

2001

New York State Department of Labor



ANNUAL REPORT

George E. Pataki, Governor

Linda Angello, Commissioner



NEW YORK STATE DEPARTMENT OF LABOR ANNUAL REPORT 2001



George E. Pataki,
Governor

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COMMISSIONER'S MESSAGE 2001 ANNUAL REPORT

During 2001, the New York State Department of Labor celebrated 100 years of serving the working men and women of New York State. It's a job that changes even as it stays the same. The department's mission is to advocate job creation and economic growth through workforce development. Our agenda is to support the economy, the employers and the workers of the Empire State through employment services, training, worker protection and delivery of benefits for those who are unemployed through no fault of their own. This annual report summarizes the ways we are doing our job.

We recruit workers for businesses and match job seekers to available positions. Last year, the Labor



Department hosted more than 2,500 job fairs or recruitments and attracted more than 250,000 people eager for work.

Under the auspices of the Workforce Investment Act, the department is helping to develop training programs that enhance our workforce, reduce the dependency on welfare and move

people into new and better jobs. We continue to fine-tune the apprenticeship programs that have been producing skilled artisans in this state since the 1890s. Our partnership with business is targeting the needs of tomorrow for education and training today.



Linda Angello,
Commissioner

Labor Department staff enforce State laws pertaining to working conditions, wages and hours, child labor, safety and health and public work. In the 90 years since the Triangle Shirtwaist Co. Fire, our staff has shouldered a wider responsibility for helping employers achieve a safer, more efficient workplace.

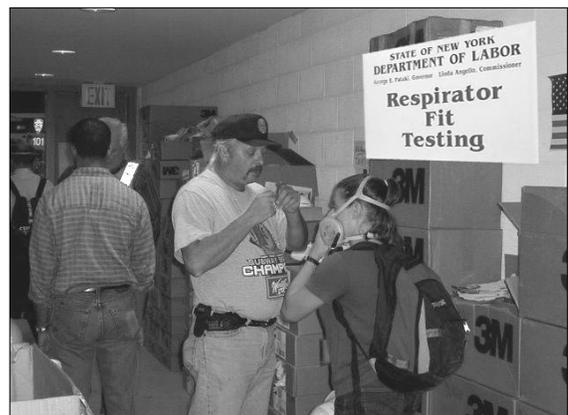
In the wake of the September 11th terrorist attack on the World Trade Center, the State Department of Labor immediately mobilized to work with state, federal and New York City agencies to aid in the relief and recovery efforts, and to provide essential services to the thousands of innocent victims and dislocated workers. The tragedy produced more than 105,000 unemployment insurance claims and affected thousands of jobs in the metropolitan New York area.

hightechNY March 2nd
Job Fair & ski free
 Windham, NY
 Sponsored by New York State Department of Labor and Empire State Development Corp.

I want to be where hightech is going!

Job Fair: 10 am to 2 pm
 At Ski Windham, Windham, NY

hightechNY.com
 There are over 40,000 high tech job openings throughout New York State.





I. EMPLOYMENT AND TRAINING

A. DIVISION OF EMPLOYMENT SERVICES (DOES)

The Division of Employment Services (DoES) has responsibility for managing and administering employment related services to businesses and workers in the State of New York. In partnership with local agencies, the division's staff works within the mandates of the Workforce Investment Act (WIA) to meet the needs of New York's businesses and workforce. In addition, it is responsible for managing the job and talent banks used by partners in the Workforce Development System throughout the state. DoES provides assistance to employers, veterans, rural workers, Unemployment Insurance (UI) claimants, welfare recipients, youth and other job seekers to promote economic development and a healthy economy.

SEPTEMBER 11, 2001, WORLD TRADE CENTER DISASTER

DoES responded immediately to meet the needs of employers and job seekers affected by the World Trade Center disaster on September 11, 2001. In NYC, Nassau, Suffolk, Westchester and Rockland Counties, our office hours and days were extended affording customers the opportunity to access needed services in the evening and on weekends (including Sundays). DoES staff were placed at five additional itinerant sites to expand availability of services.

Special effort was made to reconnect dislocated workers with jobs through targeted job development, informational sessions for affected workers and establishing a special job seeker hotline that was operated on evenings and weekends, as well as during regular business hours.

In addition to employment-related services, the Division of Employment Services also helped some of the 105,000 individuals who filed UI claims as a result of the disaster with the filing process for UI benefits by taking paper claims when they were unable to file by telephone due to non-functioning phone lines. Staff also provided information on Disaster Unemployment Assistance (DUA).

From September 11 through December 2001, the following numbers of people were served:

	NYC	Long Island	Hudson Valley	TOTALS
# Scheduled	15,693	1,468	602	17,763
Walk-ins	12,847	N/A	N/A	12,847
Total Served	28,540	1,468	602	30,610
Reportable				
Services	70,000	3,670	1,505	75,175
Phone Inquires	14,744	N/A	N/A	14,744
Total Served	84,744	3,670	1,505	89,919

Staff met with businesses and representatives of unions whose workers were adversely affected by the disaster. Staff also worked with Empire State Development on the Governor's efforts to help affected small businesses. Services to employers were expanded; the Employer Services Hotline hours and days were extended to evenings and weekends to make it easier for employers to get information on available assistance and to allow them to list job openings for affected workers. DoES staff worked closely with the airlines, as this industry was adversely affected when air travel came to a halt and travel by air was drastically reduced.

LABOR EXCHANGE

🗽 Applicants served PY 2000 (July 1, 2000 to June 30, 2001):

🗽 Total Active Applicants:	315,736
🗽 Total Counseled:	40,326
🗽 Total Obtained Employment:	24,669

🗽 New York State Job Bank:

🗽 Employers:	11,192
🗽 Job Orders:	24,844
🗽 Job Openings:	43,333

🗽 The New York State Department of Labor is the lead agency for workforce development in the State. One of its goals is to help businesses find workers and help people find jobs. During 2001, DOL held approximately 2,500 job fairs and recruitments. More than 27,000 employers participated and approximately 250,000 jobseekers attended.

🗽 **JOBLINE** is an interactive telephone system that provides access to "America's Job Bank" for job seekers who are unable to use the Internet. It is provided through a partnership between the New York State Department of Labor, the New York State Education Department, and the NYS Commission



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for the Blind and Visually Handicapped in collaboration with the National Federation for the Blind and the U.S. Department of Labor. It was implemented in September 2001 and presents another option for job seekers to access job openings.

JOBLINE:

- Provides spoken instructions and job information to the user
- Is toll-free to job seekers
- Available 24 hours a day, 7 days a week
- Allows a personalized job search in your area of interest
- Is updated daily (new jobs added, filled jobs removed)

UI TO WORK REEMPLOYMENT PROGRAM

The UI to Work Reemployment Program greatly expands services to unemployment insurance benefit claimants to help them find new jobs more quickly. During calendar year 2001, 500,000 claimants were scheduled to report to a local office for job service orientation and other placement assistance such as resume writing, job search and interviewing skills workshops. Our resource rooms are equipped with personal computers and a variety of self-help software programs that greatly enhance our services.

Periodic eligibility reviews were scheduled for 180,000 claimants as a benefit control measure where work search activities are examined and availability issues reviewed to insure compliance. An additional benefit control measure completed in late 2001 includes an automatic stop payment of weekly benefits for those claimants failing to report to the employment service.

Since the inception of the UI to Work Reemployment Program in July 1999, unemployment insurance weekly benefit duration declined from 17.5 weeks to 15.3 weeks.

RURAL EMPLOYMENT PROGRAM

The mission of the Rural Employment Program is to provide the full range of employment services to rural and agricultural sectors. The program assists agricultural and rural employers in locating workers needed to successfully conduct business. They also help farm

workers and other rural residents find productive employment in agriculture or non-farm jobs, according to their abilities, interests and needs.

➤ MIGRANT OUTREACH PROGRAM

Operating since 1975, the program contacts migrant and seasonal farm workers to explain services available from the department as well as other support services available. During PY 2001, the program reached 11,176 migrant and seasonal farm workers.

➤ AGRICULTURAL RECRUITMENT SYSTEM

– The program locates agricultural workers from areas outside New York State for the state's farm, landscaping and food processing industries. During PY 2001, 195 job orders were processed for 2,350 workers from outside the state.

ALIEN LABOR CERTIFICATION

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

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

The new legislation created a period of limited amnesty for immigrants who wished to begin the process of obtaining a green card. The amnesty period ended on April 30, 2001, which meant that applications had to reach AECO by that date. To publicize and clarify the legislation, Governor Pataki established a Citizenship Committee. Recognizing the complex nature of the immigration laws, the Governor wanted to ensure that immigrant groups understood the application process and the implications of newly amended Section 245(i). AECO staff played an active role in the outreach to immigrant communities by participating in publicity efforts and by joining with the Citizenship Committee in discussion groups and informational panels throughout the Metropolitan area.

The reaction to 245(i) was much greater than



expected. When a similar limited amnesty period was established in January 1998, about 40,000 new applications above normal filings were received nationwide. This time, over 40,000 new applications directly related to the amnesty program were received in New York State alone. In April of 2001, 38,970 applications were received in AECO compared to 432 new applications in April 2000.

PERIODIC EMPLOYMENT AND ELIGIBILITY REVIEW (PEER) PROGRAM

The PEER program continues to be used as a tool to keep UI duration down by monitoring compliance of UI claimants regarding work test. Periodic assessments assure that claimants are: ready, willing, and able to work, not otherwise employed and actively seeking employment.

PROJECT TRABAJO

Project Trabajo (PT) offers unemployed Hispanic workers and recent immigrants orientations that include customized job readiness skills workshops to help them become “job ready” and able to compete in today’s labor market. It also informs Hispanic small businesses and the professional business community about the employer services and programs of the Labor Department through the Latino Job Service Employer Committee business seminars and other involvement with different Hispanic Chambers of Commerce.

PT conducted customized Resume Workshops for Hispanic and other English-speaking WTC displaced hotel workers at the NY Hotel Trades Council Union and worked with Verizon to train 350 Hispanics and other unemployed and WTC displaced workers.

PT helped to develop a Hispanic Contractors Workshop and a Small Business Development Forum.

During this year, PT participated in five Hispanic & Diversity Career Job Fairs, including the Labor Department sponsored event.

Staff members also operated a toll-free hotline answering questions about jobs, the Labor Department’s resources and unemployment insurance. Staff handled about 8,000 inquiries during 2001. PT staff also translated 19 unemployment insurance and labor exchange documents.

OFFICE OF EMPLOYER SERVICES

The Office of Employer Services provides technical assistance and support to local office staff and marketing representatives on employer directed programs and/or

services available through the New York State Department of Labor. Services provided to employers and businesses during 2001 include:

HightechNY – www.hightechny.com – This website was developed cooperatively by the New York State Department of Labor and Empire State Development to attract, assist and retain thousands of college students and other high-tech skilled job seekers searching for employment opportunities in New York State. There is no cost to employers listing their job openings. This site was used by 1,031 employers in 2001.

Department of Labor Assistance Line – 1-800-HIRE-992 – This toll-free information line is available 7:30 am through 5 pm weekdays to assist employers and job seekers with labor-related questions and concerns. Following the World Trade Center disaster, help-line hours were extended to seven days a week to provide crucial information for affected employers and employees. In 2001, over 10,000 calls were received on this help line.

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

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

EMPIRE ZONES/ZONE EQUIVALENT AREAS PROGRAM (EZs)

The Empire Zones program is designed to stimulate economic growth in the most distressed areas of New York State. By offering wide-ranging financial incentives and community-based workforce enhancement, the program has become a catalyst for new business development, existing business expansion and



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job creation. During the past five years, the program has expanded throughout the state and now provides a greater variety of incentives to foster economic growth, including Wage Tax Credits, utility rate reductions and property tax abatements. Similar incentives are offered in the Zone Equivalent Area (ZEA) program. These areas are based on census tract poverty indicators rather than a formal designation process.

Eight new EZs were designated in 2001, bringing the statewide total to 62. Four more will be named in 2002. Accompanying the increase in the number of zones was an increase in EZ-certified businesses. Over 1,200 businesses were certified in the program in 2001; nearly a 100 percent increase over last year's total.

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

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

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

- TANF Recipients
- Qualified Veterans
- High-Risk Youth Living in an Empowerment Zone or Enterprise Community or Summer Hires
- Vocational Rehabilitation Recipients
- Qualified Food Stamp Recipients (at least 18 and not yet 25 years of age)
- Supplemental Security Income (SSI) Recipients
- Ex-felons

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

Employers hiring long-term TANF recipients – individuals who received TANF for 18 consecutive months before the time of hire – are eligible for the federal Welfare-to-Work (WtW) tax credit. The credit is worth \$8,500 over a two-year period.

WORKERS WITH DISABILITIES TAX CREDIT (WETC)

The Workers with Disabilities Tax Credit (WETC) enables employers to earn a tax credit of \$2,100 tax

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

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

- Screened nearly 35,000 individuals for tax credit eligibility.
- Issued nearly 23,000 OTC certifications and created an equal number of new job opportunities for certified customers.
- Helped business in New York State potentially save \$95.1 million in tax credits.

SPECIAL EMPLOYMENT SERVICES

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

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

Parole Vocational Rehabilitation Services (PVRS) is a contract program that finds jobs for ex-offenders who have been referred by the Division of Parole. Now in its 14th year, the PVRS program continues to exceed job entry performance goals. During Program Year 2000, 514 parolees from the five boroughs of New York City and three cities in Westchester County entered full-time competitive employment.

TESTING UNIT

The Testing Unit supports occupational testing and assessment services offered by the Labor Department to individuals, employers and union Joint Apprenticeship Councils (JACs). In Program Year 2000 (July 1, 2000 to June 30, 2001) the department gave more than 8,000 tests, including VIP assessments used in group and individual counseling, Specific Aptitude Test Batteries



(SATBs) used for selection by employers and JACs, the Basic Occupational Literacy Test (BOLT) and various interest measures.

VETERANS PROGRAM

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

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

Program Accomplishments in 2001:

Throughout the Year 2001 New York State Department of Labor Veteran Staff have been actively involved in six *Homeless Veterans Stand-Downs* located throughout the state. Approximately 1,500 homeless and "at risk" of being homeless veterans and their families were provided extensive services such as necessary clothing, food, employment opportunities, medical screening and legal assistance.

The Governor's Program to hire workers with disabilities (Title 55B/C Program) continues, especially in the Title 55C Program, which helps disabled veterans obtain gainful employment with various state agencies within New York. In 2001, 30 veterans obtained gainful employment through the 55c program with the assistance of New York State's Disabled Veterans' Outreach Program staff (DVOPS) and Local Veterans' Employment Representatives (LVERS).

On December 6, 2001, the Fort Drum Transition Assistance Program (TAP) was recognized for excel-

lence in performance to our nations veterans and received the Governor's Award for outstanding contributions to our men and women who are separating from military service. It also marked the 10th Anniversary of partnership between the New York State Department of Labor and the Department of Defense Transition Assistance Program at Fort Drum.

Program Activity:

During Program Year (PY)-2000, which ended June 30, 2001, the Department of Labor through all Wagner-Peyser Staff tallied 33,565 employments for veterans. Of these, the DVOP and LVER staff was responsible for 13,057 or 39%. The total figure of 33,565 represented a banner year for the department, resulting in the highest employment numbers accomplished over the last four years.

So far during PY-2001, which began July 1, 2001, the department has entered 3,464 employments. The DVOP and LVER staff accomplished 2,837 or 82% of those entered employments.

The "Vocational Rehabilitation and Employment Program," or VR&E, provides Chapter 31 disabled veterans with prioritized case management services for an individual employment assistance plan with the U.S. Department of Veterans Affairs (VA). Currently, we have two formal MOUs between the department and the U.S. Department of Veterans Affairs, Regional Office, to serve Chapter 31 participants. At the end of 2001, through efforts of the DVOP and LVER staff, we accomplished 108 placements of disabled veterans who completed their vocational training and were referred for intensive placement services.

SOCIAL SECURITY GRANT

The purpose of the research and demonstration project, currently called New York WORKS, is to provide work incentives and remove barriers to employment for persons with disabilities, as well as to influence state and federal policy. Project efforts aim to significantly increase the number of persons with disabilities who enter or re-enter the workforce and become more self-sufficient. Work is seen as a vehicle to recovery. Pilot sites are located in New York City and Buffalo. To date, 29,611 letters of invitation to join the project have been sent to SSI and SSDI recipients and beneficiaries. Nearly 260 participants have been assigned to the full-service treatment group, while 249 have been assigned to enhanced services. Full-service participants receive



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benefits advice, as well as vocational case management. Enhanced-services participants receive only benefits advice. Among participants in New York City, 30% are currently employed. Among participants in Buffalo, 44% are employed. In New York City, part of the New York WORKS staff is co-located in the Jamaica, Queens One-Stop Career Center. An objective of the project is to learn how to more effectively serve persons with disabilities through the One-Stop Career System, utilizing the resources and expertise of many community and state partners.

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 through no fault of their own by providing weekly unemployment insurance benefit payments to partially offset the loss of income while seeking new employment. Under the program, eligible persons file an initial claim for benefits and certify weekly during their eligibility period to collect benefits. Eligibility for continuation of benefits is verified with the claimant on a periodic basis throughout the benefit period.

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

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

WORLD TRADE CENTER DISASTER

Following the World Trade Center disaster, there was a tremendous increase in new claims for unemployment benefits. The department has maintained service levels despite this increase, by shifting priorities and by electronically moving NYC claims to the upstate call centers.

Special services provided to employers affected by the attack included extension of reporting deadlines,

waiving interest and on-line access to information and address change forms. Over 7,000 employers have notified DOL that they were affected by the disaster. More than 105,000 people filed claims against 6,200 disaster-affected employers.

The department stationed UI staff at the 140 Worth St. Disaster Relief Center to help workers apply for UI and Disaster Unemployment Assistance (DUA), and help speed benefits by expediting claims and resolving problems. There was also a team of central office staff re-assigned to handle DUA claims. Staff implemented emergency procedures within days of the disaster.

Presentations on DUA were made to numerous unions and governmental organizations; 4,855 applications were received for DUA benefits.

COMPLETED CONVERSION TO TELEPHONE CLAIMS

During 2001, the department completed the conversion of the Unemployment Insurance program from in-person filing to the Telephone Claims Centers. The new filing system uses an Interactive Voice Response (IVR) system where claimants provide basic information by using a touch-tone telephone, after which the call is transferred to a claims specialist to clarify information and identify any problems. The TCCs have improved performance and met USDOL standards for First Payment Timeliness.

SINGLEFILE INITIATIVE

SingleFile permits employers to submit quarterly reports for withholding tax, wage reporting and unemployment insurance purposes on one consolidated form and to submit one check. New employers are also able to register with both the Department of Labor and the Department of Taxation and Finance by providing information to either agency on the consolidated form. SingleFile has proven to be savings to employers. It also helps to ensure that both agencies have the most up-to-date information regarding the employer's account and that unemployment insurance benefits are being charged to the correct employer's account.

C. WELFARE-TO-WORK DIVISION

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



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

INDIVIDUAL VOCATIONAL EDUCATION AND SKILLS TRAINING (InVEST)

The InVEST program can train individuals to get a job or upgrade the skills of workers to help them earn higher wages. Employers and training organizations prepare unemployed and underemployed TANF recipients and the “200% of poverty” population for jobs that are in demand within the local labor market. Local Workforce Investment Boards can help employers complete the necessary paperwork to participate in the program. As of January 2002, the Department of Labor has received over \$100 million in funding requests. Awards have been made to 184 organizations, covering over 562 programs. InVEST has supported a wide range of industry clusters including health care, services, technology, manufacturing and office and clerical support. The InVEST initiative has provided job training and placement to over 5,000 New Yorkers and has the highest average wage, at placement, of any of the State’s Welfare-To-Work (WTW) programs.

THE WAGE SUBSIDY PROGRAM (WSP)

This program provides wage subsidies to employers who hire and retain public assistance recipients and other low-income families who have not been successful in the labor market. This initiative engages the services of community-based organizations to recruit and place these individuals with private and public sector employers and reimburse participating employers for the wages and fringe benefits they have paid the new employees during the subsidy period. An RFP released in 2000 resulted in the creation of 50 WSP projects in 2001. These projects are expected to provide subsidized employment to approximately 6,400 participants.

WHEELS FOR WORK

Demonstration projects help TANF-eligible participants obtain vehicles necessary for transportation to and from employment or other allowable work activities. Governor Pataki announced more than \$5 million in grants to 23 organizations to operate Wheels for Work projects beginning in 2001. These programs are expected to provide a number of transportation-related services

ranging from automobile insurance assistance, affordable car loans, donated cars, driver’s education, vehicle registration assistance, vehicle repair assistance, and other forms of transportation support provided to eliminate each participant’s transportation barriers. Wheels for Work demonstration projects are expected to serve at least 2,170 participants over the two-year project period.

COMMUNITY SOLUTIONS FOR TRANSPORTATION (CST)

This program encourages counties and regional areas to collaborate on efforts to develop transportation solutions that fill the unmet employment-related needs of persons eligible for federal TANF services, so they can find and keep jobs. In 2001, Governor Pataki announced grants totaling \$24 million through CST to help individuals on public assistance obtain transportation so they can be more readily employed. CST funds were offered to the local social services districts by county using poverty data. Local districts and/or their contractors operate a variety of transportation projects. These include: transportation coordinators/mobility managers, driver training programs, car loan/donation programs, transit pass programs, van/shuttle services, guaranteed ride projects, and fixed route public transportation services. In total, over 150 individual transportation projects are supported with these funds.

BUILT ON PRIDE (BOP)

This effort is designed to increase the number of eligible economically disadvantaged individuals who enter the skilled trades. The three components of Built on Pride are Self-Sufficiency Training, Pre-Apprenticeship and Apprenticeship Training. Following the release of the RFP in late 2000, nine programs were selected to operate projects beginning March 1, 2001. These programs will serve a total of 1,740 individuals and help at least 1,038 individuals into registered apprenticeship positions.

CONSOLIDATED APPLICATION FOR STATE ADMINISTERED PROGRAMS (CASP)

For the fifth consecutive year, the division helped local social services districts complete the application and planning process for \$103.6 million in New York Works Block Grant funding. This funding is used to expand the WTW programs, services and activities needed by Family Assistance recipients and other low-income households to gain employment. CASP gives



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local districts the flexibility to direct these resources to best meet the education, training and employment needs of their target populations.

TEEN WORKS

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

BRIDGE

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

EDUCATION FOR GAINFUL EMPLOYMENT (EDGE)

This program provides the pre- and post-employment activities that will help TANF recipients and those at or below 200% of poverty get and keep jobs. Division staff and representatives from the State Education Department developed, reviewed and approved plans submitted by local provider agencies from 45 counties. Program components include GED preparation, adult education, English for Speakers of Other Languages (ESOL), literacy and vocational/educational training. This program served 13,687 people in 2001.

THE YOUTH PREPARATION INITIATIVE (YPI)

Services are offered to help youth between the ages of 13-18 improve academic performance, remain in school, and develop skills needed to succeed in the workplace. The Alliance of Boys and Girls Clubs, Inc. was chosen to deliver services under YPI to 5,000 youth within 31 clubhouses across New York State. The project

began on July 1, 2001.

FAMILY, ADULT AND WORKPLACE LITERACY (FAWL)

This program expands existing literacy programs and creates new programs to help welfare recipients and other low-income households learn the basic skills and social/personal competence necessary to get jobs and be self-supporting. In 2001, Governor George E. Pataki awarded \$5 million to nine agencies in seven counties to serve over 2,000 families. Projects began in September 2001 and will end in August of 2003. In addition to family and workplace literacy, program components include adult basic education, GED preparation, English as a Second Language, Even Start, parenting skills.

EDGE PLUS ENGLISH LANGUAGE INSTRUCTION (ELI)

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

WELFARE-TO-WORK (WTW) OPPORTUNITIES

This program makes funding available to County Departments of Mental Health, community-based organizations and local workforce investment boards for innovative demonstration projects to help hard-to-serve WTW-eligible individuals become self-sufficient through employment and support services. There are 20 providers that will operate WTW Opportunities programs starting the last quarter of 2001. These programs are expected to serve approximately 3,100 eligible individuals in the one-year project period.

THE EMPLOYMENT AGENCY INITIATIVE (EAI)

The expertise of professional employment agencies is used to connect Family Assistance (FA) recipients with available jobs. The EAI contractors receive a fee each time they successfully place a candidate in a job. There are 12 employment agencies, which began serving 12 local districts in 2001. These projects may place up to 1,600 FA recipients in jobs.



TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) PROGRAM

This program was established by Title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The Department of Health and Human Services administers the TANF program on the federal level. New York State receives about \$2.4 billion in federal TANF funding annually since the program was created. The TANF program will require reauthorization in fiscal year 2002.

TANF funds are used to support a variety of services for families including Temporary Assistance benefits and employment and training programs. The TANF program requires the state to achieve certain work participation rates for families receiving Temporary Assistance benefits. New York's TANF funds are used to provide employment and training services to Temporary Assistance recipients and families with incomes up to 200% of the federal poverty level. Families are limited to 60 months of TANF-funded Temporary Assistance benefits but are not limited in the length of time they may receive TANF funded employment services.

FOOD STAMP EMPLOYMENT AND TRAINING (FSET) PROGRAM

This effort is administered by the United States Department of Agriculture on the federal level. The FSET program, which is authorized by the Food Stamp Act, is designed to provide employment and training services to food stamp applicants and recipients.

WELFARE-TO-WORK BLOCK GRANT

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

SAFETY NET PROGRAM

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

WELFARE-TO-WORK TECHNICAL ASSISTANCE AND TRAINING

The Welfare-To-Work Division employs staff to serve as Technical Advisors to social services districts, local workforce investment areas and other providers of Welfare-to-Work programs. Additionally, the division provides formal staff training for social services districts to train local staff on welfare-to-work policies, procedures and program practices.

WELFARE-TO-WORK REGIONAL FORUMS

These forums, instituted in 2001, convene local welfare-to-work providers to discuss employment issues and share promising practices. These forums have allowed division staff to relay department priorities and facilitate program improvement.

WELFARE-TO-WORK STAFF TRAINING

Beginning in 2001, these intensive eight-day training sessions were provided to train social services district staff on welfare-to-work program policies, procedures and program practices. Additional training sessions were conducted including training for program providers on how to make eligibility determinations for TANF Services for families with incomes up to 200% of poverty.

WELFARE-TO-WORK PROGRAM POLICY REVIEWS

Reviews were conducted in each social services district to assess the extent to which local policies and procedures are consistent with department requirements. Reviews were completed related to both Temporary Assistance and Food Stamp programs.

D. WORKFORCE DEVELOPMENT AND TRAINING DIVISION

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



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workers.

In 2001, the department worked closely with the US Department of Labor to secure \$25 million in National Emergency Grant funding. The federal grant is being used to provide support services and temporary jobs to workers who are temporarily or permanently affected by the September 11 disaster. The New York State Department of Labor is working with organizations in New York City under contract to provide dislocated worker services under WIA. Services will include intensive counseling and training services.

PROGRAM/PROJECT ACCOMPLISHMENTS

WORKFORCE INVESTMENT ACT

Implementation Update:

- State Workforce Investment Board (WIB) established and functioning.
- State Five-Year Plan developed, submitted, revised and approved by USDOL.
- 33 local Workforce Investment Areas established, certified and functioning with evolving local Workforce Investment systems.
- Local Workforce Investment Boards certified and functioning in all 33 local areas.
- Tentative Five-Year Local Plans submitted for all local Workforce Investment Areas.
- 17 local plans, including the required Memorandum of Understanding (MOU), have been fully approved; the rest are being finalized.
- Local One-Stop Centers are established and functioning, with at least one full-service Center operating in each of the 33 local areas. Through the end of this year, New York State had 62 full-service, comprehensive One-Stop Centers in operation. More are under development or planned for next year. While actual on-site partners will vary, each center will at least provide core services for all mandatory partner programs. Each center also will offer referrals to all services offered by the partner programs. Beyond comprehensive One-Stop Centers, the local workforce area system includes affiliate and satellite sites and electronic access points where customers can obtain core services via personal computers.

- Worked with the Division of Research & Statistics to develop the WIA Annual Report for program year 2000. Developed information on state and local accomplishments, statistical information and examples of best practices (both state and local) for the report.

ONE-STOP OPERATOR STATE CERTIFICATION PROCESS

The Workforce Development & Training Division, in consultation with the New York State Workforce Investment Board, developed a "Guide to Certifying One-Stop Operators." This guide outlines the critical elements for consideration when developing a local One-Stop Operator Certification process. The guide also points out areas of concentration the State Workforce Investment Board will consider in awarding State Certification to local One-Stop System or Center Operators. The guide includes examples of other chartering or certification processes used around the country that local areas might emulate.

Each local WIB must establish a one-stop operator certification process before applying for State-level certification. In addition, the local WIB must have a written agreement with each one-stop operator in the local system. This written agreement provides a basis for accountability, clarifies roles and responsibilities, and promotes inclusion of partners and integration of services. Consistent with the WIA principles of universal access, customer choice, increased accountability, and strong private sector involvement, the local certification process also should advance quality improvement methods, customer satisfaction measures, and staff development. The local certification process also must include provisions for an on-site review. This review gives the local board an opportunity to validate information provided in the operator's application and ask questions that may arise after review of the written material. Once local certification has been awarded, the local WIB must sign a written agreement with each certified One-Stop Operator.

State-level certification will use the local quality standards and criteria as its foundation. In addition to a paper review, State-level site visit teams will verify required elements, partner involvement, service integration and other quality indicators. If any elements are missing or inadequate, feedback and technical assistance will be provided to help the operator obtain State certification. State certification will be valid for two years. Local WIBs may apply for re-certification on



behalf of their operators six months prior to expiration.

State-level certification will be required for participation in future WIA Governor's discretionary funded RFPs/RFAs. At the end of 2001, six applications were in various stages of review. Site visits were completed in three of these areas with State certification granted to one area and State certification pending additional action or paperwork in the other areas. Requests for certification are expected to increase dramatically during the early part of 2002.

WORKFORCE NEW YORK LOGO

The Workforce Development & Training Division, with the New York Association of Training and Employment Professionals, commissioned the development of a logo, tagline and other marketing materials for the State's workforce development system.

Only State-certified operators may use the "Workforce New York" statewide one-stop logo, marketing campaign and promotional materials. This "branding" of New York's one-stop system will identify local systems and centers that have attained State certification as meeting the highest quality standards for workforce development services in their community. State-certified operators will enjoy the benefits of brand recognition and can customize marketing products to add their own area/center moniker and logo.

The department has a web site dedicated to workforce development issues at www.workforcenewyork.org. It offers links to information on funding, WIA implementation, technical assistance, a calendar of events and other valuable data.

TECHNICAL ASSISTANCE

- Created the local One-Stop System Resource Matrices to offer partner program funding data to each of the local workforce investment areas.
- Provided one-on-one WIA financial management training to LWIA fiscal managers and developed/provided fiscal manager training at the Fall NYATEP session.
- Provided extensive technical assistance to local WIAs to develop first year MOUs and cost allocation plans.
- Developed a Power Point presentation on USDOL/ETA financial management technical assistance group. Will provide this training at six regional sessions around the state in January 2002.

■ Developed a new Customer Flow Toolkit, updated the existing Youth Resource Pack and One-Stop System Building Toolkit.

■ Developed Q&As on workforce development issues such as Dislocated Workers, Local Board Policies on On The Job Training & Customized Training, Governance Issues for Local Workforce Boards, and others.

CAPACITY BUILDING/TRAINING

■ **New York Association of Training and Employment Professionals (NYATEP)** – Through their contract with NYSDOL, NYATEP has provided 15 days of consultant training on topics such as: Successful One-Stop Strategies; Satisfying Your Customers; Partners in Performance; Marketing 101, etc. In addition, the department jointly held the spring (May 2001- approximately 500 in attendance) and fall (October 2001 – approximately 480 in attendance) Workforce Development Conferences and the One-Stop Institutes (March and November 2001 – approximately 230 attendees at each Institute). An inter-agency workgroup was established that produced the Customer Flow Toolkit. Training on use of the Toolkit was held in Newburgh, Rochester and Utica during December 2001 and in Huntington, Long Island and Albany in January 2002. Local area teams participated, with 35-40 participants at each site.

■ **Center for Workforce Learning (CWL)** – In November, CWL presented One-Stop Operator Certification training for review team members and secret shoppers. Participants on the team include state agency partners (Advocate for the Disabled, Office for the Aging, Empire State Development), a State Board member and DOL staff representing Workforce Development, Employment Services, Welfare-to-Work and Research (Labor Market Analysts). The Tompkins Workforce Investment Area was the first to apply and have its local certification process approved at the State level. It is anticipated that the stream of applications and review requests will intensify in early 2002.

■ **Technical Assistance and Training Corporation (TATC)** – This contract will provide statewide customer satisfaction training for line staff; research and compilation of promising practices; and two or more days of consulting work with each of the 33



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local Workforce Investment Areas.

Promising Practices Incentive RFA – This RFA invites local WIBs to apply for incentive awards of up to \$50,000 for innovative, results-based promising practices in five categories:

- Community Investment (e.g., for worker training activities that lead to business attraction and/or retention)
- Business Services in the One-Stop System
- Local Board Development/Practices
- One-Stop Partner Initiatives
- Performance/Customer Satisfaction

Workforce Development Consultants RFP - This is a Request for Proposals to secure the services of individual consultants who can help the New York State Department of Labor (NYSDOL) provide: curriculum design and delivery, train-the-trainer, facilitation and other capacity-building activities throughout the state. These activities will help New York State workforce development professionals to:

- deliver excellent service to businesses and job-seeking customers
- successfully carry out their roles as members of the One-Stop Career Center System
- successfully implement all aspects of the Workforce Investment Act (WIA)

Successful bidders will design and deliver services directly to NYSDOL staff and its customers. NYSDOL's customers are defined as state and local workforce development professionals, service providers, state and local Workforce Investment Board members; federal, state and local government agency partners; community-based organizations; and, others considered by NYSDOL to be members of the workforce development community.

STATE BOARD ACTIVITIES

In 2001, the New York State Workforce Investment Board met regularly, usually on a bimonthly basis. The State Board articulated its mission to develop a statewide system that produces a workforce with the skills to maintain and enhance the state's economy. This system encompasses the education/career preparation of the emerging worker, workforce development and worker enhancement for the incumbent and transitional worker. The State Board agreed to establish four Board commit-

tees: Emerging Workers, Incumbent Workers, Transitional Workers and Local Workforce Investment Board Liaisons. Each committee is co-chaired by one business and one public sector board member. These committees met during the past year to identify issues affecting their target group and discuss ways that the State Board can help to address those needs through policy guidance and the targeted use of Governor's discretionary funds.

WIA GOVERNOR'S DISCRETIONARY PROJECTS

High Tech RFA

During 2001, the Workforce Development & Training Division, on behalf of the State Board, developed a Request for Applications targeting the high-tech training needs of businesses across the state. It awarded more than \$15 million to 28 organizations throughout New York State to train workers in high-tech careers. The awards will benefit 4,000 workers statewide. They will help workers keep pace with rapidly changing technologies while helping businesses retain their current workforce, increase wages and reinforce efforts to attract new high-tech talent to New York State.

Recipients are small, medium or large businesses, or business consortia that employ high-tech workers in high-demand occupations. The applicants must be headquartered or have at least one physical location in New York State. The grant award can be used to train current workers or new hires. Under the grant program, workers will receive training in a variety of high-tech fields such as CAD development, systems engineer, web developer, Java script writer, system architect, NT system administrator, data communication engineer, Unix programmer and computer engineer.

Manufacturers RFA

During 2001, the Workforce Development & Training Division, acting on behalf of the State Board, developed a Request for Applications for training current and newly hired workers for demand jobs in the Manufacturing Industry in New York State.

It awarded \$15.6 million to 83 manufacturers and organizations throughout New York State to provide needed training to their employees. The grants will help manufacturing businesses ensure that their employees are provided with the opportunity to keep up with the latest developments in information technologies, processes and innovations. The funding will provide training to more than 35,000 workers.



Recipients are small, medium or large manufacturing businesses or business consortia that employ workers in occupations that currently have a high demand in the marketplace. All businesses represented in a business consortia must be headquartered or have at least one branch of each represented business physically located in New York State. All funds awarded must be expended on workers at facilities in New York State. In addition to training initiatives, proposals that address changes in work processes were also considered, such as the introduction of lean manufacturing. These changes could lead to increased productivity, thereby helping manufacturers facing a worker shortage or aging workforce.

Skills Shortage Assessment RFA

During 2001, the Workforce Development & Training Division, acting on behalf of the State Board, developed a Request for Applications to local workforce investment areas across New York State to assess local critical occupational/skill shortages and to develop methods to monitor this information. The aims of this project were:

- To enhance local planning by raising policy questions that local boards must address in shaping their local workforce systems;
- To review information on the local labor market and identify information gaps;
- To identify the occupational and skills needs of local businesses;
- To establish methods to regularly collect skills needs requests.

Local workforce investment areas each were awarded \$25,000 to undertake this project. It will offer local data on skills shortages to the State Workforce Investment Board to help identify state-level policy and/or additional funding needs. Local boards were also to prioritize their most critical local skill shortages and target industries for public resources. A second phase of this project will provide additional resources for those identified skill shortages.

Youth Incentive Grants for Businesses RFP

In 2001, the division worked through the Emerging Worker Sub-Committee of the State Workforce Investment Board on a Request for Proposals to foster innovative local partnerships that expose youth to real-world occupations and employment experiences. This RFP adheres to the mission statement of ensuring that

all New York's youth are better prepared for employment by giving them a greater array of potential career opportunities, including current demand occupations. An effective way to fulfill this commitment is to create opportunities for cooperation among employers and employer associations, the educational community, and the local Workforce Investment Boards (LWIBs) and Youth Councils.

The RFP emphasizes exposing WIA-eligible youth and professionals who guide job and career decisions in young people (i.e., school counselors and teachers) to demand occupations in New York State. The proposed program activities would offer real-world work experiences, including employment and job retention for at least 6 months, leading to the attainment of a secondary education diploma (Regents, local, IEP or GED), gainful employment, entrance into the military, and/or enrollment in post-secondary education. Through their relationships with businesses (or business consortia), teachers will learn what employers want from workers and the skills needed to succeed in demand occupations.

Awards totaling \$1.29 million were made to six organizations to establish innovative programs that expose youth to meaningful employment and career opportunities.

One-Stop Implementation Grants:

During 2001, the Workforce Development & Training Division continued to implement and monitor grants to local areas under the One-Stop Career Center Implementation Grant Program. Round One awards were closed out while Round Two and Three awardees continued to use funding to foster service consolidation/integration, expand existing services, enhance universal access and establish/support area-wide technology infrastructure. Funding continued to be used by awardees to meet their needs for office renovations, office equipment, furniture, technology and supplies to help create and further develop One-Stop Centers in their local workforce areas.

Round Two Awards were made to 13 local workforce areas and totaled \$3,761,241. Round Three Awards were made to an additional 13 local areas and totaled \$3,799,579. The division continued to review and approve contract proposals and contract modifications as well as request federal pre-approval for any equipment expenditures over \$5,000. The division continued to closely monitor contract expenditures to ensure proper and full use of funds is occurring. Reviews were completed on many of the One-Stop Demo and Implementation grants.



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America's Service Locator/Toll –Free Help Line:

Under a grant awarded by the USDOL to NYSDOL, the Workforce Development & Training Division continues to provide and update data on its various workforce development programs and service sites for the National Toll-Free Help Line. During this past year, the Toll-Free Help Line database, which contained state and local level workforce information, was transitioned over into the new America's Service Locator (ASL). The ASL database, which is part of America's Career Kit, is operated and maintained by the USDOL in partnership with the states.

During 2001, the division updated location, contact and services information for all of the comprehensive One-Stop Centers across the state, as well as all remaining Employment Service Offices, which serve as affiliate sites in the new One-Stop system. Funds from this grant also were used to support marketing efforts for the State's new workforce system logo, tagline, and other materials, which incorporate the use of the Toll-Free Help Line.

RAPID RESPONSE/LAYOFF AVERSION ACTIVITIES

The division developed New York State's Rapid Response and Business Retention Plan, which combines both structural and visionary elements. Many of the items related to service delivery reflect successful field-tested techniques. Other elements, such as the development of the business retention network, are new and must be evaluated.

The statutory requirements of Rapid Response under the Workforce Investment Act are very similar to those under the Job Training Partnership Act. The Department of Labor, in collaboration with state/local partners, is placing an increased focus on averting layoffs, developing a business retention network and upgrading training efforts to help workers find or keep a job.

One activity identified under Title I of the Workforce Investment Act is to assess the potential for averting layoff(s), in consultation with State or local economic development agencies. In New York State, Regional Rapid Response teams provide services tailored to the needs of the affected businesses and employees. Team members collaborate to help dislocated workers find jobs and develop strategies to avert layoffs within the local community.

Funds for layoff aversion/business retention programs are available through the New York State Department of Labor. A comprehensive layoff aversion

plan must be developed in consultation with the department's Regional Administrator. Plan strategies include:

-  Evaluating Employee Skills
-  Using Labor/Management Committees
-  Upgrading Worker Training/Skills
-  Customized Training/On-the-Job Training
-  Employee Stock Option Purchase
-  Shared Work Program
-  Solicitation of Buyer through Economic Development Partners

During the past year, layoff aversion grants totaling over \$3.4 million were awarded to seven companies located in six local workforce investment areas. This money is being used to retrain existing workers in new product lines/production techniques and help prevent the layoff of over 2,700 employees.

STATE PROGRAMS

STRATEGIC TRAINING ALLIANCE PROGRAM (STRAP)

The State 1999-2000 Legislative budget appropriated \$34,000,000 over three years for the Strategic Training Alliance Program (STRAP). To implement the STRAP program, the Department of Labor and Empire State Development Corporation developed a streamlined process that would allow a business to meet its training needs in real time. A referral process allows both agencies to review the project concept before application submittal. The notice of STRAP funding availability appeared in the New York State Contract Reporter on April 5, 2000.

During referral reviews, staff from DOL might offer recommendations on appropriate funding sources. Also, the Workforce Investment Act provides leverage for local formula funds.

Through 2001, 151 awards were made to employers/consortia to train almost 17,500 new and existing employees and creating over 5,000 new jobs in the process. Both agencies have identified training needs common to certain industry sectors and are contacting community colleges to help build a consortium base. This will be a focus for both agencies in the upcoming year.

YOUTH EDUCATION EMPLOYMENT



TRAINING PROGRAM (YEETP)

During 2000-01 the YEETP continued its primary focus: to help youth gain the knowledge, skills and abilities that will help them make sound career, educational and employment choices. Each of the four program models, AVE, PAVE, ACHIEVE and YWS offered different paths to help transition youth from school to either work or further education.

Due to a one-year only increase in the YEETP allocation, \$1,000,000 was allocated to purchase computers and for bonus incentives. Based on this, two major enhancements were implemented. The first was the Internet version of CareerZone, which is a free career exploration and planning system designed by NYSDOL. It offers the most up-to-date labor market and career information for over 900 occupations. All YEETP contractors were given an additional \$10,000 to purchase computers/software in order to implement CareerZone. The second enhancement was the design and development of the new YEETP database. The database is a paperless system that provides real data, reduces errors and is directly input by the program operators. The database will replace the old Management Information System. All of the YEETP's began using the new system in 2001.

IN-SCHOOL YOUTH PROGRAMS

ADOLESCENT VOCATIONAL EXPLORATION (AVE)

The AVE program was implemented at 17 sites: 10 in the New York City/Long Island area and 7 in other areas throughout New York State. The planned enrollment for AVE was 680 participants; the program served 704 participants. The AVE sites are required to meet performance standards in the following areas: reading, math, State Education Department (SED) evaluation, academic credit and remain in school.

PROGRESSIVE ADOLESCENT VOCATIONAL EXPLORATION (PAVE)

The PAVE program was implemented at 22 sites: 13 in the New York City/Long Island area and 9 in other areas throughout New York State. The planned enrollment for PAVE was 1,050 participants; the program served 974 participants.

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

OUT-OF-SCHOOL YOUTH PROGRAMS

ANOTHER CHANCE INITIATIVE FOR EDUCATION, VOCATION OR EMPLOYMENT (ACHIEVE)

The ACHIEVE program was implemented at 16 sites: 7 in the New York City/Long Island area and 9 in other areas throughout New York State. The planned enrollment for ACHIEVE was 520 participants; the program served 545 participants.

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

YOUTH WORK SKILLS (YWS)

The YWS program was implemented at 6 sites: 2 in the New York City area and 4 in other areas throughout New York State. The planned enrollment for YWS was 170 participants; the program served 193 participants. The YWS sites are required to meet performance standards in the following areas: reading, math, vocational skills, education, and vocational training and unsubsidized employment.

JOBS FOR YOUTH TRAINING PROGRAM

The Jobs for Youth Training Programs provided a range of career exploration, skills training, and educational and supportive services to 285 at-risk youth in seven programs across the state in Buffalo, Rochester, Syracuse, Brooklyn, Bronx, Manhattan, and Queens. The program is a progressive two-year cycle, with 182 year one participants and 103 year two participants in the 2000-2001 program year. One of the most significant accomplishments of the program is the excellent job they did helping at-risk participants to remain in school and remain in the program:

55 participants earned their High School Diplomas or GEDs.

81 participants were placed in unsubsidized employment and

54 participants entered college or post-secondary training.

HEALTH CARE WORKER TRAINING PROGRAM

The Health Care Worker Training Program is a small, one-year demonstration program that provides innovative and cooperative approaches to meet critical



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unmet shortages and personnel needs in the health care industry. Two programs funded in the 2000-2001 program year are not yet completed. One retention demonstration is providing training in Creating a Complimentary Healing Environment to 110 participants and the other cooperative state-wide demonstration program is providing Nurse Telephone Triage training to some 1,000 participants who work in community rehabilitation facilities across the state.

CHAMBER OF COMMERCE OJT PROGRAM

The New York State Chamber of Commerce On-the-Job Training (OJT) program has operated for more than 25 years. All New York State businesses can participate if they can offer the trainee long-term employment in an occupation that is sufficiently skilled and in-demand. The program targets Unemployment Insurance recipients, economically disadvantaged individuals, and veterans, as those most in need of training.

The following Chambers of Commerce were each awarded \$104,728 in 2000 and 2001: Albany-Colonie Regional, Jamaica, Greater Olean, Inc., Plattsburgh, Poughkeepsie, Saratoga, and City of Yonkers. All Chamber programs met or exceeded the minimum standards for both outcome and operational performance.

Achievements include:

- more than 150 businesses got financial assistance enabling them to hire and train some 250 individuals
- over 80% of the trainees were UI recipients, economically disadvantaged or veterans
- of the trainees who successfully completed the program, nearly 80% were retained in their jobs for 30 days or longer
- businesses participating in Chamber OJT programs created more than 180 new jobs in local areas throughout the state

GREEN TEAMS

The Junior Green Team Program is a job placement program that focuses on environmental occupations for out-of-school youth ages 16-21. It provides tangible work experience in occupations broadly related to making the State of New York a more attractive place to live, work or visit. Under a "school-to-work" model, this

experience is supplemented by relevant academic, pre-employment skills training and supportive services.

The goal of the Green Team program is to place participants into full-time jobs in occupations related to their work experience. Upon completion of the program, the participants' continued pursuit of their occupational goals through additional education is also considered a successful result.

A final analysis of programs in both June and September cycles and the Sr. program produced the following statistics:

	Planned	Actual	Average
Enrollments	338	361	106%
Placements	235	205	86%
Completions	272	237	87%
Returned to School	42	32	76%

DISPLACED HOMEMAKER PROGRAM

Displaced Homemaker Centers have developed strong ties with local Departments of Social Services. Welfare recipients have difficulty re-entering the labor market similar to the traditional displaced homemaker. With minor program adaptations, local Displaced Homemaker Programs (DHP) are serving the needs of welfare recipients and assisting in the State's efforts toward welfare reform.

Since its inception in 1978 as a 4-center pilot project, the Displaced Homemaker Program has provided vocationally related services to over 176,200 individuals. The most recent statistics show that in one year the Displaced Homemaker Centers served 8,279 individuals. Of these:

- 3,691 were minority group members
- 4,555 were on public assistance (TANF, Home Relief and Food Stamp) recipients
- 2,714 entered or upgraded employment in unsubsidized jobs
- received over 8,300 individual services to aid in gaining and retaining employment and over 20,000 services related to employment readiness.

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



HEALTH WORKER RETRAINING INITIATIVE

The Health Worker Retraining Initiative (HWRI), administered by the New York State Department of Health in consultation with the Department of Labor, was established through HCRA 96 and HCRA 2000 legislation to retrain and provide employment security for health industry workers who need new skills due to changes in the health care system. Marketplace changes have caused re-organization of services and re-design of jobs for industry workers. HWRI competitive funding supports retraining of eligible health workers to assist in transition to jobs both within and outside the health industry. Through a Memorandum of Understanding with DOH, the Department of Labor provides fiscal and outcome monitoring and support.

According to the Department of Health, HCRA 96 cycles 1 and 2 awarded a total of \$59,000,000 to retrain 32,000 workers. Many of these contracts will continue operating. \$41,000,000 was awarded under HCRA 2000, Year One to train 25,000 workers. Year One cycle contracts are currently being executed. The Year Two RFP will be released in the near future and the focus will continue to prepare industry workers to meet constantly changing health industry needs.

APPRENTICESHIP PROGRAM

There were approximately 24,394 apprentices active in the New York State Apprenticeship Training Program in 2001, up nearly 1% from 2000. The percentage of women among the total number of active apprentices was 5.7%, which equals 1,393 women apprentices. The percentage of minority apprentices was 31.7%, broken down as follows:

Blacks	4,274
Hispanics	2,973
Asian & Pacific Islanders	241
Native Americans	245

In 2001, the Apprenticeship Training Central Office operation enhanced the automated systems needed to conduct background investigations on potential program sponsors via access of the Lexis/Nexis online database search vehicle. This provides the ability to retrieve information that may not have been disclosed on an application but is critical to the approval decision process.

The Apprenticeship Training Central Office

upgraded its data reporting system from mainframe to a client-server mode to provide more efficient and effective data management and reporting. Central and field staff can directly access information and statistics relating to programs and apprentices.

II. PLANNING AND TECHNOLOGY

A. PROGRAM TECHNOLOGY SUPPORT

The Office of Program Technology Support (OPTS) consists of three units: Customer Support, Welfare to Work and Technology Management.

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

Representing the user needs of the program divisions, local offices and local social services departments, OPTS staff work with DOL Information Technology (IT) and Department of Family Assistance (DFA) staff and/or vendors to ensure new technology solutions and legacy systems meet business requirements including legislative and other mandates through development of business requirements and user specifications; and by conducting user tests, monitoring implementation and preparing reports and instructions for the established systems.

The Technology Management unit provides services in the use of technology including:

-  Facilitate the department's transition to a PC/server-based environment.
-  Manage the request, procurement and installation of IT equipment, software and services.
-  Provide IT desktop and technical support to department employees
-  Manage the department's IT assets.
-  Develop the department's web pages (Internet and Intranet).
-  Oversee the department's mail and finishing operations.

After the events of September 11, 2001, Planning and Technology activities helped the Department of Labor to respond quickly and effectively. These were mostly operational efforts, which are not identified



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below, but they required extensive resources and time commitments.

B. LABOR PLANNING AND POLICY DEVELOPMENT DIVISION

The Division of Labor Planning and Policy Development (LPPD) coordinates Department of Labor policy, planning and operations, and provides support to agency program and administrative units to ensure that the department accomplishes its mission in an effective and efficient manner.

LPPD has separate units covering Unemployment Insurance, Worker Protection, Employment and Training and Administrative Policies and Procedures. LPPD's responsibilities include:

- Assisting the Commissioner and other department management in the development, analysis and implementation of state and federal legislative and policy initiatives, changes and other priorities.
- Reviewing agency structure, programs and staffing in the context of changing mandates, needs and funding constraints and recommending/assisting in implementation of policies and programs to meet changing mandates and conditions.
- Playing a major role in designing, coordinating and implementing new systems throughout the development cycle, including group facilitation to derive high level requirements; identifying and analyzing business requirements; developing detailed user requirements; workflow analysis; considering application of latest technologies; user testing; monitoring implementation; providing users with technical assistance, written instructions and reports.
- Improving operations and internal communication through preparation and department-wide coordination of written and electronic information.

C. INFORMATION TECHNOLOGY

The Information Technology Division's mission is to provide support to maintain and enhance the Labor Department's information systems. The division works with users and business analysts to develop and construct efficient systems to address the needs of the department and its customers and help resolve application issues through coordination with the Enterprise

Help Desk. Staff also ensure that department technical standards are followed and updated as new technology is introduced.

In 2001, all sections of the Planning and Technology staff worked on the projects and initiatives listed below.

Major projects undertaken during the year include: revised and modernized the department's web site and link to the State web site; established-- technical support structure with liaisons and key users statewide; instituted a Lexmark document distribution system for network and virus alerts; implemented the One-Stop Operating System in all Employment Services offices; released the Welfare-to-Work Participant report to local social services districts; installed the Workforce Investment Act cash system that allows Workforce Investment Boards to access funds to pay contractors; modified the UI benefits processing system to reflect year 200 reform legislation; designed, developed and installed a new Telephone Claims Center network; designed, developed and deployed an Internet application for filing UI initial claims; and expedited the processing of Disaster Unemployment Assistance through an Intranet client server system.

D. AMERICA'S JOB BANK

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

CAREGIVERS JOBS CLEARINGHOUSE ASSOCIATION SITE

This association site is a collaborative effort of AJB, the U.S. Department of Labor (USDOL) and organizations representing the long-term health care industry. It provides a web site focused on occupations in the health care industry. Association sites use a common architecture and design, while allowing the association to provide input for a limited set of customizations. Association sites for six other entities are in various stages of implementation.



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 wages, local area unemployment and occupational and industrial employment. Division staff tailor the data obtained through these federal programs in order to meet the needs of the department, elected officials, businesses, job seekers and others.

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

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

Research and Statistics also supports department operations in a number of ways, such as evaluating departmental programs and complying with federal reporting requirements including WIA, Unemployment Insurance programs, the UI Trust Fund, DoES and Welfare to Work.

LABOR MARKET INFORMATION

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

Additionally, staff developed estimates of wages and employment by occupation for the state and selected areas, information on recently negotiated collective bargaining settlements, and annual estimates of occupational injuries and illnesses. The division also offered a new version of CareerZone, an online career information delivery system that features an updated electronic portfolio, interest assessment tools, information on New York colleges, and enhanced resources, including available job opportunities.

The division maintained its network of local Labor Market Analysts, who serve as resources not only for the department, but also assist local Workforce Investment

Boards, area economic development officials, school personnel and others in need of labor market and career-related information.

UNEMPLOYMENT INSURANCE /

EMPLOYMENT SERVICES

The division continued to meet its federal and management reporting requirements on the activities of the New York State Unemployment Insurance and Employment Services programs. Staff developed actuarial reports on the status of the Unemployment Insurance Trust Fund. Additionally, division staff developed and provided prevailing wage data and expert testimony for the Unemployment Insurance Division as well as a variety of information tools to support the Division of Employment Services.

WORKFORCE INVESTMENT ACT (WIA) AND WORKFORCE DEVELOPMENT

Division staff provided continuing support to the State Workforce Investment Board and to the Workforce Development and Training Division. Staff provided economic data and analysis for state planning efforts and helped review plans and RFPs. The division conducted a series of workforce requirement surveys to elicit the skill needs and training requirements of area businesses. Staff worked with local Workforce Investment Boards to prepare and refine lists of demand occupations as well as an inventory of skills training requests and a database of Eligible Training Providers.

WELFARE TO WORK

The division continued to work with the Welfare-to-Work Division to meet reporting requirements and assist in the design of reporting databases and management reporting needs.

WORKER PROTECTION

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

IV. WORKER PROTECTION

A. DIVISION OF LABOR STANDARDS

The Labor Department's Division of Labor Standards administers the New York State labor law



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concerning minimum wage, payment of wages and wage supplements, child labor, hours of work, migrant farm labor, industrial homework, record-keeping and conditions in the apparel manufacturing industry.

In 2001, the Division of Labor Standards collected and distributed \$6.5 million to 13,191 affected employees, including \$1.8 million collected by the division's Apparel Industry Task Force for 4,834 employees. Staff also continued to enhance the Department of Labor homepage by adding Labor Standards documents including claim forms for unpaid wages, supplements, employer applications and posters.

Bilingual Labor Standards staff assisted in Chinese, Korean, and Spanish translations of Department of Labor information on disaster relief for the September 11 attack, assisted in wage-related issues and helped distribute flyers and posters.

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

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 2001 was in excess of \$7 million. This is a record amount.

WEB SITE PUBLICATION

The Commissioner of Labor is required to make an annual determination of the prevailing wage rates. The department has published the annual determination of prevailing rate schedules on the Internet, which allows New York State businesses and their employees to immediately obtain the most current prevailing rate information. This year for the first time, the department referred all parties to our Web Site for this information

rather than print and mail out approximately 25,000 schedules on all active projects. This resulted in an estimated saving of \$100,000 in printing costs.

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

Thanks to Governor Pataki's initiative, the Bureau was able to add 20 new investigator positions to enhance enforcement of Articles 8 & 9. This will further the goal of fair and effective enforcement.

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

Division of Labor Standards Data

Establishments fined	4,655
Affected employees	13,191
Wages collected	\$6,525,628.00

Bureau of Public Work Data

Cases opened	514
Cases closed	502
Money collected	\$7,147,719.34
Penalty imposed	\$440,860.63
Workers paid	3,197

C. DIVISION OF SAFETY AND HEALTH (DOSH)

The Division of Safety and Health is made up of units that perform a variety of tasks for the Labor Department.

 The *Engineering Services Unit* issues variances from various department Code Rules, approves window cleaning installations and provides engineering expertise to other Division of Safety and Health bureaus/units.

Engineering Staff reviewed and approved 21 applications for power-operated window-cleaning installations in New York City. This number represents a 100% increase in the number of approvals granted in 2000.



■ The *Licensing and Certification Unit* issues licenses to companies involved with explosives and asbestos removal and issues certificates to asbestos handlers, individuals working with explosives, crane operators and workplace safety and health consultants.

Staff conducted practical exams for some 245 temporary Line Truck Crane Operators, enabling them to receive their permanent Crane Operator Certificates of Competence.

■ The *Radiological Health Unit* regulates commercial and industrial uses of radioactive materials and machine sources of radiation for the protection of employees and the public.

The unit continues its policy of rewarding companies that have good radiation safety compliance histories with an exemption from a periodic inspection.

The unit issued licenses for two relatively new business operations within the Capital District Region of the State. Two cyclotron facilities, which manufacture and distribute Positron Emission Tomography (PET), used for state-of-the-art diagnostic imaging for cancer, received their licenses for the use, manufacture and distribution of radioactive pharmaceuticals.

■ The *Public Employee Safety and Health Bureau* oversees workplace protection of public employees at the state and local level. Protection guidelines are determined by standards set by the federal Occupational Safety and Health Administration. The bureau also provides safety and health consultation services to public employers.

During 2001, the bureau continued to implement the strategic plan for New York State. Last year, as a result of focused awareness and prevention/mitigation activities designed by the bureau, this effort resulted in the reduction of workplace injuries in the Heavy Construction Trade (by 8.3%), the Urban Rail Industry (by 37%), the Nursing and Veterans Home Industry (by 3.2%) and for fire fighters (by 16%). Collectively, this effort has resulted in a 16% reduction in accidents & injuries for all four of these public employee worker categories.

■ The *Asbestos Control Bureau* identifies hazards that affect the health and safety of the public during construction projects that disturb asbestos.

Asbestos compliance conferences were conducted,

which are designed to negotiate settlements with contractors found to be in violation of Code Rule 56. These conferences were held before a Department Hearing Officer and resulted in much quicker settlements of the violations. This pro-active effort has produced better compliance within the program.

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

Almost 40,000 high- and low-pressure commercial boilers within the State were inspected. Boiler Safety Unit employees account for 18,105 inspections; the remaining 22,000 were conducted by the insurance industry.

■ The *On-Site Consultation Program* provides quality safety and health assistance to businesses engaged in high hazard activities.

The On-Site Consultation Program conducted over 1,300 visits to small and medium-sized business employers within the State. The visits were designed to assist employers in improving safety and health standards within their workplace. Emphasis was placed on providing assistance to employers in high-hazard industries, such as construction, food processing, nursing homes, maritime and logging.

■ The *Industry Inspection Bureau* has jurisdiction over ski tows and passenger tramways, places of public assembly (except New York City and other exempt communities), storage of explosives, amusement devices and temporary structures, coin-operated machines, aerial performers, glass doors, window cleaning devices, crane operators and elevators in factory and mercantile establishments.

The Industry Inspection Bureau provided amusement ride operators with guidelines concerning new electrical requirements associated with Code Rule 45. Necessary training also was conducted for Safety and Health Inspectors.

■ The *Mine Safety Training Program* has been funded by the federal Mine Safety and Health Administration since 1981 and provides safety training to the Metal/Non-Metal Mining Industry of the state.

■ The *Workplace Safety and Loss Prevention Program* was created in 1997 as a result of the New York State Employment Safety and Security Act of



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1996. Under this legislation, employers that have payrolls in excess of \$800,000 and an experience modification rating of over 1.2 must implement a safety and loss prevention program.

The division developed Industrial Code Rule 59, establishing the standards necessary for certification as a Certified Safety and Loss Consultant. In addition, ICR 59 was placed on CD and distributed as necessary.

■ The *Occupational Safety and Health Training and Education Program* (OSH T&E) supports a wide variety of training activities related to occupational safety and health for workers employed in New York State.

WORLD TRADE CENTER RESPONSE

Immediately following the news of the World Trade Center (WTC) incident, DOSH implemented a number of emergency readiness and response activities to ensure that necessary safety and health assistance was provided.

Nearly 100 DOSH employees provided immediate support to New York State and City emergency responders. For example, DOSH:

- brokered the acquisition of a large quantity of respirators and other personal protective equipment;
- conducted respirator fit-testing for more than 20,000 responders;
- performed air quality sampling at selected buildings occupied by public employees;
- provided awareness information to public employee union officials;
- coordinated with building managers and contractors for inspection of power operated window-washing devices in lower Manhattan that may have sustained damage from the incident;
- provided necessary safety and health awareness information to public sector agencies and their response and recovery personnel;
- implemented safety plans by analyzing hospital reports issued on the nature of emergency worker injuries (cuts, eye irritations, limb injuries, etc);
- provided support to the State Agency Task Force that requested and received a \$2.2 million federal grant for medical monitoring of employees involved

in the response to the WTC; and,

■ maintained a presence at the NYC Command Post to keep State and City officials apprised of the status of on-going safety and health issues.

TECHNOLOGY ENHANCEMENTS

Over the last few years, DOSH has obtained improved technology to support program requirements. The purchase and distribution of desktop and laptop computers to all staff who require them has improved our ability to communicate, track and distribute data electronically. The use of Personal Digital Assistants (Palm Pilots) has enhanced field inspection capabilities in the Boiler Safety Unit, where they are currently being tested. The addition of cell phones, pagers and hand-held radios aided the department's ability to provide a pro-active response to the World Trade Center incident, as well as a quicker response to normal day-to-day field activities.

V. OFFICE OF THE INSPECTOR GENERAL

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

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

The IG Office is the department's liaison to all federal, state and local police agencies. The Internal Audit Unit assists Labor Department staff in the effective



discharge of their responsibilities by focusing on management objectives relating 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 department's Security Officers are responsible for the security of the department's facilities and employees. These collective units provide support for the county district attorneys who seek criminal prosecutions in cases involving crimes affecting the Department of Labor.

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

A. INVESTIGATIONS UNIT

The Investigations Section provides an agency capability to detect fraud, deter misconduct and criminal activities and protect the assets of the agency.

In 2001, the Investigations Unit handled 112 investigation cases. Of the 112 cases, 95 were closed and 52 of them were closed as substantiated.

B. UI FRAUD INVESTIGATIONS

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

The UI Investigation Section conducts investigations based on leads provided by employers, the public and other Labor Department operating units. In 2001, the section completed over 19,300 investigations. More than 50% resulted in overpayment determinations. Total fraud overpayments established for 2001 amounted to \$16.4 million based on 10,601 overpayments. There were also 648,159 penalty days established as a result of these overpayments.

C. UI FRAUD PROSECUTION

The UI fraud prosecution program seeks criminal prosecution of UI claimants who have defrauded the UI Trust Fund to an egregious extent. In 2001, district attorneys prosecuted approximately 900 claimants for defrauding the department. A misdemeanor plea to Petit

Larceny and restitution to the Department of Labor of the amount stolen was the typical disposition of each case. Jail sentences were infrequent, but were imposed if the claimant had a prior felony criminal record. There has never been an acquittal of a UI fraud prosecution. Prior to this program effort, claimants who defrauded the UI Trust Fund were pursued only through collection activity and charge-backs against future claims.

D. INTERNAL AUDIT UNIT

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

EXTERNAL AUDIT COORDINATION

The Internal Audit Unit facilitated 12 audits, reviews and studies completed by external agencies on Department operations. There were four audits conducted by the Office of the State Comptroller, two studies conducted by the General Accounting Office at the request of Congress, four reviews conducted by USDOL and the Department's portions of the NYS Single Audit and the financial statement audit were conducted by KPMG, Peat Marwick. Formal written responses were coordinated and prepared for six of the completed audits and reviews. In addition, there are 14 audits, reviews and studies currently in process and the department expects to schedule 4 more at a later date.

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 (UI) system. When the unit was created in the early 1980s, its focus was on the prevention and detection of Department of Labor employee fraud. That continues to be one of the unit's functions today,



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however, the role of the unit has greatly expanded over the years. In fact, currently, the Internal Security Unit expends most of its efforts on the detection of fraud by all types of claimants.

During 2001, Internal Security's computer cross-matches led to the identification of 237 New York State employees who were working while collecting benefits. Nearly \$250,000 of overpayment notices were issued to these employees and thousands of forfeit days were assessed.

F. CONTRACT AUDIT UNIT

SINGLE AUDITS

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

The Single Audit Act and OMB circular A-133 established requirements for audits of governmental subrecipients. The A-133 circular states that the department must have internal controls to assure receipt of subrecipient audit reports. Where necessary, the department must issue audit determination letters on findings and ensure development of corrective action plans to address any reportable conditions. This process provides assurance concerning the \$275 million in annual WIA expenditures in New York State.

In 2001, this unit received all audit reports that had been issued by the subrecipient entities on a timely basis and performed reviews for all WIA-related audit findings. As there were no reportable conditions in 2001, it was not necessary for the Contract Audit Unit to issue any audit determination letters on findings and no corrective action plans needed to be developed.

FINANCIAL AND COMPLIANCE AUDITS

The Contract Audit Unit completed 14 financial and compliance audits of DOL contractors receiving state funds to conduct employment and training programs. The goal of these audits was to determine whether an entity's financial operations were con-

ducted properly, the financial reports were presented fairly and that all applicable laws and regulations were complied with.

G. DISASTER PREPAREDNESS

Individual and Family Grant Program

The Individual and Family Grant (IFG) Program Branch of the Inspector General's Office was thrust into action following the events of September 11, 2001. The impact of the World Trade Center disaster was the greatest ever experienced. As 2001 ended, the program had received over 11,370 applications for assistance and provided approximately \$2,500,000.00 in benefits to victims of the disaster. These benefits were paid to victims who were directly affected by the disaster and did not have the resources or ability to recover from their losses.

The recovery process will continue into 2002 and it is anticipated that the program will pay benefits totaling more than \$7,000,000 to the citizens of New York State. The scope of the disaster was such that the department, which oversees the program, was required to hire 50 hourly employees to staff the program and approximately 10 full-time department employees. The staff set up a processing center in the Public Safety Building on the State Campus complex in Albany. In addition to the payments that were made to the victims, the processing center staff handled approximately 34,000 pieces of out-going correspondence and 15,000 pieces of incoming mail, as well as countless fax documents. The center also received over 3,500 phone calls from applicants. By the time the disaster registration period is done and the program is closed down, these numbers could double.

VI. ADMINISTRATIVE SUPPORT OPERATIONS

A. HUMAN RESOURCES

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

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



also addresses employee needs through ergonomics, ordering special equipment to meet medical and other requirements, resolving problems with office conditions and handling reasonable accommodation issues, such as alternate work schedules.

■ The *Office of Staff and Organizational Development* provides leadership and guidance to the department's managers in planning, coordination and evaluation of training activities, especially to meet the needs of customers. Training in 2001 was provided on topics such as computer training, web-based training, leadership development, DoES training, security in the workplace, managing stress and teleconferencing technology.

■ *Personnel Program Teams* prepare to process the positions of data processing employees who are moving from the Labor Department to the Office for Technology, as well as planning for the Data Center Consolidation there. To that end, the staff also have held interdepartmental exams and assisted in eligibility review of candidates for management positions at the Human Services Applications Service Center.

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

B. ADMINISTRATIVE FINANCE BUREAU

The Administrative Finance Bureau (AFB) is responsible for the budgeting, management, accounting and expenditure of all department funds. It is also responsible for providing Property Management services covering leasing, space planning and project oversight, as well as building maintenance oversight. The AFB ensures that all resources are managed in a fiscally responsible and efficient manner and that all funds are expended in accordance with all appropriate state and federal rules and regulations. In addition, this bureau maintains and ensures the accuracy of the department's payroll system,

and offers support operations services.

These are the major accomplishments of the Administrative Finance Bureau (AFB) during 2001.

■ Assisted the department's response to the World Trade Center disaster by compiling projections of expected costs associated with disaster-related services. Some of the major tasks undertaken by AFB during the critical period following the disaster include:

■ Worked with program staff to arrange emergency filing of claims for the Unemployment Insurance (UI), Disaster Unemployment Assistance (DUA) and Individual and Family Grant (IFG) programs.

■ Worked with program staff to arrange and track critical safety and health services and emergency Job Placement services.

■ Assisted program staff in the expeditious awarding of National Emergency Grants (NEG) to Employment and Training providers in NYC.

■ Coordinated the space requirements for staff dislocated from the Park Place office, which is located within the "Red Zone."

VII. COUNSEL'S OFFICE

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

During 2000-2001, Counsel's Office represented the department in all administrative enforcement hearings and defended the department in employment discrimination and other matters; promoted the department's legislative program; represented the department in court to retrieve unpaid UI contributions; assisted the Attorney General in the preparation of cases in defense of the department or in affirmative litigation. With respect to administrative enforcement hearings, Counsel's Office added new staff to address a backlog in public work cases requiring hearings. The



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additional staff has been working diligently and has made progress in addressing this backlog.

Counsel's Office worked with the Division of Safety and Health, Asbestos Control Bureau and the department's Administrative Adjudication Unit to develop a system to streamline the number of asbestos violation cases that require hearings. Violations are now the subject of informal compliance conferences where an Asbestos Control Bureau representative and a Hearing Officer from the Administrative Adjudication Unit attempt to work out a settlement of the matter. This has resulted in much faster resolution of these matters and fewer cases that require hearings.

Counsel's Office also spent considerable time providing legal advice and assistance to department staff that were working on a number of programs as a result of the September 11, 2001, tragedy. These programs include the Disaster Unemployment Assistance, the Individual and Family Grant program and the National Emergency Grant program under the federal Workforce Investment Act.