

# Department of Employment Services

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Table CF0-1

Description	FY 2015	FY 2016	FY 2017	% Change
	Actual	Approved	Proposed	from FY 2016
OPERATING BUDGET	\$113,795,872	\$146,694,971	\$143,477,675	-2.2
FTEs	580.2	587.0	611.0	4.1

The Department of Employment Services (DOES) puts people to work. DOES achieves its mission by providing the necessary tools for the District of Columbia workforce to become more competitive using tailored approaches to ensure that workers and employers are successfully paired. DOES also fosters and promotes the welfare of job seekers and wage earners by ensuring safe working conditions, advancing opportunities for employment, helping employers find qualified workers, and tracking labor market information and other national economic measurements impacting the District of Columbia.

## Summary of Services

DOES, the District of Columbia's lead labor and workforce development agency, provides customers with a comprehensive menu of workforce development services funded through a combination of federal grants and Local appropriations. DOES delivers basic income support services to unemployed or underemployed persons who lost their jobs through no fault of their own through the Unemployment Insurance division. The Labor Standards division ensures a safe and healthy work environment for workers in the District, administers a program to provide benefits to qualified individuals with employment-related injuries or illnesses, administers the District's wage-and-hour laws, and provides hearing and adjudication services to settle workers' compensation disputes. DOES's Workforce Development division provides job seekers with workforce development and training programs and services to ensure employers have access to qualified job candidates. Finally, DOES provides District youth with job training, academic enrichment, leadership, and employment opportunities through its Year-Round employment program, Mayor Marion S. Barry Summer Youth Employment Program, and Mayor Marion S. Barry Youth Leadership Institute.

The agency's FY 2017 proposed budget is presented in the following tables:

## FY 2017 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table CF0-2 contains the proposed FY 2017 budget by revenue type compared to the FY 2016 approved budget. It also provides FY 2015 actual data.

**Table CF0-2**

(dollars in thousands)

Appropriated Fund	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change*	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change
<b>GENERAL FUND</b>										
LOCAL FUNDS	56,819	59,191	64,022	4,831	8.2	188.3	193.6	190.5	-3.2	-1.6
SPECIAL PURPOSE REVENUE FUNDS	22,795	39,124	44,105	4,981	12.7	114.6	143.4	212.6	69.2	48.2
<b>TOTAL FOR GENERAL FUND</b>	<b>79,615</b>	<b>98,315</b>	<b>108,127</b>	<b>9,812</b>	<b>10.0</b>	<b>302.9</b>	<b>337.1</b>	<b>403.1</b>	<b>66.0</b>	<b>19.6</b>
<b>FEDERAL RESOURCES</b>										
FEDERAL GRANT FUNDS	33,901	48,379	35,350	-13,029	-26.9	277.4	249.9	207.9	-42.1	-16.8
<b>TOTAL FOR FEDERAL RESOURCES</b>	<b>33,901</b>	<b>48,379</b>	<b>35,350</b>	<b>-13,029</b>	<b>-26.9</b>	<b>277.4</b>	<b>249.9</b>	<b>207.9</b>	<b>-42.1</b>	<b>-16.8</b>
<b>PRIVATE FUNDS</b>										
PRIVATE GRANT FUNDS	229	0	0	0	N/A	0.0	0.0	0.0	0.0	N/A
PRIVATE DONATIONS	0	1	1	0	0.0	0.0	0.0	0.0	0.0	N/A
<b>TOTAL FOR PRIVATE FUNDS</b>	<b>229</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
<b>INTRA-DISTRICT FUNDS</b>										
INTRA-DISTRICT FUNDS	51	0	0	0	N/A	0.0	0.0	0.0	0.0	N/A
<b>TOTAL FOR INTRA-DISTRICT FUNDS</b>	<b>51</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
<b>GROSS FUNDS</b>	<b>113,796</b>	<b>146,695</b>	<b>143,478</b>	<b>-3,217</b>	<b>-2.2</b>	<b>580.2</b>	<b>587.0</b>	<b>611.0</b>	<b>24.0</b>	<b>4.1</b>

\*Percent change is based on whole dollars.

**Note:** If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2017 Operating Appendices** located on the Office of the Chief Financial Officer's website.

## FY 2017 Proposed Operating Budget, by Comptroller Source Group

Table CF0-3 contains the proposed FY 2017 budget at the Comptroller Source Group (object class) level compared to the FY 2016 approved budget. It also provides FY 2014 and FY 2015 actual expenditures.

**Table CF0-3**

(dollars in thousands)

Comptroller Source Group	Actual FY 2014	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change*
11 - REGULAR PAY - CONTINUING FULL TIME	25,006	28,209	32,284	35,652	3,368	10.4
12 - REGULAR PAY - OTHER	6,200	9,020	10,486	10,385	-100	-1.0
13 - ADDITIONAL GROSS PAY	757	378	0	0	0	N/A
14 - FRINGE BENEFITS - CURRENT PERSONNEL	7,080	8,002	9,222	10,543	1,321	14.3
15 - OVERTIME PAY	253	164	0	0	0	N/A
<b>SUBTOTAL PERSONAL SERVICES (PS)</b>	<b>39,295</b>	<b>45,773</b>	<b>51,991</b>	<b>56,580</b>	<b>4,589</b>	<b>8.8</b>

**Table CF0-3**

(dollars in thousands)

Comptroller Source Group	Actual FY 2014	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change*
20 - SUPPLIES AND MATERIALS	230	340	841	579	-262	-31.2
30 - ENERGY, COMMUNICATION AND BUILDING RENTALS	591	603	823	855	32	3.9
31 - TELEPHONE, TELEGRAPH, TELEGRAM, ETC.	787	870	922	889	-33	-3.6
32 - RENTALS - LAND AND STRUCTURES	664	615	1,313	720	-593	-45.2
34 - SECURITY SERVICES	1,021	1,014	1,126	800	-325	-28.9
35 - OCCUPANCY FIXED COSTS	1,137	1,173	1,470	1,527	56	3.8
40 - OTHER SERVICES AND CHARGES	18,709	13,807	31,919	19,732	-12,187	-38.2
41 - CONTRACTUAL SERVICES - OTHER	7,890	10,171	12,646	13,679	1,033	8.2
50 - SUBSIDIES AND TRANSFERS	28,600	38,074	41,987	46,907	4,921	11.7
70 - EQUIPMENT AND EQUIPMENT RENTAL	887	1,356	1,657	1,210	-447	-27.0
<b>SUBTOTAL NONPERSONAL SERVICES (NPS)</b>	<b>60,517</b>	<b>68,023</b>	<b>94,704</b>	<b>86,898</b>	<b>-7,806</b>	<b>-8.2</b>
<b>GROSS FUNDS</b>	<b>99,812</b>	<b>113,796</b>	<b>146,695</b>	<b>143,478</b>	<b>-3,217</b>	<b>-2.2</b>

\*Percent change is based on whole dollars.

**FY 2017 Proposed Operating Budget and FTEs, by Division/Program and Activity**

Table CF0-4 contains the proposed FY 2017 budget by division/program and activity compared to the FY 2016 approved budget. It also provides FY 2015 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

**Table CF0-4**

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
<b>(1000) AGENCY MANAGEMENT</b>								
(1010) PERSONNEL	478	551	478	-73	4.0	6.0	5.0	-1.0
(1015) TRAINING AND EMPLOYEE DEVELOPMENT	653	610	439	-171	12.0	4.2	1.0	-3.2
(1017) LABOR MANAGEMENT PARTNERSHIPS	50	114	0	-114	1.0	1.0	0.0	-1.0
(1020) CONTRACTING AND PROCUREMENT	876	971	584	-388	6.0	8.0	0.0	-8.0
(1030) PROPERTY MANAGEMENT	1,591	1,077	721	-355	5.0	11.0	6.0	-5.0
(1040) INFORMATION TECHNOLOGY	2,977	3,191	3,508	318	29.8	27.0	28.0	1.0
(1050) FINANCIAL MANAGEMENT	3	0	0	0	0.0	0.0	0.0	0.0
(1060) LEGAL	385	366	393	27	0.0	3.0	3.0	0.0
(1070) FLEET MANAGEMENT	686	207	664	457	6.0	1.0	6.0	5.0
(1080) COMMUNICATIONS	307	344	379	35	5.0	3.0	4.0	1.0
(1085) CUSTOMER SERVICE	306	321	383	63	5.0	6.0	6.0	0.0
(1090) PERFORMANCE MANAGEMENT	1,257	1,748	2,202	454	18.0	15.0	17.0	2.0
<b>SUBTOTAL (1000) AGENCY MANAGEMENT</b>	<b>9,569</b>	<b>9,500</b>	<b>9,753</b>	<b>253</b>	<b>91.5</b>	<b>85.2</b>	<b>76.0</b>	<b>-9.2</b>

**Table CF0-4**

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
<b>(100F) AGENCY FINANCIAL OPERATIONS</b>								
(110F) BUDGET OPERATIONS	1,081	1,675	1,522	-152	7.0	12.0	11.0	-1.0
(120F) ACCOUNTING OPERATIONS	1,353	1,254	1,422	167	14.1	11.0	12.0	1.0
<b>SUBTOTAL (100F) AGENCY FINANCIAL OPERATIONS</b>	<b>2,434</b>	<b>2,929</b>	<b>2,944</b>	<b>15</b>	<b>21.1</b>	<b>23.0</b>	<b>23.0</b>	<b>0.0</b>
<b>(2000) UNEMPLOYMENT INSURANCE</b>								
(2100) TAX COLLECTIONS	14,052	20,733	11,429	-9,304	43.9	46.0	64.7	18.7
(2200) BENEFITS	10,982	20,608	17,486	-3,123	76.3	94.0	91.0	-3.0
(2400) BENEFIT PAYMENT CONTROL UNIT (BPC)	1,117	1,197	815	-382	15.7	16.0	9.0	-7.0
(2500) COMPLIANCE AND INDEPENDENT MONITORING	757	668	1,677	1,009	7.3	7.0	15.0	8.0
NO ACTIVITY ASSIGNED	3	0	0	0	14.8	0.0	0.0	0.0
<b>SUBTOTAL (2000) UNEMPLOYMENT INSURANCE</b>	<b>26,910</b>	<b>43,206</b>	<b>31,407</b>	<b>-11,800</b>	<b>158.0</b>	<b>163.0</b>	<b>179.7</b>	<b>16.7</b>
<b>(3000) LABOR STANDARDS</b>								
(3200) OFFICE OF WAGE HOUR	1,731	2,003	2,142	139	16.5	16.0	17.0	1.0
(3300) OFFICE OF OCCUPATIONAL SAFETY AND HEALTH	546	612	708	96	6.3	6.0	6.0	0.0
(3400) OFFICE OF WORKERS' COMPENSATION	16,225	14,077	15,204	1,127	60.7	68.0	68.0	0.0
(3500) OAH: ADMINISTRATIVE HEARINGS DIVISION	2,524	2,861	3,232	371	19.6	23.0	23.0	0.0
(3600) OAH: COMPENSATION REVIEW BOARD	1,333	1,522	1,725	203	12.3	13.0	14.0	1.0
<b>SUBTOTAL (3000) LABOR STANDARDS</b>	<b>22,359</b>	<b>21,075</b>	<b>23,011</b>	<b>1,936</b>	<b>115.4</b>	<b>126.0</b>	<b>128.0</b>	<b>2.0</b>
<b>(4000) WORKFORCE DEVELOPMENT</b>								
(4100) SENIOR SERVICES	584	566	584	17	2.1	2.2	2.2	0.0
(4200) PROGRAM PERFORMANCE MONITORING	1,100	1,361	1,205	-156	15.4	12.2	10.8	-1.4
(4250) LOCAL ADULT TRAINING	3,872	8,293	8,109	-183	4.2	4.3	12.1	7.8
(4300) OFFICE OF APPRENTICESHIP INFO. AND TRNG	728	818	838	20	5.2	6.0	6.0	0.0
(4400) TRANSITIONAL EMPLOYMENT	8,779	9,642	9,142	-500	22.7	22.1	22.0	-0.1
(4500) EMPLOYER SERVICES	1,712	2,367	2,876	509	21.9	16.4	21.6	5.2
(4510) FIRST SOURCE	1,017	1,132	1,153	21	6.2	9.1	9.0	-0.1
(4530) VETERAN AFFAIRS	264	603	825	222	6.3	6.0	7.4	1.4
(4600) ONE-STOP OPERATIONS	7,273	11,716	13,057	1,342	65.7	65.4	61.6	-3.7
(4700) LABOR MARKET INFORMATION	826	1,162	1,013	-149	10.5	10.2	8.6	-1.6
(4810) YEAR-ROUND YOUTH PROGRAM	6,794	14,993	13,587	-1,406	19.4	18.6	22.6	4.0
(4820) MARION BARRY SUMMER YOUTH EMPLOYMENT PGM	17,964	15,218	20,054	4,836	10.4	10.6	11.1	0.5
(4830) MARION BARRY YOUTH LEADERSHIP INSTITUTE	930	1,233	1,274	41	4.3	5.8	8.3	2.5
(4900) STATE-WIDE ACTIVITIES	679	882	2,647	1,765	0.0	1.0	1.0	0.0
<b>SUBTOTAL (4000) WORKFORCE DEVELOPMENT</b>	<b>52,521</b>	<b>69,984</b>	<b>76,363</b>	<b>6,379</b>	<b>194.3</b>	<b>189.8</b>	<b>204.3</b>	<b>14.5</b>

**Table CF0-4**

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
<b>(9960) YR END CLOSE</b>								
NO ACTIVITY ASSIGNED	2	0	0	0	0.0	0.0	0.0	0.0
<b>SUBTOTAL (9960) YR END CLOSE</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL PROPOSED OPERATING BUDGET</b>	<b>113,796</b>	<b>146,695</b>	<b>143,478</b>	<b>-3,217</b>	<b>580.2</b>	<b>587.0</b>	<b>611.0</b>	<b>24.0</b>

(Change is calculated by whole numbers and numbers may not add up due to rounding)

**Note:** For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2017 Operating Appendices** located on the Office of the Chief Financial Officer's website. "No Activity Assigned" indicates budget or actuals that are recorded at the division/program level.

### Division Description

The Department of Employment Services operates through the following 5 divisions:

**Unemployment Insurance (UI)** – provides basic income replacement insurance to workers unemployed through no fault of their own, thereby contributing to the economic stability of the Washington, D.C. metropolitan area.

This division contains the following 4 activities:

- **Tax Collections** – collects quarterly taxes from for-profit local employers and reimbursement payments from local non-profit employers, which finance the payment of weekly benefits to workers unemployed without fault;
- **Benefits** – provides cash payments to customers who are unemployed through no fault of their own and are able, available, and actively seeking work;
- **Benefit Payment Control Unit (BPC)** – promotes and maintains integrity of the UI division through prevention, detection, investigation, prosecution, and recovery of UI overpayments made to claimants. BPC is also responsible for the investigation and determination of fraudulent and/or erroneous payment cases; and
- **Compliance and Independent Monitoring** – collects and analyzes necessary data to assess the validity of UI benefit payment activities, assesses the underlying causes of error in the UI benefit payment and collection of UI taxes, and recommends corrective action to the problems identified.

**Labor Standards** – provides worker protection and dispute resolution services for the workers and employers of the District so that disputes are resolved fairly and the safety of the workplace is ensured.

This division contains the following 5 activities:

- **Office of Wage Hour** – enforces the District's wage-hour laws through compliance audits for the benefit of private-sector employees so that they can be paid at least the minimum wage, required overtime, all earned and promised wages, living wage, required sick leave, and amounts required by other labor laws;
- **Office of Occupational Safety and Health** – provides on-site consultation services, investigations, training, and program assistance to private-sector employers so that they can identify and correct workplace hazards;

- **Office of Workers' Compensation** – processes claims and provides informal dispute resolution, insurance-coverage compliance monitoring, and related services to private-sector injured workers, employers, insurance carriers, and other stakeholders;
- **Administrative Hearings Division** – provides formal administrative hearings to employees, employers, and the District government so that rights and responsibilities are determined fairly, promptly, and in accordance with the workers' compensation acts; and
- **Compensation Review Board** – provides administrative review of case decisions (compensation orders) issued by the Administrative Hearings Division and/or the Office of Workers' Compensation.

**Workforce Development** – provides employment-related services for unemployed or underemployed persons so that they can achieve economic security and compete in the global economy.

This division contains the following 14 activities:

- **Senior Services** – provides subsidized employment placements to District residents who are both 55 years old or older and economically underprivileged so that they can develop or enhance their job skills and be placed in unsubsidized employment;
- **Program Performance Monitoring** – provides compliance, oversight, and technical assistance to training vendors, procurement staff, and departmental administrators;
- **Local Adult Training** – provides training programs that teach job skills that will facilitate the expansion of employment opportunities for District adult residents;
- **Office of Apprenticeship Information and Training** – provides apprenticeship promotional services and assistance to District residents and apprenticeship sponsors and administers the pre-apprenticeship program;
- **Transitional Employment** – provides an array of employment-related services that will assist hard-to-employ District residents to become self-sufficient;
- **Employer Services** – provides technical assistance, recruitment, referral, placement, planning, and oversight services to area employers/businesses so that they can hire qualified individuals;
- **First Source** – establishes hiring requirement of District residents for jobs associated with government-assisted projects in order to combat the under-employment of District residents;
- **Veteran Affairs** – administers the two federal grants, Local Veteran's Employment Representative (LVER) and Disability Veterans Outreach Program (DVOP), which the agency receives from the Department of Labor (DOL). All services provided through these programs are directly for veterans;
- **One-Stop Operations** – provides comprehensive employment support, unemployment compensation, training services, and supportive services through a network of easily accessible locations;
- **Labor Market Information** – administers four Bureau of Labor Statistics programs and an Employment and Training Administration program under a Federal/State cooperative agreement;
- **Year-Round Youth Program** – provides year-round services to eligible youth, including subsidized employment, academic enrichment activities, and vocational training to prepare participants for the workforce;
- **Marion Barry Summer Youth Employment Program (SYEP)** – provides temporary, subsidized summer employment and academic/workforce enrichment activities to eligible District youth;
- **Marion Barry Youth Leadership Institute** – administers a four-level youth leadership training and development program emphasizing citizenship and leadership skills; and
- **State-Wide Activities** – includes Workforce Innovation and Opportunity Act statewide funding that is reserved for statewide activities including incentive grants, technical assistance, management information systems, evaluation, and "One-Stop" system building. In addition, permissible statewide activities include incumbent worker projects, authorized youth and adult activities, and additional system building. For additional information, please refer to the Workforce Innovation and Opportunity Act, Public Law 113-128, which was signed into law August 22, 2014.

**Agency Management** – provides for administrative support and the required tools to achieve operational and programmatic results. This division is standard for all agencies using performance-based budgeting.

**Agency Financial Operations** – provides comprehensive and efficient financial management services to, and on behalf of, District agencies so that the financial integrity of the District of Columbia is maintained. This division is standard for all agencies using performance-based budgeting.

### Division Structure Change

The Department of Employment Services has no division structure changes in the FY 2017 proposed budget.

## FY 2016 Approved Budget to FY 2017 Proposed Budget, by Revenue Type

Table CF0-5 itemizes the changes by revenue type between the FY 2016 approved budget and the FY 2017 proposed budget. For a more comprehensive explanation of changes, please see the FY 2017 Proposed Budget Changes section, which follows the table.

**Table CF0-5**

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
<b>LOCAL FUNDS: FY 2016 Approved Budget and FTE</b>		<b>59,191</b>	<b>193.6</b>
Other CSFL Adjustments	Multiple Programs	575	0.0
<b>LOCAL FUNDS: FY 2017 Current Services Funding Level (CSFL) Budget</b>		<b>59,766</b>	<b>193.6</b>
Increase: To align resources with operational spending goals	Multiple Programs	820	0.0
Increase: To align the Fringe Benefits budget with projected costs	Multiple Programs	109	0.0
Decrease: To align Fixed Costs with proposed estimates	Multiple Programs	-109	0.0
Decrease: To recognize savings from a reduction in FTEs	Multiple Programs	-277	-4.2
Decrease: To realize programmatic cost savings in nonpersonal services	Workforce Development	-5,610	0.0
<b>LOCAL FUNDS: FY 2017 Agency Budget Submission</b>		<b>54,699</b>	<b>189.5</b>
Enhance: To support Workforce Development activities	Workforce Development	0	2.0
Enhance: To support the Marion Barry Summer Youth Employment program and the DC Career Connections	Workforce Development	9,336	0.0
Enhance: To support the Unemployment Profile Act	Unemployment Insurance	79	0.0
Transfer-Out: To EOM for the Mayor's Office of Community Relations and Services	Agency Management	-92	-1.0
<b>LOCAL FUNDS: FY 2017 Mayor's Proposed Budget</b>		<b>64,022</b>	<b>190.5</b>
<b>FEDERAL GRANT FUNDS: FY 2016 Approved Budget and FTE</b>		<b>48,379</b>	<b>249.9</b>
Decrease: To align Fixed Costs with proposed estimates	Multiple Programs	-1,089	0.0
Decrease: To recognize savings from a reduction in FTEs	Multiple Programs	-1,725	-42.1
Decrease: To align budget with projected grant awards	Multiple Programs	-10,215	0.0
<b>FEDERAL GRANT FUNDS: FY 2017 Agency Budget Submission</b>		<b>35,350</b>	<b>207.9</b>
No Change		0	0.0
<b>FEDERAL GRANT FUNDS: FY 2017 Mayor's Proposed Budget</b>		<b>35,350</b>	<b>207.9</b>
<b>PRIVATE DONATIONS: FY 2016 Approved Budget and FTE</b>		<b>1</b>	<b>0.0</b>
No Change		0	0.0
<b>PRIVATE DONATIONS: FY 2017 Agency Budget Submission</b>		<b>1</b>	<b>0.0</b>
No Change		0	0.0
<b>PRIVATE DONATIONS: FY 2017 Mayor's Proposed Budget</b>		<b>1</b>	<b>0.0</b>

## Table CF0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2016 Approved Budget and FTE</b>		<b>39,124</b>	<b>143.4</b>
Increase: To support additional FTEs	Multiple Programs	5,973	69.2
Increase: To adjust the Contractual Services budget	Multiple Programs	5,862	0.0
Increase: To support the costs of pre-existing programmatic initiatives	Workforce Development	1,000	0.0
Increase: To align Fixed Costs with proposed estimates	Multiple Programs	400	0.0
Decrease: To align budget with projected revenues	Multiple Programs	-8,254	0.0
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2017 Agency Budget Submission</b>		<b>44,105</b>	<b>212.6</b>
No Change		0	0.0
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2017 Mayor's Proposed Budget</b>		<b>44,105</b>	<b>212.6</b>
<b>GROSS FOR CF0 - DEPARTMENT OF EMPLOYMENT SERVICES</b>		<b>143,478</b>	<b>611.0</b>

(Change is calculated by whole numbers and numbers may not add up due to rounding)

### FY 2017 Proposed Budget Changes

The Department of Employment Services' (DOES) proposed FY 2017 gross budget is \$143,477,675, which represents a 2.2 percent decrease from its FY 2016 approved gross budget of \$146,694,971. The budget is comprised of \$64,022,170 in Local funds, \$35,349,506 in Federal Grant funds, \$1,000 in Private Donations, and \$44,104,999 in Special Purpose Revenue funds.

### Current Services Funding Level

The Current Services Funding Level (CSFL) is a Local funds ONLY representation of the true cost of operating District agencies, before consideration of policy decisions. The CSFL reflects changes from the FY 2016 approved budget across multiple divisions, and it estimates how much it would cost an agency to continue its current divisions and operations into the following fiscal year. The FY 2017 CSFL adjustments to the FY 2016 Local funds budget are described in table 5 of this agency's budget chapter. Please see the CSFL Development section within Volume 1: Executive Summary for more information regarding the methodology used and components that comprise the CSFL.

DOES's FY 2017 CSFL budget is \$59,765,625, which represents a \$574,774, or 1.0 percent, increase over the FY 2016 approved Local funds budget of \$59,190,851.

### CSFL Assumptions

The FY 2017 CSFL calculated for DOES included adjustments that are not described in detail on table 5. These adjustments were made for a net increase of \$600,250 in personal services to account for Fringe Benefit costs based on trend comparative analysis, the impact of cost-of-living adjustments, and approved compensation agreements, and an increase of \$9,959 in nonpersonal services based on the Consumer Price Index factor of 2.3 percent.

Additionally, adjustments were made for an increase of \$406 for Personal Service adjustments, which represents the projected impact of new positions requested in the FY 2016 budget, approved union contracts, and corresponding salary and other adjustments, and a decrease of \$35,841 for the Fixed Cost Inflation Factor based on projections provided by the Department of General Services.

### Agency Budget Submission

**Increase:** The Local funds budget proposal includes an increase of \$820,010 across multiple divisions in nonpersonal services. The additional funding will support DOES' programs for career counseling, vocational training, resume assistance, and improved access to on-line services. The Fringe Benefits budget proposal was increased by \$109,000.

The agency's Special Purpose Revenue (SPR) budget proposal includes an increase of \$5,972,920 to the personal services budget across multiple divisions. The increase in funding supports an additional 69.2 FTEs, of which 24.0 FTEs were shifted from Federal Grant funds. These personnel will primarily provide support to DOES' Unemployment Insurance (UI) division. Additionally, the SPR budget proposal reflects an increase of \$5,861,678 for contractual services related to continuous maintenance of the UI system. The SPR budget proposal also includes a \$1,000,000 increase that has been allocated to the Workforce Development division in support of the Workforce Investment Council. Fixed Costs projections from the Department of General Services (DGS) and the Office of the Chief Technology Officer (OCTO) account for an increase of \$399,877 in SPR funds, which includes \$176,631 for Occupancy, \$114,050 for Telecommunications, \$102,067 for Energy, and \$7,129 for Security.

**Decrease:** The budget proposal in Local funds reflects a net reduction of \$109,191 based on Fixed Costs projections from DGS and OCTO. This adjustment is comprised of decreases of \$5,409 for Energy, \$22,364 for Occupancy, and \$83,077 for Telecommunications, and an increase of \$1,659 for Security. DOES' budget proposal recognizes savings from the elimination of 4.2 FTEs, accounting for a decrease of \$276,577 in Local funds. This adjustment includes the reassignment of 3.0 FTEs to the Office of Contracting and Procurement. The agency also leverages savings from streamlining its operations pertaining to adult and youth programs in the Workforce Development division, thereby reducing the budget by \$5,610,016 in Local funds.

In Federal Grant funds, the budget proposal includes a decrease of \$1,089,357 that aligns the budget with Fixed Costs projections from DGS and OCTO. These adjustments include reductions of \$72,444 for Energy, \$76,559 for Telecommunications, \$114,752 for Occupancy, \$232,540 for Security, and \$593,062 for Rent. DOES' budget proposal in Federal Grant funds eliminates 18.1 FTEs and reclassifies funding for 24.0 FTEs to SPR funds. These adjustments accounts for a decrease of \$1,725,301 from the personal services budget in Federal Grant funds. Also in Federal Grant funds, a decrease of \$10,214,752 across nonpersonal services aligns the budget with projections for grant awards. Projected grant awards to be received from Unemployment Insurance and UI Modernization Incentive Stimulus grants are the driving forces that led to the decrease to this appropriated fund. \$7,000,000 of these decreases will be shifted to Capital funds.

The agency's budget proposal in SPR funds includes a reduction in nonpersonal services across multiple divisions in the amount of \$8,253,681. This reduction offsets increases made to personal services and aligns the budget proposal with projected revenues.

### **Mayor's Proposed Budget**

**Enhance:** The budget proposal in Local funds is increased by \$9,335,921 in the Workforce Development division. Of this amount, \$4,500,000 supports the DC Career Connections program, which serves out-of-school young adults to assist them with employment opportunities, transportation support, skills training, and performance incentives. The remaining \$4,835,921 supports the Marion Barry Summer Youth Employment program to accommodate up to 1,500 more young adults that seek employment for the six-week program period. The agency will receive an additional \$79,217 in Local funds in the Unemployment Insurance division, which will be used to support the Unemployment Profile Act of 2015. DOES will serve unemployed and underemployed District residents as the agency identifies workforce needs and recommends ways to improve job-training programs and employment outcomes. An additional adjustment includes an increase of 2.0 Full-Time Equivalent (FTE) positions in the Workforce Development division. These costs will be absorbed within the proposed budget.

**Transfer-Out:** The department will transfer 1.0 FTE and \$91,819 in Local funds from the Agency Management division to the Executive Office of the Mayor to support the Mayor's Office of Community Relations and Services (MOCRS) within the Office of Community Affairs program.