

Department of Labor

Overlap, Duplication, Gaps, and/or Fragmentation in Workforce Development Programs and Services

Report 2020-S-45 | May 2022

OFFICE OF THE NEW YORK STATE COMPTROLLER

Thomas P. DiNapoli, State Comptroller

Division of State Government Accountability



Audit Highlights

Objectives

To determine what workforce development programs and services State agencies and public authorities offer, who they serve, and what their eligibility requirements are; and to determine whether there is overlap, duplication, gaps, and/or fragmentation among these programs and services. The audit covers the period July 2018 through December 2021.

About the Program

The Department of Labor's (Department) mission is to protect workers, assist the unemployed, and connect job seekers to jobs. As part of fulfilling its mission, the Department, along with other agencies and authorities as well as local and contracted providers, delivers workforce development (WFD) programs and services that seek to address current and emerging workforce needs; these entities comprise New York's WFD system (System). The Department is the lead State agency in the System.

Workforce development is particularly critical as the State recovers from the COVID-19 pandemic downturn. As stated in the 2022 State of the State book,

As of Fall 2021, New York's job deficit was three times greater than the national average, and higher by some measures than any other state. Employers in some high-demand industries have seen a surge in open positions, while those in some essential sectors are struggling to retain and recruit top talent. More investments are needed to help workers and businesses alike.¹

A workforce with appropriate skills, in combination with available opportunity, helps ensure employment that sustains individuals and families and contributes to prosperity. Under the federal Workforce Innovation and Opportunity Act (WIOA), states must have a governance body and must align their WFD programs by developing a shared comprehensive understanding of WFD needs statewide. In New York, this governance body is the State Workforce Investment Board (SWIB). The State must also submit, for federal approval, a 4-year plan (Plan) that describes its WFD strategy. State legislation enacted in 2018 requires the Department to maintain and annually update an online database (Catalogue of Funding) of WFD programs that provides information about eligibility and funding.

Key Findings

- We identified more than 500 WFD programs and services that are offered by 22 State agencies and public authorities. Despite the number and variety of these services, weaknesses in the System, including a governance body that has been dormant for 5 years and a delay in approval of the guiding Plan for WFD in New York, render it inadequately positioned to address the State's workforce needs.
- In the absence of a functioning SWIB, the Department and its partners may not be adequately considering the needs of job seekers and employers, and the risk of overlap, duplication, gaps, and/or fragmentation in programs and services increases.
- The Department has not updated its Catalogue of Funding since August 2019.

¹ <https://www.governor.ny.gov/sites/default/files/2022-01/2022StateoftheStateBook.pdf>, p. 61

Key Recommendations

- Promptly request replacement for SWIB members no longer willing and/or able to serve to assist in reconstituting a functioning SWIB in line with WIOA requirements.
- As soon as is feasible, update the Catalogue of Funding to reflect current information about programs, eligibility, and funding; thereafter, update it on an annual basis.
- Take steps to address actual and potential overlap, duplication, gaps, and/or fragmentation among WFD programs and services.



Office of the New York State Comptroller Division of State Government Accountability

May 19, 2022

Roberta Reardon
Commissioner
Department of Labor
W.A. Harriman Campus, Building 12
Albany, NY 12240

Dear Commissioner Reardon:

The Office of the State Comptroller is committed to helping State agencies, public authorities, and local government agencies manage their resources efficiently and effectively. By so doing, it provides accountability for the tax dollars spent to support government operations. The Comptroller oversees the fiscal affairs of State agencies, public authorities, and local government agencies, as well as their compliance with relevant statutes and their observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations. Audits can also identify strategies for reducing costs and strengthening controls that are intended to safeguard assets.

Following is a report of our audit entitled *Overlap, Duplication, Gaps, and/or Fragmentation in Workforce Development Programs and Services*. The audit was performed pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law.

This audit's results and recommendations are resources for you to use in effectively managing your operations and in meeting the expectations of taxpayers. If you have any questions about this report, please feel free to contact us.

Respectfully submitted,

Division of State Government Accountability

Contents

- Glossary of Terms** **5**
- Background** **6**
- Audit Findings and Recommendations** **10**
 - Inactive State Workforce Investment Board **10**
 - Delay in Plan Approval **11**
 - Out-of-Date Catalogue of Funding **12**
 - Workforce Development System **12**
 - Recommendations **20**
- Audit Scope, Objectives, and Methodology** **21**
- Statutory Requirements** **23**
 - Authority **23**
 - Reporting Requirements **23**
- Exhibit A** **24**
- Exhibit B** **25**
- Exhibit C** **26**
- Exhibit D** **27**
- Agency Comments** **28**
- Contributors to Report** **32**

Glossary of Terms

Term	Description	Identifier
Catalogue	Workforce Development Catalogue of Funding	<i>Key Term</i>
Census	U.S. Census Bureau	<i>Agency</i>
Career Center	One-Stop Career Center	<i>Key Term</i>
CFA	Consolidated Funding Application	<i>Key Term</i>
Core Agencies	Core Workforce Development Agency Partners	<i>Key Term</i>
Core Programs	Core Workforce Development Programs	<i>Key Term</i>
Department	Department of Labor	<i>Auditee</i>
DOB	Division of the Budget	<i>Agency</i>
Local Plan	Local Workforce Development Board's plan	<i>Key Term</i>
LWDA	Local Workforce Development Area	<i>Key Term</i>
LWDB	Local Workforce Development Board	<i>Key Term</i>
MOUs	Memoranda of Understanding	<i>Key Term</i>
OCFS	Office of Children and Family Services	<i>Agency</i>
Office	Office of Workforce Development	<i>Entity</i>
Pandemic	COVID-19 pandemic	<i>Key Term</i>
Plan	Combined State Plan	<i>Key Term</i>
REDC	Regional Economic Development Council	<i>Key Term</i>
SWIB	State Workforce Investment Board	<i>Key Term</i>
System	New York's Workforce Development System	<i>Key Term</i>
WDI	Workforce Development Initiative	<i>Key Term</i>
WFD	Workforce Development	<i>Key Term</i>
WIOA	Workforce Innovation and Opportunity Act	<i>Law</i>

Background

The mission of the Department of Labor (Department) is to protect workers, assist the unemployed, and connect job seekers to jobs. A workforce with appropriate skills, in combination with available opportunity, helps ensure employment that sustains individuals and families and contributes to prosperity.

As part of fulfilling its mission, the Department, along with 33 Local Workforce Development Boards (LWDBs), 95 One-Stop Career Centers (Career Centers), and 21 agencies and authorities, offers workforce development (WFD) programs and services that address current and emerging workforce needs. In addition, a statewide Workforce Investment Board and other State-level and local and contracted providers have roles in coordinating or providing services. Together, the above entities comprise New York's WFD System (System). The Department is the lead State agency in the System.

Workforce development is particularly critical as the State recovers from the COVID-19 pandemic downturn. As emphasized in the 2022 State of the State book,

As of Fall 2021, New York's job deficit was three times greater than the national average, and higher by some measures than any other state. Employers in some high-demand industries have seen a surge in open positions, while those in some essential sectors are struggling to retain and recruit top talent. More investments are needed to help workers and businesses alike.²

The System is supported by State, local, private, and federal funds, including federal Workforce Innovation and Opportunity Act (WIOA) funding. WIOA took effect in October 2016 and is designed to strengthen and improve the national public workforce system, help get Americans – including youth and those with significant barriers to employment – into high-quality jobs and careers, and help employers hire and retain skilled workers. Under WIOA, all states must have a governance body, and are required to align their WFD programs by developing a shared comprehensive understanding of WFD needs statewide and to enhance coordination among their State agencies and authorities, local areas and entities, and supportive service agencies. In New York, this governance body is the State Workforce Investment Board (SWIB).

Under WIOA, the State is required to submit a 4-year plan (Plan) for federal approval that describes its WFD strategy and addresses the six federally mandated Core Programs (the Adult, Dislocated Worker, and Youth programs, the Adult Education and Family Literacy Act program, the Employment Service program, and the Vocational Rehabilitation program).

The Plan requires both strategic and operational planning elements. The strategic element includes an economic analysis of existing and emerging industries, occupations, and their workforce demands; an analysis of the available WFD activities, education, and training, including the Career Center system; and an analysis of the State's workforce characteristics, strengths, and weaknesses.

² <https://www.governor.ny.gov/sites/default/files/2022-01/2022StateoftheStateBook.pdf>, p. 61

The last approved 4-year Plan covered the period July 1, 2016 to June 30, 2020 and was approved in October 2016. According to a Plan modification approved in July 2018, the State envisions a unified System that is regionally coordinated, is programmatically seamless, and delivers WFD training, business services, and statewide job information to all New Yorkers. The goals to support this vision are governance, service delivery, and accountability. To support the strategic element, the operational element includes:

- The SWIB – the governance body for the State’s WFD;
- The Department – serves as staff to the SWIB and assists in managing its many responsibilities;
- The State strategy – explains how the Plan will be implemented, including coordination, alignment, and provision of WFD services; and
- State operating systems and policies – documents how the strategies will be carried out.

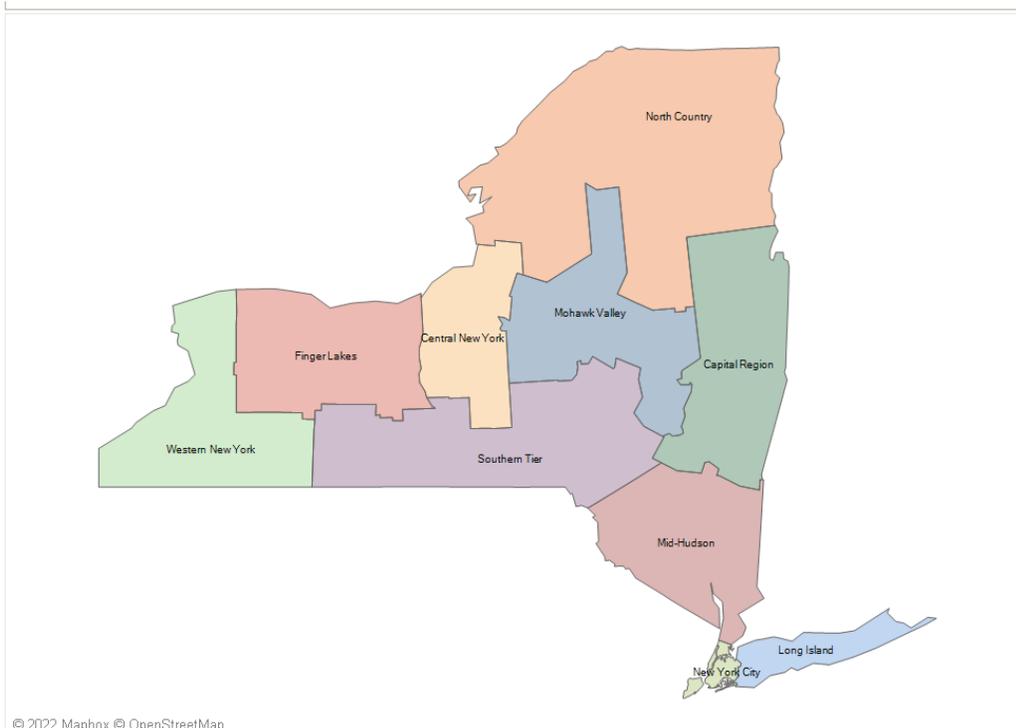
The Department, State Education Department, and Office of Children and Family Services (OCFS)/Commission for the Blind are the Core Agencies responsible for offering the Core Programs. An Interagency Workgroup and Combined Plan Subgroup coordinate among themselves regarding WFD issues. These groups are facilitated by the Department, and members include the Department, State Education Department, OCFS/Commission for the Blind, Office of Temporary and Disability Assistance, Department of State, and Office for the Aging.

To provide WFD programs and services that meet the needs of local areas and allow for regional workforce planning and strategies, the Department has designated 10 geographical areas (Local Workforce Development Areas, or LWDAs; see Figure 1) that generally align with the areas covered by New York’s 10 Regional Economic Development Councils (REDCs). Within these areas, the Department oversees 33 Local Workforce Development Boards (LWDBs). Each LWDB covers its own geographic area and is usually composed of one or more counties or, in some cases, a portion of a county (e.g., a city, town, or grouping of towns). The Department, in combination with local elected officials and the LWDBs, acts as a steward of federal and non-federal WFD funds and oversees 95 Career Centers.

LWDBs must submit a plan (Local Plan) to the Department every 4 years that, among other requirements, addresses their plans to work with partners in the local WFD system (e.g., the relevant LWDB executive director, the Community Services Block Grants Employment & Training contact). The LWDBs seek to unite WFD programs and support services into one delivery network provided by local area partners, with services for both job seekers and job creators. Since some services may be offered by multiple partners, Memoranda of Understanding (MOUs) among the participants identify the career services provided in the region. Most MOUs include language stating that, where appropriate, the partners who provide the same applicable career services agree to deliver them in a coordinated manner with appropriate points of contact and meaningful referrals and through the

required service delivery coordination role of the Career Center operator. MOUs are renegotiated at least every 3 years, providing LWDBs with an opportunity to review available service offerings and resources to reduce possible duplication.

Figure 1 – New York State Local Workforce Development Areas

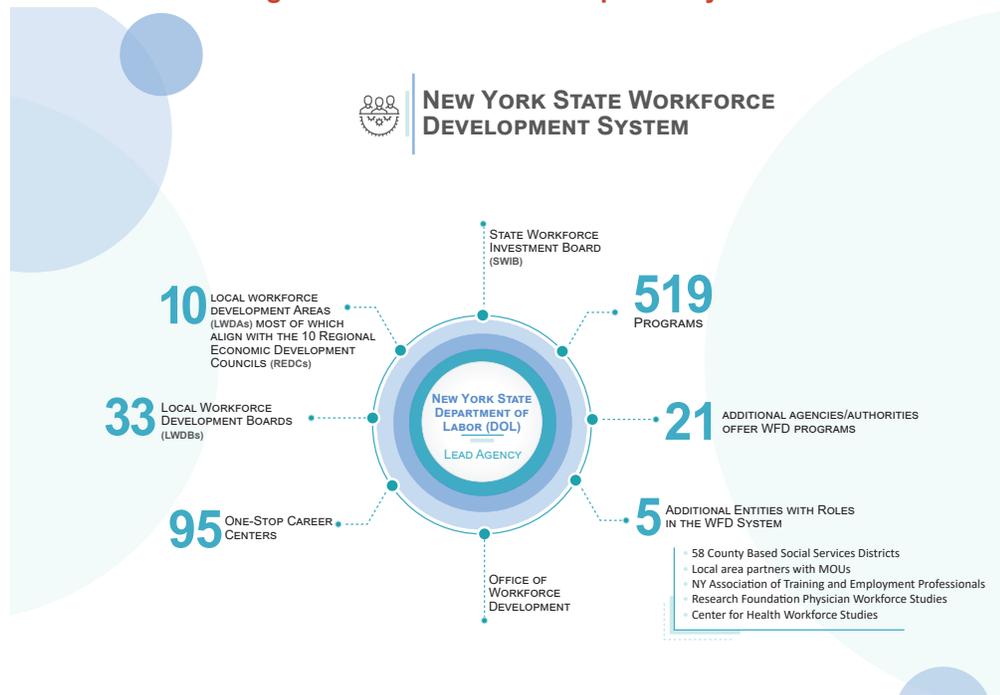


Note: LWDAs generally align with the 10 REDCs.

In addition, the following entities have roles in the System (illustrated in Figure 2):

- 58 county-based social services districts (including the NYC Human Resources Administration, which has 18 job and service centers plus one specialized center for individuals with significant barriers to employment) that provide employment services for residents receiving Temporary Assistance for Needy Families benefits;
- Local area partners approved by the LWDBs and elected officials that provide various WFD programs and services according to each area’s needs;
- New York Association of Training and Employment Professionals, a WFD advocacy group;
- State University of New York Research Foundation, which contracts with the Department of Health for physician workforce studies; and the
- Center for Health Workforce Studies, an academic research center that focuses on issues in the health workforce (contracted through the Department of Health).

Figure 2 – Workforce Development System



In recent years, certain initiatives and efforts have been launched to support System needs statewide. New York’s Workforce Development Initiative (WDI) began in May 2019 with a mission to invest \$175 million for workforce development projects that support strategic regional efforts to address businesses’ short- and long-term needs while supporting improved opportunities for groups facing barriers to career advancement. As part of the WDI, the Office of Workforce Development (Office) was created in 2019 to oversee a Consolidated Funding Application (CFA) process. Through the CFA, which was developed to streamline the WFD funding application process, applicants can access multiple State funding sources through one application (\$750 million for REDC projects and \$175 million for WDI projects overseen by five agencies and authorities: Empire State Development, New York State Energy Research and Development Authority, State University of New York, City University of New York, and the Department). The Office, initially led by a director who was appointed in 2019, has been without a director since early 2021.

As part of a statewide effort aimed toward “building a high-performance government,” in 2019, the Division of the Budget (DOB) issued a Budget Bulletin (Bulletin) that required certain State agencies, including the Department, to develop a program inventory and summary data for all agency functions and operations, including those related to WFD. The October 2020 update to the Bulletin required agencies to provide updated information, such as program goals and the population of New Yorkers being served, to help inform the fiscal year 2022 Executive Budget development process. A second update in October 2021 cited a new focus on providing data related to equity, evidence, and transparency, while also emphasizing the continuing importance of identifying opportunities to reduce and/or eliminate duplication, fragmentation, and overlap.

Audit Findings and Recommendations

We identified more than 500 WFD programs and services that are offered by 22 State agencies and public authorities ([Exhibit A](#)). These cover a wide range of areas such as training, transportation assistance, and child care services. Despite the number and variety of these services, weaknesses in the System – including a governance body (the SWIB) that has been dormant for 5 years and a delay in approval of the guiding Plan for WFD in New York – render it inadequately positioned to address the State’s workforce needs. In the absence of a functioning governance body, the Department and its partners may not be adequately considering the needs of job seekers and employers, increasing the risk of overlap, duplication, gaps, and/or fragmentation in programs and services. In addition, the Department has not updated its Catalogue of Funding since August 2019.

Inactive State Workforce Investment Board

The SWIB was established in 1999 under the Department to minimize the duplication of services, assist in developing the plans, establish the LWDAs, and develop allocation formulas for the distribution of funds to local areas. Its responsibilities include the development and continued improvement of the State’s System by addressing specific workforce challenges, developing strategies for System improvements, and communicating best practices to better serve job seekers and employers ([Exhibit B](#)). Despite the importance of this group’s responsibilities, the SWIB has been inactive for 5 years; its last meeting was held in January 2017.

In accordance with WIOA, each state WFD governance body may hire staff for assistance. In New York, the Department serves as the SWIB staff and, during the SWIB’s inactivity, has extended this role by performing some of the SWIB’s responsibilities, in collaboration with the State agency partners on the WIOA Interagency Workgroup. While this may have enabled some coordination among agencies and programs, the governance structure that incorporates participation and input from business, workforce, and local government representatives – who are required to be among the SWIB members and whose contributions are essential – has languished. It is unclear why the Department did not make more purposeful efforts to promptly request replacement members as they retired or resigned or their terms expired. In response to our observations, Department officials said that they have begun the process of reconstituting the SWIB and have started outreach to prospective members.

SWIB members must represent a variety of WFD stakeholders. Under WIOA, a majority of members must be business representatives (including the chairperson), and 20% must be representatives of the workforce. Members must also include representatives for the Governor; a Senate and an Assembly member; lead State officials with primary responsibility for the six Core Programs; and local elected officials. Although it is not required, the SWIB may include Native American tribe representatives and agency officials responsible for economic development, juvenile justice, and education programs.

We found that the 39-member SWIB membership roster from the 2018 modified Plan met the majority business representative requirement, although it fell slightly short of the required 20% workforce representative members, at 18%. A subsequent roster provided by the Department in September 2021 listed 40 members, and indicated that the term dates for 30 of the 40 members expired between February 2014 and August 2017, predating submission of the modified Plan (there were no term dates for the remaining 10 members, including seven who were listed as “Ex Officio”). We recommend the Department take concerted, appropriate actions to help reconstitute a functioning SWIB that meets its governance responsibilities and its member representation requirements.

Delay in Plan Approval

Under WIOA, the SWIB is responsible for developing, implementing, and modifying the Plan and for the development and continued improvement of the System to identify and eliminate barriers to avoid duplication and develop strategies for effective outreach and improved access. The Plan year runs from July 1 through June 30, and Plan modifications must be submitted at least every 2 years by early March. Although there is no penalty for late submission, awarding of federal funds for Core Programs may be delayed for Plans received after April 1. Due at least in part to the absence of a functioning SWIB, the Department’s most recently submitted Combined State Plan, which covers the period July 1, 2020 through June 30, 2024 and was submitted in March 2020, has not yet been approved at the federal level. (Despite our request to review the Plan, Department officials declined to make it available.) The Department, in conjunction with the Interagency Workgroup and a Combined Plan Subgroup, has performed the Plan development responsibilities given the SWIB’s inactivity. According to the Plan modification approved in July 2018 and covering the period July 1, 2018 through June 30, 2020, the Department estimated that the State would face about 3.6 million vacancies in new jobs between 2014 and 2024 and that many businesses would have difficulty filling jobs because workers lack required skills.

Department officials initially said they didn’t know the reason for the delay in the current Plan’s approval. In late November 2021, however, in response to our preliminary findings, they stated that approval was on hold due to the lack of a functioning SWIB, and that they were hopeful it would be approved in the next few months. It is unclear whether the Plan, once approved, will adequately address the needs of employers or employees since SWIB members with direct experience addressing the workforce needs of businesses, employees, and individuals with barriers to employment did not participate in its development.

Perhaps more importantly, the challenges cited in the most recent approved Plan have likely shifted and intensified as a result of the pandemic, emphasizing the need for relevant strategies to address them. The Department – as the lead workforce development agency – should take appropriate steps to pursue current and future Plan approval.

Out-of-Date Catalogue of Funding

State legislation enacted in 2018 requires the Department to maintain and annually update a publicly available online database of WFD funding programs (Catalogue of Funding, or Catalogue) that provides information about program eligibility and funding, including tax credits available to eligible employers. The Catalogue is intended to address both current and future workforce needs. Under State labor law, WFD funding programs are those that:

- Fund or provide targeted educational, occupational, or training services for the purpose of effecting the employability of the participant;
- Provide training or employment services;
- Support an economic development activity by enhancing the skills of the State's workforce;
- Prepare individuals for employment;
- Improve opportunities for individuals to become employed; or
- Promote understanding of the State labor force market through statistical studies, including but not limited to programs that fund or provide English as a second language and adult literacy.

The Department last updated the Catalogue in August 2019. In response to our observations, Department officials cited other workload priorities but pledged to redouble their efforts to update the State's WFD program listings, although they did not indicate when they will update the Catalogue. Current, relevant information about available WFD programs and tax credits, while always necessary, may be especially valuable during protracted times of stress in the labor market, as the State continues to experience under the pandemic. We recommend the Department take concerted steps to ensure the Catalogue reflects current information.

Click to view a [Funding Dashboard](#), which displays the Department's Catalogue of Funding information in interactive charts.

Workforce Development System

The System includes 519 WFD programs and services offered by 22 State agencies and authorities, which we grouped into 40 population categories (Table 1) based on eligibility criteria for the program or service ([Exhibit C](#)). Of the 519 programs, we concluded that 272 (52%) serve a single population category, while the remaining 247 (48%) serve multiple population categories. We also grouped the programs and services into eight service categories ([Exhibit D](#)) based on their descriptions and eligibility requirements (e.g., support services, such as child care and transportation; vocational rehabilitation; apprenticeships). We analyzed them to determine whether there is overlap, duplication, and/or fragmentation among them, and found areas of potential overlap and duplication. We also identified potential gaps in access to WFD programs and services.

Table 1 – Number of Programs per Population/Eligibility Category*

	Population/Eligibility	Number of Programs
1.	Employment/Training Recipients	385
2.	Non-Specified Enrollees in Education Programs	45
3.	Youth	45
4.	Unemployed or Underemployed People	41
5.	Healthcare Employees	35
6.	Youth and Young Adults	35
7.	Adults	32
8.	Any Students	30
9.	Priority Populations (as identified in program description)	28
10.	Nurses	27
11.	College Students	23
12.	Individuals with Low-Income	23
13.	Disabled Individuals	18
14.	Underrepresented/Underserved Groups	16
15.	Adults in Specific Education Programs	13
16.	Dislocated Workers	12
17.	Veterans	11
18.	Employers Hiring Specific Individuals	10
19.	Women	8
20.	Individuals Needing Child Care to Attend WFD Trainings	7
21.	People Obtaining Medical Training	7
22.	At-Risk Youth	6
23.	Economically Disadvantaged Individuals	6
24.	Formerly Incarcerated People	6
25.	Immigrants	6
26.	High School Students	5
27.	Employers Hiring Candidates in Pay for Success Programs	5
28.	Refugees	5
29.	Individuals with Addiction Issues	4
30.	Individuals with Blindness	4
31.	Homeless Individuals	4
32.	Senior Citizens	4
33.	Recipients of Facility Improvements for Students and/or the Disabled	3
34.	LGBTQ+ People	3
35.	At-Risk Youth and Veterans in Orange County	1
36.	Currently Incarcerated People	1
37.	Hospital Employees	1
38.	Indian and Native American People	1
39.	Income-Eligible People in WFD Programs and In Need of Transportation Assistance	1
40.	Wagner-Peyser Participants	1

*Because a given program or service may serve more than one population/eligibility category, the total number of programs/services exceeds 519.

According to Department officials, customers are not denied services since most individuals can be eligible for multiple services. Overlap of some services and duplication of others exist when multiple providers fail to collaborate, and fragmentation and gaps occur when the overall system lacks coordination among all providers. WFD programs have an inherent risk of overlap, duplication, and fragmentation because most individuals fall into more than one population category. For example, the broad eligibility requirements of the WIOA Title I Adult program cover all individuals 18 years and older who are eligible to work in the United States and are in need of employment and training services. In addition, a person who is homeless, is Native American, and identifies as part of the LGBTQ+ umbrella might be eligible for and served by multiple programs from multiple agencies. The more programs and agencies providing services that an individual qualifies for, the higher the inherent risk of overlap, duplication, and/or fragmentation in the relevant services.

Overlap, Duplication, and/or Fragmentation in Programs and Services

Based on our analysis, we identified possible overlap, duplication, and fragmentation of the WFD programs and services offered in the State. WIOA places heightened emphasis on collaboration and coordination at the federal, State, local, and tribal levels to ensure coordinated service delivery of WFD programs and services. Collaboration and coordination are essential to identify and, where possible, prevent or reduce overlap, duplication, and fragmentation of provided services. According to DOB descriptions, overlap occurs when multiple agencies or programs have similar goals, engage in similar activities or strategies to achieve them, or target similar beneficiaries. Similarly, duplication occurs when two or more agencies or programs are engaged in the same activities or provide the same services to the same beneficiary. Fragmentation refers to those circumstances in which more than one agency (or more than one functional area within an agency) is involved in the same broad area of need and opportunities exist to improve services.

Click to view [interactive charts](#) that allow users to find programs associated with specific population groups and/or service categories, and the agencies and authorities that offer them.

Given the absence of an active SWIB, collaboration among key WFD entities has occurred primarily among just the Department and the five other State agency partners on the WIOA Interagency Workgroup; however, they did not provide information we requested, such as meeting minutes, to support this coordination. In response to our preliminary findings, Department officials cited their coordination with four other agencies and authorities that are not members of the Interagency Workgroup but did not provide documentation to support this.

New York also lacks an integrated data system for case management and reporting of WFD programs and services. In response to our preliminary findings, Department officials cited difficulties that make the construction of a single WFD

case management system challenging, such as multiple funding sources and the governance structure.

Given these conditions, however, there is likely to be overlap, duplication, and/or fragmentation in WFD programs and services. Of the 40 population categories, 29 are served by agencies and authorities that are neither Core Agencies nor members of the Interagency Workgroup, which – in the absence of effective coordination among relevant System participants – increases the risk of overlap, duplication, and/or fragmentation (Table 2).

Table 2 – Population Category Providers

# Population Categories	Served by Core Agency Member(s)	Served by Interagency Workgroup Member(s)	Served by Non-Core/ Non-Workgroup Member(s)
3			X
26	X	X	X
11	X	X	
40			

In addition, several WFD programs and services may fall under multiple service categories, such as the Trade Adjustment Act, which falls under five of the eight categories because of the variety of services it provides, such as apprenticeships and education services. The WFD programs and services for all eight service categories are offered by both agencies and authorities that are neither Core Agencies nor members of the Interagency Workgroup as well as those that are. We recommend the Department develop an inventory of WFD programs and services available statewide, to include eligibility requirements and populations served. The Department should also pursue strategies to develop an integrated WFD data system.

Department officials said that the State’s Core Programs continue to seek to achieve several goals for the Career Center system. They cited six goals, including sharing labor market data across workforce partners to inform policy and service decisions and continuing to integrate information technology to improve service delivery.

Gaps in Programs and Services

Transportation barriers, as well as the number of potential users per Career Center and limited broadband availability, may represent gaps in access to WFD programs and services in some areas of the State. According to U.S. Census Bureau (Census) data, half of New York’s counties – 31 of 62 – are mostly rural or completely rural (the other category is mostly urban). Based on these designations, 24 of the 31 mostly or completely rural counties in the State have just one Career Center, and two counties – Greene and Hamilton – have none. Of the remaining five counties, four have two Career Centers each (Delaware, Franklin, Steuben, and Wyoming) and one – Saint Lawrence – has three (Table 3; Figures 3 and 4). The smallest population of potential working-age users is more than 2,700 in Hamilton County, where there

is no Career Center. In contrast, there are more than 471,000 potential users for each of the two Career Centers in mostly urban Suffolk County. Members of both Hamilton and Greene counties' working-age population (more than 2,700 and 29,000 people, respectively) who wish to visit a Career Center in person must travel to a surrounding county to do so, and public transportation may be limited. Mostly rural counties such as Schoharie face a higher risk of gaps in access to WFD programs and services because transportation options are limited and/or inconvenient. Of the 33 Local Plans we reviewed, 17, covering 36 counties, cited public transportation concerns, such as inadequate access in outlying rural areas and on the weekends and evenings, as inhibiting access to WFD opportunities and services.

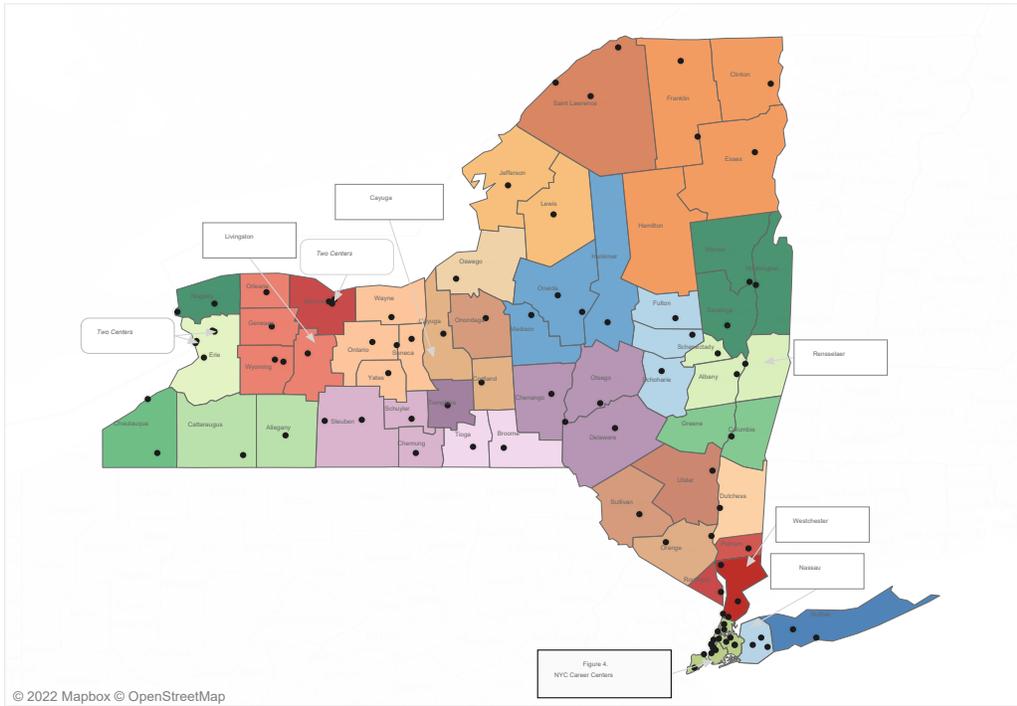
Table 3 – Career Center Populations Aged 18-65

County	# of Career Centers	Population Aged 18-65	Avg. Population Aged 18-65 per Career Center
Suffolk	2	943,019	471,510
Bronx	2	914,518	457,259
Kings (Brooklyn)	4	1,720,991	430,248
Queens	5	1,532,281	306,456
Onondaga	1	292,581	292,581
New York (Manhattan)	4	1,163,950	290,988
Nassau	3	843,047	281,016
Albany	1	202,447	202,447
Rockland	1	188,449	188,449
Dutchess	1	187,016	187,016
Monroe	3	467,057	155,686
Westchester	4	611,714	152,929
Richmond (Staten Island)	2	304,884	152,442
Saratoga	1	144,838	144,838
Broome	1	121,793	121,793
Orange	2	241,589	120,795
Erie	5	585,901	117,180
Ulster	1	113,111	113,111
Rensselaer	1	101,834	101,834
Schenectady	1	96,575	96,575
Tompkins	1	74,229	74,229
Oswego	1	73,218	73,218
Jefferson	1	72,134	72,134
Oneida	2	138,114	69,057
Columbia and Greene*	1	65,366	65,366
Niagara	2	128,876	64,438
Putnam	1	61,140	61,140
Wayne	1	54,131	54,131
Clinton*	1	52,345	52,345
Chemung	1	49,900	49,900
Sullivan	1	46,939	46,939
Cayuga	1	46,283	46,283
Cattaraugus	1	44,993	44,993
Madison	1	42,238	42,238
Livingston	1	39,636	39,636

County	# of Career Centers	Population Aged 18-65	Avg. Population Aged 18-65 per Career Center
Warren	1	38,785	38,785
Chautauqua	2	75,445	37,723
Washington	1	37,578	37,578
Otsego	1	36,636	36,636
Genesee	1	35,266	35,266
Herkimer	1	35,121	35,121
Ontario	2	66,913	33,457
Fulton	1	31,888	31,888
Cortland	1	29,911	29,911
Montgomery	1	28,828	28,828
Tioga	1	28,346	28,346
Allegany	1	28,013	28,013
Chenango	1	27,624	27,624
Steuben	2	54,840	27,420
Orleans	1	25,134	25,134
Essex*	1	23,242	23,242
Saint Lawrence	3	67,165	22,388
Seneca	1	20,424	20,424
Schoharie	1	17,828	17,828
Franklin*	2	31,076	15,538
Lewis	1	15,471	15,471
Yates	1	14,047	14,047
Delaware	2	25,920	12,960
Wyoming	2	25,413	12,707
Schuyler	1	10,631	10,631
Totals	95	12,598,682	

*There is no Career Center in either Greene County or Hamilton County. The population amounts for Columbia County include Greene County's working-age population, and the population amounts for Clinton, Essex, and Franklin counties each include one-third of Hamilton County's working-age population.

**Figure 3 – 95 One-Stop Career Centers
33 Local Workforce Development Boards**



**Figure 4 – New York City Career Centers
17 One-Stop Career Centers
NYC Local Workforce Development Board**



According to Department officials, people may use a Career Center that is located in a county other than their county of residence. However, we received conflicting information from an official at one of the two LWDBs with whom we met, who stated that people can only receive services in their county of residence. An official from the other LWDB said that, while non-county residents may receive services at one of the Career Centers in its LWDB, priority is given to county residents. In response to our observations, Department officials stated that WIOA funding for each LWDA is mandated by federal formulas based on demographic factors, and is limited; as a result, LWDBs reserve funds for residents. This may deter or prevent customers from a highly populated LWDA from using services at a neighboring one with a smaller population and less funding. They also said that Greene County residents may use the Career Center in neighboring Columbia County, and noted that public transportation is available. Yet the Columbia-Greene LWDB's Local Plan for the period July 1, 2021 through June 30, 2025 cited system weaknesses that include the rural nature of the area and issues with the limited public transportation options, which limits residents' educational choices to local options.

Gaps in access to WFD resources may also result from the lack of available broadband services. According to the Office of the State Comptroller's September 2021 report, "Availability, Access and Affordability: Understanding Broadband Challenges in New York State," broadband service availability has lagged in some of New York's predominantly rural areas, where the percentage of people without broadband was as high as 23% in 2019. Of the 33 Local Plans we reviewed, nine, covering 17 counties, cited broadband availability or access concerns. Two of the nine Local Plans that together cover five counties, including three mostly rural counties (Lewis, Herkimer, and Madison), cited broadband availability concerns. According to the Comptroller's report, more than 5% of the population of each of these three counties lacks available broadband (14.5%, 6.4%, and 5.8%, respectively). One of the nine Local Plans cited the LWDB's intent to offer more training and meetings online, despite having broadband accessibility concerns. Another cited broadband affordability as a concern and compared WIOA-sponsored trainees' need for Internet access and affordable laptops to students' need for textbooks. It also included comments about the pandemic increasing the disparities between job seekers with adequate resources and those who lack them.

Prior to the pandemic, services provided by the Career Centers were offered primarily in person. Later, some Career Centers started offering select remote services. Officials from two LWDBs stated that their Career Centers started offering virtual services as soon as they were able, and one said they served more people virtually during the pandemic than in the prior year when everything was in person. As of late January 2022, nearly all Career Centers remained closed for walk-in services, further emphasizing the need for available remote services and reliable broadband access. In their response to our findings, Department officials said that their expansion of remote services due to the pandemic has increased customer access to workforce development services, including in rural areas. As the Department pursues online service availability at its Career Centers, addressing these gaps in broadband availability and affordability is increasing in urgency.

Click to view [interactive maps](#) that allow users to view the LWDAs, LWDBs, and physical and website addresses and phone numbers of the 95 One-Stop Career Centers.

Recommendations

1. Promptly request replacement for SWIB members no longer willing and/or able to serve to assist in reconstituting a functioning SWIB in line with WIOA requirements.
2. Take appropriate action to obtain approval of the 2020 Plan and successive Plans.
3. As soon as is feasible, update the Catalogue of Funding to reflect current information about programs, eligibility, and funding; thereafter, update it on an annual basis.
4. Pursue strategies to develop an integrated WFD data system.
5. Take steps to address actual and potential overlap, duplication, gaps, and/or fragmentation among WFD programs and services.

Audit Scope, Objectives, and Methodology

The objectives of our audit were to determine what WFD programs and services State agencies and public authorities offer, who they serve, and what their eligibility requirements are; and to determine whether there is overlap, duplication, gaps, and/or fragmentation among these programs and services. The audit covers the period July 2018 through December 2021.

To accomplish our objectives and assess related internal controls, we reviewed relevant laws, rules, and regulations related to WFD programs and services. To gain an understanding of the State's System, the WFD programs and services available, the processes for delivering and reporting on WFD programs and services, and the role of the SWIB, we reviewed Department policies and procedures, as well as information on its website, and held virtual meetings with Department personnel. We also reviewed the 2018 Plan. We reviewed information on partners' websites to determine their roles in the System. We also interviewed three officials from two LWDBs as well as representatives from both the New York Association of Training and Employment Professionals and the Workforce Development Institute. In addition, we interviewed an official from the Office of Workforce Development, who represented that office in the absence of its director.

To compile a list of WFD programs and services and determine which agencies and authorities offer them, we reviewed Statewide Financial System data and available information on the Department's website, information from relevant enacted budgets, the Office of Workforce Development's website, and the REDCs' websites. We also reviewed the Department's Catalogue of Funding on the New York State Open Data website, as well as information compiled by the Department in accordance with DOB's Bulletin, "Building a High-Performance Government – Agency Program Inventory and Program Summaries." We analyzed our final list of 519 WFD programs and services for overlap, duplication, and/or fragmentation based on the providers and the populations served.

We identified six population groups and 40 population categories, based on available eligibility descriptions for each of the programs and services. Eligibility for some programs (e.g., At-Risk Youth and Veterans in Orange County) was very specific, whereas for others it addressed a general age group (e.g., Youth). We also determined whether each population group was served by Core Partners, members of the Interagency Workgroup, or neither.

To determine if there are actual or potential gaps in WFD programs and services, we reviewed both the U.S. Department of Labor's and the Department's websites. We obtained information about the Career Centers operating in New York State from the Department. We tested the reliability of that information and determined it to be sufficiently reliable for the purposes of this audit. We also identified rural New York counties, using Census designations of New York counties as completely rural, mostly rural, or mostly urban. This resulted in our treating 31 New York counties as rural or mostly rural and 31 as mostly urban. We also used Census data to identify each county's population between the ages of 18 and 65, which we deemed as the working-age range, and to determine the average working-age population served by each Career Center.

To account for the working-age population of Greene County, where there is no Career Center, we added it to Columbia County’s working-age population in our calculation of the average number of people served at its Career Center. To account for the working-age population of Hamilton County, which also does not have a Career Center, we added one-third of its working-age population to that of each of the three counties (Clinton, Essex, and Franklin) that – along with Hamilton – are covered by the North Country LWDB’s Local Plan. We used the resulting population numbers to determine the average number of people served at each of the Career Centers located in Clinton, Essex, and Franklin counties.

To identify potential barriers to WFD services that result from limited or no access to broadband services, we used information from the Office of the State Comptroller’s September 2021 report, “Availability, Access and Affordability: Understanding Broadband Challenges in New York State.” We also reviewed each of the 33 LWDBs’ most recent Local Plans, each of which covered 4 program years, which ranged from July 1, 2017 to June 30, 2025, to identify content that addressed availability of public transportation and broadband access.

As part of our audit procedures, we used Geographic Information System (GIS) software for geographic analysis, and imported the results of this analysis into Tableau to create visualizations (Figures 1, 3, and 4) to enhance understanding of our report. To improve ease of use, we made minor locational changes to these visualizations. These changes do not materially affect the accuracy or interpretation of the underlying data or visualization.

Statutory Requirements

Authority

The audit was performed pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law.

We conducted our performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated duties as the chief fiscal officer of New York State. These include operating the State's accounting system; preparing the State's financial statements; and approving State contracts, refunds, and other payments. These duties may be considered management functions for purposes of evaluating organizational independence under generally accepted government auditing standards. In our professional judgment, these duties do not affect our ability to conduct this independent performance audit of the Department's role in New York's WFD programs and services and its role in addressing any actual or potential overlap, duplication, gaps, and/or fragmentation among these programs and services.

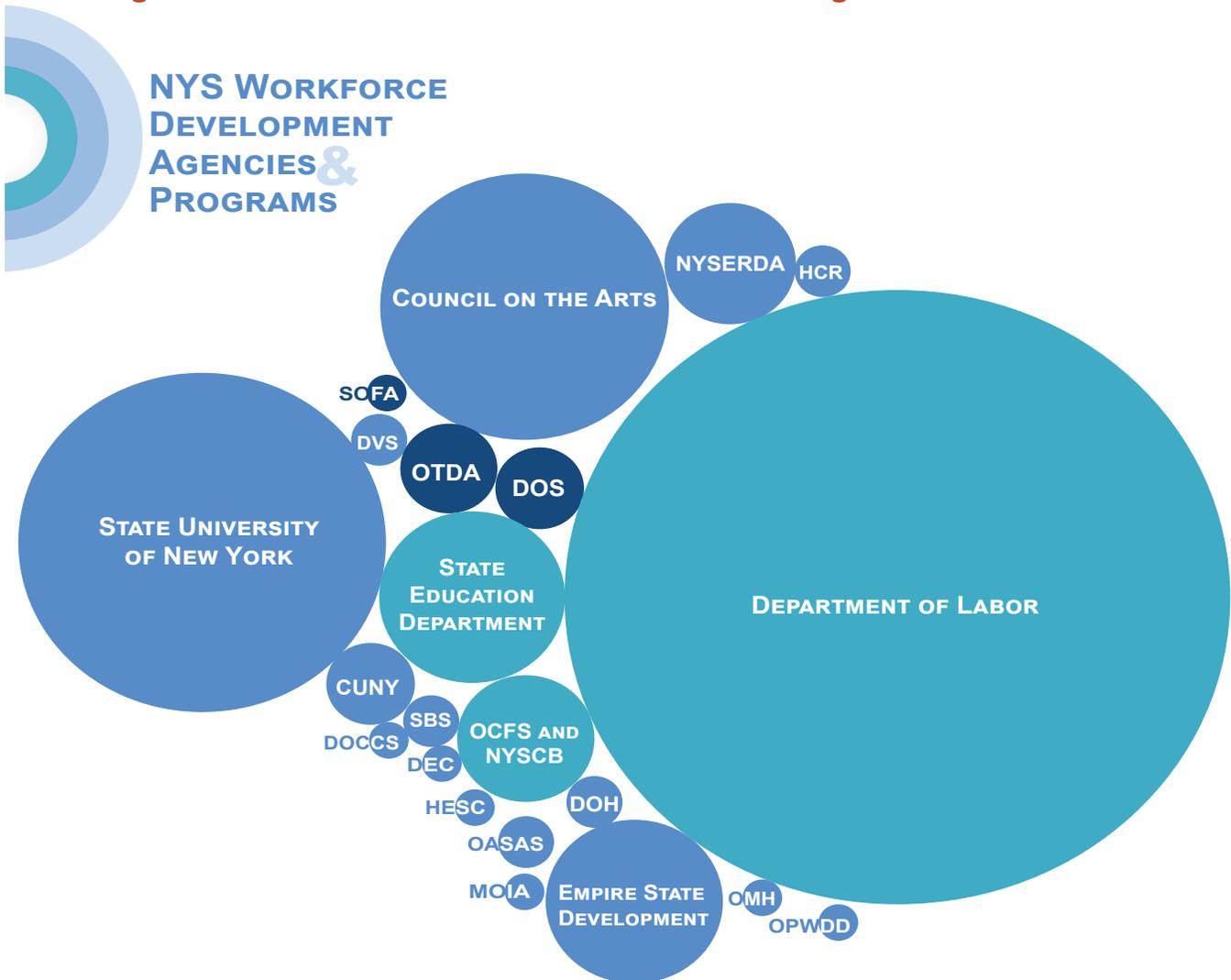
Reporting Requirements

We provided a draft copy of this report to Department officials for their review and formal comment. We considered their response in preparing this report and have included it in its entirety at the end of this report. In their response, Department officials described the actions they are taking to address our recommendations.

Within 180 days of the final release of this report, as required by Section 170 of the Executive Law, the Commissioner of the Department of Labor shall report to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendations contained herein, and where recommendations were not implemented, the reasons why.

Exhibit A

Agencies and Authorities That Provide WFD Programs and Services



■ CORE AGENCIES

Department of Labor **DOL** (282)
 State Education Department **SED** (22)
 Office of Children & Family Services **OCFS** / NYS
 Commission for the Blind **NYSCB** (12)

 Core Agencies are also members of the Interagency Workgroup

■ INTERAGENCY WORKGROUP

Office of Temporary & Disability Assistance **OTDA** (6)
 Department of State **DOS** (5)
 State Office for the Aging **SOFA** (1)

* Numbers in parentheses represent the total programs provided by each agency

■ OTHER AGENCIES

State University of New York **SUNY** (86)
 Council on the Arts (53)
 Empire State Development (20)
 NYS Energy Research & Development Authority **NYSERDA** (11)
 City University of New York **CUNY** (5)
 Department of Health **DOH** (2)
 Division of Veterans' Services **DVS** (2)
 Office of Addiction Services & Supports **OASAS** (2)
 Homes & Community Renewal **HCR** (2)
 NYC Department of Small Business Services **SBS** (2)
 Higher Education Services Corporation **HESC** (1)
 Department of Corrections & Community Supervision **DOCCS** (1)
 Department of Environmental Conservation **DEC** (1)
 NYC Mayor's Office of Immigrant Affairs **MOIA** (1)
 Office for People with Developmental Disabilities **OPWDD** (1)
 Office of Mental Health **OMH** (1)

Exhibit B

Key Responsibilities of SWIB Members*

- Development and review of the Combined State Plan;
- Review of statewide policies and programs involving workforce development;
- Review of statewide policies and programs to develop recommendations;
- Development of strategies for aligning core and other programs;
- Improving access to the workforce development system;
- Supporting industry partnerships and career pathways;
- Disseminating best practices to the workforce development system; and
- Supporting the Career Center system and all core program delivery systems.

*Source: NYS WIOA Combined Plan for 7/1/16–6/30/20, approved 10/24/16

Exhibit C

Population Groups and Categories

Population Categories	
	<i>General Population</i>
1	Adults
2	Dislocated Workers
3	Employment/Training Recipients
4	Unemployed or Underemployed People
5	Wagner-Peyser Participants
6	Youth
7	Youth and Young Adults
	<i>Students</i>
8	High School Students
9	Students (not specified)
10	Non-Specified Enrollees in Education Programs
11	College Students
12	Adults in Specific Education Programs (e.g., ESL)
	<i>Vulnerable Populations</i>
13	Individuals with Addiction Issues
14	At-Risk Youth
15	At-Risk Youth and Veterans in Orange County
16	Individuals with Blindness
17	Individuals Needing Child Care to Attend WFD Training
18	Currently Incarcerated People
19	Disabled Individuals
20	Economically Disadvantaged Individuals
21	Formerly Incarcerated People
22	Homeless Individuals
23	Immigrants
24	Indian and Native American People
25	LGBTQ+ People
26	Individuals with Low Income
27	Priority Populations (e.g., single parents)
28	Refugees
29	Senior Citizens
30	Income-Eligible People in WFD Programs and In Need of Transportation Assistance
31	Underrepresented/Underserved Groups
32	Women
	<i>Veterans</i>
33	Veterans
	<i>Medical Personnel</i>
34	Healthcare Employees
35	Hospital Employees
36	People Obtaining Medical Training
37	Nurses
	<i>Incentives for Employers</i>
38	Employers Hiring Specific Individuals
39	Employers Hiring Candidates in Pay for Success Programs
40	Recipients of Facility Improvements for Students and/or the Disabled

Exhibit D

Service Categories

	Service Category	Description
1	Support Services	Services offered, such as basic job skills, child care and transportation, to enable individuals to be employable
2	Apprenticeships	Programs that offer a range of opportunities to learn a specific skill to pursue a new career
3	Education Services	Any education training where a person is enrolled to improve their knowledge and/or skills
4	On-the-Job Training	Services provided to employees to learn a new job
5	Employment Training & Assistance	Job readiness skills, résumé writing, assessments, trainings, and non-financial unemployment assistance
6	Vocational Rehabilitation	Occupational and vocational training to enable individuals with a disability to be employable or more employable
7	Specific Job Skills	Services designed to assist people already working or interested in working in a broad career area (such as health) or location type (such as hospitals) to learn new skills for advancement and/or a new higher-level job
8	Aid to Employers	Programs established with immediate benefits (such as tax credits) to encourage employers to hire job seekers

Agency Comments

WE ARE YOUR DOL



Kathy Hochul, Governor
Roberta Reardon, Commissioner

March 30, 2022

Brian Reilly
Office of the State Comptroller
Division of State Government Accountability
110 State Street – 11th Floor
Albany, NY 12236-0001

Re: Audit Draft Report – 2020-S-45, Issued 02/28/2022

Dear Mr. Reilly,

The New York State Department of Labor (Department) has reviewed the Office of the State Comptroller's (OSC) above-referenced draft report relating to Audit Report Number 2020-S-45 titled Overlap, Duplication, Gaps, and/or Fragmentation in Workforce Development Programs and Services for the period July 2018 through December 2021. Below are the Department's responses.

OSC Recommendation 1: Promptly request replacement for State Workforce Investment Board (SWIB) members no longer willing and/or able to serve to assist in reconstituting a functioning SWIB in line with Workforce Innovation and Opportunity Act (WIOA) requirements.

Department Response1: The Department is keenly aware that the SWIB is an important part of the public workforce development system (System). The unprecedented events of the past two years related to the Covid-19 pandemic caused a shift in New York State (State) and Department priorities to address the extraordinary demand for unemployment insurance benefits and other critical services, resulting in unavoidable delays in reconstituting the SWIB. However, in recent months, while pandemic challenges continue, our State has experienced improvements in the unemployment insurance rate and the reopening process has continued successfully. Additionally, the State has seen a change in governor along with many other changes in executive and senior personnel. The reduction in pandemic-related workload and State leadership changes have provided an opportunity to revisit previously postponed governance needs.

Governor Hochul's administration is very committed to getting the SWIB reconstituted, as all former members' terms have expired. During the week of November 1-5, 2021, the Department received approval from the Governor's Office to begin outreach to prospective members. This outreach and the corresponding vetting of prospective members is currently underway. Vetting of potential SWIB members is being conducted by the NYS Office of General Services (OGS). OGS is also charged with approving subsequent appointments to the SWIB based on the results of the vetting process.

WE ARE YOUR DOL



Kathy Hochul, Governor
Roberta Reardon, Commissioner

The Department anticipates holding its next SWIB meeting once the member vetting and appointments are complete. It is anticipated that this meeting will be held during the 1st quarter of State Fiscal Year 2022-2023.

OSC Recommendation 2: Take appropriate action to obtain approval of the 2020 Plan and successive Plans.

Department Response 2: The Department submitted the WIOA-required four-year Combined State Plan to USDOL in March 2020. The Plan covers the entire multi-year period of July 1, 2020 through June 30, 2024, spanning WIOA federal program years PY 2020 to PY 2023. Full federal approval of this plan was put on hold pending reconstitution of the SWIB. Further, a two-year Modification for PY 2022 and 2023 was due to USDOL on March 15, 2022, but the Department formally requested an submission extension to May 31, 2022 to (1) allow the Board of Regents to review, request edits, and approve the WIOA Title II and Title IV portions of the Modification at their meeting scheduled for March 14-15 2022 and to (2) allow for the continued vetting and appointment approval of the SWIB membership roster by OGS.

Once Department submits the Modification including the updated SWIB membership roster, USDOL will be able to approve both the Combined State Plan for the period July 1, 2020, through June 30, 2024, and also approve the required two-year Modification.

OSC Recommendation 3: As soon as is feasible, update the Catalogue of Funding to reflect current information about programs, eligibility and finding; thereafter, update on an annual basis.

Department Response 3: DOL is aware of State legislation enacted in 2018 that requires the Department to maintain and annually update a publicly available online database of Catalogue of Workforce Development funding programs (Catalogue of Funding), providing information about program eligibility and funding, including tax credits available to eligible employers. This Catalogue of Funding was last updated by the Department in August 2019, but multiple priority workload demands caused by the COVID-19 pandemic delayed additional annual updates in 2020 and 2021.

However, as previously stated, the State and Department are now poised to return to work on workforce development program needs that had to be postponed due to the unprecedented events of the past two years. As such, our goal will be to have completed and posted an update of the Catalogue of Funding on the open.ny.gov website by the end of September 2022, with annual updates thereafter.

WE ARE YOUR DOL



Kathy Hochul, Governor
Roberta Reardon, Commissioner

OSC Recommendation 4: Pursue strategies to develop an integrated Workforce Development customer case management data system.

Department Response 4: The Department continues to work on improved data integration with other State agencies through the WIOA Interagency Team, and its Data Integration workgroup. The Data Integration sub-workgroup is specifically tasked with determining a method for sharing and combining agency data. However, no legal authority exists to force complete integration to a single case management system used by all State, local, and private workforce development service providers. Further there is no dedicated federal or State funding source to procure, implement and support such an integrated system. Finally, we have found through Data Integration workgroup discussion and analysis that the customer data reporting requirements and performance measures of each workforce program vary greatly, causing enormous complexity in any integration attempt. Thus, integration is a goal to strive for, but complete customer case management system integration is difficult to achieve.

OSC Recommendation 5: Take steps to address actual and potential overlap, duplication, gaps and/or fragmentation among WFD programs and services.

Department Response 5: The Department agrees that reduction of overlap and duplication in workforce development services are important ongoing tasks, as well as continued efforts to expand remote services and improve outcomes for workers and businesses. The Department stands ready to work with Governor Hochul, the soon to be reconstituted SWIB, and our State agency workforce development partners to revolutionize the delivery of workforce development services as outlined in the Governor's 2022 State of the State Address. To advance meaningful job opportunities and support industries across the state, Governor Hochul has set a goal to overhaul the state's approach to workforce development: making sure it reflects the needs of each region, prepares New Yorkers for the jobs that are in high demand, and aligns with offerings in high schools and institutions of higher education. A new Office of Workforce and Economic Development at Empire State Development (ESD) will coordinate this effort statewide through the State's Regional Economic Development Councils (REDCs), and in conjunction with the Department, the State University of New York (SUNY), and the City University of New York (CUNY). At the same time, the State will invest in a full spectrum of programs to unlock career opportunities that prepare more New Yorkers for the jobs of the future — with a particular focus on information technology, life sciences and advanced manufacturing, the green economy, and film production and post-production. These efforts will include both degree and non-degree educational opportunities, internships, and apprenticeship programs. This increased focus and investment in workforce development, enlisting the combined strengths of multiple major workforce development system contributors, will assist the Department in its work to help coordinate workforce development programs and services.

WE ARE YOUR DOL



Kathy Hochul, Governor
Roberta Reardon, Commissioner

If you have any comments regarding our responses in 1 through 5, please contact Russell Oliver, Director, Division of Employment and Workforce Solutions at (518) 485-6288.

Sincerely,

A handwritten signature in black ink that reads "Christopher White". The signature is written in a cursive, flowing style.

Christopher White
Deputy Commissioner for Workforce Development

cc: Scott Melvin
Erin Murphy
Russell Oliver
Kerry Douglas-Duffy

Contributors to Report

Executive Team

Andrea C. Miller - *Executive Deputy Comptroller*

Tina Kim - *Deputy Comptroller*

Ken Shulman - *Assistant Comptroller*

Audit Team

Brian Reilly, CFE, CGFM - *Audit Director*

Sharon Salembier, CPA, CFE - *Audit Manager*

Holly Thornton, CISA, CFE - *Audit Supervisor*

Barbara Barfield, CPA - *Examiner-in-Charge*

Brian O'Connor - *Senior Examiner*

Norris Wilson - *Senior Examiner*

David DiNatale - *Mapping Analyst*

Contact Information

(518) 474-3271

StateGovernmentAccountability@osc.ny.gov

Office of the New York State Comptroller
Division of State Government Accountability
110 State Street, 11th Floor
Albany, NY 12236



Like us on Facebook at facebook.com/nyscomptroller

Follow us on Twitter @nyscomptroller

For more audits or information, please visit: www.osc.state.ny.us/audits/index.htm