



Kathy Hochul, Governor
Roberta Reardon, Commissioner

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

November 16, 2022

Re: Audit Report- 2020-S-45, Issued 05/19/2022

Corrective Action Plan for Audit Report 2020-S-45
titled: Overlap, Duplication, Gaps, and/or Fragmentation in Workforce Development Programs
and Services

OSC Recommendation (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.

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

OSC Recommendation (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.

OSC Recommendation (4): Pursue strategies to develop an integrated WFD data system.

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

Implementation Plan: The following outlines what the Department has implemented so far and
what we plan to implement within the next nine months.

Recommendation 1: 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.

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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.

Vetting of potential SWIB members is being conducted by the NYS Office of General Services (OGS). Currently more than five new members have been appointed and we expect more soon. OGS is also charged with approving subsequent appointments to the SWIB based on the results of the vetting process.

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 4th quarter of State Fiscal Year 2022-2023.

Recommendation 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. A two-year modification for PY 2022 and 2023 was submitted on April 4, 2022 and is currently in Federal Review.

Recommendation 3: The Catalogue of Funding is now updated and published and will be updated on an annual basis. <https://data.ny.gov/Government-Finance/Workforce-Development-Catalogue-of-Funding/dew2-4qmw>.

Recommendation 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. To continue to explore and develop solutions to improve data integration we are working with outside partners such as the New York Association of Employment and Training (NYATEP) and SUNY Rockefeller College.

Recommendation 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. However, the Department disagrees with the overbroad assertion that a homogenous and simplistic approach to workforce investment is appropriate given the diversity and complexity of need faced by New Yorkers. The Department is working with Governor Hochul, the soon to be

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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.

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 blue ink, appearing to read "Chris White".

Christopher White
Deputy Commissioner Worker Protection

Cc: Scott Melvin
Erin Murphy
Samantha Doran
Kerry Douglas-Duffy
Russell Oliver
Julie Keating