

# 2014-16 Strategic Plan

## Department of Labor and Industry [181]

### Mission

It is the mission of the Virginia Department of Labor and Industry to make Virginia a better place to work, live, and conduct business by promoting safe and healthy workplaces; protecting children from hazardous employment; developing job training opportunities through registered apprenticeship; supporting best employment practices; and assuring safe operation of boilers and pressure vessels.

### Vision

Virginia's workplaces will be safer and more productive through sound occupational safety and health practices, and employers will have opportunities to develop a skilled workforce. Children will be protected from working in hazardous occupations, while employers and employees will be protected by fair enforcement of labor laws. Virginians will be protected from the dangers of unsafe boiler and pressure vessel operation.

### Values

- Believing in the importance of our work;
- Possessing and encouraging a positive can-do attitude about our ability to achieve future successes;
- Maintaining a strong work ethic by keeping our word, and taking responsibility for our work and actions;
- Being consistent in the quality of our work;
- Fostering cooperation both internally and with those we serve;
- Treating all individuals professionally, equitably and with courtesy, honesty, dignity and respect;
- Making a difference for every individual or organization we serve;
- Understanding the needs and situations of others and being open to their ideas and opinions;
- Being prudent stewards of the resources given to us; and
- Knowing that the little things matter.

### Finance

#### Financial Overview

#### Finance

#### Financial Summary

The Department of Labor and Industry is funded by State General Fund Appropriations, Federal Funds from the U.S. Department of Labor, and Special Revenue Funds from various sources, including Indirect Cost Recoveries, Asbestos/Lead Project Permit Fees, Consultation and Voluntary Protection Program (VPP) Grant Matching Funds, and registration fees for the Virginia Safety and Health Conference.

#### Revenue Summary

The Department's programs contribute significant revenues to the state that offset program costs. For state fiscal year 2014, the Department's revenues represented 61% of annual agency expenditures. These revenues were a combination of fees collected in the Boiler and Asbestos programs, federal grants, and penalties collected by the Department's Virginia Occupational Safety and Health and Labor and Employment Law Divisions.

#### Biennial Budget

	2015 General Fund	2015 Nongeneral Fund	2016 General Fund	2016 Nongeneral Fund
Initial Appropriation for the Biennium	7,769,532	6,969,071	7,793,830	6,981,712
Changes to Initial Appropriation	-120,000	0	919,101	0

*(Changes to Initial Appropriation will be 0 when the plan is created. They will change when the plan is updated mid-biennium.)*

### Customers

#### Anticipated Changes to Customer Base

The Agency anticipates modest but steady growth in its customer base. The demand for skilled workers is increasing at a rate that exceeds what would traditionally be expected with a slowly expanding economic recovery. The ongoing rate of change of technology in the workplace, workforce demographics, and increased customer expectations will necessitate modifications and enhancements to the Agency's processes, services, and technological investments.

#### Current Customer List

Predefined Group		User Defined Group	Number Served Annually	Potential Number of Annual Customers	Projected Customer Trend
Child	Minors working in Virginia		7,603	7,603	Stable
Adult	Parents of minors working in Virginia		7,603	15,206	Stable
Business and Finance	Attorneys (data from Virginia State Bar website)		31,752	31,752	Stable
Employee	Employees working in Virginia (data from website of the Bureau of Labor Statistics)		3,788,200	3,811,343	Increase
Employee	Registered Apprentices (data from internal Agency database)		13,861	13,861	Increase
Employer/ Business Owner	Employer Sponsors of Registered Apprentices (data from internal Agency database)		2,004	2,004	Increase
Employer/ Business Owner	Employers in Virginia (data from website of the Bureau of Labor Statistics)		240,556	241,132	Increase
Employer/ Business Owner	Owners/Users of boilers and pressure vessels		25,000	40,000	Increase
Employer/ Business Owner	Inspection Companies that inspect boilers and pressure vessels		23	27	Increase
State Agency(s),	Safety and Health Codes Board		1	1	Stable
State Agency(s),	Virginia Apprenticeship Council		1	1	Stable

## Partners

Name	Description
Insurance Companies	Companies that insure boilers and pressure vessels.
Local county and city government officials	Officials who issue Use and Occupancy Permits.
Contract fee inspection companies	Companies that inspect uninsured boilers and pressure vessels.
Virginia Department of Health, Office of Drinking Water	This office refers hydro-pneumatic tanks (pressure vessels) for inspection.
U.S. Department of Labor	Contracted partner with the Agency for the Virginia Occupational Safety and Health Program. Provides guidance and/or oversight to the Apprenticeship and Labor Law Programs.

## Agency Goals

- **Provide for safe, healthy, and productive workplaces for Virginia workers, businesses, and the general public.**

### Summary and Alignment

This goal supports the occupational safety and health of employees, as well as supporting both the safety and health of the general public and strong families. As an aspect of basic human dignity, workers deserve to return home uninjured and well at the end of each work day or shift. Moreover, the benefits of safe and healthy workplaces extend beyond the employees. For example, safe and healthy workers earn wages, which are immediately returned to the economy through the purchase of food, housing, and other necessities, as well as through any discretionary spending. Conversely, the work-related death, serious injury, or illness of an employee has far-reaching effects. Families are stressed as they must deal with grief and simultaneously cope with the financial burdens of health care and/or funeral expenses and long-term lost income. The economy loses both the purchases and contributions of these workers. Employers, too, are impacted, as they face associated costs, such as a loss of experienced personnel, added workers' compensation expenses, and selection and training for replacement workers. Similarly, the safe operation of boilers and pressure vessels in workplaces and residential settings reduces the incidence of explosions and resulting injury or death to both workers and the public.

### Associated State Goal

Economy: Be a national leader in the preservation and enhancement of our economy.

### Associated Societal Indicator

Business Climate

### Objectives

- » **Reduce workplace injuries and illnesses.**

#### Description

Virginia Occupational Safety and Health (VOSH) compliance staff and consultants conduct inspections of worksites, identify hazards, and

work with employers to correct those hazards. The program's efforts have a significant positive impact on ensuring safer workplaces. A hazard that has been corrected, or abated, can be considered an injury prevented.

#### *Objective Strategies*

- The Agency will conduct fair and effective enforcement by inspecting worksites and issuing citations and penalties for violations of safety and/or health standards. Inspection priorities include reports of imminent danger, fatalities, catastrophic accidents, employee complaints, investigation of whistleblower activities, referrals from other government agencies and targeted areas of concern. These targeted areas of concern are a priority and are handled by issuing special emphasis programs focusing on these higher risk areas. Following these priorities are regular scheduled inspections of workplaces that are high hazard industries as determined by federal OSHA.

#### Measures

- ◆ Number of instances of occupational safety and health hazards identified.
- ◆ Percentage of occupational health/safety complaints investigated within one business day.
- ◆ Percentage of serious occupational safety and health hazards where abatement is verified within the required OSHA program timeframes.

### » **Respond quickly to all safety and health complaints.**

#### *Description*

Virginia Occupational Safety and Health (VOSH) compliance staff respond to all safety and health complaints or referrals in accordance with the United States Department of Labor, Occupational Safety and Health Administration (OSHA) requirements and the Virginia Occupational Safety and Health (VOSH) Field Operations Manual.

#### *Objective Strategies*

- The Agency will respond within one day to such complaints by inspecting worksites and issuing citations and penalties for violations of safety/health standards. Inspection priorities include reports of imminent danger, fatalities, catastrophic accidents, employee complaints, investigation of whistleblower activities, referrals from other government agencies and targeted areas of concern.

#### Measures

- ◆ Number of instances of occupational safety and health hazards identified.
- ◆ Percentage of occupational health/safety complaints investigated within one business day.
- ◆ Percentage of serious occupational safety and health hazards where abatement is verified within the required OSHA program timeframes.

### » **Eliminate or mitigate injuries, fatalities, and property damage through increasing the numbers of operational certificates issued for pressurized, temperature controlled boilers and pressure vessels.**

#### *Description*

The Boiler and Pressure Vessel Safety Division services are crucial to ensuring public safety by protecting the general public and employees in business establishments and other locations open to the general public where boilers and pressure vessels are operated. The Agency requires inspections and issues operational permits, as well as investigating complaints of faulty, inoperative, or dangerous boilers and pressure vessels, in order to avoid preventable boiler and pressure vessel hazards or incidents, which have a high potential for injury, death, and property losses.

#### *Objective Strategies*

- Investigating accidents or complaints, and assessing civil penalties.
- Offering customer assistance to educate owners/users about Virginia's laws regarding boilers and pressure vessels, and providing assistance so that customers can maintain current certificates, find inspectors, and comply with regulatory requirements. In particular, State Boiler Inspectors make compliance visits in focused areas of apartment buildings and automobile-related services to initially educate owners/users about Virginia's laws regarding boilers and pressure vessels.
- Providing inspector certification services to ensure that the individuals who perform specialized tasks are qualified and maintain high standards of technical competency. We also certify boilers and pressure vessels at an established frequency to ensure that they are safe to operate and in compliance with laws and regulations.
- Sharing information with local building officials, partnering with insurance companies, and identifying overdue inspections with an emphasis on owners and operators with non-compliant equipment.

#### Measures

- ◆ Number of inspection certificates issued for boiler and pressure vessel objects.

- **Enhance the development of highly skilled workers for Virginia's economy.**

- Summary and Alignment**

- Virginia's registered apprenticeships elevate levels of educational preparedness by training workers who will provide a skilled workforce for employers. These skilled workers will pay taxes, purchase goods and services, such as housing, food, clothing, and other necessities, as well as discretionary purchases. It facilitates the employers' ability to grow their businesses and to continue employing workers.

- Associated State Goal**

- Economy: Be a national leader in the preservation and enhancement of our economy.

- Associated Societal Indicator**

- Employment Growth

- Objectives**

- » **Increase the awareness of registered apprenticeship credentials for current and future workers and employers.**

- Description*

- One of the Agency's goals is to enhance the development of highly skilled and credentialed workers for Virginia's workforce. The Division of Registered Apprenticeship registers employer sponsors who provide career options and opportunities through registered apprenticeship training programs that create an available pool of highly skilled and credentialed workers for the sponsor, and helps align Virginia's workforce to meet, not only current, but also anticipated future employer needs.

- Objective Strategies*

- Follow-up from job fairs, college and career nights, seminars, etc.; Follow-up from Department of Labor and Industry referrals; Follow-up from telephone, e-mail, and fax inquiries, where appropriate.

- Measures*

- ◆ Cost of providing registered apprenticeship services per registered apprenticeship participant.
          - ◆ Number of net apprenticeship credentials issued annually.

- **Protect children from serious injury or death while employed.**

- Summary and Alignment**

- Protection of children from serious injury or death, while employed, safeguards Virginia's future. Working conditions that are safe and healthy for adults may not be safe and healthy for children because of their physical differences. Beyond injury, risks may be far greater for children at various stages of development, and may have long-term health effects. Workplace conditions that may be acceptable for adults may increase the health, safety, and developmental risk factors for children.

- Associated State Goal**

- Health & Family: Inspire and support Virginians toward healthy lives and strong and resilient families.

- Associated Societal Indicator**

- Child Abuse and Neglect

- Objectives**

- » **Reduce the number of children working in hazardous or unhealthy occupations in Virginia.**

- Description*

- Employment certificates are issued by the Department to minors 14 or 15 years of age. Virginia law prohibits the employment of minors under the age of 18 in specified hazardous or unhealthy occupations. An employment certificate will be revoked if the 14-year-old or 15-year-old minor's employment is found to be hazardous or unhealthy. Chapter 5 of Title 40.1 of the Code of Virginia governs the employment of minors and issuance of employment certificates.

- Objective Strategies*

- Increase the annual number of inspections at workplaces that may hire minors.

- Measures*

- ◆ Number of annual inspections at workplaces that may hire minors.

- **Provide excellent customer service through the effective performance of Department of Labor and Industry personnel.**

- Summary and Alignment**

- Providing excellent customer service through the effective performance of Department of Labor and Industry personnel supports Virginia's long-term objective of being the best managed state in the nation. The Department's employees consistently seek to provide services in the most efficient and courteous way possible, to stay ahead of trends, and to use creative and innovative approaches.

## Objectives

### » Reduce workplace injuries and illnesses.

#### Description

Virginia Occupational Safety and Health (VOSH) compliance staff and consultants conduct inspections of worksites, identify hazards, and work with employers to correct those hazards. The program's efforts have a significant positive impact on ensuring safer workplaces. A hazard that has been corrected, or abated, can be considered an injury prevented.

#### Objective Strategies

- The Agency will conduct fair and effective enforcement by inspecting worksites and issuing citations and penalties for violations of safety and/or health standards. Inspection priorities include reports of imminent danger, fatalities, catastrophic accidents, employee complaints, investigation of whistleblower activities, referrals from other government agencies and targeted areas of concern. These targeted areas of concern are a priority and are handled by issuing special emphasis programs focusing on these higher risk areas. Following these priorities are regular scheduled inspections of workplaces that are high hazard industries as determined by federal OSHA.

#### Measures

- ◆ Number of instances of occupational safety and health hazards identified.
- ◆ Percentage of occupational health/safety complaints investigated within one business day.
- ◆ Percentage of serious occupational safety and health hazards where abatement is verified within the required OSHA program timeframes.

### » Reduce the number of children working in hazardous or unhealthy occupations in Virginia.

#### Description

Employment certificates are issued by the Department to minors 14 or 15 years of age. Virginia law prohibits the employment of minors under the age of 18 in specified hazardous or unhealthy occupations. An employment certificate will be revoked if the 14-year-old or 15-year-old minor's employment is found to be hazardous or unhealthy. Chapter 5 of Title 40.1 of the Code of Virginia governs the employment of minors and issuance of employment certificates.

#### Objective Strategies

- Increase the annual number of inspections at workplaces that may hire minors.

#### Measures

- ◆ Number of annual inspections at workplaces that may hire minors.

### » Eliminate or mitigate injuries, fatalities, and property damage through increasing the numbers of operational certificates issued for pressurized, temperature controlled boilers and pressure vessels.

#### Description

The Boiler and Pressure Vessel Safety Division services are crucial to ensuring public safety by protecting the general public and employees in business establishments and other locations open to the general public where boilers and pressure vessels are operated. The Agency requires inspections and issues operational permits, as well as investigating complaints of faulty, inoperative, or dangerous boilers and pressure vessels, in order to avoid preventable boiler and pressure vessel hazards or incidents, which have a high potential for injury, death, and property losses.

#### Objective Strategies

- Investigating accidents or complaints, and assessing civil penalties.
- Offering customer assistance to educate owners/users about Virginia's laws regarding boilers and pressure vessels, and providing assistance so that customers can maintain current certificates, find inspectors, and comply with regulatory requirements. In particular, State Boiler Inspectors make compliance visits in focused areas of apartment buildings and automobile-related services to initially educate owners/users about Virginia's laws regarding boilers and pressure vessels.
- Providing inspector certification services to ensure that the individuals who perform specialized tasks are qualified and maintain high standards of technical competency. We also certify boilers and pressure vessels at an established frequency to ensure that they are safe to operate and in compliance with laws and regulations.
- Sharing information with local building officials, partnering with insurance companies, and identifying overdue inspections with an emphasis on owners and operators with non-compliant equipment.

#### Measures

- ◆ Number of inspection certificates issued for boiler and pressure vessel objects.

» **Increase the awareness of registered apprenticeship credentials for current and future workers and employers.**

*Description*

One of the Agency's goals is to enhance the development of highly skilled and credentialed workers for Virginia's workforce. The Division of Registered Apprenticeship registers employer sponsors who provide career options and opportunities through registered apprenticeship training programs that create an available pool of highly skilled and credentialed workers for the sponsor, and helps align Virginia's workforce to meet, not only current, but also anticipated future employer needs.

*Objective Strategies*

• Follow-up from job fairs, college and career nights, seminars, etc.; Follow-up from Department of Labor and Industry referrals; Follow-up from telephone, e-mail, and fax inquiries, where appropriate.

*Measures*

- ◆ Cost of providing registered apprenticeship services per registered apprenticeship participant.
- ◆ Number of net apprenticeship credentials issued annually.

## Major Products and Services

The Department of Labor and Industry is mandated by Title 40.1 of the *Code of Virginia* with the maintenance and operation over the following areas: Boiler Safety, Labor Law, Occupational Safety and Health, and Registered Apprenticeship. These areas are covered by the following programs:

**Boiler and Pressure Vessel Safety** - This inspection and certification program promotes the safety of all Virginians by overseeing regular inspections and repairs of boilers and pressure vessels covered under the Boiler and Pressure Vessel Safety Act and located in workplaces, apartments, and establishments open to the public. The Department's oversight assures the safe operation of these powerful systems. The Safety and Health Codes Board is responsible for the promulgation of the Boiler and Pressure Vessel regulations enforced by the Department.

**Labor and Employment Law** - This Division administers and enforces state labor laws governing payment of wages, minimum wage, child labor protections, equal pay, the right to work, dissemination of personal information, medical examination and testing, and certain other provisions related to the workplace. The Division, working whenever possible through mediation, seeks to help businesses and employees resolve disputes and return to work.

**Registered Apprenticeship** - This "earn-and-learn" training model is a unique, flexible training system that combines job-related technical instruction with structured on-the-job learning experiences. It meets the needs of both employers and workers by providing the opportunity for workers seeking high-skilled, high-paying jobs as a pathway to a better and more financially secure future and for employers seeking to build or maintain a qualified workforce. DOLI's responsibilities include: registering apprenticeship programs that meet federal and state standards; protecting the safety and welfare of apprentices; issuing nationally recognized and portable Certificates of Completion to apprentices; promoting the development of new programs through marketing and technical assistance; assuring that all programs provide high quality training; and assuring that all programs produce skilled competent workers.

**Virginia Occupational Safety and Health (VOSH)** - DOLI administers and enforces occupational safety and health state plan program activities in Virginia. DOLI partners with the U. S. Department of Labor - OSHA to administer the state plan agreement, as authorized for this purpose under the provisions of Section 18 (e) of the federal Occupational Safety and Health Act. The VOSH State Plan applies to all public and private sector workplaces in the Commonwealth, with certain exceptions specified at 29 CFR 1952.375, which include: federal employees, the U.S. Postal Service, private sector maritime, federal military facilities, and other federal enclaves where the state has ceded jurisdiction to the federal government. The *Code of Virginia*, § 40.1-2.1, authorizes the Commissioner of Labor and Industry to enter into such agreements with federal OSHA to assist in enforcement of the federal Act. The Safety and Health Codes Board is responsible for the promulgation of occupational safety and health regulatory standards enforced by DOLI through the VOSH Program.

- **Compliance Program** - The VOSH compliance program enforces these occupational safety and health regulations of the Safety and Health Codes Board for general industry, construction, and agricultural industries in both the private and public sectors, as well as public sector maritime. The priority of safety and health enforcement inspections are conducted as follows: reports of imminent danger, fatalities and catastrophes, complaints and referrals, accidents, and follow-up or monitoring inspections. Subsequent to these, planned inspections are also carried out through both special emphasis inspection programs, targeting specific hazards which may exist across multiple industry classifications, as well as randomly selected inspections of industries which have been classified as high hazard workplaces by federal OSHA. In addition, the VOSH Program conducts inspections for federal EPA under the demolition and renovation provisions of the asbestos NESHAP standards.
- **Asbestos Notification Program, Project Permits, and Fees, and Lead Notification Program, Project Permits, and Fees** – Each program requires all active certified asbestos contractors or licensed lead contractors, respectively, to provide written notification and any applicable fees to the Department for any abatement activity that is covered by their specific regulations.
- **The Office of Research and Analysis** – This Office is responsible for the Survey of Occupational Injuries and Illnesses, which is conducted in cooperation with the Bureau of Labor Statistics (BLS), U.S. Department of Labor, and which produces estimated injury and illness rates by industry. The annual Census of Fatal Occupational Injuries, also conducted through the BLS, provides a detailed report on all workplace fatalities.

VOSH also provides free consultative, outreach, and training services to encourage and provide assistance to Virginia's employers to enhance safety and health protections for their employees. Components of this program include:

- Consultation Services - To help employers better understand and voluntarily comply with VOSH Standards, DOLI provides free, onsite consultation services without issuing citations or penalties. This program helps employers identify and correct potential safety and health hazards.
- Other Voluntary Programs - DOLI offers two other voluntary programs to promote and recognize exceptional safety and health efforts in Virginia businesses. The Voluntary Protection Program (VPP) covers large businesses with over 250 employees at a single worksite. The Safety and Health Achievement Recognition Program (SHARP) is for small, high-hazard businesses with 250 or fewer employees. Management, employees, and VOSH work together to establish strong cooperative relationships.

## Performance Highlights

During state fiscal year 2014, the Department enhanced economic development and made Virginia a safer place to live and work. The Agency's occupational safety and health compliance staff identified 20,544 occupational safety and health hazards. The Agency's boiler and pressure vessel safety staff issued 37,710 inspection certificates for covered boiler and pressure vessel objects. The computed cost of providing registered apprenticeship services was approximately \$65 per registered apprentice.

## Staffing

Authorized Maximum Employment Level (MEL)	191
Salaried Employees	146
Wage Employees	9
Contracted Employees	7

## Key Risk Factors

**Funding:** The 2008-2009 recession, with its subsequent resulting slow economic recovery, continues to place constraints on the federal and state funding of Agency programs.

**Information Technology Demands:** Increasing technology changes and related costs present challenges to meeting technological business and security standard requirements, including infrastructure, equipment, software, and development expenditures.

**Workforce Impact:** DOLI has experienced a variety of significant ongoing challenges in recent years, chief among them, the impact of continued statewide budget crises and resulting Agency funding shortfalls. This situation has been exacerbated by the increased state unemployment rate since 2009, initially due to the recession, and then compounded by a continued slow economic recovery. This has resulted in a significant number of vacant Agency positions left unfunded or unauthorized to be filled. An additional factor, albeit not unique to DOLI, is an aging workforce. In an agency where personal services constitute 72% of the total Agency budget this takes on greater significance. As more and more of DOLI's most qualified workers retire or are nearing retirement, there is cause for serious concern because their departure results in a loss of significant institutional knowledge and expertise, leaving vacancies to be filled by younger, less experienced workers, who require training and/or other certifications. Subsequently, it is difficult to retain these younger highly skilled employees, due to non-competitive compensation, when compared with similar positions in the federal government or the private sector. Therefore, continued efforts to maintain open and frequent communication and support are imperative for the long term retention of existing younger staff, and to implement effective succession planning.

## Management Discussion

### General Information About Ongoing Status of Agency

To the extent permitted by available resources, the Department continues to strengthen its programs, and to strive to make Virginia a safer, healthier, and more productive place to live and work. Agency employees continue to focus on greater efficiency, while increasing the effectiveness of our services that enhance economic development. The Department has partnered with other state and federal agencies, with local governments, and with private sector entities to make workplaces safer and healthier, while simultaneously lowering costs for employers.

Moving forward, the Department endeavors to:

- Further develop and refine Agency programs that make Virginia a safe, healthy, and productive place to work;
- Continue to work with employers, especially those who seek to strengthen their safety and health programs, and who understand the value and importance of employees returning safely home every night to their families;
- Work to increase the impact of the Virginia Occupational Safety and Health (VOSH) Program by multiplying the size and expertise of our Voluntary Protection Program, and eventually have workers focused on several industries located throughout Virginia;
- Improve the efficiency of the new child labor online work permitting processes;
- Work to further expand registered apprenticeship for both sponsors and apprentices, especially where opportunities arise in emerging industries, particularly in the green energy and advanced manufacturing sectors;

- Continue to be vigilant in inspecting boilers and pressure vessels to ensure safe operation and to protect the property and lives of Virginia's citizens; and
- Strengthen payment of wage collection procedures.

### Information Technology

The Department of Labor and Industry's programs and related administrative support functions are sustained by customized business application systems. Each application provides agency programs the business functionality to comply with statutory responsibilities and best management practices. The Virginia Occupational Safety and Health Program utilizes integrated software and hardware systems that have been developed, supplied, and supported by the Occupational Safety and Health Administration (OSHA) of the United States Department of Labor. The remaining programs utilize software that was developed by external contract or internal resources.

### Estimate of Technology Funding Needs

### Workforce Development

Like many other state agencies, the Department has experienced significant challenges in recent years, including recruiting and retaining qualified individuals, a limited training budget, and an aging workforce. An analysis of workforce planning data reveals that the Agency has witnessed a tremendous increase in the number of applicants for each position, many of whom do not possess the desired knowledge, skills, and abilities to effectively carry out the required duties. At the same time, the Agency continues to experience job enlargement due to the inability to recruit, or recruit successfully, for a significant number of positions. The nature of the tasks, duties, and responsibilities associated with many of the positions within the Department require skills that are very specialized, marketable, and in demand. The Agency continuously faces stiff competition from private sector organizations and federal agencies who are also seeking to hire similarly trained and skilled employees and who can offer more lucrative compensation packages.

As one means of retention, a detailed orientation program has been designed to acquaint new agency employees with the many advantages of employment within the agency. Employee satisfaction surveys and anonymous suggestion opportunities allow the agency to stay abreast of employee thoughts, concerns, and opinions as a means of retaining the most qualified employees. In an effort to expand internal skill sets and career development, cross-training opportunities are provided as well as other in-house training and leadership programs for the purpose of comprehensive workforce and succession planning, promoting teamwork, and maximizing the individual's potential. Due to the size of the Department, there are limited opportunities for internal advancement. However, the Department has also worked to establish and cultivate mentoring opportunities to assist employees with enhancing their performance in current positions.

### Physical Plant

The Department maintains a central headquarters office in Richmond within a multi-agency state-owned building. It also maintains leased regional office spaces in Henrico, Manassas, Roanoke, and Norfolk, as well as field office spaces in Verona, Lynchburg, and Abingdon, which provide services throughout the Commonwealth. All of these properties are managed/leased through the Department of General Services-Division of Real Estate Services.

## Supporting Documents

Title	File Type
-------	-----------



**Apprenticeship Program [53409]**

**Description of this Program / Service Area**

This Service Area oversees Virginia’s Registered Apprenticeship Program, implements the mandates and requirements of the Virginia Voluntary Apprenticeship law, and provides staff support for the Virginia Apprenticeship Council, which is the policy board responsible for adopting regulations for this program.

**Mission Alignment**

This Service Area directly aligns with the Department’s mission by promoting the training of skilled workers to enhance the workforce development efforts of the Commonwealth.

**Products and Services**

**Description of Major Products and Services**

The Division of Registered Apprenticeship assists private and public employers in establishing and maintaining a skilled workforce through sponsoring registered apprenticeship training programs.

This Division maintains, reviews, approves, documents, and, when appropriate, cancels registered apprenticeship agreements with sponsors.

Division of Registered Apprenticeship employees monitor the progress of registered apprentices and issue Certificates of Completion of Registered Apprenticeship for the Department at the request of the sponsor to each apprentice who successfully completes an apprenticeship.

The Division conducts Quality Assurance Assessments of registered apprenticeship sponsors, pursuant to procedures and criteria established by the Virginia Apprenticeship Council, as well as Equal Employment Compliance Reviews under the authority of Virginia’s Voluntary Apprenticeship Act.

**Anticipated Changes**

The Department anticipates that the modest but steady expansion of the economic recovery will continue to present additional opportunities for employers to utilize registered apprenticeship, as they increasingly realize this is a cost effective means to establish a pipeline of skilled and credentialed employees whom they have mentored throughout the duration of the apprenticeship training. By providing skilled and trained workers, registered apprenticeship can benefit firms that are relocating to Virginia from outside the Commonwealth. Also, workers dislocated by the recession can seek entry-level training in order to continue to enter new occupations. Incumbent employees can use registered apprenticeship to upskill for new jobs. Registered apprenticeship will provide more potential career paths for citizens of all ages and may include veterans, people with disabilities, the previously or currently incarcerated, the economically disadvantaged, or those who are entering fields that are not traditional for their gender.

**Factors Impacting**

Factors impacting program performance include assistance to multinational firms, incorporation of evolving technologies, speed of the economic recovery, and the resulting impact on training and employment, and the increasing number of non-English speaking customers.

**Financial Overview**

The Apprenticeship Program is funded by State General Fund Appropriation.

Biennial Budget

	2015 General Fund	2015 Nongeneral Fund	2016 General Fund	2016 Nongeneral Fund
Initial Appropriation for the Biennium	969,065	0	969,830	0
Changes to Initial Appropriation	0	0	940,000	0

**Supporting Documents**

**Title** **File Type**

**Labor Law Services [55206]**

**Description of this Program / Service Area**

This Service Area administers Virginia’s labor and employment laws that govern the payment of wages, minimum wage, and youth employment laws. Additionally, the Division of Labor and Employment Law enforces miscellaneous labor laws, including right to work, prevention of employment, human trafficking notices in certain establishments, polygraph, equal pay, and payment for medical exams.

**Mission Alignment**

This Service Area aligns with the Agency’s mission of making Virginia a better place in which to work, live, and conduct business by administering and enforcing laws that govern wage payments, youth employment, minimum wage, garnishee rights, discharge for work-related injuries, and other employment laws.

**Products and Services**

**Description of Major Products and Services**

The Department investigates requests for assistance from employees who have not been paid in accordance with §40.1-29 of the *Code of Virginia*; i.e., employees who have not been paid for all time actually worked, have had unauthorized deductions taken from their pay, no pay date established, or who have forfeited wages. Funding for the administration of §40.1-29 was legislatively discontinued in June 2012 and legislatively restored in July 2013. The Division began rebuilding the program in July 2013, and it is now operational.

In response to the demand for enhanced online services, a statutory change, effective July 1, 2013, changed the outdated and cumbersome process for issuing youth employment certificates for 14-year-old and 15-year-old minors by local school officials. As of September 1, 2014, such certificates are directly issued by the Agency, which allows for an automated process. The Agency also issues theatrical and solicitation permits for youth.

**Anticipated Changes**

With the reinstatement of the Virginia payment of wage legislation and the growing awareness of this by the public, the Department is realizing, and will continue to realize for the foreseeable future, a significant increase in requests for compliance assistance from employees who have not been paid in accordance with §40.1-29 of the *Code of Virginia*; i.e., for all time actually worked, unauthorized deductions from pay, no pay date established, or forfeited wages. The youth employment certificate application process now allows for an automated process by the Department. The Agency anticipates that there will be both a greater efficiency in the issuance of employment certificates for 14-year-old and 15-year-old minors, and that the number of youth employed in prohibited or hazardous occupations will decrease with the elimination of local school officials from the process. This automation will also facilitate a greater number of focused inspections by Division staff of businesses that employ youth. The Department expects that automating and changing the process will result in a permanent increase in direct requests for staff assistance from youths seeking certificates, their parents, and their employers, concerning matters which were heretofore addressed by the local school officials who are no longer part of the process.

**Factors Impacting**

As indicated previously, the growing awareness by the public regarding the reinstatement of payment of wage assistance by the Department will result in a gradual long-term permanent increase in the use of this service beyond the more immediate increase being generated by a recent number of failures of companies with substantial numbers of employees.

Due largely to the continued slow expansion of the economy, the Department will see an increase in the number of small businesses that cannot, or can no longer, afford legal counsel for guidance regarding labor and employment law issues. At present, many of these firms contact the Department for such assistance and it is anticipated that this number will increase, resulting in additional demands on current and future resources.

A direct impact of the online automation of the youth employment certificate process is that the Department anticipates receiving more inquiries and initial requests for services online, with a concurrent demand for web access to DOLI’s services and information. A secondary result of this automation will be the Division’s increased ability to conduct a greater number of field inspections of establishments that employ minors. Due to the modest but steady economic recovery, the Department anticipates little or no growth in the number of youth working, as many of the jobs that would normally be youth employment are instead being filled by a large number of out-of-work adults, when compared to pre-recession levels.

**Financial Overview**

Labor Law Services is funded by State General Fund Appropriation.

Biennial Budget

	2015	2015	2016	2016
--	------	------	------	------

	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Initial Appropriation for the Biennium	845,709	0	846,986	0
Changes to Initial Appropriation	0	0	0	0

**Supporting Documents**

**Title** **File Type**

## Virginia Occupational Safety and Health Services [55501]

### Description of this Program / Service Area

This Service Area administers occupational safety and health activities in Virginia according to the Virginia State Plan agreement between the Virginia Occupational Safety and Health (VOSH) Program and the USDOL Occupational Safety and Health Administration (OSHA), as required by § 40.1-1 of the *Code of Virginia*, for general industry, agriculture, construction, and the public sector. The federal Occupational Safety and Health Act of 1970 requires OSHA to enforce its regulations throughout the country, except in states that have applied and received approval from OSHA to operate a State Plan for occupational safety and health. Virginia received its approval as a State Plan state in 1988.

### Mission Alignment

This Service Area directly aligns with the Department's mission of making Virginia a better place to work, live and conduct business by promoting safe and healthy workplaces, and fostering safe work practices by employers. VOSH also provides training, information, and technical assistance to employers, employees, and safety/health professionals.

### Products and Services

#### Description of Major Products and Services

VOSH monitors and assists employers in maintaining compliance with occupational safety and health laws and regulations. These efforts are accomplished via workplace inspections following work-related accidents, fatalities, imminent danger situations, employee complaints, referrals from other government agencies or planned inspections in general industry, construction, and agriculture. This responsibility covers both the public and private sectors, with the exception of employers in federal enclaves, those covered by federal agencies, or listed under § 4(b)(1) of the Occupational Safety and Health (OSH) Act of 1970 and 29 CFR 1952.375.

VOSH also offers safety and health onsite consultation to private and public sector employers, as well as providing training and technical assistance to such employers and employees, and coordinating the annual Virginia Occupational Safety and Health Conference, which is regularly attended by approximately 250 occupational safety and health professionals, employers, and employees.

High hazard companies with fewer than 250 employees overall, or at one worksite, are eligible for recognition as Safety and Health Achievement Recognition Program (SHARP) sites. Qualified companies with more than 250 workers at a worksite, with exemplary occupational safety and health programs, are also eligible for recognition via the Voluntary Protection Program (VPP). The Voluntary Protection Program uses the STAR designation for these worksites.

The Virginia Safety and Health Codes Board is the rule-making body responsible for developing regulations, enforced by the Department, which establish the occupational safety and health requirements for employees and employers. The Department provides staff support to the Board. The Department also collects data for the Annual Survey of Occupational Injuries and Illnesses and the Census of Fatal Occupational Injuries (CFOI) under a cooperative agreement with the United States Department of Labor, Bureau of Labor Statistics.

Under the guidance and direction of the Office of the Attorney General, the VOSH Compliance Division provides legal support for the program in the following areas: obtaining settlement of, or litigating contested cases that cannot be settled at the regional office level, pre-citation review of significant cases, i.e., fatalities, willful, and criminal cases, obtaining warrants when an employer denies a compliance officer access to worksites, handling subpoenas for Department personnel and records, and processing Freedom of Information Act (FOIA) requests.

### Anticipated Changes

It is anticipated that the Department will continue to encounter an ever more diverse workforce, in terms of language, age, gender, race, and nationality. Future trends indicate that the Department will probably provide services to a decreasing percentage of employers and workers who are engaged in large fixed industries. Conversely, a greater percentage of workers are, and will continue to be, employed in small firms or temporary jobs. Program services must allow for flexibility to assist where the work is increasingly contracted, outsourced, or part-time. If these trends continue over the next decade as anticipated, there will be a need for new and innovative strategies by the Department to address them.

Changing workforce demographics, especially with higher percentages of older workers, will likely influence occupational injury rates, and necessitate continuing review of existing program strategies. The Department also recognizes the need for additional outreach services for immigrant workers, especially Spanish, Korean, and Russian language speakers who may not be proficient in English, and who often work in some of the most inherently dangerous jobs. As the slowly expanding economic recovery in Virginia begins to approach what economists call "full employment," there will be a need to address an influx of young workers who were previously forced out or never able to enter the job market, or are underemployed as a result of the recession. Such workplace trends may further complicate existing occupational safety and health programs and could necessitate the development and implementation of enforcement, training, and delivery systems that are very different from those upon which the Agency relied in the past.

### Factors Impacting

Full automation of the Virginia Courts Case Information System, when completed, will enable program staff to check online the status of the Department's occupational safety and health cases in litigation in the Circuit Courts of Virginia. This will enhance the Agency's ability to pursue occupational safety and health contested cases. Some major local jurisdictions, such as Fairfax County, have not yet been added to the online system.

Other factors which may impact products and services by the Department include:

- Changes in federal information technology that are also used by the Department.
- Agency funding for occupational safety and health is tied to the federal appropriations process.
- Increasing globalization and evolving technologies, combined with a growing number of non-English speaking customers will necessitate enhancements and modifications to our products and services.
- Judicial decisions impact the Virginia Occupational Safety and Health (VOSH) Program operations, as well as continued State Plan status.
- Litigation of the Department's occupational safety and health contested cases occurs at the local level in Virginia's court system.
- Employee turnover and retention statewide due to noncompetitive salaries, especially for positions based in Northern Virginia, as well as lack of established promotional opportunities due primarily to the size of the Department and program staffing levels.

### Financial Overview

The Virginia Occupational Safety and Health (VOSH) Program is funded by State General Fund Appropriation, Federal Funds from the U.S. Department of Labor, Special Revenue Funds for Asbestos/Lead Project Permit Fees, Consultation and Voluntary Protection Program (VPP) Grant Matching Funds, and registration fees for the Annual Safety and Health Conference.

Biennial Budget

	2015 General Fund	2015 Nongeneral Fund	2016 General Fund	2016 Nongeneral Fund
Initial Appropriation for the Biennium	3,395,543	6,243,161	3,402,578	6,248,562
Changes to Initial Appropriation	0	0	0	0

### Supporting Documents

**Title** **File Type**

**Boiler and Pressure Vessel Safety Services [56201]**

**Description of this Program / Service Area**

This Service Area implements Virginia's Boiler and Pressure Vessel Safety Act (the Act), which enhances both public safety and occupational safety through monitoring the construction, installation, operation, and maintenance of boilers and pressure vessels. The Act permits the Department to certify inspectors to act on behalf of the Commissioner of Labor and Industry and conduct inspections, which serve as a basis for issuance of a Certificate of Inspection for boilers and pressure vessels.

**Mission Alignment**

This service area aligns with the Department's mission of making Virginia a better place to work, live, and conduct business through the objective of ensuring the safety of boilers and pressure vessels located in businesses, public buildings, such as schools, apartment buildings, and other structures, where both the general public and workers may be present.

**Products and Services**

**Description of Major Products and Services**

The Division of Boiler and Pressure Vessel Safety offers customer service through initial compliance visits to educate owners/users about Virginia's laws regarding boilers and pressure vessels, and assists customers in keeping certificates current, finding inspectors, and maintaining safe boilers and pressure vessels in compliance with regulatory requirements.

The Division provides thorough, consistent inspection and enforcement of laws and regulations regarding construction, installation, operation, and repair of boilers and pressure vessels, as well as investigating accidents or complaints.

This Division certifies qualified inspectors of boilers and pressure vessels to ensure that individuals who perform these specialized tasks possess the highest levels of technical competency.

**Anticipated Changes**

The Department anticipates that customer assistance requests will increase as our educational efforts succeed, previously unregistered objects are located and registered, and as partnerships expand. At present, the number of inspection companies that report inspections electronically is about 48%. It is anticipated that there will be further increases in electronic reporting by inspection companies, which will improve both efficiency and response time. Finally, the number of owners/users of boilers and pressure vessels who speak principally Korean or Spanish is rising, especially in the small business category. Response times may increase due to communication challenges.

**Factors Impacting**

It is anticipated that two major factors will impact the delivery of the products and services offered by this Service Area. These are the continued rise in the number of inspection companies that report inspections electronically, and the growing number of customers who are less than fluent in English.

**Financial Overview**

Boiler and Pressure Vessel Safety Services is funded by State General Fund Appropriation. Fees are collected and deposited to the State General Fund in support of this program.

Biennial Budget

	2015 General Fund	2015 Nongeneral Fund	2016 General Fund	2016 Nongeneral Fund
Initial Appropriation for the Biennium	515,036	0	515,036	0
Changes to Initial Appropriation	-6,923	0	-6,923	0

**Supporting Documents**

**Title** **File Type**

## Administrative and Support Services [599]

### Description of this Program / Service Area

This Service Area provides overall management direction and administrative support to the Department of Labor and Industry's other service areas.

### Mission Alignment

This Service Area directly aligns with the Department's mission of making Virginia a better place in which to work, live and conduct business by providing effective and efficient administrative and resource support to achieve the Agency's mission, while ensuring full compliance with all applicable state and federal rules and regulations, laws, and executive orders.

### Products and Services

#### Description of Major Products and Services

Accounting, budgeting, financial management, and compliance for all Agency funding streams;

Information Technology and telecommunications for all Agency programs;

Human resource services, including staff recruitment and retention, training, benefit administration, dispute resolution, implementation and evaluation of fair employment practices;

General Services, which incorporates asset management, contract management, purchasing, facilities management, and general service support; and

Regional/Field Office Administrative Support.

#### Anticipated Changes

The reduction of funding at the state and federal levels will continue to require vigilance and ever more efficient use of scarce Agency resources to fulfill all of the Department's mandated missions. The Commonwealth continues to be one of the more attractive states for residence by recent foreign immigrants. The influx of these new residents will continue to increase the number of customers to whom the Department provides assistance, resulting in the need to direct greater efforts and resources toward providing services in multiple languages to address the needs of these non-English speaking customers.

#### Factors Impacting

As it has for well over a decade, the Department continues to experience substantial and repeated funding reductions in both state appropriations and in federal grants funding, despite the significant multi-year increase in demand for Agency services. This has directly impacted staffing availability resulting in a major decrease in the number of Agency employees in terms of approved and funded FTE positions. It has also caused significant salary compression which, over time, has compounded the loss of experienced long-term employees who leave the Agency for more lucrative employment elsewhere. In general, allocations for technology, staff training, and salaries have fallen far behind the pace of the rising costs of doing business in the Commonwealth.

The Department has historically been engaged by an ever-increasing cohort of customers who are unilingual Spanish speakers. As resources have permitted, DOLI has developed Spanish translations of the Agency website and made informational posters and other materials available. In addition, designated DOLI offices provide access to phone translation services. To a lesser degree, DOLI is now increasingly encountering unilingual customers who speak primarily Korean or Russian, for which no such support infrastructure is available, due to lack of resources.

For over 20 years, the Department has expanded services to a continually increasing number of customers, even with far fewer employees and greatly diminished resources. The Department's annual 2014-2016 Base Budget is approximately \$14.7 million with, at present, 149 Full-Time Equivalent (FTE) positions filled. By way of comparison, the Department's Maximum Employment Level (MEL) has declined from 227 in 1992 to its current level of 191.

For an Agency which traditionally has had, and continues to have, little or no marginal resources to offset such FTE and funding shortfalls, the workload for all programs has significantly increased beyond what current resources can efficiently and effectively process. Of the 42 current vacancies, 30 are unfunded. Of these 30 unfunded vacancies, eight (8) are part of the 11 vacant benchmark VOSH inspector positions. These positions are required under the state plan agreement with the federal Occupational Safety and Health for the enforcement of occupational safety and health in the Commonwealth.

Between 1992 and the 4th quarter of 2013, DOLI experienced a 29% loss in agency staff while the total number of all employees in Virginia under the Department's jurisdiction increased from approximately 2.27 million to 3.66 million, a 61% increase. Similarly, the number of all private and public sector employers has increased from approximately 153,800 to 233,800, a 52% increase.

### Financial Overview

Agency administrative and support services are funded by State General Fund Appropriation and Nongeneral Indirect Cost Recovery Funds.

Biennial Budget

	<b>2015 General Fund</b>	<b>2015 Nongeneral Fund</b>	<b>2016 General Fund</b>	<b>2016 Nongeneral Fund</b>
Initial Appropriation for the Biennium	2,044,179	725,910	2,059,400	733,150
Changes to Initial Appropriation	-113,976	0	-13,976	0

**Supporting Documents**

**Title** **File Type**