services (5 FTE) that resulted in continued in-house performance. These six public-private competitions yielded an aggregate cost savings of $3.3 million. At the close of FY 2004, OMB recognized that DOL made a concerted effort to implement the Competitive Sourcing program in its first full year of conducting A-76 public-private competitions. For this reason, DOL's standing was upgraded to yellow – indicating progress on the PMA scorecard.

FY 2005 was a highly successful year for DOL's Competitive Sourcing program. During FY 2005, DOL's Competitive Sourcing program management infrastructure became firmly established, and the Department completed nine (9) public-private competitions conducted by ESA, the Employment and Training Administration (ETA), the Mine Safety and Health Administration (MSHA) and OSHA of 159 FTE positions that yielded an aggregate cost savings of $15 million.

FYs 2006 and 2007 continued the trend of program accomplishments, whereby the Department completed 13 public-private competitions conducted by ten agencies of 840 FTE positions that yielded total cost savings of $48 million.

OASAM's Office of Competitive Sourcing has worked diligently to proficiently manage a centralized, Department-wide green competition plan as a roadmap to plan and conduct A-76 public-private competitions at all organizational levels – ranging from a single program within one agency to enterprise-wide competitions involving numerous DOL Agencies.

Between June 30, 2005 and December 31, 2007, DOL's Competitive Sourcing program has achieved 11 consecutive quarterly "progress" ratings of green on the PMA scorecard, and 10 out of 11 quarterly "current status" ratings of green on the PMA scorecard. No other Executive Branch Department has matched this consistent magnitude of Competitive Sourcing implementation success. The FY 2008 Consolidated Appropriations Act prohibits DOL from carrying out public-private or direct conversion until 60 days after the U.S. Government Accountability Office (GAO) provides a report to the Congress on the use of competitive sourcing in the Department. This element of the PMA will be renamed "Commercial Services Management."

Since our Last Report…

Assistant Secretary of Labor for Public Affairs
David W. James

David W. James was confirmed Assistant Secretary of Labor for Public Affairs in August 2007. David came to the Department's Office of Public Affairs in March 2005 with extensive experience in media relations since 1995. He served Senator John Ashcroft during his term in a variety of press capacities – taking a brief leave in 1996 to serve as Communications Director for the "Lightfoot for Senate" campaign in Des Moines, Iowa. David served on both the 1994 and 2000 Senate campaigns of Senator John Ashcroft. He went on to serve in the Office of Public Affairs at the U.S. Department of Justice and was detailed to the White House Office of Communications. In 2003-2004, David served as Regional Spokesperson for the Republican National Committee. He handled the press operations for the national office for twelve Midwestern states, and served as the on-the-ground spokesperson during the 2004 Iowa Democrat Caucuses. David holds a B.A. in political science from DePauw University in Greencastle, Indiana. He is a native of St. Louis, Missouri, and is an active fan of the St. Louis Cardinals and St. Louis Rams.

2007 Labor Hall of Fame Inductee

William B. Wilson (1862-1934)

"Instead of the use of force, what we need is the spirit of justice, of fair play, that will result in a permanent industrial peace."

William Bauchop Wilson received less than two years of formal schooling before joining his father in the mines. At age 11, Wilson joined the newly formed local of the Miners and Laborers Benevolent Association as a half member – a status reserved for workers under 16. By the time he was 16, he was secretary of the local union. Wilson became chair of the constitutional and by-law committee to join the Knights of Labor and Progressive Union and on January 25, 1890, the United Mine Workers of America (UMWA) was formed. He was elected a member of the UMWA National Executive Board in 1891 and again in 1894. In May 1900, he was appointed to the position of Secretary-Treasurer for UMWA – a position he held for the next eight years.

In 1906, Wilson was elected to the U.S. House of Representatives. He served in Congress until the Department of Labor was created by an act of Congress with Wilson, the Chairman of the Committee on Labor, being instrumental in its passage. President Woodrow Wilson appointed Wilson to be the first Secretary of the new department, beginning March 5. He served as Secretary until March 5, 1921.

Expanded Electronic Government

With many accomplishments and many green status ratings on our scorecard, DOL has been a forerunner in implementing the *Expanded Electronic Government* initiative since its inception. Our successes include:

Program	Use at DOL	Benefits	Cost Savings & Cost Avoidance
e-Grants	Awarding approximately **$9 billion** in grants annually.	• **Timely, accurate financial data** • **Budget and performance integration** • **Lower administrative costs** • **Strengthened financial management** • **Efficiency gains** • **Better customer service**	*Projected:* Cost Savings: **$3,622,030*** Cost Avoidance: **$8,040,000*** (*between FY 2004 and FY 2010)
Safety and Health Information Management System (SHIMS)	Web-based end-to-end e-filing system used, for collecting, submitting and tracking workers' compensation claims.	• **Fewer injuries, lower costs** • **Timely, accurate workplace safety data** • **Efficiency gains** • **A shared "best practice" among US Government agencies**	Cost Avoidance: **$2,400,000**
e-Judication	Will integrate the existing adjudication and business processes of the five partnering agencies into a fully Web-enabled system.	• **Greater transparency** • **Greater efficiency and reduced risk** • **Better customer service**	*Projected:* Cost Avoidance: **$32,180,696*** (*between FY 2004 and FY 2010)
DOLNet	Part of the Infrastructure Optimization program consolidation of separate DOL agencies wide area networks (WAN).	• **Efficiency gains** • **Improved Security** • **Better performance** In FY 2006, DOL began consolidating nine independent networks into a single, unified WAN. Currently, the status of DOLNet is as follows: • Five agencies fully migrated: OASAM, OIG, OALJ, EBSA, ETA • BLS migration complete in May 2008 • OSHA deployment completion in Q4 FY 2008 • MSHA and ESA schedule being developed for deployments from May through September 2008r All nine DOL Agencies will be fully migrated before end of FY 2008	Cost Savings: **$1,000,000** beginning FY 2009 Cost Avoidance: **$802,072**

Other E- Exciting Government Solutions!

2001 – Before	Today
The nine different wide area network infrastructures used across DOL were inefficient and inflexible to meet agency requirements. This design required separate links for each agency at co-located sites such as Regional Offices, with limited reliability. Protection of external Internet gateways was costly and required duplicative efforts of each agency to continuously monitor and fortify them against new risks and vulnerabilities.	In FY 2006, DOL began consolidating nine independent networks into a single, unified solution known as DOLNet. DOLNet provides resource sharing and improved monitoring of performance and availability through outsourced managed network services. To date, five agencies have completed migration, and the Department is on target to have all nine DOL Agencies fully deployed by December 2008. The consolidated DOLNet provides for improved service levels, performance and security for agencies today. When fully implemented, the Department will realize cost savings and be well positioned strategically for meeting current and future e-Gov initiatives.

=-Recruit – Opening DOORS

DOL was the first Federal agency to fully integrate its own recruitment system with USAJOBS. DOORS – the *DOL Online Opportunities Recruitment System* – streamlined business processes by converting a paper-based process to an electronic system and reducing the percentage of jobs using ranking panels and application processing costs. In FY 2006, DOORS acquired analytical reporting capability; became a fully automated process; and for the first time allowed applicants to check the status of the vacancy through the USAJOBS portal. These advances reduced workload for the Human Resources (HR) Office. E-Recruit reduced the average number of days to post a vacancy announcement.

Accessing *your* File through e-Official Personnel Folder (e-OPF)

The e-OPF system was developed and implemented in July 2006. It consolidates all of your personnel information into a single electronic file. Now you can

access your e-OPF records in real-time. Check out your e-OPF file at: https://eopf.nbc.gov/dol/ .

Producing *your* Pay through e-Payroll

DOL transitioned to the National Finance Center (NFC) payroll system in April 2005. DOL joined over 125 agencies being serviced by consolidated payroll processing centers.

Modernizing through e-Clearance

DOL implemented the Electronic Questionnaires for Investigations Processing (e-QIP) component of the e-Clearance initiative in August, 2006. This system allows new employees to complete the previously paper-based OPM Questionnaires SF-86, SF-85, and SF-85P online – significantly reducing processing times. It also includes the initiation of investigations of contractors. E-QIP streamlines the investigation and reinvestigation processes, reduces paperwork, allows DOL to better share information with other agencies, and establishes a standardized security clearance process for all DOL workers.

2001 – Before	Today
For employers, it was a daunting task to determine which major laws administered by DOL applied to them. Finding out whether the Family and Medical Leave Act, the Rehabilitation Act of 1973 or any other Federal employment laws applied to their organization meant making phone calls to many different agencies – and that was if the employer knew which agencies to call!	In 2003, DOL developed a new *elaws* (Employment Laws Assistance for Workers and Small Businesses) Advisor called the *FirstStep* Employment Law Advisor. This Advisor, which is available 24 hours a day, 7 days a week, is designed to help employers determine which of the major employment laws administered by DOL are applicable to them. The online Advisor is interactive – asking questions that a DOL agency expert might ask if you called the Department for help. Based on the user's answers, the Advisor determines which of the major DOL laws are applicable and provides links to agency information on how to comply with each of these laws. In 2008, the Advisor was updated to add new features such as identification of the recordkeeping, reporting and notice requirements associated with each law.

Products and Services Faster Through

E-Procurement

This system provides DOL employees with modern, integrated procurement automation tools and streamlined processes. E-Procurement lowers the cost of goods and services; reduces transaction costs and cycle times of procurement actions; and provides accurate, real-time procurement-related information that management can use to make strategic decisions in sourcing activities. This Department-wide system consolidated seven previous DOL agency systems into one standardized procurement process across all agencies. With e-Procurement we gain efficiency, improve customer service, and strengthen fiscal controls. The cost avoidance or savings associated with e-Procurement are estimated at $217,000 (in discounted dollars) in FY 2007 alone.

New Badges: Homeland Security Presidential Directive-12 (HSPD-12)
DOL is among the front-runners across the Federal government in the implementation of HSPD-12 policy for a common identification standard for Federal employees and contractors. This mandate provides a uniform, secure and reliable form of identification and

related standards across the Federal government. These goals apply nationwide to all DOL facilities.

To date, DOL has enrolled over **14,287** employees and issued over **12,922** new Personal Identity Verification (PIV-II) ID Badges. HSPD-12 has fostered greater collaboration and opportunities for improving how the Department handles information related employees' identification through all business processes. Plans are in progress for ensuring that contract employee processing is efficient and that we can uniformly document the location and status of our contractors.

1953: It was the year when . . . Dwight Eisenhower succeeded Harry Truman as U.S. President; a First Class stamp cost $.03; Sir Edmund Hillary first scaled Mt. Everest; Arthur Goldberg served as Secretary of Labor; the first Chevy Corvette and color television rolled off U.S. assembly lines; and **Edward C. Pratt began work at the Bureau of Labor Statistics. *Congratulations on 55 years of service to DOL!***

2001 – Before	Today
The Departmental travel management process was paper-based and widely inefficient. The manual process to authorize/approve travel orders, audit travel vouchers in accordance with federal travel regulations, and obligate/pay travel reimbursement presented concerns in ensuring internal and fiscal controls were time-intensive, error-prone, and inefficient.	In 2007, DOL's end-to-end automated travel management service allows travelers to make online reservations, electronically generate and submit travel authorizations/vouchers for approval, and initiate automated reimbursement of travel expenditures. In addition, it allows for an expedited reimbursement of travel related expenses that is split between the traveler and the government travel card in the disbursement process. This e-initiative, known as e-Gov Travel Services (ETS) is commercially hosted to minimize technology costs to the government and leverages administrative, financial, and information technology best practices to realize significant cost savings and improved employee productivity. ETS gives Federal travelers the ability to manage their travel from end-to-end through a common, Web-based, government-wide service. In this 21st century workforce, DOL continues to move toward a solution that improves efficiency while maintaining accountability.

GovBenefits.gov

"Early in his Administration, President George W. Bush directed his Cabinet to use the Internet to empower the public, allowing people to request customized information from the Federal government when they need it. GovBenefits.gov does just that. GovBenefits.gov is a partnership of government organizations working together to provide a portal offering confidential, free, online benefit information that helps citizens determine their potential eligibility." Elaine L. Chao, Secretary of Labor

GovBenefits.gov is a partnership of Federal agencies, managed by the Department of Labor, with a shared vision: to provide improved, personalized access to government assistance programs. Since its inception in April 2002, GovBenefits.gov has attracted more than **25 million visitors**.

Govbenefits.gov has received the following awards:
- 2007 Top 50 Program (semifinalist) – *Harvard Ash Institute for Democratic Governance and Innovation*
- 2006 Laureate – *The Computer World Honors Program*
- 2004, 2005, 2006 Intergovernmental Solutions Award Finalist – *American Council for Technology*
- 2004, 2005, 2007 Excellence.gov Award Finalist – *Industry Advisory Council*
- 2003 E-Gov Pioneer Award – *Government Solutions Center*
- 2003 Showcase of Excellence Finalist – *Federal Leadership Council*
- 2003 Secure E-Biz Winner for Citizen Service – *Federal CIO Council*
- 2002 Gracie Award for Excellence in Government – *Government Executive Magazine*
- 2002 Overall Performance Award for Excellence in e-Government – *The Performance Institute*

Faith-Based and Community Initiative

2001 – Before	Today
The Federal government too often ignores or impedes the efforts of faith-based and community groups to address social problems by imposing an unnecessarily and improperly restrictive view of their appropriate role.	The Department has legally defined regulations clarifying how faith and community-based organizations can participate in competitions for and use DOL funding – which enables more organizations to receive program funding. The Equal Treatment Regulations apply to DOL discretionary and formula funds and all Federal, state, and local government agencies that administer DOL assistance. DOL awards grants to Faith-Based Organizations for programs such as the President's Prisoner Reentry Initiative, which shows strong results in reducing recidivism.

The goal of DOL's implementation of the *Faith-Based and Community Initiative* is to tap into the unique work of local faith-based and community organizations (FBCOs) to help more Americans overcome barriers to employment, find jobs, and stay employed. Over the past seven years, DOL has removed barriers to foster collaboration between effective FBCOs and the public workforce system; issued regulations that clarify, among other things, that all organizations have equal access to grant opportunities; launched innovative pilot programs that draw on the assets of FBCOs; strengthened outreach and technical assistance for FBCO partners; and measured the results of these efforts.

Creating Access to New Opportunities Through Public-Private Partnerships

The DOL Center for Faith-Based and Community Initiatives (CFBCI) is working with agencies throughout the Department to make public-private partnership opportunities more accessible to all organizations, including FBCOs. The foundation for that broad effort was laid when DOL updated its regulations in 2003 and 2004 to clarify and ensure proper and Constitutional uses of DOL assistance; to clarify that all organizations, regardless of religious affiliation or lack thereof, have equal access to grant opportunities; and to recognize the religious liberty of organizations and individual participating in DOL programs. DOL is also making public workforce system and FBCO resources more accessible to jobseekers. For example, 25 local workforce systems are opening access points to publicly-funded employment services at FBCOs in low-income neighborhoods across the country. Other local workforce systems are creating formal networks of FBCOs to better meet the needs of jobseekers in their communities.

Faith-Based and Community Organizations: Utilizing Strengths and Building Capacity

DOL uses innovative grant programs to leverage the strengths of FBCOs – location, community connectedness, dedicated volunteers, supportive services, and access to jobseekers. In the past, the size of many DOL grants put them out of the reach of smaller FBCOs. CFBCI responded by working with the Employment and Training Administration (ETA) to create mini-grants for grassroots FBCOs. These grants feature simplified application and

reporting requirements and allow the public workforce system to draw upon the assets of smaller organizations within the community. ETA staff provides training and technical assistance to help grantees build capacity, deliver services, and achieve their performance goals. DOL also designed grants for larger intermediary organizations that provide administrative and program support to smaller FBCOs that provide direct services. Where authorized by law, intermediary organizations use their grant funds to make sub-awards to grassroots FBCOs, extending the reach of DOL resources well beyond the confines of direct grant programs.

Transforming Lives through Government Partnerships with Faith-Based and Community Organizations

The greatest difference FBCOs have made through DOL programs is in the individual lives of men, women, and vulnerable youth. Since 2006, CFBCI, in partnership with ETA, has implemented the President's Prisoner Reentry Initiative – enrolling more than 12,890 participants, helping 8,082 ex-prisoners find work, and lowering the participant recidivism rate to 15 percent, which is less than half the Justice Department's national benchmark. From 2002 to 2007, ETA and CFBCI developed the Grassroots Grants program, dedicating $10.9 million Federal dollars to 247 grassroots FBCOs in 42 states to serve more than 37,700 hard-to-serve individuals, including placing 15,376 of those individuals in jobs. Since 2001, the Veterans' Employment Training Service's Homeless Veterans Reintegration Program has awarded grants to FBCOs in 32 states. Those FBCO grant sites have enrolled 81,000 homeless veterans in services, placed 48,408 in transitional or permanent housing, and placed 52,660 in jobs. Since 2001, efforts supported by the Bureau of International Labor Affairs, Office of Child Labor, Forced Labor and Human Trafficking, have withdrawn or prevented more than one million children around the world from exploitive child labor, largely through the work of international and nonprofit organizations, including indigenous community and faith-based groups.

The development of working partnerships between FBCOs and the public workforce system enables them to contribute collaboratively to creating a prepared, competitive, safe, and secure workforce.

Since our Last Report…

Solicitor of Labor
Gregory F. Jacob

Gregory F. Jacob was confirmed Solicitor of Labor in December 2007. Prior to appointment, Greg served as Senior Advisor to the Secretary of Labor beginning in September 2007 and as Deputy Solicitor of Labor from February 2005 to August 2006. Before joining the Department, he served as Special Assistant to the President for Domestic Policy, specializing in immigration and justice issues, from August 2006 to September 2007. From September 2001 to February 2004, Greg served as an Attorney Advisor in the Justice Department's Office of Legal Counsel, where he was awarded the Exceptional Civilian Service Award by the Department of Defense for his work on issues relating to the War on Terror. Throughout his time in public service, Greg has performed pro bono work in State courts seeking to secure protection for physically and sexually abused children, and was recognized for his efforts with the Friend of Children Award in November 2005. Prior to joining the government, Greg was in private practice in Washington, D.C.

Real Property Asset Management

2001 – Before	Today
DOL component agencies managed their owned real property assets independent of any centralized, coordinated, and consistent oversight process. For DOL nationwide office space occupied through agreements with GSA, the Department had no automated reporting system to help manage this space.	The appointment of a Senior Real Property Officer and establishment of a Real Property Working Group has brought centralized oversight, more consistent real property management practices, and increased information sharing among DOL agencies with real property assets. The Federal Real Property Council performance measures have been incorporated into property site survey/data collection activities and integrated into the Department's real property asset management process. The Department implemented an online Space Management System, which it has used successfully to identify targets of opportunity to improve space utilization through office consolidation and co-location at non-headquarters sites nationwide.

On February 4, 2004, President Bush issued Executive Order 13327: *Federal Real Property Asset Management*. The Order promotes the efficient and economical use of Federal Real Property resources in accordance with their value as national assets and in the best interests of the Nation. The Order also established an interagency Federal Real Property Council (FRPC), chaired by the Deputy Director for Management at OMB, to establish and promote appropriate guidelines on the management of the Federal Real Property portfolio. In conjunction with the Executive Order, the *Federal Real Property Asset Management Initiative* was added to the President's Management Agenda.

The PMA and the efforts of the FRPC are focused on promoting efficient and economical use of Real Property assets; ensuring management accountability for Real Property management; and development and implementation of Asset Management Plans to ensure efficient and effective management.

Even before the release of the 2004 Executive Order, DOL was making key strides in effective Real Property management. From 2001 to 2008, DOL closed more

than 100 offices and released more than 100,000 square feet of space – thus achieving a cost avoidance of approximately $3 million in rent during this period.

These key results and related Real Property successes of all DOL agencies – especially the Office of Job Corps, MSHA, and OASAM – led to an upgrade to green in DOL's status on DOL's Real Property scorecard in March 2008 – completing a clean sweep of green on all eight of our second-quarter FY 2008 PMA scorecards.

In addition, on May 2, 2008, Deputy Secretary Radzely reconstituted the membership of DOL's Federal Real Property Workgroup. Consistent with the PMA and FRPC mandates, this allows DOL to have the right people in place to ensure the right real property decisions!

Eliminating Improper Payments

2001 – Before	Today
Steps needed to improve grants management and ensure proper fund stewardship with regard to the WIA program.	ETA currently has multiple technology projects underway in an effort to improve grants management. The WIA program utilizes these tools to execute the risk management process to assess and monitor grantees. They include the Web-based EBSS (Enterprise Business Support System), with its GEMS (Grants e-Management Solution). A component of the EBSS is the automated grant cost reporting system that captures grant costs and obligations to improve fiscal integrity. The utilization of the GEMS system by Federal Project Officers, program management and financial staff allows ETA a more coordinated and comprehensive repository of grant-specific information and will soon provide a report writing module and cataloging of the Core Monitoring Guide and supplements to allow ETA staff to customize and target their oversight efforts.

The *Eliminating Improper Payments* PMA initiative seeks to better detect and prevent improper payments to ensure taxpayer dollars are spent wisely and efficiently. At DOL, developing strategies and the means to reduce improper payments is a matter of good stewardship. Ensuring payments are proper lowers program costs – especially important when budgets are tight. In FY 2005, when OMB initially introduced this PMA scorecard initiative, the Department received a yellow rating. Within one year, ETA's Office of Workforce Security reduced erroneous payments in the unemployment insurance program and earned DOL a green in both progress and status on this scorecard.

DOL is required annually to estimate the amount of improper payments made in the identified programs; report those estimates to Congress; and, if an estimate


for a particular program exceeds $10 million, convey what actions the agency is taking to reduce the improper payments. Right now, the Department has three programs classified as high risk for improper payments. Two are benefit programs: Unemployment Insurance (UI) and Federal Employees Compensation Act (FECA); the other is a grant program, Workforce Investment Act (WIA).

> **The Improper Payments Information Act of 2002 (IPIA)** defines improper payments as those payments that should not have been made, or were made in an incorrect amount under applicable law (including payments made to ineligible recipients).

Unemployment Insurance (UI)
As part of its claims processing system, each State Workforce Agency (SWA) works to detect, investigate and recover overpayments and to publicize these activities, such as prosecution, to deter future overpayments. SWAs use various cost-effective, pro-active methods, including cross matches and tips and leads to detect overpayments. SWAs estimate the total amount of overpayments using standard statistical techniques, and report these estimates to the Department. The Department publishes these estimated overpayment rates annually.

UI Overpayment Rates By Fiscal Year
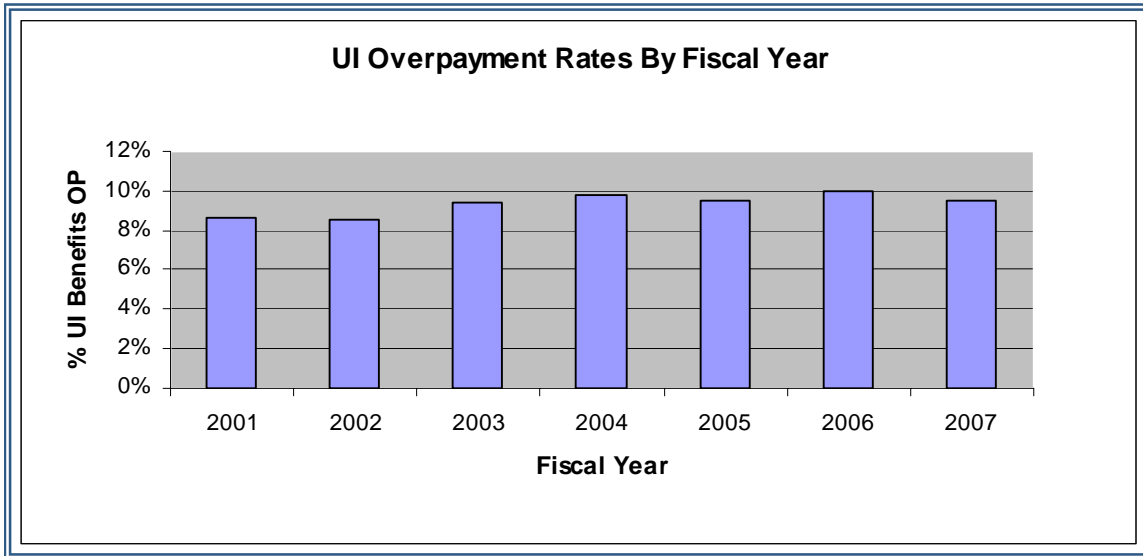
Between FY 2002 and 2006, the overpayment rate generally trended up, peaking in FY 2006 at 10.0 percent. The following charts shows that most of the increased overpayments were attributable to claimants claiming benefits after returning to work (Benefit Year Earnings) and to incorrect initial eligibility determinations related to separations from employment.

UI Overpayment Causes By Fiscal Year
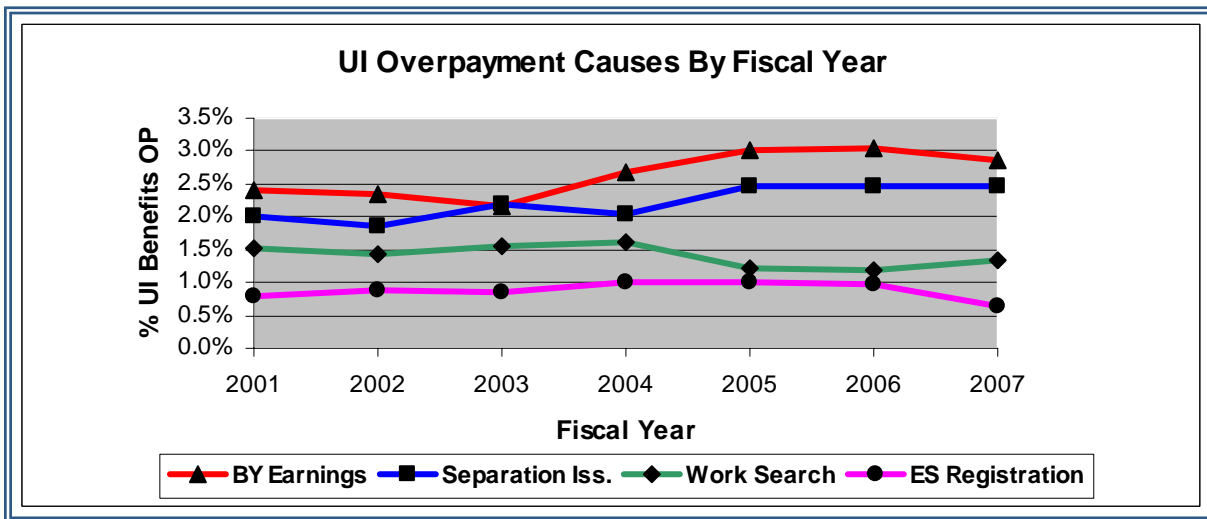
Of the 0.54 percentage point increase in the FY 2006 Annual Report overpayment rate, approximately 0.49 percentage points was attributable to the major hurricanes that impacted Louisiana, Mississippi, Alabama, Florida, and Texas. The hurricanes accounted for 0.32 percentage points increase in the Operational overpayment rate. Overpayments in these states increased significantly during this period, largely because of confusion about reinstated eligibility requirements that had been temporarily suspended due to disruption of the economy.

In FY 2007, the overpayment rate decreased due to a decline in overpayments to individuals claiming UI benefits after returning to work – the single largest cause of overpayment errors. The decrease in the overpayment rate is also attributable to improvements in Employment Service registration policies in Kansas and Alaska.

Underpayment errors have remained essentially unchanged during the period FY 2001 to 2007, averaging around 0.6 percent of UI benefits paid.

Since 2001, the Department has continued to emphasize the importance of reducing overpayments by implementing and promoting several initiatives:

- *Implementation of an Overpayment Detection Performance Indicator*
  In 2002-2003, the Department developed an overpayment detection performance indicator and established targets for the UI performance goal in the DOL Performance and Accountability Report. In addition, a core performance measure and criterion was established to evaluate each SWA's performance in detecting overpayments.

- *Promotion of Cross-Matching Using New Hire Directories*
  In 2004, Federal legislation gave SWAs access to the National Directory of New Hires (NDNH) "for purposes of administering unemployment compensation programs." NDNH contains reports from employers of all new hires. Cross-matching UI claims files with these reports is a highly effective means of detecting overpayments to individuals who continue to file for benefits after having returned to work. These "Benefit Year Earnings" overpayments accounted for 30 percent of UI overpayments in FY 2007:

The following chart summarizes the use of New Hire matching, which has increased steadily since FY 2001. States continue to detect the majority of overpayments

Causes of UI Overpayments - FY 2007
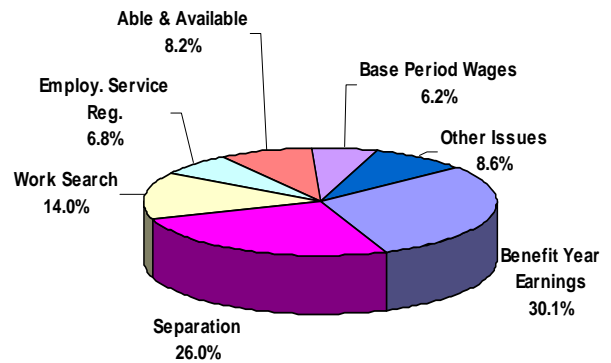
through more established methods such as cross-matching UI claimant records with employer wage records, matches with the Social Security Administration (SSA), state prisons, and worker compensation rolls, appeals reversals, tips, and leads. As the state agencies gain experience with NDNH matching operations, the Department expects NDNH to account for a larger share of the overpayments detected in future years.
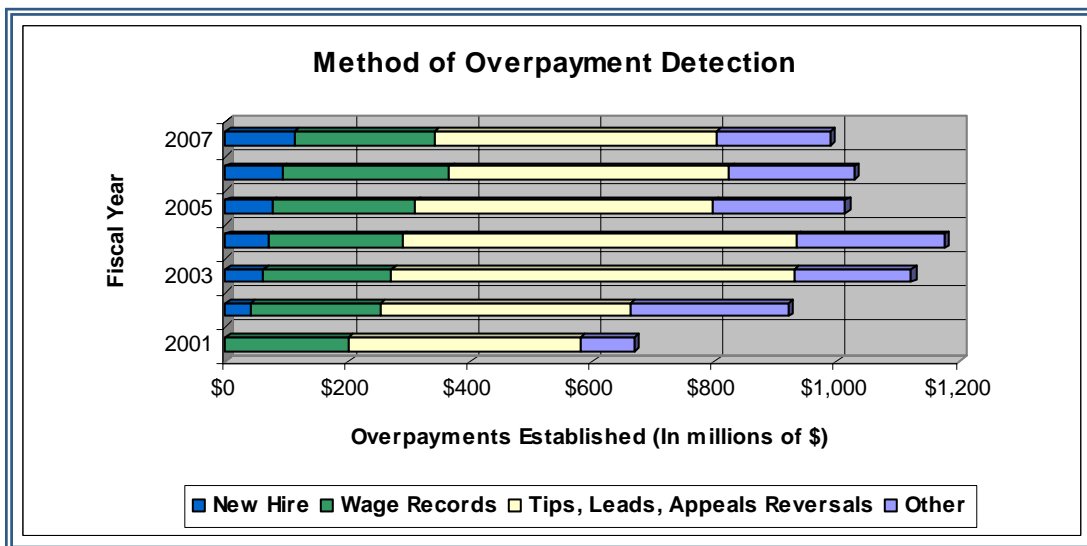
- *Provide States with Access to Social Security Administration Data for Identity Verification*
  As the States implemented telephone and Internet systems to take claims, they needed tools to verify claimant identity. In 2004, the Department executed a Memorandum of Understanding giving

SWAs on-line access to SSA data during the initial claims process to verify names, social security numbers and any retirement benefit amounts. Access to this data reduces both fraudulent claims filed with false identification and the potential associated overpayments.

- *Support and Participate in National Integrity Conferences*
  In order to provide a forum for disseminating successful state practices for preventing, detecting and recovering UI overpayments, the Department sponsored National Unemployment Insurance Integrity Professional Development Conferences in April 2003, April 2005, and April 2007.

- *Conduct Studies and Cost-Benefit Analyses of Approaches to Reducing Overpayments*
  During FY 2003, the Department conducted a series of internal studies which identified overpayment

causes, as well as several cost-benefit analyses of approaches to reducing errors. These studies are available on the ETA Web site: http://workforcesecurity.doleta.gov/unemploy/uianalysis.asp.

  - *Continue to advise, facilitate and coordinate additional state adjudication training sessions designed to improve claimant eligibility determinations.*
  In order to improve the quality and accuracy of initial UI eligibility determinations, five training sessions were completed in FY 2007 with 200 staff trained. Five sessions are slated for FY 2008 with an additional 200 staff to be trained.

- *Facilitate the design and implementation of an automated employer response system — Separation Information Data Exchange System (SIDES)*
 To standardize the collection of information on claimant separations from large employers and their agents, the Department is supporting a 5-state consortium's development of SIDES. The Department is working closely with the consortium and its contractor to facilitate the development and testing of an automated system designed to provide information exchanges on the reasons for claimant separations between

employers and state workforce agencies. This initiative will improve the accuracy of claimant eligibility determinations, the second largest cause of improper payments.

Federal Employees Compensation Act (FECA)

The FECA program continues to improve its medical bill processing through an outsourced bill processing service. This service enables FECA to better match treatments to work-related injury or illness and to use more sophisticated bill editing techniques. The bill processing service uses automated front-end editing operations to check for provider and claimant eligibility, accepted condition and treatment type, billing form and content, and duplications. Proprietary software enables the service to screen professional, medical, and outpatient hospital bills to check for certain improper billing practices. Furthermore, on-site process audits result in clearer instructions and corrective action plans.

The most significant recent accomplishment of the FECA program related to improper payments was the deployment of the Integrated Federal Employees' Compensation System (iFECS) in January 2005. The prior system had utilized traditional fiscal controls and review processes that were well established within the program, but they were limited and not flexible enough to meet changing priorities. With the advent of iFECS,
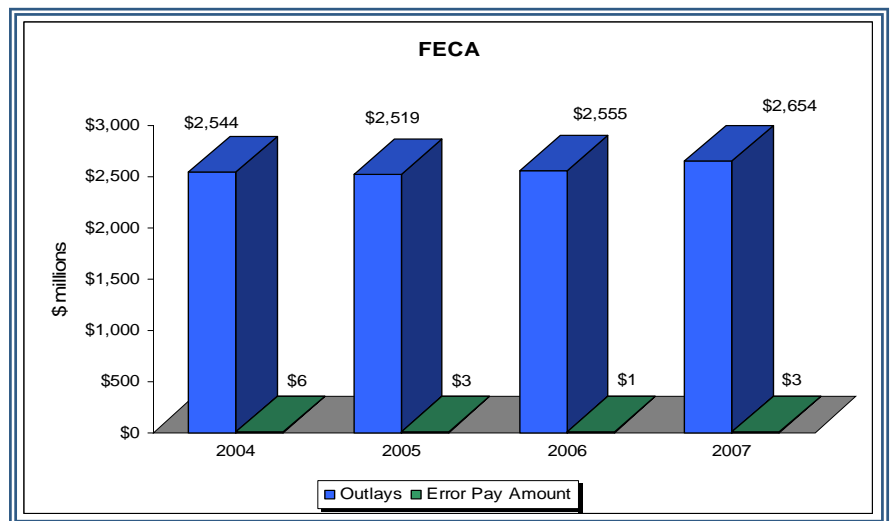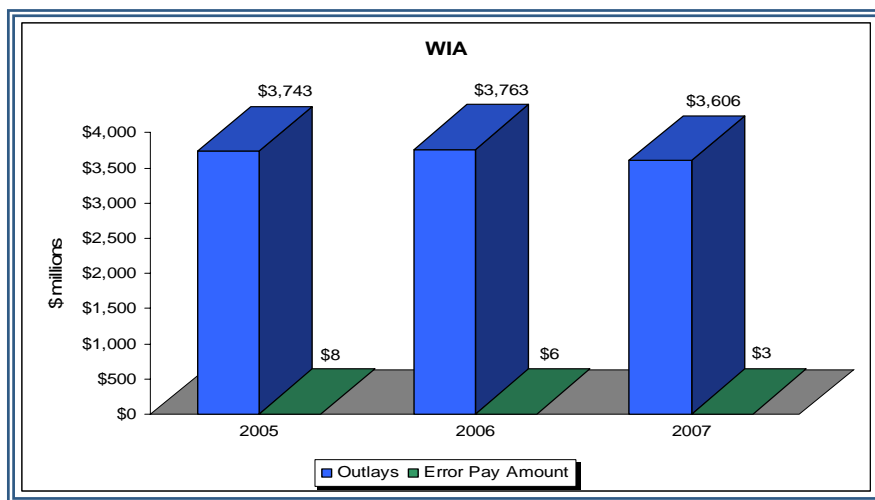

the potential for adding more refined and sophisticated erroneous payment deduction, reduction, reporting, and collection techniques has emerged. With the new system came far greater controls for the Program, such as the institution of iFECS user role restrictions that ensured that payments were being made by Division of Federal Employees' Compensation (DFEC) personnel

with the appropriate payment sign-off authority. In addition, in FY 2006, automated task reminders within iFECS were created to review annual entitlement forms required of claimants to validate benefit eligibility. All of these enhanced capabilities greatly helped the FECA program continue to improve its ability to reduce the incidence of improper payments.

The DFEC created a separate Fiscal Branch in FY 2007 in order to consolidate the program's disparate fiscal reporting and auditing functions, which allows the FECA program to place increasing emphasis on fiscal integrity. To that end, a new Accountability Review performance measure was established within the program to improve timeliness in the identification of benefit overpayments and their disposition within the District Offices. In FY 2008, a number of new tools will be developed and deployed that will further improve payment accuracy. These will include: extending employing agency access to iFECS' payment worksheets in order for them to review and validate claimant pay rates and deductions, and creating an electronic Form CA-3 through which employing agencies can rapidly report a claimant's return to work so that erroneous payments are not issued to these employees newly returned to work.

Workforce Investment Act (WIA)

Unlike other programs, WIA poses unique challenges to quantify its improper payments since it does not have data readily available that can be used to develop an estimate of improper payments. The complex WIA funding arrangements make it difficult to assess the improper payment rate at the beneficiary level. The Department provides WIA grants to states, cities, counties, private non-profits, and other organizations, and it relies significantly on single audits under the Single Audit Act to monitor funding to WIA grant recipients. To estimate WIA's improper payment rate, the Department analyzed a random sample of available single audit reports using the auditors' "questioned costs" as a proxy for improper payments.

WIA

A bar chart titled "WIA" showing Outlays and Error Pay Amount in $ millions for fiscal years 2005, 2006, and 2007. For 2005: Outlays $3,743, Error Pay Amount $8. For 2006: Outlays $3,763, Error Pay Amount $6. For 2007: Outlays $3,606, Error Pay Amount $3. Legend: Outlays (blue), Error Pay Amount (green).

Since our Last Report

Deputy Assistant Secretary for Employment and Training
Brent Orrell

Brent Orrell was appointed Deputy Assistant Secretary for ETA in April 2007. Before returning to Labor to accept this appointment, Brent served as Deputy Director of the White House Office of Faith-Based and Community initiatives during 2007. He joined Labor in 2001 and served until 2005 as the first Director of the Department's Center for Faith-Based and Community Initiatives. Brent was responsible for designing the Initiative's first grants program to fund faith-based and community organizations. He is also the author of the Ready4Work Initiative, the basis of the President's Prisoner Re-entry Initiative announced in 2004. Prior to this second DOL appointment, Brent was Deputy Assistant Secretary for Policy and External Relations at the U.S. Department of Health and Human Services' Administration for Children and Families. He and his family reside in Northern Virginia.

Compliance Assistance – A Look Back

2001 – Before	Today
Introduced in November 1997, the e-laws Web site was in its infancy as a tool for the Department to reach out to the public.	There are now more than thirty e-law advisors listed on the DOL e-laws Web site for public use covering workplace, fiduciary advisors, Family Medical Leave Act, compliance, employment law, Fair Labor Standards Act, child labor, health benefits, MSHA, OSHA, and small business retirement savings advisors. And the Department now has e-laws advisors specifically for veterans. Obtaining information from DOL is much easier for the public through e-laws, which is available at http://www.dol.gov/elaws/advisors.html.

In late 2001, DOL's enforcement agencies developed their first-ever Annual Compliance Assistance plans, laying the foundation for Secretary Chao's Compliance Assistance Initiative. The Secretary announced the Initiative in June 2002 – challenging DOL agencies to renew and strengthen their commitment to help employers and others in the regulated community understand and comply with our many complex employment laws.

DOL leadership and staff across the country have met this challenge and are using compliance assistance, along with strong enforcement, to help DOL fulfill its mission to protect workers. This commitment to compliance assistance is renewed at the start of each fiscal year when the heads of the enforcement agencies review and approve their agency's Compliance Plan and present their strategies and programs to DOL's Policy Planning Board. Pursuant to the approved plans, the compliance assistance strategies and programs are implemented by the agencies' national, regional, and district office staff, many of whom have compliance assistance included in their own performance standards.

Selected Compliance Assistance Highlights from 2002-2008:

- In December 2002, the **Office of Compliance Assistance Policy** (OCA) was created within the Office of the Assistant Secretary for Policy to implement, manage and develop DOL-wide compliance assistance programs, tools and resources and to promote best practices across DOL.
- A **Compliance Assistance Summit** was held in September 2003 for over 250 DOL employees. The workshops and plenary sessions on legal and

communications issues and innovative regional compliance assistance programs led to a number of collaborative efforts, as well as the creation of new compliance assistance programs.

- The **Compliance Assistance Protocol** was issued in 2003 to alleviate concerns that callers to DOL might have about becoming the targets of enforcement actions as a result of information provided during their call.[1]
- A compliance e-newsletter, **CA-Connection**, was launched in February 2004. Each quarter, articles on new compliance tools and resources, as well as success stories from a variety of regions and agencies, are emailed to DOL staff.

- In 2004, a **Compliance Assistance Scorecard** was instituted for DOL enforcement agencies. The Scorecard measured agency progress in five categories: Web sites and Web tools; compliance

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[1] The Protocol states in part: *DOL agency staff handling and responding to compliance assistance inquiries are required to maintain the confidentiality of any caller's identifying information. Compliance assistance inquiries shall not trigger an inspection, audit, investigation, etc.*

assistance outreach plans and tools; evaluations and results; institutionalizing compliance assistance; and training. Starting from a DOL-wide baseline score of three yellows and two reds in the 4th quarter of FY 2004, agencies quickly progressed to all green by the 2nd quarter of FY 2006.

- The **Compliance Assistance Secretary's Order**, which delegates authority and responsibilities for compliance assistance activities to agencies within the Department.

Since our Last Report…

New San Francisco Federal Building

In July 2007, DOL employees joined other tenants and guests for the dedication of the new Federal Building at 90 7th Street in San Francisco California. DOL is the lead tenant – with approximately 600 employees in the new building. The building's unique architecture and environmental friendliness have drawn praise far and wide. Time magazine named the building one of its 2007 *Best Inventions of the Year* winners in the architecture category, noting that the building is "really a machine for delivering sunlight and fresh air to the people who work there. Eighty-five percent of the work space gets natural sun, and windows manned by computer let in outside air to maintain the building's temperature with a minimum of air-conditioning." According to the New York Times, "the building may one day be remembered as the crowning achievement of the General Services Administration's Design Excellence program."

Agency Success Stories – From Collaboration to Incentive Programs

Cross-agency collaborations
 Starting with the Summit in 2003, compliance assistance best practices have been shared and adopted across the Department. The exchange of ideas has enabled many agencies to find new opportunities to work together on compliance programs, tools, or events. These collaborative efforts have helped

agencies to reach new audiences and to stretch scarce resources.

There are numerous examples of *joint education and outreach programs* – including EBSA's Health Benefits Education Campaign, where seminars are given by staff from EBSA, Wage and Hour, the IRS and state agencies; the Dallas Regional Executive Committee's DOL Employer Forums that have been replicated in other regions and are now offered from coast to coast; the Wage and Hour Division and OSHA joint events publicizing their respective *YouthRules!* and *Teen Summer Safety* campaigns. These joint efforts are spreading DOL's compliance assistance message to new audiences. Last year's *YouthRules!* rallies in Houston and San Antonio, for instance, attracted 3,500 students, parents and employers.

DOL agencies collaborate with state partners on compliance assistance. The Wage and Hour Division district office in Salt Lake City, for example, joined with two Utah state agencies to create a Web site and an online tool – "*Employer 101 Labor Law Basic Training.*" The Web site helps employers learn about wage and hour and non-discrimination laws from the federal and state perspectives. It also offers resources such as a comparison of state and federal labor law requirements and links to DOL's elaws Advisors, our veteran's re-employment rights information, and Utah's occupational safety and health consultation services.

Collaborations are also taking place in areas outside of education and outreach. Workshops for DOL national and regional staff have been held by the Office of the Solicitor and OCA on legal issues arising in the planning of compliance activities and by OCA on research examining low-cost methods for evaluating the impact of compliance assistance.

Using technology to help employers and workers
 Since the Compliance Assistance Initiative's launch, DOL agencies have shown tremendous energy and innovation in providing clear, easy-to-access information, largely by taking advantage of information technology.

- OFCCP regularly hosts Webinars providing compliance information to federal contractors on its regulations, especially newly issued regulations.
- OCA led a major redesign of DOL's Compliance Assistance Portal. The portal's improved navigation allows the public to search for compliance information "by topic" and "by audience," in addition to "by law." Monthly visits to the site since the 2005 redesign have increased by 50 percent.
- OSHA's Compliance Assistance Quick Start tool introduces employers and employees to the many resources on OSHA's Web site. By following the step-by-step guides, users can generate a set of compliance assistance materials tailored to their workplace.
- A number of agencies are using list serves to quickly alert the public about new regulations or new compliance tools and resources. For example, the number of subscribers for the *Employment Law Guide* has grown to well over 32,000.
- To broaden the reach of its education efforts, the Civil Rights Center posts training materials from external conferences and workshops on their Web site.
- EBSA offers an online video to help small employers and accountants understand the options for retirement programs. The video portrays real-life experiences of four small employers that operate the three most popular retirement arrangements.
- OSHA's e-news memo, QuickTakes, provides almost 60,000 subscribers with updates twice a month on safety and health issues in the workplace.

Some compliance tools are the result of interagency efforts – a premier example

elaws

is the *elaws* Advisors program (Employment Laws Assistance for Workers and Small Businesses). DOL's enforcement agencies have been partners with OCA in creating eleven new *elaws* Advisors in the last six years (www.dol.gov/elaws). These Advisors help users find answers to specific employment law questions such as "What reporting requirements apply to my business?" and "How do I calculate overtime pay?" The Advisors help both employees and employers by providing clear, consistent answers to questions on a wide range of employment law topics, such as minimum wage, child labor, veterans' workplace rights, health and retirement benefits, and workplace safety and health.

Innovative outreach and education programs
DOL agencies have also demonstrated resourcefulness in their delivery of personal compliance assistance to the regulated community.
- For the last four years, EBSA has led a nationwide campaign to educate fiduciaries of employer-

sponsored plans on their duties under ERISA. As part of the program, EBSA developed a tool kit which included three new publications on fiduciary education.
- OWCP launched a Defense Base Act (DBA) educational seminar program in response to an increase in DBA claims for workers' compensation benefits by federal contractors in Iraq and Afghanistan. Contractors and the Departments of State and Defense attended OWCP's seminars to learn more about the workers' compensation process.
- OLMS has taken a proactive, personal approach to helping newly formed labor organizations through its Labor Organization Orientation Program (LOOP). Each new union is sent a letter from OLMS and a copy of *A Guide for New Union Officers* as part of OLMS' effort to prevent violations of their rules.
- Over the last several years, OFCCP has held over 2,000 compliance assistance workshops. These events are focus on "hot" topics such as recordkeeping, affirmative action plans, and applicant tracking.
- Last year, OSHA trained more than 27,300 students at its Training Institute's Education Centers and over 522,200 students through its Outreach Training Program.
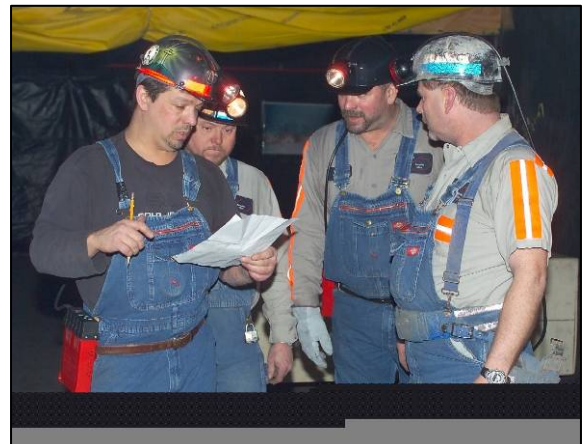
- MSHA's toolbox talks are used by small mine operators to hold safety and health discussions for their employees. The Small Mines Office developed these talks with the mining community to help mine operators and their miners keep safety and health at the forefront of their daily activities.

Some agencies have found checklists or self-audits to be extremely helpful to organizations seeking to comply with DOL's laws. OLMS, for example, provides a 10-step program for small unions to use in auditing their financial operations as well as a guide that allows local unions to evaluate their compliance with election requirements through a checklist on the nomination and election process. Wage and Hour created an Interactive Compliance Assistance Tutorial and a Self

Assessment Tool to assist government agencies in complying with the FLSA. And OSHA's *Small Business Handbook* contains industry-specific checklists that give employers help in deciding what to do to make their business safer and more healthful for employees. DOL agencies are also particularly pro-active in providing compliance assistance when new regulations are issued. For example, after the issuance of the final USERRA rule, VETS national office and field staff held more than 38 briefings for HR staff, members of the media, military units, employer associations, government entities, employee groups, professional associations, and others. Wage and Hour also undertook an aggressive effort to inform the public when, in 2005, it implemented revised child labor regulations. The agency updated the child labor *elaws* Advisor and its *YouthRules!* Web site, posting new fact sheets, employer guides and self-assessment tools. In addition, key stakeholders were notified by mail of the revised regulations. Wage and Hour also created an entire new Web site, complete with video seminars, numerous fact sheets and a new *elaws* Advisor when it published its revised overtime regulations.

Successful cooperative and incentive programs
Incentive programs and partnerships have also played an important role in increasing compliance with DOL laws and rules.

- EBSA's Voluntary Fiduciary Correction Program (VFCP) encourages parties who are potentially liable for certain ERISA fiduciary violations to voluntarily apply for relief. VFCP has brought many plans into compliance and has benefited workers – since 2001,

4,735 applications have been closed with approximately $441 million in corrections verified.

- OSHA's cooperative programs have expanded the agency's reach and are positively impacting injury and illness rates. One example is the Voluntary Protection Programs (VPP), which sets performance-based criteria for a safety and health system, invites worksites to apply, and then assesses applicants against these criteria. Since 1982, this program has grown to include nearly 1,800 worksites. The program's success is reflected in the reduced rate of injuries and illnesses at VPP locations – typically more than 50 percent below the industry national average.

Looking Forward

These examples of exceptional compliance assistance resources and programs reflect the hard work and dedication of DOL's workforce and illustrate how compliance assistance has become integrated into the strategies, programs and tools we employ every day on the job. The thousands of employers and workers attending workshops and seminars, the hundreds of thousands who use our Web-tools and resources, and the countless number who request our publications show that the regulated community values our compliance assistance efforts.

DOL employees' continued commitment to provide creative, pro-active compliance assistance, along with strong enforcement, will help DOL fulfill its mission to protect the wages, pensions, safety and health of the American workforce in the years to come.

Since our Last Report…

Assistant Secretary for Disability Employment Policy
Neil Romano

Neil Romano was confirmed Assistant Secretary for Disability Employment Policy in March 2008. Having a disability himself, Neil seized this opportunity to make a difference in the lives of Americans with disabilities and is committed to helping employers fully understand the value of people with disabilities in their workforces. Before joining the Department, Neil founded Romano & Associates Inc., which produced highly visible and effective public awareness programs through which he worked with industry to promote the importance of hiring individuals with disabilities. His extensive professional background includes tenure as the Director of Communications for the White House Office of Drug Abuse Policy. In that role, he worked on campaigns such as "Just Say No" and "America Responds to AIDS." He has been a member of the President's Committee for People with Intellectual Disabilities. Neil also served on a number of diverse boards of directors, including those of the United Cerebral Palsy of Central Maryland, Oral Health America and the Professional Baseball Athletic Trainers Society. Additionally, he advised the Association for People in Supported Employment and the U.S. Business Leadership Network, which uses a "business to business" approach promoting the imperative of hiring people with disabilities.

2007 PRESIDENTIAL RANK AWARD

These executives are part of an elite group of Presidential Rank Award winners that received the "Meritorious Senior Professional Award." This award is presented by the President to a select group of Senior Executives for their exceptional long-term accomplishments. These individuals have demonstrated a commitment to public service and possess a record of extraordinary leadership.

EMPLOYEE BENEFITS SECURITY ADMINISTRATION
Sharon S. Watson
Director, Office of Participant Assistance

EMPLOYMENT STANDARDS ADMINISTRATION
Peter M. Turcic
Director, Office of Worker's Compensation Programs – Division of Energy Employees Occupational Illness Compensation

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION
Richard E. Fairfax
Director, Directorate of Enforcement Programs

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION
Steven F. Witt
Director, Directorate of Construction

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION AND MANAGEMENT
Nilda E. (Daliza) Salas
Former Director, Human Resources Center

BUREAU OF LABOR STATISTICS
Robert A. Gaddie
Associate Commissioner, Office of Field Operations

PHILIP ARNOW AWARD

Edward P. Clair, Washington, DC
Office of the Solicitor

Ed Clair has devoted over thirty years to the enforcement of laws enacted to improve mine safety and health. During that time, he has been at the forefront of every major improvement to the laws and regulations that protect the safety and health of American miners. For more than twenty years, Ed has managed a division of approximately 30 people and has effectively guided their efforts through several administrations with the consistent goal of providing quality legal services in support of the effort to make mines safer for the men and women who work in the industry. When mine disasters require a quick response – including the 2006 tragedies at the Sago, Aracoma, and Darby mines – Ed is one of the first to be called. At any time, day or night, he has assembled teams of attorneys and sent them onsite to provide the necessary legal assistance. Ed is responsible for achieving extraordinary results both in terms of regulatory initiatives and litigation, as well as in the day-to-day advice that he provides to the Mine Safety and Health Administration and the Department.

Exceptional Service Impact Award

Ronald Wilus, Washington, DC
Employment and Training Administration (ETA)

For 30 years, Ronald Wilus has made exceptional contributions to the operation and understanding of the Department's largest program: Unemployment Insurance (UI). Beginning his career in 1977 as an Economist with the ETA's UI Service, Ronald developed a computer-based model that allowed states to simulate the impact of changes in unemployment insurance tax or benefit rate structures and to forecast the trust fund impact of various economic projections. In the early 1980s, he developed statistical models for estimating the cost of proposed UI related legislative proposals, permitting policy makers to "cost" different legislative options while making policy decisions. As chief of the Division of Fiscal and Actuarial Services, Ronald developed a data collection system that provides current information about the annual cost of administrating each state's employment insurance program – which provides the basis for allocating the $2.6 billion state unemployment insurance funds annually. In recognition of these accomplishments, Ronald has received numerous honors from the Department and stakeholder organizations. Recently, the premier organization representing business interests in unemployment and workers compensation at the national level (Strategic Services on Unemployment and Worker's Compensation) honored Ronald in 2007 with its "Joseph M. Becker Award," recognizing his contributions to state unemployment insurance benefit financing.

Exceptional Service Impact Award

Larry Sholin, San Francisco, CA
Office of the Assistant Secretary for Administration and Management (OASAM)

Larry Sholin began his Federal career as an entry level professional GS-5 Management Analyst in OASAM, San Francisco CA in 1980 – earning a national reputation for exceptional performance and accomplishments as early as 1988, when he became Information Technology Manager, with the first LAN-based platform. Between 1989 and 1995, Larry wore three hats within OASAM: IT/Local Area Network Site Manager; Senior Management Analyst; and San Francisco Bay Area Cooperative Administrative Support Site Facilitator. His accomplishments benefited DOL regional and national levels, influenced his colleagues in IT, and positively affected the larger Federal community in the San Francisco Bay Area and beyond. In 1994, he was nominated for the Excellence in Administration Award, and he was a finalist for Federal Employee of the Year with the Bay Area Federal Executive Board, and again, in 2005, for his critical involvement and assistance with GSA's IT infrastructure design team working on the new San Francisco Federal building. Larry's career is replete with cost-saving innovations that were adopted Department-wide and shared with other agencies. His career demonstrates a drive for exceptional service, and use of systematic thinking and responsible cost management in both the Management Analyst and Information Technology realms.

Program Performance and Initiative Retrospective

√ The **WHD** has increased by **67 percent** the back wages recovered for workers. In 2007 alone, a record $220.6 million was recovered for workers, including many vulnerable immigrants in low-wage industries.

√ The **Bureau of Labor Statistics** has increased the use of electronic data collection methods, such as its Internet Data Collection Facility (IDCF). The use of IDCF has increased **five-fold** from FY 2004 (100,145) to FY 2007 (534,555), with further increases projected for FY 2008 and 2009.

√ The **OFCCP**'s efforts to ensure that Federal contractors achieve equal opportunity workplaces resulted in a **245 percent increase** from FY 2001 in the number of Americans recovering back pay and benefits.


Backwages Recovered by OFCCP
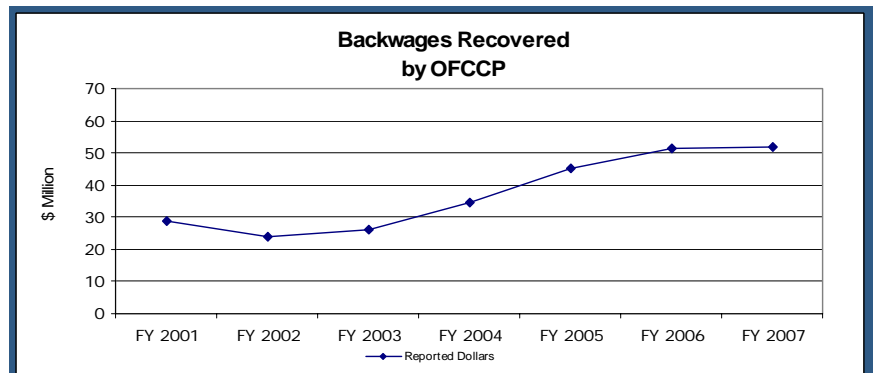
√ **ETA** launched the *High Growth Job Training Initiative* in 2003 to help workers take advantage of job opportunities in high growth industries. At the end of 2007, over **105,000** participants had completed training. In addition, the *Community-Based Job Training Grants* seek to strengthen the capacity of community colleges to train workers in the skills required to succeed in high growth/high demand industries. Since 2005, over **70,000** people have enrolled in training and over **22,000** individuals have completed training.

√ **OWCP** has paid over **$3 billion** in compensation benefits to covered employees and survivors since the Energy Employees Occupational Illness Compensation Program's inception in 2001.

Benefits Paid
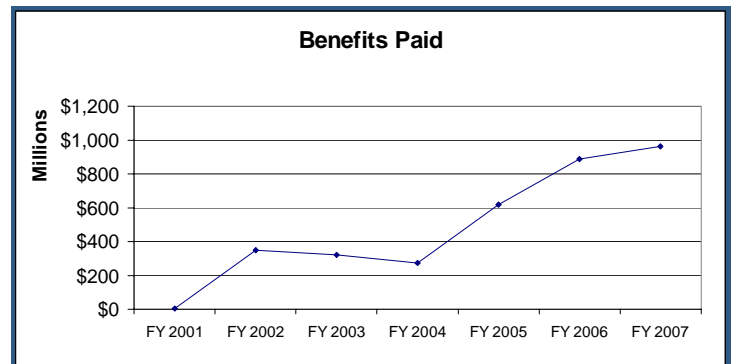
√ Since the introduction of the *New Freedom Initiative* in 2001, **ODEP** has been leading a 21st century Federal response to increase access to employment opportunities for people with disabilities. In collaboration with other government agencies, public and private employers, and additional stakeholders, ODEP has facilitated the development and implementation of innovative policies and practices necessary to achieve a fully inclusive workplace. Although the primary purpose of ODEP's efforts has been the development of national policy designed to impact broad systems change, ODEP's efforts through 2007 have resulted in more than **12,000** adults and youth with disabilities being served and **15,000** employers having been reached to implement these innovative policies.

MSHA - All Injury Rate - All Mines

√ **MSHA**. Long-term trends in mine safety are positive, with the all-injury rate (which includes fatalities) at an all-time low in 2007. There was a **28 percent** drop in the period from CY 2001 (4.75) to CY 2007 (3.42).
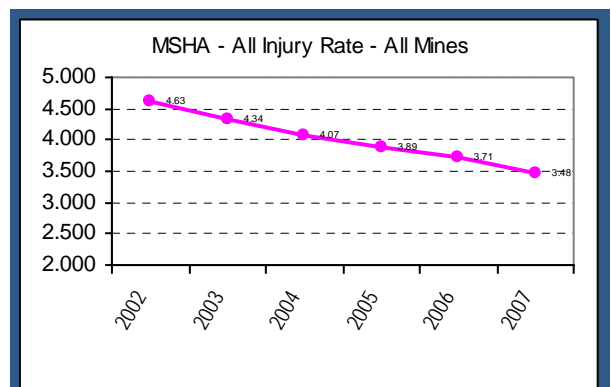
√   Between 2001 and 2007, **EBSA** closed over **28,000** civil and **1,200** criminal cases and sought indictments against more than **800** individuals for crimes against plans and participants.

√   **VETS** launched the national *HireVets First* campaign to help employers tap veterans' talent as America's servicemen and women transition to civilian life. In 2004, the Department created *REALifelines*, a comprehensive new program to provide individualized job training, counseling, and reemployment services to seriously injured or wounded servicemen and women in the War on Terror.

√   Since FY 2001, the **Bureau of International Labor Affairs** (ILAB) has prevented or withdrawn more than **1 million** children from exploitive child labor in over **75** countries.

√   Since 2001, the **Women's Bureau** has launched **five** nationwide demonstration projects utilizing "high tech" Web-based resources and "high touch" interpersonal resources to address issues important to working women – financial literacy, high-growth occupations, flexible workplace policies, and employment assistance. Designed to foster innovative public-private partnerships, these projects have reached thousands of women beyond the Bureau's initial investment.

2007 Labor Hall of Fame Inductee
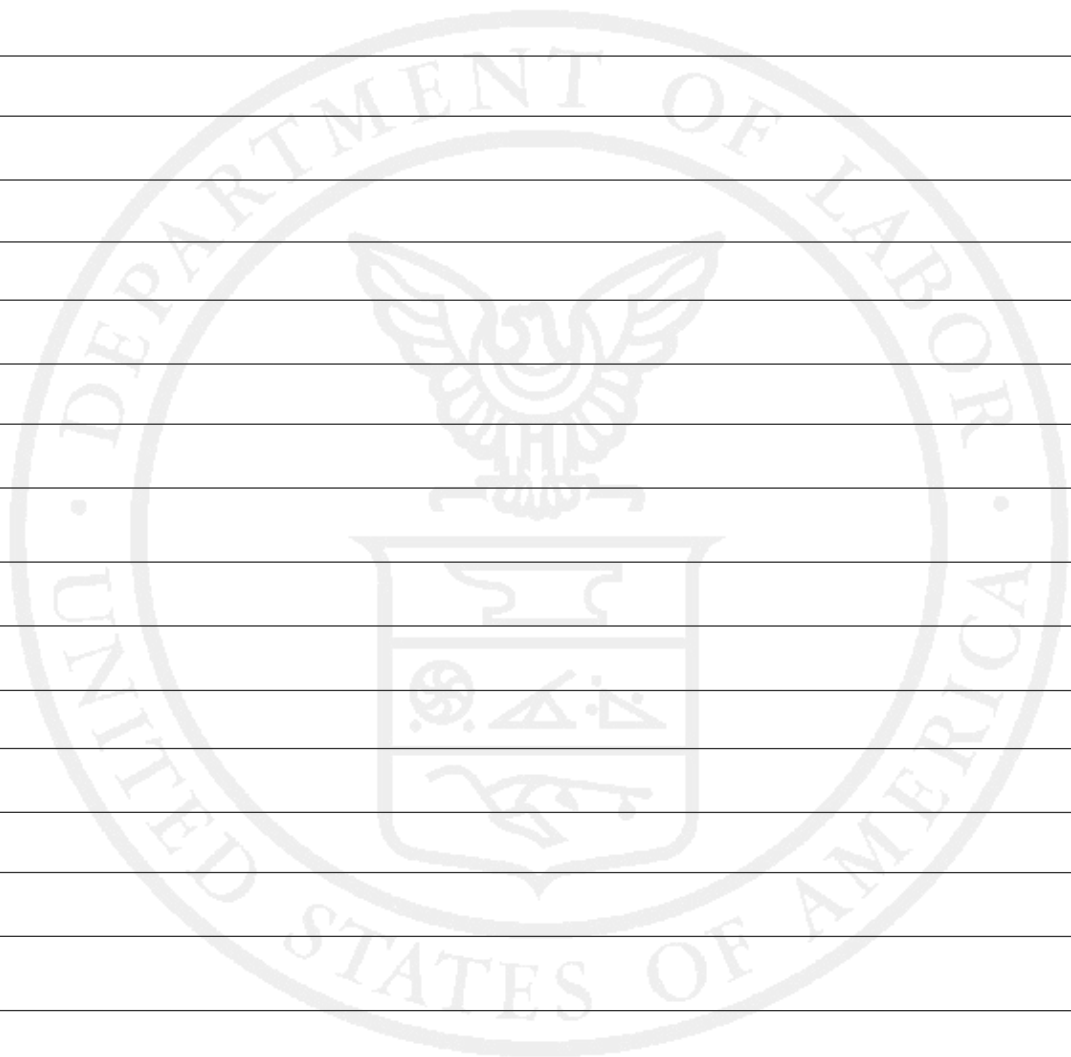
Adolphus Busch
1839-1913

"My principle is that a man must love his business in order to make a success of it, and if he does not do this, he is not worthy of it and is bound to go under."

Adolphus Busch, a visionary and leader in the brewing industry, was born in Germany in 1839 as the second-youngest of 22 children. Busch immigrated to the United States in 1857, arriving in St. Louis. He worked initially as a riverfront clerk and had his first taste of the beer industry in the employ of a wholesale supply house. After establishing what would later become Adolphus Busch & Co., one of the most successful wholesale houses in St. Louis, and serving in the Union army, he teamed with his father-in-law Eberhard Anheuser in what would eventually be known as the Anheuser-Busch Brewing Association.
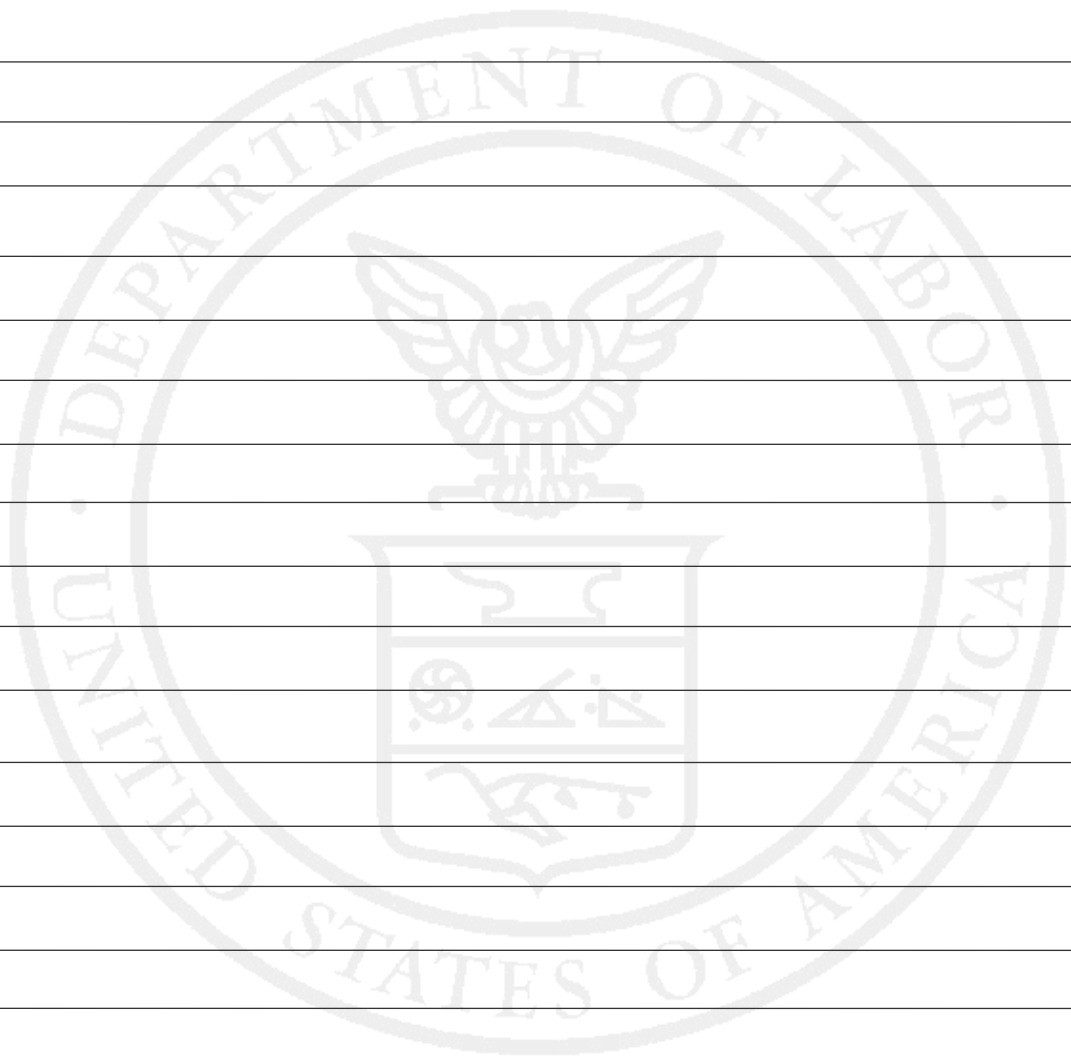
Busch opened new markets, introduced new technical developments, and modernized business functions. His innovations included being the first American brewer to introduce pasteurization and the artificial refrigeration that allowed broader distribution.

During this time, Busch envisioned brewing a national beer. He worked with his friend Carl Conrad, a St. Louis wine merchant and restaurateur, to develop a beer that would be acceptable to many tastes. This beer was Budweiser, introduced in 1876 – a light-colored lager with a taste that would appeal to a broad audience, and would later become the best-selling beer in the world. Busch served as president of the Anheuser-Busch Brewing Association for 33 years until his death in 1913.

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