

**2002**

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**New York State Department of Labor**  
**ANNUAL REPORT**



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**George E. Pataki, Governor**  
**Linda Angello, Commissioner**

# NEW YORK STATE DEPARTMENT OF LABOR ANNUAL REPORT 2002



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Governor

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During 2002, the department's mission is to advocate job creation and economic growth through workforce development. Our agenda is to support the economy, the employers and the employees of the Empire State through employment services, training, worker protection and delivery of benefits for those who are unemployed through no fault of their own. This annual report summarizes the ways we are doing our job.



We recruit workers for businesses and match job seekers to available positions. Last year, the Labor Department hosted more than 3,500 job fairs or recruiting actions and attracted more than 350,000 people eager for work.

Under the auspices of the Workforce Investment Act, the department is helping to develop training programs that enhance our workforce, reduce the dependency on welfare and move people into new and better jobs. We continue to fine-tune the apprenticeship programs that have been producing skilled artisans in this state since the 1890s.



Linda Angello,  
Commissioner

Our partnership with business is targeting the needs of tomorrow with education and training today. Labor Department staff enforce all of the State laws pertaining to working conditions, wage and hour, child labor, safety and health and Public Work. In the 90 years since the Triangle Shirtwaist Fire, our staff has shouldered a wider responsibility for helping employers achieve a safer, more efficient workplace.

## I. EMPLOYMENT AND TRAINING

### A. DIVISION OF EMPLOYMENT SERVICES (DoES)

The Division of Employment Services (DoES) has the responsibility of managing and administering employment related services to businesses and workers in the State of New York. In partnership with local agencies, the division's staff works within the mandates of the Workforce Investment Act (WIA) to meet the needs of New York's businesses and workforce. In addition, it is responsible for providing core services for the Workforce system throughout the state. DoES provides labor exchange services to employers, veterans, rural workers, UI claimants, Social Services clients, youth and other jobseekers to promote economic development and a healthy economy.

#### LABOR EXCHANGE

 Applicants served Program Year 2001

(July 1, 2001 to June 30, 2002):

 Job Seekers served:	527,607
 Job openings:	226,997
 Job Seekers finding work:	101,242
 UI Customers served:	351,932
 Employers served:	25,626
 Job Orders listed:	88,932

 The New York State Department of Labor is the lead agency for workforce development in the State. One of its goals is to help businesses find workers and help people find jobs. During 2001, DOL held approximately 3,500 job fairs and recruitments. More than 27,000 employers participated and approximately 350,000 jobseekers attended.

#### UI TO WORK REEMPLOYMENT PROGRAM

The UI-to-Work Reemployment Program greatly expands services to unemployment insurance benefit claimants, to move these individuals into new jobs as quickly as possible.

During calendar year 2002, 558,000 claimants were scheduled to report to a local office for job service orientation and other placement assistance, such as

resume writing, job-search and interviewing skills workshops. Our resource rooms are equipped with personal computers and a variety of self-help software programs that greatly enhance our services.

#### RURAL EMPLOYMENT PROGRAM

The mission of the Rural Employment Program is to provide the full range of employment services to rural and agricultural sectors. The program assists agricultural and rural employers in locating workers needed to successfully conduct business. They also help farm workers and other rural residents find productive employment in agriculture or non-farm jobs, according to their abilities, interests and needs.

##### Migrant Outreach Program

Operating since 1975, the program contacts migrant and seasonal farm workers to explain services available from the department, as well as other support services available. During PY 2002, the program reached 9,817 migrant and seasonal farm workers.

##### Agricultural Recruitment System

The program locates agricultural workers from areas outside New York State to fill job openings for the state's farm, landscaping and food processing industries. During PY 2002, 174 job orders were processed for 2,500 workers from outside the state.

#### ALIEN LABOR CERTIFICATION

An employer wishing to hire a non-immigrant alien must first obtain certification from the USDOL that there are no able, willing and qualified U.S. workers available for the job and that the wages and working conditions offered to the alien are those prevailing for the occupation in the employer's labor market area. DoES is responsible for processing initial requests for both permanent and temporary labor certification.

Enactment of amendments to Section 245(i) of the Immigration and Nationality Act in December 2000 triggered huge increases in the number of new applications for alien labor certification in the first four months of 2001. The unprecedented filings in that time span inundated the Alien Employment Certification Office (AECO), a unit within DoES located in New York City. In the last month before

the sunset of Section 245(i) on April 30, 2001, some 38,970 permanent applications were filed. This contrasted markedly with a total of 432 new applications filed in April 2000.

During the year 2002 the AECO received a total of 484 temporary and 9990 permanent applications. The office completed the initial processing of some 537 temporary and 12,024 permanent applications that had been filed prior to the reopening of Section 245(i). Because of the large numbers of applications filed before the April 30, 2001 deadline, the AECO is still working toward completion of the Section 245(i) caseload.

### **PERIODIC EMPLOYMENT AND ELIGIBILITY REVIEW (PEER) PROGRAM**

The PEER program continues to serve as a tool to shorten UI duration, by monitoring compliance of UI claimants regarding their availability for work. Periodic assessments assure that claimants are: ready, willing and able to work, not otherwise employed and actively seeking employment.

The department scheduled periodic eligibility reviews for 430,110 claimants as a benefit control measure. During the review we examine work search activities and availability to ensure compliance. Another benefit-control measure stopped payment of weekly benefits for 86,675 claimants, who failed to report to the employment service.

### **TRADE ADJUSTMENT ASSISTANCE (TAA)**

The Trade Adjustment Assistance Program provides benefits and services to individuals adversely affected by import competition. We apply early intervention strategies for program benefits and reemployment services. These include job development, career counseling, and training, which help claimants quickly find suitable long-term employment.

In fiscal year 2002, 853 individuals took advantage of one or more reemployment services and/or classroom training.

### **PROJECT TRABAJO**

Project Trabajo (PT) offers unemployed Hispanic

workers and recent immigrants orientations that include customized job-readiness skills workshops to help them become "job ready" and able to compete in today's labor market. It also informs Hispanic businesses and the professional business community about the employer services and programs available with the State Labor Department through the Latino Job Service Employer Committee (JSEC) business seminars. Project Trabajo maintains active relations and partnerships with various New York City Hispanic Chambers and Business Trade Councils.

Project Trabajo staff conducted customized seminars to inform Hispanic unemployed or underemployed workers about the special employment resources and opportunities provided through the Department of Labor in partnership with Hispanic Chambers and other entities. They also coordinated a Queens Hispanic Job Fair in partnership with the Hispanic Chamber of Commerce and Long Island City Business Development Corp. and conducted on-site recruitments for Hispanic workers.

During this year, Project Trabajo participated in five Hispanic Job & Career Fairs including the Department of Labor's major event.

Staff members also operated a toll-free hotline answering questions about jobs and the Labor Department's resources. Staff handled about 10,000 inquiries during 2003. They also translated into Spanish about 15-labor exchange documents including brochures, booklets, forms and PowerPoint presentations.

### **OFFICE OF EMPLOYER SERVICES**

The Office of Employer Services provides technical assistance and support to local office staff and marketing representatives on employer directed programs and/or services available through the New York State Department of Labor. Services provided to employers and businesses during 2001 include:

#### **New York State Job Bank - [www.ajb.org/NY](http://www.ajb.org/NY)**

The New York State Job Bank is available on line. This new feature allows our customers to post and update their current opportunities from their home or office. Through this new service, connected to

America's Job Bank, jobseekers can post their resumes and businesses can view hundreds of thousands of resumes connected to this national site. Thousands of businesses and hundreds of thousands of jobseekers have used this extremely active site to meet their employment needs.

 **Department of Labor Assistance Line – 1-800-HIRE-992** – This toll-free information line is available 7:30 am through 5 pm weekdays to assist employers and job seekers with labor-related questions and concerns. Following the World Trade Center disaster on September 11, 2001, help-line hours were extended to seven days a week to provide crucial information for affected employers and employees. In 2001, over 25,000 calls were received on this help line, assisting both job seekers and employers.

 **Recruitments/Job Fair Promotions** – Local office and regional recruitments, as well as job fairs, are listed on the Department of Labor website [www.labor.state.ny.us](http://www.labor.state.ny.us) by the Office of Employer Services. This has become a major marketing tool for the Department of Labor to meet the workforce needs of both the employer and job seeker.

 **HightechNY – [www.hightechny.com](http://www.hightechny.com)** – This website was developed cooperatively by the New York State Department of Labor and Empire State Development to attract, assist and retain thousands of college students and other high-tech skilled job seekers searching for employment opportunities in New York State. There is no cost to employers listing their job openings. Thousands of high-tech positions are listed on this active site.

 **Job Service Employer Committees (JSEC) – [www.nyjsec.org](http://www.nyjsec.org)** – This office coordinates the 50 local employer committees and provides support for the local JSEC Coordinators, the NYJSEC, Inc. Executive Committee and the Board of Directors. The JSEC Program provides a connection between the local office and the business customer. JSECs sponsor local events to help promote NYS Department of Labor programs and human resource issues.

## EMPIRE ZONES (EZs)/ZONE EQUIVALENT AREAS PROGRAM (ZEAs)

The Empire Zones program is designed to stimulate economic growth in the most distressed areas of New

York State. By offering wide-ranging financial incentives and community-based workforce enhancement, the program has become a catalyst for new business development, existing business expansion and job creation. During the past six years, the program has expanded throughout the state. It now provides a greater variety of incentives to foster economic growth, including Income, Sales and Wage Tax Credits, utility rate reductions and property tax abatements. The Wage Tax incentive also is offered in the Zone Equivalent Area (ZEA) program. These areas are based on census tract poverty indicators rather than a formal designation process.

Ten new EZs were designated in 2002, bringing the statewide total to 72. Accompanying the increase in the number of zones was an increase in EZ-certified businesses. Over 1,700 businesses were certified in the program in 2001; nearly a 43 percent increase over last year's total.

The Department of Labor administers the EZ program jointly with Empire State Development and local zone officials.

## WORK OPPORTUNITY TAX CREDIT (WOTC) AND WELFARE-TO-WORK (WTW) TAX CREDIT

The federal Work Opportunity Tax Credit (WOTC) is designed to promote the employment of the following economically disadvantaged individuals:

-  Aid to Families with Dependent Children (AFDC)/Temporary Assistance for Needy Families (TANF) Recipients
-  Qualified Veterans
-  High-Risk Youth Living in an Empowerment Zone or Enterprise Community
-  Vocational Rehabilitation Recipients
-  Qualified Food Stamp Recipients (at least 18 and not yet 25 years of age)
-  Supplemental Security Income (SSI) Recipients
-  Ex-felons

Employers could earn a tax credit up to \$2,400 for each WOTC-certified hired.

Employers hiring long-term TANF recipients – individuals who received TANF for 18 consecutive

months before the time of hire – are eligible for the federal Welfare-To-Work (WTW) tax credit. The credit is worth \$8,500 over a two-year period.

## WORKERS WITH DISABILITIES TAX CREDIT (WETC)

The Workers with Disabilities Employment Tax Credit (WETC) enables employers to earn a tax credit of \$2,100 tax credit for each qualified individual hired. WETC is New York State's initiative to assist the disabled in securing employment. To qualify for the credit, an employee must meet the eligibility requirements for certification under the Work Opportunity Tax Credit (WOTC) program as a vocational rehabilitation referral, and be certified by the New York State Education Department's Office of Vocational and Educational Services for Individuals with Disabilities (VESID); or be certified by the Office of Children and Family Services' Commission for the Blind and Visually Handicapped (CBVH).

For Work Opportunity Tax Credit (WOTC); Welfare-to-Work Tax Credit (WtW); and Workers with Disabilities Employment Tax Credit (WETC), in 2001, DOL:

-  Screened nearly 40,500 individuals for tax credit eligibility.
-  Issued nearly 27,000 WOTC/WTW certifications and helped create an equal number of new job opportunities for certified customers.
-  Helped business in New York State potentially save \$105.8 million in tax credits.

## SPECIAL EMPLOYMENT SERVICES

Services provided by the Special Employment Services Program include employment counseling, services to special customer groups, and testing.

Staff offers employment counseling services at DoES offices to a broad range of customers including UI claimants, dislocated workers, youth, older workers, and social services recipients. Delivery methods for employment counseling to DoES customers include group counseling and group guidance, as well as individual counseling.

Parole Vocational Rehabilitation Services (PVRS) is a contract program that finds jobs for ex-offenders who have been referred by the Division of Parole.

Now in its 15th year, the PVRS program continues to exceed job entry performance goals. During Program Year 2001, 513 parolees from the five boroughs of New York City and three cities in Westchester County entered full-time competitive employment.

## VETERANS PROGRAM

The Veterans Program provides preferential employment services to military veterans, giving priority to the needs of disabled veterans, veterans of the Vietnam era, and "Campaign" veterans, as mandated by Title 38 of the United States Code. The Disabled Veterans' Outreach Program Specialist/Local Veterans' Employment Representative Program provides direct services to veterans statewide. The department offers veterans training and employment assistance via the Transition Assistance Program (TAP) and the Vocational Rehabilitation and Employment Program (VR&E), in cooperation with our Workforce Investment Act partners and through individual interviews and appointments.

The Veterans Bill of Rights, or Chapter 553 of the Laws of 1994, describes New York State's commitment to employment services for veterans and reflects priority in training opportunities for veterans. Veterans who come into a One-Stop Career Center or local office receive a Veterans Bill of Rights Wallet Card outlining the law. The Veteran's Employment Hotline (1-800-342-3358), refers military veteran job seekers to employment services, provides information on veterans' issues to employers and refers employers to the Department to list job openings.

### Program Accomplishments in 2002:

- Throughout 2002, New York State Department of Labor Veteran Staff were actively involved in five *Homeless Veterans Stand-Downs* providing extensive services such as necessary clothing, food, employment opportunities, medical screening and legal assistance to 635 homeless and "at risk" of being homeless veterans and their families.
- *The Governor's Program to Hire Workers with Disabilities ("Title 55B/C Program")* continued. The 55c program helps disabled veterans obtain gainful employment with various state agencies

within New York. During 2002, with the assistance of New York State's Disabled Veterans' Outreach Program (DVOP) Specialists and Local Veterans' Employment (LVER) Representatives, 39 veterans obtained gainful employment through the 55c program.

- *The Transition Assistance Program (TAP)* continues to make outstanding contributions to assist our service members in their transition from Active Duty military service to their next careers. DVOP and LVER facilitators at TAP Workshops served 1,975 separating and retiring service members and their spouses during 2002.
- The department's application for a DVOP/LVER Grant Modification for Fiscal Year 2004 was rated among the top six applications submitted nationally, which were reviewed by USDOL VETS.

#### Program Activity:

During **Program Year 2002**, which ended June 30, 2003, the Department of Labor, through all Wagner-Peyser staff tallied 17,869 entered employments for veterans. This marks the third consecutive Program Year that New York State has met or exceeded total entered employment goals for veteran customers. Of these 17,869, the Department's DVOP and LVER staff was responsible for 14,722, or 82% of the veterans who entered employment.

The "Vocational Rehabilitation and Employment Program," or VR&E, provides Chapter 31 disabled veterans with priority case management services for an individual employment assistance plan with the U.S. Department of Veteran Affairs (VA). We have formal Memorandums of Understanding between the Department and the two Regional Offices of the U.S. Department of Veterans Affairs, to serve Chapter 31 participants. At the end of Program Year 2002, through efforts of the DVOP and LVER staff, we accomplished 74 placements of disabled veterans who completed their vocational training and were referred for intensive placement services.

#### SOCIAL SECURITY GRANT

The purpose of the research and demonstration project, currently called New York WORKS, is to provide work incentives and remove barriers to employment for persons with disabilities, as well as

to influence state and federal policy. Project efforts aim to significantly increase the number of persons with disabilities who enter or re-enter the workforce and become more self-sufficient. Work is seen as a vehicle to recovery. Pilot sites are located in New York City and Buffalo.

Since the project's inception, 58,854 informational letters have been sent to SSI/SSDI recipients and beneficiaries. Of those recipients, 6,404 received letters inviting them to join the project. More than 2,070 participants were assigned at random to the full-service treatment group, with 503 actively enrolled. More than 2,240 people were assigned to enhanced services, with 541 actively enrolled. Full-service participants receive benefits advice, as well as vocational case management. Enhanced-services participants receive only benefits advice.

The employment rate for New York City participants is 37.5%, one year after their enrollment in New York Works. The employment rate for Buffalo participants is 53% one year after enrollment. In New York City, part of the New York WORKS staff are co-located in the Jamaica, Queens and Harlem One-Stop Career Centers. An objective of the project is to learn how to more effectively serve persons with disabilities through the One-Stop Career Center System, utilizing the resources and expertise of many community and state partners.

#### APPRENTICESHIP PROGRAM

As of December 31, 2002, there were approximately 22,818 apprentices active in the New York State Apprenticeship Training Program. The percentage of women among the total number of active apprentices was 7.2%, which equals 1,650 women apprentices. The percentage of minority apprentices was 31.2%, broken down as follows:

Blacks	3,939
Hispanics	2,789
Asian & Pacific Islanders	203
Native Americans	191

At the end of December 2001, Governor Pataki signed important apprenticeship legislation that amended the labor law to authorize governmental parties to a construction contract to require contrac-

tors and subcontractors have approved apprenticeship programs, as a condition to the award of a public work contract. Several government entities have adopted this legislation in their construction contracts. This was a very positive step by the Pataki administration and the New York State Legislature for addressing the critical problem of a projected shortage of skilled workers due to the aging of our workforce. It is one of many initiatives by government and the Building Construction industry to ensure that there is an adequate skilled workforce in the future to maintain and build our State's cities, towns and our infrastructure.

## **B. UNEMPLOYMENT INSURANCE DIVISION**

The Unemployment Insurance Division administers the State Unemployment Insurance Law, including both the unemployment insurance benefit payment program and the unemployment tax program.

The Unemployment Insurance Program assists eligible workers who become unemployed by providing weekly unemployment insurance benefit payments to partially offset the loss of income while seeking new employment. Under the program, eligible persons file an initial claim for benefits and certify weekly during their eligibility period to collect benefits. Eligibility for continuation of benefits is verified with the claimant on a periodic basis throughout the benefit period.

The benefit portion of the program is financed through an employer payroll tax. Currently the tax is applied to the first \$8,500 in wages paid by the employer for each covered employee. The tax rate varies according to the employer's past experience in terms of taxes paid and benefits paid to former employees (experience rating). In addition to the normal contribution rate, employers are also assigned a supplemental and subsidiary tax, depending on the balance of the general account and the size of fund index.

Administrative costs for Unemployment Insurance are paid through the federal government from funds collected under the provisions of the Federal Unemployment Tax Act (FUTA) paid by employers.

## **SYSTEMS MODERNIZATION**

In support of the department's commitment to

service, the Unemployment Insurance (UI) Division has established a UI Systems Modernization Project Team. Because most UI processes and procedures — both for employer taxes and benefit claims — were developed nearly 40 years ago, they require tremendous effort to maintain or change. Modernization is long overdue and requires re-engineering of all the systems that drive UI.

The goal of the project is to make UI customer-oriented rather than process-driven. It will improve efficiency of UI operations and will change the way staff offers services to customers, through easier access and a variety of service options. Revamping UI functions will take advantage of current technology, providing better operational support for UI staff. They, in turn, will have new tools to manage information and complete job-related tasks. The project is a long-term activity, continuing for several years.

## **UNEMPLOYMENT INSURANCE WEB SERVICES**

The Department of Labor implemented new benefit web services for unemployed individuals. People can go on line to file a new claim for benefits, claim weekly benefits, inquire about the status of benefit payments, file for extended benefits and obtain general information about the program. Services for claimants and employers can be obtained at [www.labor.state.ny.us](http://www.labor.state.ny.us)

In addition to on-line web services, all UI claimants have access to claims specialists at the Telephone Claims Centers who can provide information regarding specific claims-related issues.

## **TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION (TEUC)**

Legislation signed by President Bush on March 9, 2002 and enacted immediately by Governor Pataki provided for the payment of 13 weeks of federally funded Temporary Extended Unemployment Compensation. Unemployed workers who had a benefit year that ended March 15, 2001 or later and who received all regular UI benefits available to them were potentially eligible for these TEUC payments. The department's first responsibility was to identify all potentially eligible claimants and mail approximately 430,000 letters containing directions for filing for

extended benefits. The department paid over \$1 billion of these federally financed benefits to unemployed New Yorkers. Multiple federal extensions to the program have resulted in a TEUC program that has continued through the end of 2002 and beyond.

### C. WELFARE-TO-WORK DIVISION

The Welfare-To-Work Division is responsible for oversight of state and local Welfare-To-Work (WTW) programs under the Temporary Assistance for Needy Families Program (TANF), the Food Stamp Employment and Training Program (FSET), the Welfare-To-Work Block Grant Program and the Safety Net Program

Oversight includes policy development, technical assistance to local social services districts and provider agencies, and contract development and monitoring. Operation of WTW programs remains the responsibility of local social services districts and the New York City Human Resources Administration.

### INDIVIDUAL VOCATIONAL EDUCATION AND SKILLS TRAINING (INVEST)

The InVEST program trains individuals to get a job or upgrade the skills of workers to help them earn higher wages. Employers and training organizations prepare unemployed and underemployed TANF recipients and the "200% of poverty" population for jobs that are in demand within the local labor market. The InVEST program provided job training and placement to over 6,000 New Yorkers in 2002.

### THE WAGE SUBSIDY PROGRAM (WSP)

This program provides wage subsidies to employers who hire and retain public assistance recipients and other low-income families who have not been successful in the labor market. This initiative uses community-based organizations to recruit and place these individuals with private and public sector employers and reimburse participating employers for the wages and fringe benefits they have paid the new employees during the subsidy period. There were 18 WSP projects in 2002. These projects are expected to provide subsidized employment to approximately 1,619 participants.

### WHEELS FOR WORK

Demonstration projects help TANF-eligible participants obtain vehicles necessary for transportation to and from employment or other allowable work activities. Governor Pataki announced \$10 million in grants to 33 organizations to continue the Wheels for Work projects beginning in 2003. These programs are expected to provide a number of transportation-related services. They range from automobile insurance assistance to affordable car loans, donated cars, driver's education, vehicle registration assistance, vehicle repair assistance, and other forms of transportation support provided to eliminate each participant's transportation barriers. Wheels for Work demonstration projects are expected to serve at least 3,500 participants over the two-year project period.

### COMMUNITY SOLUTIONS FOR TRANSPORTATION (CST)

This program encourages counties and regional areas to collaborate on efforts to develop transportation solutions that fill the unmet employment-related needs of persons eligible for federal TANF services, so they can find and keep jobs. Since 2001, Governor Pataki has made nearly \$36 million available through CST to help individuals on public assistance obtain transportation so they can more readily be employed. CST funds were offered to the local social services districts by county using poverty data. Local districts and/or their contractors operate a variety of transportation projects. These include: transportation coordinators/mobility managers, driver training programs, car loan/donation programs, transit pass programs, van/shuttle services, guaranteed ride projects, and fixed route public transportation services. More than 150 individual transportation projects are supported with these funds.

### BUILT ON PRIDE (BOP)

This effort is designed to increase the number of eligible economically disadvantaged individuals who enter the skilled trades. The three components of Built on Pride are Self-Sufficiency Training, Pre-Apprenticeship and Apprenticeship Training. Following the release of the RFP in late 2000, we selected nine programs to operate projects beginning March

1, 2001. These programs will serve a total of 1,740 individuals and help at least 1,038 individuals into registered apprenticeship positions.

### **CONSOLIDATED APPLICATION FOR STATE ADMINISTERED PROGRAMS (CASP)**

The division helps local social services districts complete the application and planning process for \$11 million in New York Works Block Grant funding. This funding is used to expand the WTW programs, services and activities needed by Family Assistance recipients and other low-income households to gain employment. CASP gives local districts the flexibility to direct these resources to best meet the education, training and employment needs of their target populations.

### **TEEN WORKS**

This program helps at-risk high school students from low-income and Family Assistance families improve academic performance, remain in school through graduation, and develop necessary job skills. Teen Works programs supply services to participating youths, which include mentoring, tutoring, work experience and long-term guidance in coping successfully with school, work, and social situations. An RFP released in the summer of 2000 led to the selection of three organizations to operate Teen Works projects from 2001 through 2004. These programs are expected to assist 2,153 "at risk" youths over three years.

### **BRIDGE**

The division is working with the University Center for Academic and Workforce Development of the State University of New York System Administration in continuing the Bridge Program for the eleventh year. Bridge programs operate in selected Educational Opportunity Centers and Community Colleges, and offer TANF-eligible individuals work-based training employment and post-employment services. This program served 10,691 people in 2001/2002.

### **EDUCATION FOR GAINFUL EMPLOYMENT (EDGE)**

This program provides the pre- and post-employment activities that will help TANF recipients and

those at or below 200% of poverty to get and keep jobs. The department used \$18 million to contract with 75 organizations that will deliver EDGE programs and services.

Program components include GED preparation, adult education, English for Speakers of Other Languages (ESOL), literacy, and educational training.

### **THE YOUTH PREPARATION INITIATIVE (YPI)**

This program offers services to help youth between the ages of 13 and 18 improve academic performance, remain in school, and develop skills needed to succeed in the workplace. The Alliance of Boys and Girls Clubs, Inc. delivers services under YPI to 5,000 youth within 31 clubhouses across New York State. The project began on July 1, 2001.

### **FAMILY LITERACY PROGRAMS (FLP)**

Family literacy programs (FLP) promote family literacy by integrating early childhood education, adult basic education, parental education and parent-child literacy activities. Workplace literacy programs (WLP) help employees improve basic skills such as reading, writing and computation, and to develop other job-related skills/qualities. Supported with \$1 million in funds, ten organizations were selected to operate their program for a two-year period beginning next year.

### **EDGE PLUS ENGLISH LANGUAGE INSTRUCTION (ELI)**

English language instruction is offered to Limited English Proficient (LEP) individuals. There are 26 agencies that will serve over 7,000 families from awards of \$8 million. Projects began in July 2001 and are expected to end in June of 2002. Program components include ESOL, Basic Education in the Native Language (BENL), and Vocational English as a Second Language (VESL).

### **WELFARE-TO-WORK (WTW) OPPORTUNITIES**

This program makes funding available to County Departments of Mental Health, community-based organizations and local workforce investment boards for innovative demonstration projects to help hard-to-serve WTW-eligible individuals become self-sufficient through employment and support services. There are 20 providers that will operate WTW Opportunities programs starting the last quarter of

2001. These programs will serve approximately 3,100 eligible individuals in the one-year project period.

### **THE EMPLOYMENT AGENCY INITIATIVE (EAI)**

This program applies the expertise of professional employment agencies to connect Family Assistance (FA) recipients with available jobs. The EAI contractors receive a fee each time they successfully place a candidate in a job. There are 19 employment agencies, which began serving 7 local districts. These projects may place up to 1,049 FA recipients in jobs.

### **TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) PROGRAM**

This program was established by Title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The Department of Health and Human Services administers the TANF program on the federal level. New York State receives about \$2.4 billion in federal TANF funding annually since the program was created. The TANF program is expected to be reauthorized in fiscal year 2004. TANF funds are used to support a variety of services for families, including Temporary Assistance benefits and employment and training programs.

The TANF program requires the state to achieve certain work Participation rates for families receiving Temporary Assistance benefits. New York's TANF funds are used to provide employment and training services to Temporary Assistance recipients and families with incomes up to 200% of the federal poverty level. These services include work experience, job skills training, education related to employment, and support services such as help paying for transportation expenses, car repairs and work-related clothing. Families are limited to 60 months of TANF-funded Temporary Assistance benefits but are not limited in the length of time they may receive TANF-funded employment services.

### **FOOD STAMP EMPLOYMENT AND TRAINING (FSET) PROGRAM**

This effort is administered by the United States Department of Agriculture on the federal level. The FSET program, which is authorized by the Food Stamp

Act, is designed to provide employment and training services to food stamp applicants and recipients.

### **WELFARE-TO-WORK BLOCK GRANT**

This program is administered by the United States Department of Labor at the federal level. New York State received \$97 million in 1998 and \$90 million in 1999 in federal funding to administer the program through September 2004. Congressional action in 2004 resulted in an early expiration of the federal funds effective January 23, 2004. The grant provides funds to local workforce investment areas throughout the state and other entities to provide "work-first" employment and training services to long-term TANF recipients, noncustodial parents of low-income children and others.

### **SAFETY NET PROGRAM**

Another aid program provides Temporary Assistance benefits and services to individuals not eligible for federal benefits, primarily those without children. The Department of Labor provides funds to social services districts and others to provide job placement and work programs for Safety Net recipients.

### **WELFARE-TO-WORK TECHNICAL ASSISTANCE AND TRAINING**

The Welfare-To-Work Division employs staff to serve as Technical Advisors to social services districts, local workforce investment areas and other providers of Welfare-To-Work programs. Each social services district has a WTW Technical Advisor to support local compliance with federal and state requirements. They also develop program policies and procedures to help needy households enter the workforce and become self-sufficient. During 2002, the Division provided technical assistance to each of the 58 social services districts to develop and approve local WTW Employment Plans. Additionally, the division provides formal staff training for social services districts to train local staff on Welfare-To-Work policies, procedures and program practices.

### **WELFARE-TO-WORK REGIONAL FORUMS**

These forums, held throughout 2002, convene local Welfare-To-Work providers to discuss employment issues and share promising practices. The

forums have enabled division staff to relay department priorities and improve programs.

### WELFARE-TO-WORK TRAINING

During 2002 the Welfare-To-Work Division provided the following training opportunities for social services district staff and other WTW program operators:

- Five eight-day intensive training sessions to train social services district staff on WTW requirements, case-management strategies and program practices.
- Seven one-day training sessions to improve local operation of the Food Stamp Employment and Training Program.
- Eight sessions to train community-based organizations and other program providers of employment services to instruct organizations on eligibility requirements and opportunities for families with incomes up to 200 percent of the federal poverty level. These non-profit and private organizations have been important partners in providing employment services to low-income New Yorkers through contracts administered by the Welfare-To-Work Division

### WELFARE-TO-WORK PROGRAM POLICY REVIEWS

The Department conducted reviews in 27 social services districts and 22 local workforce investment areas to see if local policies and procedures are consistent with department requirements. Reviews covered Temporary Assistance, Food Stamp and Welfare-To-Work programs.

## D. WORKFORCE DEVELOPMENT AND TRAINING DIVISION

The Workforce Development and Training Division oversees and administers a wide range of federal and state funded workforce preparation programs. Central to these efforts is the federally funded Workforce Investment Act (WIA) of 1998, which provides the framework for the national, state, and local workforce preparation and employment system designed to meet the needs of businesses, job seekers, and incumbent workers.

## FEDERAL PROGRAM/PROJECT ACCOMPLISHMENTS:

### WORKFORCE INVESTMENT ACT

The WIA operates on a semi-block grant basis, with substantial discretion provided to the Governor and the State Workforce Investment Board on policy and procedural matters. However, program design is at the discretion of the local workforce investment boards and chief local elected officials. Services are delivered at the local level through a network of One-Stop Career Centers and affiliated sites. The Centers cluster in designated local workforce investment areas, overseen by local workforce investment boards in conjunction with chief local elected officials. Under Title I of WIA, separate dedicated program funding streams serve the Adult, Youth and Dislocated Worker target populations.

As the Governor's Administrative Agent in New York State for WIA, the Department of Labor provides procedure development, management, oversight, technical assistance, monitoring, evaluation, and auditing services. As the designated state administrative agency, the Department also administers projects funded by State level activities set-aside under WIA. The Department provides all necessary support staff and services for the Governor's State Workforce Investment Board.

The State of New York continues to operate its WIA programs in accordance with its approved WIA five-year strategic plan. The State receives funding for the three programs (Adult, Dislocated Worker and Youth) to provide needed services and to help fund local One-Stop systems. The State Department of Labor continues to allocate funding to all 33 local areas and has certified all Local Boards. Local Plans, including the required Memorandum of Understanding (MOU), have been fully approved in all 33 local areas. Local Plans and MOUs are revised and updated as changes occur in the local One-Stop systems.

During the past year, we continued to see the local One-Stop systems evolve. Local boards focused on identifying the skills needs of their area businesses and tailoring the local system to better meet those needs. Resources allocated to the local areas helped them maintain and expand their local One-Stop systems to provide a full range of services that meet the needs of workers and business customers alike.

Funds provided locally also helped local areas to develop and sustain One-Stop Career Centers, service and referral networks, and reporting structures.

With the active support of the State Department of Labor and State Workforce Investment Board, New York's 33 local areas continued to provide opportunities and increase enrollments. This is in spite of diminished federal support from the WIA Title I program and few contributions from the mandatory partners of the One-Stop system.

The chart below shows the cost-effectiveness of the WIA Programs, based on the number of individuals served and the funding expended during the most recently completed program year (PY 2002). The number of people served increased significantly across all programs as compared to PY 2001: 50% more adults were served in PY 2002, 47% more dislocated workers and 66% more youth benefited from a WIA Title IB allocation, which was 18% lower than the PY 2001 formula funds. This reflects the economic shifts in New York State's economy. It also follows emphasis and guidance from the State level on the enrollment of customers and the need to align services with demand. Additionally, the average cost per participant served decreased considerably in all areas except the Youth Program from PY 2001 to PY 2002. Youth Program costs per participant were higher, due in large part to the need to keep youth engaged in more activities and longer-term youth development strategies.

### COST EFFECTIVENESS

	<b>Total Individuals Served</b>	<b>Total Federal Spending</b>	<b>Average Cost Per Participant Served</b>
Total LWIB Programs, Less Statewide	138,354	\$242,930,326	\$1,756
Adult Program	74,099	\$87,691,963	\$1,183
Dislocated Worker Program	34,618	\$75,994,183	\$2,195
Youth Program	29,637	\$79,244,180	\$2,674

New York expects local areas to support the

required services under the Workforce Investment Act by carefully studying the customer service mix, identifying service gaps, and allocating resources appropriately across the sequence of services. The double-digit drop in WIA funds for New York State has forced local areas to take a business planning approach to ensure that the three program-funding streams under WIA Title IB support their service mix.

The department's Field Operations staff routinely monitors local One-Stops to ensure that they provide the full range of services in accordance with the local area's plan and the requirements of the WIA. State-level oversight and monitoring helps local areas to assure that outcome-based management ties in to the cost of providing a service, so local staff can plan and budget for future years.

The department, in its administrative capacity for the WIA program, continued to conduct regular and periodic fiscal and programmatic monitoring of local workforce areas. Field Operations staff examined local policies and procedures. They checked eligibility, enrollment, provision of service, training, program design, procurement, follow-up and tracking to ensure compliance with WIA. They reviewed consistency with the local area's plan for providing service through their One-Stop system.

Staff also examined a sample of local case files and records to assure consistency in the services provided and the outcomes with the local area's policies and procedures and with State reports. They monitored WIA program expenditures, as well as spending related to the local area's cost-allocation plan for sharing system costs among the partner programs.

Staff also evaluated quarterly program data submitted by local areas to identify and address possible problems with data quality or data entry. They noted any deficiencies found during a monitoring visit and developed corrective action plans, as needed. They coordinate the two levels of monitoring to ensure that reported expenditures are in line with the activities provided.

The department, on behalf of the New York State Workforce Investment Board, also continued its State-level One-Stop certification process. This involved reviewing local board One-Stop certification policies, processes and One-Stop operator agreements, and

conducting on-site visits to the One-Stop Career Centers.

## STATE BOARD ACTIVITIES

The mission of the New York State Workforce Investment Board (SWIB) is to ensure that New York's citizens and workers get and maintain the technical, career and academic skills needed for success in a changing state, national and world economy. During this past program year the State Board realigned its operating subcommittees to more closely match the workforce issues confronting New York State. The State Board assimilated the work of two existing committees into the work of two new committees: Skills Standards, Assessment and Credentials Subcommittee and a System Integration Subcommittee.

The New York SWIB and its four operating subcommittees met bimonthly during the program year. They developed plans to aid continued economic growth through workforce development. Each committee is co-chaired by one business and one public sector board member. Administrative support for all of the activities of the SWIB and its four subcommittees continues to be provided by the Workforce Development and Training Division.

During the past year, the System Integration Subcommittee of the State Board established three goals as part of its mission. The first is to develop and implement metrics that measure system effectiveness. The second is to support development of integrated and effective service delivery at local One-Stop Career Centers. The final goal is to work with One-Stop Centers, and the overall system, to identify barriers to integrated service delivery to remove them.

In support of its goals, the Systems Integration Subcommittee adopted system indicators recommended by a team of subcommittee and local workforce investment board members and state-level agency partner representatives. These system indicators serve as common measures across the entire New York State One-Stop system. The indicators are:

- Market Penetration Rates (Business Customers and Individual Customers)

- Business Customer Repeat Usage
- Total System Investment (Business Customers and Individual Customers)
- Customer Satisfaction

Program Year 2003 is the first year that requires system measures from all New York's local workforce investment areas. The new swipe card systems will help local areas gather the required data for the State Board.

The Skill Standards and Assessments Subcommittee will promote the creation and enhancement of a skill standards system (standards, assessments, and credentials) in New York State. It will target four tracks: entry-level, sector, industry, and employer-specific. The subcommittee will identify existing career ladders and help develop new career ladders to connect with the skill standards system of workplace standards, assessments, and credentials.

The committee is pursuing a dual strategy. While the national committee moves forward with its skill-validation survey and finalizes other tools and processes, the committee will work with business associations and others to create a "buzz" – understanding and enthusiasm – for an employer-validated worker readiness credential. The second strategy involves working with the national committee to achieve a final product. Then the committee will help local boards and education and training providers work with employers to develop a state-wide, integrated system of skill standards.

The goal of the Emerging Worker Subcommittee is "to ensure that all of New York's youth, under age 21, are better prepared for employment by:

- enabling them to meet New York State's education/learning standards;
- providing them the work skills, life skills and supports necessary to succeed in New York's job market; and
- exposing them to a greater array of potential career opportunities, including current demand occupations."

The Subcommittee places a high priority on "at risk" youth, including individuals with disabilities and out-of-school youth, who cannot enter New York's workforce without skills and support. Based on extensive discussion and listening (video-conference,

survey, workshops with local youth council chairs and stakeholders), the Subcommittee adopted two priorities to guide its work over the next several years:

- Priority 1: to expand/enhance business involvement in preparing youth for jobs and careers; and
- Priority 2: to support comprehensive year-round programs for all youth.

### STRATEGIC PLANNING FOR A HUMAN CAPITAL ADVANTAGE

Local Board chairs, Youth Council Chairs, Vice Chairs, private sector members and directors participated in a two-day session with futurist Ed Barlow to match workforce programs and services and human capital needs with national, state, and local economic trends. Through presentations and exercises the participants identified challenges, opportunities and strategies to define and refine the local board's role around these economic and human capital issues.

To signal their commitment to the role of local boards, the State Board offered a strategic Planning Grant to all interested local workforce investment areas (LWIAs). Twenty-nine local areas that responded to the initiative and are organizing and executing activities that match demand-driven economic and workforce development needs with the policy, governance and operations of the local workforce system. Planning Grant funds can help initiate this process or continue a process already underway. This effort was supported with an investment of \$3 million of WIA statewide activities funds, beyond the funds for the two-day planning session.

### CLOSING THE SKILLS GAP (PHASE II)

Work completed under Phase I of this initiative has given local workforce areas a better understanding of the critical skills needs of their local employers and some challenges they face in using public and private funds to close those gaps. The strategic planning efforts required under this project will help local boards target the resources and policies in their local system.

Phase II of this initiative allowed local areas to apply for additional funds (up to \$100,000) to develop plans that address the most critical skill shortages identified under Phase I. Sixteen local boards have obtained

funds for projects that work toward the goal of aligning the public employment and training system with the education and economic development systems at the local level to help meet business needs. These 16 currently operating projects are giving over 3,700 incumbent and new workers from approximately 500 businesses skills training in accordance with the needs identified by local businesses. Skills addressed under these projects include basic worker readiness, soft skills, supervisory, computer literacy, oral and written communications, mathematics, technical skills, and occupational specific skills.

### ACCELERATE NEW YORK

As a critical element of the overall economy, the growth of small- and medium-sized businesses is essential if New York State is to maintain its position in the global marketplace. Many small and medium-sized businesses operate below their potential either because they do not have a Strategic Business Plan, or they lack the expertise and resources to assess and meet their staff training needs based upon their existing business plans. *Accelerate New York* was developed to provide funding for experienced business planning and development organizations to work with these vital members of the business community to develop a Strategic Business Plan and related training plans that will ensure their continued competitiveness and viability.

Qualified business consulting organizations, in conjunction with local workforce investment boards, were invited to identify an industry sector or sectors critical to the local economy and submit a plan outlining the number of businesses in that sector they will help update, modify, or create business plans. There was strong preference for applications from organizations that link services and expertise through the Manufacturing Extension Partnership, the Regional Technology Development Centers, or similar publicly funded efforts to strengthen the short- and long-term plans for small and medium-sized businesses. There were 26 awards totaling \$1.7 million. These awardees will provide assistance with the strategic business plans and training plans for some 317 businesses statewide, in industries such as Durable and Non-Durable Goods Manufacturing, Information Technology, Health Care & Social Assistance, Leisure & Hospitality, Professional,

Scientific & Technical, and Agriculture.

## **BUILDING SKILLS IN NEW YORK STATE (BUSINYS)**

Governor George Pataki helped launch and continues to promote the Building Skills in New York State program (BUSINYS). It supports employer strategies and local efforts at lifelong learning for the continued development of the incumbent (currently employed) worker by providing funds to upgrade their skills. This incumbent worker training opportunity ensures that the skills of our State's workers do not deteriorate, but keep pace with developing technology. The program funds projects up to \$100,000 that solve workforce problems by:

- Addressing identified skilled worker shortages within an industry or within a single employer's establishment, and
- Promoting skills upgrading for incumbent workers.

Businesses applying for these funds must demonstrate that the training will provide workers with transferable skills or an industry recognized certification or credential. Funds go to each of the ten Labor Market Regions in New York State to ensure that businesses from all parts of the State benefit from the program. Local workforce investment boards rate the applications according to criteria relevant to that particular labor market.

New York State's business community has responded favorably to this training grant opportunity. During Program Year 2002, 630 applications have been received and reviewed with 297 of those awarded some \$16.55 million in total funding. All sectors have been represented in the award category including: Manufacturing, Human Services, Health Care, Information Technology, Finance, Retail, Architectural, Research, and Food Service. Over 18,000 incumbent workers will receive training under these awards. Training is being provided in areas such as: Software Applications/Computer Hardware/Computer System Administration, Leadership/Management Supervision, ISO, Lean Manufacturing, Manufacturing Practices/Machine Operation, Customer Service, Team Building/Communication, Human Services, Sales and Six Sigma.

The State Board invested \$20 million for this initiative for Program Year 2002. In accordance with

the terms of the grant process, an additional \$20 million has been set-aside for Program Year 2003 awards under this program.

## **E-LEARNING AS AN INCUMBENT WORKER TRAINING TOOL**

The State Board initiated E-learning to test on-line instruction in the workplace setting. It was also meant to monitor which industry sectors and worker groups responded best to the training tools. E-learning modules continued to be offered to local workforce areas and local businesses during the past year.

Under Phase I of this project, the Department of Labor on behalf of the State Board, provided training slots to local workforce investment areas at no cost for their local businesses. Eleven local workforce areas participated in this project, with an initial investment of WIA Statewide Activities funds of \$378,354. These local areas provided 1,669 training slots for over 100 participating businesses. They offered training slots in the Soft Skills Library and the Office Productivity Library. To date, 350 surveys have been returned, with 268 individuals completing at least one course. Participants have responded positively to the content and quality of the e-learning tools. Approximately 60% of the companies indicated that they would recommend this type of training to others.

A second phase of this project addressed another gap identified through business surveys: the need for front-line supervisory staff training. Businesses across the State indicated that many of their front-line supervisory staff lacked the training to successfully perform in their supervisory capacity. The second phase of the department's E-learning pilot program offers a management module with over 450 credentialed courses covering a wide variety of management topics such as communication skills, team building, conflict resolution, negotiating and project planning. This Management E-learning Pilot Program, administered by the Department of Labor on behalf of the State Board, is offered at no cost to qualified businesses. The program used \$328,436 of WIA Statewide Activities funds to support the pilot project. Through 2002 businesses were registered, and 1,575 training slots were awarded to train workers at these businesses.

## MAPPING CAREER LADDERS IN KEY INDUSTRY SECTORS

During this past year, we initiated a process to create a list of highly qualified consultant organizations to help local workforce areas map career ladders in key industry sectors. To meet this critical need, many policy experts are calling for the development of career ladders — long-term career progression pathways that show individuals how to advance, particularly in high-wage, high-growth fields such as information technology and bio-technology.

These career pathways not only benefit the individual. For employers, the strategy can offer an advantage in recruitment and training new employees, provide skills upgrades for existing employees, and improved employee retention. Career pathways also help ensure the vitality and growth of the local and regional economy by helping employers and key economic sectors.

The resulting list of organizations will promote local and regional partnerships for career ladder exploration and development. Six organizations received contracts and may bid on career-ladder mapping assignments released by the department on behalf of the State and local boards. These organizations are:

- World Class Industrial Network LLC/The FREELANCE Group
- Workforce Strategy Center
- Research Foundation of SUNY (Stony Brook)
- Cornell University
- Aerospace and Defense Diversification Alliance in Peacetime Transition (ADDAPT)
- Syracuse University School of Education

Projects were recently awarded in three local workforce areas of our state, including Herkimer/Madison/Oneida, Finger Lakes, and the Greater Capital Region, a regional initiative covering 11 counties and four workforce investment areas. These projects focus on development of career ladders in key and emerging industries including: Biotechnology, Photonics, Semi-Conductor, Information Technology and Advanced Manufacturing. The State Board has invested \$3 million of WIA Statewide Activities funds in this initiative.

## DEVELOPING A WORKER READINESS CREDENTIAL

During this past year, New York State entered into a multi-state and business intermediary partnership to create a worker readiness credential. This will certify that individuals have the knowledge, skills and abilities they need to succeed in entry-level work in the 21<sup>st</sup> Century workplace. The State Board invested \$1 million in this national project, based on results from a previous State Board initiative (Skills Gap I grants), which identified one of the greatest needs of local businesses — individuals who are work-ready and possess the basic skills and knowledge to perform entry-level work.

The work-readiness credential is based on the Equipped for the Future (EFF) Assessment Framework based on 16 core skills that describe what adults need to know and be able to do to use these skills in everyday life activities. It will provide a common national standard for work-readiness that will help education and training programs target the skills and knowledge critical to workforce success.

The project has four phases: first, data will be collected and analyzed on the knowledge, skills, and abilities to be included in the EFF Work Readiness Profile; second, assessment instruments to be used for the credential will be developed; third, field testing and validation of the credentialing assessments; fourth, a delivery system for issuing the credential will be developed.

When completed, the credential assessment will be:

- Designed to assess both English-speaking and non-English-speaking individuals, and
- 90 to 120 minutes in length.

The credential design will include:

- A computer-delivered assessment, with on-line portfolio to document personal and professional development,
- A modular design, to make it easy to use and customize to local conditions, and
- A credential delivery system that should be in place by June 2005.

Throughout the late-winter and early-spring period, New York participated in an “importance ratings process” to refine skills and tasks included in the draft profile for the credential. The local

workforce boards identified over 100 supervisors of entry level workers in private sector businesses. They participated in an on-line survey to rate the tasks required of entry level workers in their place of business and the skills needed to perform that work. This survey work was conducted in all partner states.

After analyzing results of the tasks and skills ratings and reviewing these results with the state investors during the summer, 13 structured feedback sessions were organized to obtain face-to-face reviews of tasks and skills rated during the on-line survey. These sessions supplemented the quantitative ratings of tasks and skills from the surveys and added qualitative data to enhance understanding of the interpretations and evaluations of selected tasks and skills across a variety of industry sectors and stakeholder groups. Eight structured feedback sessions were held across New York State during the late-summer through early-fall period. The results helped further refine the tasks and skills included in the draft profile for the credential.

### **RAPID RESPONSE ACTIVITIES**

As part of Rapid Response efforts and in addition to the services provided to individual workers who have received a layoff notice, the State Department of Labor and its local Workforce Investment Board partners provided information and core services to 24,678 people in 2001/2002. The State's Layoff Aversion Program continued to work with businesses on plans to avert the dislocation of workers. During the past year, we completed projects initiated at four companies during a previous year. These projects spent \$783,056 on training or re-training for 2,049 employees to avert the planned layoffs. Three additional companies received funds for projects that continued past the end of the program year. The projects are expected to provide training to help these businesses avert the layoff of 86 more workers.

### **WORLD TRADE CENTER NATIONAL EMERGENCY GRANT**

As reported last year, the department received a \$25 million grant from the United States Department of Labor to provide services for workers impacted by the events of September 11<sup>th</sup>, 2001. As a result of this grant, some 8,050 workers received services through 17 contractors. We placed 1,964 in training to provide them with up-to-date skills for the changed

marketplace. Contractors in the metropolitan New York region attained a level of 78.6% entered employment rate, 86.8% employment retention rate and 108.1% earnings replacement rate, for those individuals who exited by December 31, 2002.

### **YOUTH WORK READINESS INITIATIVE**

The Emerging Worker Subcommittee was approved by the State Workforce Investment Board to authorize the New York State Department of Labor's development of an RFP that would apply \$4.75 million of WIA Statewide Activities funds to address the employer concerns from the Emerging Workforce Forum. Specifically, awards would fund statewide and/or local programs that provide work-readiness training to WIA eligible youth. Funding was not limited to any program model, although many outstanding models exist, such as Jobs for America's Graduates, Inc. and Operation About Face. Eligible applicants may adopt and implement a pre-existing model or devise and operate their own approach, focusing on identified local needs. Funded proposals must be innovative, effective and replicable in other areas throughout the State.

Awards went to 20 organizations from all regions of New York State. These programs will provide work-readiness training and related services to 2,274 WIA-eligible youth.

### **PROMOTING LOCAL WORKFORCE DEVELOPMENT PROMISING PRACTICES**

Rewarding Promising Practices encourages local boards to share successful ideas with others that could replicate the initiative in their own area. A variety of media (e.g., website, written materials, verbal presentation) disseminate the practices of successful applicants. Awardees may be invited to present their winning promising practice at State, regional or local events.

During the past year, WIA Statewide Activities funds were set aside for incentive awards of \$75,000 each for innovative, results-based promising practices in five different categories: Services to Business Customers; Services to Job Seekers; Local Board Development/Practices; One-Stop Design and Management; Workforce Development Partnership Initiatives.

Awards totaling \$525,000 were made to seven local workforce areas (Broome/Tioga, Chenango/Delaware/Otsego, Columbia/Greene, Herkimer/Madison/Oneida, Hempstead, Genesee/Livingston/Orleans/Wyoming, and Tompkins) for promising practices. These included: developing career ladders for entry-level health care workers; increasing referrals of adults and youth to the One-Stop system through community partnerships; establishing a regional warehouse/distribution training center; increasing access to the One-Stop system for individuals with disabilities; and creating a grant application consulting team to help businesses take advantage of grant opportunities. These promising practices and those awarded in the previous year are displayed on the State Workforce System's website, [www.workforcenewyork.org](http://www.workforcenewyork.org).

### CAPACITY AND SYSTEM-BUILDING ACTIVITIES

WIA Statewide Activities funds continue to support efforts that build the skills of the front-line staff at the One-Stop Career Centers, and provide the workforce system with opportunities to broaden their skills on an array of topics. Last year \$180,000 in training was offered to more than 2,200 individuals on topics such as: career development, assessment strategies, credentialing, writing effective case notes, establishing service maps, placing individuals with disabilities, assistive technology, and utilizing a youth services point of contact. Two statewide conferences for workforce development professionals were held during the Program Year, with approximately 850 people attending both events.

New York's 33 local workforce board directors continued to meet on a bi-monthly basis to discuss issues, policies, and strategies and to share promising practices. They continue to provide valuable feedback for state and local board staff, as they shape agendas and find new and creative solutions to problems facing their areas.

Through contracts with eight consultant organizations totaling \$486,255, the department assigned work to local areas on various topics. These included facilitation, training, one-on-one consulting and general technical assistance.

### DATA COLLECTION TO MONITOR TRAFFIC AT ONE-STOP CAREER CENTERS

To obtain more meaningful information on the use of local One-Stop systems, the State Board authorized the department to implement a statewide policy requiring the installation and use of swipe card systems. The cards track customer traffic and the use of unregistered core services at One-Stop Career Centers. Minimum specifications were set in conjunction with local workforce investment boards. Local areas received WIA Statewide Activities funds to procure the necessary systems. These data collection systems will help New York State and its 33 local areas to monitor the use of local One-Stop Career Centers and systems, and assess their value to the local community. They will also help set service targets and budget for those services. A total of \$1.6 million of WIA Statewide Activities funds was invested in this initiative. It will support and enhance the reporting capability of local workforce boards with data on customers at their One-Stop Career Centers and services used.

### SECRET SHOPPER ACTIVITIES

New York State has aggressively pursued excellence at the local One-Stop systems it oversees. A state-level One-Stop Operator certification process helps ensure consistency and quality in customer services provided at the local level. The secret shopper program is a critical component in evaluating the state-level process. From March to June 2003, 13 secret shoppers made 86 unannounced visits as job seekers and business customers to full-service and affiliate One-Stop Career Centers across the State. Secret shoppers were primarily workforce professionals who had held or currently hold positions in workforce development and training (e.g., WIB staff, employment and training directors and WIA consultants). We developed a standard form to help shoppers record their findings in three specific areas: access to the One-Stop Career Center by telephone, web site and through an on-site customer visit.

The secret shopper experience provides the State Board with information that has been shared with the local workforce investment boards and One-Stop operators. The goal is for local areas to use this

information to enhance successful elements and to improve elements that require attention. The state-level secret shopper process will continue, and we have encouraged local areas to adopt a similar process for continuous improvement and obtaining feedback.

## STATE PROGRAM/PROJECT ACCOMPLISHMENTS

In addition to the Federally funded programs, the Workforce Development and Training Division has a variety of programs funded with state dollars appropriated by the Legislature annually. These programs include:

### CHAMBER OF COMMERCE OJT PROGRAM

The New York State Chamber of Commerce On-the-Job Training (OJT) program has operated for more than 25 years. A New York State business can participate if it offers the trainee long-term employment in a skilled occupation. The program targets Unemployment Insurance claimants, economically disadvantaged individuals and veterans.

The following Chambers were each awarded \$104,728 for 2001 and 2002: Albany-Colonie Regional, Jamaica, Greater Olean, Plattsburgh/North Country, Poughkeepsie, Saratoga, and City of Yonkers. The majority of the programs met or exceeded the minimum standards for both outcome and operational performance.

Achievements include:

- more than 130 businesses received aid to train more than 250 individuals,
- almost 80% of the trainees were UI recipients/exhaustees, economically disadvantaged or veterans,
- some 94% of program graduates kept their jobs for 30 days or longer, and
- businesses participating in Chamber OJT programs created more than 170 new jobs in local areas throughout the state.

### DISPLACED HOMEMAKER PROGRAM

Displaced Homemaker Centers have developed strong ties with local Departments of Social Services. With minor program adaptations, local Displaced

Homemaker Programs (DHP) help welfare recipients and aid the State's efforts toward welfare reform because these customers have difficulties re-entering the labor market similar to those of the traditional displaced homemaker.

Since its inception in 1978 as a 4-center pilot project, the Displaced Homemaker Program has provided vocational services to more than 185,000 individuals. The most recent statistics show that in one year the Displaced Homemaker Centers served 8,835 individuals. Of these:

- 3,833 were minority group members,
- 3,402 were eligible for public assistance (TANF, Home Relief and Food Stamp),
- 2,297 entered or upgraded employment in unsubsidized jobs, and
- received more than 22,200 individual services to aid in gaining and retaining employment and more than 35,000 services related to employment readiness.

The program is tailoring services to a displaced homemaker population that is less educated, less fluent in English, includes public assistance recipients and has more complex barriers to employment. Staff are spending significantly more time developing resources to help displaced homemakers with increasingly complex survival issues such as housing, childcare, and domestic violence.

### GREEN TEAMS

The Junior Green Teams Program is a job placement program that focuses on environmental occupations for out-of-school youth ages 16-21. It provides tangible work experience in occupations broadly related to making the State of New York a more attractive place to live, work or visit. Under a "school-to-work" model, this experience is supplemented by relevant classes, pre-employment skills training and support services.

The goal of the Green Team program is to place participants into full-time jobs in occupations related to their work experience. After they complete the program, we encourage the participants to pursue their goals through additional education.

The results of the June and September cycles and

the Senior program show:

	<u>Planned</u>	<u>Actual</u>	<u>Percent of Plan</u>
Enrollments	338	359	106%
Placements	234	179	77%
Completions	269	176	65%
Returned to School	47	30	64%

### YOUTH EDUCATION, EMPLOYMENT AND TRAINING PROGRAM (YEETP)

During 2001-02 the YEETP continued its primary focus: to help youth gain the knowledge, skills and abilities that will help them make sound career, educational and employment choices. Each of the four program models: AVE, PAVE, ACHIEVE and YWS offered different paths to help transition youth from school to either work or further education. We continue to use the Internet version of Career Zone and develop the YEETP database implemented during 2000-01.

Because AVE and PAVE program funds come from TANF dollars, we are emphasizing accountability through enhanced training, including TANF reporting and documentation for program operators. The new YEETP database allows tighter tracking and evaluation of participants' data.

The YEETPs are closely aligned with the Workforce Investment Act (WIA) provisions for youth programs.

In-School Youth Programs:

#### **Adolescent Vocational Exploration (AVE)**

The AVE program was implemented at 15 sites: 8 in the New York City/Long Island area and 7 in other areas throughout New York State. The planned enrollment for AVE was 600 participants; the program served 641 participants. The AVE sites meet performance standards in the following areas: reading, math, State Education Department (SED) evaluation, academic credit and remaining in school.

#### **Progressive Adolescent Vocational Exploration (PAVE)**

The PAVE program was implemented at 22 sites: 13

in the New York City/Long Island area and 9 in other areas throughout New York State. The planned enrollment for PAVE as 963 participants; the program served 1,055 participants.

The PAVE sites meet performance standards in the following areas: reading, math, State Education Department (SED) evaluation, academic credit and remaining in school.

### OUT-OF-SCHOOL YOUTH PROGRAMS:

#### **Another Chance Initiative For Education, Vocation or Employment (ACHIEVE)**

The ACHIEVE program was implemented at 14 sites: 7 in the New York City/Long Island area and 7 in other areas throughout New York State. The planned enrollment for ACHIEVE was 500 participants; the program served 527 participants.

The ACHIEVE sites meet performance standards in the following areas: reading, math, vocational skills, education, and vocational training and unsubsidized employment.

#### **Youth Work Skills (YWS)**

The YWS program was implemented at 6 sites: 2 in New York City area and 4 in other areas throughout New York State. The planned enrollment for YWS was 180 participants; the program served 194 participants.

The YWS sites meet performance standards in the following areas: reading, math, vocational skills, education, and vocational training and unsubsidized employment.

### JOBS FOR YOUTH TRAINING PROGRAM

The Jobs for Youth Training Programs provided a range of career exploration activities, skills training, and educational and supportive services to 254 "at risk" youth in five programs across the state in Buffalo, Rochester, Syracuse, Brooklyn and the Bronx. The program is a progressive two-year cycle with 235 year-one participants and 19 year-two participants in the 2001-2002 program year. One of the most significant accomplishments of the program is the success at motivating "at-risk" participants to remain in school and remain engaged in the program.

- 31 participants earned their High School Diplomas or GEDs,

- 42 participants were placed in unsubsidized employment,
- 14 participants entered college or post-secondary training,
- 89 participants made reading gains, and
- 91 participants made math gains.

## HEALTH CARE WORKER TRAINING PROGRAM

The Health Care Worker Training Program is a small, one-year demonstration program that funds innovative and cooperative approaches to solving critical shortages and personnel skill needs in the health care industry. Four projects were funded in 2001-2002 program year; three addressed retention and one addressed credentials. More than 834 health care workers benefited from the demonstration projects:

- 247 Certified Nurse Aides received upgrade training and mentoring for retention,
- 8 direct care workers received training for CASAC certification,
- 570 long-term care workers at two facilities were trained in organizational strategies for retention, and
- 9 long-term care workers were trained as CNA mentors for retention.

## II. PLANNING AND TECHNOLOGY

### A. PROGRAM TECHNOLOGY SUPPORT

The Office of Program Technology Support (OPTS) represents the user needs of the State Labor Department program divisions, local offices, and our partner local social services departments. Staff work with DOL Information Technology (IT) and Department of Family Assistance (DFA) staff and/or vendors to ensure that new technology solutions and existing systems meet business requirements, as well as legislative and other mandates. We work with users to determine system requirements and specifications, conduct tests to ensure the proposed system meets requirements, monitor system implementation, and prepare reports, system documentation, and user manuals.

OPTS consists of three units: Technology Management, Customer Support and Welfare to Work.

The Technology Management unit's responsibilities include:

- Aiding the department's transition to a client/server environment.
- Managing the request, procurement, and installation of IT equipment, software, and services.
- Providing IT desktop and technical support to department employees.
- Managing the department's IT assets.
- Developing the department's web pages, both Intranet and Internet.
- Overseeing the department's mail and finishing operations.

The Customer Support and Welfare to Work units provide large-scale technology system support to the department's Employment Services (other than OSOS) and Welfare-To-Work programs.

### B. LABOR PLANNING AND POLICY DEVELOPMENT

The Division of Labor Planning and Policy Development (LPPD) coordinates DOL policy, planning, and operations. Staff provides support to agency program and administrative units to ensure that the department accomplishes its mission effectively and efficiently.

LPPD consists of individual units involved in Unemployment Insurance, Worker Protection, Unemployment and Training, and Administrative Policies and Procedures. Its responsibilities include:

- Assisting department management in the development, analysis, and implementation of state and federal legislative and policy initiatives and changes.
- Reviewing agency structure, programs, and staffing in the context of changing mandates, needs, and funding constraints. Recommending and assisting in the implementation of policies and programs.
- Playing a major role in designing, coordinating, and implementing new systems throughout the project development life cycle. Identifying and analyzing business requirements, developing detailed user requirements, performing workflow analysis, conducting user testing, monitoring system implementation, and preparing system documentation, reports, and user manuals.
- Improving operations and internal communication through preparation and department-wide

coordination of written and electronic information.

### C. INFORMATION TECHNOLOGY

The Information Technology Division provides support to maintain and enhance the department's information systems. The division works with users and business analysts to develop and construct efficient systems to address the needs of the department and its customers. It helps resolve application issues through coordination with the Enterprise Help Desk. Staff also maintain and update department technical standards, as new technology is introduced. This year saw a major shift toward object-oriented development and the use of project life-cycle documentation and development software.

### D. COMBINED ACCOMPLISHMENTS

Collaboration among the three divisions of Planning and Technology resulted in improved Internet applications for filing original and continued claims resulting in greater claimant usage. We implemented rapid programming changes to pay Temporary Extended Unemployment Compensation and to pay the extension to the WTC Disaster Unemployment Assistance benefits. Staff instituted the Language Line in the Telephone Claims Centers, giving claimants access to translation services for multiple languages. Planning and Technology developed the UI employer web registration application and the UI employer revised tax rate application for 2002. Staff deployed the Failure to File Penalty Collection and Warrant System, and reengineered the interface from DOL to the Workers' Compensation Board for sharing UI Employer data. Staff also designed, developed, and tested the initial version of the Welfare-To-Work Caseload Management System (WTWCMS).

### E. AMERICA'S JOB BANK

America's Job Bank (AJB) is a computerized national job resource of the State public employment service. The AJB Service Center is the development and processing center operated by the New York State Department of Labor, under grant from the US Department of Labor (USDOL). Originally, the job listings were available only through individual State-run networks that linked more than 1,800 local employment service offices. Since 1995, the service has been available on the Internet; one of the most popular job sites in cyberspace.

In 2002 the AJB website, [www.ajb.org](http://www.ajb.org), was completely re-engineered to incorporate the latest in web technologies and to make it more user-friendly. Based on feedback from users, independent studies, and Federal and State input, site navigation has been improved and requires fewer "clicks" to access the most popular site services. Another improvement was the implementation of third-party search engine software to rank search results and present them in priority order.

#### Department of Veterans Affairs Association Site

This association site is a collaborative effort of AJB, USDOL and the Department of Veterans Affairs Vocational Rehabilitation and Employment Service. It helps eligible service-connected disabled veterans to find and keep jobs.

## III. DIVISION OF RESEARCH AND STATISTICS

The Division of Research and Statistics is the primary source of labor market information in New York State. The division administers required federal statistical programs – including programs related to occupational and industrial employment, wages and local area unemployment. Division staff tailor the data obtained through these federal programs in order to meet the needs of the department, elected officials, businesses, jobseekers and others.

Labor Market Information staff in Albany monitor the state's economic climate, and prepare periodic reports on the employment situation in the state and its regions.

The division also maintains a network of local Labor Market Analysts in ten regions across New York State. These analysts provide localized information based upon local surveys or gleaned through contacts with the local business community.

Research and Statistics also supports department operations in a number of ways, such as evaluating departmental programs and complying with federal reporting requirements including WIA, Unemployment Insurance programs, Employment Services and Welfare-To-Work.

## A. LABOR MARKET INFORMATION

The division continued its long-term partnership with the Federal Bureau of Labor Statistics and the Employment and Training Administration in developing, analyzing and disseminating key local and statewide labor market statistics and economic data. Staff collected and provided monthly information on employment and unemployment, including jobs by industry, for the state, its labor areas and counties.

Additionally, staff developed estimates of wages and employment by occupation for the state and selected areas, and annual estimates of occupational injuries and illnesses. The division continues to support CareerZone, an online career exploration/information delivery system that features an interactive career portfolio, assessment tools and access to information on college and job opportunities in New York State. The system receives approximately 75,000 visitors a month and 96,000 CareerZone portfolios are currently in use. In addition, the division offers an online distribution of all its major statistical series.

The division maintained its network of local Labor Market Analysts, who serve as resources not only for the department, but also assist local Workforce Investment Boards, area economic development officials, school personnel, business and others in need of labor market and career-related information.

## B. UNEMPLOYMENT INSURANCE/EMPLOYMENT SERVICES

The division continued to meet its Federal and State management reporting requirements on the activities of the New York State Unemployment Insurance and Employment Services programs. Staff also developed actuarial reports on the status of the Unemployment Insurance Fund. Additionally, division staff developed and provided prevailing wage data and expert testimony for the Unemployment Insurance Division, as well as a variety of information tools to support the Division of Employment Services. Staff also provided input into the Unemployment Insurance Systems Modernization process and helped survey for potential improvements and future needs.

## C. WORKFORCE INVESTMENT ACT (WIA) AND WORKFORCE DEVELOPMENT

Division staff continued to support the State and local Workforce Investment Boards and to the Workforce Development and Training Division. Staff provided economic data and analysis for state planning efforts and helped review plans and RFPs. The division conducted a series of workforce requirement surveys of area businesses. Staff worked with local Workforce Investment Boards to prepare and refine lists of demand occupations, as well as a database of Eligible Training Providers.

## D. WELFARE-TO-WORK PROGRAMS

The division continued to work with the Welfare-To-Work Division to meet reporting requirements and assist in the design of reporting databases and management reporting needs. Division staff began training local DSS staff in the use of labor market information.

## E. WORKER PROTECTION

Provided information and technical support in a variety of areas, including the *Survey of Occupational Injuries and Illnesses in the Public Sector*, as well as research of minimum wage issues.

## IV. WORKER PROTECTION

### A. DIVISION OF LABOR STANDARDS

The Labor Department's Division of Labor Standards administers the New York State labor law concerning minimum wage, payment of wages and wage supplements, child labor, hours of work, migrant farm labor, industrial homework, record-keeping and conditions in the apparel manufacturing industry.

In 2002, the Division of Labor Standards collected and distributed \$8.6 million to 17,786 affected employees, including \$3.1 million collected by the division's Apparel Industry Task Force for 7,674 employees. Both the amounts collected and the number of affected employees paid set new records for the Department.

Collections for the Apparel Industry Task Force increased by 59 percent over those in 2001. This was a result of the Governor's initiative to add an additional 10 Investigators to the Task Force.

The Division began a pilot program in two enforcement districts whereby claims for unpaid wages and wage supplements are initially investigated by mail and phone from a central location in Albany. If results indicate that this method can resolve cases more quickly, it will be expanded to other districts.

Labor Standards maintains a web site to respond to questions from the public regarding the laws it enforces. The vast majority of such information requests are answered within one day. During 2002, this site responded to 4,519 messages.

Staff continued educational initiatives to employers, employee groups and associations on Labor Law compliance through speaking engagements and Labor Law seminars.

#### **Division of Labor Standards Data**

Wage cases settled	4,658
Affected Employees paid	17,786
Wages Collected	\$ 8,604,071

## **B. BUREAU OF PUBLIC WORK**

The Labor Law requires contractors and subcontractors on public work projects to pay laborers, workers or mechanics employed in the performance of a public work contract not less than the prevailing rate of wage and supplements (fringe benefits) in the locality where the work is performed.

The Bureau of Public Work is responsible for the administration of Articles 8 and 9 of the New York State Labor Law. Article 8 covers public construction and Article 9 covers building service contracts. The Labor Department issues wage schedules on a county-by-county basis that contain minimum rates of pay for different work classifications. State law requires that these schedules be made part of all contracts between a government entity and a contractor.

Restitution collected for workers in 2002 was in excess of \$8 million. This is a record amount.

## **WEB SITE PUBLICATION**

The Commissioner of Labor is required to make an annual determination of the prevailing wage rates. The department has published the annual determination of prevailing rate schedules on the Internet, which allows New York State businesses and their employees to immediately obtain the most current prevailing rate information.

The web site also allows the department to communicate rapidly with the contracting community on any corrections or changes to the wage schedule. To make it even easier, corrections are posted to the web site the first business day of each month. This gives employers immediate and timely access to this information and saves them from having to constantly check the site for updates.

In a partnership with the Dormitory Authority of the State of New York (DASNY), a public work wage investigator in our NYC office is assigned to work full time on complaints filed against contractors on Dormitory Authority projects. This item is funded by DASNY and may become a prototype for future similar partnerships with other state agencies.

#### **Bureau of Public Work Data for 2002**

Cases opened	681
Cases closed	658
Money collected	\$ 8,062,479
Penalty imposed	\$ 695,744
Workers paid	4224

## **C. DIVISION OF SAFETY AND HEALTH (DOSH)**

Protecting workers in their work environment is the priority of the Division of Safety and Health (DOSH). Ten programs plus a Licensing and Certification Document Center come under the DOSH umbrella of protection. DOSH is proud of the fact that workplace injury and illness rates have steadily declined throughout the State over the last several years. In fact, these rates are now at their lowest levels since the Bureau of Labor Statistics began reporting this data in the early 1970s. This data clearly shows that, each year, New York's workplaces become safer and healthier.

During 2002, DOSH continued to focus on a

number of customer-oriented initiatives designed to facilitate workplace safety and health programs. Some of these initiatives included:

 The *Public Employee Safety and Health (PESH)* Bureau oversees workplace protection of public employees at the State and local level.

During 2002, PESH significantly improved service to its public sector customers by increasing the number of worksite inspections performed by 8% and the number of consultations by 25%; responding faster to employee complaints; and issuing inspection reports promptly to public sector employers. PESH continued its focus on awareness and prevention/mitigation activities for public sector employment disciplines that included the Heavy Construction Trade, the Urban Rail Industry, the Nursing and Veterans Home Industry and fire fighters. Last year, workplace illness and injury rates were reduced by 24% collectively in these four employment disciplines.

 The *On-Site Consultation Bureau* provides free on-site guidance to private employers to help businesses determine whether they are in compliance with Federal safety and health standards and to show them how to eliminate hazards that are found.

The On-Site Consultation Program conducted 1,823 consultation assistance visits to small and medium sized business employers within the State. The visits were designed to help employers improve safety and health standards within their workplace. Emphasis was placed on providing assistance to high-hazard employers (i.e. Construction, Food Processing, Nursing Homes, Maritime, Logging, etc.). Approximately 110,000 private sector workers were covered by the consultation surveys performed. Consultants identified and assisted employers to correct 9,350 serious hazards, 2,837 other-than-serious hazards, and 275 regulatory items. Additionally, 115 occupational safety and health training sessions were conducted to train some 2,660 employers and employer representatives.

 The *Radiological Health Unit (RHU)* helps protect people against the dangers of exposure to radioactive materials and hazards from laser energy.

To improve service to customers, RHU successfully

reduced the backlog of licensing action requests (license renewals, amendments and new licenses) awaiting review by 23% in 2002. At the request of the State Office of Public Security, RHU participated in a state/federal task force to assess the security of radioactive materials at non-reactor sites in New York State. The task force reviewed State and City licensing policies and security practices at licensed facilities.

 The *Asbestos Control Bureau (ACB)* helps protect the public against toxic hazards from asbestos fiber exposure associated with the demolition, rehabilitation and renovation of buildings and other structures containing asbestos.

Staff responded to over 526 asbestos complaints, processed 12,466 asbestos project notifications and performed 3,520 worksite inspections. Introducing Asbestos Compliance Conferences, designed to negotiate settlements with contractors in violation of Code Rule 56, has resulted in much quicker settlements of violations and produced better compliance within the program.

 The *Engineering Services Unit* reviews and approves permit applications for places of public assembly, ski tows, tramways, elevators and escalators, large tents for 300 or more occupants, bleachers, window cleaning scaffolds and other devices.

The unit reviewed and approved 31 applications for power operated window-washing installations in New York City and 1633 variances were reviewed and approved.

 The *Hazard Abatement Board - Occupational Safety and Health Training and Education Program (HAB)* awards grants for programs that provide occupational safety and health training for public and private employers, labor organizations, educational institutions, non-profit organizations and trade associations.

During 2002, the HAB approved over \$6 million to fund 124 training and education grants to a variety of applicants throughout New York State. In most cases, these grants provide workers with valuable workplace safety training that otherwise would not be readily available. Training grant applications are now available electronically on the department's web site.

 The *Industry Inspection Bureau* has jurisdiction over ski tows and passenger tramways, places of public assembly (except in New York City and other exempt communities), storage of explosives, amusement devices and temporary structures, coin-operated machines, aerial performers, glass doors, window cleaning devices, crane operators, and elevators in factory and mercantile establishments. The bureau conducted nearly 20,000 inspections resulting in the identification of 11,086 workplace violations.

 The *License and Certification Unit* issues licenses to companies involved with explosives and asbestos removal and issues certificates to asbestos handlers, crane operators, workplace safety consultants, blasters and users of explosives, and mobile laser operators.

During 2002, the Licensing and Certification Unit's Document Center issued 21,750 employee or user certifications or tests, 1,550 company licenses and 2,393 permits. Many of the Unit's application forms and instructions were redesigned to allow for electronic use and transfer.

 The *Boiler Safety Bureau* makes sure that high and low pressure boilers are running safely and cost effectively.

Approximately 38,000 high and low pressure commercial boilers were inspected by Bureau personnel or certified Inspectors within the Insurance Industry. Boiler staff performed nearly 2,000 informational and educational visits to assist customers in the operation and installation of boilers. The staff inspected 12 boiler repair shops and certified them to perform welded repairs on boilers within New York State. Bureau staff also notified boiler owners of 4,500 safety deficiencies and investigated 9 boiler accidents.

 The *Mine Safety Training Program* provides safety and health training for workers in mining industries within New York State.

During 2002, staff conducted 135 classes, training more than 4,100 mine employees from 1,200 employers. This program provides instruction on a variety of safe work practices and certifies mine safety training instructors.

 The *Workplace Safety and Loss Prevention Program*,

which was created in 1997, requires employers whose most recent annual payroll is in excess of \$800,000 and whose most recent experience rating exceeds the level of 1.2 to undergo a mandatory workplace safety and loss prevention consultation. The Division developed Industrial Code Rule 59, which is available on the DOL website, that establishes standards necessary for certifying private Safety and Loss Consultants, who can perform such consultations. Employers may also utilize the services of the Division for these consultations.

## PREPARING FOR EMERGENCIES

Following the Department's response to the World Trade Center disaster, DOSH developed its "Crisis Response Plan" to identify how we can provide safety and health assistance to state and local government emergency responders for all natural and man-made disasters, including terrorist actions. Assistance will be provided at the request of and in coordination with the New York State Emergency Management Office (SEMO). Additionally, DOSH initiated activities to enhance our emergency preparedness readiness and response capabilities. These activities include:

- Coordination with the New York State Emergency Management Office (SEMO), Weapons of Mass Destruction Task Force, State Office of Public Security on the DOSH emergency response mission and procedures;
- Coordination with OSHA on our respective Crisis Plans;
- Delivery of necessary training for DOSH employees who may be called to assist state and local government response activities in a crisis;
- Purchase and readying of supplies and materials that would be needed to support emergency response actions;
- Conduct of training and awareness activities for local emergency response personnel.

DOSH will continue to enhance these activities in support of its emergency management mission.

## IMPROVING CUSTOMER ACCESS

DOSH continues to use Internet technology to help customers access necessary information to complete applications for certifications, licenses and variances and generally communicate with Division

Program employees. Currently, we have posted on the department's web site: petitions for variances, application forms, Request for Proposals to apply for HAB training grants, Code Rules and Regulations for easy access by customers. This process saves valuable time and allows for much quicker processing of customer applications. Other customer access improvements are currently underway.

## **V. OFFICE OF THE INSPECTOR GENERAL**

The Inspector General's Office provides investigative support for the county district attorneys who initiate criminal prosecutions in unemployment insurance fraud cases. The Office ensures the accuracy of Unemployment Insurance eligibility and monitors procedures at local offices. The office also performs internal audits and allocates the proper grants to families affected by natural disasters in New York State. The Inspector General's (IG) Office consists of the Investigations Section, UI Fraud Investigations, UI Fraud Prosecution, the Internal Audit Unit, the Internal Security Unit, the Contract Audit Unit, the Security Unit and Disaster Preparedness.

The Investigations Section and the Internal Security Office cooperate to ensure the accuracy of Unemployment Insurance eligibility through a system of prevention, detection and investigation of fraud perpetrated against the Unemployment Insurance (UI) system. The IG investigators review allegations of impropriety or malfeasance by department employees, and assist the Investigations Section in larger examinations of mass unemployment insurance fraud. They also support the department's Office of Employee Relations during disciplinary proceedings.

The IG Office is the department's liaison to all federal, state and local police agencies. The Internal Audit Unit helps Labor Department staff effectively discharge their responsibilities, by focusing on management objectives that relate to: the reliability and integrity of information; compliance with policies, plans, procedures, laws and regulations; safeguarding assets; the economical and efficient use of resources; and meeting objectives and goals for the operation of programs.

The Inspector General's Office also oversees security at DOL offices around the State. The IG's

Office hires State guards or works with private security companies to arrange for guard services to protect DOL customers, employees and property. IG staff also work with local DOL staff and outside vendors to install and manage swipe-card access systems in many DOL buildings. The Office of General Services plans to switch to smart cards, which could require considerable IG Office resources for the foreseeable future.

In addition, the IG Office acts as the department's representative to the New York State Disaster Preparedness Commission and oversees relief programs for families affected by natural disasters in New York State.

### **A. INVESTIGATIONS UNIT**

The Investigations Unit provides this agency with the capability to detect fraud, deter misconduct and criminal activities and protect the assets of the agency. In 2002, the Investigations Unit handled 90 investigation cases. Of the 90 cases, 83 were closed and 37 of them were closed as substantiated.

### **B. UI FRAUD INVESTIGATIONS**

The UI Fraud Investigation Section's primary mission is the deterrence, detection, investigation and prosecution of Unemployment Insurance fraud. With the advent of processing UI claims through Telephone Claims Centers, this section has become the primary organization in the department to combat fraud.

The UI Investigation Section conducts investigations based on leads provided by employers, the public and other Labor Department operating units. In 2002, the section completed over 19,600 investigations. More than 53% resulted in overpayment determinations. Total fraud overpayments established for 2002 amounted to \$19.3 million based on 10,522 overpayments. There were also 667,583 penalty days established as a result of these overpayments.

### **C. UI FRAUD PROSECUTION**

The UI Fraud Prosecution program seeks criminal prosecution of UI claimants who have defrauded the UI Trust Fund. County District Attorneys prosecuted

approximately 750 claimants in 2002 for defrauding the Department of approximately \$3,300,000. A misdemeanor plea to Petty Larceny and restitution to the Department of Labor of the amount stolen typically disposed of each case. Jail sentences were infrequent, but were imposed if the claimant had a prior felony criminal record. There has never been an acquittal of a UI fraud prosecution. Prior to this program effort, claimants who defrauded the UI Trust Fund were pursued only through collection activity and charge-backs against future claims.

The criminal prosecution of UI fraud serves to return money stolen from the UI Trust Fund and to assure taxpaying business owners that the tax money they pay is efficiently handled. In addition, the UI fraud prosecution program joins local District Attorneys to seek local media coverage of "sweep arrests" to deter future fraud and to publicize that state government does not allow people to "cheat the system."

#### D. INTERNAL AUDIT UNIT

The Internal Audit Unit provides an independent appraisal function established within the Department of Labor to assist staff in the effective discharge of their responsibilities. To achieve its purpose, the Internal Audit Unit examines and evaluates department activities and provides analyses, appraisals, recommendations and information concerning the activities reviewed. When conducting its reviews and analyses, the Internal Audit Unit focuses on management objectives relating to the reliability and integrity of information; compliance with policies, plans, procedures, laws and regulations; internal control standards, safeguarding assets; economical and efficient use of resources; and accomplishment of established objectives and goals for the operation of programs.

#### EXTERNAL AUDIT COORDINATION

The Internal Audit Unit facilitated 20 audits, reviews and studies completed by external agencies on Department operations. There were six audits conducted by the Office of the State Comptroller, six studies conducted by the General Accounting Office at the request of Congress, four reviews conducted by USDOL, one audit each done by the US Postal Service and USDA and the Department's portions of the NYS Single Audit and the financial statement audit were

conducted by KPMG, Peat Marwick. Formal written responses were coordinated and prepared for 12 of the completed audits and reviews.

#### E. INTERNAL SECURITY UNIT

The primary mission of the Internal Security Unit is to monitor UI operations to help detect and prevent fraud, waste and abuse within the Unemployment Insurance system. When the unit was created in the early 1980s, its focus was on the prevention and detection of Department of Labor employee fraud. That continues to be one of the unit's functions today, however, the role of the unit has greatly expanded over the years. In fact, currently, the Internal Security Unit expends most of its efforts on detection of fraud by all types of claimants.

During 2002, Internal Security's computer cross-matches led to the identification of 316 New York State employees who were working while collecting benefits. Nearly \$420,000 of overpayment notices were issued to these employees and thousands of forfeit days were assessed.

In addition, Internal Security continued to develop a process for comparing employer reports of newly hired individuals to the Unemployment Insurance benefit claim files. This cross-match produced information concerning 353 individuals who were falsely collecting unemployment benefits. Overpayments totaling nearly \$250,000 were established.

#### F. CONTRACT AUDIT UNIT

##### SINGLE AUDITS

The New York State Department of Labor (NYSDOL) has been designated the primary recipient of Workforce Investment Act (WIA) funds for New York State and has ultimate responsibility for these funds and successful management of the WIA program. The NYSDOL receives over \$275 million annually from the United States Department of Labor to implement the WIA program. The NYSDOL transfers most of the funds to Local Workforce Investment Areas (LWIAs), in accordance with WIA regulations.

The Single Audit Act and OMB circular A-133 established requirements for audits of government subrecipients. The A-133 circular states that the

department must have internal controls to assure receipt of subrecipient audit reports. Where necessary, the department must issue audit determination letters on findings and ensure development of corrective action plans to address any reportable conditions. This process provides assurance concerning the \$275 million in annual WIA expenditures in New York State.

In 2002 we received all audit reports that had been issued by the subrecipient entities for the fiscal year ending December 31, 2002 for the county governments that were grant recipients and the fiscal year ending June 30, 2001 for the non-county governmental organizations. All audits were received and all reviews performed on a timely basis for all WIA-related audit findings. During the year 2002, the Contract Audit Unit issued three audit determination letters on findings and corrective action plans. The total questioned costs of \$45,940 pertained to one LWIA. The organization made the appropriate adjustments to their records and the questioned costs were reclassified as allowable expenses. Our review confirmed the correct application of WIA laws and regulations pertaining to this issue. Thus, the review process provided assurances to the NYS DOL that the recipients of the WIA funds are managing their programs in compliance with applicable laws and regulations, and that all pertinent corrective action plans are developed and implemented.

## **FINANCIAL AND COMPLIANCE AUDITS**

The Contract Audit Unit completed 15 financial and compliance audits of DOL contractors receiving state funds to conduct employment and training programs. The goal of these audits was to determine whether an entity's financial operations were conducted properly, the financial reports were presented fairly and that all applicable laws and regulations were complied with. The audits issued in 2002 disclosed questioned costs of \$26,410.

## **G. SECURITY UNIT**

The primary goal of the Security Unit is to protect people and property. The Security Officers detect, deter and report any safety and hazardous conditions as well as provide access control and safety and security prevention. The Security Unit provides traffic

control, guidance and screening of all individuals entering offices, safety awareness, property protection, enforcement of rules and regulations, crime and loss prevention, access control and key control, monitor contractors and deliveries, check all packages coming in and leaving the offices and make sure authorization was verified, conflict resolution, crisis intervention, fire safety and evacuation, computer security protection, medical emergency assistance, investigations and report writing.

During 2002, the Security Unit participated in several job fairs and provided crowd control and customer service in Manhattan, Queens, Brooklyn and Staten Island. Security Officers prepared incident reports and submitted them to the Inspector General's Office regarding medical assistance, theft and disorderly customers. The Security Unit also assisted in fire drills and fire prevention plans at several offices in New York City.

In addition, the Security Unit is in constant communication with the Inspector General's Office regarding ID access cards for the Department of Labor Staff. The Security Officers have been utilizing the Inspector General's Standard Operating Procedures Manual for all security matters and operations including Disaster Preparedness.

## **H. DISASTER PREPAREDNESS**

### **INDIVIDUAL AND FAMILY GRANT PROGRAM/ OTHER NEEDS ASSISTANCE**

The recovery process following the World Trade Center disaster continued to be the main focus of the Individual and Family Grant (IFG) program, which is administered by the Department of Labor's Office of Inspector General. The IFG program provided assistance in the form of grants to applicants to cover losses sustained as a result of the September 11, 2001 terrorist attack. As 2002 ended, the program had received over 212,350 applications for assistance and provided nearly \$46,175,233 in benefits to the victims of the disaster.

The recovery process will continue into 2003 and beyond and it is anticipated that the program may pay benefits in excess of \$100 million to the citizens of New York State. The scope of the disaster was such that the department was required to hire 60 hourly

employees to staff the program and approximately 10 full-time department employees to oversee the program.

In addition to the World Trade Center disaster, the IFG program also handled a disaster of lesser magnitude, but just as serious to those citizens affected. In April 2002, an earthquake centered in the Adirondack Mountains Region of Upstate New York affected residents of a six-county area. As a result of this disaster, the IFG program paid over 370 applicants approximately \$176,220 in disaster aid.

If the challenges posed by terrorist attacks and natural disasters were not enough, 2002 also brought about a major change to the program that is used to deliver disaster aid. The Disaster Mitigation Act of 2000 (DMA2K) became law. The new legislation replaced the Individual and Family Grant program with a new program named Federal Assistance to Individuals & Households (IHP). Under the IHP, FEMA and the State of New York may provide assistance to Individuals and households that have disaster-related necessary expenses and serious needs not covered by insurance or any other type of assistance. The Other Needs Assistance (ONA) portion of the IHP, allows for assistance in the areas of medical, dental, funeral expenses, personal property losses, transportation and other expenses (disaster specific expenses).

The changes to the disaster assistances program will ensure that in the future the Department of Labor is in a position to provide disaster related benefits to the citizens of the State of New York should that need arise.

## VI. ADMINISTRATIVE SUPPORT OPERATIONS

### A. HUMAN RESOURCES

The Human Resources Division of the Labor Department is comprised of four subdivisions:

 The *Employee Relations Office* administers the state's collectively negotiated agreements within the department, while maintaining a good working relationship with public employee unions. The office handles disciplinary actions, grievance procedures and workplace mediation. The office also addresses employee needs through ergonomics, ordering

special equipment to meet medical and other requirements, resolving problems with office conditions and handling reasonable accommodation issues, such as alternate work schedules.

 The *Office of Staff and Organizational Development* (OSOD) provides leadership and guidance not only to the department's managers in planning, coordination and evaluation of training, but also to numerous outside state agencies. Constantly keeping our customers in mind, during 2002 OSOD coordinated Manager and Supervisor Discussion Groups; trained DOES staff; presented the Management Development Institute; conducted a web-based pilot project training with New York Wired for Education; assisted UI Division in modernizing the system; implemented videoconferencing; aided Worker Protection Division with problem-solving; and provided required Workforce Investment Act training to staff and partner agencies.

 The *Personnel Office* has continued to provide assistance and guidance to both employees and managers on issues related to classification, recruitment and examinations. Major accomplishments include: establishing positions and hiring staff for the Unemployment Insurance Modernization project; developing standard job descriptions for the most popular titles in the agency; and, beginning the consolidation of workforce titles into a structure that helps management recruit and hire well-qualified staff. The office also manages the employee benefits for agency staff. This year we began to implement an early retirement incentive and plan recruitment to replace critical staff.

 The *Division of Equal Opportunity Development* develops and maintains an affirmative action program, promotes equal opportunity and ensures non-discriminatory policies and practices, and monitors compliance in the areas of Employment Services, Apprenticeships and Local Workforce Investment areas (LWIAs).

### B. ADMINISTRATIVE FINANCE BUREAU

The Administrative Finance Bureau (AFB) is responsible for the budgeting, management, accounting and expenditure of all department funds. It also offers Property Management services covering lease, space planning and project oversight, as well as building maintenance oversight. The AFB ensures that re-

sources are managed in a fiscally responsible and efficient manner and that funds are expended in accordance with appropriate state and federal rules and regulations. In addition, this bureau maintains and ensures the accuracy of the department's payroll system, and offers support operations services.

These are the major accomplishments of the Administrative Finance Bureau (AFB) during 2002.

- Implemented an Asset Management System to improve services, increase efficiency and save resources. This system provides the agency with asset management capability (inventory, software management), as well as a procurement tracking system.
- Implemented a Contract Tracking Database for education and training service contracts. A Web-Based Tracking System (WBTS) was created for program staff and Finance to track the progress of contracts through all of the processing stages. In addition, the Finance Access Contract Tracking System (FACTS), which contains vital demographic and fiscal data, went online.
- AFB continued to participate in the National Association of State Workforce Agencies (NASWA) Resource Justification Model (RJM) workgroup this year. RJM is the funding mechanism for the federally funded Unemployment Insurance program.
- The department processed fourteen contracts and four awards to Local Workforce Investment Boards as part of a \$25 million National Emergency Grant to address reemployment and retraining needs from the World Trade Center disaster. Approximately \$19.4 million in contracts and \$1.3 million in awards were distributed to vendors and Local Workforce Investment Boards.
- AFB worked with program staff to coordinate the deposit of state and federal funds into the Individual and Family Grant (IFG) benefit account to allow IFG benefits to be paid for the World Trade Center and North Country earthquake disasters.

## **C. COMMUNICATIONS**

The Office of Communications provides information about the functions of the State Labor Department to the public through publications, the press, radio and television. Our materials highlight the many facets of the State Labor Law and the complex functions and responsibilities

of the various operating divisions in the Labor Department. We provide educational information in a variety of press releases and regular publications, and arrange news media interviews. All press inquiries to staff are directed to the Communications Office. In 2002, as part of the State Department of Labor's ongoing effort to build and refine our brand identity, the Office of Communication developed and implemented a new design for the Department's on-line and printed materials.

The new blue and gold design was built around the department's concern for keeping a unified brand image throughout our many divisions. We took graphic elements found in the newly redesigned Labor Department web site and used them in the printed material. This series of photos of people at work allows users to identify both the web site and the printed material as being from one location, the Department of Labor.

We also combined various department functions and put them into one user-friendly document. Whenever possible, we use the same terminology in the printed products found in the web site. This allowed us to give a less governmental feel to the writing style.

Each piece of material is designed to serve multiple functions. All the items combine previous publications and have reduced the number of printed materials the department now produces.

After the tragic events of September 11, 2001, the Office of Communications used this new branded image in the production of informational pamphlets and brochures, which were produced in Chinese, Spanish, Korean and English. We also maintained the branding in Public Service Announcements and print advertisements developed to help the victims of the disaster.

Most of the department's publications can be produced by our in-house black and white print-on-demand system and given the same brand "feel." This has improved our branding effort and cut our printing costs at the same time.

Additionally, the Office of Communications worked closely with the Division of Workforce Development to produce a statewide marketing campaign called "Workforce New York". This marketing kit was designed to create a statewide brand identity for the

new state One-Stop system. It included a new logo, web site, and radio, television, bus and billboard advertisements.

Another round of bus and billboard ads highlighted the New York State Talent Bank through a campaign built around the "I Love NY" logo. This marketing blitz raised the public consciousness about the State Labor Department and the wide range of experience/education held by job applicants across the Empire State.

and assistance to department staff on various programs resulting from events of September 11, 2001, including Disaster Unemployment Assistance, Individual and Family Grants, and National Emergency Grants under the Workforce Investment Act.

Counsel's Office implemented an enhanced case tracking system to improve management of workload and reporting function.

## VII. COUNSEL'S OFFICE

The Counsel's Office renders legal opinions and provides legal services to the Commissioner of Labor, Executive Deputy Commissioner, Deputy Commissioners, division directors and other department officials responsible for program activities as well as to the Legislature, regulated parties and the general public. The office also handles all Freedom of Information Law requests submitted to the department. Staff from Counsel's Office represents the Department in administrative proceedings throughout the State.

During 2002, Counsel's Office represented the Department in all administrative enforcement hearings and defended the Department in employment discrimination and other matters; promoted the Department's legislative program; represented the Department in court to recover unpaid UI contributions; and assisted the Attorney General in the preparation of cases in defense of the Department in affirmative litigation. With respect to administrative enforcement hearings, Counsel's Office, in conjunction with Administrative Adjudication, began implementation of a streamlined model for hearing default Public Work cases. The new model is designed to identify, schedule and conclude such cases on an expedited basis.

Counsel's Office also provides legal advice and assistance to program and administrative staff that are involved in the contracts/grants process. The Department has implemented a procedure whereby all Requests for Proposals (RFPs) are developed by teams comprised of program, finance and Counsel's Office staff.

Counsel's Office continued to provide legal advice

