NYS Department of Labor

ANNUAL REPORT 2006

George E. Pataki, Governor
Linda Angello, Commissioner

NYS DEPARTMENT OF LABOR
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New York State Department of Labor is an Equal Opportunity Employer/Program
Auxiliary aids and services are available upon request to individuals with disabilities.

MISSION STATEMENT

The New York State Department of Labor supports the economic interests of the people and businesses in New York State. We connect people to jobs, assist the unemployed, develop workplace skills and protect the public and the workforce.

All New Yorkers should have the opportunity to earn a legal wage in a safe and healthy workplace. Our department's employees enforce the wage and hour laws set forth in the New York State Labor Law. They also work with local entities, educators and organized labor to help New Yorkers advance economically by improving employment opportunities. Finally, they cooperate with Empire State employers to create training that will encourage the growth of businesses for today and tomorrow.

I. EMPLOYMENT AND TRAINING

A. Division of Employment Services

The New York State Department of Labor (NYSDOL) through its Division of Employment Services (DOES) delivers federally funded Wagner Peyser Act Services, which includes the operation of a public labor exchange. DoES staff provide employment-related services to New York State's businesses and jobseekers. We offer these services at One-Stop Career Centers throughout the state in partnership with local workforce investment boards and other local agencies and organizations. In addition to serving employers, DoES staff aid all job seekers who need assistance, including veterans, rural workers, Unemployment Insurance customers, Social Services clients and youth.

In calendar year 2006 (January to December 2006), the public labor exchange served over 427,000 job seekers and almost 25,000 employers. During 2006, the department issued a series of Technical Advisories that established policies to spur the local workforce systems to adopt more aggressive goals and strategies for coordinated service delivery. Each local workforce area must develop an addendum to the Comprehensive Three-Year Local Plan that detailed their strategy to coordinate WIA and ES service delivery and service structure. In addition, effective July 2006 all adult customers served through the One-Stop system must enroll in both Wager-Peyser and Workforce Investment Act (WIA) funded programs. Further, we implemented major system changes to improve our performance reporting and common measures.

Unemployment Insurance (UI) Reemployment Services Program

During Calendar Year 2006, we provided UI Reemployment Services to approximately 230,000 UI customers. Across the state, UI customers participated in a variety of program activities and services, including job placement, workshops in resume writing, job search techniques and interviewing skills. UI customers also use resource rooms, which are staffed and equipped with personal computers and a variety of self-help software programs. In September 2006, the department issued new policy guidelines for serving UI Claimants. These guidelines required regional program plans to be consistent in their UI reemployment service delivery within a statewide policy framework. This strategy will establish an effective reemployment service plan that:

- emphasizes early intervention and tailors services to individual customer needs;
- increases the number of UI claimants who enter employment;
- reduces UI benefit duration and UI exhaustion rates; and
- speeds the referral of needy claimants to other support services including training/retraining.

Other programs administered by DoES:

Reemployment and Eligibility Assessment (REA) Grant

In 2006, the department received a second-year federal grant to continue this program, which provides in-person reemployment and eligibility assessments (REAs) for UI customers. We offer these one-to-one sessions REA in all three full-service One-Stop Career Centers in the Oneida/Herkimer/Madison workforce investment area of the Central Mohawk Valley region. This program ensures that UI claimants take full advantage of the full array of employment and training services we offer.

The previous REA operated from April 2005 through March 2006 and provided services to over 3,400 customers. The grant exceeded its stated goal, which was to achieve a one-week average reduction in the time claimants collect UI. The program actually achieved closer to a two-week reduction in UI duration, which translates into UI Trust Fund savings of some $1.9 million dollars. Based on total grant funding of $614,742, this represents a net savings of nearly $1.3 million dollars. We do not have final results for the 2006 REA program, but we anticipate similar positive results. The department has received additional federal grant funding ($647,000) for 2007 to continue the program in the Central Mohawk Valley Region.

Dislocated Worker Assistance Center (DWAC)

The Dislocated Worker Assistance Program is a cooperative effort between the Division of Employment Services in the Central Mohawk Valley Region and the Workforce Development Institute of the AFL-CIO. It offers comprehensive services and serves as a testing ground for innovative approaches to worker retraining, cultural diversity in the workplace and worker shortage issues facing the region. Over the past year, DWAC has worked with the Mohawk Valley Community College (MVCC) and the American Federation of Government Employees (AFGE) Union to train over 200 dislocated workers for jobs in financial services at the Defense Finance and Account Services Center (DFAS) at Griffiss Business and Technology Park. The program conducted weekly DFAS Workshops, attended by more than 850 people.

DWAC has been working with Workforce Development Institute (WDI) and the United Auto Workers Union at Orion Bus in Oriskany to begin an Apprenticeship Training Program and form a Labor Management Committee. It also is developing a training program for Blueprint Reading. DWAC and the WDI continue to offer on-site computer training programs at the Utica One-Stop through MVCC. More than 590 individuals have completed this skills upgrade course since September 2005.

Alien Labor Certification

The United States Department of Labor (USDOL) and the Department of Homeland Security are responsible for certifying New York State employers to hire foreign workers on a temporary or permanent basis to fill jobs essential to the State's economy. NYSDOL receives Wagner-Peyser funding allocations to provide prevailing wage determinations for the H-1B (Professional), Permanent Labor Certification and H-2A Temporary Labor Certification (Seasonal Agriculture) Programs. In addition, DoES staff accept applications from employers looking to hire workers under the H-2A and H-2B (Non-agricultural) Programs.

Office of Employer Services

The Office of Employer Services provides a variety of services to help the State's employers meet their workforce needs, offered locally through the One-Stop Career System. Some of the services include:

Customized Recruitment – Developed specifically for the employer to target job seekers who meet their workforce needs.

Incentive Programs – To help employers get tax credits and wage subsidies for hiring targeted jobseekers or for expanding their business.

Training – To help employers prepare their staff to compete in the new global marketplace.

Labor Market Information – Providing employers with the data they need to make informed hiring and expansion decisions.

Post Jobs and Review Job Seekers – The NYSDOL labor exchange system allows employers to list jobs that will be viewed by job seekers across the state, as well as view the resumes of job-ready customers with the skills and experience they need. For 2006, we offered these functions on-line through America's Job Bank (AJB).

1-800-HIRE-992

This toll-free information line is open 8:00 a.m. through 5:00 p.m. weekdays to assist employers and job seekers with labor-related questions and concerns, including questions regarding the increase in Minimum Wage. In 2006 we received over 35,000 calls.

HightechNY www.hightechny.com –

The New York State Department of Labor and the Empire State Development Corporation jointly administer this web site to attract, assist and retain thousands of college students and other high-tech skilled job seekers searching for jobs in New York State. We provide this service to the State's employers free of charge.

Work Opportunity Tax Credit (WOTC) and Welfare-To-Work (WTW) Tax Credit

The federal Work Opportunity Tax Credit (WOTC) promotes 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 Renewal 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 may earn a tax credit up to $2,400 for each WOTC-certified person hired.

Employers hiring long-term TANF recipients (individuals who received TANF for 18 consecutive months before the time of hire) may qualify for the federal Welfare-To-Work (WTW) tax credit. The credit is worth $8,500 over a two-year period. In 2006, 58,886 WOTC and WTWTC applications were received and 19,719 were certified.

Workers with Disabilities Tax Credit (WETC)

The Workers with Disabilities Employment Tax Credit (WETC) enables employers to earn a tax credit of $2,100 for each qualified individual hired. WETC is New York State's initiative to help the disabled secure employment. To qualify, an employee must

meet the eligibility requirements of 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). In 2006 NY provided 809 WETC certifications.

Parole Vocational Rehabilitation Services

We operate the Parole Vocational Rehabilitation Services (PVRS) program in partnership with the New York State Division of Parole. The program provides employment and job placement services to ex-offenders referred by the Division of Parole.

Veterans Program

The Veterans Program provides priority employment services to military veterans, with the highest priority given to the needs of disabled veterans, recently separated veterans and "Campaign" veterans, as mandated by Title 38 of the United States Code and amended by Public Law 107-288. The Veterans Bill of Rights, Chapter 553 of the Laws of 1994, describes New York State's commitment to veterans' priority in obtaining employment services and training opportunities. Veterans may access employment services at One-Stop Career Centers, State Labor Department offices, by calling the Veterans' Employment Helpline (1-800-HIRE-992) or by e-mailing VetsAsk@ labor.state.ny.us through the department web site.

Disabled Veterans Outreach Program Specialists (DVOPs) and Local Veterans Employment Representatives (LVERs) provide direct employment services to veterans statewide. Additionally, DVOPs specialize in providing intensive services to veterans who have barriers to employment, while LVERs reach out to employers to develop career opportunities for veterans. Both DVOPs and LVERs work from a variety of locations, ranging from One-Stop Career Centers to Veteran Counseling Centers, in cooperation with our Workforce Investment Act partners and other local, state and federal federal veterans service providers.

During Program Year 2005, DVOPs and LVERs provided over 43,708 veterans with employment-related services and achieved a 62% entered employment rate for all veterans, including disabled and recently separated veterans.

DVOPs and LVERs also conduct Transition Assistance Program (TAP) workshops at four military installations in New York State. These workshops assist service members and their spouses as they transition from military service. During fiscal year 2005- 2006, DVOPS and LVERs conducted 75 TAP workshops for over 1,900 separating and retiring service members and their spouses.

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 they seek new employment. Under the program, eligible persons file an initial claim for benefits and certify weekly during their eligibility period to collect benefits.

An employer payroll tax supports the benefit portion of the program. Currently, the tax applies 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 tax payments made and benefits paid to former employees (experience rating). In addition to the normal contribution rate, employers are also assigned a re-employment services tax and subsidiary tax, depending on the balance of the general account and the size of fund index.

In prior years, an Interest Assessment Surcharge (IAS) was billed to employers to cover the interest costs associated with borrowing from the federal government in order to meet our obligation to pay benefits to unemployed workers. The IAS was not assessed in 2006 due to the improved economic scenario. The federal loan needed to meet obligations to pay benefits to unemployed workers was repaid by the time required by federal law.

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. Information regarding any of these programs is on line at: http://www.labor.state.ny.us/ui/employerinfo/EmployerHomePageLanding.shtm .

Determination and Enforcement:

SUTA Dumping Legislation: Effective 2006, a federal mandate enacted SUTA Dumping Legislation, which prohibits the practice of transferring payroll between financially related entities to reduce the appropriate amount of tax due. The statute imposes penalties on employers and employer representatives who are involved in processing such transactions. DOL staff is developing

a SUTA Dumping Detection system using information contained in the Data Warehouse. In 2006, using the new SUTA-dumping detection system, we discovered 36 cases that involved transfers of experience rating. To date, we have processed 24 experience-rating transfers that have not risen to the level of SUTA dumping penalties, with 12 cases still pending. Contributions due for the 24 transfers are $799,776. In addition, work is underway to build DOL's first case against selected employers, which will involve SUTA dumping penalties and possible criminal prosecution.

Shared Work: Shared Work is a voluntary program that provides an alternative to layoffs for employers faced with a temporary decline in business. Rather than laying off a percentage of the workforce to cut costs, an employer can reduce the hours and wages of a particular group of employees, who can then receive partial unemployment insurance benefits to supplement their lost wages. The maximum duration for benefits is 20 weeks. During 2006, 258 employers (involving 8,173 employees) took advantage of the Shared Work program. The savings to employers' UI accounts was $17.5 million.

Benefit Payment and Tax Accounting:

Benefit Banking: A banking contract with JPMC was formalized and approved in May 2006 and banking services were implemented shortly afterward. Benefit overpayment remittances (repayments) are now delivered to a bank lockbox located in Binghamton for processing and deposit. The lockbox process was implemented in mid August 2006. From August 2006 through the end of 2006, 68,274 remittances were processed totaling $7,418,907 and deposited into the UI Account. This new process has shortened the time spent on this function. It also increased the security and reduced the risks associated with this process that was previously done by hand, involving many staff.

Benefit Payments: because of the new banking services, DOL mandated that all claimants would receive their UI benefits electronically. In September 2006 when all claimants began receiving their UI benefits via direct payment (debit) cards. From the implementation in September 2006 until the end of 2006, over 307,000 direct payment cards accounts were activated for claimants receiving benefits. Paper checks have been eliminated, which reduces staff time spent on payment-related issues such as researching and processing duplicate requests for lost, returned and stolen checks. This has also saved costs for postage, printing, and check stock production and maintenance. We are working to implement Direct Deposit as an alternative electronic benefit option in 2007.

SingleFile: After the UI Division helped prepare a Federal Grant request for an Internet Tax and Wage Reporting System, we received an award of $500,000 for SingleFile. A team from the DOL Unemployment Insurance program areas, UISM and DTF worked on this project to give employers the option to file the SingleFile quarterly report (NYS-45) electronically, in addition to paper returns and magnetic media. DOL is working with the Division of Tax and Finance to provide this improved customer service by the end of 2007. The initial webpage debuted in March 2007 to provide tax rates to employers.

FOIL Requests: The UI Records Section provides wage verification information as requested by the Social Security Administration, Housing Authorities, insurance companies and claimants under the Freedom of Information Law. During 2006, we filled 31,083 requests.

Telephone Claims Centers:

Call Monitoring: The UI Division is installing a call monitoring and recording system in the Telephone Claims Centers. This management tool will help us to monitor caller interactions with call center staff and our automated systems. With this information, we can develop staff training, adjust our systems to improve the quality of the information we obtain, and improve customer service. Ultimately, this system could monitor all types of calls within the Department of Labor.

Adjudication Services Office (ASO):

ASO's major areas of responsibility include review of all hearing requests to assure correct and uniform benefit eligibility determinations and to represent the Commissioner in Administrative Law Judge (ALJ) and Unemployment Appeal Board hearings.

Limited English Proficiency (LEP) issues: ASO is actively involved in meetings with LEP Advocates, and offers training sessions to community-based organizations. We conduct internal training for TCC staff, which includes, among other topics, compliance with agreements and new procedures as they are developed. We monitor compliance in all the cases we review for hearing.

MLC compliance: We have already published extensively on this crucial topic; we already monitor compliance by TCC in reviewed cases. We disseminate information about ongoing MLC concerns. Based on several years of our decision analysis and monitoring, we advocated a stricter approach in evidentiary sufficiency in NYC Board of Ed 590.10 and 11 cases this year. This change resulted

in a more appropriate benefit delivery for claimants, providing better due process, which can save hundreds of wasted work hours for TCC staff,

Other 2006 UI Division Activities:	
New employers registered for unemployment insurance	64,500
Employer accounts maintained	500,784
Claimant and employer issue hearings processed	47,610
Total UI taxes collected *	$2.67 billion
New UI claims taken	631,414
Average number of Original UI Claims processed weekly	12,143
Number of calls handled in the TCCs	1,372,539
Different languages UI services provided in	74
Average number of weekly benefit checks/debit card transactions	154,100
Total benefits paid	$2.33 billion
UI benefit overpayments repaid	$40.6 million
Benefits recouped from the Child Support Intercept Program	$36 million

* Includes interest, penalties, the Interest Assessment Surcharge and the Re-employment Services Fund.

In addition to English and Spanish, we also produced claimant handbooks in Chinese, Russian and Haitian Creole.

English	605,122
Spanish	38,806
Chinese	3,301
Russian	763
Haitian Creole	470

All sections of the UI Division have Subject Matter Experts who work with the UISM staff to develop accurate models of the division's workflow. Employees also worked with the vendor for Organization Change Management, to develop an "as is" analysis of the knowledge, skills and abilities needed to perform our tasks, so we can establish training and development programs for staff moving to the new UI system.

The UI Division is helping develop a new web-based enterprise letter generator system (xPressions software) to replace the mainframe letter production system. Over 350 UI Division staff use letter generator software to produce over 200,000 documents annually. Our current system is not supported by the vendor and runs under constant risk of failure.

Unemployment Insurance Systems Modernization (UISM) Project

The UI Division continues working on a major multi-year project to modernize its computer systems and reengineer its business processes. The existing Unemployment Insurance systems were developed nearly 40 years ago. These systems require tremendous effort to maintain or change. The older file structures make it difficult to retrieve information, exchange data with external partners and meet the requirements of changing legislation. In addition, concerns over future federal funding levels require that we improve our efficiency in the delivery of services to our customers.

The UISM Project is reengineering UI functions and will employ technological aids and custom software to automate many functions. This will give staff tools to better manage information, identify and resolve issues and complete their job tasks. The new UI System will be more scaleable, maintainable, supportable, reliable, effective and efficient.

The goal of the Unemployment Insurance Systems Modernization Project is to make UI customer-oriented rather than process-driven. Modernization will improve the efficiency of UI operations and change the way staff offers services to customers, through easier access and a variety of service options. The UISM Project has contracted with vendors to provide services for Business Process Reengineering (BPR), Quality Assurance/Quality Control (QA/QC), UI System Design/Development/Implementation, and Organizational Change Management (OCM) services.

The Design/Development/Implementation effort is a three-phased approach: Phase I is the entire system design, based on results of the BPR vendor's effort; Phase II will be the development of the Benefit Claims System; and Phase III will be the development of the Employer Tax System.

In 2006, the Project Team completed Phase 1, the Analysis and Design, of the UISM Project. The resulting Phase 1 accomplishments will be used as the basis to begin the development and implementation phases of the new UI system. Following the com-

pletion of Phase 1, the UISM Project Team worked on the preparation of a Statement of Work (SOW) for Phase 2, and other related Phase 2 preparation tasks. SOW Negotiations with IBM were put on hold by the Division of Budget (DOB) to wait for direction from the new State Administration before we proceeded. Under the direction of a new Chief Information Officer, negotiations with IBM have resumed. Upon agreement between NYSDOL and IBM, and approval of a Phase 2 SOW and Contract Amendment, Phase 2 work will begin.

Oasis Consulting LLC was awarded the contract for Organizational Change Management (OCM) consulting services. They started work on the OCM effort in August 2005. Oasis's Organizational Design effort validated the "As-Is" state and they worked closely with NYSDOL staff to document the Knowledge, Skills, and Abilities (KSA) affiliated with each task that will need to be performed in the approximately 106 Core "To-Be" processes. Oasis has provided an Organizational Design Report, which included recommendations for the redesign of operational units within the Unemployment Insurance Division.

B. Welfare-To-Work Division

This function moved to the Office of Temporary Disability Assistance.

C. 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, including but not limited to the federal Workforce Investment Act (WIA), Trade Reform Act of 2002 and Apprenticeship Training Program. Central to these efforts is the 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 business, job seekers, and incumbent workers.

Apprenticeship Program

As of December 31, 2006, there were approximately 21,262 apprentices active in the New York State Apprenticeship Training Program. The percentage of women among the total number of active apprentices was 8.33%, or 1,772 women apprentices. The percentage of minority apprentices was 36.7%, broken down as follows:

African-Americans	4,085
Hispanics	3,102
Asian & Pacific Islanders	210
Native Americans	166
Other	239

Program/Project Accomplishments: Workforce Investment Act

The WIA operates under 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 Board and Chief Local Elected Official(s), and service delivery is provided through a network of local One-Stop Career Centers and affiliated sites.

The New York State Department of Labor, as the Governor's Administrative Agent for WIA in New York State, provides policy, management, oversight, technical assistance, monitoring, evaluation and auditing services to the state's 33 Local Workforce Investment Areas. In addition, the department administers projects funded by state-level activity set-asides under WIA, and provides all necessary support staff and services for the Governor's State Workforce Investment Board. The State of New York operates the WIA program in accordance with an approved WIA five-year strategic plan. Under WIA Title I, the State receives federal funding to provide workforce-related services to three target populations (Adult, Dislocated Worker and Youth) and to help local One-Stop Career Center systems, based on business demand and jobseeker needs.

The New York State Department of Labor is responsible for allocating funding to the state's 33 local workforce investment areas, as well as certifying all local boards and approving all local plans. For Program Year (PY) 2005 New York State's network of One-Stop Career Centers delivered high-quality results for WIA Title I program participants. For example, through the efforts of all WIA Title I and partner staff, New York State passed all 17 of its federal WIA performance measures, including exceeding 100 percent of the federal performance standard for 13 of the 17 measures.

In comparison to the nation, New York State performed better than the national average in terms of the number of customers served relative to the amount of WIA Title I dollars expended by a state, ranking seventh nationally, surpassing such states as Massachusetts California, Texas, New Jersey, Illinois, Florida, Ohio, Pennsylvania, and North Carolina.

More specifically, New York State spent approximately 8 percent of the national funding for the WIA Title I Adult Program, and provided services to approximately 13 percent of the total number of individuals served with Adult program funds. In the WIA Title I Dislocated Worker program, New York State was allotted approximately 7 percent of the national funding, and served approximately 8 percent of the total number of individuals served with Dislocated Worker program funds. For the WIA Title I Youth program, New York State was allotted about 7 percent of the national funds, and provided services to approximately 8 percent of the total number of individuals served with Youth program funds.

New York's One-Stop Career Centers continue to provide quality services to Dislocated Worker program special needs populations (including veterans, individuals with disabilities, older individuals and displaced homemakers), achieving employment retention rates comparable to those of other dislocated workers.

With the challenging economic picture in many of the upstate New York's workforce areas, it is particularly noteworthy that we met and exceeded both the Adult and Dislocated Worker earnings measures.

The Table below shows New York State's PY 2005 WIA Title IB performance on the 17 federally required performance measures, for which there is a performance standard.

WIA Title 1B Performance, PY 2005

Measure	Program Group	Standard	Outcome	Performane (% of Standard)
Youth Diploma or Equivalent 4/1/2005 - 3/31/2006	Youth (14 - 18)	52	57.0	109.6%
Skill Attainment 4/1/2005 - 3/31/2006	Youth (14 - 18)	73	74.3	101.7%
Entered Employment Rate 10/1/2004 - 9/30/2005	Adults	73	73.9	101.2%
	Dislocated Workers	81	77.7	95.9%
	Older Youth (19-21)	65	72.3	111.2%
Employment and Credential	Adults	70	64.7	92.4%
	Dislocated Workers	63	67.4	107.0%
	Older Youth (19-21)	51	57.2	112.2%
Retention Rate	Adults	81	81.6	100.7%
	Dislocated Workers	88	84.6	96.1%
	Older Youth (19-21)	77	73.1	94.9%
	Younger Youth (14 - 18)	52	60.0	115.4%
Six Months Earnings Change	Adults	$2,850	$8,276	114.9%
	Dislocated Workers	-$1,950	-$15	199.2%
	Older Youth (19-21)	$2,900	$8,153	108.7%
Customer Satisfaction 1/1/2005 - 12/3/2005	Employers	73	73.4	100.5%
	Participants	75	75.8	101.0%

The department, as the administrative agency for the WIA Title I program, conducts regular fiscal and program monitoring of local workforce areas, and continues to work with and provide technical assistance to local areas to better align locally designed programs to federal performance measures. During the past year, department staff also conducted a thorough analysis of local performance data; identifying weaknesses and the impact of program and fiscal decisions on performance results. The effort to better understand the dynamics behind WIA program performance has led to the development of technical assistance materials for local area staff, partner program staff and their contractors.

The department also analyzed the impact of the federal common measures policy and has proceeded to request approval (waiver) from USDOL/ETA to fully implement the Common Measures Policy set out in Training and Employment Guidance Letter (TEGL) No. 17-05, to eliminate inconsistencies inherent in current WIA Title 1B performance reporting requirements. Furthermore, the waiver request supports steps already underway in New York State to align strategy and services across workforce investment programs, and recognizes a continuation of New York State's ongoing strategy to implement a simplified and streamlined statewide workforce delivery and performance accountability system by holding programs to a consistent set of performance criteria.

State Board Activities

The New York State Workforce Investment Board (SWIB) and its four operating subcommittees continued to meet bimonthly during the past program year to develop strategies for continued economic growth through workforce development. Each subcommittee is co-chaired by one business and one public sector board member. The Workforce Development and Training Division continues to provide administrative support for all of the activities of the SWIB and its four subcommittees.

The Board's primary focus over the past program year has been to launch the National Work Readiness Credential (see the National Work Readiness Credential section of this report for more information) and to further integrate the services and resources of the workforce system's primary partner programs, WIA Title IB and Wagner-Peyser.

In March 2006, the department issued Technical Advisories that required contractors to develop functional alignment plans and common customer flowcharts, as part of Local Three-Year Plans. In addition, participants had to add a revised WIA Title I budget to show how the WIA Title I resources would support an aligned service-delivery plan, how they would provide cross-training and system training to all staff, and how resources saved through WIA/Wagner-Peyser staff and service integration would help expand customer services. We have reduced duplication and improved efficiency by capitalizing on the strengths of staff, location and technologies and combining offices to serve more customers.

Many of the local boards that took advantage of funds offered by the department and the board for strategic planning activities (2002 to 2004) used those plans to formulate partnerships and proposals in applications for the USDOL WIRED (Workforce Innovation in Regional Economic Development) grant program. The goal of the WIRED initiative is to transform regional economies by enlisting the skills of the players in those economies for long-term strategic plans that prepare workers for high-skill, high-wage opportunities in the near and long term. During the WIRED Phase I program, the State Board supported the Finger Lakes (FL) application comprised of nine counties. In February 2006, the project received a WIRED grant of $15 million for three years. To date, five local projects have been approved through the FL WIRED initiative. The board also submitted two regional applications for Phase III of the WIRED grant on behalf of local area partnerships in the Central and Southern Tier regions of the state. USDOL has not yet announced awards for Phase III.

For the third year, the State Board awarded Supplemental Dislocated Worker funding to local areas. Additional funding is tied to local area expenditures and service levels to make critical dislocated workers services available throughout the state. In Program Year 2005, 10 local workforce areas benefited from an additional $2,868,781 to continue providing quality services where increased program registrations and expenditures showed demand.

Building Skills in New York State (BUSINYS)

The Building Skills in New York State (BUSINYS) grant program continued its fifth and final year during 2006. This state-local partnership provided WIA Statewide Activity funds to meet real-time business training needs. Local board staff helped State board staff evaluate 2,302 applications during the five years the program has operated. During this time, we awarded over $66.4 million to some 1,406 companies to help train 77,207 workers.

All sectors of New York's economy benefited from these grants with training across a wide range of skills. A full-scale evaluation of the outcomes of this innovative grant program continued throughout the past year. The department surveys all project awardees at the end of their contract and collects survey responses in a database. Survey results indicate a high degree of overall satisfaction with the BUSINYS program and substantial positive outcomes from the training provided for both the recipients and the businesses that employ them.

ADVANCE-NY Grant

The ADVANCE-NY grant program will be introduced in 2007 to support employer strategies and local efforts for lifelong learning. The Workforce Investment Act (WIA) funded grants are intended to upgrade the occupational skills of incumbent (employed) workers. The program will fund projects that solve workforce issues by addressing identified skilled worker shortages within a specific industry or within a single employer's establishment and promote occupational skills upgrading for career growth and increased wages. All sectors in New York State's economy may apply for and benefit from these grants.

Mapping Career Ladders in Key Industry Sectors

We issued a Request for Qualifications (RFQ) to establish a list of qualified consultants to help department develop local partnerships for career ladder exploration and development. Local Workforce Investment Boards can submit an electronic application requesting assistance for a proposed industry specific project within their region. During the past year, we completed two additional projects in the Herkimer/Madison/Oneida (HMO) and Oswego local workforce areas. These projects focused on develop-

ing career ladders in the Energy, Manufacturing and Health Care industry sectors. We started another project in the Finger Lakes region focusing on the Hospitality and Tourism sector.

Based on the data gathered in the Health Care Industry project funded in the HMO region, the consultant developed some career pathway maps organized by: the level of education required and the professional category in which the occupation falls. We placed the career maps on the WIB web site and distributed them to various stakeholder groups. The Central New York Area Health Education Center (AHEC) will use the maps to conduct professional development programs for educators in the region (high school guidance teachers, science teachers), as well as One-Stop Center staff.

The department will continue to make assignments under this program as we receive project proposals from local board-led partnerships.

Disability Program Navigator

New York State is pleased to continue helping local workforce systems serve individuals with disabilities through a unique funding award from the U.S. Department of Labor and the Social Security Administration. The Disability Program Navigator (DPN) grant awarded to NYS was supplemented by $683,388 in WIA Statewide Activity funds to continue funding DPNs in 31 local workforce areas. We help 53 DPNs develop strategies to increase the employment opportunities and self-sufficiency of persons with disabilities.

DPNs are working closely with One-Stop Career Center staff, local business networks and supportive service providers to help individuals with disabilities "navigate" the opportunities available to them to secure meaningful employment.

Work Readiness Credential

During the past program year, the State Workforce Investment Board continued its work with multi-state, business and other partners to bring the National Work Readiness Credential to market. The National Work Readiness Credential was developed to respond to employers need for workers with the basic skills to carry out critical entry-level tasks and responsibilities. The credential's assessment test includes four modules that measure nine skills in the areas of situational judgment, oral language skills, reading and math.

In collaboration with state partners and national partners on the Policy Oversight Council, work also continued on the credential by SRI International and technical experts from organizations such as the Center for Applied Linguistics and University of Tennessee's Center for Literacy Studies. Once we finalized the profile for the credential, we conducted a review of possible tests. We used subject matter experts drawn from across industries to devise the situational judgment test questions we need and to assure that test questions address the skills identified in the credential profile. We held field tests to validate the assessment tools at various sites across the partner states (including six sites in New York State) during the late fall of 2005 and winter 2006. The design and development of the delivery system was also completed and field-tested during this same period.

In late April 2006, SRI International confirmed that the Work Readiness Credential profile is a valid description of the requirements of entry-level work and the assessments are valid and reliable instruments to measure that profile. The report also noted the four assessments work as a screening tool in personnel selection. As the test goes into use, we will collect data on test takers to see how well the credential predicts competent entry-level work.

The Policy Oversight Council designed the credential to include four online assessments: (1) Situational Judgment Test – 40 items; (2) Work Readiness Math Test – 30 items; (3) Work Readiness Reading Test – 30 items; and (4) Oral Language Test – 15 performance items that test listening and speaking in English in work contexts. Test takers can choose to respond to questions in one of five major entry-level industry sectors: service; office/clerical/ sales/ production; or construction/installation.

A National Work Readiness Council (NWRC) was established as a 501.c.3 by the states and organizations that developed the credential to oversee its implementation and administration. The NWRC has subsequently contracted with CASTLE Worldwide, Inc. to operate and deliver the credential nationwide.

The credential was 'soft' launched in September of 2006 at approximately 50 testing sites through the country. This controlled rollout allowed for testing of the online systems, administration, review and scoring processes and collection of additional validation data. To date, the credential is operating at 67 sites in over 17 states; 8 of the sites are in New York State including One-Stop Centers and the SUNY Educational Opportunity Centers and is expanding to new sites. Over 1,000 individuals have been tested nationally and their feedback has already resulted in improvements to the on-line test. Work will continue as we bring the assessment and credential to a wider audience of education and training providers to give them another tool for their work readiness portfolio. In addition, we continue to work with the State's business community to embrace and support the credential as a recognized indicator for entry-level hiring.

Continuous Learning & Improvement

Over the past program year (July 2005-June 2006), the following capacity-building activities took place:

- We held 22 Web-based seminars (webinars) averaging 75-100 participants each; topics presented by department staff included Trade Act Shared Database; One-Stop Operating System (OSOS) Management Reports; Common Measures; Fiscal Management; Work Readiness Credential; and CareerZone Adult Portfolio. In addition, webinars featuring national WIA experts covered topics such as performance measures, youth programming and issues affecting the US labor market. Webinars continue to be a way to distribute information and technical assistance to local area workforce professionals.

- We held five major conference events including: the Annual Workforce New York Fall Conference and the Annual Youth Academy attended by approximately 200 participants each; a "Workforce, Education and Global Economy" event co-sponsored with NYATEP, featuring presenter Hedrick Smith and held in both NYC and Rochester with approximately 250 participants at each site. The department also co-sponsored a "Workforce Development and Economic Development Best Practices Summit" with NYATEP; and designed and co-hosted with USDOL a Rapid Response Summit attended by 200 workforce professionals from across the country.

- During 2005-06, we held One-Stop Operators Communities of Practice meetings in five locations to help share information, best practices and training on workforce topics to One-Stop operators statewide. In September 2006, we redesigned them as One-Stop operator leadership meetings, which are now held bimonthly by a WIA content expert on contract. These meetings focus more intensely on developing the knowledge, skills and abilities of One-Stop operators to deliver services in a coordinated environment and bring their discussions and agendas in line with the bimonthly LWIB Director meetings.

- We delivered more than 30 training classes from November 2005 to June 2006 training more than 500 local front-line workforce staff in topics such as Assessment and JobZone; Functional Alignment; Job Development and Job Placement Skills; Conflict Management; and other relevant training. We offer a training catalog with 36 courses to local workforce professionals on the Workforce New York website.

The department continues to provide technical assistance to local areas for implementing WIA and, most recently, eliminating redundancies and maximizing services to job-seeking and business customers through service integration. Management staff teamed up with national experts to provide training and technical assistance related to WIA and Employment Service integration. We helped local workforce investment areas redesign their customer flow and integration plans with their Employment Service partners.

The department's workforce staff maintains its Workforce New York web site (www.workforcenewyork.com), which offers an abundance of up-to-date workforce-related information; grant availability; technical advisories; state and local board links and news items; and links to other workforce-related sites.

Trade Adjustment Assistance (TAA)

During the 2006 fiscal year (October 1, 2005-September 30, 2006), the U.S. Department of Labor certified 57 petitions for TAA and denied 32 petitions. Of some 3,189 trade-affected workers throughout the State, we found 2,903 individuals were eligible for TAA.

Services and Outcomes:

- A total of 37 individuals participated in on-the-job training (OJT), the preferred method of training under TAA. The average OJT wage was $14.56 per hour and the range was $8.00 to $31.25 per hour. A total of $170,298 in TAA funds was obligated during this time to support OJT activities.

- Over $3 million in TAA funds were obligated to 23 local areas to support 707 individual training plans. These plans represent a total of more than $4.5 million in training costs. A total of $156,699 was committed in WIA Title I funds to support the plans. Additional funds identified to support these training plans included TAP, Pell, Veterans benefits, company benefits, and training vendor scholarships.

- A total of $2,564 supported job search allowances for four affected workers.

- A total of $26,308 supported relocation allowances for 11 affected workers.

- Under the Alternative Trade Adjustment Assistance Program (ATAA), 375 individuals received more than $1.3 million in wage subsidy payments. This program provides a wage subsidy, equal to 50 percent of the difference between the worker's former wage and the new age, up to $10,000, to qualified workers.

- Eighty-two (82) percent of the individuals expected to complete occupational training during the report period were employed in at least one of the five quarters after their completion date. The wage information used to calculate this only includes wages reported in New York State and is not complete beyond December 2006.

- Fiscal Year 2006 performance outcomes based on people who exited the program from July 1, 2004 to June 30, 2005 were:
  * Entered Employment Rate: 70.3% – met the national performance goal of 70%
  * Retention Rate: 86.8% - met the national performance goal of 85%
  * Post Average Earnings - $14,203 – (no national goal published)

- As of October 2005, the TAA program was subject to the USDOL Employment and Training Administration's common measures for performance accountability.

Chamber of Commerce OJT Program

The New York State Chamber of Commerce On-the-Job Training (OJT) program has operated for more than 29 years. In the 2005-2006 program year, the New York State budget provided funds to assist New York State businesses that participated in the program by offering training and long-term employment in skilled occupations. The 05-06 program year focused on developing strong training plans to address the needs of both employers and trainees and help workers keep their jobs.

Eight (8) Chambers received awards as the result of a competitive bid process. The award amount varied by contract from just over $109,700 to the maximum of $112,500. The funds went to develop on-the-job training programs with local area businesses during the period January 1, 2006 through March 31, 2007. The Chamber program operators, Jamaica, Greater Olean, Plattsburgh/North Country, Amherst, Greater Binghamton, Tompkins, Hornell and Brooklyn, expended more than 88 percent of the allotted funds assisting more than 130 New York State businesses. There were 328 trainees enrolled in the program. Businesses and jobseekers benefited from the program, as more than 89 percent of those who enrolled in the program completed the training. Of those who completed, just over 87 percent remained employed 30 days after completing the training and more than 76 percent of the trainees remained employed 90 days after completion of the training. In the 05-06 program year, the number of Veterans served decreased by four percent.

Displaced Homemaker Program

The Displaced Homemaker Program provides vocational services to people who have been displaced from their positions as unpaid homemakers and who must enter the workforce. The program encourages them to develop and implement sound vocational plans that will lead to stable employment and economic independence. When necessary, it also offers crisis intervention, counseling and referral to community service agencies.

Program participants enroll in structured Job-Readiness programs that teach skills ranging from assertiveness to decision making, from resume writing to job-seeking strategies. The program offers individual counseling and placement services, including assessment and resume preparation to participants, as well. Job preparation components include Job Readiness, Self Development and Job Clubs. There are currently 22 Displaced Homemaker Centers operating in New York State.

In 2005-06, Displaced Homemaker programs served 2,418 participants, of which 1,843 were new enrollments. Of the total number served by all centers, the average entered employment rate was 40%. The rate of retention in employment for a period of at least three months was 69%. .

Health Workforce Retraining Initiative

The Department of Labor and the NYS Department of Health renewed a Memorandum of Understanding covering April 1, 2006 to March 31, 2007 for nearly $1.2 million to administer the Health Workforce Retraining Initiative (HWRI). The HWRI underwrites organizations to train or retrain health industry workers for jobs in occupations with documented shortages of workers and to provide employment for health industry workers who need new skills due to changes in the health care system. The department helped develop, implement and evaluate this initiative and is currently focused on program oversight activities including financial oversight, monitoring of enrollments and program outcomes.

II. PLANNING AND TECHNOLOGY

The Division of Planning and Technology (P&T) works with department program divisions, One-Stop Career Center partners, and other federal and state government entities to provide efficient and appropriate technology solutions and planning/strategic services that help the department to fulfill its mission. The division also develops and provides support services for the technical and operational aspects of sharing information in a secure environment, for both internal and external Department of Labor customers.

A. Service Delivery

The Service Delivery unit delivers application development and support services to the respective program areas of the agency: Employment Security, Workforce Development, Worker Protection, and Administration. This includes custom applications and integration with purchased computer-off-the-shelf products to deliver solutions to DOL customers (both internal and external) using web, client-server and mainframe based technologies.

B. Customer Service

The Customer Service units act as liaisons and advocates for all DOL program or administrative units that require services from P&T. They evaluate needs and conduct analysis and feasibility studies employing business expertise, combined with technical and analytical skills, to help find the best solutions to business problems. In addition, the unit reviews and analyzes legislation to determine the impact on existing systems, or to determine if there is a need for new software development.

C. Technical Support

The Technical Support unit provides aid to P&T and DOL's other divisions, departments and offices, so they may focus on their customers. This includes statewide telephone services, document management (Imaging), database configuration and administration, systems administration, PC installations and support, and mail services.

D. Technical Services

The Technical Services unit supports the Service Delivery areas by providing infrastructure and technical expertise; provisioning development servers, quality assurance testing, code management, and web-based services.

E. Enterprise Planning & Architecture Strategies

The Enterprise Planning & Architecture Strategies (EPAS) team helps P&T executives create, maintain, and refine the key planning disciplines required to manage an effective IT organization. Through planning, architecture, and best practices, IT organizations can better manage business requirements, coordinate processes and technology with business strategy, and deliver greater value to the department.

F. Project Management Office

The Project Management Office (PMO) staff helps divisions manage their projects for greater success, and guide project selection in line with the department's strategic direction. They establish and communicate NYS DOL Planning & Technology PM policies, standards, and processes and act in various PM capacities to complete P&T projects.

G. Information Security Office

The goal of the Information Security Office (ISO) is to build an information security infrastructure to meet federal and state mandates. It also meets the information security business needs of the department in the areas of confidentiality, integrity, and availability for all information, regardless of the format. This is accomplished through risk-based policies, standards, and procedures, and awareness and active involvement in the information-sharing process.

H. Projects and Initiatives in 2006

The division meets the everyday business needs of the program areas and helps the agency find new solutions. P&T worked on the following projects and initiatives during 2006: Consolidation of the Unemployment Insurance Telephone Continued Claims system and retirement of the distributed systems, Virtual Contact (UI Claim) Center and Telephone Switch Replacement, Debit Card implementation for UI Benefits, and Establishment of the DOL Local Resource Room network. We also worked on several other projects in support of the UI Appeals Board, UI GORR/OPAL e-Registration interface, Workforce Development, Unemployment Insurance Modernization and eWorker Protection Modernization.

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 tailors the data obtained through these federal programs, as well as program operating statistics, to meet the needs of the department, elected officials, businesses, jobseekers and others. Labor Market Information staff in Albany monitors the state's economic climate and prepare periodic reports on labor market conditions in the state and its regions.

The division also maintains a network of local Labor Market Analysts in 10 regions across New York State. They 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 programs, supporting activities and complying with federal and state reporting requirements, including WIA, Unemployment Insurance and Employment Services.

A. Labor Market Information

The division continues its long-term partnership with the Federal Bureau of Labor Statistics and the Employment and Training Administration to develop, analyze and disseminate 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, provided prevailing wage rate to the UI Division, developed annual estimates of occupational injuries and illnesses and occupational projections for the state and regions. In addition, the division offers an online distribution of all its major statistical series.

The division continues to support CareerZone, an online career exploration and 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 89,000 visitors a month, and 469,000 CareerZone portfolios are currently in use. Enhancements to the system in 2006 include information on science, technology, engineering, and math (STEM) opportunities for kids interested in these fields.

The CareerZone system also spun off JobZone, an adult career management and job search tool that provides local labor market information and job openings based on the customer's residence. With no advertising or fanfare JobZone customers created 116,000 portfolios in a year and a half.

The division maintains its network of local Labor Market Analysts, who serve as resources for the department. They also assist local workforce investment boards, area economic development officials, school personnel, business and others with labor market and career-related information.

B. Unemployment Insurance/Employment Services

The division continued to meet its federal and state management reporting requirements related to the activities and outcomes of the New York State Unemployment Insurance program. Division staff played a key role in the department's transition from legacy mainframe-based reporting to reporting from the server-based Data Warehouse. Staff participated in the Unemployment Insurance Systems Modernization process and conducted surveys to identify potential improvements and future needs. Staff also prepared actuarial reports on the status of the Unemployment Insurance Trust Fund and evaluated the potential impact of legislative proposals on claimants, businesses and the Trust Fund. Division staff continued to provide key occupational demand data to help UI beneficiaries return to work. Additionally, division staff developed and provided prevailing wage data and expert testimony for the Unemployment Insurance hearings.

C. Workforce Investment Act (WIA) and Workforce Development and Employment Services (ES)

Division staff continued to support the state and local workforce investment boards, the Workforce Development and Training Division, and the Division of Employment Security. Division staff prepared and submitted required federal quarterly and annual WIA, ES, TAA, and VETS reports. Division staff has also played a key role in developing outcome reports that reflect the functional alignment of WIA and ES program services and in creating online management reports accessible by state and local program managers. Division staff also tested and implemented Federal Data Validation software and other federally sponsored report systems.

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, and assisted local boards in developing their state-of-the-workforce reports. Staff worked with local workforce investment boards to prepare and refine lists of demand occupations, as well as a database of eligible training providers. Research and Statistics staff also prepared estimates of New York State's share of national Workforce Investment Act and Wagner-Peyser appropriations and participated in WIA and ES performance negotiations with the USDOL Employment and Training Administration.

D. Worker Protection

Research staff provided information and technical support in a variety of areas, including the Survey of Occupational Injuries and Illnesses in the Public Sector, development of new management reports for the Division of Labor Standards and research of minimum wage issues.

Division staff also has begun work on the report mandated by the newly passed Workers' Compensation law.

IV. WORKER PROTECTION

A. Division of Labor Standards

The Labor Department's Division of Labor Standards administers the New York Labor Law provisions covering minimum wage, payment of agreed wages and wage supplements, child labor, hours of work, migrant farm labor, industrial homework, record keeping and conditions in the apparel industry. It is also responsible for licensing professional employer organizations, employment agencies outside New York City, and issuing permits to child performers and certificates to entities that employ them.
In 2005 the Fair Wages Task Force was created to investigate industries where wages were low and workers, especially recent immigrants and those who lacked training for high skilled jobs, were likely to be exploited. This task force expanded the mission of the division's Apparel Industry Task Force, which had concentrated its efforts in the garment industry. In 2006 the division disbursed a record $12,655,000 to 16,826 affected employees. A large portion of this money -- $4,168,000 – resulted from the efforts of the two task forces.

The Central Investigation Unit, using mail and phones, initially investigates all claims for unpaid agreed wages and wage supplements cases that are filed by the public. This allows enforcement district staff to concentrate on field investigations of complex cases and complaints involving egregious Labor Law violators. In 2006 the unit handled 5,102 cases, completing 2,989 and forwarding 2,113 cases to enforcement districts for further action.

The division maintains a web site to respond to questions from the public regarding the laws that the department enforces. The majority of these inquiries are answered within one business day. During 2006 this site responded to 7,547 inquiries. Wherever possible, the division attempts to obtain compliance by educational seminars for employers, employee groups and trade associations. In 2006 the division conducted 95 of these seminars that were attended by 4,916 persons

Division of Labor Standards Data

Total Monetary Cases	7,808
Total Wages Disbursed	$12,655,000
Affected Employees Paid	16,826
Establishments Involved	4,831

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 2006 was in excess of $7 million.

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 on the first business day of each month. This gives employers immediate and timely access to this information and saves them from having to check the site constantly for updates.

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

Bureau of Public Work Data	
	2006
Cases opened	549
Cases closed	937
Money collected	$7,043,739
Penalty imposed	$441,432
Workers paid	4,555

C. Division of Safety and Health (DOSH) Protecting New York's Workforce

Protecting workers in their work environment is the priority of the Division of Safety and Health (DOSH). Nine programs come under this DOSH umbrella of protection. DOSH is proud that workplace injury and illness rates have declined steadily throughout New York State over the last several years.

The Public Employee Safety and Health (PESH) Bureau oversees workplace protection of public employees at the state and local level. In 2006, PESH performed 2,061 public worksite inspections and 406 consultations. Response times to employee complaints improved greatly, as did the issuance of inspection findings. PESH continued to focus on compliance assistance activities for public sector employment disciplines that included highway and street construction trade, the nursing and veterans home industry and fire fighters, working cooperatively with employers and employees to reduce workplace illness and injury rates.

The On-Site Consultation Bureau provides guidance to private employers, at no cost, to help them comply with federal safety and health standards and eliminate hazards. Program staff conducted 2,100 consultation assistance visits to small and medium-sized business employers within the state to help them improve safety and health standards in their workplaces. Consultations emphasized assistance to high-hazard employers in construction and non-construction worksites.

These consultation surveys covered approximately 252,013 private sector workers. Consultants identified and assisted employers to correct 8,579 serious hazards, 2,494 other hazards, and 345 regulatory items. The program conducted 236 occupational safety and health training sessions. Staff also trained some 4,256 employers and employer representatives and over 1,137 of New York's youth as they enter the workforce.

The Radiological Health Unit (RHU) helps protect people against the dangers of exposure to radioactive materials and hazards from laser energy. The RHU was transferred to NYS Department of Health on July 1, 2006. While at the Labor Department the unit completed 183 licensing actions, including 10 new requests, and conducted periodic inspections of 124 licensed facilities; assessing the adequacy of licensees' radiation protection programs, measuring radiation levels in the workplace and taking samples for radionuclide analysis in our Radiation Laboratory. RHU also responded to 18 incidents involving radiation sources.

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 that contain asbestos. Last year staff responded to more than 457 asbestos complaints, received 12,621 asbestos project notifications and performed 4,503 worksite inspections.

The bureau conducted numerous Asbestos Compliance Conferences, designed to negotiate settlements with contractors in violation of Code Rule 56, speeding settlements of violations and enhancing compliance within the program. In addition, Code Rule 56 underwent major revisions to ensure it is consistent with federal regulations. The revised code is more user-friendly by incorporating routine applicable and site-specific variances.

The Engineering Services Unit (ESU) reviews and approves 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 ESU also issues variances from Code Rule 56 (Asbestos) and other Department of Labor regulations. The unit reviewed and approved 45 applications for power operated window cleaning equipment and 1,365 variances/plans as shown below:

Variances/Reviews Asbestos Variances	1,008
Asbestos Variance Re-openings	250
Window Cleaning Variances	3
Boiler Variances	50
Plan Reviews	54

ESU also provided extensive support for the 130 Liberty St. Project and the Fiterman Hall Project, which were buildings damaged and contaminated by the 9-11 attacks. This support included review and approval of site-specific variances, variance reopening and amendments for relief from various aspects of ICR 56, while maintaining appropriate engineering controls and adequate asbestos abatement project work procedures. Also, ESU provided support with review and comment on project work plans as they relate to asbestos project activities at these sites. As part of the support ESU maintains liaisons with US EPA, OSHA, NYC DEP in all aspects of these projects, as the regulatory agencies have joint jurisdiction. In addition, ESU supports local district asbestos inspectors as they interpret the abatement plans and site-specific variances.

ESU finalized the revision to ICR 56; it was promulgated during 2006. ESU generated a guidance document to accompany ICR 56, with frequently asked questions on the web site. The guidance document will be updated as we receive additional questions. Also, ESU has briefed abatement industry members on major code rule revisions and information contained within the guidance document.

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 and use of explosives outside of New York City, amusement devices and temporary structures, coin operated machines, aerial performers, glass doors, window cleaning devices, crane operators, elevators in factory and mercantile establishments, protection of the public at construction demolition and excavation sites, electrical hazardous proximity licensing laser operators.

During 2006 the bureau made two seizures of illegally stored explosives totaling in excess of 100,000 pounds. The bureau assessed $44,000 in fines against 4 operators of amusement devices for operating a device without a permit. The staff conducted over 10,000 inspections, examining 72,338 devices and identifying 12,856 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. Last year the Licensing and Certification Unit's Document Center issued 19,985 employee or user certifications or tests, 1,563 company licenses and 1,805 permits.

The Boiler Safety Bureau assures that high and low pressure boilers run safely and cost-effectively. Bureau or certified Insurance Industry Inspectors inspected approximately 42,900 high- and low-pressure commercial boilers last year. Boiler staff performed nearly 4,100 informational and educational visits to assist customers in the operation and installation of boilers. They inspected and certified 10 boiler repair shops to perform welded repairs on boilers within New York State. Bureau staff also notified boiler owners of 4,462 safety deficiencies and investigated 9 boiler accidents.

The bureau's staff monitored over 1,800 insurance company inspections and certified or recertified over 298 insurance company inspectors to work within New York State. With the addition of the Praeses Jurisdiction On-Line Database, the bureau data management and operation system is operating more effectively.

The Mine Safety Training Program provides safety and health training for employees in the mining industry of New York State. During 2006, staff conducted 100 classes, providing training for 3,200 mine employees representing 650 employers. Instruction includes a variety of safety subjects required for surface mine operations under 30 CFR Part 46.

The Workplace Safety and Loss Prevention Program, created in 1997, requires a compulsory workplace safety and loss prevention consultation for employers whose most recent annual payroll exceeds $800,000 and whose most recent experience rating is above 1.2. Industrial Code Rule 59 also sets certification procedures for the private sector Safety and Loss Prevention Consultants who perform the consultations. Employers can get these consultations from the division, as well.

The Hazard Abatement Board (HAB) Occupational Safety and Health Training and Education Program 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. Last year the HAB approved almost $6.5 million to fund 169 training and education grants to a variety of applicants throughout New York State.

These grants give workers valuable workplace safety training that otherwise would not be readily available. Training grant applications are available electronically from the Hazard Abatement Board's web site.

We continue to refine the DOSH "Crisis Response Plan," which identifies how to provide safety and health assistance in support of state and local-government emergency responders for natural and man-made disasters, including terrorist actions. We provide DOSH safety and health assistance at the request of the New York State Emergency Management Office (SEMO).

Last year DOSH continued to work with other agencies to enhance emergency preparedness readiness and response capabilities. These activities include:

- Coordination with New York State Emergency Management Office (SEMO), the Weapons of Mass Destruction Task Force, the State Office of Public Security and the Division of State Police on the DOSH emergency response mission and procedures;
- Providing support to the agencies that comprise the NYS Chemical Biological Radiological, Nuclear and Explosive (CBRNE) Task Force to develop specific safety and health emergency plans;
- Coordination with OSHA on our respective Safety and Health procedures; Delivery of necessary training (i.e., HAZWOPER, Incident Command, etc.) for DOSH employees who may be called upon to assist state and local government response activities in time of crisis;
- Purchase and readying of supplies and materials that would be needed to support emergency response actions;
- Participation in State and Local Agency Emergency Preparedness exercises designed to enhance safety and health operational procedures for first responders.

We also conduct training and awareness activities for local emergency response personnel, which may include the following activities:

- Pre-crisis planning with emergency responders
- On -site monitoring and observation of drills or responses to identify safety or health hazards
- Providing industrial hygiene sampling and monitoring when needed Identifying hazards and recommending control measures
- Providing safety and health training on numerous topics
- Providing expertise on personal protective equipment selection Conducting or training on qualitative or quantitative fit testing
- Developing site-specific safety and health plans
- Providing technical advice and expertise on a variety of other safety and health issues.

Because of the October snowstorm that blanketed western portions of New York State, disrupting electrical power and other essential services, SEMO requested the Division of Safety and Health (DOSH) provide safety and health assistance to emergency responders. This SEMO mission was received at approximately 4:30 pm on October 13, 2006. The DOSH Director immediately activated the "Crisis Response Plan" and designated the PESH Program Manager as the Incident Commander for this mission. By 7:00 pm that evening, DOSH Crisis Response personnel were on-site at the Erie County Emergency Operations Center (EOC) serving in the capacity as Safety Officer. In support of this mission, the DOSH Crisis Team maintained 24-hour operations at the County EOC until October 26, 2006.

Improving Customer Access

DOSH continues to use the Internet to help customers transmit required applications and notifications, to communicate with division employees and to obtain necessary information on division programs. The division has posted petitions for variances, application forms, PESH Field Operations Manual, Workplace Violence act, New York Sun Safety act, workplace violence outreach material and Code Rules and Regulations on the department's web site for easy access by customers. We have placed Boiler Inspections and other pertinent data on a specially designed web site. The division will continue to implement other electronic improvements.

V. OFFICE OF THE INSPECTOR GENERAL

The Inspector General's Office (IG) 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 IG's 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 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's 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 is converting their access systems from bar code readers to proximity readers, which has forced DOL to do the same. This ongoing project will require considerable effort to work with local staff to obtain new identification cards for DOL employees and to purchase and install the new equipment. In addition, the IG's 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 (Internal/Employee Investigations)

The Investigations Unit conducts investigations of suspected and identified cases of fraud, abuse, waste, corruption, staff misconduct and criminal activities within the Department of Labor. The Investigations Unit assists the UI Fraud Investigations Section by conducting investigations of complex or sensitive cases of UI fraud, as well as conducting investigations of criminal activities by outside persons committed against the staff, property or interests of the department. This unit assists law enforcement authorities to pursue various criminal cases and frequently assists department managers by doing investigative research and fact finding. The Investigations Unit also plays a leading role in handling threats and harassment against department staff, or any threat to the department's property or interests. These actions serve to deter crime and fraud involving the department, provide for security in the workplace, and promote integrity, accountability and efficiency in the delivery of vital labor services to the public.

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. Each year some 600 - 800 cases result in arrests and prosecution for fraud.

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 600 - 800 claimants each year for defrauding the department. A guilty plea and restitution to the Department of Labor of the amount stolen typically disposed of each case. 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 in seeking local media coverage of "sweep arrests" in order to deter future frauds 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 help staff effectively discharge 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.

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. Today, that continues to be one of the unit's functions; however, the role of the unit has also greatly expanded over the years. Currently, the Internal Security Unit expends most of its efforts on the detection of fraud by claimants. The unit uses 15 different crossmatch programs on a continuous basis.

The two crossmatches that result in the detection of the greatest number of frauds follow: (1) Internal Security performs a weekly crossmatch of the Unemployment Insurance Benefit File against the "new hire" records submitted by employers. The Internal Security Unit investigates the leads for the downstate region and forwards the upstate leads to the Investigations Section.

F. Contract Audit Unit Single Audits

The New York State Department of Labor 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 State Labor Department receives over $275 million annually from the United States Department of Labor to implement the WIA program. The department transfers most of the funds to Local Workforce Investment Areas (LWIAs), in accordance with WIA regulations. New York State currently has 33 LWIAs. The Single Audit Act and OMB circular A-133 established requirements for audits of governmental subrecipients. The A-133 circular states that the pass-through entity (the State Labor Department) must have have internal control over compliance in place to determine that the subrecipient audit reports have been received. In addition, where necessary, the department must issue audit determination letters on findings and ensure that corrective action plans have been developed to address any reportable conditions contained in the audit reports. This process provides assurance concerning the $275 million in annual WIA expenditures in New York State.

The Contract Audit Unit has been given the responsibility for this process. Thus, the review process provides assurances to the State Labor Department 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 have been developed and implemented.

Financial and Compliance Audits

The Contract Audit Unit completed 20 financial and compliance audits, and 1 review, of State Labor Department contractors receiving state funds to conduct employment and training programs; issuing 23 final reports. 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 they complied with all applicable laws and regulations. The draft audits issued in 2005 disclosed questioned costs of $366,405. In addition, the Contract Audit Unit began fraud examinations of two federal contractors and one state contractor. This work will be completed in 2006 and we expect to have questioned costs.

G. Security Unit

The Office of the Inspector General's Security Unit is responsible for Physical Security at Department of Labor locations where assigned. In keeping with State Labor Department policy, Security fully supports the Workforce mission. During calendar year 2005, the Security Officers received American Red Cross and OSHA federally approved training, and merited certification in Emergency First Aid response, and Adult CPR Training w/ Automatic External Defibrillators (AED).

The Security Officers, in addition to the many duties inherent in the position, at various times and locations during 2005, actively participated in Fire and Emergency Evacuation Drills. The unit stands ready to help further protect the Department of Labor's most valuable resource ... its people, and its customers.

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 use the Inspector General's Standard Operating Procedures Manual for all security matters and operations, including Disaster Preparedness.

H. Disaster Preparedness Individual and Household Program/Other Needs Assistance

The Individual and Household Program (IHP) continued to provide recovery assistance to the citizens of New York State in 2006. Under the IHP, FEMA and the State of New York may assist 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, which is administered by the State Labor Department, allows for assistance in the areas of medical, dental, funeral expenses, personal property losses, transportation and other disaster- specific expenses.

The Department of Labor continues to work closely with FEMA through the newly created Department of Homeland Security. The unit will assure 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 Bureau is composed of four separate units, which includes The Division of Equal Opportunity Development, The Office of Staff and Organizational Development, The Personnel Bureau and Employee Relations. The following describes the significant accomplishments for each of the units during calendar year 2006.

Division of Equal Opportunity Development (DEOD)

The Division of Equal Opportunity Development (DEOD), under the direction of the Commissioner of Labor, develops and administers affirmative action and equal employment opportunity programs, and ensures that we use non-discriminatory policies and practices in internal and external matters.

DEOD's responsibilities include oversight on both the State and Federal levels. As such we have offices and staff located in Albany, Buffalo and New York City, thereby ensuring partnership compliance with state and federal mandates.

DEOD's internal (State compliance) responsibilities include the intake and investigation of discrimination and sexual harassment complaints, administration of the Department's Americans with Disabilities Act program, monitoring of Department personnel policies and practices, review of Unemployment Insurance discrimination complaints, the delivery of sexual harassment prevention training, and the administration of the Department's Minorities and Women Business Enterprises program as mandated by Article 15-A.

The Division's external (Federal Workforce Investment Act Program compliance) responsibilities include EEO/Affirmative Action monitoring and audits of One-Stop Centers and Apprenticeship programs, the provision of technical assistance and training and the intake and investigation of Title VII complaints filed against partnership programs.

During 2006, DEOD engaged in the following activities:

- Internal and external investigation of discrimination and sexual harassment complaints,
- Provided sexual harassment prevention training to Department staff and partnership programs,
- Conducted compliance reviews at Apprenticeship Programs, statewide,
- Conducted compliance review at One Stop Centers, statewide,
- Monitored MWBE activities,
- Administered the ADA program and approved reasonable accommodations,
- Worked with the Health and Safety Committee to ensure the provision of ergonomic equipment for Department employees.
- Updated and recertified the Methods of Administration as required in the agreement between the U.S. Department of Labor and New York State.
- Provided technical assistance in EEO/AA to various Divisions within the Department and to external partnership programs.

DEOD also acts as the lead unit by representing the Department in various Equal Employment Opportunity and diversity-related activities such as the Martin Luther King Jr. Annual Celebration, Food Drive and Literacy Book Drive, The Black and Puerto Rican Caucus Weekend and Somos el Futuro Conference.

Office of Staff and Organizational Development (OSOD)

The Office of Staff and Organizational Development (OSOD) delivers training, consulting, audio/video, and a variety of management services that support the achievement of the Department's objectives.

OSOD continued to offer:

- Mandatory Training programs on HazCom and Sexual Harassment Prevention as well as New Employee Orientation sessions. Courses on Workplace Violence Prevention and Attendance & Leave Benefits are in development.

- Computer Skills courses in Microsoft Office 2003 throughout the year in various locations. These beginning to advanced level classes help department staff develop the computer application expertise that they need to be effective and productive in their jobs. The courses are offered in three-hour segments to allow the participants time to absorb and apply the lessons learned incrementally and to limit the time away from their jobs.

- Specialized Skills courses in a variety of areas including Management and Supervision, NIMS, Crisis Prevention, Stress, Conflict, Teamwork, Delegation, Time Management, Difficult Callers, Customer Service and Powerful Presentations. A program on UI Confidentiality is in development.

- Web-based e-learning training sessions, in association with New York Wired for Education.

- Audio/Video Services including Videoconferencing for Training, Meetings and Conferences, enabling more productive use of time, reducing travel costs and increasing communication frequency; web-casting meetings; and equipment loans.

- Technological Support. OSOD maintains a Learning Management System developed by OFT to schedule courses statewide.

- Management Services for Conferences, Events, Training and Meeting facilities, and Special Programs. OSOD handles a variety of functions such as the annual "Bring Your Future to Work Day," Emergency Action Plan Collection, Retirement Seminars, Tuition Reimbursement, and Vendor Contracts,

Bureau of Personnel

The Personnel Office has continued to provide assistance and guidance to both employees and managers on issues related to classification, organizational structure, recruitment, examinations, and benefits.

Additionally, staff worked with the NYS Department of Civil Service to develop examinations for titles used by the Department of Labor. They assisted managers on organization changes needed to meet the goals of the agency. In the area of Administrative Services, staff processed appointments and promotions, applications for state leave of absence benefits and retirements or departures. Eligible lists were canvassed to assure that our managers have qualified candidates available. Efforts continue to streamline a number of administrative processes.

In addition, the Personnel Office is responsible for the agency blood donor program, annual medical examinations for a number of staff in our Safety and Health programs, conducting language proficiency examinations for potential employees and the Employee Suggestion Program.

Employee Relations

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 conducts quarterly Labor/Management meetings with public employee unions to discuss topics of concern. The office co-chairs the Department of Labor Statewide Health and Safety Committee as well as the Capital District Health and Safety Committee. The office participates in training classes to update supervisory staff and train new supervisors in all aspects of Employee Relations.

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 the department manages resources in a fiscally responsible and efficient manner and expends funds 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. The bureau offers a variety of support services, such as purchasing, inventory control, fleet management, records management, warehousing and maintenance functions.

The major accomplishments of the bureau during 2006 are:

- Assisted the UI Division in successfully implementing the Debit Card to pay Unemployment Insurance (UI) benefits. Replacing weekly UI checks with debit cards has produced an annual savings of $4 million in the UI postage and processing costs.

- Initiated and successfully implemented changes to our review process for Safety and Health contract proposals. Despite the large volume of contracts (169), we fully executed a record percentage of contracts by their August 1 start date due to this improved review process.

- Worked with program staff to implement shifting the postage program responsibility to the department from USDOL. We worked with the Post Office to set up accounts and with our local offices to install the necessary postage machines. The efficiencies that the department has incorporated in the postage process will save money in several federally funded programs.

- Worked with the Office of Internal Controls to establish a payroll check distribution process that ensures the confidentiality and security of distributing the department's paychecks.

- Helped set up and process nearly $51 million in payments for the State Individual and Family Grant and Federal Other Needs Assistance for central NY flood and Buffalo snowstorm disasters.

- Continued to help program staff acquire required commodities and services. The larger projects in 2006 included executing the new Chase Bank contract for the UI Banking processes, and implementing new procedures related to the requirements of the new Procurement Lobbying Law.

- Continued to support program units with space consolidations and the transition from stand-alone DOL offices to cooperative One-Stop Career Center offices. Such consolidations led to significant rent and premise expense savings for the department. The largest project involved downsizing the department's presence at 345 Hudson St. from 3.5 floors to just one floor. We accomplished this mainly by moving units to other leased space that were not fully utilized in NYC and other parts of the state. This one project alone saved the department approximately $1.5 million a year in rental costs.

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. 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. They 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 2006, the Office of Communications has continued to be the public voice for the department and has worked to improve both internal and external communications.

One of the major ways we accomplished this was by bringing the Web Unit and the Forms and Publications Unit under the Communications umbrella to join the Graphics Unit. By bringing the creative and technical staff together, we have improved the way we serve our customers.

Other major initiatives the office has also been involved with include:

- The continued roll out of the department's Mission, Vision and Values via posters, give-aways, Intranet postings and newsletter articles;

- The redesign of the department's Intranet to make it more user-friendly;
- Aiding the Personnel Office with efforts to assist New York City TCC employees with their relocation decisions; and
- The development and implementation of a marketing plan for the new Direct Payment Cards for Unemployment Insurance benefit payments.

D. Strategic Development

With the help of our consultants, Public Strategies Group, we developed Balanced Scorecard Strategic Themes and a Strategy Map for the entire department based upon the department's Mission, Vision and Values. We drafted performance measures and Initiatives for the department based upon the objectives in the Strategy Map. This was followed by a plan to market Strategic Development and implement Balanced Scorecards throughout the department. Staff developed an Intranet Site, posters and a Mission, Vision and Values booklet. Balanced Scorecards were developed for several units. We also compiled an inventory of performance measures related to the kinds of functions performed by DOL.

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 and enforcement of the Labor Law. Counsel's Office staff also provides information and responds to requests for legal opinions from members of the Legislature and their staff, regulated parties, representatives and advocates for workers, and the public. The office also handles all Freedom of Information Law requests submitted to the department, reviews all requests to share confidential data, and drafts necessary data sharing agreements. Staff from Counsel's Office represents the Department in administrative proceedings throughout the state and works with various program units in the rulemaking process.

During 2006, Counsel's Office represented the department in all administrative enforcement hearings; defended the department in employment discrimination and other matters; promoted the department's legislative program and commented on all legislation impacting the department ; provided legal assistance to the Unemployment Insurance (UI) Division to recover unpaid UI contributions; and assisted the Attorney General in the preparation of cases in defense of the Department in litigation.

Counsel's Office also provided 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 assigned an attorney to work on each of these teams. The attorneys provided legal advice regarding the RFPs and any subsequent questions that arose regarding the contracts awarded because of these RFPs.

Counsel's Office continued to implement usage of an enhanced case tracking system to improve management of workload and reporting function. Initially, the system was used mainly for case tracking purposes. Counsel's Office is continuing to develop the work management function to improve office productivity and has explored a possible upgrade of the case tracking system for installation in 2007.