

Oklahoma Senate Committee on Appropriations

2013-14 Performance Report

Oklahoma Employment Security Commission

AGENCY MISSION STATEMENT:

**Mission:**

Enhance Oklahoma's economy by:

- **matching jobs and workers** to increase the efficiency of local labor markets,
- **providing Unemployment Compensation** to support unemployed workers and their communities,
- **preparing a skilled workforce** to enhance and align their skills to meet local labor market needs,
- **gathering, analyzing and disseminating information** about the labor force to improve local economic decisions.

This mission statement was adopted many years ago under the former Executive Director, Mr. Jon Brock.

LEAD ADMINISTRATOR:

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GOVERNANCE:

The Oklahoma Employment Security Commission is the controlling body of the agency. It consists of five Commissioners. Two represent labor, two represent employers and the chairman represents the public. The Governor appoints the commissioners to staggered six year terms. Each Commissioner must be approved by the Senate. The Commissioners are not compensated and are responsible for hiring the Executive Director who is the person who controls the day to day operations of the agency. The Executive Director serves at the pleasure of the Commission. The current members of the Commission are:

Chairman – Rev. W.B. Parker  
Commissioner – Dr. Douglas Major  
Commissioner – Rev. Michael Wester

Commissioner – Ms. Shannon Davies  
Commissioner – Sen. Mike Fair

GOVERNANCE ACCOUNTABILITY:

There is no attendance policy for Commissioners, but the current Commissioners take their jobs seriously and make every effort to attend all the meetings. They miss only when professional or family obligations prevent them from attending.

MODERNIZATION EFFORTS:

On January 1, 2010, the EZ Tax Express was made available to all employers. This is a secure way for employers to file their quarterly unemployment taxes electronically with the Commission. This service is provided free by the OESC and it allows employers to input the information required on the quarterly report directly into the mainframe computer of the OESC. The payment of taxes due can be done through an electronic fund transfer. This saves time and money for the employer and the OESC, it is more secure than mailing a paper form, and transcription errors are greatly reduced.

During the past several years, OESC has trained eight individuals to facilitate teams to look at ways they can eliminate waste and save money and resources. The following are some of the areas that the OESC has made improvements in:

- Changed from a paper approval system on time summaries. This improvement saved the cost of the paper and toner from printing the time summary as well as staff time to physically deliver the document to their supervisor. We no longer need the storage space in multiple file cabinets for all the paper. This improvement allows us to send all this electronically and store in a smaller amount of space volumes of previous printed out documents.
- OESC has established a team lead by several facilitators that are looking at all forms printed and provided to claimants, employers, employees and other customers to review them to see what can be provided electronically. This project is not complete but several forms have already been reviewed and changed to the electronic format.
- One project by our workforce centers throughout the state was to look at the supply ordering process and they were able to establish a process to store less supplies but still maintain a level for employees to perform their jobs with the supplies they need.
- In addition several departments are currently working on reviewing their current process with a lean facilitator to look at ways to be more efficient and do more with less.
- Currently the lean facilitators are working on developing a training program for middle management to be done this summer to teach them more about Lean. The goal is to expand on this training to other employees over time.

CORE MISSION:

The OESC is entirely funded by federal grants from the US Department of Labor. Each grant has its specific purpose and the OESC is routinely audited by state and federal auditors to ensure that the grant money is being spent according to the provisions of the grant document. If the OESC were to engage in activities outside of its core missions, the cost to perform those services would be disallowed and the portion of the grant funds used to pay for the services would have to be repaid to the federal government using money drawn from state revenue. The OESC is unaware of any services being performed outside of its core mission or grant rules. The OESC is unaware of any service it provides which is duplicated or replicated by another agency.

PRIVATE ALTERNATIVES:

There are no private sector firms that perform the core services of the OESC, with the partial exception of the Employment Service. It is a partial exception because the private firms that conduct job matching services have major differences from the OESC in the delivery of their service. First, the OESC charges neither the employer nor the job seeker for its services, where the private firms charge either one or both depending on the firm's business model. Second, most private firms limit their services to certain educational levels, skill levels or industry types, where the OESC provides across the board services to all employers and job seekers. Third, the private firms do not maintain a statewide system of offices and free access to the Internet to allow customers to search any job matching site or follow up on any job prospect, regardless of the source. Fourth, no other job matching entity has the longevity of the OESC in Oklahoma communities. The OESC has not been approached by any foundation, for profit, or not for profit corporations to inquire about privatizing any of the functions of the agency.