August 11, 2017

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Kentucky Labor Cabinet
Office of the Secretary
1047 U.S. Highway 127 South
Frankfort, KY 40601
August 11, 2017

Greetings!

I am pleased to present the Kentucky Labor Cabinet’s Business Plan 2017-2019.

As humble servant leaders of the Commonwealth, my team and I set out to craft a working business plan that meets the need of our diverse constituents, projects future needs based on current trend data, explores innovations in labor and workforce issues in the United States and abroad, and maximizes and safeguards Kentucky’s resources. We asked for and received valuable input from our many stakeholders, including members of our workforce, high school students preparing for a career, new and emerging businesses in Kentucky, and other state and local government leaders.

To ensure we build a strong foundation and draw from the wisdom and experience of those who have gone before, we include a brief history of labor in Kentucky. We provide our readers with the statutes that guide our work, in tandem with our mission statement and current accomplishments to illustrate strong fidelity to those responsibilities. Our vision is bold, dynamic and inviting—a desired state that we strive to meet and exceed. Our core values speak to how we engage with one another as a working team, as well as how we interact with our stakeholders through accountability, creative problem-solving, and reinforcement of the unbridled spirit unique to Kentucky. Our plan is a working plan with priorities, goals, assignments and performance measures to be assessed on a quarterly basis.

The entire Labor Cabinet is committed to our role in fulfilling our statutory functions and to providing all with the highest quality customer service. We toil daily to hit targets with meaningful deliverables and make working in Kentucky desirable, rewarding and safe.

We welcome your input as we forge ahead!

Sincerely,

Derrick K. Ramsey
The Labor Cabinet Focus

Mission Statement

The Kentucky Labor Cabinet’s mission is to advance a well-trained workforce, protect the worker, compensate the injured, promote employer excellence, and ensure Kentucky’s place as the hub of workplace innovation and distinction in America and around the world.

Vision Statement

The Kentucky Labor Cabinet will ensure that Kentucky is the place for all to work, thrive and succeed. We will accomplish this by:

• building the safest, healthiest and most robust workforce;
• educating every employer in safety and skills;
• forging strong, lasting partnerships between government, employers and employees;
• and, ensuring a fair and level playing field for all.

Come be a part of greatness!

Core Value Words & Statements

Accountability
Employee Engagement
Listening
Problem Solving
Creativity/Innovation
Integrity
Transparency
Teamwork
Culture

1. Accountability- We are fair, impartial, and responsive servant leaders.

2. Problem-Solving- We anticipate and solve problems through creative governance, community partnerships and internal teamwork. We encourage collective excellence!

3. Culture-We elevate and show case the unique spirit and culture of Kentucky.
History of Labor in Kentucky

1789 Kentucky Manufacturing Society organized in Danville to make cotton cloth and stockings

1793 The first tobacco factories are established in Lexington

1802 The Kentucky Insurance Company is established

1806 The Bank of Kentucky is chartered

1834 The Kentucky General Assembly considers labor-related legislation for Northern Kentucky mechanics

1835 Louisville printers join other cities in supporting a Washington strike against the Government Printing Office

1857 Kentucky Association of Teachers organizes in Louisville

1858 Kentucky Association of Teachers incorporated by act of General Assembly

1860 National labor representatives meet in Louisville to adopt anti-secession resolutions

1863 State Court of Appeals rules workers have the right to form associations

1865 Kentucky Association of Teachers reorganizes and becomes the State Teachers Association of Kentucky

1876 The Knights of Labor organizes its first known Kentucky walkout at Atkinson Mine in Western Kentucky

1877 The Great Railroad Strike of 1877 begins in West Virginia and impacts much of the nation; demonstrates the power of workers in combination to challenge the status quo

1879 Gov. Luke Blackburn denounces the employment of convict labor in competition with free labor

Courtesy Ohio History Central: “Great Railroad Strike of 1877”

Page 5
1884 The Kentucky Department of Mines and Minerals is established

1885 The National Federation of Mines and Mine Laborers forms and pushes for collective bargaining

1886 The importation of convict labor breaks Knights of Labor strike in Pulaski County

1886 Union Labor Party formed in Kentucky

1886 First Child Labor Law introduced

1887 Louisville Woolen Mills goes on strike; becomes first predominantly female strike in Kentucky

1890 The Kentucky Constitutional Convention considers a measure that bans convict labor in competition with free labor

1891 Kentucky current constitution, its fourth, is adopted, which created the Office of Commissioner of Agriculture, Labor, and Statistics

1894 The General Assembly enacts measures requiring payment of workers in lawful money, stipulates convict-made goods are to be so identified, and prohibits children in “immoral, dangerous, or demeaning occupations”

1898 The General Assembly passes a statute making it illegal to “coerce or require” employees to buy supplies from any particular store

1899 The Louisville Building Trades Council is established

1900 Kentucky unions convene in Louisville to create Kentucky Federation of Labor

1901 The Kentucky Consumers’ League forms and begins to expose poor working conditions; eventually its efforts create factory inspectorship

1902 The Legislature creates the Office of Labor Inspector in the Bureau of Agriculture, Labor, and Statistics

1902 Labor Day becomes an official state holiday in Kentucky

1904 The Child Labor Law is amended to prohibit girls under sixteen from working at night

1906 Laws that regulate the inspection of miners’ oil are enacted (poor quality could result in suffocation from the fumes)

1911 154 workers, mostly young women, die in a fire at the Triangle Waist Company in New York, leading to the first serious safety laws for working people

1913 The U.S. Department of Labor is established

1914 The General Assembly passes the Kentucky Child Labor Law and the state’s first Workers’ Compensation Act

1916 Production of Henry Ford’s Model T begins at new plant in Louisville, with an average of 53 employees producing 7,000 vehicles per year
1886 First Child Labor Law Introduced

1904 Girls under sixteen prohibited from work at night

1916 Production of Henry Ford's Model T begins at new plant in Louisville, with an average of 53 employees producing 7,000 vehicles per year.
1917-1918 Louisville clothing workers conduct a successful 24-week walkout against the firm of Shymanski and Sons

1919 Kentucky workers participate in a nationwide steel strike

1924 Gov. William Fields re-organizes the Department of Labor from the Bureau of Agriculture, Labor, and Statistics

1924 A strike begins when miners from 90 Western Kentucky mines walk out; the strike lasts a year but ends unsuccessfully

1931 United Mine Workers attempt to organize in Eastern Kentucky, resulting in the "Battle of Evarts" that leaves a sheriff, two deputies, and a miner dead. More killings earn the area the nickname "Bloody Harlan"

1931 Davis-Bacon Act provides for prevailing wages on publicly funded construction projects across the United States

1932 The Norris-LaGuardia Act outlaws the practice of "Yellow Dog" contracts that made workers promise not to join a union

1934 The Kentucky Dept. of Agriculture, Labor, and Statistics is established to protect the interests of labor

1936 Gov. A.B. Chandler establishes the Dept. of Industrial Relations, bringing the Workman's Compensation Board, the Industrial Safety Board, and the Apprenticeship and Training Council under one agency

1938 The State Industrial Union is organized in Lexington

1940 Gov. Simeon Willis puts Kentucky's first minimum wage order into effect

1941 The first teachers' union in Kentucky forms in Louisville

1960 Prevailing Wage Board established in Kentucky

1962 The Dept. of Agriculture, Labor, and Statistics becomes the Dept. of Agriculture, and the Dept. of Labor replaces the Dept. of Industrial Relations to administer all functions of the state concerned with employee-employer relations

1962 Gov. Bert T. Combs appoints Dr. Carl Cabe the first commissioner of the newly created Department of Labor

1966 The General Assembly passes legislation to increase teachers' salaries by rank and experience

1972 Legislature adopts state plan to meet requirements on the Federal Occupational Safety and Health Act

1973 Brookside Mine in Harlan County garners national attention when families go to jail for picketing
Celebrating a century of economic impact in Kentucky

By Frank Goad

(Editor's note: This story was published as part of a special report commemorating Ford's 100th Anniversary in Louisville that was inserted into the July issue of The Lane Report. Click here to download the full report.)

Kentucky is a state renowned internationally for fast horses and fine bourbon. For 100 years, Kentucky also has been home to auto manufacturers who, focused on horsepower and staying power, have vastly overshadowed the state's signature business sectors. Few companies have touched as many lives as the Ford Motor Company, and even fewer Kentucky companies are so intertwined with the nation's history.

Henry Ford said, "But to do for the world more than the world does for you — that is success."

Ford innovated advanced manufacturing in Kentucky with the innovative and then state-of-the-art motor vehicle assembly line. In the years since, the company has lived his words through investment in its Louisville facilities, adding people to the payroll, and indi rectly creating thousands more jobs at the support firms that supply Ford with goods, services and workers.

Ford's Louisville plants have employed tens of thousands of people. Today, the Louisville operations directly employ nearly 9,000 workers, and more than 7,000 local retirees receive benefits from their careers with Ford. The economic and social impact over its 100-year history in Kentucky is nearly immeasurable.

From "Ford Motor Company— 100 years of advanced manufacturing in Kentucky," by Frank Goad, Lane Report, July 17, 2013.
2013 Senate Resolution 100 recognizes and congratulates Ford Motor Company on the 100th anniversary of building cars and trucks in Louisville.

2014 Senate Bill 28 amends Kentucky Revised Statutes 343.010 defining an apprenticeship agreement as a written agreement between an apprentice and an apprentice's program sponsor, and contains the terms and conditions of the employment and training of the apprentice. See Acts, .008.
KENTUCKY WORKERS’ COMPENSATION

100 Years of Compromise and Evolution

A brief overview

In 1916, the first constitutional Kentucky Workers’ Compensation Act was enacted. The first modern Workers’ Compensation Act was passed in Germany in 1871. The first Workers’ Compensation Act in the United States was passed in Wisconsin in 1911. In 1912, Governor James McCreary began working toward the passage of a Workmen’s Compensation Law in Kentucky that was eventually passed by the General Assembly in 1914. This Act was held unconstitutional in State Journal Co. v. Workmen’s Compensation Board, 162 Ky. 387, 162 S.W.674 (Ky. 1915).

After a number of changes, the Kentucky Workmen’s Compensation Law was passed by the General Assembly in 1916 under Governor A. O. Stanley. The administrative provisions of the Act became effective April 1, 1916, and the liability provisions became effective August 1, 1916. The Act was held constitutional in Greene v. Caldwell, et al, 170 Ky. 571, 186 S.W. 648 (Ky. 1916).

The Act has continued to evolve since 1916, including, but not limited to, the following significant changes:

1934 – Coverage was extended to threshing machine operators and deaths due to the inhalation of “bad air”. Employers and employees engaged in operations causing diseases such as silicosis could voluntarily subject themselves to the Act.

1944 – Benefits were extended to any employers and employees. Previously employers with less than three employees were exempt.

1946 – Medical benefits, previously limited to a maximum payment of $100 were increased. Additionally, the ninety-day period of compensability of medical expenses was eliminated. The Subsequent Injury Claim Fund was established to encourage the employment of injured veterans returning from service in World War II.
1948 – The period of retroactive payment of benefits from the first day of injury was reduced from four to three weeks. In 1956 it was reduced to two weeks.

1950 – The loss of a hand, eye or foot was added to a list of permanent disabilities. The payment of permanent total disability benefits was extended to ten years. Permanent partial disability benefits were limited to 450 weeks.

1952 – The Act became less voluntary and more mandatory.

1956 – The payment period for permanent total disability benefits was reduced to 425 weeks. The payment period for permanent partial disability benefits was reduced to 400 weeks. Some losses such as a finger or leg were paid according to a schedule of benefits.

1958 – In Dick v. International Harvester, 310 S.W. 2d 514 (Ky. 1958), the Court held a deceased union employee was covered under the Act regarding his occupational disease although he had made no specific election for coverage.

1960 – The Subsequent Injury Claim Fund’s liability was expanded to include the effects of a dormant non-disabling disease condition aroused into disabling reality by a work-related injury or occupational disease.

1964 – The Subsequent Injury Claim Fund was renamed the Special Fund.

1972 – In a special session of the General Assembly changes effective January 1, 1973 established all benefits were to be paid for life. Coal workers’ pneumoconiosis (CWP) claims also became more significant and substantial.

1975 – In Davis v. Turner, 519 S.W.2d 820 (Ky. 1975), the Court mandated that except for employers of exempt employees, there was no option on the part of an employer to not be covered by the provisions of the Act.

1976 – In Apache Coal Co. v. Fuller, 541 S.W.2d 933 (Ky. 1976), the Court interpreted certain provisions of the Act mandated a minimum weekly benefit for either a permanent partial or total disability award, regardless of an individual’s average weekly wage.
1980 – Permanent partial disability benefits were limited to 425 weeks. Total disability benefits remained payable for life. The name of the Act was changed to the Kentucky Workers’ Compensation Act.

1987 – In an Extraordinary Session of the General Assembly held in October 1987, significant changes were made to the practice of workers’ compensation claims. Ten administrative law judges (ALJ) were appointed to be primary adjudicators of claims. The Workers’ Compensation Board (WCB) replaced Circuit Courts as the first level of appeal. The Department of Workers’ Claims (DWC) was created, and was administered by the WCB through a Commissioner. A Retraining Incentive Benefit (RIB) was created to allow benefits for individuals who demonstrated x-ray evidence of Category I CWP without respiratory impairment. The coal mining industry was required to pay a larger share of the Special Fund assessment. Apportionment percentages between employers and the Special Fund were established in certain types of claims. Employers/insurers were required to pay medical bills within 30 days of receipt. The Workers’ Compensation Nominating Commission was created to select candidates for ALJ and WCB positions. Attorney fees were capped at $6,500 for new claims, and $3,500 for reopenings.

1990 – In *Vessels v. Brown-Forman*, 793 S.W.2d 795 (Ky. 1990), the Court held review of decisions by the WCB was not equivalent to review by a Court. Therefore, workers’ compensation decisions are entitled to review by the Kentucky Supreme Court as a matter of right rather than by discretionary review.

1990 – Attorney fee caps were removed. The number of ALJs was increased to 15. 18% interest was permitted where TTD benefits were denied, delayed or terminated without reasonable foundation.

1994 – Authority to administer the Workers’ Compensation Act was removed from the WCB and placed with the Commissioner. The WCB became solely an appellate body. The definition of physician was expanded. Special Fund liability was capped at 50% in all claims. PPD benefits were capped at double the impairment rating if an employee returned to work at equal or greater wages. “Tier down” provisions were applied to reduce income benefits at age 65. Mental/mental claims were excluded from coverage. Working miner RIB claims were eliminated.
The number of ALJs was increased to 16 with one designated as Chief ALJ. The Assigned Risk Pool was eliminated, and Kentucky Employer's Mutual Insurance was established.

1996 – An Extraordinary Session of the General Assembly was held in December 1996. The WCB was to be abolished in four years. An informal resolution system with arbitrators was created allowing for appeals to ALJs. Limitations were placed upon reopenings. Attorney fee caps were applicable to plaintiff and defense attorneys, with a cap of $2,000 in practice before arbitrators and $10,000 before ALJs. Enhancements and reductions to PPD awards were applicable based upon return to work or loss of physical capacity. Hearing loss claims were limited. The Special Fund was abolished for claims arising after December 12, 1996.

2000 - The WCB was retained as an appellate body. The arbitrator system was abolished. Statutory grid factors for PPD awards were increased. The safety penalty attributable to an employer was increased to 30%. Attorney fees were capped at $12,000. The number of ALJs was increased to a maximum of 19. The Special Fund was renamed the Division of Workers' Compensation Funds.

2002 - Adjudication of CWP Claims was changed to include a consensus process.

2004 - Minimum financial standards were established for self-insured groups.

2006 – A guaranty fund was established to pay claims occurring prior to the creation of the self-insurance guaranty funds created on March 1, 1997.

2007 – The deposit of funds by public sector self-insured employers was modified. Drug-free workplace programs were authorized. The Medical Fee schedule was modified.

2008 – A study of the 6th Edition of the AMA Guides was authorized.

2010 - The 5th Edition of the AMA Guides was authorized rather than the “latest” edition. The 2nd Edition of the AMA Guides was authorized for the assessment of psychiatric impairments.

2011 – In Vision Mining v. Gardner, 364 S.W.3d 455 (Ky. 2011), the Court declared the consensus process for adjudicating CWP claims violated due process and was unconstitutional.

Current practice consists of the same basic framework established in 1987 with the above modifications. Changes to procedure required by electronic filing of pleadings, coupled with constant re-interpretation of the Act by the Workers’ Compensation Board, the Court of Appeals and Supreme Court re all manifestations of the continuation of 100 years of evolution and compromise of the Workers’ Compensation Act in Kentucky.

Michael W. Alvey
Kentucky Workers’ Compensation Board, Chairman
336.040 Functions and duties of Labor Cabinet.

(1) The Labor Cabinet shall exercise all administrative functions of the state concerned with employer-employee relationships, including the safety of workers and workers' compensation.

(2) The cabinet shall:
   
   (a) Promote friendly and cooperative relations between employers and employees;
   
   (b) Accumulate and publish industrial statistics and aid and encourage the development of new industries and the expansion of existing industries in Kentucky;
   
   (c) Encourage, promote, and develop fair practices both by employers and employees; discourage and eliminate as far as practicable all unfair practices by either; and enforce laws relating to unfair practices;
   
   (d) Foster, promote, and develop the welfare of both wage earners and industries in Kentucky;
   
   (e) Improve working and living conditions of employees, and advance their opportunities for profitable employment; and
   
   (f) Inquire into the causes of accidental injuries and occupational diseases arising out of and in the course of employment, and advance measures for the prevention of accidents and occupational diseases and for the improvement of sanitary conditions in places of employment.

Effective: July 15, 2010


(1) The secretary of the Labor Cabinet shall have the duties, responsibilities, power, and authority relating to labor, wages and hours, occupational safety and health of employees, child labor, apprenticeship, workers' compensation, and all other matters previously under the jurisdiction of the Department of Labor.

(2) The Labor Cabinet shall consist of the Office of the Secretary, the Department of Workers' Claims, and the Department of Workplace Standards.

(3) The following agencies are attached to the cabinet for administrative purposes only:
   (a) Kentucky Occupational Safety and Health Review Commission;
   (b) State Labor Relations Board;
   (c) Workers' Compensation Funding Commission;
   (d) Occupational Safety and Health Standards Board;
   (e) Apprenticeship and Training Council;
   (f) Employers' Mutual Insurance Authority;
   (g) Office of General Administration and Program Support for Shared Services, which shall be headed by an executive director appointed by the Governor in accordance with KRS 12.040 upon recommendation from the secretaries of the Energy and Environment Cabinet, the Labor Cabinet, and the Public Protection Cabinet. The office is composed of the following divisions:
      1. Division of Human Resource Management;
      2. Division of Fiscal Management;
      3. Division of Budgets; and
      4. Division of Information Services;
   (h) Office of Inspector General for Shared Services, which shall be headed by an executive director appointed by the Governor in accordance with KRS 12.040 upon recommendation from the secretaries of the Energy and Environment Cabinet, the Labor Cabinet, and the Public Protection Cabinet; and
   (i) Workers' Compensation Nominating Committee.

Effective: June 29, 2017


Legislative Research Commission Note (6/29/2017). This statute was amended by 2017 Ky. Acts chs. 3, 60, and 83, which do not appear to be in conflict and
Organizational Structure
Defining Mission

Our mission statement defines our core reason for existence. It ensures fidelity to daily work processes, and serves to limit the scope of new projects taken on by the agency following the parameters created by the mission. The statement is brief and easily internalized by employees and stakeholders alike. With a simple glance, it sets our agency apart from other entities and accentuates core function and deliverables.

The Kentucky Labor Cabinet’s Mission

The Kentucky Labor Cabinet’s mission is to advance a well-trained workforce, protect the worker, compensate the injured, promote employer excellence, and ensure Kentucky’s place as the hub of workplace innovation and distinction in America and around the world.

Kentucky Labor Cabinet Secretary Derrick Ramsey drafts a mission.
Kentucky Labor Cabinet
2015-2017
Events & Milestones

July 1, 2017  LMS becomes mandatory for filing workers' compensation claims
May 2, 2017  Kentucky OSH inspectors save businesses $609,000 in fines through consultative visits
April 4, 2017  Labor Cabinet conducts 27 free on-site visits for employers
April 4, 2017  KEES money available for students seeking Registered Apprenticeships/signed by Governor
March 27, 2017  Governor & Secretary Ramsey participate in European Apprenticeship Study
March 21, 2017  Division of Registered Apprenticeship/ signed into law by Governor Bevin
March 15, 2017  Judge Robert Swisher appointed to serve as Commissioner of Workers' Claims
March 2, 2017  Justice to Journeyman Reentry Program unveiled
January 23, 2017  KY Businesses set all-time low occupational injury rate
January 4, 2017  Wage & Hour Division meets goal: Collects $1,922,179 in unpaid wages
January 1, 2017  Governor Bevin appoints five new Administrative Law Judges
November 14, 2016  Apprenticeship Week Kentucky
October 24, 2016  KY Labor Cabinet Wins $896,600 Apprenticeship Grant
October 15, 2016  Litigation Management System (LMS) is operational for e filing
October 10, 2016  KY Labor Cabinet Launches Unpaid Wages Report
October 4, 2016  Mubea Celebrates 100th Anniversary & Apprenticeships
September 12, 2016  Gov & Secretary Launch Apprenticeship Campaign
July 7, 2016  Claims Litigation Mgmt. System Tour Announced
July 1, 2016  Accelerator Grant Awarded
March 23, 2016  NWC Celebrates 100th Anniversary Workers' Comp Act
March 14, 2016  Commissioner Dimenyo Appointed
December 11, 2015  Deputy Secretary Nemes Appointed
December 2, 2015  Secretary Ramsey Appointed by Governor Bevin
Fidelity to Our Mission from the Beginning

ADVANCE A WELL TRAINED WORKFORCE

Labor Cabinet Receives $896,600 Apprenticeship Grant

Jarred Hensley, Jarred.Hensley@ky.gov (tel:502-564-3219) FRANKFORT, Ky. (Oct. 24, 2016) — The U.S. Dept. of Labor has announced over $502.5 million in grant awards to 37 states to help expand apprenticeship opportunities across the U.S. — including $896,600 for Kentucky.

The proposal calls for a workforce pipeline to be created in Kentucky, increasing the number of Registered Apprentices by 1,300 individuals, including women, minorities, 16-24 year olds, individuals age 45+ or older, veterans, and people with disabilities.

"In Kentucky we recognize the value of apprenticeships and the vital role they play as the Commonwealth works to become the manufacturing hub of excellence in America," said Gov. Bevin. "Employers across the state are in need of skilled laborers, and this funding will help train a workforce ready to fill that need. By recommitting ourselves to fully embracing the power of apprenticeships, we place ourselves in the best position to move Kentucky forward."

"Receiving this funding is critical to the Labor Cabinet’s goal of expanding the scope of industries with Registered Apprenticeships," Labor Sec. Derrick Ramsey stated. "We’re very proud of the approximately 1,100 employers and 150 different programs that already exist here in Kentucky, but this award will play an important role in growing those numbers. Kentucky is working toward becoming the manufacturing hub of excellence in America, and I’m proud that this vision is being endorsed by this grant award."

U.S. Senate Majority Leader Mitch McConnell, who contacted U.S. Secretary of Labor Thomas Perez on behalf of the Kentucky Labor Cabinet, said, "there is a shortage of skilled workers in Kentucky in a number of critical industries, and this competitive funding will help the Kentucky Labor Cabinet implement employer-driven training programs for Registered Apprenticeships in the healthcare, manufacturing, and construction industries. This important project could significantly benefit those seeking a path to employment and meet the demand for skilled labor in an effort to make Kentucky a more competitive place for employers to locate and expand. I was happy to work with Governor Bevin and the Kentucky Labor Cabinet to help secure this important grant."
Fidelity to Our Mission from the Beginning

PROTECT THE WORKER

Labor Cabinet Collects $347,540.83 in Unpaid Wages in December

Jarrad Hensley (mailto:Jarrad.Hensley@ky.gov) 502-564-3219 (tel:502-564-3219)
FRANKFORT, Ky. (Jan. 3, 2016) – Last month, the Labor Cabinet recouped $347,540.83 in unpaid wages for Kentucky workers. This brings the total amount recovered in 2016 to $1,922,179.55.

Unpaid overtime, withheld final paychecks, illegal deductions of pay and lower pay than the legal minimum wage requirement are among the types of wage and hour violations that the Cabinet prosecutes. Other examples include unpaid breaks, time-clock shaving, mandatory tip-pooling and prevailing wage violations.

The Labor Cabinet’s Division of Wages, Hours, & Mediation is responsible for enforcing Kentucky’s wage and hour, child labor and prevailing wage laws. Enforcement typically begins upon the receipt of a complaint. Investigators are then assigned to the case to determine compliance with the state’s wage and hour laws, monitor the correction of any violations, and collect back wages improperly withheld from employees. To find out more about the Commonwealth’s wage and hour laws, please check Division of Wages, Hours, & Mediation website by clicking HERE (http://www.labor.ky.gov/divs/doesam/Pages/Divisions-of-Employment-Standards-Apprenticeship-and-Mediation.aspx). An Employment Complaint Form can be found HERE (https://apps.labor.ky.gov/onlinecomplaint/).

Marjorie Arnold, Supervisor Wage and Hour works with staff to develop a business plan.
Kentucky Businesses Set All-Time Low Occupational Injury Rate

Jarrad Hensley \( \text{mailto:Jarrad.Hensley@ky.gov} \) \( \text{tel:502-564-3219} \) \( \text{fax:502-564-3219} \) (Frankfort, Ky. [Jan. 23, 2017]) – According to a recent report (https://www.bls.gov/ltl/cshlt/osh/os/pt156ky.pdf) from the U.S. Bureau of Labor Statistics (BLS), Kentucky employers reported the lowest incident rate for nonfatal occupational injuries and illnesses in the state’s history.

Based on a mathematical calculation that describes the number of recordable incidents per 100 full-time employees, Kentucky’s rate improved from 3.8 in 2014 to 3.7 in 2015 — reflecting the most recent data available. This rate has steadily declined since it was first calculated in 1996, when a rate of 8.4 was reported.

"Improving workplace safety for all 1.5 million workers in the Commonwealth is the Labor Cabinet’s top priority," Labor Secretary Derrick Ramsey stated. "While setting an all-time low for the number of workplace injuries and illnesses is an important feat, it is also important that we stay steadfast in our mission to make the Commonwealth the safest place to work and do business in the country. We want every Kentuckian to go home safe and sound at the end of a day’s work, and maintaining a culture of workplace safety is an important foundation to accomplish Gov. Bevin’s goal of making Kentucky the engineering and manufacturing hub of excellence in the nation."

According to the BLS report, approximately 2.9 million nonfatal workplace injuries and illnesses were reported nationally by private industry employers in 2015 — resulting in 48,000 fewer injuries from the prior year. This produced a national injury and illness rate of 3.0.

Five sectors in the Commonwealth saw significant improvements in industry-specific incident rates. Comparing data from 2014 and 2015, Cement and Concrete Product Manufacturing improved by 9.8 points; Sawmill and Wood Preservation improved by 9.2 points; Nonmetallic Mineral Product Manufacturing improved by 5.6 points; Wood Product Manufacturing improved by 2.0 points; and, Machine Shops improved by 4.0 points.

The Labor Cabinet’s Division of Occupational Safety & Health Education & Training leads the Cabinet’s proactive efforts to create safe and healthful workplace conditions. This includes providing free consultative services to employers across Kentucky on ways to increase workplace safety — including how to improve injury and illness rates. Services include free on-site consultations to small employers, as well as other compliance assistance, educational materials, and class-style and online training for all employers.

Last year, the Division conducted 334 consultative surveys identifying and ensuring the abatement of 3,154 serious hazards. Also, 128 training courses were conducted, reaching approximately 4,400 attendees in response to training requests from employers.
Fidelity to Our Mission from the Beginning

ENSURING KENTUCKY’S PLACE AS
THE HUB OF WORKPLACE INNOVATION

Labor Secretary Derrick Ramsey joined officials from Span Tech, a local conveyor manufacturer, and Barren County School District to announce the creation of a new youth apprenticeship program beginning this fall.

The first of its kind in Barren County, this collaboration will enable area high school students to begin an Industrial Manufacturing Technician apprenticeship at Span Tech starting in their junior year of high school. While curriculum for the apprenticeship is still being designed, the partnership will consist of classroom instruction from the Barren County Area Technology Center with on-the-job training at Span Tech.

“When the ‘Kentucky Trained. Kentucky Built.’ apprenticeship program was launched last September, we did so with days like this in mind,” Labor Secretary Derrick Ramsey stated. “Today’s announcement showcases how community leaders are effectively coming together to address local workforce needs. Registered Apprenticeships provide a perfect avenue to fill the available jobs in today’s economy, and I want to commend Span Tech and the Barren County School District for understanding the importance of business and education collaborating to create this exciting and innovative new opportunity.”

Span Tech was started in 1978 by Bud Layne and is a small family owned business that manufactures conveyor systems for food processing, packing, and manufacturing.

“Apprenticeships are the oldest and most successful form of on-the-job training in the world,” said Layne, CEO and founder at Span Tech. “This is why I’m confident a ‘grow your own’ approach through apprenticeships is a great opportunity to strengthen Span Tech’s workforce as we work tirelessly to deliver world class products and services. Not only will Span Tech benefit from this program, but in time, we hope that all area employers will buy into this model and benefit by keeping our best and brightest students employed right here in Barren County.”
Fidelity to Our Mission from the Beginning

ENSURING DISTINCTION IN AMERICA & AROUND THE WORLD
Fidelity to Our Mission from the Beginning

Gov. Bevin, Kentucky Delegation Participate in European Apprenticeship Study Visit

Survey the role of apprenticeships in workforce and economic development in Germany, Switzerland

FRANKFORT, Ky. (March 27, 2017) – Gov. Matt Bevin, Labor Secretary Derrick Ramsey, Economic Development Secretary Terry Gil, and Education and Workforce Development Secretary Hal Heiner joined a delegation of U.S. officials and business leaders on an apprenticeship study visit in Germany and Switzerland last week.

Hosted by the National Governors Association (NGA), the trip provided insight into how those countries use apprenticeship models to train their workforces and further develop their economies.

"The key building blocks of a robust economy and job growth are education and workforce development," said Gov. Bevin. "Apprenticeships are a powerful tool for training and developing workers for the advanced manufacturing jobs of today. Kentucky is on track to become the engineering and manufacturing center of excellence in America. To fulfill this vision, we must study existing best practices from around the world. I was grateful for the opportunity to do exactly that on this trip with NGA."

The Kentucky delegation met with policy makers and local business representatives at the U.S. Embassies in Berlin and Bern. The trip also featured site visits to manufacturing facilities and local schools to focus on health care, advanced manufacturing, rail industry, and technical informatics.

"The apprenticeship training model has deep roots in Europe's industrial history," said Sec. Ramsey. "Being able to study the effects of apprenticeships on these economies firsthand provided us with innovative ideas on ways to better equip Kentucky's workforce. Kentucky's economy already features prominent German and Swiss-born companies, and I enjoyed discussing ways we can continue to strengthen our partnership and promote our 'Kentucky Trained. Kentucky Built' campaign worldwide."
Defining Vision

Our vision statement projects movement, aspiration, and energy. It gives form to the model that we hope to become. Our vision statement is dynamic, bold and changing, but also attainable with application of passion and due diligence. Crafted to reflect a long-range plan, sometimes reaching several years or decades into the future, Labor’s vision statement inspires and motivates. As noted by University of Hawaii futurist, Jim Dator, visions may even appear he to be ridiculous! They provoke the question, “What if...?”

“Vision is the art of seeing what is invisible to others.” Jonathan Swift
Labor's Vision Statement for Kentucky's Future

The Kentucky Labor Cabinet will ensure that Kentucky is the place for all to work, thrive and succeed.

The Labor Cabinet will ensure that Kentucky is the place...
for all to work, thrive and succeed!

We will accomplish this by:

• building the safest, healthiest and most robust workforce;
• educating every employer in safety and skills;
• forging strong, lasting partnerships between government, employers and employees;
• fostering stakeholder knowledge of rights and responsibilities under the Workers' Compensation Act and ensuring compliance;
• ensuring timely delivery of income and medical benefits to injured workers;
• and, creating a fair and level playing field for all.

Come be a part of greatness!
Organizational Values

Organizational values guide our daily interactions, both with internal colleagues and external customers and stakeholders.

**Labor's Core Value Words & Statements**

Accountability  
Employee Engagement  
Listening  
Problem Solving  
Creativity/Innovation  
Integrity  
Transparency  
Teamwork  
Culture

1. Accountability- We are fair, impartial, and responsive servant leaders.

2. Problem-Solving- We anticipate and solve problems through creative governance, community partnerships and internal teamwork. We encourage collective excellence!

3. Culture- Culture may be defined as the arts and other manifestations of collective intellectual achievement of a society. The work of the Kentucky Labor Cabinet elevates and highlights the unique spirit and culture of the Commonwealth. It is a destination to do business, and to live!

Executive Director Tiffany Yeast and Deputy Secretary Mike Nemes
Recognizing Tara A. Aziz for her decades of exemplary service
Gov. Bevin Appoints Workers’ Compensation Administrative Law Judges

Jarrod Hensley, Jarrod.Hensley@ky.gov (mailto:Jarrod.Hensley@ky.gov) (502-564-3219 (tel:502-564-3219)
Frankfort, Ky. (May 31, 2017) – Yesterday, Gov. Bevin appointed the following individuals as administrative law judges (ALJs) within the Department of Workers’ Claims.

- Jeff V. Layson, of Bowling Green, has 26 years’ experience practicing workers’ compensation law. In that time, he has represented both employees and employers. He will serve a term expiring July 14, 2020.

- W. Greg Harvey, of Bowling Green, has represented both employers and employees in workers’ compensation litigation since 2003. He will serve a term expiring December 31, 2017.

Labor Cabinet Secretary Derrick Ramsey applauded the appointments.

“Jeff and Greg have a wealth of workers’ compensation knowledge and experience,” Sec. Ramsey said. “With today’s appointments, I am confident that these judges will treat all parties that appear before them with impartiality and fairness and will reach decisions based upon the law and the facts of each case.”

“Governor Bevin had many highly qualified candidates to choose from, and he made great choices with his appointments of Greg Harvey and Jeff Layson,” Chief Administrative Law Judge Doug Gott stated. “Greg and Jeff are highly experienced workers’ compensation practitioners and should be ready to hit the ground running when their terms begin. With the governor now having filled seven ALJ vacancies in recent months, the Department of Workers’ Claims is back to a full complement of judges to administer claims affecting injured workers and employers in the Commonwealth.”

Administrative Law Judges are appointed by the governor with the consent of the Senate. Each judge shall be an attorney and have five years’ experience in the practice of workers’ compensation law in Kentucky or a related field and have extensive knowledge of workers’ compensation law. Judges conduct hearings and supervise the presentation of evidence and render final decisions, orders or awards regarding workers’ compensation claims.

“I am honored and excited to be appointed as an Administrative Law Judge and to have the opportunity to serve the Commonwealth,” Harvey said. “As a practitioner in the workers’ comp field for the past 14 years, I am confident my background will add to an already impeccable bench of judges who work hard every day to render fair and impartial judgements for all Kentuckians. It has been a privilege to practice law in this great state and now I look forward to the task of serving in the Department of Workers’ Claims.”

“I am deeply honored to have been appointed by Gov. Bevin to serve as an Administrative Law Judge for the Kentucky Department of Workers’ Claims,” Layson said. “I will do my very best to approach every case with the same high degree of fairness and courtesy that I have received from the ALJs I have practiced before over the last 27 years.”

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Problem Solving

We anticipate and solve problems through creative governance, community partnerships and internal teamwork. We encourage collective excellence!

NEWS, STATE NEWS
LABOR CABINET SAVES COMPANIES UP TO $609,000 IN POTENTIAL FINES
MAY 3, 2017 | ADMIN | LEAVE A COMMENT

Last month, the Labor Cabinet conducted 15 free on-site visits, or “consultative surveys,” for employers across Kentucky. As a result of these confidential surveys, employers corrected 87 serious conditions that could have affected up to 3,197 employees and could have resulted in enforcement penalties of up to $609,000.

The Labor Cabinet’s Division of Occupational Safety & Health Education & Training leads the Cabinet’s proactive efforts to create safe and healthful workplace conditions. This includes providing free consultative surveys to employers in an effort to increase workplace safety by improving injury and illness rates. Employers who make use of the Division’s consultative surveys do not face penalties unless violations are not corrected.

Employers and employees all across Kentucky and the nation also have access to cost-free safety and health eLearning programs on the Labor Cabinet’s eTrain website. The Division also offers cost-free OSHA training courses, or "Population Center Training" throughout the state. Proactive approaches to workplace safety, like the ones developed by the Cabinet’s education and training team, are proven methods that reduce workplace injuries and can help employers from paying increased workers’ compensation premiums.

In addition to consultative surveys and OSHA training, cost-free assistance from the Division consists of publications, required workplace posters, and information on injury/illness recordkeeping requirements. The Division is also responsible for overseeing the Partnership Programs as well as conducting the Annual Survey of Occupational Injuries and Illnesses, the Census of Fatal Occupational Injuries and the OSHA Data Collection.

According to a recent report from the U.S. Bureau of Labor Statistics (BLS), Kentucky employers recorded the lowest incident rate for nonfatal occupational injuries and illnesses in the state’s history last year.

Along with the Kentucky Safety and Health Network, the Division of Education and Training also co-hosts the Governor’s Safety and Health Conference and Exposition each year. The 33rd annual conference will take place at the Northern Kentucky Convention Center in Covington from May 8-12, 2017. For more info and to register for the conference, please visit kshn.net.

Additional information is available at http://labor.kentucky.gov.
The work of the Kentucky Labor Cabinet elevates and highlights the unique spirit and culture of the Commonwealth. It is a destination to do business, and to live!

Heaven Hill in Bardstown Presented Governor’s Safety and Health Award

Jared Hensley (Jared.Hensley@ky.gov) 502-564-3210
Frankfort, Ky. (June 1, 2017) – Gov. Matt Bevin and Labor Cabinet Secretary Derrick Ramsey visited Heaven Hill Brand Distilleries yesterday to present a Governor’s Safety and Health Award for working over 1,000,000 production hours without a lost-time incident in the past 12 months.

"Working 1,000,000 hours in 12 months without any serious injury is truly remarkable and I would like to congratulate Heaven Hill Brands on earning their first Governor’s Safety and Health Award," said Gov. Bevin. "It is an honor to recognize premier companies for their exceptional commitment to employees. Kentucky continues to shine as the center of excellence in engineering and manufacturing and, as our economic base grows, I appreciate companies like Heaven Hill who lead the way in keeping Kentucky workers safe and healthy."

"Congratulations to Heaven Hill Brands on achieving their first Governor’s Health and Safety Award," said Labor Cabinet Secretary Derrick Ramsey. "I appreciate their dedication to implement safe working habits, making them one of the 48 companies to earn this award. The Labor Cabinet’s top priority is to keep each of Kentucky’s workers safe on the job, and I applaud Heaven Hill for all their hard work towards this goal."

Heaven Hill Brand Distilleries is America’s largest family-owned distilled producer and marketer of Bourbon Whiskey and the world’s second largest holder of Kentucky Bourbon. Founded in Bardstown, Kentucky in 1935, Heaven Hill now employs over 800 workers nationwide with 12 diversified brands of bourbon and distilled spirits.

"Heaven Hill is committed to providing a safe place to work for all employees through training and preparation," said Heaven Hill Health, Safety & Environmental Manager Kim Harmon. "We are proud to implement proactive programs that have developed into leading examples of best practices."

"I congratulate Heaven Hill Brands for its commitment to employee safety and commend the company for its commitment to workplace excellence," Senator Jimmy Higdon (R-Bardstown) said.

The Kentucky Labor Cabinet presents the Governor’s Safety and Health Award to highlight outstanding safety and health performance in Kentucky’s workplaces. A business may qualify for the award if it’s employees achieve a required number of hours worked without experiencing a lost time injury or illness. The required number of hours is dependent upon the number of employees.

According to a recent report (https://www.bls.gov/iifOSH/laws/oshosipr156ky.pdf) from the U.S. Bureau of Labor Statistics (BLS), Kentucky employers reported the lowest incident rate for nonfatal occupational injuries and illnesses in the state’s history.

Based on a mathematical calculation that describes the number of recordable incidents per 100 full-time employees, Kentucky’s rate improved from 3.8 in 2014 to 3.7 in 2015 — reflecting the most recent data available. This rate has steadily declined since it was first calculated in 1996, when a rate of 8.4 was reported.

For more information on the Governor’s Safety and Health Award, click here (http://www.labor.ky.gov/DownLoashp/doel/Pages/Governor’s-Safety-Award.aspx#WHAT ARE THE ELIGIBILITY CRITERIA).

Follow the Kentucky Labor Cabinet on Facebook (https://www.facebook.com/kentuckylaborcabinet) and Twitter (https://twitter.com/KYLaborSec) for all the latest updates.
SWOT ANALYSIS
Assessing Strengths, Weaknesses, Opportunities, & Threats
# SWOT Analysis & TOWS Matrix

## Internal Elements
1. Laws & Regulations
2. Mitigation of Cases (AJUs)
3. Teamwork
4. Collaboration & resolution
5. Years of service

## Organizational Strengths
1. Safety & Health Education
2. The best govt. leadership team
3. Cohesion w/ internal groups
4. Knowledgeable employees
5. Low turnover
6. Subject matter experts

## Organizational Weaknesses
1. Workforce lacks pride
2. Insufficient training
3. Individual mentality
4. Continuity of operations
5. Identity crisis/perception
6. Internal conflict
7. Stopping inert forces
8. Self-promotion
9. Mgmt/staff divide
10. Accountability
11. Pay/promotion
12. Paranoia & gossip
13. Mistrust govt.'

## Opportunities
1. Collaborate
2. Partnerships
3. Media
4. Social Media
5. National business recruitment
7. Workforce training leadership
8. Legislative reform
9. Communicate successes

## Strengths-Opportunities (S-O)
1. Leadership (S4) and Business Recruitment/Partnerships (O2, O5, O6).
2. Use leadership to quickly disseminate info, collaborate with media, and develop cohesive business relationships.
3. Use the leadership team (S4) to build training partnerships (O2, O7).
4. Use the strength of Education (S2) to recruit businesses (O2, O6, & O7).
5. Leadership (S4) guides Legislative reform (O8).

## Weaknesses-Opportunities (W-O)
1. Mistrust government (W13) and legislative reform (O8) and training (O7).
2. Partnership with KWCEA (O2) to build training opportunities to minimize resistance to change and the lack of training (W2).
3. Combat the identity crisis (W5) with strong partnerships (O2).
4. Inert forces (W7) ameliorated through partnerships (O2), media promotion (O3 & O4), and self-promotion.

## Threats
1. Decline of coal
2. Aging pop.
3. Legislation
4. Budget
5. Grant strings
6. Litigation
7. Ability to attract new industry
8. Drug abuse
9. Aging clientele
10. External perception
11. Holding our own

## Strengths-Threats (S-T)
1. Use the strength of laws and regulations (S1) to combat the threat of the decline of coal (T1), litigation (T6), and image (T10).
2. Use training (S2 & S12) and quick delivery of information (S9) to ameliorate loss of jobs (T1).
3. Use Leadership (S4) to guide through hard choices (T4).
4. Use leadership (S4) to thwart negative perceptions (T10).

## Weaknesses-Threats (W-T)
1. Lack of pride (W1) and Budget (T4).
2. Promotions (W11) and Budget (T4).
3. Mistrust govt.' (W13) and Legislation (T13).
4. Lack of pride (W1) and External Perception (W10).
5. Allow external perception (T10) to dictate our vision.
6. Identity crisis (W5) and External Perception (T10).
GOALS & ACTION PLANS
# Goal 1. Enhance Internal and External Communication

## Rationale

Internal and external communications are essential to defining the mission, goals and ultimately delivering services to constituents in an efficient manner.

Internally, communication will help to establish agendas and expectations among Cabinet personnel. This will transpire through purposeful weekly meetings between management and staff, while also empowering all employees.

As the delivery of constituent services increasingly becomes digitized, so has the need for government to provide and maintain modern platforms for this purpose. A new website and robust social media accents will establish interactive portals to engage and inform citizens. This will also provide the Cabinet with candid feedback.

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Action Plan</th>
</tr>
</thead>
</table>
| **1.1 Internal communication. Schedule weekly meetings with management and staff.** | **1.1 Assignment:** Secretary Ramsey, Commissioners and Division Directors  
**Timeframe:** Weekly  
**Resources:** Agendas, Templates and Reminders  
**Deliverables:** Formal Agendas and Minutes. Develop a Monthly Newsletter.  
**Challenges:** Failure to communicate. Technical issues.  
**Results:** Better informed workplace |
| **1.2 External Communication. Develop interactive website.** | **1.2 Assignment:** Jarrad Hensley and Deborah Williamson, with input from entire team.  
**Timeframe:** Test website available from Kentucky Interactive, June 2017. Product slated for release Fall 2017. Update Web bi-weekly  
**Resources:** Hire or contract with a web designer.  
**Deliverable:** Interactive Website  
**Results:** Well-informed Public  
**Measurement:** User Analysis of Site Traffic. Survey Monkey Questionnaires on Web. |
<table>
<thead>
<tr>
<th>Task</th>
<th>Assignment</th>
<th>Timeframe</th>
<th>Resources</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.3. External Communication. Social Media &amp; Government Documents</td>
<td>Jarrad Hensley and Alexandria Englen</td>
<td>Immediately after an event</td>
<td>Leadership Input</td>
<td>Well-informed Public</td>
</tr>
</tbody>
</table>

**Goal 2. Increase Business and Community Partnerships**

**Rationale**

Increasing business and community partnerships fosters trust and strengthens our ability to meet and exceed statutory obligations. We will achieve this by connecting with new and potential businesses, attend community functions to raise awareness of the Labor Cabinet mission and deliverables, conduct industry fairs, and develop meaningful marketing materials.

<table>
<thead>
<tr>
<th>2.1 Connect with new and potential businesses</th>
<th>2.1 Assignment: Commissioner Dimeny. Continue to work in tandem with the Economic Development Cabinet.</th>
<th>Ongoing.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Timeframe:</strong> Ongoing. <strong>Resources:</strong> Mailing lists. Coordinate meetings in conjunction with the Economic Development Cabinet.</td>
<td></td>
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<tr>
<td></td>
<td><strong>Challenges:</strong> Businesses not interested or lack adequate staffing to work with Cabinet.</td>
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<tr>
<td></td>
<td><strong>Results:</strong> New and ongoing partnerships. <strong>Measurement:</strong> Assess number of new engagements. Analyze number of new partnerships and steps required to develop that relationship.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2.2 Conduct and/or attend Industry Fairs</th>
<th>2.2 Assignment: Commissioner Dimeny and staff members.</th>
<th>Ongoing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Timeframe:</strong> Ongoing <strong>Resources:</strong> Informational materials</td>
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</table>
2.3 Attend community meetings and functions to raise awareness of Kentucky Labor Cabinet Mission for the Commonwealth. Use this action step to further increase and enhance collaboration among Cabinets.

<table>
<thead>
<tr>
<th>2.3 Assignment: Senior Executive Team</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timeframe: Ongoing</td>
</tr>
<tr>
<td>Resources: Time, Personnel, Media, Website</td>
</tr>
<tr>
<td>Challenges: Time, Personnel</td>
</tr>
<tr>
<td>Results: Increased Education and Training Partnerships. Increased participation in TRACK</td>
</tr>
</tbody>
</table>

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### Goal 3. Deliver Services with Efficiency

#### Rationale

The goal of the workers’ compensation system is to provide timely and appropriate income and medical benefits to injured workers. This system replaces the traditional tort system under which injured parties receive compensation based on fault for damages obtained through protracted litigation in court. The benefit to the injured worker is the prompt delivery of income and medical benefits.

Presently, there are 35,000 workplace injuries reported yearly in Kentucky. Average costs, whether medical or income average approximately $25,000. This is a major economic burden on Kentucky employees.

Creating consistent treatment guidelines, among other efforts, is paramount to realizing overall decreases in medical costs, improving patient outcomes, and promoting return to work in the Commonwealth. The savings realized through important updates and revisions to workers’ compensation regulations will allow Kentucky businesses to allocate critical resources toward growth and expansion.

<table>
<thead>
<tr>
<th>3.1 Enact legislation/regulations to reduce Workers’ Claims costs and red tape</th>
</tr>
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<tbody>
<tr>
<td>3.1 Assignment: Labor Leadership and Judge Swisher</td>
</tr>
<tr>
<td>Timeframe: March 2018</td>
</tr>
<tr>
<td>Resources: Personnel and time commitment</td>
</tr>
<tr>
<td>Challenges: Resistance from interest groups/government and private</td>
</tr>
<tr>
<td>Result: Statutory and regulation enactment</td>
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<tr>
<td>Measurement: Reduced prescription drug costs. Alignment with regional and national analysis of costs</td>
</tr>
</tbody>
</table>
Goal 4. Recruit and Retain Qualified Employees

Rationale

A qualified, experienced and properly trained workforce is essential to delivering the Cabinet's services in the highly specialized and dynamic areas of workplace protection, workforce development, and workers' compensation. Retention of qualified personnel leverages institutional knowledge to ensure delivery of consistent, high quality services and maximizes utilization of the Cabinet's resources.

Unfortunately, navigating byzantine hiring regulations results in loss of qualified job seekers and consumes Cabinet resources. It is not uncommon for the hiring process to extend several weeks on average.

Through enhanced education, training, and public outreach, the Cabinet will ensure our agency leaders are experts in navigating the hiring process. We will collaborate with our state agencies to streamline the process and enlarge the pool of qualified and diverse applicants.

<table>
<thead>
<tr>
<th>4.1 Training Labor managers and supervisors in hiring process</th>
<th>4.1 Assignment: GAPs HR Director</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timeframe: Complete by August 1, 2017</td>
<td></td>
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<tr>
<td>Resources: Training space, equipment, and facilitator</td>
<td></td>
</tr>
<tr>
<td>Challenges: Time, Lack of Knowledge, Will Power</td>
<td></td>
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<tr>
<td>Results: Supervisory employees gain a clear understanding of the hiring process, and can navigate that process in a timely manner.</td>
<td></td>
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<table>
<thead>
<tr>
<th>4.2 Streamline the hiring process</th>
<th>4.2 Assignment: Chief of Staff</th>
</tr>
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<tbody>
<tr>
<td>Timeframe: 4 weeks</td>
<td></td>
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<tr>
<td>Resources: Input from employees and stakeholders</td>
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<tr>
<td>Challenges: Inertia/resistance to change/lack of control</td>
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<tr>
<td>Results: Hiring process is efficient and takes no more than 30 days to complete.</td>
<td></td>
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</tbody>
</table>
4.3 Recruitment Activities. Recruit from churches, sororities, fraternities.

4.3 Assignment: GAPS HR Director
Timeframe: Ongoing
Resources: Travel and Staffing
Challenges: Budget
Results: Broad, diverse pool of qualified applicants

5. Create a platform for all industries and the general public to improve health and safety

Rationale

United Health Foundations ranked Kentucky 45th in terms of overall health in their 2016 report. Factors influencing the ranking include the highest smoking rate of any state, with 29% of the adult population or 970,000 individuals using tobacco substances. Thirty percent of the Commonwealth’s population of 4.4 million are obese, contributing to a host of health issues including the life-threatening matters of heart disease and diabetes. Beyond physical health, Kentucky ranks 48th in the nation for mental health issues (United Health Care, 2016).

Costs to both employers and employees are substantive, burdensome and severely limit productivity.

The current situation warrants meaningful and sustained prevention and intervention statewide. Through a Cabinet-led initiative using the latest scientific information, community and employer support, and emerging technologies, we will challenge Kentuckians to embrace Unbridled Fitness and begin life’s journey anew.

<table>
<thead>
<tr>
<th>5.1 Convene business leaders to discuss platform and related opportunities.</th>
<th>5.1 Assignment: Secretary Ramsey and Commissioner Dimeny</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timeframe: This is underway and will be ongoing on a monthly basis.</td>
<td>Resources: Travel, time and willpower</td>
</tr>
<tr>
<td>Challenges: Reach the entire state, developing buy-in, and having the ability to scale down project to small businesses</td>
<td></td>
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</tbody>
</table>
Result: Healthier Kentucky through the development of an employee physical and mental wellness program that can be scaled up or down to fit businesses of all sizes.

Alexandria Englen, Deputy Communications Director, works on goal-setting.
ENHANCE COMMUNICATION

Secretary Ramsey @KYLaborSec · Jun 28
Be sure to register to hear Marty Link, July 6th at 10am. All registration details can be found here:
kylabor.adobeconnect.com/beryllium-webi...

Beryllium
1910.1024
Live Webinar
By: Marty Link
Thursday, July 6th, 2017
10:00 am EDT

Meeting Notice
Kentucky Workers' Compensation Funding
Commission Board of Directors will hold a Special Meeting on April 27, 2017 at 10:00 am at

CONTENT.GOVDELIVERY.COM

Like Comment Share
INCREASE BUSINESS PARTNERSHIPS

Edwards Moving & Rigging, Inc. in Shelbyville Creates New Transportation Apprenticeship Program

Jarred Hensley, Jarred.Hensley@ky.gov (tel: 502-564-3219), Frankfort, Ky. (July 24, 2017) – Officials from Edwards Moving & Rigging, Inc. in Shelbyville today announced the creation of a new moving and rigging apprenticeship program in conjunction with the Kentucky Labor Cabinet.

This three-year apprenticeship in specialized transportation and rigging will provide each participant with both the experience and training from equipment manufacturers to be an accomplished rigger. This program consists of 2,000 on-the-job training hours and 144 classroom hours per year.

"Edwards Moving & Rigging is the first company in Kentucky to provide an apprenticeship of this kind," said Labor Secretary Derrick Ramsey. "Apprenticeships provide a kind of forward-thinking solution that will help us prepare Kentucky for a skilled workforce. This is why I am proud to have Edwards Moving & Rigging join our 'Kentucky Trained. Kentucky Built.' network and I look forward to the success this program will bring to Shelby County."

Since 1961, Edwards Moving & Rigging, Inc. has provided heavy hauling and rigging solutions for over-dimensional loads across North America and has expanded to meet international demand. The company serves a variety of industries including nuclear, petrochemical, manufacturing and automotive, and power generation. Edwards now employs 120 people at its headquarters in Shelbyville.

"Edwards is excited to establish a registered apprenticeship program," said Jason Edwards, President, Edwards Moving & Rigging, Inc. "We believe this is a great opportunity for both our company and the Commonwealth’s workforce. We will develop skilled workers with high paying careers."

"Our partnership with the Kentucky Labor Cabinet to create a three-year apprenticeship program is an example of our commitment to safety, quality, and service," said Executive Vice President Jennifer Schuster. "It will help us develop and maintain a highly skilled and trained workforce in a competitive market. We are thrilled to offer this opportunity."

The 'Kentucky Trained. Kentucky Built.' initiative signals Kentucky’s recommitment of new energy and resources toward strengthening apprenticeships across Kentucky. Since last November, the number of apprentices in Kentucky have increased by 39 percent. In total, the Kentucky Labor Cabinet has registered nearly 182 different programs that apprentice 3,100 people across the state.

State Rep. Robert Rothenburger (R-Shelbyville) also offered praise.
INCREASE COMMUNITY PARTNERSHIPS

The first of its kind in Barren County, this collaboration will enable area high school students to begin an Industrial Manufacturing Technician apprenticeship at Span Tech starting in their junior year of high school. While curriculum for the apprenticeship is still being designed, the partnership will consist of classroom instruction from the Barren County Area Technology Center with on-the-job training at Span Tech.

"When the 'Kentucky Trained, Kentucky Built' apprenticeship program was launched last September, we did so with days like this in mind," Labor Secretary Derrick Ramsey stated. "Today's announcement showcases how community leaders are effectively coming together to address local workforce needs. Registered Apprenticeships provide a perfect avenue to fill the available jobs in today's economy, and I want to commend Span Tech and the Barren County School District for understanding the importance of business and education collaborating to create this exciting and innovative new opportunity."

Span Tech was started in 1978 by Bud Layne and is a small family-owned business that manufactures conveyor systems for food processing, packing, and manufacturing.

"Apprenticeships are the oldest and most successful form of on-the-job training in the world," said Layne, CEO and founder at Span Tech. "This is why I'm confident a 'grow your own' approach through apprenticeships is a great opportunity to strengthen Span Tech's workforce as we work tirelessly to deliver world-class products and services. Not only will Span Tech benefit from this program, but in time, we hope that all area employers will buy into this model and benefit by keeping our best and brightest students employed right here in Barren County."

Youth apprenticeships in Kentucky are created through a partnership between Tech Ready Apprentices for Careers in Kentucky (TRACK) within the Kentucky Department of Education's Office of Career and Technical Education and the Kentucky Labor Cabinet.

Following graduation from high school, apprentices will pursue post-secondary apprenticeship training. Employers like Span Tech are able to tailor the program for their specific needs and to select the Career and Technical Education courses and students for their apprenticeship pathway. This creates a competitive recruiting environment ensuring that employers benefit by gaining future employees that have a good foundation and an interest in that occupation while apprentices earn a nationally-recognized industry certificate at the completion of the program.

Email
DELIVER SERVICES WITH EFFICIENCY

Statewide Litigation Management System Training Tour Announced

Jarred Hensley, Jarred.Hensley@ky.gov (mailto:Jarred.Hensley@ky.gov) 502-564-3219 (tel:502-564-3219)
FRANKFORT, Ky. (July 7, 2016) – The Kentucky Labor Cabinet (http://labor.ky.gov/Pages/Labor-Home.aspx) is pleased to announce a 13-stop Litigation Management System (LMS) (http://labor.ky.gov/workersclaims/LMS/Pages/default.aspx) statewide training tour for all interested parties in the Kentucky workers' compensation system.

"The LMS is a web-based application that will transform how the workers' compensation community currently files and manages claims by streamlining current processes," Secretary Derrick Ramsey stated. "The launch of this system has been much-anticipated because it will modernize the cumbersome paper-based workflow that is currently in place — bringing increased transparency, timeliness, and accuracy to the process. This instructional tour will help demonstrate how the Labor Cabinet is increasing efficiency and providing improved customer service for all Kentuckians."

Upon completion in the fall, the LMS project will: Provide stakeholders the ability to initiate and administer a claim online, including web submission of forms; Provide dashboards to key stakeholders for the management of workers' compensation cases; Replace paper documents currently filed with the Department of Workers' Claims; And, provide claims management support to Administrative Law Judges and the Workers' Compensation Board and provide increased confidentiality of sensitive information.

The LMS will provide users (e.g. claimants, employers, insurance carriers, attorneys and the Dept. of Workers' Claims) with web-based forms that will increase the capability for interested parties to share access to a claim. It will also greatly improve the scope of the workers' compensation system by notifying interested users, via email, when Proof of Coverage is reported as "cancelled" to the Department of Workers' Claims.
Workers' Compensation Expert Praises Reforms, Red Tape Reduction Initiative

Jarrod Hensley. Jarrod.Hensley@ky.gov (mailto: Jarrod.Hensley@ky.gov) 502-584-3219 (tel:502-584-3219)
Frankfort, Ky. (Nov. 28, 2016) - in line with Governor Bevin's effort to reign in unnecessary regulatory burdens on businesses in the Commonwealth through the Red Tape Reduction (http://www.redtapereduction.com/) initiative, the Department of Workers' Claims has reduced the number of required claims forms. As a result, noted workers' compensation expert Robert Wilson from WorkersCompensation.com has hailed these efforts to simplify the claims reporting process as major breakthroughs for companies trying to navigate the labyrinth of workers' compensation regulations.

"One of the biggest challenges we hear from employers and carriers struggling to maintain compliance across multiple workers' compensation systems in this country is the complexity and growth of regulatory burdens which must be contended with," Wilson said. "Every state is vastly different, and it seems with each legislative action, more and more requirements are thrown into the myriad of existing regulations they must follow."

Kentucky's efforts occurred in the midst of the introduction of the Litigation Management System (LMS) in September. The LMS marked the culmination of a multi-year project that now allows for online filing for parties to workers' compensation litigation and provides users (e.g. claimants, employers, insurance carriers, attorneys and the Dept. of Workers' Claims) with web-based forms that increase the capability for interested parties to share access to a claim. In addition to enhancing transparency, timeliness, and accuracy to the process, it also improves the scope of the workers' compensation system by notifying interested users, via email, when Proof of Coverage is reported as "canceled" to the Department of Workers' Claims.

"For many years we had separate Injury, Occupational Disease, and Hearing Loss claim forms," Labor Sec. Derrick Ramsey stated. "We identified this process as being cumbersome and unnecessary, and have since successfully combined these forms into a single online application as a key feature of the new LMS. For these efforts, we have received tremendous positive feedback and we will continue to carefully examine all regulations and processes within the Cabinet and identify areas where we can improve the customer experience for Kentuckians."

According to Wilson, Kentucky's efforts were also praised at a recent national workers' compensation summit of industry experts. "When discussing the broader issue of system stability, I posed the question, what jurisdiction seems to work," said Wilson. "The answer from several employers and professionals in the room indicated Kentucky had some adjudication processes worth looking at. Today, with their action of reducing the number of required forms and simplifying the reporting process, they seem to have earned another round of positive recognition."
IMPROVE HEALTH & SAFETY

Norton Healthcare in Louisville to Begin Innovative Apprenticeship Program for Nurses

Jarred Hensley, Jarred.Hensley@ky.gov (mailto:Jarred.Hensley@ky.gov) 502-564-3219 (tel:502-564-3219)
Louisville, Ky. (June 29, 2017) — Gov. Matt Bevin and Labor Deputy Secretary Mike Nemes joined officials from Norton Healthcare in Louisville today to announce a new apprenticeship for nurses that is one of the first of its kind in the country.

This Student Nurse Apprenticeship Program is a paid apprenticeship that provides educational and clinical experiences over 12 to 18 months to prepare students for a registered nurse role after graduation. Eligible students include nurses who are in their junior year of a Bachelor of Science degree in Nursing program or with one semester completed of an Associate degree in nursing program.

“Innovative training programs, like this one at Norton Healthcare, deserve to be celebrated,” said Gov. Bevin. “I have challenged Kentucky employers to think and act boldly, and Norton Healthcare has answered that challenge in an impressive way. This apprenticeship program is one of the first of its kind in the country and will be transformational for Norton’s workforce. I believe it will inspire other employers around Kentucky to explore ways that apprenticeships can take their business—and Kentucky—to the next level.”

With just over 70,000 active registered nurses currently in Kentucky, it is projected that an additional 4,500 nurses will be needed in the next 10 years to meet demand. The 125 new apprentices in this program will both provide Norton Healthcare with an effective workforce recruitment and training tool while also displaying the potential that this could bring to other healthcare providers across the county.

“The ‘Kentucky Trained. Kentucky Built.’ registered apprenticeship initiative encompasses a new era of apprentice able trades never before seen in the Commonwealth, and today provides a fitting example of this,” Labor Secretary Derrick Ramsey stated. “Nursing is a new frontier for apprenticeships, but with Norton Healthcare’s vision, we couldn’t be more excited to partner with them and the new student nurse apprentices who are taking advantage of this wonderful program to further their careers. It’s a win for Norton Healthcare, the apprentices, and the entire healthcare community as we continue to seek ways to address the workforce needs in this critical industry.”

Serving the Greater Louisville region and beyond for more than 130 years, the hospital and health care system is the Louisville area’s third largest private employer. The Louisville-based not-for-profit system includes five Louisville hospitals with 1,637 licensed beds; seven outpatient centers; 13 Norton Immediate Care Centers; more than 14,000 employees; more than 850 employed medical providers; and approximately 2,000 total physicians on its medical staff.
SECRETARY DERRICK RAMSEY

The career path of Derrick Ramsey is one that personifies leadership most notably as an All-American football player, nationally-recognized athletic director, and his service to public office here in the Commonwealth.

While these accomplishments over the last 40 years have occurred in various arenas, Ramsey’s commitment to success and gift for building consensus along the way has remained a cornerstone of his legacy at each stop.

In 1975, Ramsey would become the first African-American starting quarterback in the University of Kentucky’s history. Two years later, he would not only lead the Wildcats to a 10-1 season at the helm, but also rack up numerous personal accolades including first team All-Southeastern Conference and third-team All-American.

After a successful nine-year NFL career including winning a 1981 Super Bowl ring, he would soon become a small business owner managing real estate and personal investment portfolios. This time away from the gridiron also gave him the opportunity to complete his undergraduate degree and go on to obtain his Master’s Degree in Sports Administration from Eastern Kentucky University.

In 1994, Ramsey would return to his alma mater to become a Community Relations Officer at the University of Kentucky. In this role, he successfully brought together members in the African-American community of Lexington together with the university where he helped foster a growing partnership. Five years later, he would become the Athletics Director at Kentucky State University. Here, he went to work on improving the university’s facilities including planning, coordination and implementation of a 5,000 square foot academic, fitness and weight training center for student-athletes. Through the creation of an innovative Student Athlete Excellence in Academics Program, he even helped the athletic department produce more Presidential Scholars than any other department on campus.

In 2004, he began his first stint in a state government role when he was appointed Deputy Secretary of Commerce in the Governor Fletcher Administration. While here, he oversaw a 50 million dollar budget and helped manage human resources for the cabinet. During his tenure, Ramsey was also a part of a delegation that successfully brought the renowned 2010 World Equestrian Games to Kentucky.

Soon after leaving office, Ramsey began serving as the Director of Athletics at Coppin State University in Baltimore in 2008. During his seven years in this role, he would lead the department to unprecedented heights of accomplishment for the university, including routinely posting department-wide 3.0 grade-point averages and steadily increasing graduation success rates.

In December of last year, newly-elected Kentucky Governor Matt Bevin called on Ramsey’s proven track record on leadership by asking him to once again serve the citizens of the Commonwealth, this time as Secretary of the Kentucky Labor Cabinet. Upon appointment to his current role today, Governor Bevin was eager to praise his distinguished career, saying: “He has been successful in many arenas — both on and off the field. His passion for excellence and his superior management skills will be critical to his success in this new role. He will be a staunch advocate for Kentucky’s workers and an integral member of our team.”

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FORMER LAWMAKER APPOINTED DEPUTY LABOR SECRETARY IN KENTUCKY

By: WTVQ Web Desk 2  Submitted: 12/14/2015 - 9:39am

Tags: Bevin, Deputy, Derrick, labor, Matt, politics, Ramsey, Secretary, State

FRANKFORT, Ky. (AP) - A former state lawmaker from Bullitt County has been appointed to Gov. Matt Bevin’s administration.

State Labor Secretary Derrick Ramsey says Mike Nemes has been appointed as deputy secretary of the Labor Cabinet.

Ramsey says Nemes’ legislative and business experience will be assets in his new role.

Nemes is a former representative from Kentucky’s 38th House District. He served on the House Labor and Industry Committee as well as the Judiciary and the Licensing and Occupations committees.

Nemes worked 17 years for a soft drink bottler in Kentucky, where he served as a Teamster union steward. He then bought a bakery distributorship and grew the business, before selling it 13 years later. From there, he went to the construction industry as a project coordinator for an insulation company.
Secretary Ramsey Announces Appointment of Ervin Dimeny as Commissioner of Workplace Standards

Jarrad Hensley Jarrad.Hensley@ky.gov (mailto:Jarrad.Hensley@ky.gov) 502-564-3219 (tel:502-564-3219)
FRANKFORT, Ky. (March 14, 2016) – Labor Secretary Derrick Ramsey today announced the appointment of Ervin Dimeny of Louisville as Commissioner for the Department of Workplace Standards.

Dimeny served the past eight years as manager of Court Interpreting Services for Kentucky’s Administrative Office of the Courts (AOC) where he oversaw the Kentucky Court of Justice Language Access Program and administered the interpreter training and certification program.

"Ervin is a consensus-builder whose background includes bringing diverse stakeholders together," said Secretary Ramsey. "His ability to manage the cabinet’s compliance resources, communicate safe workplace procedures, while also promoting career readiness through our registered apprenticeships across the state, will be essential to meeting our goal of empowering and protecting Kentucky’s workforce. Ervin’s leadership will be a big asset to not only the Labor Cabinet, but to the entire Commonwealth."

Under his leadership, the interpreter training and certification program received broad acclaim for its collaborative efforts with universities and industry experts to create standards and best practices for training interpreters, judges and practitioners. These initiatives proved effective in helping the AOC meet the growing demand for language access in Kentucky’s courts. In this role, he worked closely with the Office of the General Counsel on various federal and state laws related to compliance matters.

Dimeny received a bachelor’s degree from the Hungarian Baptist Theological Seminary, a Master's of Divinity in Theology from the Southern Baptist Theological Seminary, and a Juris Doctorate from the University of Louisville Brandeis School of Law.

The Department of Workplace Standards (http://labor.ky.gov/docs/Pages/Department-of-Workplace-Standards.aspx) has the primary responsibility of enforcing Kentucky’s occupational safety and health laws, wage and hour laws, child labor laws, and administering the state’s registered apprenticeship programs.
Robert L. Swisher Named Acting Commissioner for the Department of Workers' Claims


"Judge Swisher has developed a reputation as a fair-minded and well-respected leader in the workers' compensation community over the last 26 years," Labor Secretary Derrick Ramsey said. "His experience as an Administrative Law Judge, including the last two years as Chief Administrative Law Judge, has given him the broad perspective of workers' compensation issues that will help him provide valuable leadership and extensive knowledge as he transitions to this key role with the Department. I'm excited to welcome his vision, and I know that he will work tirelessly to advance our Cabinet's mission to provide a fair workers' compensation program for Kentucky's workers and employers alike."

Robert L. Swisher was raised in Lexington, Kentucky, and is a 1976 graduate of the University of Notre Dame and a 1979 graduate of the University of Kentucky College of Law. From 1979 through 1990, he was engaged in a general civil practice law in Versailles, Kentucky. Following this role, from 1991 through 2009 he practiced in Lexington concentrating in civil litigation and workers' compensation - representing both plaintiffs and defendants. In January 2010, he was appointed as an Administrative Law Judge for the Commonwealth of Kentucky.

On December 1, 2014, he was appointed Chief Administrative Law Judge and has served in that capacity since. Judge Swisher is a member of the National Association of Workers' Compensation Judiciary, the Southern Association of Workers' Compensation Administrators, and has been elected as a Fellow in the College of Workers' Compensation Lawyers.

The Department of Workers' Claims (http://www.labor.ky.gov/Pages/AboutWorkersClaims.aspx) is the agency charged with the administration and exclusive jurisdiction over workers' compensation claims in Kentucky and the enforcement of state law requiring employers to insure or provide security against workers' compensation liability.
J. Brooken Smith
Biography

J. Brooken Smith serves as the Chief of Staff, Office of the Secretary, for the Kentucky Labor Cabinet. Immediately prior to joining the Cabinet, Mr. Smith practiced law in Louisville with a focus on business and employment litigation. After graduating from the University of Kentucky College of Law in 2009, he served as a law clerk for the Honorable Gregory F. Van Tatenhove, United States District Judge for the Eastern District of Kentucky. Before turning to the study and practice of law, Mr. Smith served for a total of six years on the legislative staffs of United States Senator Mitch McConnell and United States Representative Anne Northup. He holds a bachelor of arts in government from Georgetown University.
Major General Jones was born in West Point, Mississippi, and in 1974 graduated from Provine High School in Jackson, Mississippi. He is a 1978 graduate of Jackson State University with a Bachelor of Arts degree in Sociology. Major General Jones was commissioned through the Army ROTC program at Jackson State University. He also holds a Master of Strategic Studies Degree from the U.S. Army War College and a Master of Arts Degree in Administration from Central Michigan University. His military education includes the Adjutant General Basic Officer Course, the Adjutant General Officer Advanced Course, the Airborne School, the Military Personnel Officer Course, the Combined Arms Services Staff School, the Command and General Staff College, and the Army Senior Service College.

Early in his career, Major General Jones was a Receiving Officer; Chief, Personnel Actions Branch and Commander, Reception Station at Fort Jackson, South Carolina. From November 1980 to February 1982, he served in Germany as the Equal Opportunity Officer, U.S. Army Military Community Activity, and as Chief, Administrative Support Division, 200th Theater Logistics Material Management Center, Zweibrücken, Germany. In June 1984, Major General Jones assumed duties as Instructor and Doctrinal Author, U.S. Army Soldier Support Center, Fort Benjamin Harrison, Indiana. From July 1987 to June 1991, while in Korea, he served as Chief, Force Structure, 8th Personnel Command; Commander, 199th Personnel Services Company, Camp Cointer; and Deputy G-1, 2d Infantry Division, Camp Casey. He returned to the United States in July 1992, and served as Chief, Analysis Section and then as Personnel Management Officer, U.S. Total Army Personnel Command, Alexandria, Virginia. Major General Jones joined the Office of the Army Chief of Staff as an Assistant to the Director Army Staff in July 1994 where he served until assuming command of the Military Entrance Processing Station, Baltimore, Maryland. In July 2000, he became Deputy Commander, 8th Personnel Command, Camp Cointer, Korea. Upon his return to the United States in August 2001, he became Director, Army Development System, Force XXI, at the U.S. Total Army Personnel Command, Alexandria, Virginia. In July 2002, he assumed command of the U.S. Army Enlisted Records and Evaluation Center in Indianapolis, Indiana. He returned to the Washington, D.C., area in August 2004, where he assumed duties as the Deputy Director, Military Personnel Policy, Deputy Chief of Staff, G-1. Major General Jones assumed duties as the Executive Officer, Deputy Chief of Staff, G-1, in July 2005 to June 2006. Major General Jones then held the positions of The Adjutant General of the U.S. Army; Commanding General, U.S. Army Physical Disability Agency and Executive Director, Military Postal Service Agency, prior to assuming command of the Family and Morale, Welfare and Recreation Command in July 2009.

He was promoted to the rank of major general on January 6, 2010.


He joined the Kentucky Labor Cabinet as Executive Director of the Workers’ Compensation Committee in 2016.
Jarrad Hensley Biography

Jarrad Hensley began serving as Communications Director for the Kentucky Labor Cabinet in January of 2016. Prior to returning to Kentucky to begin work in the Bevin administration, he served in various political roles in Washington, DC. In 2007, he served as a Staff Assistant for U.S. Senator Mitch McConnell. From 2007-2009, he served President George W. Bush as an Editor in the White House. After graduating from Auburn University with a master’s degree in public administration in 2011, he returned to Washington, D.C. where he served as the Deputy Communications Director for The Ripon Society. Born and raised in London, Kentucky, Jarrad is a 2007 graduate of Georgetown College.
Alex Englen serves as the Deputy Communications Director for the Kentucky Labor Cabinet, where she specializes in Social Media and Press Opportunities.

Alex was born in Littleton, Colorado, but as the daughter of a military officer, she and her three siblings moved with great frequency. Her father, now 29 years Army active duty, moved several times before landing at Fort Campbell, Kentucky for several years.

She is a 2015 graduate of Murray State University with a public affairs degree, where she was involved with several organizations within Murray State.

From June to August of 2015, Alex interned with the Office of Congressman Ed Whitfield, who served as the U.S. Representative of Kentucky’s first congressional district. Here she learned several skills within dealing with constituents and congressional hearings.

After graduation Alex moved back to Denver, Colorado to work with the Republican National Committee to work on 2016 Presidential and Senate grassroots races. She returned to Kentucky after six months in Colorado to work on State Representative races, where she was managing as many as six races at a time. She handled more grass roots programs with a volunteer base she established.

After the November 8 election, Alex joined the Kentucky Governor Matt Bevin’s staff as a Scheduling Assistant, where she assisted in the Governor’s daily scheduling and communication. Developing keen interest and skills in communication, Secretary Derrick Ramsey invited her to serve as the Labor Cabinet’s Deputy Communications Director.
Ellen Kessler
Biography

Ellen Kessler is known as “the superglue” at the Kentucky Labor Cabinet. Her service to Secretary Ramsey and the senior management team is multifaceted and entails managing the office that serves Kentucky’s workforce. Well beyond performing administrative duties essential to a robust and efficient functioning office, her knowledge of Kentucky’s key political and business leaders, the Commonwealth’s history, and policy development, are unrivaled. An adept problem-solver with a humanistic touch, Ms. Kessler is a master at managing constituent complaints and conflicts endemic in the workplace, that are ultimately presented to the Cabinet for resolution.

Ms. Kessler was born in Frankfurt, Germany. Her mother immigrated to Boston, Massachusetts with Ellen and her sibling, Stephen Gregory, in 1950. Shortly thereafter, the family moved to Georgetown, Kentucky to join Mr. Silvers, who had served his country during World War II. Ellen Kessler became a United States citizen in 1955.

Ms. Kessler’s mother, Josephina, was a graduate of the Teachers’ College at Ivan Franko National University in L’viv Oblast, Ukraine. A passionate learner possessing a Master’s degree in Education, with spoken and written fluency in Ukrainian, Russian, German and French languages, she instilled a love of learning in her children and ensured that they applied themselves with academic rigor in their primary and secondary school experiences.

A talented, high-energy child, young Ellen displayed artistic talent in drawing and painting. A contest sponsored by Georgetown College, introduced Scott County residents to the vivacious seven year old, who painted a Halloween scene on a storefront window on Main Street. She won the contest, and made connections in her local community at early age—connections that have served her well throughout her adulthood. Her transition to high school, involved a class with an unforgettable, dynamic civic education teacher. Those studies focused on engaging citizens in participatory democracy, and that ignited Ms. Kessler’s lifelong pursuit of service to the people through good governance.

Her career of service to the people in government and academics spans five decades, and demonstrates her commitment and versatility. Immediately upon graduating high school, Ms. Kessler sought and won a position with the Kentucky State Police in 1965. Her role with the KSP, Watercraft Division, was to issue licenses and maintain the database. Her experience with accurate statewide data management and reporting added to her repertoire of skills, and served as a launch pad for her next position in Education.

In 1967, Ms. Kessler began working with the Kentucky Department of Education as a Guidance Service Administrator. Here she helped develop the first testing program from students in grades 4, 8 and 11 for purposes of assessing education effectiveness in the Commonwealth. She worked on this special project until 1973, and then departed for maternity leave.
Rejoining the workforce by invitation in 1974, Ms. Kessler resumed work at the Transportation Cabinet as an Executive Assistant to the Cabinet Secretary performing many of the same functions that she currently performs for the Labor Cabinet. Ms. Kessler ultimately served as an Executive Assistant to six Transportation Cabinet Secretaries through 1984.

Desiring to pursue her own higher education, an opportunity presented itself in 1984 that she simply could not pass up. Kentucky State University President, Dr. Raymond M. Burse invited her to serve as his Executive Assistant, which opened the door she had dreamed of fulfilling since high school, to pursue a degree in Political Science. The challenge of pursuing her degree not only involved rigorous academic studies, but work full-time for the University President and part-time work to offset education expenses. In 2003, she earned degrees in Political Science and Public Administration.

From 2003-2015, Ms. Kessler applied her academic prowess as an academic advisor on college campuses and for the military, and her experiences as an Executive Assistant helping Georgetown College, the Kentucky Historical Society and the city of Georgetown.

Her love of exemplary service to the people and good governance have served her and the citizens of the Commonwealth with depth of knowledge and the utmost professionalism, and she continues to do so. She plans to pursue her Master’s degree in History in the near future.

Ms. Kessler relishes time spent with her only child, Tina, a resident of Colorado Springs, Colorado, her grandchildren Megan and Ryan, and her beloved four-legged pal, Oakley. She is a voracious reader, who loves to garden in her spare time. Ms. Kessler looks forward to a trip to her homeland of Ukraine.
Dr. Deborah Williamson
Biography

A native of the Commonwealth of Kentucky, Dr. Deborah Williamson currently leads professional development and research for the dynamic Derrick K. Ramsey, Secretary of the Kentucky Labor Cabinet.

Her long-term work in state government remains inspired in large measure by her first boss, Robert F. Stephens, Chief Justice of Kentucky’s Supreme Court, now deceased. Hiring Williamson straight out of graduate school at the University of Cincinnati in the late eighties, Stephens and his top leadership emphasized passion and commitment to public service, open and caring dialog among employees regardless of position, and cultivated an environment where testing innovation, routinely celebrating winning ideas and deliverables, and learning from failure was the accepted norm. Williamson enthusiastically spent the next twenty-three years employed by the Court of Justice, serving the state judiciary in an executive management role. During her two decade plus employment she managed the statewide juvenile diversion program for minor offenders, institutionalized civic and law-related education programs for youth k-12, oversaw the Court’s grants program, managed judicial branch education, organized international delegation exchanges, and provided a myriad of services to the state’s elected judges and clerks. Williamson characterizes this experience as exciting, energizing and rewarding beyond career expectations, noting that the collective “we” employed by Chief Stephens, and subsequently Chief Justice Joseph Lambert, made a positive and enduring impact for Kentuckians.

In January 2012, Williamson departed Kentucky to serve Chief Judge Judith K. Nakamura (now Supreme Court Justice Nakamura) as her CEO of Metropolitan Court, the largest court in New Mexico. Overseeing Metro’s sixteen departments, and a staff approximating 300, she served the court in this capacity for two years. During her tenure, she was elected to the National Association of Court Management, and secured competitive funding from the Bureau of Justice Assistance and SAMHSA for Metro’s Adult Drug Court.

Upon Chief Nakamura’s departure from Metro Court, in 2014 Williamson sought work with the New Mexico Public Education Department to employ skills gained as part of her doctoral work in education policy at the University of Kentucky. Successful in her pursuit, she initially managed the Educator Licensure Bureau. Within four months, Williamson accepted a promotion to serve as Director of NMTEACH. NMTEACH is a statewide program focused on providing equity in education for the state’s diverse student population through assessment of New Mexico’s twenty-four thousand teachers. She also oversaw the Department’s Title II formula grant totaling approximately fifteen-million dollars annually for purposes of instituting professional development for teachers, as well as working with the Council of Chief State School Officers on the nationally renowned Teacher of the Year Program. She thrived in this fast-paced, challenging, and sometimes controversial environment.

Two years into what she envisioned as long-term employment with the Public Education Department, Williamson received an inquiry from the Kentucky Labor Cabinet. Though hesitant to leave her beloved post and dynamic staff with the New Mexico Education Department, in August of 2016, Williamson moved back to her home state of Kentucky. In two weeks’ time, she
researched and wrote outside of her known subject areas, and won a competitive grant from the U.S. Department of Labor. The proposal funded expansion of the Commonwealth’s registered apprentice program for businesses and industries located in the state. Today she is assisting the Cabinet with what promises to be a very successful multi-year grant endeavor, ensuring a skilled workforce is trained and available to meet the rapidly expanding needs in Kentucky.

Beyond her daily work with state governments, her leadership role in national law-related education initiatives has taken her to several foreign destinations to serve as a guest lecturer and consultant. During the Bosnian conflict, Williamson and fifteen colleagues journeyed to Bosnia-Herzegovina to work with educators who had kept schools open during the war in order to provide children a sense of normalcy. As one can imagine of that conflict, the experience left a lasting impression, connections with colleagues for life, and an even deeper commitment to peace negotiations. This work also took her to Germany, Northern Ireland, and Poland where she presented her work in law-related education in the United States. Presentations requested always included a discussion of law-related education for youth in alternative settings, and the pioneering and nationally acclaimed Kentucky Teen Court Program.

An author of numerous, cited articles, Williamson earned her Ph.D. in sociology and education policy from the University of Kentucky.

Reflecting back on her career, she relishes intense time spent with talented, diverse leaders and staff, problem-solving complex issues and projects, ones with widespread social impact, tight deadlines and large deliverables. The synergistic energy that releases when everyone is fixated on accomplishing the same end, particularly when it is for the good of the larger society, is simply unsurpassed from both a leadership and humanistic standpoint. Looking very much forward, she hopes for more of the same type of challenging and dynamic trajectory in her career.
Workplace Standards
Division Business Plans
APPRENTICESHIP KY
Kentucky TRAINED. Kentucky BUILT.

ApprenticeshipUSA
kentuckyapprenticeship.com

2016-19 BUSINESS PLAN
Executive Summary

The Kentucky Apprenticeship Initiative (KAI) serves two target audiences, namely high need area business and industry sectors, and individuals seeking to enter or advance their career of choice through Registered Apprenticeships. The focal workforce sectors of the KAI include healthcare, manufacturing and construction trades, and were selected based on statistical analysis of federal and state workforce and economic development data indicative of industry growth and skilled worker shortages. The KAI proposes to ameliorate the shortages and modernize Registered Apprenticeships with the Kentucky Skills Network (Network), a unique partnership of state and local workforce development organizations devoted to providing proactive business services and industry skills development. Network partners, the Kentucky Labor Cabinet, the Cabinet for Economic Development, Education and Workforce Development Cabinet, and the Community and Technical College System, will collaborate to deliver workforce pipeline development through the Registered Apprentice program. Goals and performance targets of the KAI are to increase the number of apprentices by 1,300 participants over the life of the grant, which represents a 54% increase in the number of apprentices in Kentucky, placing an emphasis on recruiting women, minorities, young people and workers over 45 years of age through traditional and well-researched, innovative approaches. A second goal is to add new occupational sector partners such as the aerospace industry, fiber optics and avionics. The project will be carried out under the auspices of the Kentucky Labor Cabinet, with strong support from the Governor. The Labor Cabinet’s new Registered Apprenticeship staff will fully support the KIA, which includes a project manager and field coordinators to ensure smooth and ongoing communication, apprentice and pre-apprentice recruiting, enhanced project data collection and timely project deliverables. Industry-specific curricular materials will be developed by the sectors in conjunction with the community colleges and KAI staff. The KAI envisions this project as a three-year endeavor, and will seek continuation funds.

Kentucky Registered Apprenticeship Industries

Industries Participating in Registered Apprenticeships

• Construction
• Manufacturing
• Telecommunications
• Information Technology/Networking
• Service and Retail Industries
• Health Care
• Public Utilities
• Public Sector
Kentucky Registered Apprenticeships Program
Overview of the Organization

Registered Name
Kentucky Registered Apprenticeship Program

Statutory Authority
KRS Chapter 343; see also 803 KAR 1:010

Commencement of Operation
Wisconsin created the first state Registered Apprenticeship system in 1911, and in 1937 Congress enacted the National Apprenticeship Act (also known as the Fitzgerald Act), establishing the program as it is today. By the mid-1940s, there were approximately 6,233 Registered Apprenticeship programs nationwide, educating and training 4,000 apprentices.

The first reference to registered apprenticeships in Kentucky coincides with the creation of the Fitzgerald Act and subsequent expansion across the country, and appears in the Kentucky Revised Statutes, Chapter 343 beginning in 1942 (http://www.lrc.ky.gov/Statutes/statute.aspx?id=42986).

Registered Apprenticeship is an innovative work-based earn-and-learn model that meets national standards for registration with the U.S. Department of Labor and the Kentucky Office of Apprenticeship. It is a formal system of employee training, combining on-the-job learning with related technical instruction. It produces highly skilled workers who are fully competent in all aspects of an occupation, including knowledge, skill and proficiency of the job. With apprenticeship training, there is a written contract between the apprentice and the sponsor (business), approved by and registered with the Commonwealth of Kentucky and the U.S. Department of Labor, that specifies the length of training, school hours, and outlines the skills of the trade to be learned and the wages the apprentice will receive. Kentucky’s apprenticeship program allows employers to design their own training program that provides apprentices with specific skills, training and job-related instruction tailored to the company’s needs.

Mission Statement
Kentucky Registered Apprenticeship is the driving force in expanding career opportunities in the Commonwealth.

Vision Statement
Kentucky Registered Apprenticeship will be recognized and utilized by job seekers, educators, and employers as the gold standard as the “earn and learn model” of talent development.
Organizational Values

1. We are adaptable and flexible while maintaining program integrity.
2. We embrace innovation and creativity while demonstrating excellence in customer service.
3. We are committed to adhering to national standards while striving for continuous improvement and accountability.

Key value words and phrases for the Kentucky Registered Apprenticeship team: flexibility, integrity, innovation, creativity, excellence in customer service, continuous improvement, accountability

Management Team & Colleagues

The Management team is comprised of Commissioner Ervin Dimeny and Deputy Commissioner Michael C. Donta. The Management team's expertise includes establishing Registered Apprenticeship sponsors, working with and meeting reporting requirements of the U.S. Department of Labor, workplace standards, and a range of associated topics. Diana Jarboe and Tracy Osborn Clay are Registered Apprenticeship Coordinators conducting recruiting and site field visits.

The Kentucky Labor Cabinet, Division of Employment Standards, Apprenticeship and Mediation in cooperation with the Bureau of Apprenticeship and Training oversees Kentucky's apprenticeship system. The Division of Employment Standards, Apprenticeship and Mediation is responsible for the following:

1. registering apprenticeship programs that meet federal and state standards;
2. protecting the safety and welfare of apprentices;
3. issuing nationally recognized and portable Certificates of Completion to apprentices;
4. promoting the development of new programs through marketing and technical assistance;
5. assuring that all programs provide high quality training; and,
6. assuring that all programs produce skilled, competent workers.

Council Structure

Kentucky Revised Statute 343.010 (4) defines the Council as the Commonwealth’s Apprenticeship and Training Council, and provides advice and guidance to the Kentucky Labor Cabinet regarding the Commonwealth’s apprenticeship program. Current Council Members include: Howard L. Dawes, Jr., Michael Doherty, Lisa Marie Heidman, Kyle Henderson, Anthony Herbert, John Morrison, Camilla Moss, and Kenneth Sheridan. Members At-Large include: Angie College, Michael Dixon, and Patty Osborne, with Ervin Dimeny and Beth Kuhn serving in Ex-Officio capacity. Michael C. Donta is the Apprenticeship Supervisor.
### Target Populations

**Project Goals**

<table>
<thead>
<tr>
<th>Baseline Data</th>
<th>First Eighteen Month Period</th>
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<tbody>
<tr>
<td><strong>1. New Business Engaged</strong></td>
<td>27</td>
</tr>
<tr>
<td><strong>2. Percent New Businesses Engaged</strong></td>
<td></td>
</tr>
<tr>
<td><strong>3. Total Number of Existing Programs Expanded</strong></td>
<td>146</td>
</tr>
<tr>
<td><strong>4. Percent of Existing Programs Expanded</strong></td>
<td>3%</td>
</tr>
<tr>
<td><strong>5. Total Number of Participants Receiving Services Under this Grant</strong></td>
<td>Not Available</td>
</tr>
<tr>
<td><strong>6. Percent of Participants Receiving Services</strong></td>
<td>2%</td>
</tr>
<tr>
<td><strong>7. Total Number of Registered Participants in the State</strong></td>
<td>2400</td>
</tr>
<tr>
<td><strong>8. Percent of Registered Participants in the State</strong></td>
<td></td>
</tr>
<tr>
<td><strong>9. Number of Women Served in Registered Apprenticeships</strong></td>
<td>94</td>
</tr>
<tr>
<td><strong>10. Percent of Women Served in Registered Apprenticeships</strong></td>
<td>3%</td>
</tr>
<tr>
<td><strong>11. Number of Underrepresented Populations Served by Registered Apprenticeships</strong></td>
<td>436</td>
</tr>
<tr>
<td><strong>12. Percent of Underrepresented Populations Served by Registered Apprenticeships</strong></td>
<td>15%</td>
</tr>
<tr>
<td><strong>13. Number of Youth ages 16-24 served in Registered Apprenticeships</strong></td>
<td>1082</td>
</tr>
<tr>
<td><strong>14. Percent of Youth ages 16-24 served in Registered Apprenticeships</strong></td>
<td>37%</td>
</tr>
<tr>
<td><strong>15. Percentage of Apprentices who complete Registered Apprenticeships</strong></td>
<td>Not available</td>
</tr>
<tr>
<td><strong>16. Total Number of Registered Apprentices receiving any services under Title I-IV of WIOA</strong></td>
<td>8</td>
</tr>
<tr>
<td><strong>17. Percentage of Registered Apprentices receiving Title I-IV of WIOA services relative to all statewide</strong></td>
<td>0.01%</td>
</tr>
<tr>
<td><strong>18. Total number of Sponsors receiving support from public workforce system with screening, referrals, assessments and other services that support the Registered Apprenticeship program</strong></td>
<td>Not available</td>
</tr>
<tr>
<td><strong>19. Total number of Sponsors receiving WIOA-funded support for their apprentices</strong></td>
<td>Not available</td>
</tr>
<tr>
<td>Project Goals</td>
<td>Baseline Data</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------</td>
<td>---------------</td>
</tr>
<tr>
<td>1. New Business Engaged</td>
<td>27</td>
</tr>
<tr>
<td>2. Percent New Businesses Engaged</td>
<td></td>
</tr>
<tr>
<td>3. Total Number of Existing Programs Expanded</td>
<td>146</td>
</tr>
<tr>
<td>4. Percent of Existing Programs Expanded</td>
<td></td>
</tr>
<tr>
<td>5. Total Number of Participants Receiving Services Under this Grant</td>
<td>Not Available</td>
</tr>
<tr>
<td>6. Percent of Participants Receiving Services</td>
<td></td>
</tr>
<tr>
<td>7. Total Number of Registered Participants in the State</td>
<td>2400</td>
</tr>
<tr>
<td>8. Percent of Registered Participants in the State</td>
<td></td>
</tr>
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</tr>
</tbody>
</table>
Occupational Sector Analysis

Receiving top billing in our market analysis due to state need and current statistics are health care workers. Kentucky’s Health Care Worker Capacity Report provides a comprehensive analysis of health care practitioners needed in the state to meet the population demands (Deloitte Consulting, 2013). For example, currently, there are 48,093 registered nurses serving Kentucky. An additional 5,635 FTEs, representing a 12% increase in the total RN workforce is needed. As further evidence of the burgeoning demand, we focus on the potential patient pool. Who will the RN’s and other health care practitioners serve? United Health Foundations ranked Kentucky 45th in terms of overall health. Kentucky has the highest smoking rate of any state. Approximately 970,000 or 29% of the adult population use tobacco products. There are more than one million obese adults within our borders, which translates into 30% of the population. The Bluegrass state is home to over a million individuals over the age of 65. Lastly, Kentucky ranks 48th in mental health issues (United Health Care Foundation, 2016). Kentucky’s need for the spectrum of health care practitioners parallels the need nationally. The Bureau of Labor Statistics indicates that from 2014 to 2024, health care practitioners will represent one out of every four jobs (Bureau of Labor Statistics, 2015).

We turn to the Commonwealth’s manufacturing sector. The Skills Gap in U.S. Manufacturing 2015 and Beyond publication reports that in the next decade nearly three and a half million manufacturing jobs will need to be filled in the United States (Deloitte Consulting, 2015). The skills gap is expected to result in two million jobs across the country going unfilled (Collins, 2015). A total of 232 manufacturing facilities announced new locations or expansions in Kentucky in 2012, increasing the total number of industrial facilities to 4,100. The industry has provided more than 228,000 jobs in Kentucky since 2010 (Richardson, 2014). And as of 2015, Kentucky Manufacturing Gross Domestic Product makes up 19.3% of the total GDP compared to 12.2% for the United States as a whole (Kentucky by the Numbers, 2016). Despite the increase in manufacturing facilities, GDP and jobs, worker shortages are widespread and pronounced—shortages effecting the ability to meet consumer demands and ultimately the bottom line. Ford in Louisville is hiring teens right out of high school to work part-time at its auto plants (Bauer, 2016). Chip Blankenship, CEO of GE Appliances recently told reporters that, “The worker shortage crisis is hampering economic growth” (Ladwig, 2015). And Craig Hopkins, project manager at the Versailles, Kentucky-based Automotive Manufacturing Technical Education Collaborative (AMTEC) says, “If every community college was to produce twenty graduates right now, it would still take us three years to backfill the current vacancies” (Grace, 2015). Jennifer McNelly, Executive Director of the Manufacturing Institute, blames much of the industry shortage on the Industrial Revolution image depicted in films such as American Experience’s Triangle Fire—in other words dark, dangerous and deadly, and not a place you would want your children to establish a career (Lindsey, 2013).

Finally, we analyze the construction industry in Kentucky. Recently the American General Contractors Association reported that 83% of construction firms had a difficult time locating and hiring roofers, carpenters, welders, masons, electricians, HVAC and plumbers. Experts had correctly predicted that over the course of a three-year period, from 2013-16, the skills gap for welders, electricians, machinists and others would likely to become even more acute (Wright,
The need for construction project supervisory personnel would also increase in demand (Wise, 2014). In actually what happened from 2012 to 2014 was that the construction labor shortage more than doubled from 21-46%, maintaining congruence with declines in unemployment and increases in housing construction (Emrath, 2014). The shortage of laborers was also attributed to attitudes toward the construction sector. Francis and Prosser (2013) note that young people may not be pursuing construction careers due to the industry’s traditional career path being out of step with flexible work arrangements, portable skill sets, work-life balance and a male dominated work culture. Construction labor shortages currently confront Kentuckians with the consequences of work not being delivered on schedule, and even more concerning, with a higher price tag, and that is bad news for a state that has been very slow to recover from the 2008 recession.

Diana Jarboe, Coordinator with the Registered Apprenticeship Program, studies communication techniques with faculty from the University of Kentucky, Center for Leadership Development.
Strategic Partnerships

a. Kevin Riddett, President and CEO, Siemens Industry, Mobility Division North America, 1-502-618-8864, kevin.riddett@siemens.com
b. Rodent Ballard, Commissioner, Justice and Public Safety Cabinet, Po Box 2400, Frankfort, KY 40601, 1-502-564-4726, Rodney.ballard@ky.gov
c. Dr. Rhonda Tracy, Chancellor, Kentucky Skills Network and KCTCS, 300 North Main Street, Versailles, KY 40383, 1-859-256-3100, Rhonda.Tracy@kctcs.edu
d. Erik Dunnigan, Acting Secretary, Kentucky Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway, Frankfort, KY 40601, 1-502-564-7670, Erik.Dunnigan@ky.gov
e. Adria Johnson, Commissioner, Department of Community Based Services, 275 East Main Street, 3W-A, Frankfort, KY 40621, 1-502-564-3703, Adria.Johnson@ky.gov
f. LaDonna Koebel, Acting Commissioner, Department of Juvenile Justice, 1025 Capital Center Drive, 3rd Floor, Frankfort, KY 40601-8205, 1-502-564-2738, LaDonnaL.Koebel@ky.gov
g. Jackie Beard, System Director, Talent Acquisition and Workforce Development, Norton Healthcare, 224 East Broadway, Suite 200, Louisville, KY 40202 1-502-629-7411, Jackie.Beard@nortonhealthcare.org
h. Jeff Whitehead, Executive Director, Eastern Kentucky Concentrated Employment Program, 412 Roy Campbell Drive, Suite 100, Hazard, KY 41701, 1-606-436-5751, jwhitehead@ekcep.org
i. Charles Gregory Higdon, President and CEO, Kentucky Association of Manufacturers, 609 Chamberlin Avenue, Frankfort, KY 40601, 1-502-352-2483, g.higdon@kam.us.com
j. Kay Moss, HR Manager, Stober Drives, 1781 Downing Drive, Maysville, KY 41056, 1-606-759-3617, Kay.Moss@stober.com
k. Steve Willingham, Training Director, NECA and IBEW Louisville Electrical, 4315 Preston Highway, Suite 100, Louisville, KY 40213, 1-502-581-9210, swillinghurst@loujatc.com
l. Jon Dougherty, Education Director, AMTECK, 1399 New Circle Road, Lexington, KY 40509, 1-859-255-9546, jdougherty@amteck.com
m. Mary McNevin, Chief Learning Officer, Signature Healthcare, 102 Pocahontas Trail, Georgetown, KY 40324, 1-502-863-3696, marymcnevin@signaturehealthcarellc.com
Marketing Plan

We will execute a media marketing plan with the goal of targeting women, minorities, youth ages 16-24, and persons age 45 and older. This will be accomplished through TV, print, and online advertising channels. To maximize audience reach, we have chosen Kentucky Educational Television as our primary TV channel to advertise with due to its ability to reach 5.5 million individuals into eight states. Specifically, we would use a number of KET’s award-winning programs in a campaign to promote the Kentucky Registered Apprenticeship program. From a print and online advertising angle, we will be utilizing the Ads Reaching Kentucky Network’s 112 local and regional newspapers across the state totaling a combined circulation of 667,896. This will enable us to reach Kentuckians in every county across the state – even the most rural of areas and for persons not utilizing digital content.

Tracy Osborne-Clay takes on the challenge of communicating with diverse audiences during the USDOL-funded Registered Apprenticeship Coordinator training held in November 2016.
**Work Plan**

<table>
<thead>
<tr>
<th>Project Goals</th>
<th>Milestones (Actions/Events)</th>
<th>Outputs (Process Objectives)</th>
<th>Deliverable Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ensure staff have sufficient grounding in content and other skillset areas to excel in their careers with the Kentucky Labor Cabinet. Ensure team's preparedness by the end of October.</td>
<td>Provide professional development series for newly hired and existing Registered Apprentice staff</td>
<td>Conduct professional development series devoted to writing skills, interviewing, critical thinking, verbal and non-verbal communication. Work in conjunction with universities and/or local consultants to develop program, and supply training.</td>
<td>10/31/16</td>
</tr>
<tr>
<td>2. Attend key events where recruitment is possible. Plan in conjunction with Kentucky Skills Network.</td>
<td>Attend Kentucky Women Veteran's Conference located at the Community College in Hazard, KY 8:00 a.m.-2:00 p.m.</td>
<td>Conduct presentation at conference; register interested parties. Prepare a networking tool.</td>
<td>10/01/16</td>
</tr>
<tr>
<td>3. Planning meetings with Workforce Development Offices</td>
<td>Meetings established with the local Workforce Boards, including Bluegrass, Cumberland, Eastern Kentucky, Louisville, Green River, Lincoln Trail, NKY, South Central, TENCQ, and West KY. Meetings to be established by Registered Apprenticeship Office staff.</td>
<td>Assess how Kentucky Registered Apprenticeships can be marketed through the Workforce Development Offices. Assess resources available to Labor through the local Development Offices. Establish working partnerships between Labor and Workforce Development staff members. Use online advertisements and social media.</td>
<td>12/02/16</td>
</tr>
</tbody>
</table>
4. Planning meetings with Kentucky Technical and Community Colleges

Meetings established with the entire KCTCS system of community colleges, including Ashland, Big Sandy, Bluegrass, Elizabethtown, Gateway, Hazard, Henderson, Hopkinsville, Jefferson, Madisonville, Maysville, Owensboro, Somerset, Southcentral KY, Southeast KY, and West KY. Meetings to be established by Registered Apprentice Office staff.

Assess how Kentucky Registered Apprenticeships can be marketed through the KCTCS. Assess resources available to Labor through the local community colleges. Understand the curriculum writing process, who is involved, and how that connects with Workforce Boards and regional employers. How does curriculum change to keep pace with markets? Establish working partnerships between Labor and KCTCS faculty and staff members.

02/17/17

5. Planning meeting with the Cabinet for Economic Development

Meetings established with the Economic Development Cabinet by Registered Apprentice Office staff

Assess how Kentucky Registered Apprenticeships can be marketed through the Workforce Development Offices. Assess resources available to Labor through the Cabinet for Economic Development. Establish working partnerships between Labor and Economic Development staff members.

12/16/16

6. Complete a comprehensive 3-year project plan (firm the plan presented in the ApprenticeshipUSA grant) with KAI government and private sector partners. The second and third 18-month cycles will be planned at this time.

Comprehensive 3 year project plan documented with measurable outcomes

Convene stakeholders; seek input from apprentices and others.

12/30/16
7. Conduct a baseline analysis (qualitative and quantitative) of existing Registered Apprenticeship Programs

Comprehensive data analysis of 146 existing Registered Apprentice Programs

Surveys to/interviews of/site visits with 146 current programs; Generate a Current State of Kentucky's Registered Apprenticeship Programs Report

11/21/16

8. Update Kentucky Registered Apprentice Website

Solicit feedback from internal and external stakeholders to develop a modernized, but user-friendly website. Convert survey and interview results into a flow graph/map of the website. Test with a larger audience for additional feedback. Submit for website design awards to garner additional use and recognition. Unveil. Track use and save comments. Modify website accordingly.

Develop surveys and interviews for users. Create a mock website for feedback.

12/02/16

9. Issue contracts to partners for purposes of curriculum development, scholarships, and start-up programs

Contracts Awarded

Contracts signed and executed with partners

03/17/17

10. Market Registered Apprenticeships to Diverse Audiences

Rollout CD and on-line promotional materials/videos

Develop marketing concepts for promotional materials with Labor Cabinet marketing staff. Test materials with target audience focus groups for relevance/overall appeal of messaging.

02/24/17
<table>
<thead>
<tr>
<th>Task Description</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>11. Assess Status/Effectiveness of Occupation Specific Curricular Materials</td>
<td></td>
</tr>
<tr>
<td>Create a new baseline of information from which to edit or develop Registered</td>
<td>05/30/17</td>
</tr>
<tr>
<td>Apprentice curricular materials</td>
<td></td>
</tr>
<tr>
<td>Convene teams of industry experts, college faculty and KAI staff for purposes of</td>
<td></td>
</tr>
<tr>
<td>modifying healthcare, manufacturing and trade curricular modules</td>
<td></td>
</tr>
<tr>
<td>12. Pilot test newly developed curricular materials and other projects with</td>
<td>08/28/17</td>
</tr>
<tr>
<td>Registered Apprentices and others</td>
<td></td>
</tr>
<tr>
<td>Results from Pilot Test</td>
<td></td>
</tr>
<tr>
<td>Pilot test new modules in healthcare, manufacturing and construction Apprentices</td>
<td></td>
</tr>
<tr>
<td>ship sites for a duration of eight weeks.</td>
<td></td>
</tr>
<tr>
<td>13. Finalize curriculum after pilot testing</td>
<td>10/16/17</td>
</tr>
<tr>
<td>Delivery of curricular materials to all appropriate sectors</td>
<td></td>
</tr>
<tr>
<td>Commence using new materials at Registered Apprenticeship locations throughout</td>
<td></td>
</tr>
<tr>
<td>Kentucky</td>
<td></td>
</tr>
<tr>
<td>14. Increase/retain participation of Registered Apprentices from the Under</td>
<td>05/30/17</td>
</tr>
<tr>
<td>represented Populations</td>
<td></td>
</tr>
<tr>
<td>Additional partnerships established with Women's Studies Programs, school</td>
<td></td>
</tr>
<tr>
<td>leaders, NAACP and Hispanic organizations for purposes of expanding recruitment</td>
<td></td>
</tr>
<tr>
<td>retention</td>
<td></td>
</tr>
<tr>
<td>Work with various agencies and the NETWORK to develop recruitment/retention</td>
<td></td>
</tr>
<tr>
<td>strategies and outreach education for populations</td>
<td></td>
</tr>
<tr>
<td>15. Recruit underrepresented populations specified</td>
<td>12/29/17</td>
</tr>
<tr>
<td>Recruiting fairs and other activities in target appropriate venues</td>
<td></td>
</tr>
<tr>
<td>Apply NETWORK developed recruiting strategies for target populations in</td>
<td></td>
</tr>
<tr>
<td>healthcare, manufacturing and construction trades. Also apply in Foster Care,</td>
<td></td>
</tr>
<tr>
<td>Department of Juvenile Justice, the deaf and hard of hearing community and with</td>
<td></td>
</tr>
<tr>
<td>Veterans</td>
<td></td>
</tr>
<tr>
<td>14. Conduct Mid-Year and End-of-Year Analysis of KAI Project</td>
<td>12/19/17</td>
</tr>
<tr>
<td>Measurable deliverables achieved; challenges to implementation assessed and new</td>
<td></td>
</tr>
<tr>
<td>strategies developed</td>
<td></td>
</tr>
<tr>
<td>Convene all stakeholders for a comprehensive review of accomplishments to date</td>
<td></td>
</tr>
<tr>
<td>16. Expand marketing of the Registered Apprenticeship Program</td>
<td>Work with KET and other media sources to produce videos, commercials, and print media re the KAI</td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>17. Employ Mike Dona’s knowledge of NASTAD to further engage and to raise awareness of Kentucky’s efforts and expansion</td>
<td>Convene meetings with Morehead State University Faculty and manufacturers in the aerospace industry, avionics and fiber optics for purposes of entering into Registered Apprenticeship agreements with the KAI</td>
</tr>
<tr>
<td>18. Explore innovations in new industries in Kentucky</td>
<td>Labor cabinet team assesses data utilization in planning meetings. Unveil statistical analyses at key state and national events. Redesign programs and materials as warranted by data.</td>
</tr>
<tr>
<td>20. Encourage development of occupational sector-based boards</td>
<td>Board creation</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>21. Acknowledge successes of graduates and support of companies for participating in Registered Apprenticeships.</td>
<td>Attend graduation ceremonies. Invest graduates in working and living in Kentucky.</td>
</tr>
<tr>
<td>23. Review and redesign role of apprenticeship Council</td>
<td>Present new function of Council to Secretary. Draft new definition and function in KRS 343.010 (4).</td>
</tr>
<tr>
<td>24. Ensure staff have sufficient grounding in content and other skillset areas to excel in their careers with the Kentucky Labor Cabinet</td>
<td>Provide professional development series for newly hired and existing Registered Apprentice staff</td>
</tr>
<tr>
<td>25. Assess overall KAI Project Status</td>
<td>Conduct analysis, produce report, modify planning according to objective data</td>
</tr>
</tbody>
</table>
26. Planning meetings with Workforce Development Offices

Meetings established with the local Workforce Boards, including Bluegrass, Cumberland, Eastern Kentucky, Louisville, Green River, Lincoln Trail, NKY, South Central, TENC, and West KY. Meetings to be established by Registered Apprenticeship Office staff.

Reassess how Kentucky Registered Apprenticeships can be marketed through the Workforce Development Offices. Reassess resources available to Labor through the local Development Offices. Establish working partnerships between Labor and Workforce Development staff members.

12/02/17

27. Planning meetings with Kentucky Technical and Community Colleges

Meetings established with the entire KCTCS system of community colleges, including Ashland, Big Sandy, Bluegrass, Elizabethtown, Gateway, Hazard, Henderson, Hopkinsville, Jefferson, Madisonville, Maysville, Owensboro, Somerset, Southcentral KY, Southeast KY, and West KY. Meetings to be established by Registered Apprentice Office staff.

Reassess how Kentucky Registered Apprenticeships can be marketed through the KCTCS. Reassess resources available to Labor through the local community colleges. Review the curriculum writing process, who is involved, and how that connects with Workforce Boards and regional employers. How does curriculum change to keep pace with markets? Reaffirm working partnerships between Labor and KCTCS faculty and staff members.

02/17/17

20. Planning meeting with the Cabinet for Economic Development

Meeting established with the Economic Development Cabinet by Registered Apprentice Office staff

Reassess how Kentucky Registered Apprenticeships can be marketed through the Workforce Development Offices. Reassess resources available to Labor through the Cabinet for Economic Development. Reaffirm working partnerships between Labor and Economic Development staff members.

12/16/17
| 29. Expand occupational sectors in KAI | Fully incorporate aerospace, fiber optic, avionics and/or other emerging industries into the state’s Registered Apprenticeship program | Begin cycle that occurred in first 18 month period with baseline assessments and curriculum preparation, pilot testing and adoption | 12/03/18 |
| 30. With additional sector data, reassess need for additional staffing or the redirection of resources. | Analyze data to determine what/if additional resources are needed. Present findings to Secretary and Deputy Secretary. | Work with GAPS to advertise for additional hires. | 01/05/18 |
| 31. Recruit underrepresented populations specified | Recruiting fairs and other activities in target appropriate venues | Apply NETWORK developed recruiting strategies for target populations in healthcare, manufacturing and construction trades. Also apply in Foster Care Department of Juvenile Justice, the deaf and hard of hearing community and with Veterans | 12/03/18 |
| 32. Expand marketing of the Registered Apprenticeship Program | Work with KET and other media sources to produce videos, commercials, and print media re the KAI | Produce 4-8 commercial spots on Kentucky Educational Television during Antiques Roadshow and Nature; brochures and other marketing materials developed for mainstream media targeted at underrepresented populations | 03/01/18 |
| 33. Conduct Mid-Year and End-of-Year Analysis of KAI Project | Measurable deliverables achieved; challenges to implementation assessed and new strategies developed | Convene all stakeholders for a comprehensive review of accomplishments to date | 12/19/18 |
34. Routinely collect quantitative and qualitative data regarding the Registered Apprenticeship Program. Avail analysis to internal and external stakeholders. Modify projections and redirect resources on objective data.

Labor Cabinet team assesses data utilization in planning meetings. Unveil statistical analyses at key state and national events. Redesign programs and materials as warranted by data.

Create data collection and report templates. Anticipate future funding streams from private partnerships, state and Federal grants.

12/29/18

35. Encourage development of occupational sector-based boards

Board creation

Facilitate a process whereby sector-based boards are created for purposes of identifying needs in a given sector, establishing relationships with industries/businesses, recruiting apprentices, etc.

12/29/18

36. Update Kentucky Registered Apprentice Website

Solicit feedback from internal and external stakeholders to develop a modernized, but user-friendly website. Convert survey and interview results into a flow graph/map of the website. Test with a larger audience for additional feedback. Submit for website design awards to garner additional use and recognition. Unveil. Track use and save comments. Modify website accordingly. Ensure website is a one-stop shop.

Develop surveys and interviews for users. Create a mock website for feedback.

12/04/17
<table>
<thead>
<tr>
<th>Number</th>
<th>Action Description</th>
<th>Target Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>37.</td>
<td>eek additional local/state funding for efforts</td>
<td>10/27/17</td>
</tr>
<tr>
<td></td>
<td>Proposal presented to Secretary Ramsey for additional funding. Legislation introduced.</td>
<td></td>
</tr>
<tr>
<td>38.</td>
<td>Ensure staff have sufficient grounding in content and other skillset areas to excel in their careers with the Kentucky Labor Cabinet</td>
<td>10/31/18</td>
</tr>
<tr>
<td></td>
<td>Provide professional development series for newly hired and existing Registered Apprentice staff</td>
<td></td>
</tr>
<tr>
<td>39.</td>
<td>Planning meetings with Workforce Development Offices</td>
<td>12/02/18</td>
</tr>
<tr>
<td></td>
<td>Meetings established with the local Workforce Boards, including Bluegrass, Cumberland, Eastern Kentucky, Louisville, Green River, Lincoln Trail, NKY, South Central, TENC, and West KY. Meetings to be established by Registered Apprenticeship Office staff.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reassess how Kentucky Registered Apprenticeships can be marketed through the Workforce Development Offices. Reassess resources available to Labor through the local Development Offices. Establish working partnerships between Labor and Workforce Development staff members.</td>
<td></td>
</tr>
<tr>
<td>Number</td>
<td>Description</td>
<td>Action</td>
</tr>
<tr>
<td>------</td>
<td>-------------</td>
<td>--------</td>
</tr>
<tr>
<td>40.</td>
<td>Planning meetings with Kentucky Technical and Community Colleges</td>
<td>Meetings established with the entire KCTCS system of community colleges, including Ashland, Big Sandy, Bluegrass, Elizabethtown, Gateway, Hazard, Henderson, Hopkinsville, Jefferson, Madisonville, Maysville, Owensboro, Somerset, Southcentral KY, Southeast KY, and West KY. Meetings to be established by Registered Apprentice Office staff.</td>
</tr>
<tr>
<td>41.</td>
<td>Planning meeting with the Cabinet for Economic Development</td>
<td>Meeting established with the Economic Development Cabinet by Registered Apprentice Office staff</td>
</tr>
<tr>
<td>42.</td>
<td>Expand occupational sectors in KAI</td>
<td>Fully incorporate emerging industries into the state's Registered Apprenticeship program</td>
</tr>
</tbody>
</table>
43. Recruit underrepresented populations specified
   Recruiting fairs and other activities in target appropriate venues
   Apply NETWORK developed recruiting strategies for target populations in healthcare, manufacturing and construction trades. Also apply in Foster Care, Department of Juvenile Justice, the deaf and hard of hearing community and with Veterans

44. Expand marketing of the Registered Apprenticeship Program
   Work with KET and other media sources to produce videos, commercials, and print media re the KAP
   Produce 4-8 commercial spots on Kentucky Educational Television during Antiques Roadshow and Nature; brochures and other marketing materials developed for mainstream media targeted at underrepresented populations

45. Conduct Mid-Year and End-of-Year Analysis of KAI Project
   Measurable deliverables achieved; challenges to implementation assessed and new strategies developed
   Convene all stakeholders for a comprehensive review of accomplishments to date

46. Routinely collect quantitative and qualitative data regarding the Registered Apprenticeship Program. Avail analysis to internal and external stakeholders. Modify projections and redirect resources on objective data.
   Labor Cabinet team assesses data utilization in planning meetings. Unveil statistical analyses at key state and national events. Redesign programs and materials as warranted by data.
   Create data collection and report templates. Anticipate future funding streams from private partnerships, state and Federal grants.
47. Encourage development of occupational sector-based boards

Board creation

Facilitate a process whereby sector-based boards are created for purposes of identifying needs in a given sector, establishing relationships with industries/businesses, recruiting apprentices, etc.

Governor Matthew Bevin and Secretary Derrick Ramsey engage Voestalpine Roll Forming Corporation in Shelbyville, KY, congratulating them on their Registered Apprenticeships.
Financial Plan

Kentucky Labor Cabinet
Apprenticeship USA State Expansion Grant
Supportive Cost Breakout (Rounded to nearest hundred)

<table>
<thead>
<tr>
<th>TITLE</th>
<th>ANNUAL SALARY</th>
<th>% OF PARTICIPATION</th>
<th>SALARY FUNDED BY GRANT</th>
<th>TOTAL COST PERIOD OF PERFORMANCE (18 months begin 11/1/16)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. PERSONNEL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program Coordinator</td>
<td>43,700</td>
<td>100%</td>
<td>43,700</td>
<td>66,100</td>
</tr>
<tr>
<td>Program Coordinator</td>
<td>43,700</td>
<td>100%</td>
<td>43,700</td>
<td>66,100</td>
</tr>
<tr>
<td>Program Coordinator</td>
<td>43,700</td>
<td>100%</td>
<td>43,700</td>
<td>66,100</td>
</tr>
<tr>
<td><strong>TOTAL PERSONNEL</strong></td>
<td>131,100</td>
<td></td>
<td>131,100</td>
<td>198,300</td>
</tr>
</tbody>
</table>

| **B. FRINGE**              |               |                    |                        |                                                      |
| FICA (Gross x .0765)      | 10,000        |                    |                        |                                                      |
| RETIREMENT (Gross X .4859)| 63,700        |                    |                        |                                                      |
| HEALTH (average $8,500/yr/employee) | 25,500   |                    |                        |                                                      |
| LIFE INSURANCE ($14/yr/employee) | 100        |                    |                        |                                                      |
| **TOTAL FRINGE**           | 99,300        |                    |                        |                                                      |
### C. TRAVEL

<table>
<thead>
<tr>
<th>In-state Travel</th>
<th>Estimated Mileage (avg 100 miles per trip)</th>
<th>Per Mile</th>
<th>Mileage reimbursement</th>
<th>Estimated # of trips (3 trips per week)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Coordinator</td>
<td>15,600</td>
<td>$0.41</td>
<td>$6,396</td>
<td>156</td>
</tr>
<tr>
<td>Program Coordinator</td>
<td>15,600</td>
<td>$0.41</td>
<td>$6,396</td>
<td>156</td>
</tr>
</tbody>
</table>

**TOTAL TRAVEL** 31,200 12,792

### D. EQUIPMENT

| TOTAL COST | 0 |

### E. SUPPLIES

| TOTAL COST |  |

| TOTAL SUPPLIES |  |

### F. CONTRACTS

<table>
<thead>
<tr>
<th>TOTAL COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitive Grants</td>
</tr>
</tbody>
</table>

Grants to sector partners to assist in development of innovative curriculum/start-up costs for different and innovative industries

**TOTAL CONTRACTS** 607,300

### G. CONSTRUCTION

| TOTAL COST | 0 |

| 89 | Page |
H. OTHER

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMPUTER</td>
<td>7,500</td>
<td>3 desktop computers and COT charges</td>
</tr>
<tr>
<td>APPRENTICESHIP CONFERENCE</td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL OTHER</strong></td>
<td><strong>32,500</strong></td>
<td></td>
</tr>
</tbody>
</table>

**GRAND TOTAL** 896,600
References and Resources

Bauer, K. (2016, August 2). Ford looks to recent high school grads to combat worker shortage. KPLC Channel 7.
Kentucky by the Numbers. (2016). Think Kentucky, 26-29.


Kentucky Labor Cabinet Division of Occupational Safety And Health Compliance

July 1987 photo depicts an unidentified worker exposed to fuming nitric acid while filling drums at a chemical distribution wholesaler in Lexington. Photo by Diane Marraccini, OSH Industrial Hygienist
2017-19 Business Plan

Table of Contents

Executive Summary
Commencement of Operation and Statutory Authority
Mission Statement and Vision Statement
Organizational Values
Organizational Structure
Covered Issues
Strategic Challenges
Strategic Goals and Action Plan
Financial Plan
OSH Regulations

Kentucky Labor Cabinet
Division of Occupational Safety and Health Compliance
1047 U.S. Highway 127 South Suite 3
Frankfort, KY 40601
Executive Summary

The KYOSH 2017-2020 Business Plan articulates the history of the division, our current state, vision for the future and five major goals we want to achieve to make that vision a reality. Our goals are aligned with what we believe are our greatest challenges – 1) difficult recruiting and low retention, 2) training cost and availability, 3) internal case processing time, 4) outdated or lacking standard operating procedures, and 5) educating others on our role in keeping the workforce of Kentucky safe and healthy. Recruiting and retention directly affect three of our other major challenge areas. High turnover leads to lower performance when employees are in a seemingly constant state of training. This drives training costs higher due to the volume of repeatedly paying to train new hires, and increases human error and time required to conduct and process inspections properly. High turnover and inexperience also make the mission of enforcement more difficult. Kentucky is growing rapidly. In fact, Governor Bevin is driving Kentucky towards becoming a national leader in manufacturing, transportation, and other industries. This growth leads to a larger, denser, and more complex work environment for our CSHOs. Ultimately, the reputation and credibility of the Commonwealth’s ability to protect the workforce may be at risk. Ideally, we want Compliance Safety & Health Officers (CSHOs) who are highly trained, educated, certified professionals, and subject matter experts in their field who are capable of adapting and operating in our evolving multi-faceted environment.

Conversely, Compliance Safety Health Officers (CSHO) who depart shortly after their training period is completed, enter the job market and are employed in the private sector for a much higher salary. The average length of service over the last five years for a CSHO who departed was 1.5 years. The rate of hire/depart for Health was 89% and Safety was 60%. An increasing number of employers are hiring full-time safety and health professionals; often with Certified Safety Professional or Certified Industrial Hygienist credentials. We provide a solid training and education foundation toward achieving these certifications, which are in such high demand throughout private industry. Approximately 40% of our current field staff have less than five years of service and another 22% have less than ten years of service – 62% have less than a decade of service to the Commonwealth. Only the Supervisors and a handful of field staff exceed that longevity with the agency.

A strong compliance and enforcement program is critically important to the overall mission of keeping the workforce safe and healthy. The old adage of the “carrot and the stick” is still true today. A strong enforcement program encourages participation in our education and training partnership programs. There are numerous studies that indicate both enforcement and education partnership programs have a long-lasting impact in reduction of injuries, worker’s compensation cost, and cost to employers. Additionally, we want to believe that all employers genuinely care for the safety and health of their employees. Unfortunately, this is not always the case. We do have employers in the state who repeatedly and willfully disregard safety and health laws and regulations, and accountability is warranted. Kentucky recently achieved the lowest rate of workplace injuries since recording data began in 1996. We want to ensure conditions are set to maintain and improve on this milestone in the coming years.
Commencement of Operation and Statutory Authority

The OSH Act of 1970 established the authority and encouraged states to operate their own State Plan for Occupational Safety and Health. There are currently 28 states and territories who have state program. The Kentucky General Assembly established KYOSH in 1972. OSHA approved the Kentucky State Plan in 1973, followed by certification in 1980 and final 18(e) approval on June 13, 1985. Kentucky was the first State Plan approved under the revised federal benchmarks. The responsibility for enforcing occupational safety and health law in the Commonwealth of Kentucky is the responsibility of the Kentucky Labor Cabinet, Department of Workplace Standards. The Kentucky program covers all private and public sector workers within the state with the exception of railroad workers, federal workers, maritime workers (long shoring, ship building/ship breaking, and marine terminals operations), private contractors working at government-owned/contractor-operated facilities, Tennessee Valley Authority (TVA) workers and contractors operating on TVA sites, as well as U.S. Postal Service workers. The state and local government workers are covered under the State Plan and are treated the same as private sector workers.

The Kentucky General Assembly enacted legislation charging KYOSH with the mission to prevent any detriment to the safety and health of all public and private sector workers arising out of exposure to harmful conditions or practices at their places of work. Kentucky’s OSH statute, KRS 338, include definitions of employer and employee that do not exclude public employers and public employees. The exclusions to KRS 338 cover only employees of the United States government and places of employment over which Federal agencies other than OSHA exercise statutory authority. In addition, written opinions of the Kentucky Attorney General’s Office have supported the Labor Cabinet’s position that public employees are included in the OSH Program jurisdiction, which subjects Kentucky’s public employers and employees to the same requirements, sanctions, and benefits as private sector employers and employees. Kentucky statutes, regulations, and policies make no distinction between the public and private sectors. The Division of OSH Compliance is responsible for the enforcement of KYOSH’s laws and regulations. KYOSH’s primary objective is to improve occupational safety and health in workplaces throughout the state. The total population of private and public sector workers covered by the Kentucky State Plan is approximately 1.75 million, approximately and 119,115 employers covering 400,409 square miles. The KYOSH Division of Compliance oversees worker protection against discrimination (whistle-blower) related to occupational safety and health (KRS 338.121).

Mission Statement

We enforce workplace safety and health laws and regulations through effective inspections to promote an environment where Kentucky workers can return to their families whole and healthy.
Vision Statement

Making Kentucky the safest place to work in the nation by:

- Promoting a health and safety culture throughout workplaces in the Commonwealth resulting in zero fatalities;
- Maintaining a fully staffed, professional Compliance Division that is focused, with high energy and vibrancy;
- Adapting to ever-evolving work environments with emerging hazards and diseases, new technologies, and diverse staffs;
- Saving employers costs associated with injuries and fatalities; and,
- Educating the public about the critical role OSH plays in ensuring worker safety in our communities.

KYOSH Organizational Values

Professionalism - Our staff is knowledgeable, well trained and skilled in the efficient and effective enforcement of OSH regulations. We are adept at operating in multifaceted and dynamic work environments.

Diligence - Kentucky OSH Compliance Officers are diligent in their commitment to performing everyday duties of ensuring that the workforce of Kentucky has the safest work environment possible. We are consistent in applying and enforcing OSH laws and regulations by focusing on attention to detail and fact-based data.

Stewardship - Kentucky OSH willingly commits to the safety and health of the Commonwealth of Kentucky’s workforce.

Organizational Structure

The Management team is comprised of a Division Director, Safety Program Manager with three Safety Supervisors, and an Industrial Hygiene Program Manager with two Industrial Hygiene Supervisors. The management team expertise includes compliance, working with and meeting reporting requirements, workplace standards, and a range of other associated topics. Additionally, the division has a Resource Management Analyst, a Procedures Development Coordinator, and an Administrative Specialist support staff.

Through a safety inspection branch and a health inspection branch, the division maintains a field staff of Safety Compliance Officers and Industrial Hygienists. These individuals conduct workplace inspections and identify hazardous conditions, cite violations of safety and health standards, and assign abatement dates. Penalties and fines may be assessed for violations.

The KYOSH benchmark manning levels were established by 29 CFR 1952.11(c), which states:

"Under the terms of the 1978 Court Order in AFL-CIO v. Marshall, compliance staffing levels (benchmarks) necessary for a "fully effective" enforcement program were required to be established for each State operating an approved State plan. In September 1984 Kentucky, in conjunction with OSHA, completed a reassessment of the levels initially established in 1980 and
proposed revised compliance staffing benchmarks of 14 health compliance officers and 23 Safety compliance officers. After opportunity for public comment and service on the AFL-CIO, the Assistant Secretary approved these revised staffing requirements on June 13, 1985.”

Covered Issues

Kentucky OSH standards consist of state-specific standards unique to Kentucky, OSHA standards incorporated with state-specific provisions, and OSHA standards incorporated without change.

General Industry
- Access to Employee Exposure and Medical Records
- Batteries
- Bloodborne Pathogens
- Contest of Citations
- Control of Hazardous Energy (Lockout)
- Discrimination
- Electrical Testing
- Employers' Responsibility Where Employees are Exposed to Toxic Substances
- Fire Apparatus and Fire Department Facilities
- Flammable and Combustible Liquids
- Guarding Floor and Wall Openings
- Laboratory Activities
- Machinery and Machine Guarding
- Materials Handling and Storage
- Medical Services and First-Aid
- Occupational Noise
- Off Highway Motor Vehicles and Equipment
- Powered Industrial Trucks
- Receiving and Unloading Bulk Hazardous Liquids
- Recordkeeping; Reporting; Statistics
- Refuse Collection and Compaction Equipment
- Rollover Protective Structures and Overhead Equipment
- Safety Belts, Lanyards, and Life Lines
- Sanitation
- Selection and Use of Work Practices (Electrical)
- Toxic and Hazardous Substances (including 4,4 Methylene bis (2-Chloroaniline))

Construction
- Blasting and Use of Explosives
- Bloodborne Pathogens
- Contest of Citations
- Discrimination

99 | Page
• Employers’ Responsibilities Where Workers Are Exposed to Toxic Substances
• Fall Protection, Cranes and Derricks in Construction
• Fall Protection, Residential
• Fall Protection, Steel Erection
• Material Hoists, Personnel Hoists, and Elevators
• Power Transmission and Distribution
• Receiving and Unloading Bulk Hazardous Liquids
• Recordkeeping; Reporting; Statistics
• Refuse Collection and Compaction Equipment
• Safety and Testing of Supply Lines in Excess of 600 Volts

Strategic Challenges

During the Business Plan development process, we considered our operating environment (geographic area, population, industries, complexity), resources (time, funding, personnel), and performance trends (historical trends, current OSHA Express analysis, Federal performance feedback). A summary of the four (4) key challenges follows:

Challenge 1: Recruitment and Retention

The most pressing and difficult challenge for KYOSH is recruiting and retaining personnel. Identified in the Federal Annual Monitoring and Evaluation (FAME) Report (2014), the report states, “The Division of OSH Compliance lost eight CSHOs in the past six months; nearly all departed for positions that provided a significant salary increase. Over the past five years, 15 compliance staff departed for other employment, and an additional three retired. Thirteen of those 18 staff members departed in the last two years.”

Since this time, the Cabinet has attempted to address this issue through a variety of means to include reimbursement for professional certification exams, tuition assistance for graduate degrees related to occupational safety and health, promotion or reclassification incentives, etc. However, many of these incentives are no longer available due to funding restrictions. Additionally, Kentucky continues to pay the lowest base salaries of any State Plan in OSHA Region IV compared to Tennessee, North Carolina and South Carolina and in the bottom three of all the 28 State Plans.

With a low base salary, limited promotion opportunities, and no other forms of compensatory incentive, the Commonwealth is not competitive with private industry nor federal service sectors. Highly qualified and certified safety and health professionals do not seek employment with KYOSH. Once new hires receive training and gain one-to-two years of experience, they depart to the private sector, other State Plans, or federal service for higher salaries and greater potential for promotion.
Challenge 2: Training Cost and Availability

KYOSH uses a competency-based approach to curriculum, adopting the OSHA CSHO Functional Competency Model described in OSHA Directive, TED 01-00-019. Proficiency requires a mix of experience and structured on-the-job training as well as formal classroom training. The training program is a multi-year approach to completing the mandatory training and on-the-job training. Each CSHO completes a minimum of three initial courses offered by the OSHA Training Institute (OTI) during the first year followed by six courses during years two and three. After these initial courses, CSHOs attend technical courses beginning with year four, complete additional Continuing Education Units (CEUs) as required, and seek professional certification or specialization.

The challenge we face is two-fold. First, seat availability in the mandatory courses taught by OTI is historically limited. We generally have a continuous backlog waiting to attend. Currently, we have ninety-three course requirements for mandatory classes between thirty-seven CHSOs. Due to this limited availability at OTI, we also utilize the state of North Carolina’s in-state training program. While this program is accredited by OTI, their instruction follows North Carolina’s statutory requirements and differs from Kentucky. Second, the cost to train is increasingly higher. Given the high turnover in personnel, we are spending an extraordinary amount of money to send new hires to OTI only to have them leave after their first year or two of service. Generally speaking, it cost approximately $3,000 per CSHO to send them to an OTI course. This cost includes travel, lodging, per diem, and wages. We estimate it costs approximately $50,000 to bring a new hire on board and train over the course of the first year. Of the 93 course requirements stated above at a cost of $3,000 per student, the total cost to complete everything is approximately $280,000.00.

When reviewing the turnover of the last five years, our Health section has hired nine and lost eight Industrial Hygienists. The average length of service for those who departed was 1.5 years. At $50,000 each for first year expense, the total for all 17 is $850,000.00, of which we lost approximately $400,000.00 (47%) of that investment when the eight employees departed. On the Safety side, we hired 20 and lost 12 hygienists. Those who departed also had an average of 1.5 years of service. The first year start-up cost for 32 hygienists was $1.6 million with a $600,000.00 (37.5%) loss due to the 12 who departed. This is a total loss of $1 million dollars over the five-year span due to employee turnover.

Challenge 3: Overall Performance and Internal Case Processing Time

The primary focus of OSHA’s state plan monitoring involves assuring the achievement of strategic goals. OSHA must also ensure that states meet the mandates set out in Section 18 of the OSH Act and 29 CFR 1902. These include program elements such as responding to complaints and fatalities, citing and penalizing violations, and covering public sector employers and employees.

Reviews ensure that the mandated activities are implemented at a level consistent with, and as effective as, the Federal program. State performance of mandated activities is addressed by one of two means: program assurances to be included as part of the 23(g) grant application, and State Activity Mandated Measures (SAMMs) which are tracked and compared to an established reference point.
<table>
<thead>
<tr>
<th></th>
<th>Indicator</th>
<th>Reference/FRL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Average Number of Work Days to Initiate Complaint Inspections (State Formula)</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>Average Number of Work Days to Initiate Complaint Investigations (State Formula)</td>
<td>5 Serious, 30 NS</td>
</tr>
<tr>
<td>3</td>
<td>Percent of Inminent Danger Complaints and Referrals Responded to within 1 Work Day</td>
<td>100%</td>
</tr>
<tr>
<td>4</td>
<td>Number of Denials where Entry Not Obtained</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>Average number of Violations per Inspection with Violations by Violation type - SWRU/Other</td>
<td>2</td>
</tr>
<tr>
<td>6</td>
<td>Percent of Total Inspections in the Public Sector; +/- 5%</td>
<td>5%</td>
</tr>
<tr>
<td>7</td>
<td>Planned vs. Actual Inspections - Safety/Health; +/- 5%</td>
<td>5%</td>
</tr>
<tr>
<td>8</td>
<td>Average current serious penalty in Private Sector (total and by size of employer)</td>
<td>55K</td>
</tr>
<tr>
<td>9</td>
<td>Percent in Compliance</td>
<td>National +/-20%</td>
</tr>
<tr>
<td>10</td>
<td>Percent of Work Related Fatalities Responded to within 1 Work Day</td>
<td>100%</td>
</tr>
<tr>
<td>11</td>
<td>Average Lapse Time - Safety/Health</td>
<td>70 Days</td>
</tr>
<tr>
<td>12</td>
<td>Percent Penalty Retained</td>
<td>60%</td>
</tr>
<tr>
<td>13</td>
<td>Percent of initial inspections with employee walk around representation or employee interview</td>
<td>100%</td>
</tr>
<tr>
<td>14</td>
<td>Percent of 11c investigations completed within 90 calendar days</td>
<td>100%</td>
</tr>
<tr>
<td>15</td>
<td>Percent of 11c complaints that are meritorious</td>
<td>National +/-20%</td>
</tr>
<tr>
<td>16</td>
<td>Average number of calendar days to complete 11c investigation</td>
<td>90</td>
</tr>
<tr>
<td>17</td>
<td>Percent of Enforcement Presence</td>
<td>National +/-25%</td>
</tr>
</tbody>
</table>

The challenge we face, as noted in recent FAME reports, are SAMMs metrics outside designated tolerance levels. Examples include a lower number of total inspections conducted, high lapse time for overall inspection processing, a high rate of In-Compliance inspections with no violations noted, and a low number of Programmed and Follow-up inspections.

A large part of the reason for some of the disparity in performance correlates to high personnel turnover and many CSHOs continuously in a Trainee status. Trainee CSHOs (those in first year and who have not completed mandatory OTI courses) are not allowed to conduct inspections on their own – they must perform work in the presence of a designated training mentor. This is essentially sending two CSHOs to do an inspection that one fully trained CSHO would normally do. Fully trained CSHOs must conduct fatality or other complex inspections. The rate of human error, and amount of time spent on writing and compiling inspection reports/files increases because of limited experience on the job. Finally, new CSHOs must acclimate to the intangibles of the job such as a confrontational environment with employers, the traumatic nature of fatalities, amputations and other serious injuries, and the general responsibility of issuing citations and understanding the impact that has on future worker safety and health.

CSHOs often testify under oath at case hearings where an employer has contested a citation. They may also testify in other courts as contested cases progress through the legal system. Each case file must meet legal sufficiency and be able to support the State’s case against an employer. Becoming a proficient investigator and building a solid case file that can withstand legal scrutiny takes time and experience to learn. Our high turnover has a direct negative impact in this area and places additional monitoring burden on our Supervisors and the General Counsel’s office.
Challenge 4: Improve Standard Operating Procedures

With such a high turnover in personnel, continuity documents are extremely important to the ability of the division to maintain consistent operations. Additionally, with turnover in other areas of the Labor Cabinet (such as General Counsel’s Office), work process documents outline case file elements and process flow is important. Our primary reference manual for KYOSH is our Field Operating Manual (FOM).

Our primary challenge involves the resources necessary to update the FOM. Several interim changes are incorporated into the manual, but this internal regulation document requires a comprehensive review with dissemination to follow. Very few continuity or work process documents exist, and these are essential to succession planning. There is an effort to focus on creating these documents for future use.

Challenge 5: Educating Internal/External Audiences on Role of Compliance/Enforcement

The Division of Compliance has an extremely important mission as part of the overall Kentucky Occupational Safety and Health program. However, we are unique in many ways that set us apart from our Education and Training counterparts. The scope and responsibility of our enforcement mission is broader and deeper than simply writing citations. In a time when resources are limited across the Commonwealth, it is imperative that the legislature, industry and public understand the importance of our role.

Our challenge in this area is articulating the different nature of a Compliance Officer’s experience with an employer from that of a Consultant and the benefit of having an enforcement program to compliment an education and training program. The most notable difference is that our CSHOs often arrive on site after an incident has occurred or after an employee has filed a complaint. Depending on the incident, it can be rather traumatic – such as observing a fatality, amputation or other significant injury. Unlike those participating in our partnership programs, CSHOs interact with employers who may not be safety and health conscious. In these instances, CSHOs may experience a more hostile and confrontational environment. At the same time, there are numerous indicators that employers inspected through an enforcement visit, and receive a citation, are more apt to take corrective measures resulting in lasting impact. Further studies indicate that injury reduction, in addition to worker safety and health benefits, yields financial benefit over extended periods to both employees, worker compensation programs, and employers. An enforcement program is also a driver to incentivize participation in one of our partnership programs as a way to prevent financial penalties.

Lastly, as Kentucky continues to grow in the manufacturing, distribution, health care and other industries, the expanding workforce and number of employers will create a greater requirement for the State to monitor the safety and health of the workforce. In addition, there
are those who question the need for Kentucky to remain a State Plan under the OSHA Act of 1970. From the Division of Compliance perspective, we believe this is important for a variety of reasons. Some of the most notable are that we are all citizens of the Commonwealth and have the best interests of Kentucky in mind. Penalties paid for violations are included in the Kentucky General Fund, and are not paid to the U.S. Treasury. Ultimately, these funds benefit the Commonwealth. Our current penalty amounts as a State Plan are significantly lower than Federal OSHA amounts and we have great authority to negotiate settlement agreements with employers. We must constantly educate those internal and external stakeholders on what we bring to the table that benefits everyone.

OSH Safety Branch team member Jermaine Greene— an integral contributor to the Division’s business plan.
# Strategic Goals and Action Plan

## Goal 1: Improve Retention and Recruiting

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Increase salaries commensurate with other State Plans in our Region</td>
<td>1.1 Director work with Cabinet Leadership (S: Jan ’18)</td>
</tr>
<tr>
<td>1.2 Incentivize attainment of professional certifications and/or OSH degree</td>
<td>1.2 Director work with Cabinet Leadership (S: Jan ’18)</td>
</tr>
<tr>
<td>1.3 Develop a Compliance Apprenticeship program</td>
<td>1.3 Director work with Cabinet Leadership (S: TBD)</td>
</tr>
</tbody>
</table>

## Goal 2: Increase training opportunities to meet TED requirements and reduce training costs

<table>
<thead>
<tr>
<th>Objective</th>
<th>Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Develop in-state training courses for Compliance Officers</td>
<td>2.1 Director work with Leadership, KYSAFE and EKU (S: Jan ’19)</td>
</tr>
<tr>
<td>2.2 Bring OTI mobile training teams to KY</td>
<td>2.2 SUPV/TNG work with Standards Division to coordinate with OTI</td>
</tr>
</tbody>
</table>

## Goal 3: Improve overall performance internal case processing time

<table>
<thead>
<tr>
<th>Objective</th>
<th>Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Improve OSH Express data entry accuracy, thoroughness, quality, and interchange w/OIS</td>
<td>3.1 PM/SUPV/RMA work with CSHOs, Contractor and OIS Admin and monitor on daily basis (S: On-going)</td>
</tr>
<tr>
<td>3.2 Demonstrate pro-active safety impact</td>
<td>3.2 SUPV/CSHOs utilize REC code function to annotate events in OSH Express (S: On-going)</td>
</tr>
<tr>
<td>3.3 Demonstrate improvement through SAMM data performance metrics</td>
<td>3.3 Director/PM/SUPV/RMA monitor CSHO performance and trends through a variety weekly, monthly and quarterly reports (S: On-going)</td>
</tr>
</tbody>
</table>

## Goal 4: Improve Standard Operating Procedures

<table>
<thead>
<tr>
<th>Objective</th>
<th>Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1 Update Field Operating Manual</td>
<td>4.1 Health PM has the lead; input from select CSHOs and SUPV (S: Jan ’18)</td>
</tr>
<tr>
<td>4.2. Update Annual Evaluation Supplement documents</td>
<td>4.2 PM/SUPV update and/or implement quantifiable evaluation metrics for CSHOs to measure performance; RMA assist SUPV as needed (S: Dec ’17)</td>
</tr>
</tbody>
</table>

## Goal 5: Educate internal/external audiences on role of KYOSH Compliance

<table>
<thead>
<tr>
<th>Objective</th>
<th>Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1 Develop an information video; post to various social media and web sites</td>
<td>5.1 PM/SUPV select CSHO, develop content, and coordinate with KYSAFE for resources (S: Oct ’17)</td>
</tr>
<tr>
<td>5.2 Present case reviews to Leadership</td>
<td>5.2 SUPV/CSHO develop briefings, Director coordinate date-time as needed (S: On-going)</td>
</tr>
<tr>
<td>5.3 Issue press releases for willful, repeat and non-Partner violations as deterrent</td>
<td>5.3 PM/SUPV select cases and draft release; Director reviews and coordinates release (S: Jul ’17)</td>
</tr>
</tbody>
</table>
Financial Plan

To Be Determined – while both KYOSH and KYSAFE (Division of Education and Training) are funded by both Federal 23g grant and the Commonwealth, there is no Division of Compliance specific budget within the Department of Workplace Standards and Labor Cabinet. Due to a high personnel turnover and shortage in the Management Services Division of the Labor Cabinet, fiscal management takes place at the Cabinet level.

OSH Regulations

Kentucky OSH Field Operations Manual (FOM), Revised May 1, 2014

Agriculture Regulations
803 KAR 2:600: Occupational Safety and Health Standards For Agriculture
KRS 338.021: Exclusions

Construction Regulations
803 KAR 2:016: Construction industry standards
803 KAR 2:018: Refuse collection and compaction equipment standards
803 KAR 2:019: Receiving and unloading bulk hazardous liquids
803 KAR 2:040: Definitions
803 KAR 2:050: Scope
803 KAR 2:060: Employers' responsibilities
803 KAR 2:062: Employers' responsibility where employees are exposed to toxic substances
803 KAR 2:070: Inspection; procedure
803 KAR 2:080: Advance notice of inspections
803 KAR 2:090: Unwarranted inspections; complaint

General Industry Regulations
803 KAR 2:015: 803 KAR 2:015
803 KAR 2:018: Refuse collection and compaction equipment standards
803 KAR 2:019: Receiving and unloading bulk hazardous liquids
803 KAR 2:040: Definitions
803 KAR 2:050: Scope
803 KAR 2:060: Employers' responsibilities
803 KAR 2:062: Employers' responsibility where employees are exposed to toxic substances
803 KAR 2:070: Inspection; procedure
803 KAR 2:080: Advance notice of inspections.
803 KAR 2:090: Unwarranted inspections; complaint.

Maritime Regulations
803 KAR 2:500: Maritime employment.

Injury and Illness Recordkeeping and Reporting Regulations
803 KAR 2:180: Recordkeeping; reporting; statistics.
2016-19 BUSINESS PLAN
March 14, 2017

Kentucky Labor Cabinet  
Division of Occupational Safety and Health Education and Training  
1047 U.S. Highway 127 South, Suite 3  
Frankfort, KY 40601 USA

Statutory Authority and Duties

29 CFR 1908  
This part contains requirements for Cooperative Agreements between states and the Federal Occupational Safety and Health Administration (OSHA) under section 21(c) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.) under which OSHA utilizes state personnel to provide consultative services to employers. Consultation programs operated under the authority of a state plan approved under Section 18 of the Act (and funded under Section 23(g), rather than under a Cooperative Agreement) which provide consultative services to private sector employers, must be "at least as effective as" the section 21(d) Cooperative Agreement programs established by this part.

KRS 338  
This statute notes that because "occupational accidents and diseases produce personal injuries and illness including loss of life as well as economic loss," it is the policy of the Commonwealth to preserve our human resources by providing for education and training, consultation, services, research, reports and statistics, and other means of furthering progress in the field of occupational safety and health. The statute also carries provisions which requires each employer to "furnish to each of his employees employment and a place of employment which are free from recognized hazards that are causing, or are likely to cause death or serious physical harm to his employees," and that each employer "shall comply with occupational safety and health standards promulgated under this chapter."

803 KAR Chapter 2  
These administrative regulations provide for the adoption of many of OSHA's standards, detailed under the following regulations: 29 CFR 1904, 29 CR 1910, 29 CFR 1915, 29 CFR 1917, 29 CFR 1918, 29 CFR 1926, and 29 CFR 1928. 803 KAR Chapter 2 also provides for a number of state-specific regulations.
Duties

The state is responsible for operating and maintaining programs that effectively meet the objectives of the OSHA-funded Consultation Program, in accordance with 29 CFR 1908. The state is also responsible for submitting Annual Cooperative Agreements and developing a Consultation Annual Project Plan (CAPP) in accordance with its State Strategic Plan. As a Consultation Program, the Division of OSH Education and Training is required to evaluate itself annually by means of a Consultation Annual Project Report (CAPR). CAPR adheres to the monitoring and evaluation methods established in the Consultation Policies and Procedures Manual (CPPM), CSP 02-00-003.

The Division of OSH Education and Training offers on-site consultation to employers in the state through funding from Section 23(g) of the OSH Act. The division also provides free training to workers and employers in the state of Kentucky. In addition to consultative surveys, the division offers training and a number of voluntary and cooperative programs, such as the Voluntary Protection Program (VPP), Construction Partnership Program, Safety and Health Achievement Recognition Program (SHARP), OSHA Strategic Partnership, and Safety Partnership Program, focused on reducing occupational injuries and illnesses.

KYSAFE Assistant Division Director Kim Perry works with staff to refine their vision statement & brand.
Agency Qualities and Characteristics
Since 1973, the Division of OSH Education and Training has offered a full range of services, including cost-free on-site consultation, technical assistance, training programs, and publications.

Mission Statement
KYSAFE. We build alliances with Kentucky employers to promote worker safety through high quality education and technical assistance.

Vision Statement
We will be recognized as a leading resource in the Commonwealth for fostering excellence in workplace health and safety. Our services will provide employers the opportunity to improve economic viability resulting from workplaces free from injuries, illnesses and fatalities.

Organizational Values
• Knowledgeable & Experienced Staff: A key education & training resource
• High-Impact Partnerships: Add value to employers and help us achieve our mission
• Quality Services: Delivered with reliability and integrity
• Effective Education & Training: Guides industries toward hazardous identification and control

Management Team
The management team is currently comprised of a Commissioner, Deputy Commissioner, Division Assistant Director, Safety Program Manager, Health Program Manager, Partnership Programs Branch Manager and a Statistical Services Branch Manager. The management team is experienced in occupational safety and health issues, managing cooperative partnerships with employers, and managing injury, illness and fatality data for employers in the Commonwealth. The management team’s key responsibilities involve managing the daily operations of the Division of OSH Education and Training.

Organization
The division maintains three (3) main operational branches, Safety, Health, and Partnerships with a section for statistical services. Field staff includes nine (9) consultants in the Safety Branch and ten (10) Industrial Hygienists in the Health Branch. The Partnership Branch maintains a staff of five (5) safety consultants and Industrial Hygienists as well as a Voluntary Protection Partnership (VPP) Administrator, a Safety and Health Achievement Recognition Program (SHARP) Administrator, and a Construction Partnership Program (CPP) Administrator when fully staffed. At this time, the division is down five consultant positions.
Key Performance Indicators

Major Milestones Achieved in Federal FY 2016

Surveys and technical assistance
The division conducted 166 health surveys of which all were considered high hazard. The division’s safety branch conducted 198 surveys, of which all were considered high hazard. Together, these resulted in the identification of 3,188 serious and 1,525 other-than-serious hazards. In addition, five (5) safety and health technical assistance visits were conducted.

Value of consultation services
For the calendar year of 2016, the Safety and Health Branch conducted 350 consultative surveys—336 of which identified hazards. Consultants identified 3813 serious hazards which potentially exposed up to 108,307 employees. This resulted in savings up to $26,691,000 in potential enforcement penalties.

Construction industry
The division conducted seventeen (17) surveys, and presented nineteen (19) training courses in construction representing 2,175 contact hours.

Fall Prevention Stand-down and Campaign
The division participated in the Federal OSHA Falls Prevention and Campaign Stand-down the week of May 2-6, 2016. Several OSH Consultants were involved, as was the Partnership Program Manager. No fewer than seven (7) construction sites were visited, including the cities of Bowling Green, Louisville, Georgetown and Lexington. Over 800 employees received fall awareness training. This training consisted of a short presentation of approximately one half (1/2) hour with division consultants explaining the proper use of fall protection equipment commonly found on construction sites.

Targeting programs
Bureau of Labor Statistics 2014 data was utilized to target employers in the industries with the highest injury and illness rates. Two hundred and sixty-one letters were sent to employers encouraging them to request consultation services. Seventy-three (73) employers responded to the outreach letters with survey requests. Division staff members are working with employers to improve the safety and programs in their places of employment. The outreach included an emphasis on NAICS 3273, Cement and Concrete Product Manufacturing, and surveys at these facilities included an analysis of potential exposures to silica. Employers who did not respond or chose not to use the voluntary services of the division were referred to the Division of OSH Compliance.
OSH Partnership Program
The Partnership Branch consists of a Program Manager, three (3) Partnership Administrators and five (5) safety and health consultants when fully staffed. Partnership offerings include: Voluntary Protection Partnership (VPP); Safety and Health Achievement Recognition Program (SHARP); Construction Partnership Program (CPP); Safety Partnership Program (SPP); and OSH Strategic Partnership (OSP). The number of companies involved in a Partnership is a very fluid number and ever-changing, but for calendar year 2016 there were no fewer than 12 VPP sites, 22 SHARP sites and 20 CPP projects active. During our Partnership activity, the branch affected over 16,000 employees and helped identify/abate hundreds of hazards, while also training hundreds of employees is hazard recognition. During the 2016 calendar year, the Partnership Branch also worked with several other facilities (not included in the numbers above) striving to join the SHARP or VPP program.

TRACK Program Partnership
Tech Ready Apprentices for Careers in Kentucky (TRACK) is a partnership between the Kentucky Department of Education’s Office of Career and Technical Education and the Labor Cabinet. The goal of this partnership is to prepare students for the workforce, help create and retain local jobs for students and, upon successful completion will result in acceptance in a Registered Apprenticeship Program. The partnership between the Office of Career and Technical Education (OCTE) and the Labor Cabinet provides pre-apprenticeship opportunities to high school students through existing programs offered at secondary tech centers across the state.

Employers may design secondary vocational training programs that best suit their needs. A minimum of four (4) courses are required, with one (1) of the courses being a cooperative education placement. In addition to the four (4) courses, students complete eight (8) safety and health modules developed by the Division of OSH Education and Training. The OCTE has specific training modules for students enrolled in the electrical, welding, or carpentry tracks, and is currently developing requirements for students in information technology and health sciences concentrations.

The modules are provided through the Labor Cabinet’s e-learning website, www.laborcabinetetrain.com. Upon completing each module with quiz, students receive a certificate from the Division of OSH Education and Training that must be given to their instructor and employer. The Division of OSH Education and Training believes this is a great opportunity to educate the young workforce regarding the importance of occupational safety and health. There were 3,503 visits to the modules in FY 2016.

Training and eLearning
One hundred and twenty-nine face to face training sessions were conducted that reached over 4,400 attendees. Forty (40) training sessions were presented at five (5) Population (POP) Center Training seminars throughout the Commonwealth. Over 1,350 participants attended these training courses. The division added or updated four (4) cost-free interactive training products to the www.laborcabinetetrain.ky.gov library. Seven (7) new webinars were conducted, recorded, and
published to the website for instant viewing. These total 39 modules and 31 webinars available to employers and employees.

Professional and Technical Capacity
The division encourages safety and health consultants to advance professional development by obtaining the Certified Safety Professional (CSP) and/or the Certified Industrial Hygiene (CIH). This is a nationally highly accredited certification among safety professionals. The division currently has ten (10) CSP’s and eight (8) CIH’s.

The division currently has five (5) Occupational Health and Safety Technician (OHST) and three (3) Construction Health and Safety Technicians (CHST)

Financials

23(g) Federal grant funding with restricted funds

Heather Damron (left) and Kaycie Carter engage in a business planning session.
## TOWS Matrix

<table>
<thead>
<tr>
<th>Internal Elements</th>
<th>Division Strengths</th>
<th>Division Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>External Elements</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. Cooperation among staff</td>
<td>1. Need to better value &amp; respect staff</td>
</tr>
<tr>
<td></td>
<td>2. Good Reputation</td>
<td>2. Employee Retention</td>
</tr>
<tr>
<td></td>
<td>3. Flexibility</td>
<td>3. Finding qualified workers to hire</td>
</tr>
<tr>
<td></td>
<td>4. Smart and Intelligent Staff</td>
<td>4. Low morale/frustration</td>
</tr>
<tr>
<td></td>
<td>5. Federal money and equipment</td>
<td>5. We are in flux with mgmt. change</td>
</tr>
<tr>
<td></td>
<td>6. Lack data</td>
<td>7. Lack data</td>
</tr>
</tbody>
</table>

### Strategic Options

#### Environmental Opportunities
1. Use of Social Media/ Facebook & Twitter
2. Attend more trade shows
3. Hand Held Computers
4. Partnerships
5. Training and ISO Certification
6. De-obligated Funds
7. GAPS to offer mid-point salaries for entry staff
8. Revisit Flex Schedules

**S-O**
1. Use federal money to buy hand held computers. Find strategies to work with COT to overcome policy differences (S5 & O3).
2. Use Federal funds to training existing staff (S4, S5 & O5).
3. Use staff to promote social media and work at trade shows (S1, S4, & O1, O2).

#### Environmental Threats
1. Trust and perception of OSHA
2. Lack of marketing/Private Vendor Competition
3. Services are not known
4. Automation and reduced employees
5. Businesses have own safety persons
6. COT
7. Economy
8. Retirements
9. Politics

**S-T**
1. Combine the strength of knowledgeable staff with a good reputation to overcome the negative perception of OSHA (S2 & 4, T1).
2. Use federal money to address the lack of awareness through marketing (S5 & T2).

#### (W-O)
1. Hire qualified workers to develop and maintain social media sites to assist with recruiting and increasing general awareness of Labor Education and Training (W3 & O1).
2. Build data through partnerships (W6 & O4).
3. Limit the impact of employee retention, low morale through de-obligated funds, mid-point salaries, and flex schedules (W2-4 & O, 6-8).

#### (W-T)
1. Work to retain employees and delay or minimize the impact of retirements (W2 & T8).
# Action Plan

## Goal 1. Develop Employee Recruitment and Retention Plan

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Issue Exit Surveys</td>
<td>1.1. Assigned to Kim Perry, David Stumbo and Danny Vernon. To be issued upon employee departure. Data to be maintained in database. March 30, 2017 will be effective.</td>
</tr>
<tr>
<td>1.2 Request salary increase to mid-point &amp; reconsider policy regarding flexible schedules</td>
<td>1.2 Team, in conjunction with Commissioner Dimeny and Deputy Commissioner Donita, will discuss policies. Date of deliverable August 2017. National data and salary stats data to be provided.</td>
</tr>
</tbody>
</table>

## Goal 2. Increase the Education and Training Division’s overall marketing and outreach.

| 2.1 Marketing firm. | 2.1 Secured by Kim Perry by 1/31/17. Product delivered to include: logo, banners, brochures, marketing folders. |
| 2.2 New website. | 2.2 New website to be completed by Kentucky Interactive with Kim Perry. Test date is set for May 1, 2017 if not before and launch date set for May 8th, 2017. |
| 2.3 New Database. | 2.3 Kim Perry, in conjunction with Commissioner Dimeny and Deputy Commissioner Donita, will secure new database. Date of deliverable August 2017 if not before. |
| 2.4 Value Analyses | 2.4 Team, in conjunction with Commissioner Dimeny and Deputy Commissioner Donita. Deliverable date: Now available for each month. |
| 2.5 Increase recognition of partners. | 2.5 Team, in conjunction with Commissioner Dimeny and Deputy Commissioner Donita. Deliverable date: July 2017. Governor’s safety and health awards and consultant driven Thoroughbred awards. |
| 2.6 Explore hiring a marketing/data/graphic arts staff. | 2.6 Team, in conjunction with Commissioner Dimeny and Deputy Commissioner Donita. Deliverable date: July 2017. Promote vacancies with 3rd parties. |
| 2.7 Promote the annual Governors safety and health conference | 2.7 Labor Cabinet co-sponsor Governors Safety and health conference along with KY safety and health network (KSHN) |

**Goal 3. Calculate Monetary and Other Value of Consultation, Partnerships & Training.**

| 3.1 Work on demonstrating the value of Partnerships with VPP sites (noting monetary and other value components). | 3.1 Assigned to Danny Vernon & Brian Black. Deliverable date: 8/30/17. Provide a survey for Workers comp cost savings and testimonials for website. |
| 3.2 Work on demonstrating the value of Consultations, i.e., money saved on citations. | 3.2 Assigned to David Stumbo and Lynn Whitehouse. Deliverable date: July 2017 or before. To be provided to employer with closing letter. |
| 3.3 Work on demonstrating the value of Pop Center Training and Webinars. | 3.3 Assigned to Kim Perry. Deliverable date: July 2017. Team will conduct pre and post quiz or survey to determine training retention or the use of material provided. |
Statutory Authority and Duties

Minimum Wage

Minimum wage rates and effective dates are as follows: $5.85 per hour effective June 26, 2007, $6.55 per hour effective July 1, 2008, and $7.25 per hour effective July 1, 2009. Should the federal minimum wage rate as prescribed by 29 U.S.C. Section 206(a)(1) be higher, Kentucky’s minimum wage rate will adjust to match the federal rate. KRS 337.275

Overtime

No employer shall employ any employee for a workweek longer than forty hours unless such employee receives compensation for employment in excess of forty hours in a workweek at a rate of not less than one and one-half times the hourly rate employed. This section does not apply to employees of retail stores engaged in work connected with selling, purchasing and distributing merchandise, wares, goods, articles or commodities, or to employees of restaurant, hotel and motel operations, to employees as defined and exempted from the overtime provision of the Fair Labor Standards Act in section 213(b)(1), 213(b)(10) and 213(b)(17) of Title 29, U.S.C. and employees as defined in KRS 337.285 Sec. 2(d) and 2(e). (KRS 337.285

Wage & Hour staff Angela Stephens (left), Sherri Engle and Diane Asay debate business priorities for the next three years.
Exemptions

Minimum Wage (KRS 337.275) and Overtime (KRS 337.285) do not apply to: (1) Any individual employed in agriculture; (2) Any individual employed in a bona fide executive, administrative, supervisory or professional capacity, or in the capacity of outside salesman, or as an outside collector as such terms are defined by administrative regulations of the Executive Director; (3) Any individual employed by the United States; (4) Any individual employed in domestic service in or about a private home. The provisions of this section shall include individuals employed in domestic service in or about the home of an employer where there is more than one domestic servant regularly employed; (5) Any individual classified and given a certificate by the Executive Director of Workplace Standards showing a status of handicapped worker or sheltered workshop employee under administrative regulations promulgated by the Executive Director of Workplace Standards; (6) Employees of retail stores, service industries, hotels, motels, and restaurant operations whose average annual gross volume of sales made for business done is less than ninety-five thousand dollars for the five preceding years exclusive of excise taxes at the retail level or if the employee is the parent, spouse, child, or other member of the employer's immediate family; (7) Any individual employed as a babysitter in the employer's home or as a companion by a sick, convalescing or elderly person or by the person's immediate family, to care for that sick, convalescing or elderly person and whose principal duties do not include housekeeping; (8) Any individual engaged in the delivery of newspapers to the consumer; (9) Any individual subject to the provisions of KRS Chapters 7, 16, 27A, 30A, and 18A provided that the secretary of the Personnel Cabinet shall have the authority to prescribe by administrative regulation those emergency employees, or others, who shall receive overtime pay rates necessary for the efficient operation of government and the protection of affected employees; (10) Any employee employed by an establishment which is an organized nonprofit camp, religious, or nonprofit educational conference center, if it does not operate for more than seven months in any calendar year; (11) Any employee whose function is to provide 24 hour residential care on the employer's premises in a parental role to children who are primarily dependent, neglected and abused and who are in the care of private nonprofit childcaring facilities licensed by the Cabinet for Health and Family Services under KRS Chapter 199; or (12) Any individual whose function is to provide 24 hour residential care in his or her own home as a family caregiver and who is approved to provide family caregiver services to an adult with a disability through a contractual relationship with a community mental health-mental retardation board established under KRS 210.370 to 210.460, or is certified or licensed by the Cabinet for Health and Family Services to provide adult foster care. (KRS 337.101(2))
Statutory Authority and Duties, continued

Tipped Employees

Any employee engaged in an occupation in which more than $30 dollars per month is customarily and regularly received in tips, the employer may pay a minimum of $2.13 per hour if the employer's records can establish for each week where credit is taken, when adding the tips received to wages paid, not less than the minimum wage is received by the employee. Subsequently, the tipped rate will adjust in accordance with the federal minimum tipped rate as prescribed by 29 U.S.C. Sec. 206(a)(1). No employer shall use all or part of any tips or gratuities received by employees toward the payment of the minimum wage. (KRS 337.275(2)) No employer shall require an employee to remit to the employer any gratuity, or any portion thereof, except for the purpose of withholding amounts required by federal or state law. No employer shall require an employee to participate in a tip pool whereby the employee is required to remit to the pool any gratuity, or any portion thereof, for distribution among employees of the employer. Employees may voluntarily enter into an agreement to divide gratuities among themselves. The employer may inform the employees of the existence of a voluntary pool and the customary tipping arrangements of the employees at the establishment. Upon petition by the participants in the voluntary pool, and at the employer's own option and expense, an employer may provide custodial services for the safekeeping of funds placed in the pool if the account is properly identified and segregated from the other business records and open to examination by pool participants. (KRS 337.065)

Records

Every employer subject to the provisions of the Kentucky Minimum Wage Law shall make and preserve records containing the following information: (a) Name, address, and Social Security Number of each employee; (b) Hours worked each day and each week by each employee; (c) Regular hourly rate of pay; (d) Overtime hourly rate of pay for hours in excess of forty hours in a workweek; (e) Additions to cash wages at cost, or deductions (meals, board, lodging, etc.) from stipulated wages in the amount deducted, or at cost of the item for which deductions are made; (f) Total wages paid for each workweek and date of payment. Such records shall be kept on file for at least one year after entry. No particular form or order is prescribed for these records provided that the information required is easily obtainable for inspection purposes. (KRS 337.320)
Statutory Authority and Duties, continued

Rest Periods

No employer shall require any employee to work without a rest period of at least ten (10) minutes during each four (4) hours worked except those employees who are under the Federal Railway Labor Act. This shall be in addition to the regularly scheduled lunch period. No reduction in compensation shall be made for hourly or salaried employees. (KRS 337.365)

Lunch Periods

Employers, except those subject to the Federal Railway Labor Act, shall grant their employees a reasonable period for lunch, and such time shall be as close to the middle of the employee’s scheduled work shift as possible. In no case shall an employee be required to take a lunch period sooner than three (3) hours after the work shift commences, nor more than five (5) hours from the time the work shift commences. This section shall not be construed to negate any provision of a collective bargaining agreement or mutual agreement between the employee and employer. (KRS 337.355)

Payment of Wages

Any employee who leaves or is discharged from employment shall be paid in full all wages or salary earned not later than the next normal pay period following the date of dismissal or voluntary leaving or fourteen (14) days following such date of dismissal or voluntary leaving whichever last occurs. (KRS 337.055)
Statutory Authority and Duties, continued

Unlawful for Employer to Withhold Wages

No employer shall withhold from any employee’s wages any part of the agreed wage rate; unless (a) the employer is required to do so by local, state, or federal law; or (b) when a deduction is expressly authorized in writing by the employee to cover insurance premiums, hospital, or medical dues; or (c) other deductions not amounting to a rebate or deduction from the standard wage arrived at by collective bargaining or pursuant to wage agreement or statute; or (d) deductions for union dues where such deductions are authorized by joint wage agreements or collective bargaining contracts negotiated between employers and employees or their representatives. No employer shall deduct the following from the wages of employees: (a) Fines; (b) Cash shortages in a common money till, cash box or register used by two (2) or more persons; (c) Breakage; (d) Losses due to acceptance by an employee of checks which are subsequently dishonored if such employee is given discretion to accept or reject any check; or (e) Losses due to defective or faulty workmanship, lost or stolen property, damage to property, default of customer credit or nonpayment for goods or services received by the customer if such losses are not attributable to employee’s willful or intentional disregard of employer’s interest. (KRS 337.060)

Time and A Half for Work Done on Seventh Day of Week

Any employer who permits any employee to work seven days in any one workweek shall pay the rate of time and a half for the time worked on the seventh day. The above shall not apply in any case in which the employee is not permitted to work more than forty hours during the workweek; or to telephone exchanges having less than five hundred subscribers; stenographers, bookkeepers or technical assistants of professions such as doctors, accountants, lawyers and other professions licensed under the laws of this state; employees subject to the Federal Railway Labor Act and seamen or persons engaged in operating boats or other water transportation facilities upon navigable streams; persons engaged in icing railroad cars; common carriers under the supervision of the Department of Vehicle Regulation; and any officer, superintendent, foreman or supervisor whose duties are principally limited to directing or supervising other employees. (KRS 337.050)
Statutory Authority and Duties, continued

Performance Bonds

Except for employers who have been doing business in the state for five (5) consecutive years, every employer engaged in construction work, or the severance, preparation, or transportation of minerals, shall furnish on a form prescribed by the Executive Director a performance bond to assure the payment of all wages due from the employer. Surety for the bond shall be an amount of money equal to the employer's gross payroll operating at full capacity for four (4) weeks. (KRS 337.200)
Mission Statement

An agency's mission statement is static and defines the core reason for existence. A mission statement ensures fidelity to daily work processes, and serves to limit the scope of new projects taken on by the agency to the parameters of the defined mission.

The Wage and Hour Division reviewed their core functions during fall of 2016, and in keeping with their statutory authority, present the following statement.

Our mission is to ensure compliance with and knowledge of Kentucky's wage and hour laws for all employers and employees in the Commonwealth.
Vision Statement

A vision statement demonstrates movement, pursuing an aspiration. It defines the model that one hopes to become. Vision statements are dynamic, bold and changing. They reflect a long-range plan, sometimes reaching several years or decades into the future. Where mission statements serve as a guide for employees, vision statements inspire and motivate.

We aspire to protect the welfare of Kentucky workers and employers through professional and impartial resolution of wage and hour disputes. We will ensure compliance with the law by continuous improvement in delivery of services and technologies.
Organizational Values

Organizational Values guide daily interactions with internal colleagues, and external customers and stakeholders. The Kentucky Labor Cabinet's Wage and Hour Division identify the values below, along with their mission statement, as guiding their daily practice.

Integrity

1. We perform our duties with integrity.

Efficiency and Problem-Solving

2. We are efficient and proficient in problem-solving.

Outstanding Customer Service and Teamwork

3. We provide outstanding customer service with competency and teamwork.

Management Team

The management team is comprised of Commissioner Ervin Dimeny, Deputy Commissioner Michael C. Donta, and Division Supervisor Marjorie Arnold. The expertise of the management team includes wage and hour disputes, working with and meeting reporting requirements of the U.S. Department of Labor, workplace standards, and a range of associated topics.
Major Milestones Achieved in 2016

Monthly Collection of Unpaid Wages for the State’s Workers

In an effort to raise awareness about the importance of properly paying employees under Kentucky wage and hour laws, the Kentucky Labor Cabinet is beginning a “Monthly Unpaid Wages Report” to highlight the total amount of unpaid wages that have been collected and returned to Kentucky employees each month.

“Releasing the amount of wages collected is meant to signal our commitment to ensuring that hardworking Kentuckians get the wages that are owed to them under the law,” Labor Cabinet Secretary Derrick Ramsey said. “We want employees in the Commonwealth to understand that the Labor Cabinet stands ready to help recover and return wages improperly withheld from them. This report is important for employers as well, as it should serve as a reminder on the importance of knowing and fulfilling their obligations under wage and hour laws.”

Unpaid overtime, withheld final paychecks, illegal deductions of pay and lower pay than the legal minimum wage requirement are among the types of wage and hour violations that the Cabinet prosecutes. Other examples include misclassification of workers as independent contractors, unpaid breaks, time-clock shaving, mandatory tip-pooling and prevailing wage violations.

The Labor Cabinet’s Division of Employment Standards is responsible for enforcing Kentucky’s wage and hour, child labor and prevailing wage laws. Enforcement typically begins upon the receipt of a complaint. Investigators are assigned to the case to determine compliance with the state’s wage and hour laws, monitor the correction of any violations, and collect back wages improperly withheld from employees.

In December 2016, the Labor Cabinet recouped $347,540.83 in unpaid wages for Kentucky workers. This brings the total amount recovered in 2016 to $1,922,179.55.
SWOT Analysis

<table>
<thead>
<tr>
<th>Internal Elements</th>
<th>Organizational Strengths</th>
<th>Organizational Weaknesses</th>
</tr>
</thead>
</table>
|                   | 1. Resolve majority of wage complaints- collect lost wages  
|                   | 2. A resource for employers & employees  
|                   | 3. Uphold & communicate the law  
|                   | 4. Consider all complaints; provide assistance  
|                   | 5. Educate the public  
|                   | 6. Impartial  |
| External Elements  |                          |                           |
|                   |                          |                           |

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<thead>
<tr>
<th>Strategic Options</th>
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<tbody>
<tr>
<td>Opportunities</td>
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<tr>
<th>Threats</th>
<th>Strengths-Threats (ST)</th>
<th>Weaknesses-Threats (WT)</th>
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<tbody>
<tr>
<td></td>
<td>1. Apply our objective data regarding wage claims, and seek additional funding through the budgeting and legislative processes. (S1, T1)</td>
<td>1. Educate legislators re how we serve their constituents. Encourage the restructuring of funding (penalties/restructuring funding stream). (W1, T1)</td>
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Wage and Hour  
SWOT Analysis November 4, 2016
## Action Plan 2017

<table>
<thead>
<tr>
<th>Goal 1. Create government continuity in Department of Workplace Standards, Division of Wage and Hour</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objectives</strong></td>
</tr>
<tr>
<td>1.1 Develop a Succession Plan</td>
</tr>
<tr>
<td>1.2 Develop Professional Standards Curriculum</td>
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<tr>
<th>Goal 2. Increase public outreach events regarding the Department of Workplace Standards, Division of Wage and Hour</th>
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<tr>
<td><strong>Objectives</strong></td>
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<tr>
<td>2.1 Increase outreach by 20% in calendar year 2017 by developing content materials and in anticipation of using an LMS.</td>
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<th>Goal 3. Internal staff development and training</th>
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<tr>
<td><strong>Objectives</strong></td>
</tr>
<tr>
<td>3.1 Convert training manual to a Word doc.</td>
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<tr>
<td>3.2 Provide internal training to staff.</td>
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<tr>
<th>Goal 4. Improve Case Processing Time</th>
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<tr>
<td><strong>Objectives</strong></td>
</tr>
<tr>
<td>4.1 Conduct a workflow analysis.</td>
</tr>
<tr>
<td>4.2 Develop internal policies regarding case processing.</td>
</tr>
<tr>
<td>4.3 Develop a Case Management System to automate the entire process.</td>
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