

**New Jersey Department of Labor
and
Workforce Development**

OLS Discussion Points

Fiscal Year 2019

Discussion Points

WORKFORCE DEVELOPMENT – NEW PROGRAMS

1. The Governor’s FY 2019 Budget includes a recommended \$34.5 million appropriation out of the dedicated Workforce Development Partnership Fund (WDPF) for additional workforce initiatives at the discretion of the Department of Labor and Workforce Development (DOLWD). According to a March 29, 2018 press release by the department, \$10.0 million of that money would fund the New Jersey Apprenticeship Network, which would include support for organized labor training programs as well as new partnerships for which the State would seek out industry and corporate partners.

About \$24.2 million of the \$34.5 million recommended to be used for additional workforce initiatives would represent a drawdown of WDPF surplus balances. The fund is projected to have a balance of \$64.2 million at the end of FY 2018, which is estimated to decrease to \$40.0 million by the end of FY 2019 (Page 95 of the “Supplementary Information” section in the FY 2019 Governor’s Budget, available online).

- 1.1 **Question:** Please specify the planned allocation by program of the proposed \$34.5 million appropriation out of the WDPF for additional workforce initiatives, and indicate whether each program currently exists or would be newly created.

RESPONSE:

In general, the Workforce Development Partnership Fund (WDPF) will be used to support workforce initiatives throughout New Jersey in addition to funding the New Jersey Apprenticeship Network. Examples of how the balance of the WDPF will be apportioned include:

Program	New / Existing	Potential Funds
<p>Design, develop, and implement the NJ Career Network system.</p> <p>New Jersey is among the highest long-term unemployment rates in the country, and currently has an overall unemployment rate above the national average. NJ should remodel its public workforce system, <i>creating a new NJ Career Network</i> with integrated, web-based customer-focused information software program.</p>	NEW	\$9,500,000

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<p>Launch the NJ Apprenticeship Network</p> <p>The NJ Apprenticeship Network, a statewide youth and adult pre-apprenticeship and apprenticeship career readiness network, would create pathways for high school and community college students, veterans, people with past convictions, long-term unemployed job seekers, and others to access high-demand, high-paying careers through apprenticeships that result in college credit.</p>	<p>NEW</p>	<p>\$10,000,000</p>
<p>Launch the NJ Career Accelerator Internship Program</p> <p>This program would reimburse employers for up to 50% of wages paid to new interns enrolled in NJ high schools, colleges, or universities for up to \$1,500 per student. The program would triple the current internship grant program from 1,000 in FY 2018 to 3,000 in FY 19.</p>	<p>NEW</p>	<p>\$3,000,000</p>
<p>Launch Upskill New Jersey Workforce Development Local Partnership Grant Program</p> <p>This program would support community/business workforce training partnerships that include small- to medium-sized employer(s) (including women-, veteran-, minority-, and disability-owned enterprises), nonprofits, and secondary/postsecondary schools. Partners would identify short-term hiring/workforce needs and apply for a grant to fund skills training specifically for those jobs.</p>	<p>NEW</p>	<p>\$9,000,000</p>

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<p>Establish a Stay-at-Work/Return-to-Work Pilot Program to encourage employers to adopt policies that help current workers stay on the job following an injury or illness</p> <p>Modeled after the successful Washington State "Stay-At-Work" program, the program would reimburse employers for some of their costs to facilitate workers who become injured, ill, or disabled to remain on the job or return to work, including supporting retraining or on-the-job training for those transitioning to new or restructured positions.</p>	<p>NEW</p>	<p>\$1,000,000</p>
<p>Develop a Workforce Development Policy and Evaluation Lab</p> <p>This unit, based at Rutgers University's Heldrich Center for Workforce Development, would provide continuous improvement analysis and recommendations to ensure that programs supported by the WDPP and other LWD funds are effectively utilized. These funds would also include support for the New Jersey Education to Earnings Data System (NJEEDS) employment and education longitudinal data system at Rutgers University and evaluations of NJ's investments in education and training. (The WDPP legislation specifies that 0.5 percent of revenues collected should be set aside for designing and conducting an evaluation of WDPP.)</p>		<p>\$2,000,000</p>
<p>TOTALS</p>		<p>\$34,500,000</p>

- 1.2 **Question:** Would the department use any of the recommended \$34.5 million appropriation to hire additional department staff in connection with new workforce initiatives? If so, how many additional staff, by title, would be needed and at what annual cost? Would the positions be filled by permanent or temporary staff?

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RESPONSE:

The Department anticipates hiring additional workforce staff with the additional appropriation, although we have not determined our precise staffing requirements at this time. The nature of the work would determine our staffing requirements, for example infrastructure investments will require more staff attention during the development phase and less attention once implemented.

Where appropriate, the Department supports filling positions with permanent rather than temporary staff.

- 1.3 **Questions:** Please provide detailed information on the New Jersey Apprenticeship Network. Is the program intended to be permanent? What administrative expenditures is the department forecasting to incur in implementing the New Jersey Apprenticeship Network in FY 2019? What amount of the recommended \$10.0 million appropriation for the New Jersey Apprenticeship Network would be for grants to be awarded to outside entities? Would there be a competitive bidding process for the grants? How many grantees does the department anticipate and what would be the average grant amount? If the grant distribution is not to be based on a competitive process, please list the entities that are intended to receive grants under the New Jersey Apprenticeship Network initiative in FY 2019 and the amount each entity is intended to receive.

RESPONSE:

The New Jersey Apprenticeship Network would promote and, in some cases, expand existing apprenticeships while partnering with industries to create new apprenticeship opportunities in non-traditional industries and occupational areas. Apprenticeship is a combination of on-the-job training and related instruction in which workers learn the practical and theoretical aspects of a highly skilled occupation. Apprenticeship programs can be sponsored by individual employers, joint employer and labor groups and/or employer associations.

Intra-State partnerships with education agencies will be invaluable. The New Jersey Apprenticeship Network priorities include the opportunity for apprentices to earn post-secondary academic credit as part of their apprenticeship.

The Department will assess staffing requirements as the New Jersey Apprenticeship Network programs are developed and implemented.

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- 1.4 **Question:** In light of the recommended \$34.5 million appropriation for new workforce initiatives being predominantly funded out of surplus balances in the WDPF, are the new initiatives intended to be permanent?

RESPONSE:

The new initiatives are intended to build capacity and develop an infrastructure that promotes quality programming and service delivery and are intended to be permanent.

WORKPLACE STANDARDS

2. The department's workplace standards' mission is to enforce laws that provide employees safe and equitable working conditions, protect good faith employers from unfair competition, and protect workers and the general public from hazardous workplace practices. It is carried out by the Division of Wage and Hour Compliance (WHC) and the Division of Public Safety and Occupational Safety and Health (PSOSH). WHC enforces a wide variety of labor laws and regulations. These include the minimum wage, overtime wage rates, prevailing wage, and the rules for the employment of minors. PSOSH includes Asbestos Control and Licensing, Safety Compliance, and Boiler and Pressure Vessel Compliance units.

WHC and PSOSH generate revenue from inspections, asbestos work notification fees, licensing, issuance of registration, permits, certificates, and other fees and penalties. In addition, WHC collects unpaid wages on behalf of employees from their employers.

The FY 2019 Governor's Budget recommends an appropriation of \$4.4 million in State funds, \$5.6 million in federal funds, and \$11.5 million in dedicated funds for workplace standards in FY 2019 (pages D-237 to D-239). The total amount is \$250,000 less than the revised appropriations for FY 2018, reflecting the recommended elimination of \$250,000 that the Legislature added to the FY 2018 Appropriations Act for the WHC for the costs of additional staff assigned to enforce the "New Jersey Prevailing Wage Act."

In its January 1, 2018 report to Governor-elect Phil Murphy and Lieutenant Governor-elect Sheila Oliver, the Labor and Workforce Development Transition Advisory Committee recommended increasing the number of staff and field representatives investigating wage and hour and prevailing wage violations in addition to other investments intended to strengthen related enforcement functions.

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- 2.1 **Question:** Please indicate how many full-time equivalent positions in the WHC are being supported by the \$250,000 appropriation the Legislature added to the FY 2018 Appropriations Act, and any performance metrics associated with the positions. What would happen to the newly added positions in FY 2019 under the Governor's proposal and what would be the impact on the enforcement of the "New Jersey Prevailing Wage Act"?

RESPONSE:

Shortly upon the Commissioner's arrival to the department, he approved six positions to fulfill the intent of the legislation. Four Employment Service Trainees were hired and are being trained. Two Assistant Field Representatives are in the process of being hired.

- 2.2 **Question:** What actions, if any, is the department implementing to strengthen the enforcement of the State's wage and hour and prevailing wage laws, as recommended by the Labor and Workforce Development Transition Advisory Committee?

RESPONSE:

The Department has increased its enforcement staff in the Construction Worker Misclassification Unit and the Prevailing Wage Unit, and is seeking to hire additional staff, including individuals who speak multiple languages, to increase enforcement of minimum wage, overtime, and child labor laws.

The Department is creating a new training manual to be used for new hires and designing a refresher course for current staff. Additionally, the Department has begun educating job seekers at the state's One Stop centers about their rights with respect to the timely payment of wages, overtime pay, and related matters.

To increase compliance with child labor laws, the Department is working with the Department of Education to establish a standard form for school-aged children to enter employment.

IT staff is improving the Department's online submission of wage complaints to permit submissions in both English and Spanish.

The Department intends to sign a Memorandum of Cooperation with the U.S. Department of Labor's Wage and Hour Division. This cooperative agreement will permit DLWD and USDOL to share information, conduct coordinated investigations and enforcement actions, and refer cases to each other. The agreement also requires

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the parties to prepare and distribute publications and conduct joint outreach to the regulated community. This agreement will commit both federal and state agencies to robust enforcement of our laws.

Finally, where appropriate we are committed to transitioning temporary DLWD employees to full-time positions, which will improve our enforcement capabilities.

- 2.3 **Question:** Please list the revenue collected by WHC and PSOSH in FY 2017 and anticipated to be collected in FY 2018 and FY 2019. Please specify this revenue by the source of collection, such as fines, license fees, annual fees, etc.

RESPONSE:

See Schedule 2-1.

- 2.4 **Question:** Please indicate, for FY 2017 and thus far in FY 2018, how many complaints were received by the department, and the number of violations, in each of the following categories: Wage and Hour law enforcement; Child Labor law enforcement; Apparel Registration and related enforcement; Public Works Prevailing Wage law enforcement; construction contractor registration; Service Prevailing Wage law enforcement; Mechanical, Crane Operator, Mine, Pit, Quarry, and Explosive inspections; Asbestos Control and Licensing; and Public Employees Occupational Safety. For wage and hour, child labor, apparel, and public contracts, please also provide the total number of complaints across all four categories. Please provide the number of department personnel assigned to each of the categories listed above, and the number assigned to OSHA Consultant Services and Mine Safety Training, along with funding source of the personnel.

RESPONSE:

See Schedule 2-2 and 2-3.

- 2.5 **Question:** For FY 2017 and FY 2018 to date, please report: a) the number of wage theft worker complaints, b) the number of wage theft cases, c) the amount of wages recovered, and d) the amount of wages yet to be returned to workers.

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RESPONSE:

	<u>FY 2017</u>	<u>FY 2018</u> (as of 4/16/18)
Complaints Received *	6,522	5,677
Wage Theft Cases	**	**
Wages Recovered	\$6,832,139	\$4,480,279
Wages Returned	\$6,610,203	\$4,340,583
Wages yet to be Returned to Workers	\$221,936	\$139,696

*Complaints are not broken down by type, including whether wages are due.

**The Division does not enforce any law that defines or uses the term "wage theft."

- 2.6 **Question:** Please indicate the number of anonymous complaints to WHC and PSOSH, and the number thereof that resulted in fines or wage recovery in FY 2017 and thus far in FY 2018.

RESPONSE:

Wage and Hour Compliance	FY2017: 300 (173 resulting in violations) FY2018: 363 (111 resulting in violations)
Mechanical Inspection Bureau of Boiler & Pressure Vessel Compliance	FY2017: 17 (11 resulting in violations) FY2018: 30 (15 resulting in violations)
Crane Operator	Anonymous complaints are not captured by the program area's current database.
Mines/Pits/Quarries/Explosives	
Asbestos	
PEOSH	PEOSH Safety Enforcement does not accept anonymous complaints in accordance with the PEOSH Act (N.J.S.A. 34:6A-25 et seq.) and the state plan agreement with Federal OSHA as a certified state plan to be at least as effective as Federal OSHA.
OSHA Consultant Services	Not complaint driven.
Mine Safety Training	Not complaint driven.

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- 2.7 **Question:** Please describe any trends the department has identified regarding worker and employer cooperation with WHC and PSOSH investigations.

RESPONSE:

Wage and Hour Compliance	Wage and Hour continues to see a trend where workers, (largely immigrant and low-wage earners) are hesitant to file wage claims with the Division presumably for fear of retaliation and/or immigration action. More community groups are asking for our assistance to educate workers to encourage wage claims. Day laborers and non-payment of wages and taxes continues to be a problem with construction industry jobs as employers often misclassify the workers as subcontractors or independent contractors, as opposed to employees.
Mechanical Inspection Bureau of Boiler & Pressure Vessel Compliance	Inspections and investigations rarely met with opposition.
Crane Operator	No opposition from workers, supervisors and companies.
Mines/Pits/Quarries/Explosives	No opposition from workers, supervisors and companies.
Asbestos	Numerous employers and/or employees are not cooperative and can be verbally hostile. Sometimes two inspectors must go to an asbestos job site because of the possibility of hostile behavior. Many of the asbestos abatement sites are very large and for safety reasons inspectors go in pairs. We have had several instances where the inspector(s) had to call the police for support.
PEOSH	Inspections and investigations rarely met with opposition. PEOSH obtains greater than 99% compliance with citations issued to public employers.
OSHA Consultant Services	N/A – Consultation services are at the request of the employer.
Mine Safety Training	N/A – Mine Safety Training services are at the request of the employer.

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VOCATIONAL REHABILITATION

3a. The Division of Vocational Rehabilitation Services (DVRS) provides qualified disabled individuals who have a substantial impediment to employment with certain services designed to achieve an employment outcome. Grants-In-Aid funding for Vocational Rehabilitation (VR) Services is awarded to community rehabilitation programs that assist persons with disabilities to prepare for, obtain, and maintain employment, such as: Supported Employment services; Deaf services, Independent Living services, and Extended Employment services.

The Governor's FY 2019 Budget Recommendation provides \$108.9 million in State, federal, and dedicated funding for VR Services. This amount is \$4.6 million less than the appropriations provided in FY 2018. The decline primarily reflects the proposed discontinuation of a language provision that the Legislature included in the FY 2018 Appropriations Act that appropriated \$5.0 million from the dedicated Workforce Development Partnership Fund to VR Services for Extended Employment services.

- 3a **Question:** For FY 2018 and FY 2019, please provide the anticipated amount of VR Services State funding, federal funding, and other funding received by each program area.

RESPONSE:

[See Schedule 3-1.](#)

3b. Extended Employment (EE) services, also referred to as Sheltered Workshop services, provide long-term employment services in occupation-oriented facilities operated by non-profit service providers, which, except for staff, employ only individuals with significant disabilities at subminimum wages. Unlike other DVRS services funded through both federal and State moneys, EE providers are funded entirely by State resources.

Wage rates for individuals in EE programs are based on the individual's productivity rate and are a percentage of the "prevailing wage" for a similar type of work. Pursuant to N.J.A.C.12:51-8.1, the division requires specific explanations in those instances in which an individual is earning more than 50 percent of the competitive rate and is not involved in active efforts toward competitive placement. Furthermore, each provider is expected to place a percentage of its clients in competitive integrated employment each year.

In June 2017, the New Jersey State Auditor published a report indicating the DVRS is not properly enforcing the placement benchmark established for individuals in EE programs. The contracts for FY 2016 recommended this benchmark be at least ten percent. In that year, the division contracted with 29 providers serving 2,637 clients. Only 85, or 3.2 percent, of these clients were placed in competitive integrated employment.

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Based on this information and previous rulings by the United States Department of Justice, the report concluded that the State may be at risk of violating the Americans with Disabilities Act of 1990 (ADA).

In his March 13, 2018 Budget Message, the Governor reiterated his support for raising the minimum wage to \$15 per hour, including an increase to \$11 per hour in FY 2019. It is not clear to what extent the Governor's proposal would affect sheltered employment wages.

- 3b.1 **Question:** According to the EE provider contracts in effect for FY 2017 and thus far in FY 2018, what percentage of clients is required to be placed in competitive integrated employment? For FY 2017 and thus far in FY 2018, please identify each EE provider the DVRS has contracted with, the total number of clients served by each program, and the number and percentage of clients who were placed in competitive integrated employment. Of those individuals not placed in competitive integrated employment, how many were earning over 50 percent of the competitive rate?

RESPONSE:

As per N.J.A.C. 12:51, each facility is expected to place a percentage of its extended (sheltered) employees in competitive employment each year. The impact of economic factors will be considered when evaluating performances. NJ Division of Vocational Rehabilitation Extended Employment contract recommends that placement percentage should be at or above 10% of the total amount of individuals counted under the level of capacity (service).

See schedule 3-2A and 3-2B

- 3b.2 **Question:** What initiatives does the DVRS have in place or intend to implement to prevent violations of the ADA?

RESPONSE:

DVRS Community Rehabilitation Program (CRP) staff meet on a regular basis with extended employment case managers to discuss the employment potential of individual clients whose productivity is above 50%. Clients interested in transitioning into community integrated employment are given a referral to a local DVRS office to open a case.

In addition, VR counselors also provide annual career counseling to all clients in extended employment. During this process, if any client is interested in employment, a referral is made to a local DVRS office.

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DVRS also has developed a matrix of community based services. Services such as Community Based Work Evaluations, Internships, Pre-Employment Transition, and Customized Employment provide clients with an opportunity to experience and sample community based employment.

- 3b.3 **Question:** Are there any additional federal funds that the DVRS could access by ensuring that EE employees are placed in competitive integrated employment pursuant to regulation and provider contracts?

RESPONSE:

DVRS currently utilizes its Federal Innovation and Expansion funding to encourage the transition of EE employees into the community. The division has sponsored career pathway grants to EE providers that support job skills training and community based internships leading to community integrated employment.

- 3b.4 **Question:** Please describe to what extent the Governor's proposal to raise the minimum wage would affect the subminimum wage rates for EE employees.

RESPONSE:

Subminimum wage rates for workers with disabilities would increase assuming the prevailing wage or wages paid to experienced workers without disabilities also increases.

3c. According to Evaluation Data in the Governor's FY 2019 Budget, the department anticipates 3,037 EE client slots in FY 2019, a decrease of 286 slots from FY 2016 (page D-235). In addition, the department anticipates appropriating \$11,123 for each client in FY 2019, an increase of \$2,041 from FY 2016. The Governor's FY 2019 Budget proposes the discontinuation of a language provision that the Legislature included in the FY 2018 Appropriations Act that appropriated \$5.0 million from the dedicated Workforce Development Partnership Fund to VR Services for Extended Employment services.

- 3c.1 **Question:** Given that the number of client slots is projected to decrease while the appropriation per client is anticipated to increase, will clients receive better services (or higher compensation) as a result of the increased funding per client?

RESPONSE:

Extended employment client slots are calculated based on the total amount of available funds for the extended employment program. If \$5.0 million is removed from

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the extended employment program, slot values will also decrease accordingly. Client wages are not correlated with extended employment slot values. Increased client wages are dependent upon the amount of contract work available and the client's individual productivity rate set by time studies.

- 3c.2 **Question:** What impact does the department anticipate that the decline in the FY 2019 appropriations for extended employment services will have on the program?

RESPONSE:

The NJ Division of Vocational Rehabilitation (DVRS) will utilize its available fiscal resources to mitigate any reduction in services to clients. DVRS has a range of community based services available to clients such as supported employment, internships, customized employment and pre-employment transition services. These services, along with others, will be made available using DVRS fee for service funding and state contracts.

WORKFORCE DEVELOPMENT

4. New Jersey provides extensive support for a wide range of workforce development programs. The three main components of workforce development programs in the department are: State programs funded by unemployment insurance payroll taxes redirected into the Workforce Development Partnership Fund (WDPF) and the Supplemental Workforce Fund for Basic Skills (SWFBS); programs funded by the federal "Workforce Innovation and Opportunity Act (WIOA)," including programs for adult training, dislocated workers, and youth; and State and federal programs to facilitate transitions from welfare to work, delivered under the State Work First New Jersey (WFNJ) program.

- 4.1 **Question:** Please indicate, for each of the Workforce Development programs (WDPF/SWFBS, WIOA, WFNJ), how many individuals participated in job training during FY 2017 and how many are expected to do so during FY 2018 and FY 2019. Please indicate the cost per individual trained. Please indicate how many individuals accessed services other than job training through WDPF/SWFBS, WIOA, and WFNJ during FY 2017 and how many are expected to do so during FY 2018 and FY 2019. Please provide or estimate these data for each of the following programs: WDPF dislocated workers; WDPF disadvantaged workers; WDPF customized training grants; WDPF occupational safety and health training; WDPF youth transitions to work; WDPF SMART STEPS; WDPF innovation and research ; SWFBS State One-Stop Career Centers basic skills training; SWFBS Workforce Investment Boards basic skills training; SWFBS customized training grants; SWFBS community college grant; WIOA adult and dislocated worker training;

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WIOA adult education and literacy training; WIOA youth training; WIOA vocational rehabilitation services training; WFNJ Temporary Assistance for Needy Families (TANF) recipients; WFNJ Supplemental Nutrition Assistance Program (SNAP) recipients; and WFNJ General Assistance (GA) recipients.

RESPONSE:

[See Schedule 4-1.](#)

- 4.2 **Question:** Please indicate, for each of the Workforce Development programs (WDPF/SWFBS, WIOA, WFNJ), of the individuals who participated in job training during FY 2017, how many were women? How many were minorities?

RESPONSE:

[See Schedule 4-2.](#)

5a. The New Jersey Workforce Development Partnership (WDP) program was created pursuant to P.L.1992, c.43 (N.J.S.A.34:15D-1 et seq.) to provide qualified displaced, disadvantaged and employed workers with the employment and training services most likely to enable the individual to obtain employment providing self-sufficiency and also to provide the greatest opportunity for long-range career advancement with high levels of productivity and earning power. To help achieve that purpose, the law established the Workforce Development Partnership Fund (WDPF) to provide training grants to disadvantaged and displaced workers and to employers offering training opportunities to their employees. The WDPF is funded by a dedicated assessment on workers and their employers. Workers are assessed 0.025 percent on wages subject to the unemployment insurance (UI) tax, which in CY 2018 is the first \$33,700 of wages earned by a worker. Employers are assessed based upon their employees' wages subject to the UI tax.

WDPF moneys are statutorily allocated as follows: Customized Training, 42 percent; Employment and Training Services for Dislocated Workers, 25 percent; administration, 10 percent; Employment and Training Services for Disadvantaged Workers, 6 percent; individual programs approved by the commissioner, 5.5 percent; Youth Transitions to Work Program, 5 percent; Occupational Safety and Health Training, 3 percent; New Jersey Innovation and Research Fellowship Program, 3 percent; and annual evaluation of the WDP program by the State Employment Training Commission (SETC), 0.5 percent. Language included in the annual Appropriations Acts, however, has routinely overridden the statutory allocation of WDPF resources.

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To that effect, the Governor's FY 2019 Budget recommendation transfers a total of \$133.2 million of WDPF balances to myriad other purposes in FY 2019, including: \$1.9 million to the New Jersey Youth Corps (page D-240); \$64.7 million total to the Work First New Jersey programs (pages D-240 and D-217); \$19.0 million to Vocational Rehabilitation Services (page D-240); and \$34.5 million for new workforce initiatives (page D-240).

In addition, budget language proposed to be continued in the Governor's FY 2019 Budget Recommendation provides that WDPF resources are to be appropriated for any sum as may be necessary to allow for the matching of federal funds for Vocational Rehabilitation Services (page D-240).

The Administration estimates that the WDPF will have \$195.2 million in resources in FY 2019, composed of an opening balance of \$64.2 million and \$131.0 million in FY 2019 employee and employer assessment revenues and investment earnings. The Administration also anticipates \$155.2 million in fund disbursements, composed of \$22.0 million to be spent on WDPF statutory purposes and \$133.2 million to be transferred to other funds. The anticipated year-end fund balance in FY 2019 is approximately \$40.0 million. (Page 95 of the "Supplementary Information" section in the FY 2019 Governor's Budget, available online)

- 5a.1 **Question:** For FY 2017, please provide the following actual funding data for each component of the WDP program (customized training, dislocated worker training, disadvantaged worker training, youth training, occupational safety and health training, program administration, New Jersey Innovation and Research Fellowship Program, annual evaluation by SETC, and transfers to programs other than WDP) and provide estimates of the same information for FY 2018 and FY 2019. Please include:

RESPONSE: See [Schedule 5-1](#) for points 1 through 4 below.

- 1) The amount required to be deposited in the accounts for each allocation, and the amount actually spent;
- 2) The amount transferred out of the fund for each purpose not indicated in the WDP law (such as the Work First New Jersey program, the New Jersey Youth Corps program, and Vocational Rehabilitation Services);
- 3) The balance at the end of the year; and
- 4) The amount encumbered as a reserve for future payments of multi-year grants for each WDP program component.

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- 5a.2 **Question:** Please discuss and provide data regarding the effectiveness of each program funded by the WDPF in assisting unemployed individuals to find employment and assisting employed individuals to retain employment or raise their wages.

RESPONSE:**FY2017: Skills Partnership Grant by Industry**

Industry	# of Grant	# of Trainees	Amount Awarded
Advanced Manufacturing	84	5,691	\$2,709,420
Construction	9	1,287	\$1,493,527
Finance	1	202	\$89,600
Health Care	10	1,781	\$690,265
Retail, Hospitality and Tourism	10	2,652	\$417,037
Technology	5	1,185	\$255,071
Transportation	10	868	\$320,699
Non-targeted Industry related	20	10,058	\$3,022,775
Total	149	23,724	\$8,998,394

FY2018: Skills Partnership Grant by Industry

Industry	# of Grant	# of Trainees	Amount Awarded
Advanced Manufacturing	43	1,639	\$1,212,708
Construction	2	1,100	\$620,160
Finance	1	37	\$11,731
Health Care	9	1,107	\$393,871
Retail, Hospitality and Tourism	3	178	\$106,994
Technology	2	357	\$114,200
Transportation	6	610	\$483,540
Non-targeted Industry related	11	8,670	\$3,147,800
Total	77	13,698	\$6,091,004

*FY18 recently submitted application under review are included in the FY18 data.

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Performance: Opportunity Partnership Grants

Core Benchmarks	FY 2017 (\$2,500,000)		FY 2018 (\$1,500,000)		FY 2019 (\$2,500,000)	
	Number	Percent	Number	Percent	Number	Percent
	Contracted to train: 643 UI dislocated job-seekers Avg.: \$3,888 per trainee		Contracted to train: 441 UI dislocated job-seekers Avg.: \$3,401 per trainee		Contracted to train: 650 UI dislocated Avg.: \$3,850 per trainee	
Course Enrollment	390*	60%*	**	**	***	***
Course Mid-Point	370*	95%*	**	**	***	***
Course Completion	234*	60%*	**	**	***	***
Job Placement (within 90 days)	102*	44%*	**	**	***	***

* FY2017 – Recruiting, training, and job placement still in progress

** FY2018 - Recruiting in progress, training did not begin

***FY2019 – Projected, data available after July 2018

FY 2017 and 2018 Opportunity Partnership Grant (OPG) Training Program by Industry

Industry	# of Contracts	# of Employer-Partners	# of Trainees
Advanced Manufacturing	3	39	70
Bio-Science	-	-	-
Construction	1	6	21
Finance	2	2	129
Health Care	20	87	716
Retail, Hospitality, Tourism	2	21	40
Technology (Education)	1	7	30
Transportation	2	4	78
Total	31	166	1,084

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Grantee Name	Award Amount	Number Trainees	Number Employers	Industry	County
William Paterson U.	\$84,045	35	1	Finance	Passaic
Academy of Training	\$300,000	100	5	Healthcare	Essex
Rutgers, The State University	\$300,000	90	15	Health Care	State wide
Workforce Advantage	\$112,500	45	3	Healthcare	Union
Samfeli Global, Inc.	\$299,484	94	1	Finance	Middlesex
Winsor, Inc.	\$299,000	52	2	Transportation	Union
MCITC Training Center	\$271,400	105	3	Healthcare	Cumberland
Mercer Med Tech - CMA	\$70,400	16	3	Healthcare	Mercer
Mercer Med Tech - CNA	\$62,964	36	3	Healthcare	Mercer
Hudson Co. Sch. Tech.	\$58,950	10	1	Hospitality	Hudson
PRN Training Center	\$98,000	20	2	Healthcare	Cumberland
Programs for Parents	\$163,620	30	7	Education	Essex
Campus Education	\$49,500	10	2	Healthcare	Hudson
Total	\$2,169,863	643	48		

Discussion Points (Cont'd)**Grants Open in Progress FY 2018 Opportunity Partnership Grant (OPG) Training Program**

Grantee Name	Award Amount	Number Trainees	Number Employers	Industry	County
NJ Mfg. Ext. Program	195,112	40	29	Adv. Mfg.	Morris
Sussex County CC	60,000	10	1	Adv. Mfg.	Sussex
Middlesex Co. College	37,050	15	1	Healthcare	Middlesex
Middlesex Co. College	51,180	15	5	Healthcare	Middlesex
Middlesex Co. College	31,425	15	2	Healthcare	Middlesex
Middlesex Co. College	9,788	4	1	Healthcare	Middlesex
Union County College	120,000	20	9	Adv. Mfg.	Union
Driving Academy	156,000	26	2	Transportation	Union
Salem County Vo Tech	88,220	20	1	Healthcare	Salem
Information Tech. Mgt.	99,225	21	6	Construction	Middlesex
Warren CCC	60,690	35	1	Healthcare	Warren
PRN Training Center	98,000	20	1	Healthcare	Cumberland
PARAM Institute	35,000	50	3	Healthcare	Middlesex
Humane Concepts	100,000	40	4	Healthcare	Union
Workforce Advantage	100,000	40	3	Healthcare	Union
Angels of Mercy	87,480	30	2	Healthcare	Camden
Cumberland Co. C	33,000	10	1	Healthcare	Cumberland
NJ Restaurant Assoc.	99,840	30	20	RHT	Mercer
Total	1,462,010	441	92		

Discussion Points (Cont'd)

WDP Displaced Worker Program

Workforce Development Partnership (WDP)	FY18			FY19		
	Individual Training for WDP UI Displaced/Dislocated Workers (WDP-ITG)	\$748,775 (Contracts)	YTD* Contract to train	Avg. Cost per Participant	Projection \$2,500,000 (Contracts)	Projection Contract to train
Opportunity Partnership Grants	18	441	\$3,401	546	650	\$3,850

*FY2018 recruitments and trainings are still in progress

<u>FY16 Adult Literacy & Community Library Partnership Grant Program</u>			
Grantee	Award Amount	Contracted to Serve	Participants Served to Date
Camden County Library System	\$59,097	160	210
Elizabeth Public Library	\$91,243	100	123
Gloucester County Library System	\$57,856	50	31
Kearny Public Library	\$34,746	50	68
Maplewood Memorial Library	\$72,053	160	129
Montclair Public Library	\$54,295	95	75
Newark Public Library	\$83,781	135	258
Passaic Public Library	\$64,000	210	225
Paterson Free Public Library	\$80,430	205	63
Somerset County Library System	\$99,084	84	132
Sparta Public Library	\$39,402	50	58
Total	\$735,987	1,299	1,372

* All figures for FY19 are estimates that are 100% dependent on funding. The overall trend of the program since inception continues to track upward as more businesses become familiar with the opportunities.

Discussion Points (Cont'd)

- 5a.3 **Question:** What are the WDPF amounts used or anticipated to be used to match federal funds for Vocational Rehabilitation Services in FY 2018 and FY 2019?

RESPONSE:

It is anticipated that \$1,000,000 of WDPF funds will be used to match federal funds for Vocational Rehabilitation Services in FY2018 and \$2,900,000 in FY2019.

5b. The Supplemental Workforce Development Benefits Program, also known as Smart STEPS, provides replacement Work First New Jersey (WFNJ) cash assistance and support services benefits for qualified individuals who received WFNJ cash assistance and who are now pursuing a two-year or four-year degree program from an accredited college or university. Funding for Smart STEPS is provided by the WDPF, as opposed to the WFNJ program, thereby effectively stopping the clock on WFNJ's federally-mandated five-year cash assistance limitation and eliminating the federally-mandated WFNJ requirement that recipients must work part-time while attending school. While participating in Smart STEPS, participants can devote all of their time to pursuing an education. WFNJ is the New Jersey iteration of the federal Temporary Assistance for Needy Families (TANF) program.

To be considered for Smart STEPS, the applicant must: 1) be a current WFNJ cash assistance recipient or a former WFNJ cash assistance recipient who has left the WFNJ program within the past 12 months, or must be eligible for, but not receiving, WFNJ cash assistance payments; 2) care for children or other dependent family members unable to care for themselves; and 3) pursue a course of study related to a demand occupation in New Jersey or the participant's job-search area. According to a response by the department to an OLS FY 2018 Discussion Point, in FY 2016, the last year for which data were available, 168 individuals received Smart STEPS benefits at an average cost of \$4,763 per participant.

- 5b **Question:** Please provide the following data for each fiscal year from FY 2010 to present: the number of participants enrolled in the Smart STEPS program; the number of participants exiting the program; of those participants, how many obtained an associate degree or a bachelor degree and how many did not finish their degree; the average amount of cash assistance received by a participant while pursuing a two-year or four-year degree; and total program expenditures, including for administration.

RESPONSE:

See Schedule 5-2.

Discussion Points (Cont'd)

5c. The federal Consolidated Appropriations Act of 2018, Pub.L.115-141, provides \$145.0 million to expand opportunities relating to apprenticeship programs registered under the National Apprenticeship Act, an increase of \$50.0 million or 52.6 percent over the FY 2017 appropriation. The act allows the United States Secretary of Labor to utilize these funds to carry out activities through grants, cooperative agreements, contracts and other arrangements, with states and other appropriate entities.

- 5c.1 **Question:** Please provide the following data for each fiscal year from FY 2010 to present: the number of apprenticeship programs available in New Jersey that are registered under the National Apprenticeship Act; the average amount of State funding awarded to each registered apprenticeship program; and the number of apprentices in all programs combined.

RESPONSE:

New Jersey is an Office of Apprenticeship State under the jurisdiction of the USDOL. LWD does not have information regarding State funding awarded to each registered apprenticeship program. The chart below provided by USDOL includes the number of active Apprentices and Active Apprenticeship Programs from FY2011 to current.

Year	# of Active Apprentices	# of Active Apprenticeship Programs
2011	7,449	1,745
2012	9,236	1,830
2013	8,772	1,819
2014	5,322	867
2015	5,763	676
2016	6,235	577
2017	7,299	727
2018*	7,110	779
* To-Date 4/16/18		

- 5c.2 **Question:** Since FY 2010, has the department received any federal funds for apprenticeship programs? Given the recent increase in federal funding for apprenticeship programs, has the department considered applying for federal grants?

Discussion Points (Cont'd)

RESPONSE:

In June of 2016, the department received a \$200,000 USDOL Accelerator grant to expand apprenticeship. This was one of 51 grants awarded to states and territories. The recently passed 2018 omnibus spending bill increased funding from \$95M to \$145M for apprenticeship. While the FY18 strategy to release federal funds has not been announced by USDOL - applying for federal funds for apprenticeship programs is a top priority of the Department.

6. The federal "Workforce Innovation and Opportunity Act (WIOA)," Pub.L.113-128, which was enacted in 2014, provides federal funding for workforce investment activities that are intended to help unemployed and underemployed workers qualify for better jobs. It also supports a network of American Job Centers, known as One-Stop Career Centers, where job seekers can find information on job openings, training, and career openings. The United States Department of Labor approved the State's plan under WIOA on October 21, 2016. New Jersey's Combined State Plan may be found on the SETC website at: www.njsetc.net.

According to the Governor's FY 2019 Budget Recommendation, the department anticipates approximately \$125.8 million in federal WIOA funds in FY 2019 (page C-20). The majority of the money is to be distributed to local Workforce Investment Boards (WIBs) through a federal funding formula. Additionally, the State may apply for discretionary federal grants for Statewide programs.

- 6.1 **Question:** Please indicate the funding levels allocated for WIOA dislocated worker training, WIOA adult training, and WIOA youth training for FY 2017, and estimated for FY 2018 and FY 2019. Please detail the uses of these funds, including the names of local funding recipients (i.e., local WIBs or other entities) and any funds retained by the State for administrative or separate programming costs.

RESPONSE:

[See Schedules 6-1 and 6-2.](#)

- 6.2 **Question:** Has the department applied for or received any discretionary federal WIOA grant moneys in FY 2017 or FY 2018? Does the department anticipate applying for any discretionary federal WIOA grants for FY 2019? If so, please provide information on these grant applications, including budget and program proposals.

Discussion Points (Cont'd)

RESPONSE:

FY2017: Reemployment and System Integration Dislocated Worker Grant: \$1.1million.

LWD is currently pursuing other discretionary federal WIOA grant opportunities such as the Reentry Employment Opportunities Grant which will provide services to either young adults between the ages of 18 to 24 who have been involved in the juvenile or adult justice system, including high school dropouts, or adults age 25 or older who were formerly incarcerated in the adult criminal justice system and released from prison or jail within 180 days of enrollment. Additionally, being considered is the National Health Emergency Dislocated Worker Demonstration Grant to address the Opioid Crisis which will address the workforce impact of dealing with the opioid crisis and will be administered in conjunction with the Department of Health, faith-based organizations and drug court. More broadly, LWD will implement a more aggressive development approach that emphasizes seeking diverse grant opportunities including foundation and other philanthropic sources. This approach will yield additional resources as well as greater flexibility with program funding. We will also emphasize intra-state partnerships. For departments with programmatic synergy and similar constituents, partnering with sister agencies will streamline service-delivery and increase programmatic effectiveness.

7. One-Stop Career Centers (OSCCs) are designed to provide a full range of assistance to job seekers under one roof. The centers offer consumers the ability to access unemployment insurance (UI) staff (federally funded), employment services (State and federal funding), and other social service programs. Customers can visit a center in person or connect to the center's information through a computer or remote access kiosk.

Many of the workforce development training programs in the State are accessed and managed through OSCCs located in all 21 counties and are funded through a variety of State and federal sources, such as the "Workforce Innovation and Opportunity Act" (WIOA), Workforce Development Partnership Fund (WDPF), and public assistance [federal Temporary Assistance for Needy Families program (TANF); the State General Assistance program (GA); and the federal Supplemental Nutrition Assistance Program (SNAP)]. These services are co-located at OSCCs. The One-Stop Operator hired with the consent of the local Workforce Development Board is empowered to convene and coordinate the funding partners. Each OSCC is unique in the services it offers and its funding sources.

Discussion Points (Cont'd)

- 7 **Question:** Please provide the amount of funding each OSCC location receives through both State and federal sources, including funding associated with UI, WIOA, WDPF, and public assistance (TANF/GA/SNAP).

RESPONSE:

[See Schedules 7 and 6-1.](#)

8a. In 2011, the department launched a system of Talent Networks aimed at developing the workforce in eight key industries. These networks aspire to build high-quality employer-driven partnerships composed of employers, local workforce boards, educational institutions, and other stakeholders known as Targeted Industry Partnerships (TIPs). Using TIPs to understand common skill gaps, workforce needs, and the industrial credentials that are in demand, Talent Networks seek to assist students and job-seekers in finding long-term jobs and boost the economy. The Talent Networks also develop industry intelligence to inform workforce investments within the DOLWD and produce an annual industry report with quantitative data and feedback from employers.

The 10 talent networks and their associated lead organizations include: transportation, logistics and distribution led by the New Jersey Institute of Technology (NJIT) and Essex County College; life science led by BioNJ; advanced manufacturing led by NJIT; financial services led by the African-American Chamber of Commerce; health care led by Rutgers, The State University of New Jersey; technology and entrepreneurship led by NJIT; retail, hospitality and tourism led by Stockton University in South Jersey and Farleigh Dickenson University in North Jersey; construction and utilities led in the north by NJIT, and in the south by Rowan University; and the food industry led by Rutgers Food Innovation Center.

The department indicated in response to an FY 2018 OLS Discussion Point that it spent \$2.0 million on Talent Networks in FY 2016, of which \$1.6 million represented federal funds and \$400,000 State funds from the dedicated Workforce Development Partnership Fund. The department estimated that FY 2017 expenditures would total \$2.0 million and FY 2018 expenditures \$2.2 million. On January 11, 2018, the department then announced a \$275,000 grant award for each of the 10 Talent Networks for the 2018 calendar year plus a \$250,000 grant to technology consultant for a total grant award of \$3.0 million.

- 8a.1 **Question:** How much did the department expend in FY 2017 and how much does it estimate spending in FY 2018 and FY 2019 on Talent Networks, by industry and funding source? How is the funding amount determined for each Talent Network?

Discussion Points (Cont'd)

RESPONSE:

See Schedule 8-1.

The New Jersey Department of Labor and Workforce Development (LWD) oversees and supports 10 Talent Networks and one technology consultant which represent the state's eight high-demand, key industries employing about 73 percent of New Jersey workers and paying about 73 percent of the state's private sector wages. In fiscal year 2018, construction/utilities and the food industry were added to the industries represented by the Talent Networks.

- 8a.2 **Questions:** Please detail how each Talent Network will utilize its \$275,000 calendar year 2018 grant.

RESPONSE:

See Schedule 8-2.

The Talent Networks are one of LWD's tools for connecting with the business community for collaboration that leads to building a strong workforce system for the state's in-demand, key industries. The Talent Networks cultivate industry affinity groups, known as targeted industry partnerships or TIPs, which will expand industry engagement. The Talent Networks obtain first-hand information from New Jersey businesses and local workforce development boards in combination with detailed labor market information to identify: needs, skills gaps, career pathways, challenges and opportunities in the industries represented by the Talent Networks.

Talent Networks also provide LWD with industry intelligence including trends to enable LWD to align workforce investments that drive growth in the state's key industry sectors and ensure New Jersey businesses have access to a talent pool with the knowledge, skills and abilities needed to remain competitive regionally, nationally and globally.

Among other things, Talent Networks will utilize its grant resources to achieve the following performance deliverables:

1. Partner Engagement: Talent Networks work intensively with businesses, local Workforce Development Boards, education institutions and other stakeholders through affinity groups known as targeted industry partnerships (TIPs) in three distinct geographic areas of the state. Talent Networks initiate dialogue on innovative ideas which lead to long-term solutions to industry challenges and develop pilot program proposals generated by TIP members.

Discussion Points (Cont'd)

2. Industry Intelligence: Talent Networks work with LWD's labor market analysts and engage businesses to identify industry workforce needs and trends to support individual businesses and the industry to become stronger and more competitive. Talent Networks write plans for each targeted industry partnership region and an annual state of the industry executive summary informed by TIP members.
3. Industry Summit: Talent Networks host a one-day industry summit to highlight the industry's footprint nationally, statewide and regionally.
4. Social Media: Talent Networks work cooperatively with LWD staff, industry organizations and networks to communicate information on the industry via social media.

- 8a.3 **Question:** Please identify the composition of the TIPs for each network. How much did the department expend in FY 2016 and FY 2017 and how much does it estimate spending in FY 2018 and FY 2019 on the implementation of ideas developed by the TIPs, and what is the source of the funding?

RESPONSE:

The Workforce Innovation and Opportunity Act (WIOA) placed increased emphasis on creating a workforce system that is responsive to the needs of business. Each Talent Network develops targeted industry partnerships in specific geographic regions, known as TIPs, which comprise industry businesses, education, workforce and economic development partners, local workforce development boards, chambers of commerce, professional associations and other partners. These TIPs, led by businesses, create innovative solutions to address the needs and wants expressed by businesses/employers including training skilled workers, gaining access to a talent pool of skilled workers, and educating and exposing K-12 superintendents, principals, teachers and students on opportunities and careers in the industry.

Talent Networks are considered the "architects" that meet with businesses and organizations to gather firsthand intelligence on the industry and assess their needs. Talent Networks share that information with the Talent Development Centers, considered the "builders," which then develop curricula and instructional programs based on information from businesses. Together, this Talent Development System, comprising of both the Talent Networks and the Talent Development Centers, align training and education with in-demand skills to strengthen New Jersey's economy.

Discussion Points (Cont'd)

The Technology Advisory Network provides expertise on the technology needs for each Talent Network. The Talent Development Centers, each with funding of \$1.2M, correlate with industries represented as follows:

- Advanced Manufacturing;
- Construction & Utilities;
- Financial Services;
- Health Care;
- Life Sciences;
- Retail, Hospitality & Tourism; and
- Transportation, Logistics & Distribution.

Please see section on Talent Development Centers for specific funding information.

8b. In FY 2016, the department provided \$2.7 million to support the establishment of three Talent Development Centers that were to promote partnerships between key industries and the State's colleges and universities. The Centers provide workforce training and skills development focused on a key industry in New Jersey: advanced manufacturing at Camden County College; health care at Rutgers, The State University of New Jersey; and transportation, logistics, and distribution at Union County College. Each Talent Development Center received \$900,000 in State funds to provide workforce development training programs in its respective industries. In response to a FY 2018 OLS Discussion Point, the department indicated that it did not anticipate making any additional grants available to the Talent Development Centers in FY 2017 but that it intended to award a grant in the amount of \$1.1 million to each of the by then five Talent Development Centers in FY 2018. The two new centers were the Construction and Utilities Talent Development Center and the Retail, Hospitality and Transportation Talent Development Center.

- 8b.1 **Question:** How much did the department expend in FY 2017 and how much does it estimate spending in FY 2018 and FY 2019 on Talent Development Centers, by center and funding source?

RESPONSE:

See Schedule 8-3.

- 8b.2 **Question:** How many jobs seekers has each center served and what percentage of those individuals has achieved employment?

RESPONSE:

See Schedule 8-4.

Discussion Points (Cont'd)

9. The New Jersey Youth Corps program was established in 1984 with the mission to "restore and preserve the dignity of young adults who have been underserved, and enhance their value to society by providing a comprehensive program of academic instruction and community service that form a solid foundation upon which to build a brighter future." Youth Corps is a year-round, voluntary program that engages young adults ages 16 to 25 in full-time community service, training, and educational activities. Guided by staff who serve as mentors and role models, teams of youth carry out a wide range of service projects. In return for their efforts to restore and strengthen communities, corps members receive: 1) education development; 2) life skills and employability skills instruction; 3) personal and career counseling; 4) transition services and continuing support services; and 5) community service opportunities. Corps members receive a stipend while enrolled in the program.

The New Jersey Youth Corps program is funded by the State. In the FY 2019 Budget Recommendation, the department anticipates the program receiving at least \$4.5 million in identifiable funding: \$1.9 million from the Workforce Development Partnership Fund (WDPF) (page D-240); \$475,000 from the Unemployment Compensation Auxiliary Fund (UCAF) (page D-240); and up to \$2.2 million from the Supplemental Workforce Fund for Basic Skills (SWFBS) (page D-240). Supplemental Temporary Assistance for Needy Family, or TANF, funding can also be used for the program.

- 9.1 **Questions:** Please provide for FY 2017 and FY 2018 the names and locations of all organizations that received New Jersey Youth Corps program funding. Please indicate for each organization: the amount of funds received; a description of the program; the number of youth corps members served; the number of youth corps members who completed the program; and the number of youth corps members who returned to traditional high schools, obtained direct job placement, or entered the military, an on-the-job training program, college, or a full-time community service program following the completion of the program.

RESPONSE:

[See Schedule 9-1.1 and 9-1.2.](#)

- 9.2 **Question:** Please identify the funding amounts and sources, including WDPF, UCAF, SWFBS, and TANF in FY 2017 and FY 2018 and estimated FY 2019 for the New Jersey Youth Corps Program.

RESPONSE:

[See Schedule 9-2.](#)

Discussion Points (Cont'd)

AFFORDABLE CARE ACT MARKETPLACE

10. Executive Order No. 4 of 2018 directs all State entities that regularly interact with the public to undertake reasonable measures, to the extent permitted by law and budgetary constraints, to provide information to the public regarding the Affordable Care Act marketplace and ways to enroll.

- 10 **Questions:** What has been the department's response to Executive Order No. 4 of 2018? What related initiatives has the department already implemented and what related initiatives does it intend to implement in FY 2018 and FY 2019? What, if any, related expenditures has the department incurred to date? Will there be any additional expenses the department expects to incur to comply with the executive order in FY 2018 or FY 2019?

RESPONSE:

It is anticipated that the State will develop a website and written materials to provide information to the public regarding the Affordable Care Act (ACA) marketplace and ways to enroll. The Department of Labor and Workforce Development intends to implement several initiatives in FY 2018 and FY 2019 to promote the ACA.

- Insert a brief description and link to the ACA website on the LWD online application webpage for claimants filing for Unemployment Insurance, Temporary Disability Insurance, and Family Leave Insurance.
- Display posters and/or provide written materials such as brochures in all public access buildings including the statewide One-Stop Career Centers and Vocational Rehabilitation Services offices.
- Share these materials with partner agencies.
- Include information and the ACA link on the LWD Homepage.
- The Department's Office of Human Capital Strategies will provide information to all employees who are currently ineligible for health insurance through the State.
- The Office of Human Capital Strategies will include ACA information into our employee/supervisory training.

The Department has not incurred any related expenditures to date and does not anticipate any significant expenses to comply with this executive order in FY 2018 and FY 2019. Where appropriate, the Department is committed to transitioning hourly employees into full-time positions, hence providing health benefits.

Discussion Points (Cont'd)

TEMPORARY DISABILITY INSURANCE

11a. The State Disability Benefits Fund (SDBF) is used by the State's Temporary Disability Insurance (TDI) program to provide partial wage replacement for workers who become disabled due to injury or illness unrelated to work and to pay for the related administrative expenses. An employer may opt out of the State plan by participating in a private plan which provides coverage at least equal to that offered by the State plan at no greater cost to employees.

The department determines the annual rate of contribution to be paid by employees to sufficiently fund the SDBF. The rate equals the amount which is sufficient, when added to employer contributions, to obtain a total amount of contributions equal to 120 percent of the benefits estimated to be payable during the next calendar year, plus an amount equal to 100 percent of the program's administrative expenditures in the preceding calendar year, less the amount of net assets remaining in the fund at the end of that year. The rate of TDI taxes for employees for CY 2018 is 0.19 percent of wages subject to TDI taxes, which is, for each employee, all wages up to 28 times the Statewide average weekly wage, or \$33,700 in CY 2018. The maximum TDI tax to be paid by an employee for CY 2018 is \$64.03.

- 11a.1 **Question:** Please provide the amounts of revenues (including, separately, employer and employee contributions), regular benefits, "4F" benefits, and administrative expenditures, and the cash balance in the SDBF for: each month in calendar year 2017; as many months as possible for calendar year 2018; and estimates for the remaining months of 2018 and for 2019. Please indicate which monthly figures are estimated and provide annual totals for all data for each calendar year. Please provide the total taxable wages for calendar year 2017, with an estimate for 2018, and an estimate of what total annual TDI taxable wages would be in calendar years 2016 through 2018 if the TDI tax was imposed on wages up to 52 times the Statewide average weekly wage.

RESPONSE:

See Schedule 11-1.1 and 11-1.2 for revenues, expenditures and cash balances.

Total taxable wages for TDI in CY 2017 were \$76.3 billion and are estimated to be \$79.2 billion for CY 2018.

The re-statement of taxable annual TDI wages based on 52 weeks would require an intensive level of calculation and is not readily available.

Discussion Points (Cont'd)

- 11a.2 **Question:** Please provide the number of employees covered under the State TDI plan who were assessed the TDI tax in calendar year 2017, and estimates for 2018 and 2019.

RESPONSE:

TOTAL ASSESSED

<u>Calendar Year</u>	<u>Employment</u>
2017	2,729,200 (estimated)*
2018	2,756,500 (estimated)
2019	2,778,600 (estimated)

*Actual data for 2017 is currently not available.

- 11a.3 **Question:** Please provide the number of employees who are or were provided private TDI coverage through their employers in New Jersey, and the number of private plan employers, in calendar year 2017, and estimates for 2018 and 2019.

RESPONSE:

<u>Calendar Year</u>	<u>No. of Employees</u>	<u>No. of Plans in Force</u>
2017	748,110 (actual)	6,646
2018	768,700 (estimated)	6,800 (estimated)
2019	774,800 (estimated)	6,900 (estimated)

- 11a.4 **Question:** Please indicate the number of employers not covered by either the State plan or private plans, such as local governments that choose not to participate, and the employers' total number of employees.

RESPONSE:

Actual number of employees not covered by a plan for CY 2016 was 336,192. Estimated number for CY 2017 is 339,900.

Discussion Points (Cont'd)

- 11a.5 **Question:** Please provide the number of employers that were assessed the TDI tax in calendar year 2017, and estimates for 2018 and 2019.

RESPONSE:

<u>Calendar Year</u>	<u>No. of Employers</u>
2017	222,600 (estimated)*
2018	224,800 (estimated)
2019	226,600 (estimated)

*Actual data for 2017 is currently not available.

- 11a.6 **Question:** Please provide, for calendar year 2017, the summary of morbidity data for completed claims, including: the major morbidity group (code); the percent of cases; the average duration of claims; the average weekly benefit; and the average gross benefits.

RESPONSE:

See Schedule 11-2.

- 11a.7 **Question:** Please provide an estimate for the rate, and the maximum amount, of the TDI assessment to be charged each employee for calendar year 2019.

RESPONSE:

<u>Est. Rate</u>	<u>Est. Taxable Wages</u>	<u>Est. Worker Contributions</u>
0.18%	\$33,900	\$61.02

11b. Efficiency in processing TDI claims has declined in recent years. As illustrated in the department responses to the FY 2017 and FY 2018 OLS Discussion Points, the portion of eligibility determinations made within two weeks of receipt of the claims declined from 65 percent in 2011 to 33 percent in 2016. During the same period, the portion of determinations taking more than four weeks increased from 13 percent to 38 percent.

One factor which may have contributed to that decline is the rising percentage of claims filed with insufficient data, which rose from 34 percent in 2011 to 44 percent in 2016. Another possible factor is personnel reductions, with the number of personnel administering the State TDI plan declining from 170 in FY 2008 to 129 in FY 2017, a decline of 24 percent. The TDI law permits administrative costs of 0.1 percent of total wages subject to the TDI tax,

Discussion Points (Cont'd)

which would have permitted an annual assessment of more than \$75 million by 2016, but the department expended less than half of that amount, the annual expenditure never exceeding \$31 million.

In February 2016, the department launched an internet application providing TDI claimants the opportunity to submit claims online and allowing employers and health care providers to submit wage and medical data online. The department indicated that by early 2017, more than 20 percent of claims were filed online. The department believes that increased online filing will reduce the portion of claims delayed due to inadequate data.

- 11b.1 **Question:** For calendar year 2016, please provide the number and percentage of initial TDI benefit eligibility determinations made within seven days of application.

RESPONSE:

In CY 2016, 2,951 determinations, or 2.8%, were made within 7 days.

- 11b.2 **Question:** For calendar year 2017, please provide the number and percentage of eligibility determinations made in: less than eight days; eight to 14 days; 15 to 21 days; 22 to 28 days; 29 to 35 days; 36 to 43 days; 44 to 49 days; 50 to 56 days; and more than 56 days.

RESPONSE:

See Schedule 11-3.

- 11b.3 **Question:** What, if any, plans does the department have to increase the average speed of processing TDI claims? How many, if any, additional personnel does the department plan to commit to processing claims? Does the department have any data indicating improved processing times due to the implementation of the TDI internet application?

RESPONSE:

This year, the department has implemented several modifications to both the telephone and web filing applications which have improved the timely processing of TDI claims. The number of telephone lines for claimants to file a claim have increased from 87 lines to 232 lines, the menu options have been changed to improve call flow; and the online claims filing has been upgraded, and within the next month, a new Access Manager will be installed to provide our online filing claimants an even easier experience in accessing the system. These recent upgrades have improved our Call

Discussion Points (Cont'd)

Center performance. In the last four weeks, an increase of over 10% more telephone calls have been handled by our agents. The department has plans to add an additional 25 Call Center agents to further provide timely service to our customers.

Online claim filings have increased to approaching 30% of all claims filed, nearly doubling the percentage over 2017. In situations where the claimant, employer and health care provider have all responded online, the average processing time is 14 days or less. The department is redesigning the TDI website which will provide a clear path for claimants, employer and health care providers to understand the program while encouraging online filing.

- 11b.4 **Question:** What, if any, plans does the department have to reduce the percentage of claims filed with insufficient data? What percentage of the claims filed with insufficient data reflects insufficient data provided by a) employers and b) employees? Does the department have any data indicating a reduction in the number of claims filed with insufficient data due to the implementation of the TDI internet application? Would it assist department efforts for timely claims processing to change the TDI statute to permit claimants to file for TDI benefits in advance of a foreseeable event, like childbirth, and, in such claims, require employers to submit data before the event?

RESPONSE:

The department's analysis of the claims filed with incomplete and/or missing data identified that nearly 30% of the insufficient data was attributed to either the employer or the health care provider not understanding what is required to complete their portion of the claim. As such, the department has refocused its initiative to further educate employers and health care providers. As mentioned previously, the TDI website is undergoing a complete redesign focusing on the specific needs of the claimant, employer and health care provider. Likewise, the department is concentrating on a comprehensive outreach program to inform both employers and health care providers of the TDI process.

- 11b.5 **Question:** What, if any, plans does the department have to increase outreach to inform workers about TDI benefits?

RESPONSE:

The division recognizes that outreach to workers about the TDI program is a priority. The division continually offers downloadable instructional and informational FAQs explaining the program on its website, which both employers and health care

Discussion Points (Cont'd)

providers could direct their employees or patients to visit. Outreach material is being developed which will target common questions of employees.

A comprehensive strategic outreach plan is being developed beginning with mapping of New Jersey State Agency entry points for utilization and gathering best practices by collecting information from other state/local agencies and research advocacy institutions.

As an example of the division's outreach plan, we are providing training on May 29th for Community Health Care Workers to help them understand the program and to better navigate the program. At least four conferences are planned through early fall.

FAMILY LEAVE INSURANCE

12a. The "Family Leave Insurance" (FLI) program was established in 2008. FLI extends the State's temporary disability insurance (TDI) system to provide workers with up to six weeks of FLI benefits for a worker taking leave to provide care for family members of the worker suffering a serious health condition, or to be with a new child of the worker during the first 12 months after the child's birth or placement for adoption with the worker's family. These benefits are funded through an additional assessment on workers' wages subject to TDI taxes. Those assessed funds are deposited into the FLI account within the State Disability Benefits Fund (SDBF).

The assessment used to fund the FLI account is the rate needed to obtain a total amount of contributions equal to 125 percent of the FLI benefits estimated to be payable during the calendar year, plus 100 percent of the amount estimated to be necessary for the cost to administer the benefits, less the amount of net assets remaining in the account at the end of the preceding calendar year. The rate of FLI taxes for employees for CY 2018 is 0.09 percent of wages subject to TDI taxes (\$33,700). The maximum FLI employee tax for CY 2018 is \$30.33.

- 12a.1 **Question:** Please provide the amounts of revenues, benefits and administrative costs for the FLI account, by month for: calendar year 2017; as many months as possible for calendar year 2018; and estimates for the remaining months of 2018 and for 2019. Please indicate which monthly figures are estimated and provide annual totals of all data for each calendar year. Please provide the total taxable wages for calendar year 2017, with an estimate for 2018.

Discussion Points (Cont'd)

RESPONSE:

See Schedule 12-1 for revenues, expenditures and cash balances.

Total taxable wages for FLI in CY 2017 were \$112.7 billion and are estimated to be \$117.0 billion for CY 2018.

- 12a.2 **Question:** Please provide an analysis of benefits paid in CY 2017, including the total number of claims and the number of claims attributable to each of the following categories:

- 1) Bonding with a newborn,
- 2) Bonding with a newly-adopted child,
- 3) Care of a seriously ill child,
- 4) Care of a sick spouse, and
- 5) Care of another seriously ill family member.

RESPONSE:

See Schedule 12-2.

- 12a.3 **Question:** For each of the above listed categories, please provide the gross benefits, the average cost per claim, and the average duration of the claim.

RESPONSE:

See Schedule 12-2.

- 12a.4 **Question:** Please provide the number and percentage of total FLI claims made for intermittent leave.

RESPONSE:

The number of intermittent FLI claims for 2017 was 5,891 or 13.3% of all FLI claims.

- 12a.5 **Question:** Please provide the number and percentage of total claimants who had also collected temporary disability insurance through the State TDI program.

RESPONSE:

<u>Calendar Year</u>	<u>No of Claims</u>	<u>Percent</u>
2016	14,537	44.3%
2017	14,666	43.7%

Discussion Points (Cont'd)

- 12a.6 **Question:** Please provide the number of employees who were assessed the FLI tax in calendar year 2017 and estimates thereof for 2018 and 2019.

RESPONSE:

Estimated FLI State Plan covered employment:

<u>Calendar Year</u>	<u>No. of Employees</u>
2017	3,936,200 (estimated)*
2018	3,975,200 (estimated)
2019	4,006,800 (estimated)

*Actual data for 2017 is currently not available.

- 12a.7 **Question:** Please provide the number of employees who are provided FLI through their employers' private plan in New Jersey, and the number of private plan employers, in CY 2017, and an estimate thereof for 2018 and 2019.

RESPONSE:

<u>Calendar Year</u>	<u>Employees</u>	<u>No. of Private Plans in Force</u>
2017	15,167 (actual)	117 (actual)
2018	15,600 (estimated)	120 (estimated)
2019	15,900 (estimated)	123 (estimated)

- 12a.8 **Question:** Please provide an estimate for the rate, and the maximum amount, of the FLI assessment to be charged each employee for calendar year 2019.

RESPONSE:

<u>Est. Rate</u>	<u>Est. Taxable Wage Base</u>	<u>Est. Worker Contributions</u>
0.09%	\$33,900	\$30.51

Discussion Points (Cont'd)

2b. Efficiency in processing FLI claims has declined in recent years. As illustrated in the department responses to FY 2017 and FY 2018 OLS Discussion Points, the portion of eligibility determinations made within two weeks of receipt of the claims declined from 79 percent in 2011 to 36 percent in 2016. During the same period, the portion of determinations taking more than four weeks increased from 6 percent to 30 percent.

Factors which may have contributed to that decline include the rising percentage of claims filed with insufficient data, which rose from 22 percent in 2011 to 33 percent in 2016, and personnel reductions, with the number of personnel administering the State TDI plan (including FLI) declining from 170 in FY 2008 to 129 in FY 2017, a decline of 24 percent. A study on New Jersey's FLI program released in March, 2016 by the National Center for Children in Poverty at Columbia University found that a majority of new mothers participating in the program and surveyed for the study said that they experienced substantial delays in benefit payments, sometimes receiving benefit payments only after the end of the six-week benefit period. Many working mothers surveyed had not participated because they were not aware of the program, notwithstanding the requirement of the FLI law that employers notify their employees of the program. In February 2016, the department launched an internet application providing FLI claimants the opportunity to submit claims online.

- 12b.1 **Questions:** For calendar year 2016, please provide the number and percentage of initial FLI benefit eligibility determinations made within seven days of application.

RESPONSE:

[In CY 2016, 8,106 original determinations, or 22.8%, were made within 7 days.](#)

- 12b.2 **Question:** For calendar year 2017, please provide the number and percentage of eligibility determinations made in: less than eight days; eight to 14 days; 15 to 21 days; 22 to 28 days; 29 to 35 days; 36 to 43 days; 44 to 49 days; 50 to 56 days; and more than 56 days.

RESPONSE:

[See Schedule 12-3.](#)

- 12b.3• **Questions:** What, if any, plans does the department have to increase the average speed of processing FLI claims? How many, if any, additional personnel does the department plan to commit to processing claims? Does the department have any data indicating improved processing times due to the implementation of the FLI internet application?

Discussion Points (Cont'd)

RESPONSE:

This year, the department has implemented several modifications to both the telephone and web filing applications which have improved the timely processing of FLI claims. The number of telephone lines for claimants to file a claim have increased from 87 lines to 232 lines, the menu options have been changed to improve call flow; and the online claims filing has been upgraded, and within the next month, a new Access Manager will be installed to provide our online filing claimants an even easier experience in accessing the system. These recent upgrades have improved our Call Center performance. In the last four weeks, an increase of over 10% more telephone calls have been handled by our agents. The department has plans to add an additional 25 Call Center agents to further provide timely service to our customers.

Online claim filings have increased to approaching 30% of all claims filed, nearly doubling the percentage over 2017. In situations where the claimant, employer and health care provider have all responded online, the average processing time is 14 days or less. The department is redesigning the TDI website which will provide a clear path for claimants, employer and health care providers to understand the program while encouraging online filing.

- 12b.4 **Questions:** What, if any, plans does the department have to reduce the percentage of FLI claims filed with insufficient data? What percentage of the claims filed with insufficient data is because of insufficient data provided by a) employers and b) employees? Does the department have any data indicating a reduction in the number of claims filed with insufficient data due to the implementation of the FLI internet application? Would it assist department efforts for timely claims processing to change the FLI statute to permit claimants to file for FLI benefits in advance of a foreseeable event, like care for a newborn child, and, in such claims, require employers to submit data before the event? Would it help to change the statute to make a presumption that a TDI pregnancy claim will automatically transition to a newborn bonding FLI claim unless the worker opts out after the TDI claim?

RESPONSE:

The department's analysis of the claims filed with incomplete and/or missing data identified that nearly 30% of the insufficient data was attributed to either the employer or the health care provider not understanding of what is required to complete their portion of the claim. As such, the department has refocused its initiative to further educate employers and health care providers. As mentioned previously, the TDI website is undergoing a complete redesign focusing on the specific needs of the claimant, employer and health care provider. Likewise, the department is

Discussion Points (Cont'd)

concentrating on a comprehensive outreach program to inform both employers and health care providers of the FLI process.

- 12b.5 **Question:** What, if any, plans does the department have to increase outreach to inform workers about FLI benefits?

RESPONSE:

The division recognizes that outreach to workers about the FLI program is a priority. The division continually offers downloadable instructional and informational FAQs explaining the program on its website, which both employers and health care providers could direct their employees or patients to visit. Outreach material is being developed which will target common questions of employees.

A comprehensive strategic outreach plan is being developed, beginning with mapping of New Jersey State Agency entry points for utilization and gathering best practices by collecting information from other state/local agencies and research advocacy institutions.

As an example of the division's outreach plan, we are providing training on May 29th to Community Health Care Workers to help them understand the FLI program and to better navigate the program for their clients. At least four conferences are planned through early fall.

UNEMPLOYMENT INSURANCE

13. The unemployment insurance (UI) trust fund is the federally maintained account used to receive New Jersey employer and employee UI taxes and to pay all State-funded UI benefits. The experience rating tax table provided in N.J.S.A.43:21-7 dictates the tax rate of the employer. The tax rate is based on a combination of the annual experience of the UI trust fund calculated through a determination of the overall fund reserve ratio and the experience of the individual employer. The fund reserve ratio is determined on March 31 of each year by dividing the fund balance on that date by the taxable wages from the previous calendar year. The fund reserve ratio is used to determine the tax column that will be applied to employers in the next fiscal year. The tax columns are referred to as "A" through "E;" "A" having the lowest tax rates and "E" having the highest tax rates.

A combination of a high level of UI claims during the Great Recession, prior diversions of UI trust fund balances to other State purposes, and prior reductions in UI tax rates, depleted the UI trust fund, making it necessary in FY 2009 to borrow from the federal government and raise State UI taxes for employers. By 2014 the UI trust fund regained solvency, and in FY

Discussion Points (Cont'd)

2017, due to continued improvement in the UI trust fund balance, the employer UI tax rate column moved from "E" to "C". In response to FY 2018 OLS Discussion Points, the department estimated that by the end of FY 2018, the UI trust fund balance would be \$2.7 billion, high enough to trigger the "B" tax column, reducing employer taxes to \$1.5 billion, as opposed to \$2.2 billion had the tax rate column remained "E."

- 13 **Question:** Please provide the UI trust fund reserve ratio for calendar year 2018 (including the 3/31 fund balance, any liabilities, and taxable wages for the prior calendar year) and estimates for 2019 and 2020. Please provide, for calendar years 2017 through 2020, the data underlying the department's estimates, on a monthly basis, including: insured unemployment rates; total unemployment rates; anticipated UI benefit payments (regular, extended benefits and benefits during training); employer tax revenue; and employee tax revenue. Please indicate which monthly figures are estimated and provide annual totals for all data for each calendar year. What does the department estimate the total employer tax revenue in UI taxes will be during FY 2019 and FY 2020 under each of the "A," "B," "C," "D," and "E" schedule?

RESPONSE:

See Schedule 13-1A for UI Trust Fund reserve ratios.

See Schedule 13-1B.1 and 13-1B.2 for UI Trust Fund monthly revenue and expenditure estimates.

Below are the Tax Table Estimates for FY 2019 and 2020.

**UNEMPLOYMENT COMPENSATION FUND
EMPLOYER CONTRIBUTIONS
TABLES A - E (CASH BASIS)
FISCAL YEARS 2019 & 2020
(in millions)**

TABLE	FY 2019	FY 2020
A	\$ 1,243.0	\$ 1,293.4
B	1,511.4	1,572.7
C	1,774.4	1,846.3
D	1,973.1	2,053.1
E	2,178.3	2,266.7

Discussion Points (Cont'd)

14. Anti-fraud efforts within the Division of Fraud Prevention and Risk Management, which commenced in 2011, have helped to improve the solvency of the UI trust fund. Those efforts have included using the following: the National Directory of New Hires, used to check that claimants do not continue to collect benefits after returning to work; foreign IP software to identify individuals filing fraudulent claims from overseas through the internet; identity proofing to require claimants to verify their identity; county incarceration checks to verify that claims are not filed from county jails; participation in the federal Treasury Offset Program, which seizes any federal tax refund payable to individuals who participated in UI fraud; and garnishment of payments to State contractors that owe employee taxes to the State. According to the department, since 2011 these efforts have prevented more than \$100 million per year from being improperly diverted from the UI trust fund. In FY 2016, use of the National Directory of New Hires accounted for \$127 million, or 82 percent, of the total savings of \$154 million.

In its response to the FY 2018 OLS Discussion Points, the department reported that in 2015, overpayments represented an estimated 11 percent, or \$216 million, of total benefits paid in New Jersey. Of that, an estimated 58 percent was due to claimant error, 17 percent due to employer error, and 15 percent due to department error. These figures are extrapolations from a sample of UI cases that the United States Department of Labor's quality control program reviews every year.

The Division of Revenue and Enterprise Services within the Department of Treasury shows \$341.5 million in total outstanding debt for UI benefits overpayments as of June 30, 2017 in its State of New Jersey Centralized Non-Tax Debt Collection, Fiscal Year 2017 report.

- 14.1 **Questions:** Please identify the financial impact of each anti-fraud program noted above on the UI trust fund in FY 2017, and thus far in FY 2018. Please identify and explain any new programs that the division has initiated or plans to initiate, as well as their financial impact on the UI trust fund, in FY 2017 and thus far in FY 2018.

RESPONSE:

Subject to the New Jersey Unemployment Compensation Law, in October 2017, the department launched the Treasury Offset Program (TOP) for any employer, both active and inactive, who has an outstanding Unemployment Insurance contribution balance.

Discussion Points (Cont'd)

**UI TRUST FUND SAVINGS
(in millions)**

Program	FY 2017	FY 2018 (thru March)
Prevention		
Incarceration Cross-match	\$ 0.9	\$ 0.5
New Hire National Directory	\$ 117.8	\$ 77.8
Foreign IP	\$ 27.1	\$ 25.2
ID Proofing	\$ 1.0	\$ 0.2
Total Prevention	\$ 146.8	\$ 103.7
Collection		
TOP UI Collections	\$ 15.7	\$ 12.2
TOP UI Employer Collections	N/A	\$ 1.8

- 14.2 **Question:** Please explain the division’s efforts to prevent UI benefit overpayments due to benefit level miscalculations and disbursements of benefits to beneficiaries who have returned to work.

RESPONSE:

The division continues to refine and augment its approach in identifying those individuals who have returned to work while continuing to claim unemployment benefits. The division continues claimant education efforts to ensure the claimant population is fully aware of the importance of properly reporting their earnings, as well as, the consequences of improper reporting.

Past upgrades to the division’s Benefit Audit, Reporting and Tracking System (BARTS) have resulted in an increase in the prevention and detection of both fraud and non-fraud overpayments. In an effort to further increase those efficiencies, the division has contracted with the BARTS vendor to help streamline our processes. The division will be adding an enhancement module to the BARTS product that will allow the division to process a much larger volume of cases without increasing investigator workloads. The “Internet Response Module for Employers” (IRME) allows employers the ability to respond to division requests on-line rather than through correspondence. Each employer will have the ability to electronically accept and return the vast number of employer requests (wage audit notices) sent out by the division. The electronic response will become available to division staff as a workload item and will no longer require resources to enter wage data or process incoming mail correspondence.

Discussion Points (Cont'd)

The real-time availability of the employer responses will enhance operational efficiencies by allowing division staff the ability to increase the processing of verified wage and benefit conflicts.

- 14.3 **Question:** Please provide, for CY 2016 and CY 2017, the number of UI claims with overpayments, the total amount of the overpayments, what percentage those claims were of total claims, and what percentage those overpayments were of total payments. For each of those years, provide what percentage of the overpayment amounts is: a) recovered; b) deemed uncollectable; c) due to claimant error; d) due to department error; and e) due to employer error. Please provide the national averages for the indicated percentages.

RESPONSE:

Benefit Accuracy Measurement (BAM) Overpayments CY2016 – 2017

Year	Overpayment Percentage	Population \$'s	Claimant Error %	Employer Error %	Dept. Error %	Estimated Overpayment Amount
2016	10.2%	\$ 1,933,607,196	68.3%	13.6%	10.0%	\$ 210,763,184
2017	12.2%	\$ 1,939,922,026	65.2%	20.4%	7.2%	\$ 236,670,487

Regarding item a) recovered, while NJ does maintain a record of overpayments on an annual basis, recovered amounts are recorded as an aggregate and are not categorized for the year in which the overpayment occurred.

For item b, all overpayments are deemed recoverable and collection efforts continue on all debts in our records, unless a waiver of repayment is received and approved. There is no time limit on how long an overpayment remains active.

The data in the table above is from the USDOL quality control program Benefit Accuracy Measurement (BAM) and can be referenced for the remaining questions in section 14.4. Under this program, a sample of cases are taken (approximately 480 per year) and run through a strict review to ensure that proper payments were made. The total estimated overpayment amount is calculated using the overpayment percent in the sample multiplied across the entire population of benefits paid. This program only estimates the total dollars overpaid, not the number of claims.

Discussion Points (Cont'd)

- 14.4 **Question:** Please provide, for CY 2016 and CY 2017, the number of UI claims with underpayments or improper denials and the total amount of the underpayments and what percentage those claims are of total claims and what percentage those underpayments or improper denials are of total payments. Please provide the national averages for the indicated percentages.

RESPONSE:

BAM Underpayments and Improper Denials CY2016 – CY 2017

Year	Underpayment Percent	Underpayment Amount	Improper Denial %	Improper Claims
2016	1.1%	\$ 21,269,679	7.91%	10,457
2017	1.2%	\$ 23,279,064	7.88%	10,681

Improper denials are separated into three categories; Monetary, Separations, and Non-separations. The figures shown above are an average of all three categories. The USDOL BAM program does not extrapolate an improper denial dollar figure based on the data uncovered during the quality control process.

The national average for 2016 overpayments was 11.8%. In 2016, New Jersey was better than average for that category by approximately 1%. For underpayments, the national average in 2016 was 0.46% which placed New Jersey below average again by approximately 0.5%. The national average for improper denials in 2016 was 8.81%. In 2016, New Jersey was below the national average by 0.9%.

- 15. P.L.2010, c.37 established a three-tiered structure for unemployment insurance (UI) eligibility determination for workers who are terminated for misconduct: simple misconduct, severe misconduct, and gross misconduct.

Individuals terminated for simple misconduct must wait seven weeks from their termination date to receive benefits. Individuals terminated for severe misconduct must be reemployed for at least four weeks and earn at least six times their weekly benefit before qualifying for UI benefits again.

Gross misconduct is defined in statute as any discharge from employment because of the commission of an act punishable as a crime of the first, second, third, or fourth degree. Persons discharged due to gross misconduct must be reemployed for at least eight weeks, with earnings of at least 10 times their weekly benefit, before again qualifying for UI benefits.

Discussion Points (Cont'd)

The statute has no definition of simple misconduct and severe misconduct. Several successive versions of regulations have included definitions for both types of misconduct, but have either been withdrawn before adoption or subject to judicial challenge. In May 2017, the Appellate Division of the Superior Court of New Jersey invalidated portions of the 2015 regulation defining misconduct and directed the DOLWD to revise the regulation (*In Re 12:17-2.1, 450 N.J. Super. 152*). The court invalidated that portion because: "the definition illogically and confusingly mixes the concepts of 'negligence' with intent-based concepts such as 'willful disregard,' 'evil design,' 'wrongful intent,' and similar states of mind." The court also opined that regulation is flawed because it "defines 'simple misconduct' in certain respects as encompassing employee conduct that is at least as extreme or venal - or perhaps more so - than 'severe misconduct.'" The court specified an amount of time for the department to revise the regulation and has since extended that time.

- 15.1 **Question:** Please provide the numbers of individuals who were denied benefits or whose benefits were delayed for misconduct, by the type of misconduct (simple, severe or gross), in FY 2017 and thus far in FY 2018.

RESPONSE:

<u>TYPE OF MISCONDUCT</u>	<u>FY 2017</u>	<u>FY 2018 (thru March 2018)</u>
Simple	20,413	14,860
Severe	2,982	2,164
Gross	1,138	813

- 15.2 **Questions:** Please report the numbers of appeals for the denial or delay of benefits due to worker misconduct in FY 2017 and thus far in FY 2018, indicating the number of such appeals that were approved, denied, or are pending. In how many of the appeals did employers provide written documentation of misconduct?

RESPONSE:

The chart below addresses those workers who received an initial determination denying unemployment benefits due to misconduct and who subsequently appealed the determination. UI does not record the number of appeals where the employer provides written documentation of misconduct.

<u>Fiscal Year</u>	<u>Misconduct Denial Appealed</u>	<u>Misconduct Upheld</u>
2017	8,152	5,746
2018 (Thru March 2018)	5,914	4,290

Discussion Points (Cont'd)

- 15.3 **Questions:** Please provide simple, severe, and gross misconduct savings for FY 2017 and thus far in FY 2018. Please be specific as to how the amount of savings was calculated.

RESPONSE:

UI Misconduct Savings
(in millions)

<u>FISCAL YEAR</u>	<u>SIMPLE</u>	<u>SEVERE</u>	<u>TOTAL</u>
2017	\$18.4	\$18.1	\$36.5
2018 (through March 2018)	\$13.4	\$13.1	\$26.5

The Simple Misconduct savings were determined by multiplying the number of Simple Misconducts for FY 2017 and FY 2018 through March 2018 by two (additional weeks of denial) and multiplying this number by \$450 (average weekly UI benefit amount).

The Severe Misconduct savings were determined by multiplying the number of Severe Misconducts for FY 2017 and FY 2018 through March 2018 by 18 (average net duration of benefits), multiplying this number by 75% (estimate of claimants who do not find other employment) and multiplying this number by \$450 (average weekly UI benefit amount).

No cost savings are realized for Gross Misconduct since the regulations were not changed.

- 15.4 **Questions:** When does the department anticipate it will adopt new regulations on misconduct benefit disqualifications? Does the department see a need for a change in the statute?

RESPONSE:

In In re N.J.A.C. 12:17-2.1, 450 N.J. Super. 152, 155 (App. Div. 2017), the Appellate Division found that the regulatory definitions of simple and severe misconduct did not clearly distinguish between concepts of negligence and intent, and directed the Department to cure this deficiency in a manner consistent with the overall statutory scheme. The Department is diligently reviewing the matter and anticipates that it will adopt new regulations on misconduct benefit disqualifications within the next six months.

Discussion Points (Cont'd)

The Department does see a need for change in the misconduct statute and can meet to discuss at the convenience of members of the Legislature.

CENTER FOR OCCUPATIONAL EMPLOYMENT INFORMATION

16a. Most proprietary schools that operate in New Jersey are licensed by the Training Evaluation Unit (TEU) within the Center for Occupational Employment Information (COEI). Proprietary schools are educational institutions operated by private, for-profit businesses. The TEU, in conjunction with the Department of Education's Bureau of Program Review, evaluates and approves private vocational schools and correspondence schools that operate within New Jersey's workforce readiness system. The TEU reviews application materials regarding facilities, business operations, and financial aspects, while the Department of Education reviews material pertaining to curricula and instructor credentials. Approved providers are subject to annual reviews.

To be eligible for State or federal job training funds, proprietary schools licensed by the TEU must be included on the Eligible Training Provider List (ETPL) established by P.L.2005, c.354, s.14 (N.J.S.A.34:15C-10.2). Any student seeking state or federal job training funds must select a program from the ETPL. Entities on the ETPL are also required to share with the COEI certain information about trainees, such as the participant's gender, date of birth, date of enrollment, any date of completion, date of termination, date of start in a job, date of application for a license, licensing examination result, date of issue of a license, and any credentials issued.

Approved schools that close must submit to the TEU at least 60 days before the closure a completed Close-Out Form, which includes a plan to protect the educational and financial interests of students. The school is also required to submit to the TEU an electronic version of each enrolled student's transcript and a Refund Calculation Form for each enrolled student affected by the school closing. The school is also to provide each affected student with the Refund Calculation Form.

- 16a.1 **Question:** Please provide the number of vocational and proprietary schools that were reviewed, approved, and rejected by the TEU in FY 2017, thus far in FY 2018, and estimated for FY 2019. How many of those schools represent new applications and renewal applications?

Discussion Points (Cont'd)

RESPONSE:

2017 Renewals approved: 84
 2017 Initials approved: 14
 2017 Rejected: 0

2018 Renewals approved: 172
 2018 Initials approved: 17
 2018 Initials that include Youth and WFNJ: 19
 2018 Rejected: 0

2019 Estimate: 76

- 16a.2 **Question:** Please provide the number of vocational and proprietary schools that closed, and the number of students affected by those closures, in FY 2014, FY 2015, FY 2016, FY 2017 and thus far in FY 2018. Please indicate which of those schools had received State or federal job training funds, and the amounts received in the three fiscal years prior to closure.

RESPONSE:

TEU maintains closing documentation on the schools that are approved through the shared LWD / DOE approval process, and began tracking closures in 2015. As such, this list may not be inclusive of all school closures in New Jersey. The annual closure totals are being further divided into two categories: Structured and Non-Structured. Structured closings are those where the school provides advance notice to the impacted students and assists with the completion of their education, and also complies with the procedures of the TEU close-out form. Non-Structured closing occur with little to no notice to students or compliance with TEU Close-Out procedures.

<u>Year</u>	<u>Structured Closures (SC)</u>	<u>Students affected by SC</u>	<u>Non-Structured Closures (NSC)</u>	<u>Students Affected by NSC</u>
2015	2	incomplete records	4	155
2016	2	586	3	32
2017	3	0	3	0
2018	1 (2 in process)	0	0	0

Discussion Points (Cont'd)

Note: The requested fiscal information is maintained in multiple systems. The Department is currently gathering the data to perform the requested analysis.

- 16a.3 **Question:** Please indicate how many Close-Out Forms the TEU has received. How does the TEU enforce the school's owner's plan outlined in the Close-Out Form? Does the TEU ensure that students receive required transcripts and refunds? How many schools have complied, and not complied, with the requirement to submit their students' transcripts annually to the TEU?

RESPONSE:

Since the December 19, 2016 promulgation of the regulations that define the close-out procedure, the TEU has received 6 close-out forms. Enforcement of the school owner's close-out plan is done via direct engagement with the closing school and in coordination with applicable accrediting agencies. To date, schools that have submitted close-out forms have complied with the requirements. In past cases of Non-Structured school closings, TEU has worked with students and school officials to secure transcripts and process refunds via the Tuition Performance Bond. Of the schools that renewed their Certificate of Approval since the requirement to submit transcripts to TEU on an annual basis was passed, 177 of 183 schools have complied.

- 16a.4 **Question:** Please provide a list of proprietary schools that received State or federal funding in FY 2015, FY 2016, FY 2017, and thus far FY 2018. For each school, please list the source, amount, and purpose of the funding.

RESPONSE:

The requested fiscal information is maintained in multiple systems. The Department is currently gathering the data to perform the requested analysis.

16b. Pursuant to P.L.2013, c.208, only proprietary and vocational schools that provide certain performance information to the Center for Occupational Employment Information (COEI) to illustrate the effectiveness of their training providers are to be listed on the Eligible Training Provider List (ETPL). This information includes: the number of enrollees; the completion rate; placement in employment rates; licensing details; examination results; enrollee demographics; and data showing the long-term success of former trainees of each provider and school in obtaining permanent employment and increasing earnings over one or more time periods following the completion or other termination of training, including a period of two years following the completion or other termination of training. The law requires that this information is to be compiled in a Consumer Report Card (CRC) and published, along

Discussion Points (Cont'd)

with the ETPL, on the New Jersey Training Opportunities (NJTOPPS) website, accessible at <http://www.njtopps.com/>.

In addition to the State reporting requirements, the federal "Workforce Innovation and Opportunity Act" (WIOA) requires training providers on a state's ETPL to submit performance reports to the U.S. Department of Labor. These reports must include the following information: the percentage of participants in unsubsidized employment in the second quarter after exit; the percentage in unsubsidized employment in the fourth quarter after exit; the median earnings in unsubsidized employment in the second quarter after exit; the percentage of participants who obtain post-secondary credentials or a secondary school diploma or equivalent within one year after exit; the percentage who are in education or training leading to post-secondary credentials or employment and achieve a measurable skills gain; and indicators of effectiveness in serving employers. Under WIOA, eligible providers must track student employment outcomes, regardless of funding source. All performance data must be made public.

According to department responses to FY 2018 OLS Discussion Points, there were 476 approved training providers, as of April 17, 2017. In addition, 26 percent of approved training providers that were audited in the first quarter of 2017 failed to submit required student records. The department also stated that the COEI was analyzing the feasibility of upgrading the NJTOPPS website to include all the data required to be published by State and federal law.

- 16b.1 **Question:** Please provide the status of a) the upgrade of the NJTOPPS website and b) the department's efforts to comply with CRC requirements of P.L.2013, c.208, as well as WIOA performance reporting requirements.

RESPONSE:

Compliance with the CRC requirements of P.L.2013, c.208, as well as those of WIOA, have been accounted for in business requirements that are being developed for the NJTOPPS upgrade project. The quarterly student record audit implemented in 2017 to ensure timely submission of data from eligible training providers as required in c. 208 and WIOA has reduced the percent of non-compliant providers from 26% to 2%.

The current CRC displays the long term success of former trainees over one or more time periods following the completion of training as is required by PL 2013, c. 208. Specifically, the CRC displays average participant earnings at 6 months, 1 year and 2 years after completion of training. The CRC is mandated to be compiled annually; however, COEI updates the data every 6 months (June and December per year) and displays the performance outcomes on the NJTOPPS website.

Discussion Points (Cont'd)

- 16b.2 **Questions:** How many of the approved training providers and training programs are currently listed on the ETPL? For what percentage of ETPL listees has the data regarding the earnings of former trainees two years after the end of training been included in the information provided on the NJTOPPS website, as required by law? What were the percentages for FY 2017 and estimated for FY 2018? For each year, of the training providers for which the data are not on the website, for what percentage is that absence because of a refusal of the provider to submit the data? How many of the 26 percent of training providers who refused to comply in 2017 have since complied? How many of them were removed from the ETPL?

RESPONSE:

As of April 17, 2018, there are 441 approved training providers and 5,932 approved training programs on the ETPL. The first quarter 2018 student record audit identified 2% of approved training providers that have not submitted student records as required pursuant to the ETPL procedures. These providers have been removed from the ETPL and will not be reinstated until their student records are received. Data regarding the earnings of former trainees two years after the end of training is included on the NJTOPPS website. Only programs that have not been offered long enough to have available wage records for former trainees two years after training will reflect N/A in that field.

17. The department released the first Industry-Valued Credentials List in October of 2016. The list included 198 credentials and degrees deemed most in-demand in New Jersey and was assembled using a wide array of workforce data and input from industry-specific focus groups, online surveys, the State's seven Talent Networks, and the public. The list is reviewed and updated quarterly by the State Credentials Review Board, a panel including staff from local One-Stop Career Centers, Workforce Development Boards, the department, the Department of Education, the Office of the Secretary of Higher Education, and the State Employment and Training Commission. The current list, updated in January 2018, can be accessed at: http://careerconnections.nj.gov/careerconnections/prepare/skills/credentials/industry_valued_credentials.shtml.

The list is being integrated into the Eligible Training Provider List (ETPL) and is intended to serve as a consumer protection tool for individuals in search of occupational training, ensuring that the credentials they are seeking are valid and recommended by employers, educators and workforce professionals.

The department will further use the list to direct occupational training funding toward the most effective workforce and education programs. According to the Combined State Plan,

Discussion Points (Cont'd)

the department's ultimate goal is to dedicate at least 80 percent of all federal and State funds spent on occupational training by 2021 to programs that result in an industry-valued credential or degree. Prior to 2021, the percentage target will increase incrementally each year, with the FY 2017 goal set at dedicating at least 50 percent of all such funds to programs that result in an industry-valued credential or degree.

- 17.1 **Questions:** Currently, what percentage of State and federal funds spent on occupational training is spent on occupational training programs that result in an industry-valued credential or degree? Did the department meet its FY 2017 goal of 50 percent? If not, how does the department plan to address the shortfall? What are its goals for FY 2018 and FY 2019?

RESPONSE:

Yes, 53% of One-Stop Career Center clients were enrolled in training programs that lead to either a post-secondary degree, High School equivalency credential, Occupational skills credential or Occupational Skills license. These credentials represent a broader list of credentials than is found on the state's industry valued credential list, and reflects a service orientation towards credential attainment as a goal for our clients. As we continue to upgrade the AOSOS case management system for WIOA compliance, we aim to collect credential attainment data that more directly aligns with the state's industry valued credential list. For example, required occupational skills licenses (mandatory for employment in a given occupation) do not appear on the industry valued credential list but will remain a measure of client credential attainment.

- 17.2 **Questions:** How many, if any, approved training providers have been removed from the ETPL because of poor performance?

RESPONSE:

None have been removed for poor performance.

THE NEW JERSEY BUILDERS UTILIZATION INITIATIVE FOR LABOR DIVERSITY – NJBUILD

18. The New Jersey Builders Utilization Initiative for Labor Diversity (NJBUILD) is a program for training women and minorities to work in the construction industry. Funding for the NJBUILD program is provided through P.L.2009, c.313 (N.J.S.A.52:38-7). That law requires that any State or local public body, upon entering into any public works contract in excess of \$1,000,000 funded, in whole or in part, by funds of the public body must transfer an amount equal to 0.5 percent of the portion of the contract amount to the department.

Discussion Points (Cont'd)

The department is required to use the transferred funds to provide on-the-job or off-the-job outreach and training programs, including programs of preparation for admission into registered apprenticeships, for minority group members and women in the construction trades, with opportunities for long-term trade and professional employment providing economic self-sufficiency for the minority group members and women.

The FY 2019 Budget Recommendation anticipates that \$3.5 million in dedicated revenue will be deposited into the NJBUILD account in FY 2019 (page C-12). In addition, the Budget Recommendation renews language authorizing the appropriation of \$470,000 from the NJBUILD account for the operations of the department's Office of Contract Compliance and Equal Employment Opportunity in Public Contracts for enforcing the provisions of P.L.2009, c.335 (page D-230).

Unexpended NJBUILD account balances have frequently been made available for general State purposes. Between FY 2010 and FY 2017, the account accrued a total of \$30.9 million in revenues while \$20.4 million of unexpended account balances lapsed to the unrestricted General Fund.

According to the department response to the FY 2018 OLS Discussion Points, the department awarded \$1.6 million in NJBUILD grants in FY 2017: \$480,000 for the NJBUILD-Highway to Employment program; \$400,000 for NJBUILD statewide; \$250,000 for the "Helmets to Hardhats" program throughout the State; \$225,000 for Youth Build Match-Isles, Inc.; \$175,000 for NJBUILD-Camden; and \$100,000 for the Hunterdon County Vocational School District.

- 18.1 **Question:** Please provide the amount of revenue from the 0.5 percent transfer required pursuant to P.L.2009, c.313 in FY 2017 and revenue estimates for FY 2018 and FY 2019. Please detail this revenue by source, specifying local entity, authority, State entity, educational entity, etc.

RESPONSE:

[See Schedule 18-1.](#)

- 18.2 **Question:** Please list all expenditures from the NJBUILD account, including the grant programs funded and any administrative costs incurred, in FY 2017 and estimates thereof for FY 2018 and FY 2019.

RESPONSE:

[See Schedule 18-1.](#)

Discussion Points (Cont'd)

- 18.3 **Question:** For each program which received NJBUILD funds in FY 2017, please provide the total number of clients served and total number of clients who successfully completed the program.

RESPONSE:

[See Schedule 18-2.1 and 18-2.2.](#)

- 18.4 **Question:** Please indicate, for each grant awarded during FY 2015, FY 2016 and FY 2017, how much was awarded and how much has been expended.

RESPONSE:

[See Schedule 18-2.1 and 18-2.2.](#)

- 18.5 **Question:** The department has not published the annual report on the NJBUILD program required by law since 2010. Why has the department not submitted the annual report? Please specify when the next NJBUILD annual report will be available.

RESPONSE:

[The department is in the process of compiling data for the NJBUILD Program.](#)

NEW JERSEY PATHWAYS LEADING APPRENTICES TO A COLLEGE EDUCATION PROGRAM

19. P.L.2009, c.200 established the New Jersey Pathways Leading Apprentices to a College Education (NJ PLACE) program in the State Employment and Training Commission (SETC). This program, in part, facilitates the placement of individuals in apprenticeship programs that include academic credit towards the completion of associate degree programs and, in some cases, baccalaureate degree programs. The law also required public institutions of higher education, in consultation with the New Jersey Commission on Higher Education and the New Jersey Presidents Council, to enter into a collective Statewide transfer agreement to provide for the "seamless" transfer of apprenticeship-related associate degree credits to baccalaureate degree programs. P.L.2009, c.200 authorized the use for NJ PLACE of the WIOA and WDP funds, while P.L.2009, c.313 authorized the use of NJBUILD funds for NJ PLACE.

NJ PLACE was coordinated by Rutgers, The State University of New Jersey and had begun in 2004 "with the backing of some government entities, a few registered apprenticeship partners and a handful of interested community colleges. In the years since, NJ PLACE has grown to include 12 apprenticeship partners, all 19 New Jersey community colleges, several

Discussion Points (Cont'd)

key state and federal government stakeholders, and Rutgers, the State University of New Jersey." In August 2012, NJ PLACE was honored by the United States Department of Labor as a 21st Century Apprenticeship Trailblazer and Innovator. As of January 2014, NJ PLACE was being administered by the SETC and the department has expressed its intention to re-engineer NJ PLACE.

The department indicated in its response to FY 2016 OLS Discussion Points that \$1.3 million had been spent on NJ PLACE since its inception. While dedicated funding was not provided in FY 2015, the department indicated that the program remained active, utilizing staff of the SETC, and that some of the articulation agreements between NJ PLACE apprenticeship program partners and community colleges remained in force, allowing apprenticeship graduates to use apprenticeship credits towards degrees specified in the agreements. In its response to the FY 2018 OLS Discussion Points, the department indicated that the oversight of existing partnerships between community colleges and apprenticeship programs had been left to participating community colleges and that the role of the SETC's liaison to the NJ PLACE program was to refer interested individuals to the colleges. The response also indicated that the State's Talent Development Centers were developing apprenticeship programs "connected to college credit programs," although no information was provided regarding an NJ PLACE role.

- 19.1 **Question:** Please indicate which, if any, articulation agreements between apprenticeship program partners and community colleges remain in effect.

RESPONSE:

Due to strong relationships created through the NJ PLACE initiative, the participating institutions of higher education continue to recognize the merit of the registered apprenticeship (RA) programs and provide academic credit to students who completed their RA programs based on the original articulation agreement. The RA programs and industry recognized credentials have been evaluated and determined equivalent, and, therefore, transcript as college credit. Community college agreements and credit evaluations are in effect for NJ PLACE/Apprenticeship program students who were enrolled during the active evaluation period from 2007 to 2010. While the credit evaluations for most evaluated programs expired in 2013, a number of New Jersey community colleges continue to honor the agreements.

Discussion Points (Cont'd)

- 19.2 **Questions:** Has any funding been resumed for NJ PLACE? If so, please indicate, for each year after FY 2015, any account or funding stream which supported NJ PLACE, specifying the amounts of any funds from WDP, WIOA, or NJBUILD programs, or any other source.

RESPONSE:

The NJ PLACE website and program inquiries are maintained under the auspices of the SETC, as they have been since January 2014. The SETC staff liaison to the NJ PLACE program responds to inquiries and refers individuals to participating community colleges or to other entities for assistance. The NJ PLACE website and the SETC staff liaison are supported by current federal and state workforce program resources.

- 19.3 **Questions:** What progress has been made by Talent Development Centers on developing apprenticeship programs connected to college credit programs? Are any of these programs now, or are expected to be, conducted as part of the NJ PLACE program? Does the department or the SETC have plans to re-engineer the NJ PLACE program or increase department or SETC staff time devoted to NJ PLACE in FY 2019?

RESPONSE:

In 2017, the State awarded grants for seven Talent Development Centers (TDCs), to build new career pathways to meet employers' workforce needs while enabling individuals to earn industry-valued credentials, college credit, enter an apprenticeship program and further pursue an associate's or bachelor's degree. An example of this effort is the creation of the Community Healthcare Worker Apprenticeship by the NJ Health Care Talent Development Center, hosted by the Rutgers School of Management and Labor Relations.

The primary concept of the NJ PLACE initiative is to provide college credit awards for registered apprenticeship programs, industry recognized certificates and credentials. This model program remains a key workforce strategy for New Jersey, described in the draft NJ Combined State Plan for WIOA, 2018 Modification, submitted to the USDOL and USDOE on March 29, 2018.

There have not been any specific registered apprenticeship programs or additional credentials added to the NJ PLACE umbrella since 2013. The provision of additional resources to NJ PLACE would enable additional program evaluations and expansion of the program opportunities.

Discussion Points (Cont'd)

CIVIL SERVICE COMMISSION

20. In 2013, New Jersey voters approved a Constitutional Amendment, which set the minimum wage at \$8.25 per hour and required annual cost-of-living increases based on increases in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). If the minimum wage rate is subsequently raised to a higher level by either State or federal law, all subsequent cost-of-living increases shall be applied to the higher State minimum wage. On January 1, 2018, the State minimum wage increased from \$8.44 to \$8.60 per hour. In his March 13, 2018 Budget Message, the Governor stated that raising the minimum wage to \$15 per hour would affect 1.2 million New Jerseyans and that the State would be preparing for that increase, including an increase to \$11 per hour in FY 2019.

- 20 **Question:** By department, please provide the fiscal impact to the State of an increase in the minimum wage of State employees from \$8.60 to \$11 per hour, \$12 per hour, \$13 per hour, \$14 per hour, and \$15 per hour and the number of employees who will be impacted by each increase.

SCHEDULE 2-1
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Labor Standards
Revenue Worksheet
FY 2017 -2019

LABOR STANDARDS	Actual Revenue FY 6-30-17	Estimated * Revenue FY 6-30-18	Estimated Revenue FY 6-30-19
Miscellaneous Fines and Penalties	\$ 586,806	\$ 621,886	\$ 631,092
Crane Operators	116,680	119,933	121,708
Boiler Fees and Penalties	7,144,054	7,229,248	7,336,268
Asbestos Fees and Penalties	1,530,040	1,530,084	1,552,735
Wage and Hour Fees and Penalties	4,138,911	4,257,543	4,320,571
Apparel Fees and Penalties	77,250	97,600	99,045
Total Collected	<u>13,593,742</u>	<u>13,856,295</u>	<u>14,061,419</u>
Public Works Contractors Registration	<u>2,993,923</u>	<u>3,031,370</u>	<u>3,076,246</u>
Total State	<u><u>\$ 16,587,665</u></u>	<u><u>\$ 16,887,665</u></u>	<u><u>\$ 17,137,665</u></u>

FY 2017 Federal Funds

	Amount
OCCUPATIONAL SAFETY HEALTH ACT, ON-SITE CONSULTATION	\$ 1,947,091
MINE SAFETY EDUCATIONAL PROGRAM	54,699
FEDERAL PUBLIC EMPLOYEES OCCUPATIONAL SAFETY AND HEALTH ACT	1,923,874
	<u>3,925,664</u>

FY 2018 Federal Funds

OCCUPATIONAL SAFETY HEALTH ACT, ON-SITE CONSULTATION	\$ 1,925,900
MINE SAFETY EDUCATIONAL PROGRAM	42,804
FEDERAL PUBLIC EMPLOYEES OCCUPATIONAL SAFETY AND HEALTH ACT	1,921,400
	<u>3,890,104</u>

FY 2019 Federal Funds

OCCUPATIONAL SAFETY HEALTH ACT, ON-SITE CONSULTATION	\$ 1,925,900
MINE SAFETY EDUCATIONAL PROGRAM	42,804
FEDERAL PUBLIC EMPLOYEES OCCUPATIONAL SAFETY AND HEALTH ACT	1,921,400
	<u>3,890,104</u>

Additional Revenues	<u>-</u>
Total Federal	<u><u>\$ 11,705,872</u></u>

* FY 2018 projection based on revenues as of 3/31/18.

SCHEDULE 2-2
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Labor Standards - Complaints / Violations

	Complaints Received		Violations resulting from Complaints	
	FY2017	FY2018	FY 2017	FY 2018
Wage and Hour	**	**	4,920	4,016
Child Labor	**	**	-	-
Apparel	**	**	25	6
Public Contracts ***	**	**	463	394
Boiler (Mechanical)	17	30	11	15
Crane Operator	2	-	*	*
Mine, Pit, & Quarry	-	-	*	*
Explosives	127	58	*	*
Asbestos	154	180	*	*
PEOSH	40	40	122	190
OSHA Consultation****	-	-	-	-
Mine Safety Training****	-	-	-	-

- * Violations resulting from complaints are not captured by the program area's current system.
- ** Complaints are not broken down into categories until a case is assigned to it based on the investigation. Case files indicate the apparent violations found based on the complaint received.
- *** Public Contracts include Prevailing Wage Act and Contractor Registration Act.
- **** These areas are not complaint driven.

SCHEDULE 2-3
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Workplace Standards Full Time Equivalents (FTE's) by Category

Category	FY 2017 Actual	FY 2018 Estimated*	Funding Source
Wage & Hour	60	59	State
Child Labor	3	3	State
Apparel Registration	0	0	State
Prevailing Wage	16	20	State
Contractor Registration	9	8	State
Mechanical (Boiler)	26	26	State
Crane Operator	3	3	State
Mine, Pit, Quarry & Explosive	6	4	State
Asbestos Control & Licensing	10	10	State
Electronic Licensing & Tracking	0	1	State
PEOSH Safety	19	17	50% State 50% Federal
OSHA Consultation Services	15	14	10% State 90% Federal
Mine Safety & Health Administration (MSHA Training)	1	1	20% State 80% Federal
Total	168	166	

* Based on March 2018 data.

SCHEDULE 3-1
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019
Vocational Rehabilitation Funding

DVR Funding	FY 2018	FY 2019 (estimated)
Supported Employment	\$ 6,650,000	\$ 6,650,000
Deaf Services	\$ 170,000	\$ 170,000
Title VI-B Match (10%)	\$ 50,000	\$ 50,000
Independent Living Services	\$ 500,000	\$ 500,000
Sheltered Workshop Support	\$ 33,780,000	\$ 30,180,000
Sheltered Workshop Transportation	\$ 4,188,560	\$ 2,788,560
VR Program Administration	\$ 827,440	\$ 827,440
Services to Clients	\$ 4,432,000	\$ 4,432,000
State Match	\$ 672,000	\$ 672,000
Casino Redevelopment Fund - EE Transportation	\$ 2,196,000	\$ 2,196,000
Subtotal State Funds - Grants-in Aid	\$ 53,466,000	\$ 48,466,000
Appropriation by Language from WDPF Fund	*	**
Total State Funds - Grants-in Aid	\$ 53,466,000	\$ 48,466,000
Direct State Services	\$ 2,704,000	\$ 2,704,000
Total State Funds	\$ 56,170,000	\$ 51,170,000
Total Federal Funds	\$ 57,362,000	\$ 57,738,000
Total DVR Funds	\$ 113,532,000	\$ 108,908,000

*\$10,000,000 allocated above

**\$5,000,000 allocated above

SCHEDULE 3-2A
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Extended Employment - Competitive Integrated Employment

FY 2017

Vendor	Total DVRS Extended Employment Clients Served	Total DDD Extended Employment Clients Served	Total Clients Served	Clients Earning over 50% of Competitive Rate	Number of Clients Placed in Competitive Integrated Employment	% of Clients placed in Competitive Integrated Employment
The ARC, Ocean County Chapter, Inc.	119	-	119	12	1	0.84%
Abilities of Northwest New Jersey, Inc.	39	7	46	12	-	0.00%
Abilities Center of Southern New Jersey	134	49	183	23	4	2.99%
The ARC of Bergen and Passaic	133	43	176	14	-	0.00%
The ARC of Monmouth, Inc.	113	23	136	13	1	0.88%
The ARC of Union	18	6	24	5	-	0.00%
The ARC of Camden	91	35	126	22	1	1.10%
CODI	69	9	78	5	-	0.00%
Catholic Community	86	25	111	-	-	0.00%
Center for Educational Advancement, Inc.	37	10	47	16	-	0.00%
Easter Seals - Millville	118	31	149	12	1	0.85%
Easter Seals - Raritan	167	27	194	17	-	0.00%
Edison Sheltered Workshop, Inc.	52	28	80	9	-	0.00%
North Jersey Friendship House	64	-	64	9	-	0.00%
Goodwill of Greater New York & Northern NJ, Inc.	47	-	47	5	1	2.13%
Goodwill Industries of Southern, New Jersey, Inc.	66	15	81	43	1	1.52%
Jersey Cape DTOC	54	12	66	26	-	0.00%
Jewish Vocational Services	72	-	72	7	4	5.56%
Center for Vocational Rehabilitation	69	-	69	10	-	0.00%
Hudson Community Enterprises, Inc.	140	18	158	17	-	0.00%
Inroads to Opportunities (OCUC)	211	19	230	44	2	0.95%
Occupational Trng Center of Burlington County	196	92	288	140	-	0.00%
The ARC of Mercer	128	14	142	55	-	0.00%
Employment Horizons, Inc.	89	34	123	5	-	0.00%
The ARC of Salem County	77	22	99	67	-	0.00%
The ARC of Somerset County	16	8	24	3	1	6.25%
Saint John of God Community Services	61	-	61	3	-	0.00%
Northwest Essex Community Healthcare Network, Inc.	71	20	91	1	-	0.00%
Midlands Adult Services		31	31			
Pathways to Independence, Inc.	30	31	61	2	-	0.00%
Total	2,567	609	3,176	597	17	0.66%

SCHEDULE 3-2B
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Extended Employment - Competitive Integrated Employment

FY 2018

Vendor	Total Clients Served *	Clients Earning over 50% of Competitive Rate	Number of Clients Placed in Competitive Integrated Employment	% of Clients placed in Competitive Integrated Employment
The ARC, Ocean County Chapter, Inc.	119	12	1	0.84%
Abilities of Northwest New Jersey, Inc.	46	18	1	2.17%
Abilities Center of Southern New Jersey	183	25	-	0.00%
The ARC of Bergen and Passaic	176	16	-	0.00%
The ARC of Monmouth, Inc.	136	7	7	5.15%
The ARC of Union	24	6	1	4.17%
The ARC of Camden	126	25	3	2.38%
CODI	78	7	-	0.00%
Catholic Community	111	-	-	0.00%
Center for Educational Advancement, Inc.	46	22	1	2.17%
Easter Seals - Millville	149	16	4	2.68%
Easter Seals - Raritan	173	20	1	0.58%
Edison Sheltered Workshop, Inc.	80	13	2	2.50%
North Jersey Friendship House	64	10	4	6.25%
Goodwill of Greater New York & Northern NJ, Inc. **	35	-	-	0.00%
Goodwill Industries of Southern, New Jersey, Inc.	79	39	2	2.53%
Jersey Cape DTOC	64	15	-	0.00%
Jewish Vocational Services	61	2	3	4.92%
Center for Vocational Rehabilitation	58	9	2	3.45%
Hudson Community Enterprises, Inc.	130	26	3	2.31%
Inroads to Opportunities (OCUC)	230	107	3	1.30%
Occupational Trng Center of Burlington County	258	148	-	0.00%
The ARC of Mercer	141	74	-	0.00%
Employment Horizons, Inc.	119	8	-	0.00%
The ARC of Salem County	99	66	-	0.00%
The ARC of Somerset County **	10	-	-	0.00%
Saint John of God Community Services	61	2	-	0.00%
Northwest Essex Community Healthcare Network, Inc.	89	1	-	0.00%
Pathways to Independence, Inc.	61	-	-	0.00%
Midland	31	8	-	0.00%
Total	3,037	702	38	1.25%

* DVRS-EE and former DDD-EE contract slots merged

** No longer continuing the service

SCHEDULE 4-1
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Workforce Development Programs

WORKFORCE PROGRAM ACTIVITY BY FUND	FY 17 Actual (Served)	FY 17 Actual (Received Training)	Cost per Participant Served	FY 18 Projection (Served)	FY 18 Projection (Received Training)	Cost per Participant Served	FY 19 Projection (Served)	FY 19 Projection (Received Training)	Cost per Participant Served
WDP - Workforce Development Partnership Program Fund									
Customized Training - 42% of WDP									
Skills Grants individual direct grants to businesses	19,974	19,974	\$ 410	7,898	7,898	\$ 580	17,143	17,143	\$ 350
Talent Development Centers incumbent worker training portion	2,170	2,170	\$ 298	9,000	9,000	\$ 350	9,000	9,000	\$ 350
Internship Program	102	102	\$ 1,425	315	315	\$ 1,375	450	450	\$ 1,395
Dislocated Workers - 25% of WDP									
Opportunity Partnership Grants	427	427	\$ 3,328	443	443	\$ 3,300	546	546	\$ 3,850
Employer Partnership Grants (EPG) Individual On-the-Job Training (OJT)	403	403	\$ 5,585	364	364	\$ 5,500	364	364	\$ 5,500
Talent Development Centers dislocated worker training portion	224	224	\$ 4,480	630	630	\$ 5,000	630	630	\$ 5,000
Ready To Work	618	263	\$ 814	167	134	\$ 3,000	167	134	\$ 3,000
Disadvantaged Workers - 6% of WDP									
Talent Development Center disadvantaged worker training portion	N/A	N/A	N/A	140	140	\$ 5,000	140	140	\$ 5,000
Smart Steps	101	101	\$ 3,094	171	171	\$ 2,703	170	170	\$ 2,703
YTTW - Yth Trans to Wrk - 5% of WDP	1,258	176	\$ 4,875	1,438	187	\$ 4,548	1,581	190	\$ 4,500
OSHA Safety Training - 3% of WDP	3,520	3,520	TBD	3,500	3,500	TBD	3,500	3,500	TBD
SWFBS - Supplemental Workforce Fund For Basic Skills									
Customized Training - 25% of SWFBS									
Skills Grants individual direct grants to businesses	9,078	9,078	\$ 87	14,295	14,295	\$ 105	15,000	15,000	\$ 100
Talent Development Centers incumbent worker training portion	N/A	N/A	N/A	333	333	\$ 300	333	333	\$ 300
Library Literacy Partnership Grants	1,372	1,372	\$ 92	1,878	1,431	\$ 92	1,700	1,700	\$ 90
NJCCC Direct - 13% of SWFBS	17,186	17,186	\$ 105	12,242	12,242	\$ 105	12,857	12,857	\$ 105
One-Stop Career Centers - 24% of SWFBS	This category supports State Staff (Literacy Counselors in the local One-Stops) for counseling services								
Workforce Investment Boards 28% of SWFBS - WFL	2,317	2,317	\$ 1,000	3,600	3,600	\$ 1,000	3,600	3,600	\$ 1,000
WIOA - Workforce Innovation & Opportunity Act (Total)									
Adult	4,288	3,129	\$ 6,222	4,588	3,348	\$ 6,658	4,909	3,582	\$ 7,124
Dislocated Workers	6,107	4,439	\$ 7,844	6,534	4,760	\$ 8,393	6,992	5,082	\$ 8,981
Youth	2,924	2,803	\$ 8,425	3,129	2,999	\$ 9,015	3,348	3,209	\$ 9,646
Work First New Jersey									
TANF	17,055	3,577	\$ 2,882	16,679	3,684	\$ 2,827	15,320	3,500	\$ 3,078
General Assist/SNAP(Food Stamps)	10,681	3,422	\$ 2,639	10,575	2,960	\$ 2,665	10,170	2,800	\$ 2,771
WIOA Title II Adult Literacy - AEFLA									
Adult Basic Skills	8,364	8,364	\$ 1,000	8,400	8,400	\$ 1,000	8,400	8,400	\$ 1,000
ESL - English as a Second Language	10,755	10,755	\$ 1,000	10,600	10,600	\$ 1,000	10,600	10,600	\$ 1,000
DVRS - Division of Vocational Rehab	10,327	3,796	\$ 2,096	10,533	3,871	\$ 2,137	10,743	3,917	\$ 2,179

SCHEDULE 4-2
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Workforce Development - FY 2017 Job Training

Program	Total Populations	Women	% of Population Served	Minorities	% of Population Served
WIOA - Title I	10,067	5,525	54.88	897	8.91
WIOA Adult Local	3,119	1,922	61.62	334	10.71
WIOA Dislocated Worker Local	4,430	2,399	54.15	458	10.34
WIOA Youth Local	2,518	1,204	47.82	105	4.17
Workforce Development Partnership Fund (WDPF)	786	321	40.84	441	56.11
WDP	16	6	37.50	9	56.25
WDP-D	628	244	38.85	302	48.09
WDP-DW-EF	142	71	50.00	130	91.55
Supplemental Workforce Fund for Basic Skills (SWFBS)	2,601	1,552	59.67	1,219	46.87
Workforce Learning Link	2,601	1,552	59.67	1,219	46.87
Work First New Jersey	9,617	6,914	71.89	5,622	58.46
CHWP	16	14	87.50	15	93.75
Smart STEPS	5	3	60.00	3	60.00
TANF-Career Advancement Voucher Program	13	11	84.62	8	61.54
WFNJ GA State OJT	81	44	54.32	56	69.14
WFNJ General Assistance	223	106	47.53	168	75.34
WFNJ SNAP	2	2	100.00	2	100.00
WFNJ SNAP State OJT	143	71	49.65	90	62.94
WFNJ SNAP/GA	2,440	1,107	45.37	1,505	61.68
WFNJ SNAP/GA State OJT	89	50	56.18	58	65.17
WFNJ TANF	6,372	5,306	83.27	3,562	55.90
WFNJ TANF State OJT	233	200	85.84	155	66.52
WIOA Title II - Adult Literacy	19,119	10,704	55.99	16,783	87.78
WIOA Title IV - Vocational Rehabilitation	30,600	13,011	42.52	17,667	57.74
WIOA Title VI - Supported Employment	8,243	3,190	38.70	4,272	51.83

Schedule 5-1
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Workforce Development Partnership Fund
Fund Allocation
Final FY2017 and Estimated FY 2018 & FY 2019

	100.0%	10.5%	25.0%	6.0%	42.0%	3.0%	5.0%	5.5%	3.0%
Fiscal Year 2017 Allocation	Total	Admin.	Ind. Grants	Disadvant.	Cust. Trng	OSHA	YTTW	Comm. Dis.	Innov & Res
Available Carryforward	\$ 26,304,651	\$ (3,478,566)	\$ 8,764,678	\$ 1,836,764	\$ 11,700,806	\$ 936,878	\$ 843,627	\$ 4,752,152	\$ 948,312
Estimated Receipts	\$ 103,000,000	\$ 10,815,000	\$ 25,750,000	\$ 6,180,000	\$ 43,260,000	\$ 3,090,000	\$ 5,150,000	\$ 5,665,000	\$ 3,090,000
Administration Adjustment	\$ -	\$ (6,571,088)	\$ 1,833,334	\$ 440,263	\$ 3,081,840	\$ 223,417	\$ 367,981	\$ 400,836	\$ 223,417
Appropriated Transfers	\$ 8,015,000	\$ 4,755,000	\$ 1,000,000	\$ -	\$ 1,600,000	\$ 600,000	\$ 60,000	\$ -	\$ -
Diversion for DVR	\$ 24,000,000	\$ 2,520,000	\$ 6,000,000	\$ 1,440,000	\$ 10,080,000	\$ 720,000	\$ 1,200,000	\$ 1,320,000	\$ 720,000
Diversion for WorkFirst NJ	\$ 29,690,000	\$ 3,117,450	\$ 7,422,500	\$ 1,781,400	\$ 12,469,800	\$ 890,700	\$ 1,484,500	\$ 1,632,950	\$ 890,700
Diversion for Youth Corp	\$ 1,850,000	\$ 194,250	\$ 462,500	\$ 111,000	\$ 777,000	\$ 55,500	\$ 92,500	\$ 101,750	\$ 55,500
Diversion for Dept of Human Services	\$ 35,000,000	\$ 3,320,822	\$ 8,750,000	\$ 2,100,000	\$ 14,700,000	\$ 1,050,000	\$ 1,750,000	\$ 2,279,178	\$ 1,050,000
Available to Allocate:	\$ 30,749,651	\$ -	\$ 9,046,344	\$ 2,144,101	\$ 12,252,166	\$ 487,261	\$ 1,038,646	\$ 4,682,438	\$ 1,098,695
Administration and Grants:	\$ 38,764,651	\$ 4,755,000	\$ 10,046,344	\$ 2,144,101	\$ 13,852,166	\$ 1,087,261	\$ 1,098,646	\$ 4,682,438	\$ 1,098,695

Fiscal Year 2017 - CFRA	Total	100.0%	10.5%	25.0%	6.0%	42.0%	3.0%	5.0%	5.5%	3.0%
Total Fund Balance July 1, 2016	\$ 53,603,920	\$ (3,478,566)	\$ 19,651,818	\$ 2,913,891	\$ 25,062,508	\$ 966,099	\$ 1,440,284	\$ 6,099,573	\$ 948,312	
Revenue	\$ 120,466,181	\$ 12,648,949	\$ 30,116,545	\$ 7,227,971	\$ 50,595,796	\$ 3,613,985	\$ 6,023,309	\$ 6,625,640	\$ 3,613,985	
Expenditures @ 6/30/17	\$ 27,754,570	\$ 5,798,076	\$ 6,310,721	\$ 1,164,211	\$ 11,126,951	\$ 173,808	\$ 1,260,930	\$ 1,919,873	\$ -	
CFRA Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Diversion for DVR	\$ 24,000,000	\$ 2,520,000	\$ 6,000,000	\$ 1,440,000	\$ 10,080,000	\$ 720,000	\$ 1,200,000	\$ 1,320,000	\$ 720,000	
Diversion for WorkFirst NJ	\$ 28,815,322	\$ 3,025,609	\$ 7,203,831	\$ 1,728,919	\$ 12,102,435	\$ 864,460	\$ 1,440,766	\$ 1,632,950	\$ 864,460	
Diversion for Youth Corp	\$ 1,850,000	\$ 194,250	\$ 462,500	\$ 111,000	\$ 777,000	\$ 55,500	\$ 92,500	\$ 101,750	\$ 55,500	
Diversion for Dept of Human Services	\$ 33,333,692	\$ 3,500,038	\$ 8,333,423	\$ 2,000,022	\$ 14,000,151	\$ 1,000,011	\$ 1,666,685	\$ 1,833,353	\$ 1,000,011	
Fund Balance @ 6/30/17	\$ 58,316,517	\$ (5,867,589)	\$ 21,457,889	\$ 3,697,710	\$ 27,571,767	\$ 1,766,306	\$ 1,802,712	\$ 5,965,394	\$ 1,922,327	
Encumbrances @ 6/30/17	\$ 20,175,492	\$ -	\$ 6,314,561	\$ 826,648	\$ 9,468,183	\$ 231,410	\$ 448,886	\$ 2,884,804	\$ -	
Undesignated Fund Balance	\$ 38,141,026	\$ (5,867,589)	\$ 15,143,328	\$ 2,871,062	\$ 18,103,584	\$ 1,534,897	\$ 1,352,826	\$ 3,080,590	\$ 1,922,327	

Fiscal Year 2018 Est. Allocation	Total	100.0%	10.5%	25.0%	6.0%	42.0%	3.0%	5.0%	5.5%	3.0%
Available Carryforward	\$ 38,141,026	\$ (5,867,589)	\$ 15,143,328	\$ 2,871,062	\$ 18,103,584	\$ 1,534,897	\$ 1,352,826	\$ 3,080,590	\$ 1,922,327	
Estimated Receipts	\$ 103,000,000	\$ 10,815,000	\$ 25,750,000	\$ 6,180,000	\$ 43,260,000	\$ 3,090,000	\$ 5,150,000	\$ 5,665,000	\$ 3,090,000	
Administration Adjustment	\$ -	\$ (8,994,111)	\$ 2,509,357	\$ 602,605	\$ 4,218,238	\$ 305,800	\$ 503,670	\$ 548,641	\$ 305,800	
Appropriated Transfers	\$ 8,049,000	\$ 4,789,000	\$ 1,000,000	\$ -	\$ 1,600,000	\$ 600,000	\$ 60,000	\$ -	\$ -	
Diversion for DVR	\$ 24,000,000	\$ 2,520,000	\$ 6,000,000	\$ 1,440,000	\$ 10,080,000	\$ 720,000	\$ 1,200,000	\$ 1,320,000	\$ 720,000	
Diversion for WorkFirst NJ	\$ 29,690,000	\$ 3,117,450	\$ 7,422,500	\$ 1,781,400	\$ 12,469,800	\$ 890,700	\$ 1,484,500	\$ 1,632,950	\$ 890,700	
Diversion for Youth Corp	\$ 1,850,000	\$ 194,250	\$ 462,500	\$ 111,000	\$ 777,000	\$ 55,500	\$ 92,500	\$ 101,750	\$ 55,500	
Diversion for Dept of Human Services	\$ 35,000,000	\$ 3,320,822	\$ 8,750,000	\$ 2,100,000	\$ 14,700,000	\$ 1,050,000	\$ 1,750,000	\$ 2,279,178	\$ 1,050,000	
Available to Allocate:	\$ 42,552,026	\$ (0)	\$ 14,748,971	\$ 3,016,057	\$ 17,518,546	\$ 1,002,897	\$ 1,412,156	\$ 2,863,071	\$ 1,990,327	
Administration and Grants:	\$ 50,601,025	\$ 4,789,000	\$ 15,748,971	\$ 3,016,057	\$ 19,118,546	\$ 1,602,897	\$ 1,472,156	\$ 2,863,071	\$ 1,990,327	

Fiscal Year 2018 - Est. CFRA	Total	100.0%	10.5%	25.0%	6.0%	42.0%	3.0%	5.0%	5.5%	3.0%
Total Fund Balance July 1, 2017	\$ 58,316,517	\$ (5,867,589)	\$ 21,457,889	\$ 3,697,710	\$ 27,571,767	\$ 1,766,306	\$ 1,802,712	\$ 5,965,394	\$ 1,922,327	
Est. Revenue	\$ 125,739,203	\$ 13,202,616	\$ 31,434,801	\$ 7,544,352	\$ 52,810,465	\$ 3,772,176	\$ 6,286,960	\$ 6,915,656	\$ 3,772,176	
Est. Expenditures @ 6/30/18	\$ 28,748,791	\$ 5,914,038	\$ 6,563,150	\$ 1,210,779	\$ 11,572,029	\$ 180,760	\$ 1,311,367	\$ 1,996,668	\$ -	
CFRA Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Diversion for DVR	\$ 24,000,000	\$ 2,520,000	\$ 6,000,000	\$ 1,440,000	\$ 10,080,000	\$ 720,000	\$ 1,200,000	\$ 1,320,000	\$ 720,000	
Diversion for WorkFirst NJ	\$ 29,690,000	\$ 3,117,450	\$ 7,422,500	\$ 1,781,400	\$ 12,469,800	\$ 890,700	\$ 1,484,500	\$ 1,632,950	\$ 890,700	
Diversion for Youth Corp	\$ 1,850,000	\$ 194,250	\$ 462,500	\$ 111,000	\$ 777,000	\$ 55,500	\$ 92,500	\$ 101,750	\$ 55,500	
Diversion for Dept of Human Services	\$ 35,000,000	\$ 3,675,000	\$ 8,750,000	\$ 2,100,000	\$ 14,700,000	\$ 1,050,000	\$ 1,750,000	\$ 2,279,178	\$ 1,050,000	
Est. Fund Balance @ 6/30/18	\$ 64,766,929	\$ (8,085,711)	\$ 23,694,540	\$ 4,598,883	\$ 30,783,403	\$ 2,641,522	\$ 2,251,305	\$ 5,904,682	\$ 2,978,303	
Est. Encumbrances @ 6/30/18	\$ 20,982,511	\$ 0	\$ 6,567,143	\$ 859,714	\$ 9,846,910	\$ 240,666	\$ 467,881	\$ 3,200,196	\$ -	
Undesignated Fund Balance	\$ 43,784,418	\$ (8,085,711)	\$ 17,127,396	\$ 3,739,169	\$ 20,936,493	\$ 2,400,856	\$ 1,783,424	\$ 2,904,486	\$ 2,978,303	

Fiscal Year 2019 Est. Allocation	Total	100.0%	10.5%	25.0%	6.0%	42.0%	3.0%	5.0%	5.5%	3.0%
Available Carryforward	\$ 43,784,417	\$ (8,085,711)	\$ 17,127,396	\$ 3,739,169	\$ 20,936,493	\$ 2,400,856	\$ 1,783,424	\$ 2,904,486	\$ 2,978,303	
Estimated Receipts	\$ 103,000,000	\$ 10,815,000	\$ 25,750,000	\$ 6,180,000	\$ 43,260,000	\$ 3,090,000	\$ 5,150,000	\$ 5,665,000	\$ 3,090,000	
Administration Adjustment	\$ -	\$ (15,261,491)	\$ 4,257,956	\$ 1,022,520	\$ 7,157,639	\$ 518,891	\$ 854,643	\$ 930,951	\$ 518,891	
Appropriated Transfers	\$ 8,122,000	\$ 4,862,000	\$ 1,000,000	\$ -	\$ 1,600,000	\$ 600,000	\$ 60,000	\$ -	\$ -	
Diversion for DVR	\$ 19,000,000	\$ 1,995,000	\$ 4,750,000	\$ 1,140,000	\$ 7,980,000	\$ 570,000	\$ 950,000	\$ 1,045,000	\$ 570,000	
Diversion for WorkFirst NJ	\$ 29,690,000	\$ 3,117,450	\$ 7,422,500	\$ 1,781,400	\$ 12,469,800	\$ 890,700	\$ 1,484,500	\$ 1,632,950	\$ 890,700	
Diversion for Youth Corp	\$ 1,850,000	\$ 194,250	\$ 462,500	\$ 111,000	\$ 777,000	\$ 55,500	\$ 92,500	\$ 101,750	\$ 55,500	
Diversion for Dept of Human Services	\$ 35,000,000	\$ 3,675,000	\$ 8,750,000	\$ 2,100,000	\$ 14,700,000	\$ 1,050,000	\$ 1,750,000	\$ 2,279,178	\$ 1,050,000	
Diversion for New Workforce Initiatives	\$ 34,500,000	\$ 3,622,500	\$ 8,625,000	\$ 2,070,000	\$ 14,490,000	\$ 1,035,000	\$ 1,725,000	\$ 1,897,500	\$ 1,035,000	
Diversion for Parolee Employment	\$ 2,000,000	\$ 210,000	\$ 500,000	\$ 120,000	\$ 840,000	\$ 60,000	\$ 100,000	\$ 110,000	\$ 60,000	
Diversion for Dept of Children & Family Services	\$ 2,550,000	\$ 267,750	\$ 637,500	\$ 153,000	\$ 1,071,000	\$ 76,500	\$ 127,500	\$ 140,250	\$ 76,500	
Diversion for Dept of Corrections	\$ 446,000	\$ 46,830	\$ 111,500	\$ 26,760	\$ 187,320	\$ 13,380	\$ 22,300	\$ 24,530	\$ 13,380	
Available to Allocate:	\$ 13,626,417	\$ 0	\$ 6,360,440	\$ 1,394,489	\$ 2,923,734	\$ 620,885	\$ (233,020)	\$ 761,555	\$ 1,798,332	
Administration and Grants:	\$ 21,748,417	\$ 4,862,000	\$ 7,360,440	\$ 1,394,489	\$ 4,523,734	\$ 1,220,885	\$ (173,020)	\$ 761,555	\$ 1,798,332	

Fiscal Year 2019 - Est. CFRA	Total	100.0%	10.5%	25.0%	6.0%	42.0%	3.0%	5.0%	5.5%	3.0%
Total Fund Balance July 1, 2018	\$ 64,766,929	\$ (8,085,711)	\$ 23,694,540	\$ 4,598,883	\$ 30,783,403	\$ 2,641,522	\$ 2,251,305	\$ 5,904,682	\$ 2,978,303	
Est. Revenue	\$ 130,982,000	\$ 13,753,110	\$ 32,745,500	\$ 7,858,920	\$ 55,012,440	\$ 3,929,460	\$ 6,549,100	\$ 7,204,010	\$ 3,929,460	
Est. Expenditures @ 6/30/19	\$ 29,898,743	\$ 6,150,599	\$ 6,825,676	\$ 1,259,211	\$ 12,034,910	\$ 187,991	\$ 1,363,822	\$ 2,076,535	\$ -	
CFRA Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Diversion for DVR	\$ 19,000,000	\$ 1,995,000	\$ 4,750,000	\$ 1,140,000	\$ 7,980,000	\$ 570,000	\$ 950,000	\$ 1,045,000	\$ 570,000	
Diversion for WorkFirst NJ	\$ 29,690,000	\$ 3,117,450	\$ 7,422,500	\$ 1,781,400	\$ 12,469,800	\$ 890,700	\$ 1,484,500	\$ 1,632,950	\$ 890,700	
Diversion for Youth Corp	\$ 1,850,000	\$ 194,250	\$ 462,500	\$ 111,000	\$ 777,000	\$ 55,500	\$ 92,500	\$ 101,750	\$ 55,500	
Diversion for Dept of Human Services	\$ 35,000,000	\$ 3,675,000	\$ 8,750,000	\$ 2,100,000	\$ 14,700,000	\$ 1,050,000	\$ 1,750,000	\$ 2,279,178	\$ 1,050,000	
Diversion for New Workforce Initiatives	\$ 34,500,000	\$ 3,622,500	\$ 8,625,000	\$ 2,070,000	\$ 14,490,000	\$ 1,035,000	\$ 1,725,000	\$ 1,897,500	\$ 1,035,000	
Diversion for Parolee Employment	\$ 2,000,000	\$ 210,000	\$ 500,000	\$ 120,000	\$ 840,000	\$ 60,000	\$ 100,000	\$ 110,000	\$ 60,000	
Diversion for Dept of Children & Family Services	\$ 2,550,000	\$ 267,750	\$ 637,500	\$ 153,000	\$ 1,071,000	\$ 76,500	\$ 127,500	\$ 140,250	\$ 76,500	
Diversion for Dept of Corrections	\$ 446,000	\$ 46,830	\$ 111,500	\$ 26,760	\$ 187,320	\$ 13,380	\$ 22,300	\$ 24,530	\$ 13,380	
Est. Fund Balance @ 6/30/19	\$ 40,814,186	\$ (13,611,980)	\$ 18,355,364	\$ 3,696,432	\$ 21,245,813	\$ 2,631,911	\$ 1,184,783	\$ 4,155,178	\$ 3,156,683	
Est. Encumbrances @ 6/30/19	\$ 21,821,812	\$ 0	\$ 6,829,829	\$ 894,102	\$ 10,240,787	\$ 250,293	\$ 486,597	\$ 3,120,204	\$ -	
Undesignated Fund Balance	\$ 18,992,374	\$ (13,611,980)	\$ 11,525,535	\$ 2,802,330	\$ 11,005,026	\$ 2,381,619	\$ 698,187	\$ 1,034,974	\$ 3,156,683	

Schedule 5-2
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Smart Steps

**Smart STEPS Program Participants from
FY 2010 to Present**

<u>Fiscal Year Periods</u>	<u>Participants</u>	<u>Participants Exited</u>	<u>Attained Associates or Bachelor</u>	<u>Total Expenditures</u>
FY2012	207	61	6	840,229
FY2013	105	145	7	1,100,293
FY2014	150	151	8	1,044,828
FY2015	172	176	8	1,089,557
FY2016	120	127	3	982,719
FY2017	101	122	1	674,042
July 1, 2017 - Present	171	160	1	234,224

*Note that the above spread sheet for Smart STEPS services is for the period July 1, 2011-March 31, 2018. AOSOS purges its inactive files after 7 years and the service data for FY ending in 2010 and 2011 is incomplete because of the purged files.

*The average Smart STEPS participant cost is \$2,879 per program year.

SCHEDULE 6-1
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

WIOA Funding Allocated to State and Local Recipients									
LOCAL AREA	ADULT	ADULT	ADULT	YOUTH	YOUTH	YOUTH	DISLOCATED	DISLOCATED	DISLOCATED
	FY 2017	FY 2018	FY 2019 Estimated	FY 2017	FY 2018	FY 2019 Estimated	WORKER FY 2017	WORKER FY 2018	WORKER FY 2019 Estimated
Atlantic	\$ 1,053,424	\$ 1,055,588	\$ 1,055,588	\$ 1,212,245	\$ 1,259,022	\$ 1,259,022	\$ 1,227,388	\$ 859,128	\$ 859,128
Bergen	1,244,883	1,022,202	1,022,202	1,169,554	1,005,762	1,005,762	2,034,524	1,891,488	1,891,488
Burlington	895,516	690,284	690,284	864,985	675,907	675,907	1,204,037	1,055,206	1,055,206
Camden	1,190,278	1,213,297	1,213,297	1,283,762	1,234,321	1,234,321	1,434,205	1,276,751	1,276,751
Cumberland	804,090	724,311	724,311	749,759	713,633	713,633	745,810	630,778	630,778
Cape May	662,129	552,338	552,338	584,127	685,466	685,466	380,744	338,453	338,453
Salem	<u>290,821</u>	<u>198,205</u>	<u>198,205</u>	<u>262,868</u>	<u>352,884</u>	<u>352,884</u>	<u>212,280</u>	<u>185,397</u>	<u>185,397</u>
(Cumberland/Salem)	1,757,040	1,474,854	1,474,854	1,596,754	1,751,983	1,751,983	1,338,834	1,154,628	1,154,628
Essex	965,554	945,765	945,765	1,056,053	939,500	939,500	1,258,615	1,153,524	1,153,524
Gloucester	876,956	611,751	611,751	714,336	647,232	647,232	767,939	684,998	684,998
Somerset	379,819	304,710	304,710	395,513	316,156	316,156	865,547	786,040	786,040
Hunterdon	<u>159,389</u>	<u>127,861</u>	<u>127,861</u>	<u>182,221</u>	<u>145,383</u>	<u>145,383</u>	<u>229,425</u>	<u>209,713</u>	<u>209,713</u>
(Greater Raritan)	539,208	432,571	432,571	577,734	461,539	461,539	1,094,972	995,753	995,753
Hudson	937,187	861,172	861,172	908,434	761,655	761,655	910,508	817,415	817,415
Jersey City	799,710	654,791	654,791	891,342	737,838	737,838	543,949	509,238	509,238
Mercer	727,571	920,520	920,520	885,114	705,195	705,195	956,908	885,233	885,233
Middlesex	1,451,348	1,194,231	1,194,231	1,781,538	1,414,148	1,414,148	2,238,817	2,033,843	2,033,843
Monmouth	1,177,349	909,883	909,883	1,068,353	857,089	857,089	1,308,673	1,180,297	1,180,297
Morris	601,690	471,382	471,382	708,858	574,564	574,564	1,138,999	1,037,744	1,037,744
Sussex	524,281	334,351	334,351	376,783	333,086	333,086	310,651	286,252	286,252
Warren	<u>205,139</u>	<u>159,724</u>	<u>159,724</u>	<u>197,332</u>	<u>152,849</u>	<u>152,849</u>	<u>292,649</u>	<u>264,957</u>	<u>264,957</u>
(Mor/Sus/Warren)	1,331,110	965,457	965,457	1,282,973	1,060,499	1,060,499	1,742,299	1,588,953	1,588,953
Newark	1,710,022	1,495,756	1,495,756	1,852,466	1,535,164	1,535,164	859,420	796,479	796,479
Ocean	1,041,799	1,053,038	1,053,038	1,060,720	980,510	980,510	1,135,570	1,057,005	1,057,005
Passaic	1,671,380	1,654,645	1,654,645	1,832,249	1,878,578	1,878,578	1,691,989	1,532,762	1,532,762
Union	1,077,410	1,154,842	1,154,842	1,125,241	1,045,950	1,045,950	1,537,178	1,379,393	1,379,393
Total WIB/WDB Level:	\$ 20,447,745	\$ 18,310,647	\$ 18,310,647	\$ 21,163,853	\$ 18,951,892	\$ 18,951,892	\$ 23,285,825	\$ 20,852,094	\$ 20,852,094
State Level:	\$ 3,568,387	\$ 3,102,565	\$ 3,102,565	\$ 3,734,798	\$ 3,344,453	\$ 3,344,453	\$ 15,488,998	\$ 13,701,004	\$ 13,701,004
Total WIOA:	\$ 24,016,132	\$ 21,413,212	\$ 21,413,212	\$ 24,898,651	\$ 22,296,345	\$ 22,296,345	\$ 38,774,823	\$ 34,553,098	\$ 34,553,098

SCHEDULE 6-2
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Workforce Investment & Opportunity Act
Summary of Statewide Activity
FY 2017 and FY 2018

Programs	FY 2017	Estimated FY 2018
One Stop Program and Support Administration	\$ 2,189,866	\$ 3,500,000
Eligible Training Provider List - ORI	151,047	415,000
State Employment and Training Commission	84,803	93,000
Youth Corp	2,116,316	2,649,238
North Highland Project	241,525	0
Pathways to Employment	1,374,526	1,500,000
Atlantic City Satellite Office	0	150,000
Rutgers - Consumer Report Card	31,250	40,000
Project Reemployment Opportunity Services	2,021,239	2,500,000
Rapid Response Team	4,247,186	4,621,000
Jersey Job Club	2,110,348	2,133,000
AOSOS Annual Fee	305,000	305,000
GSETA Annual Conference Support	0	23,000
Talent Networks	1,433,421	3,000,000
Total:	\$ 16,306,527	\$ 20,929,238

SCHEDULE 7
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

WorkFirst NJ Funding Allocated to State and Local Recipients						
LOCAL AREA	TANF	TANF	TANF	SNAP/GA	SNAP/GA	SNAP/GA
	FY 2017	FY 2018	FY 2019	FY 2017	FY 2018	FY 2019
	Actual	Actual	Estimated	Actual	Actual	Estimated
Atlantic	\$ 2,742,850	\$ 2,677,085	\$ 2,677,085	\$ 1,449,553	\$ 1,115,957	\$ 1,115,957
Bergen	1,068,034	986,884	986,884	636,245	460,120	460,120
Burlington	1,424,157	1,383,683	1,383,683	810,235	627,152	627,152
Camden	3,579,936	3,742,100	3,742,100	1,638,488	1,461,139	1,461,139
Cumberland	1,510,145	1,231,608	1,231,608	955,072	835,171	835,171
Cape May	415,435	437,015	437,015	296,255	251,969	251,969
Salem	<u>571,247</u>	<u>362,895</u>	<u>362,895</u>	<u>175,181</u>	<u>167,092</u>	<u>167,092</u>
<i>(Cumb/CM/Salem)</i>	<i>2,496,827</i>	<i>2,031,518</i>	<i>2,031,518</i>	<i>1,426,508</i>	<i>1,254,232</i>	<i>1,254,232</i>
Essex	7,646,400	6,646,978	6,646,978	2,328,988	2,096,798	2,096,798
Gloucester	1,201,375	1,020,279	1,020,279	567,653	554,635	554,635
Somerset/Hunterdon	909,112	744,285	744,285	325,706	414,641	414,641
Hudson	4,934,826	4,294,410	4,294,410	1,507,424	1,438,081	1,438,081
Jersey City	792,894	656,168	656,168	274,034	258,213	258,213
Mercer	2,294,614	2,416,162	2,416,162	941,609	847,448	847,448
Middlesex	1,469,093	1,206,939	1,206,939	710,534	639,481	639,481
Monmouth	1,293,051	1,077,643	1,077,643	485,833	437,250	437,250
Mor/Sus/Warren	1,369,903	1,021,338	1,021,338	563,998	505,078	505,078
Newark	806,755	699,886	699,886	655,653	413,424	413,424
Ocean	1,257,794	1,038,275	1,038,275	657,410	591,669	591,669
Passaic	3,853,467	4,093,976	4,093,976	1,832,660	1,647,011	1,647,011
Union	1,927,015	1,559,433	1,559,433	916,739	806,570	806,570
Total WIB Level:	\$ 41,068,103	\$ 37,297,042	\$ 37,297,042	\$ 17,729,270	\$ 15,568,899	\$ 15,568,899
State Level:	\$ 8,513,207	\$ 10,869,644	\$ 10,869,644	\$ 10,045,420	\$ 12,620,416	\$ 12,620,416
Total WFNJ:	\$ 49,581,310	\$ 48,166,686	\$ 48,166,686	\$ 27,774,690	\$ 28,189,315	\$ 28,189,315

SCHEDULE 8-1
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Talent Networks Expenditures & Funding

<u>Talent Network</u>	FY 2017 Actual	FY 2018 Actual	FY 2019 Proposed
Advanced Manufacturing	\$ 300,000	\$ 275,000	
Financial Services	\$ 250,000	\$ 275,000	
Health Care	\$ 250,000	\$ 275,000	
Life Sciences	\$ 250,000	\$ 275,000	
Technology Advisory Network	\$ 150,000	\$ 250,000	
Transportation, Logistics & Distribution	\$ 300,000	\$ 275,000	
Retail, Hospitality & Tourism (North)	\$ 250,000	\$ 275,000	
Retail, Hospitality & Tourism (South)	\$ 250,000	\$ 275,000	
Food Industry	\$ -	\$ 275,000	
Construction/Utilities (North)	\$ -	\$ 275,000	
Construction/Utilities (South)	\$ -	\$ 275,000	
Total	\$ 2,000,000	\$ 3,000,000	TBD
<u>Funding Source</u>			
Federal WIOA Funds	\$ 1,600,000	\$ 3,000,000	
State - WDPF	\$ 400,000	\$ -	
Total	\$ 2,000,000	\$ 3,000,000	TBD

Note: FY 2019 Program is being assessed as part of the overall Workforce Initiatives.

SCHEDULE 8-2
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Talent Network Funding

Talent Network	Fiscal Year	Lead Agency	Administrative Expenses	Programming Expenses	Total
Advanced Manufacturing	FY 2017	New Jersey Institute of Technology	\$ 227,648	\$ 72,353	\$ 300,000
	FY 2018	New Jersey Manufacturing Extension Program	\$ 221,700	\$ 53,300	\$ 275,000
	FY 2019	To Be Determined (TBD)	-	-	TBD
Construction/Utilities - North	FY 2017	N/A	N/A	N/A	N/A
	FY 2018	New Jersey Manufacturing Extension Program	\$ 132,000	\$ 143,000	\$ 275,000
	FY 2019	To Be Determined (TBD)	-	-	TBD
Construction/Utilities - South	FY 2017	N/A	N/A	N/A	N/A
	FY 2018	Rowan University	\$ 126,738	\$ 148,262	\$ 275,000
	FY 2019	To Be Determined (TBD)	-	-	TBD
Financial Services	FY 2017	African American Chamber of Commerce of New Jersey	\$ 217,018	\$ 32,982	\$ 250,000
	FY 2018	African American Chamber of Commerce of New Jersey	\$ 212,978	\$ 62,022	\$ 275,000
	FY 2019	To Be Determined (TBD)	-	-	TBD
Food Industry	FY 2017	N/A	N/A	N/A	N/A
	FY 2018	Rutgers University (Food Innovation Center)	\$ 219,282	\$ 55,718	\$ 275,000
	FY 2019	To Be Determined (TBD)	-	-	TBD
Health Care	FY 2017	Rutgers University (School of Mgmt & Labor Relations)	\$ 243,500	\$ 6,500	\$ 250,000
	FY 2018	Rutgers University (School of Mgmt & Labor Relations)	\$ 239,795	\$ 35,205	\$ 275,000
	FY 2019	To Be Determined (TBD)	-	-	TBD
Life Sciences	FY 2017	Bio-NJ	\$ 220,000	\$ 30,000	\$ 250,000
	FY 2018	Rutgers University (School of Mgmt & Labor Relations)	\$ 238,619	\$ 36,381	\$ 275,000
	FY 2019	To Be Determined (TBD)	-	-	TBD
Retail, Hospitality & Tourism North	FY 2017	Fairleigh Dickinson University	\$ 238,855	\$ 11,145	\$ 250,000
	FY 2018	Fairleigh Dickinson University	\$ 234,122	\$ 40,878	\$ 275,000
	FY 2019	To Be Determined (TBD)	-	-	TBD
Retail, Hospitality & Tourism South	FY 2017	Stockton University	\$ 227,561	\$ 22,439	\$ 250,000
	FY 2018	Stockton University	\$ 220,790	\$ 54,210	\$ 275,000
	FY 2019	To Be Determined (TBD)	-	-	TBD
Transportation, Logistics & Distribution	FY 2017	New Jersey Institute of Technology	\$ 248,472	\$ 51,528	\$ 300,000
	FY 2018	New Jersey Manufacturing Extension Program	\$ 204,200	\$ 70,800	\$ 275,000
	FY 2019	To Be Determined (TBD)	-	-	TBD
Technology Advisory Network	FY 2017	New Jersey Institute of Technology	\$ 96,732	\$ 53,269	\$ 150,000
	FY 2018	New Jersey Institute of Technology	\$ 206,491	\$ 43,509	\$ 250,000
	FY 2019	To Be Determined (TBD)	-	-	TBD

Note: FY 2019 Program is being assessed as part of the overall Workforce Initiatives.

SCHEDULE 8-3
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Talent Development Centers

	FY 2016	FY 2017	FY 2018	FY 2019
Contract Period	5/1/16 - 9/30/17		11/1/17 - 10/31/18	TBD
Advanced Manufacturing	\$ 900,000		\$ 1,200,000	
Transportation, Logistics, Distribution	\$ 900,000		\$ 1,200,000	
HealthCare	\$ 900,000		\$ 1,200,000	
Construction/Utilities	\$ -		\$ 1,200,000	
Financial Services	\$ -		\$ 1,200,000	
Life Sciences	\$ -		\$ 1,200,000	
Retail, Hospitality, Tourism	\$ -		\$ 1,200,000	
	\$ 2,700,000		\$ 8,400,000	TBD
Funding Sources				
WDPF	\$ 2,700,000		\$ 7,700,000	
SWFBS	\$ -		\$ 700,000	
	\$ 2,700,000		\$ 8,400,000	TBD

Note: FY 2019 Program is being assessed as part of the overall Workforce Initiatives.

Schedule 8-4
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2017-2018

Talent Development Centers

Talent Development Center FY16 Contract Period: 5/1/16 - 9/30/17	Number of Dislocated Workers Trained	Number of Employers Participated in Dislocated Worker Training Information Sessions	Number of Incumbent Workers Trained	Number of Employers Participated in Incumbent Worker Training	Percentage of Served Achieved Employment	List of Credentials
Advanced Manufacturing	61	16	822	90	63%	NIMS
Healthcare <i>We placed 302 apprentices</i>	65	35	1247	78	100%	CNA/CHHA, CHW, CADC, HER, Dementia, Skilled Nursing
Transportation, Logistics and Distribution	98	36	101	13	44%	CDL A; CSCMP SCPro Fundamentals Certification – Supply Chain Management Principles, Inventory Management, Warehouse Operations, Transportation Operations, Customer Service, Manufacturing and Service Operations, Demand Planning, Procurement and Supply Management
Total	224	87	2,170	181		

Talent Development Center FY18 Contract Period: 11/7/17 - 10/31/18	Number of Dislocated Workers Enrolled	Number of Incumbent Workers Enrolled
Advanced Manufacturing	49	54
Transportation, Logistics, Distribution	44	59
HealthCare	16	19
Construction/Utilities		12
Financial Services	15	
Life Sciences		
Retail, Hospitality, Tourism	15	
Total	139	144

Note: FY 2018 Contracts are still active. Performance data is incomplete.

Schedule 9-1.1
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2017-2018

NJ Youth Corps

Program Description

New Jersey Youth Corps (NJYC) is one of the largest service and conservation corps in the United States.

	<i>Actual</i>	<i>To-Date (2/28/18)</i>	<i>Projected</i>
<i>Atlantic/Cape May - County of Atlantic – Workforce Development Board</i>			
	FY17	FY18	FY19
Funding	\$425,000	\$425,000	\$425,000
Members Served	50	28	57
Members Completed	43	22	51
Return HS	1	0	0
Obtain HSE/GED	19	18	27
Job Placement	19	11	18
Entered Military	0	0	0
OJT Program	0	0	0
College	6	2	9
F/T CS Program	0	0	0
<i>Camden County - The Work Group</i>			
	FY17	FY18	FY19
Funding	\$560,000	\$560,000	\$560,000
Members Served	52	38	65
Members Completed	50	20	49
Return HS	0	0	1
Obtain HSE/GED	27	13	30
Job Placement	21	9	34
Entered Military	0	1	0
OJT Program	0	0	0
College	1	2	0
F/T CS Program	2	0	1
<i>Elizabeth- Union County College</i>			
	FY17	FY18	FY19
Funding	\$450,000	\$450,000	\$450,000
Members Served	54	38	52
Members Completed	44	16	45
Return HS	0	0	0
Obtain HSE/GED	21	5	18
Job Placement	35	10	39
Entered Military	0	0	0
OJT Program	0	0	0
College	3	0	6
F/T CS Program	10	0	3
<i>Jersey City - New Jersey City University</i>			
	FY17	FY18	FY19
Funding	\$545,000	\$545,000	\$545,000
Members Served	57	33	59
Members Completed	52	14	53
Return HS	1	0	0
Obtain HSE/GED	30	13	38
Job Placement	36	6	31
Entered Military	0	0	0
OJT Program	0	0	0
College	3	6	10
F/T CS Program	0	0	0
<i>Middlesex County - New Brunswick Public Schools</i>			
	FY17	FY18	FY19
Funding	\$500,000	\$500,000	\$500,000
Members Served	56	32	63
Members Completed	53	29	59
Return HS	14	8	22
Obtain HSE/GED	37	15	38
Job Placement	29	17	39
Entered Military	0	0	0
OJT Program	6	1	5
College	11	0	9
F/T CS Program	15	0	29

Schedule 9-1.2
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2017-2018

NJ Youth Corps

	<i>Actual</i>	<i>To-Date (2/28/18)</i>	<i>Projected</i>
Newark - International Youth Organization	FY17	FY18	FY19
Funding	\$540,000	\$540,000	\$540,000
Members Served	50	31	57
Members Completed	34	13	44
Return HS	0	0	1
Obtain HSE/GED	8	15	12
Job Placement	29	12	20
Entered Military	0	0	0
OJT Program	0	0	9
College	2	0	3
F/T CS Program	0	0	0

Paterson - Paterson Public Schools	FY17	FY18	FY19
Funding	\$465,000	\$465,000	\$465,000
Members Served	79	33	67
Members Completed	63	21	53
Return HS	4	2	8
Obtain HSE/GED	22	3	28
Job Placement	61	20	52
Entered Military	0	0	1
OJT Program	2	1	1
College	5	0	9
F/T CS Program	0	0	0

Phillipsburg - Town of Phillipsburg	FY17	FY18	FY19
Funding	\$540,000	\$540,000	\$540,000
Members Served	30	22	44
Members Completed	20	17	29
Return HS	1	0	1
Obtain HSE/GED	13	9	16
Job Placement	22	5	22
Entered Military	1	0	0
OJT Program	0	1	0
College	3	0	3
F/T CS Program	7	0	9

Sussex - Project Self Sufficiency of Sussex County, Inc.	FY17	FY18	FY19
Funding	\$450,000	\$450,000	\$450,000
Members Served	57	46	57
Members Completed	40	27	40
Return HS	1	0	1
Obtain HSE/GED	22	19	22
Job Placement	26	11	26
Entered Military	1	0	1
OJT Program	0	0	0
College	6	1	6
F/T CS Program	0	0	0

Trenton - Mercer County Community College	FY17	FY18	FY19
Funding	\$425,000	\$425,000	\$425,000
Members Served	53	37	43
Members Completed	32	13	32
Return HS	2	0	1
Obtain HSE/GED	13	5	17
Job Placement	31	8	23
Entered Military	0	0	0
OJT Program	2	0	1
College	1	0	2
F/T CS Program	0	0	0

Vineland - Vineland City Board of Education	FY17	FY18	FY19
Funding	\$400,000	\$400,000	\$400,000
Members Served	43	28	47
Members Completed	37	15	39
Return HS	3	0	3
Obtain HSE/GED	14	8	16
Job Placement	29	7	33
Entered Military	0	0	0
OJT Program	1	0	1
College	0	0	1
F/T CS Program	0	0	0

Schedule 9-2
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Youth Corp Program
Funding Source Analysis
FY2016 - FY2019

Funding Sources	FY17	Estimated FY 18	Estimated FY 19
UCAF	\$475,000	\$475,000	\$475,000
Supplemental Workforce for Basic Skills	\$0	\$0	\$0
Workforce Development Partnership Fund	\$1,850,000	\$1,850,000	\$1,850,000
WIOA Statewide Discretionary	\$2,651,421	\$2,651,421	\$2,651,421
TANF	\$600,000	\$600,000	\$600,000
Total	\$5,576,421	\$5,576,421	\$5,576,421

Schedule 11-1.1
TEMPORARY DISABILITY INSURANCE FUND
CASH FLOW ANALYSIS
CY 2017
(in millions)

MONTH	BEG BLNCE	EMPL CONT	WORKER CONT	NET CONT	ASSMTS	INT/ OTHER	ST PLAN BNFS	4F BNFS	DI ADM EXP	FLI ADM EXP	FLI CONT	FLI BNF	END BLNCE
JANUARY	\$ 98.9	\$ 29.5	\$ 18.6	\$ 48.1	\$ 0.4	\$ 0.2	\$ 35.2	\$ 1.3			\$ 10.3	\$ 6.8	\$ 114.6
FEBRUARY	114.6	4.5	2.5	7.0	0.3		30.9	1.2			0.7	6.3	84.2
MARCH	84.2	1.0	(0.4)	0.6	0.3	0.1	35.2	1.5			-	7.4	41.1
APRIL	41.1	11.2	6.2	17.4	0.3	2.6	32.5	1.3			6.5	8.3	25.8
MAY	25.8	91.3	65.0	156.3	0.3	0.1	35.0	1.6			42.2	7.1	181.0
JUNE	181.0	1.2	0.5	1.7	0.3	0.2	31.7	2.0	25.0	-	0.5	8.7	116.3
JULY	116.3	55.5	40.8	96.3	4.2	0.1	32.8	1.3	-	-	27.6	6.7	203.7
AUGUST	203.7	15.6	9.0	24.6	13.4	0.3	38.6	1.4			2.3	7.7	196.6
SEPTEMBER	196.6	2.2	1.3	3.5	1.7	0.2	34.4	2.1	5.5	3.2	0.3	8.8	148.3
OCTOBER	148.3	38.3	28.2	66.5	3.9	0.2	37.1	1.9	(0.8)		18.2	9.6	189.3
NOVEMBER	189.3	7.9	4.9	12.8	0.5	0.3	34.1	1.6			-	8.1	159.1
DECEMBER	159.1	0.8	0.4	1.2	0.5	0.3	30.3	2.1	15.2	1.6	-	8.8	103.1
TOTAL	\$ 98.9	\$ 259.0	\$ 177.0	\$ 436.0	\$ 26.1	\$ 4.6	\$ 407.8	\$ 19.3	\$ 44.9	\$ 4.8	\$ 108.6	\$ 94.3	\$ 103.1

Amounts through March 2018 are actual. Subsequent amounts are estimates.

CY 2018
(in millions)

MONTH	BEG BLNCE	EMPL CONT	WORKER CONT	NET CONT	ASSMTS	INT/ OTHER	ST PLAN BNFS	4F BNFS	DI ADM EXP	FLI ADM EXP	FLI CONT	FLI BNF	END BLNCE
JANUARY	\$ 103.1	29.6	21.9	51.5	0.3	0.3	34.2	1.5			13.7	7.4	\$ 125.8
FEBRUARY	125.8	3.9	2.2	6.1	0.5	0.3	31.7	1.3			1.3	7.0	94.0
MARCH	94.0	2.6	1.1	3.7	0.2	0.2	30.0	1.6			-	8.3	58.2
APRIL	58.2	11.6	5.1	16.7	0.3	2.6	32.7	1.3			6.1	8.6	41.3
MAY	41.3	94.5	53.3	147.8	0.3	0.3	35.2	1.6			39.3	7.4	184.8
JUNE	184.8	1.2	0.4	1.6	0.2	0.3	31.9	2.0	15.3	1.6	0.5	9.0	127.6
JULY	127.6	57.4	33.4	90.8	1.1	0.3	33.0	1.3			25.7	7.0	204.2
AUGUST	204.2	16.1	6.7	22.8	2.2	0.3	38.9	1.4			2.1	8.0	183.3
SEPTEMBER	183.3	2.3	1.0	3.3	12.0	0.3	34.6	2.1			0.3	9.1	153.4
OCTOBER	153.4	39.6	21.0	60.6	4.0	0.3	37.4	1.9			17.0	10.0	186.0
NOVEMBER	186.0	8.2	3.7	11.9	3.0	0.3	34.3	1.6			-	8.4	156.9
DECEMBER	156.9	0.8	0.3	1.1	1.3	0.3	30.5	2.1	15.7	1.6	-	9.1	100.6
TOTAL	\$ 103.1	\$ 267.8	\$ 150.1	\$ 417.9	\$ 25.4	\$ 5.8	\$ 404.4	\$ 19.7	\$ 31.0	\$ 3.2	\$ 106.0	\$ 99.3	\$ 100.6

ASSUMPTIONS:

1. SP benefits will increase by .7%, 4F benefits will increase by .94% & FLI benefits will increase by 3.92%.
2. The taxable wages are projected to increase by 3.5% in CY 2018.
3. The assessment bills will be mailed in August.
4. Amounts through March 2018 are actual. Subsequent amounts are estimates.

Schedule 11-1.2
TEMPORARY DISABILITY INSURANCE FUND
CASH FLOW ANALYSIS
CY 2019
(in millions)

MONTH	BEG BLNCE	EMPL CONT	WORKER CONT	NET CONT	ASSMPTS	INT/ OTHER	ST PLAN BNFS	4F BNFS	DI ADM EXP	FLI ADM EXP	FLI CONT	FLI BNF	END BLNCE
JANUARY	\$ 100.6	30.6	16.3	46.9	0.6	0.3	34.4	1.5			12.8	7.7	\$ 117.6
FEBRUARY	117.6	4.0	1.6	5.6	0.6	0.3	31.9	1.4			1.2	7.3	84.7
MARCH	84.7	2.7	0.9	3.6	0.3	2.6	30.2	1.6			-	8.6	50.8
APRIL	50.8	12.0	5.3	17.3	0.3	0.3	33.0	1.4			5.6	8.9	31.0
MAY	31.0	98.1	55.3	153.4	0.3	0.3	35.4	1.7			36.3	7.7	176.5
JUNE	176.5	1.2	0.4	1.6	0.3	0.3	32.2	2.2	15.7	1.7	0.5	9.4	118.0
JULY	118.0	59.6	34.7	94.3	1.1	0.3	33.3	1.3			23.7	7.3	195.5
AUGUST	195.5	16.8	7.0	23.8	2.2	0.3	39.1	1.4			2.0	8.3	175.0
SEPTEMBER	175.0	2.4	1.0	3.4	12.0	0.3	34.9	2.3			0.3	9.5	144.3
OCTOBER	144.3	41.1	21.8	62.9	4.0	0.3	37.6	2.0			15.6	10.4	177.1
NOVEMBER	177.1	8.5	3.8	12.3	3.0	0.3	34.6	1.6			-	8.7	147.8
DECEMBER	147.8	0.9	0.3	1.2	1.3	0.3	30.7	2.1	15.9	1.7	-	9.5	90.7
TOTAL	\$ 100.6	\$ 277.9	\$ 148.4	\$ 426.3	\$ 26.0	\$ 5.9	\$ 407.3	\$ 20.5	\$ 31.6	\$ 3.4	\$ 98.0	\$ 103.3	\$ 90.7

ASSUMPTIONS:

1. SP benefits will increase by .7%, 4F benefits will increase by .94% & FLI benefits will increase by 3.92%.
2. The taxable wages are projected to increase by 3.8% in CY 2019.
3. The assessment bills will be mailed in August.
4. The DI worker rate will be .18% in CY 2019.
5. The FLI worker rate will be .08% in CY 2019.
6. Amounts through March 2018 are actual. Subsequent amounts are estimates.

Schedule 11-2
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

TEMPORARY DISABILITY INSURANCE – STATE PLAN
SUMMARY OF MORBIDITY DATA FOR COMPLETED CASES*
Calendar Year 2017

<u>Major Morbidity Group (code)</u>	<u>Number of Cases</u>	<u>Percent of Cases</u>	<u>Average Duration (days)</u>	<u>Average Gross Benefits</u>
Infectious and parasitic diseases (01)	1,633	1.8%	62	\$ 4,207
Neoplasms (02)	6,852	7.7%	80	5,425
Allergic, endocrine, metabolic and nutritional (03)	2,295	2.6%	55	3,624
Diseases of blood and blood forming organs (04)	243	0.3%	66	4,271
Mental, psychoneurotic and personality disorders (05)	5,093	5.7%	77	5,461
Nervous system and sense organs (06)	3,049	3.4%	67	4,491
Circulatory system (07)	5,068	5.7%	86	5,766
Respiratory system (08)	1,794	2.0%	47	3,095
Digestive system (09)	5,609	6.3%	45	2,989
Genitourinary system (10)	2,173	2.4%	49	3,150
Pregnancy and complications of childbirth (11)	24,775	27.7%	62	3,942
Skin and cellular tissue (12)	920	1.0%	51	3,297
Bones and organs of movement (13)	16,262	18.2%	84	5,623
Congenital malformations (14)	71	0.1%	84	5,521
Hysterectomy (15)	609	0.7%	49	3,156
Accidents, poisoning and violence (17)	11,211	12.6%	79	5,188
Other ill-defined and unknown causes (16 & 18)	1,585	1.8%	60	3,863
Total	89,242	100.0%		

* Completed cases include those claims formally closed in the TDI database in 2017, as well as those with no payment activity for 90 days.

Schedule 11-3
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

TDI TIME LAPSE CLAIM DISTRIBUTION
Summary of Original Determinations by
Number of Days Elapsed from Date Entered in Mail Log
Eligible and Ineligible Decisions

Calendar Years 2013 – 2017

2017

<u>Number of Days</u>	<u>Number</u>	<u>Cumulative Percent</u>
7 or less	2,166	1.9%
8 - 14	20,340	18.0%
15 – 21	14,814	13.1%
22 – 28	26,911	23.8%
29 – 35	10,722	9.5%
36 – 43	10,324	9.1%
44 – 49	9,353	8.3%
50 – 56	6,890	6.1%
57 or more	11,525	10.2%
TOTAL CASES	113,045	100.0%
Claims with Insufficient Data on Receipt	44,595	39.5

Schedule 12-1
TEMPORARY DISABILITY INSURANCE FUND
FAMILY LEAVE ACCOUNT
CASH FLOW ANALYSIS
CY 2017
(in millions)

MONTH	BEG BLNCE	CONT	INT/ OTHER	FLI ADM EXP	FLI BNF	END BLNCE
JANUARY 2017	\$ 15.1	\$ 10.3			\$ 6.8	\$ 18.6
FEBRUARY	18.6	0.7			6.3	13.0
MARCH	13.0	-			7.4	5.6
APRIL	5.6	6.5	0.4		8.3	4.2
MAY	4.2	42.2			7.1	39.3
JUNE	39.3	0.5	0.1		8.7	31.2
JULY	31.2	27.6	-	-	6.7	52.1
AUGUST	52.1	2.3	-		7.7	46.7
SEPTEMBER	46.7	0.3	-	3.2	8.8	35.0
OCTOBER	35.0	18.2	0.1		9.6	43.7
NOVEMBER	43.7	-	-		8.1	35.6
DECEMBER	35.6	-	-	1.6	8.8	25.2
TOTAL	\$ 15.1	\$ 108.6	\$ 0.6	\$ 4.8	\$ 94.3	\$ 25.2

Amounts through March 2018 are actual. Subsequent amounts are estimates.

CY 2018
(in millions)

MONTH	BEG BLNCE	CONT	INT/ OTHER	FLI ADM EXP	FLI BNF	END BLNCE
JANUARY	\$ 25.2	\$ 13.7	\$ -		\$ 7.4	\$ 31.5
FEBRUARY	31.5	1.3	-		7.0	25.8
MARCH	25.8	-	0.1		8.3	17.6
APRIL	17.6	6.1	0.4		8.6	15.5
MAY	15.5	39.3	-		7.4	47.4
JUNE	47.4	0.5	0.1	1.6	9.0	37.4
JULY	37.4	25.7	-	-	7.0	56.1
AUGUST	56.1	2.1	-		8.0	50.2
SEPTEMBER	50.2	0.3	-		9.1	41.4
OCTOBER	41.4	17.0	0.1		10.0	48.5
NOVEMBER	48.5	-	-		8.4	40.1
DECEMBER	40.1	-	-	1.6	9.1	29.4
TOTAL	\$ 25.2	\$ 106.0	\$ 0.7	\$ 3.2	\$ 99.3	\$ 29.4

Amounts through March 2018 are actual. Subsequent amounts are estimates.

CY 2019
(in millions)

MONTH	BEG BLNCE	CONT	INT/ OTHER	FLI ADM EXP	FLI BNF	END BLNCE
JANUARY	\$ 29.4	\$ 12.8	\$ -		\$ 7.7	\$ 34.5
FEBRUARY	34.5	1.2	-		7.3	28.4
MARCH	28.4	-	0.1		8.6	19.9
APRIL	19.9	5.6	0.4		8.9	17.0
MAY	17.0	36.3	-		7.7	45.6
JUNE	45.6	0.5	0.1	1.7	9.4	35.1
JULY	35.1	23.7	-	-	7.3	51.5
AUGUST	51.5	2.0	-		8.3	45.2
SEPTEMBER	45.2	0.3	-		9.5	36.0
OCTOBER	36.0	15.6	0.1		10.4	41.3
NOVEMBER	41.3	-	-		8.7	32.6
DECEMBER	32.6	-	-	1.7	9.5	21.4
TOTAL	\$ 29.4	\$ 98.0	\$ 0.7	\$ 3.4	\$ 103.3	\$ 21.4

Schedule 12-2
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

Family Leave Insurance (FLI) Program
Average Cost and Estimated Average Duration for Eligible Claims
Calendar Year 2017

	Bonding Claims			Care Claims				Total
	Newborn	Adopted Child	Total Bonding	Child	Spouse	Other Family	Total Care	
Eligible Claims ¹	28,576	131	28,707	1,329	1,676	2,338	5,343	34,050
Gross Benefits (Millions)	\$82.6	\$0.4	\$83.0	\$2.6	\$3.5	\$4.8	\$10.9	\$93.8
Average Cost per Eligible Claim ²	\$2,891	\$2,907	\$2,891	\$1,921	\$2,091	\$2,050	\$2,031	\$2,756
Estimated Average Duration per Eligible Claim (weeks) ³	5.3	4.9	5.3	3.8	4.1	4.0	4.0	5.1

¹Eligible claims are defined as eligible original determinations, plus eligible redeterminations, less ineligible redeterminations.

²Average cost per eligible claim is calculated as gross benefits divided by eligible claims.

³Estimated average duration is calculated as weeks compensated divided by eligible claims; duration data may reflect claimants who are just beginning a claim or who are intermittent claimants and therefore have not collected all of their potential weeks of benefits.

Schedule 12-3
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

FLI TIME LAPSE CLAIM DISTRIBUTION
Summary of Original Determinations by
Number of Days Elapsed from Date Entered in Mail Log
Eligible and Ineligible Decisions
2013 – 2017

2017

<u>Number of Days</u>	<u>Number</u>	<u>Cumulative Percent</u>
7 or less	7,898	20.6%
8 - 14	4,721	12.3%
15 – 21	3,738	9.7%
22 – 28	3,064	8.0%
29 – 35	4,387	11.4%
36 – 43	5,938	15.5%
44 – 49	2,310	6.0%
50 – 56	1,405	3.7%
57 or more	4,922	12.8%
TOTAL CASES	38,383	100.0%
Claims with Insufficient Data on Receipt	11,745	30.6

Schedule 13-1A
UNEMPLOYMENT COMPENSATION FUND
TAX TABLE COMPUTATIONS
JULY 2018 - JULY 2020
(in millions)

	ACTUAL	EST.	EST.
	7/17	7/18	7/19
UCTF Account 3/31	\$ 1,626.7	\$ 1,943.4	\$ 2,024.4
Accrued Contributions	875.0	909.6	840.2
Benefits Payable (UI only)	(38.4)	(39.3)	(40.7)
Reed Act & Stimulus Admin	(22.0)	(22.0)	(22.0)
Loan Balance 3/31	-		
All other assets & liabilities	110.3	110.0	110.0
Fund Balance	<u>\$ 2,551.6</u>	<u>\$ 2,901.7</u>	<u>\$ 2,911.9</u>
Taxable Wages	\$ 86,386.5	\$ 89,410.0	\$ 92,807.6
Reserve Rate	<u>2.95%</u>	<u>3.25%</u>	<u>3.14%</u>
Table	<u>C</u>	<u>B</u>	<u>B</u>

Schedule 13-1B.1
UNEMPLOYMENT COMPENSATION TRUST FUND ACCOUNT
CASH FLOW ANALYSIS
CY 2017
(in millions)

MONTH	BEG BLNCE	EMPLOYER CONT	WORKER CONT	TOTAL CONT	INTEREST & FINES	OTHER	BENEFITS	END BLNCE	IUR	TUR
JANUARY	\$ 1,906.2	\$ 207.5	\$ 42.4	\$ 249.9		\$ 6.8	\$ 211.3	\$ 1,951.6	2.6	4.8
FEBRUARY	1,951.6	18.9	5.7	24.6		15.7	195.4	1,796.5	2.6	4.9
MARCH	1,796.5	12.0	(0.8)	11.2	10.1	16.7	207.8	1,626.7	2.6	4.3
APRIL	1,626.7	86.8	19.6	106.4	0.3	5.4	162.7	1,576.1	2.6	3.9
MAY	1,576.1	617.7	142.9	760.6	0.2	29.6	164.2	2,202.3	2.6	4.2
JUNE	2,202.3	9.8	1.5	11.3	11.2	8.2	145.6	2,087.4	2.6	4.3
JULY	2,087.4	417.5	91.1	508.6	-	23.0	153.6	2,465.4	2.6	4.7
AUGUST	2,465.4	46.9	11.2	58.1		11.5	183.9	2,351.1	2.5	4.8
SEPTEMBER	2,351.1	3.1	0.3	3.4	12.7	12.2	140.2	2,239.2	2.5	4.8
OCTOBER	2,239.2	282.4	61.4	343.8		13.0	144.5	2,451.5	2.4	4.7
NOVEMBER	2,451.5	17.6	1.9	19.5		4.5	148.5	2,327.0	2.4	4.8
DECEMBER	2,327.0	7.0	0.7	7.7	12.8	22.6	157.2	2,212.9	2.4	4.1
TOTAL	\$ 1,906.2	\$ 1,727.2	\$ 377.9	\$ 2,105.1	\$ 47.3	\$ 169.2	\$ 2,014.9	\$ 2,212.9		

- ASSUMPTIONS:**
1. Table C was used for FYs 2017 & 2018.
 2. Amounts through March 2018 are actual. Subsequent amounts are estimates.

CY 2018
(in millions)

MONTH	BEG BLNCE	EMPLOYER CONT	WORKER CONT	TOTAL CONT	INTEREST & FINES	OTHER	BENEFITS	END BLNCE	IUR	TUR
JANUARY	\$ 2,212.9	\$ 214.5	\$ 46.0	\$ 260.5	\$ 0.1	\$ 26.3	\$ 227.5	\$ 2,272.3	2.4	4.9
FEBRUARY	2,272.3	21.7	3.5	25.2		2.5	195.8	2,104.2	2.4	4.9
MARCH	2,104.2	6.6	(1.5)	5.1	11.8	11.5	189.2	1,943.4	2.4	4.9
APRIL	1,943.4	50.2	10.6	60.8	0.3	10.0	162.0	1,852.5	2.4	4.7
MAY	1,852.5	678.2	154.2	832.4	0.1	15.0	161.6	2,538.4	2.4	4.7
JUNE	2,538.4	13.8	2.6	16.4	11.4	15.0	147.6	2,433.6	2.4	4.7
JULY	2,433.6	392.0	85.6	477.6	-	10.0	180.2	2,741.0	2.4	4.7
AUGUST	2,741.0	46.8	12.4	59.2			186.2	2,614.0	2.4	4.7
SEPTEMBER	2,614.0	17.4	0.8	18.2	13.8		135.0	2,511.0	2.4	4.7
OCTOBER	2,511.0	219.2	49.6	268.8			153.2	2,626.6	2.4	4.7
NOVEMBER	2,626.6	40.2	12.4	52.6			159.6	2,519.6	2.4	4.7
DECEMBER	2,519.6	6.0	3.0	9.0	13.8		172.4	2,370.0	2.4	4.7
TOTAL	\$ 2,212.9	\$ 1,706.6	\$ 379.2	\$ 2,085.8	\$ 51.3	\$ 90.3	\$ 2,070.3	\$ 2,370.0		

- ASSUMPTIONS:**
1. Table C is used for FY 2018 & Table B for FY 2019.
 2. As the disbursements are net of RBC and CWC benefits
April - December, other income is not recorded after July.
 3. The UI taxable wages are projected to increase by 3.8% in CY 2019.
 4. Amounts through March 2018 are actual. Subsequent amounts are estimates.

Schedule 13-1B.2
UNEMPLOYMENT COMPENSATION TRUST FUND ACCOUNT
CASH FLOW ANALYSIS
CY 2019
(in millions)

MONTH	BEG BLNCE	EMPLOYER CONT	WORKER CONT	TOTAL CONT	INTEREST & FINES	OTHER	BENEFITS	END BLNCE	IUR	TUR
JANUARY	\$ 2,370.0	\$ 149.0	\$ 34.8	\$ 183.8	\$ 0.1	\$ -	\$ 217.4	\$ 2,336.5	2.4	4.7
FEBRUARY	2,336.5	38.8	9.0	47.8			192.2	2,192.1	2.4	4.7
MARCH	2,192.1	7.4	0.4	7.8	12.5		188.0	2,024.4	2.4	4.7
APRIL	2,024.4	44.8	13.0	57.8	0.3		174.4	1,908.1	2.4	4.7
MAY	1,908.1	605.0	162.0	767.0	0.1		166.2	2,509.0	2.4	4.7
JUNE	2,509.0	12.4	3.0	15.4	11.4		144.8	2,391.0	2.4	4.7
JULY	2,391.0	349.6	88.8	438.4	-		193.6	2,635.8	2.4	4.7
AUGUST	2,635.8	41.8	12.8	54.6			183.2	2,507.2	2.4	4.7
SEPTEMBER	2,507.2	15.4	0.8	16.2	13.4		145.6	2,391.2	2.4	4.7
OCTOBER	2,391.2	227.4	51.4	278.8			157.6	2,512.4	2.4	4.7
NOVEMBER	2,512.4	41.8	12.8	54.6			156.8	2,410.2	2.4	4.7
DECEMBER	2,410.2	6.2	3.2	9.4	13.0		185.6	2,247.0	2.4	4.7
TOTAL	\$2,370.0	\$ 1,539.6	\$ 392.0	\$ 1,931.6	\$ 50.8	\$ -	\$ 2,105.4	\$ 2,247.0		

ASSUMPTIONS:

1. Table B is used for FYs 2019 & 2020.
2. As the disbursements are net of RBC and CWC benefits, other income is not recorded.
3. The UI taxable wages are projected to increase by 3.8% in CY 2019.
4. Amounts through March 2018 are actual. Subsequent amounts are estimates.

CY 2020
(in millions)

MONTH	BEG BLNCE	EMPLOYER CONT	WORKER CONT	TOTAL CONT	INTEREST & FINES	OTHER	BENEFITS	END BLNCE	IUR	TUR
JANUARY	\$ 2,247.0	\$ 154.8	\$ 36.2	\$ 191.0	\$ 0.1	\$ -	\$ 214.4	\$ 2,223.7	2.3	4.5
FEBRUARY	2,223.7	40.2	9.4	49.6			189.6	2,083.7	2.3	4.5
MARCH	2,083.7	7.8	0.4	8.2	11.9		194.0	1,909.8	2.3	4.5
APRIL	1,909.8	46.6	11.4	58.0	0.3		179.6	1,788.5	2.3	4.5
MAY	1,788.5	628.0	166.0	794.0	0.1		149.8	2,432.8	2.3	4.5
JUNE	2,432.8	12.8	2.8	15.6	10.8		156.6	2,302.6	2.3	4.5
JULY	2,302.6	363.0	92.2	455.2			191.0	2,566.8	2.3	4.5
AUGUST	2,566.8	43.4	13.4	56.8			172.6	2,451.0	2.3	4.5
SEPTEMBER	2,451.0	16.0	0.8	16.8	13.0		150.4	2,330.4	2.3	4.5
OCTOBER	2,330.4	277.1	53.4	330.5			148.6	2,512.3	2.3	4.5
NOVEMBER	2,512.3	51.0	13.4	64.4			154.6	2,422.1	2.3	4.5
DECEMBER	2,422.1	7.5	3.2	10.7	13.0		191.2	2,254.6	2.3	4.5
TOTAL	\$2,247.0	\$ 1,648.2	\$ 402.6	\$ 2,050.8	\$ 49.2	\$ -	\$ 2,092.4	\$ 2,254.6		

ASSUMPTIONS:

1. Table B is used for FY 2020 & Table C for FY 2021.
2. As the disbursements are net of RBC and CWC benefits, other income is not recorded.
3. The UI taxable wages are projected to increase by 3.8% in CY 2019.
4. Amounts through March 2018 are actual. Subsequent amounts are estimates.

SCHEDULE 18-1
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

NJ BUILD REVENUES & PROJECTS

<u>Revenue by Source:</u>	Actual FY 2017	Actual and Estimated FY 2018	Estimated FY 2019
Dept of the Treasury	151,736	38,150	
Dept of Transportation	838,066	2,210,917	
NJ Turnpike Authority	1,274,660	804,849	
NJ Economic Development Authority	16,927	6,335	
Educational:			
Stockton University	292,448	-	
William Patterson University	257,031	153,653	
Cumberland County College	8,960	-	
Total Revenues	<u>2,839,827</u>	<u>3,213,904</u> ^a	<u>\$ 3,494,000</u> ^b
	Actual FY 2017	Actual and Estimated FY 2018	Estimated FY 2019
Administrative Costs	40,339	60,000	60,000
AA/ EEO Enforcement	470,000	470,000	470,000
	<u>510,339</u>	<u>530,000</u>	<u>530,000</u>
<u>Projects:</u>			
NJBUILD-Innovation Program that Build Pathway to Partnerships	-	-	-
NJ Carpenter Apprentice Training & Education Fund	224,160	-	-
NJBUILD-Camden	-	-	-
Union Organization for Social Services	175,000	-	
NJBUILD-Helmets to Hardhats	-	300,000	300,000
NJ Building & Construction Trades Council	250,000	-	-
NJBUILD-Highway to Employment	-	-	-
Jersey City Employment & Training Program	240,000	-	-
Youth Build Match-Isles, Inc.	225,000	-	-
NJBUILD-Incarcerated Women in Construction	-	300,000	300,000
Hunterdon County Vocational School District	100,000	-	-
NJBUILD-(no geographic specification)	-	-	-
Roofers Local #4 Apprentice	200,000		
Union Organization for Social Services	200,000		
NJBUILD-(no geographic specification; 5 grants @ \$200,000 each)	-	-	1,000,000
NJBUILD-Regional(2 North, 2 Central, 2 South; 6 @ \$300,000 each)	-	1,800,000	-
Total Projects	<u>1,614,160</u>	<u>2,400,000</u>	<u>1,600,000</u>
Total Utilization	<u>2,124,499</u>	<u>2,930,000</u>	<u>2,130,000</u>

a. Actual receipts as of April 23, 2018

b. Revenues reflect Governor's FY 2019 Budget

Schedule 18-2.1
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

NJBUILD

NJBUILD - Helmets to Hardhats (H2H)				
Grant Period: 3/1/15 - 2/29/16				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Trained
NJBCTC	\$ 209,900	\$ 209,895	58	58
Total	\$ 209,900	\$ 209,895	58	58

NJBUILD - Helmets to Hardhats (H2H)				
Grant Period: 3/1/2016 - 2/28/2017				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Trained
NJBCTC	\$ 209,900	\$ 209,900	60	59
Total	\$ 209,900	\$ 209,900	60	59

NJBUILD - Helmets to Hardhats (H2H)				
Grant Period: 3/1/2017 - 2/28/2018 (Data as of 4/16/2018)				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Trained
NJBCTC	\$ 250,000	\$ 201,792	60	60
Total	\$ 250,000	\$ 201,792	60	60

NJBUILD - Camden				
Grant Period: 6/30/2015 - 12/31/16				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Graduates
UOSS	\$ 150,000	\$ 130,000	21	21
Total	\$ 150,000	\$ 130,000	21	21

NJBUILD - Camden				
Grant Period: 1/1/2017 - 6/30/2018 (Data as of 4/16/2018)				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Graduates
UOSS	\$ 175,000	\$ 157,977	33	30
Total	\$ 175,000	\$ 157,977	33	30

NJBUILD - Hudson				
Grant Period: 6/30/2015 - 12/31/16				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Graduates
NJCATEF	\$ 244,261	\$ 181,202	13	13
JCETP	\$ 199,918	\$ 198,020	70	45
Total	\$ 444,179	\$ 379,222	83	58

Schedule 18-2.2
New Jersey Department of Labor & Workforce Development
OLS Discussion Points FY 2018-2019

NJBUILD

NJBUILD - Newark				
Grant Period: 2/1/2016 - 7/31/17				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Graduates
Roofers Local #4	\$ 200,000	\$ 199,000	40	39
Newark WIB	\$ 200,000	\$ 148,817	61	3
Total	\$ 400,000	\$ 347,817	101	42

NJBUILD - Atlantic				
Grant Period: 6/30/16 - 12/31/17				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Graduates
Northeast Carpenters Apprenticeship	\$ 190,064	\$ 110,104	7	7
Total	\$ 190,064	\$ 110,104	7	7

NJBUILD - Incarcerated Women in Construction (FY16 Extension)				
Grant Period: 6/30/2016 - 6/29/2018 (Data as of 4/16/2018)				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Graduates
HCVSD	\$ 200,000	\$ 129,932	68	37
Total	\$ 200,000	\$ 129,932	68	37

NJBUILD - Highway to Employment (H2E)					
Grant Period: 8/1/2016-1/31/2018					
Grantee	Grant Amount	Amount Expended	Marketing & Enrollment	Mid-Point & Assessment	Total Graduation
Jersey City Employment and Training Program	\$ 240,000	\$ 184,500	66	45	40
Total	\$ 240,000	\$ 184,500	66	45	40

NJBUILD - Non Geographic Specific				
Grant Period: 6/1/2017-12/31/2018 (Data as of 4/16/18)				
Grantee	Grant Amount	Amount Expended	Total Enrollees	Total Graduates
Roofers Local #4	\$ 200,000	\$ 79,887	20	0
UOSS	\$ 200,000	\$ 7,772	0	0
Total	\$ 400,000	\$ 87,659	20	0