



## Program Performance Overview

Fiscal Year (FY) 2009 marks the 11<sup>th</sup> year that the Department has reported program results under the Government Performance and Results Act (GPRA). Most DOL program level goals and indicators for this reporting period are included in the FY 2010 Performance Plan<sup>3</sup>; they provide the basis for assessments of DOL's effectiveness. The Department's goal structure as outlined in the FY 2006-2011 Strategic Plan<sup>4</sup> has three levels:

- **Strategic Goals**

In FY 2009, four goals focused DOL's various activities on outcomes associated with a common mission:

*Goal 1 – A Prepared Workforce: Develop a prepared workforce by providing effective training and support services to new and incumbent workers and supplying high quality information on the economy and labor market.*

*Goal 2 – A Competitive Workforce: Meet the competitive labor demands of the worldwide economy by enhancing the effectiveness and efficiency of the workforce development and regulatory systems that assist workers and employers in meeting the challenges of global competition.*

*Goal 3 – Safe and Secure Workplaces: Promote workplaces that are safe, healthful and fair; guarantee workers receive the wages due them; foster equal opportunity in employment; and protect veterans' employment and reemployment rights.*

*Goal 4 – Strengthened Economic Protections: Protect and strengthen worker economic security through effective and efficient provision of unemployment insurance and workers' compensation; ensuring union transparency; and securing pension and health benefits.*

- **Performance Goals**

Each strategic goal is supported by several performance goals that are aligned with DOL's organization and appropriations to provide clarity of purpose and accountability at the program level. This report includes 23 performance goals.

- **Performance Indicators**

Performance goal achievement is determined by aggregating results for one or more quantitative indicators (measures) using a strict, transparent rule.<sup>5</sup> This report includes 82 performance indicators.

### DOL Program Performance and Net Costs

The following table indicates FY 2009 program performance goal achievement by strategic goal. Seven of the 23 performance goals are for forward-funded Workforce Investment Act (WIA) programs whose spending and performance are reported for a Program Year (PY) that lags the Federal fiscal year by nine months. Hence, these programs are reporting on a different period (PY 2008 – July 1, 2008 to June 30, 2009).

A tally of goals achieved indicates whether DOL is on schedule with its plan; our performance this year was mixed. However, there is no single explanation for successes or failures. To understand what was achieved in terms of benefits to the public, it is necessary to look at how activities impact outcomes and consider significant trends in

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<sup>3</sup> See <http://www.dol.gov/dol/budget/>.

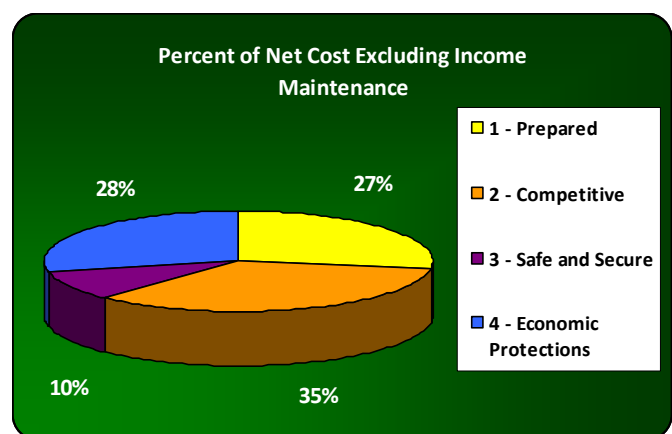
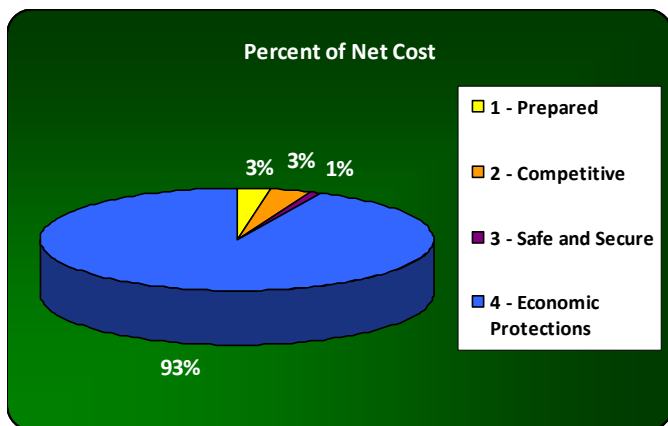
<sup>4</sup> See [http://www.dol.gov/\\_sec/stratplan/main.htm](http://www.dol.gov/_sec/stratplan/main.htm). In FY 2010, the structure has changed. Thirteen outcome goals are supported by numerous programs and performance indicators and shared by different groups of agencies. These goals, which were introduced in the Secretary's Message, are linked to existing programs in the Analysis and Future Plans sections of each performance goal narrative in the Performance Section.

<sup>5</sup> *Achieved* means all indicator targets were reached. *Substantially Achieved* means targets are reached or results improved over the prior year for all indicators if there are four or fewer and for 80 percent if there are five or more.

the data and their implications. Narratives in the Performance Section, which are organized by strategic and performance goal, discuss these matters.

Strategic Goals	FY 2009/PY 2008 Performance Goal Achievement Summary			
	Goals Achieved	Substantially Achieved	Not Achieved	Total
Goal 1 – A Prepared Workforce	2	0	3	5
Goal 2 – A Competitive Workforce	4	0	4	8
Goal 3 – Safe and Secure Workplaces	3	0	2	5
Goal 4 – Strengthened Economic Protections	1	0	4	5
<b>Total</b>	<b>10</b>	<b>0</b>	<b>13</b>	<b>23</b>

Total Net Cost<sup>6</sup> of DOL activities for FY 2009 was \$138.367 billion. An allocation based on the Department’s goal structure indicates that Goal 4 is dominant – accounting for \$128.655 billion, or 93 percent of the total (see first chart below). Most of these costs are *mandatory* – unemployment benefit payments to individuals who are laid off or out of work and seeking employment (\$120.300 billion of the \$123.541 billion associated with Goal 09-4A) plus disability benefit payments to individuals who suffered injury or illness on the job (\$4.458 billion of the \$4.878 billion associated with Goal 09-4B). The second chart illustrates allocation of an adjusted net cost of \$13.609 billion that excludes these Income Maintenance expenditures. On this basis, Goal 4 accounts for 28 percent of the total.



Goal 1 required \$3.682 billion (three percent and 27 percent of unadjusted and adjusted totals) for employment-related services. Goal 2 accounted for \$4.725 billion, three percent and 35 percent, respectively, which went toward job training programs and other services focused on maintaining America’s position in a global market for labor. Approximately \$1.304 billion (one percent and ten percent of the totals) went toward Goal 3 to fund direct services (such as salaries of Federal employees) aimed at improving safety, health, and security in the workplace.

The next table provides comprehensive net cost information. It is important to note that while all net cost information in this report is derived from the same financial accounting system, Department of Labor Accounting and Related Systems (DOLAR\$), there are significant differences between statements in the Performance Section and in the Financial Section due to the Department’s numerous forward-funded programs (i.e., those operating on a Program Year). Most DOL programs also report costs at the performance indicator level; this information is provided in the Performance Section. For many performance goals, charts display five years of net cost data.

<sup>6</sup> Net Cost reflects the *full cost* of each program as assigned by DOL entities to the Department’s outcome goals *less* any exchange revenue earned. *Full cost* consists of (a) both direct and indirect costs, and (b) the costs of identifiable supporting services provided by other segments within DOL and by other Federal agencies.

Goal	Net Costs in \$millions <sup>7</sup>		
	FY 2007 PY 2006	FY 2008 PY 2007	FY 2009 PY 2008
<b>Strategic Goal 1: A Prepared Workforce</b>	<b>\$3,267</b>	<b>\$3,464</b>	<b>\$3,687</b>
Performance Goal 09-1A (BLS)	574	574	589
Performance Goal 08-1B (Job Corps)	1,485	1,589	1,640
Performance Goal 08-1C (WIA Youth)	866	966	1,125
Performance Goal 09-1D (Apprenticeship)	24	25	25
Performance Goal 08-1E (VETS Employment Services) <sup>8</sup>	181	190	219
Other (Youth Offender Reintegration, Indian and Native American Youth Programs, Homeless Veterans' Reintegration Program, etc.)	136	120	88
<b>Strategic Goal 2: A Competitive Workforce</b>	<b>\$5,060</b>	<b>\$4,829</b>	<b>\$4,725</b>
Performance Goal 08-2A (WIA Adult)	896	844	878
Performance Goal 08-2B (WIA Dislocated Worker)	1,409	1,307	1,440
Performance Goal 08-2C (Employment Service)	749	732	699
Performance Goal 08-2D (Senior Community Service Employment Program)	444	479	543
Performance Goal 09-2E (Trade Adjustment Assistance)	805	755	481
Performance Goal 09-2F (Foreign Labor Certification)	63	40	54
Performance Goal 09-2G (ODEP)	34	27	29
Performance Goal 09-2H (ILAB)	101	79	69
Other (Indian and Native American Adult Programs, National Farmworker Jobs Program, Work Incentive Grants, Transition Assistance Program, Pilots, Demonstrations, Research & Evaluations, Community Based Job Training Grants, H-1B Technical Skills Training, National Electronic Tools and other ILAB programs)	560	566	531
<b>Strategic Goal 3: Safe and Secure Workplaces</b>	<b>\$1,237</b>	<b>\$1,281</b>	<b>\$1,304</b>
Performance Goals 09-3A (OSHA)	547	554	556
Performance Goal 09-3B (MSHA)	356	388	403
Performance Goal 09-3C (Wage and Hour)	221	227	232
Performance Goal 09-3D (Federal Contractor Compliance)	103	102	102
Performance Goal 09-3E (USERRA)	10	10	10
<b>Strategic Goal 4: Strengthened Economic Protections</b>	<b>\$38,445</b>	<b>\$48,957</b>	<b>\$128,640</b>
Performance Goal 09-4A (Unemployment Insurance)	34,647	45,035	123,541
Performance Goal 09-4B (Workers' Compensation)	3,554	3,693	4,878
Performance Goal 09-4C (Labor-Management Standards)	68	58	56
Performance Goal 09-4D (EBSA)	176	170	165
Performance Goal 09-4E (PBGC) <sup>9</sup>	–	–	–

<sup>7</sup> Sums may not equal higher level totals due to rounding.

<sup>8</sup> Approximately \$30 million in costs were shifted from VETS (Goal 1E) to Goal 1 Other for PY 2006 and PY 2007 in this statement because performance indicators for the Homeless Veterans' Reintegration Program were dropped in PY 2008.

<sup>9</sup> Costs for Performance Goal 09-4E (PBGC) are not referenced because PBGC's financial statements are not part of the Department's consolidated statements. PBGC's financial statements can be found in their Annual Management Report at <http://www.pbgc.gov/doc/2009AMR.pdf>.

Costs Not Assigned to Goals	\$10	\$10	\$11
Total <sup>10</sup>	\$48,019	\$58,540	\$138,367
<b>Reconciliation to the Consolidated Statements of Net Cost:</b>			
Less costs for programs included above on a program year basis (July 1 to June 30)	\$6,433	\$6,490	\$6,858
Plus costs for these same programs on a fiscal year basis (October 1 to September 30)	\$6,704	\$6,257	\$7,931
Less Job Corps PY 2008 invoices posted in PY 2009	–	–	\$180
Less variance between DOLAR\$/GPRA and Net Cost of Operations per Consolidated Statements of Net Costs	–	–	\$141
Net Cost of Operations per Consolidated Statements of Net Cost	\$48,291	\$58,307	\$139,118

## Recovery Act

The American Recovery and Reinvestment Act of 2009 (Recovery Act) aims to create or save over 3.5 million jobs over two years and to jumpstart and transform our economy in the process. Since our nation's greatest resource is its workers, the Recovery Act targets investments to key areas that will create and preserve good jobs. DOL has two key roles in this recovery effort: providing worker training for these jobs; and easing the burden of the recession on workers and employers by providing extended and expanded unemployment benefits and assisting and educating them regarding expanded access to continued health benefits.

DOL has 23 Recovery Plans, each of which describes what the Recovery Act has authorized, and how the Department is implementing its provisions and measuring the results of those activities. The first one listed is for administrative support activities performed by the Office of the Chief Financial Officer (OCFO) and the Office of Acquisition Management Services and Human Resources Center within the Office of the Assistant Secretary for Administration and Management (OASAM). The next three plans are named after the responsible DOL agencies or offices. All remaining plans are at the program level; they are listed under their respective DOL agencies, and brief descriptions are provided for some of them. All plans associated with a performance goal are discussed in their Performance Section narratives. Results for all 23 recovery programs will be posted on the Web each quarter at [www.recovery.gov](http://www.recovery.gov) and [www.dol.gov/recovery](http://www.dol.gov/recovery).

- Financial Oversight and Reporting, Hiring, and Procurement
- **Occupational Safety and Health Administration.** OSHA was allocated 36 Full Time Equivalent employees (FTEs) in FY 2009 to protect worker safety and health through targeted enforcement, particularly in the construction industry. The agency established Local Emphasis Programs for its Recovery Act work and has already surpassed its FY 2009 federal inspection goal by conducting 665 inspections through the third quarter of FY 2009.



President Obama signs the American Recovery and Reinvestment Act (February 17, 2009). Photo Credit: Pete Souza, the White House

<sup>10</sup> This total does not match total net costs in the Consolidated Statements of Net Cost as certain costs in this table are presented on a program year basis. All costs in the Consolidated Statements of Net Cost are on a fiscal year basis.

- **Job Corps.** Approximately 85 percent or \$211.6 million of the \$250 million in Recovery Act funding will be invested in construction, rehabilitation and acquisition of Job Corps centers; \$10 million of the funds will be used to incorporate green technologies and training into Job Corps' career technical training programs.
- Office of the Solicitor

#### Employee Benefits Security Administration

- **COBRA Premium Assistance.** The Consolidated Omnibus Budget Reconciliation Act (COBRA) premium assistance provisions expand COBRA eligibility and provide eligible individuals with a 65 percent reduction of their COBRA health plan premiums for up to nine months. If eligible, these individuals pay only 35 percent of their COBRA premiums to the plan and the remaining 65 percent is paid by the government through a payroll tax credit to the employer.

#### Employment Standards Administration

- Federal Contract Compliance Programs
- Mass Transit Employee Protection Program
- Davis-Bacon and Related Act Wage Determination and Government Contract Labor Standards Enforcement

#### Employment and Training Administration

- **Wagner-Peyser Act Employment Service.** The Recovery Act made an additional \$150 million available for Employment Service Operations, plus \$250 million for targeted reemployment services to unemployment insurance claimants. States are using these funds to provide more people access, through the network of One-Stop Career Centers, to employment and workforce information, and to provide a greater variety of core and intensive employment services.
- **Unemployment Insurance – Extension of the Emergency Unemployment Compensation, 2008 (EUC08) and Federal Additional Compensation Program (FAC).** In June 2008, EUC08 was enacted to provide additional 100 percent federally-funded benefit payments to individuals who exhaust their eligibility for regular unemployment compensation and have no other rights to extended benefits. Through May 2009, the Recovery Act funded \$1.1 billion of the benefits paid for EUC08 claims.
- Unemployment Insurance – Modernization (\$7 Billion Incentive Fund)
- Unemployment Insurance – Special Transfer for Administration (\$500 Million)
- Training Grants for Green Jobs and Emerging Industry Sectors
- Senior Community Service Employment Program
- Trade Adjustment Assistance
- National Emergency Grants for Health Coverage Assistance
- Work Opportunity Tax Credit (WOTC) Program
- Workforce Investment Act Adult Program
- **Workforce Investment Act Dislocated Worker Program.** An additional \$1.25 billion was made available to the program for expanding services, as authorized by WIA, using the same State and local allocation

formula. The Recovery Act calls for greater quantity and quality training services; States are expected to improve assessments and career counseling to place workers in high growth sectors with long term opportunities. States have the authority to enter into contracts with institutions of higher education, such as community colleges, or other eligible training providers to facilitate training multiple individuals for high-demand occupations as long as the contract does not limit customer choice.

- Dislocated Worker National Emergency Grants
- **Workforce Investment Act Youth.** The Recovery Act also made an additional \$1.2 billion available for WIA Youth activities, using the same formula as the regular appropriation. The grantees, using these funds, provide additional authorized WIA Youth activities with a specific focus on creating summer employment opportunities for youth. The Recovery Act also extended the youth eligibility age from 21 to 24 and encouraged local areas to expose participating youth to opportunities in green jobs in the construction, energy efficiency, renewable energy, and other related industries.
- Workforce Investment Act Section 166 Native American Program, Supplemental Youth Services Program
- YouthBuild