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HEMPSTEADWORKS **ONE-STOP OPERATOR** **ANNUAL REPORT** **PROGRAM YEAR 2017** **JULY 1, 2017 THOUGH JUNE 30, 2018**

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Introduction

The Town of Hempstead Local Workforce Development Board (LWDB) One-Stop System Recertification process requires the One-Stop Operator to submit an Annual Report. The purpose of the report is to demonstrate the progress made toward achieving the quality standards, organizational results and return-on-investment established by the LWDB for the HempsteadWorks Workforce Development System. Accordingly, the HempsteadWorks One-Stop Operator is submitting this report. The partners, affiliates and vendors of HempsteadWorks are listed below:

- Abilities, Inc.
- Circulo de la Hispanidad, Inc.
- City of Long Beach
- Economic Opportunity Commission of Nassau County, Inc.
- EAC, Inc.
- Goodwill Industries of Greater New York and Northern New Jersey, Inc.
- Job Corps
- Local Educational Agencies Network
- Long Beach Public Schools Adult Education Network
- Long Island Forum for Technology, Inc.
- Leadership Training Institute
- Long Island – Regional Adult Education Network
- Long Island Regional Economic Development Council
- Nassau Community College
- Nassau BOCES
- Nassau County Department of Social Services
- New York State Commission for the Blind (NYSCB) Office of Children and Family Services
- New York State Department of Economic Development
- New York State Department of Labor
- New York State Education Department Adult Career and Continuing Education Service - Vocational Rehabilitation

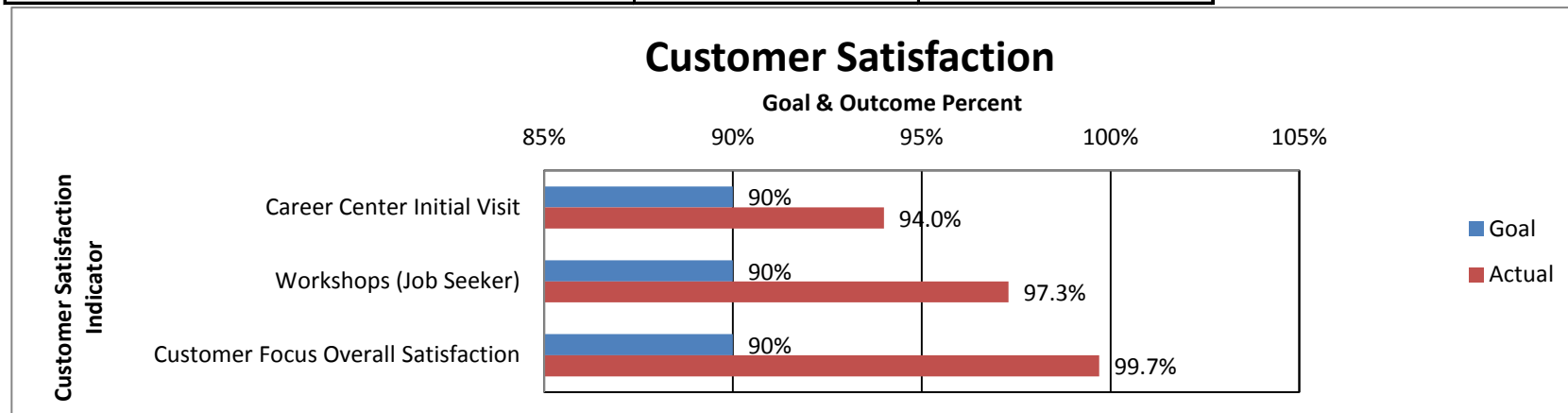
- New York State Office of Disability and Temporary Assistance
- Older Americans Act Senior Community Service Employment Program
- Suffolk County Department of Labor
- Town of Hempstead Department of Occupational Resources
- Town of Hempstead Housing Authority
- United Cerebral Palsy of Nassau County, Inc.
- United Way of Long Island
- United States Department of Labor
- The Workforce Partnership
- YouthBuild

The report is organized into three sections. Section I provides quality standards outcomes required by the LWDB Recertification process. Section II describes our organizational results, as defined by the performance measures established by the United States Department of Labor and the New York State Department of Labor. Section III is the **HempsteadWorks Return-on-Investment (ROI) Report**.

Section I: HempsteadWorks Quality Standards Outcomes for Program Year 2017

Table 1: Customer Satisfaction

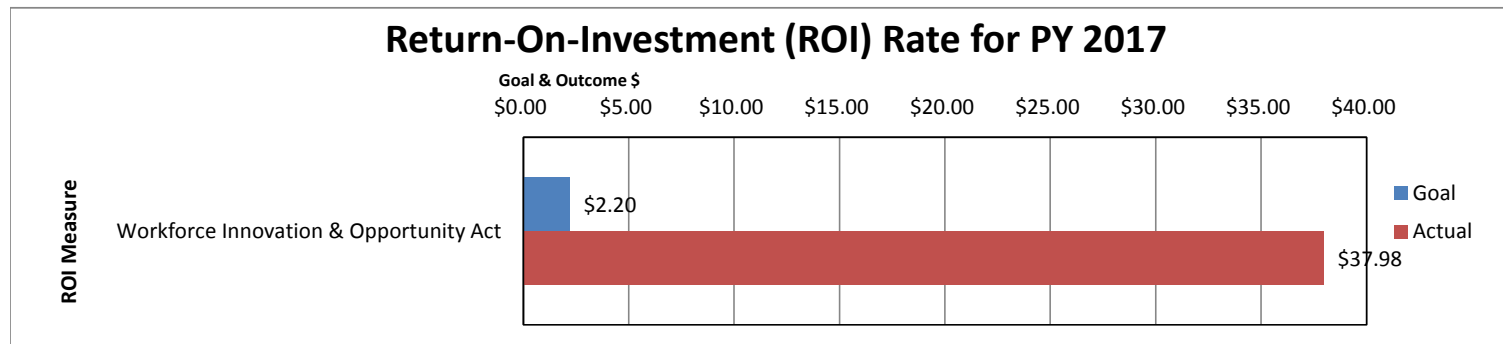
Customer Satisfaction Indicator	Goal	Actual
Career Center Initial Visit	90%	94.0%
Workshops (Job Seeker)	90%	97.3%
Customer Focus Overall Satisfaction	90%	99.7%



Section I: HempsteadWorks Quality Standards Outcomes for Program Year 2017

Table 2: Return-On-Investment (ROI) Rate for Program Year 2017*

ROI Measure	Goal (Ratio of Dollars Returned Versus Dollars Invested)	Actual (Ratio of Dollars Returned Versus Dollars Invested PY 2016)
Workforce Innovation & Opportunity Act	\$2.20	\$37.98



* See method of calculation attached.

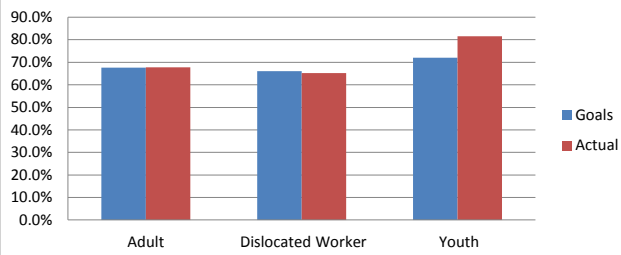
Section II: HempsteadWorks Organizational Results for Program Year 2017

Table 3: Performance Indicators for Program Year 2017

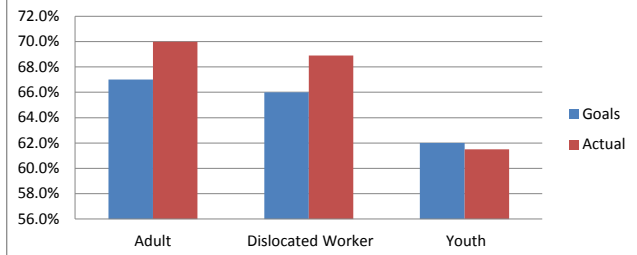
Performance Indicators	Adult Goals	Adult Actual	Dislocated Worker Goals	Dislocated Worker Actual	Youth Goals	Youth Actual
Employment Rate 2nd Quarter After Exit	67.6%	67.7%	66.0%	65.2%	72.0%	81.6%
Employment Rate 4th Quarter After Exit	67.0%	70.0%	66.0%	68.9%	62.0%	61.5%
Median Earnings 2nd Quarter After Exit	\$5,200	\$6,485	\$6,400	\$7,964	Baseline	\$3,617
Credential Attainment 4th Quarter After Exit	Baseline	12.4%	Baseline	11.7%	Baseline	90.0%
Measurable Skills Gains	0	TBD	0	TBD	0	TBD
Repeat Business Customers	0	TBD	0	TBD	0	TBD
Business Penetration Rate	0	TBD	0	TBD	0	TBD

Note: The New York State Department of Labor (NYSDOL) has provided local outcomes data on the Employment Rates, Median Earnings, and Credential Attainment indicators for Program Year (PY) 2017. NYSDOL measured this PY'17 local outcomes data against our local goals for PY' 18 for demonstration purposes. Consequently, as an exercise, our local PY'17 performance has been evaluated in NYSDOL's Primary Indicators of Performance Report, based upon our Program Year 2018 goals. The actual performance achieved for the remaining indicators is presented as "TBD," meaning "to be determined." The goals represented as "Baseline" means that baseline data is being collected to determine negotiated levels of performance in future program years. Designation of baseline is based on the likelihood of having adequate data with which to make a reasonable determination of an expected level of performance. No sanctions are being imposed by NYSDOL for failure to achieve performance goals in PY'17. The Employment Rate Indicators also include youth who are enrolled in education or training activities.

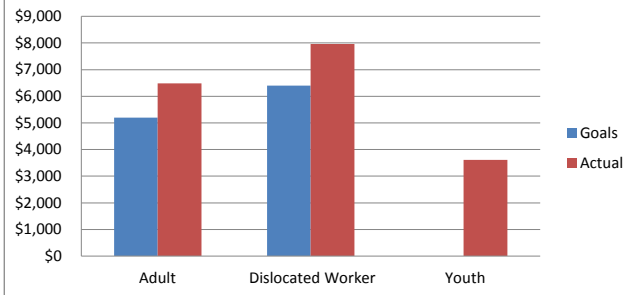
Employment Rate 2nd Quarter After Exit



Employment Rate 4th Quarter After Exit



Median Earnings 4th Quarter After Exit



III. HEMPSTEADWORKS RETURN-ON-INVESTMENT REPORT FOR PROGRAM YEAR 2017 (JULY 1, 2017 THROUGH JUNE 30, 2018)

A. INTRODUCTION

The purposes of the Workforce Innovation and Opportunity Act are the following:

“(1) To increase, for individuals in the United States, particularly those individuals with barriers to employment, access to and opportunities for the employment, education, training, and support services they need to succeed in the labor market.

(2) To support the alignment of workforce investment, education, and economic development systems in support of a comprehensive, accessible, and high-quality workforce development system in the United States.

(3) To improve the quality and labor market relevance of workforce investment, education, and economic development efforts to provide America’s workers with the skills and credentials necessary to secure and advance in employment with family-sustaining wages and to provide America’s employers with the skilled workers the employers need to succeed in a global economy.

(4) To promote improvement in the structure of and delivery of services through the United States workforce development system to better address the employment and skill needs of workers, jobseekers, and employers.

(5) To increase the prosperity of workers and employers in the United States, the economic growth of communities, regions, and States, and the global competitiveness of the United States.

(6) For purposes of subtitle A and B of title I, to provide workforce investment activities, through statewide and local workforce development systems, that increase the employment, retention, and earnings of participants, and increase attainment of recognized postsecondary credentials by participants, and as a result, improve the quality of the workforce, reduce welfare dependency, increase economic self-sufficiency, meet the skill requirements of employers, and enhance the productivity and competitiveness of the Nation.”¹

This report illustrates the degree to which tax dollars invested in the WIOA program yield a return-on-investment in quantitative and qualitative terms.

B. QUANTITATIVE RESULTS

The quantitative portion of this report projects the return of federal dollars invested over a three year period. This projection is based upon the monetary benefit derived by the WIOA Title I programs in terms of tax revenue generated and welfare costs saved, divided by WIOA dollars expended. Based upon this method, the quantitative projected ROI over the next three years is **\$37.98** for each WIOA dollar expended.

¹ Public Law 113-128 Sec. 2(1)(2)(3)(4)(5)(6)

The formula by which ROI was calculated includes the following factors:

- Customers Served and WIOA Funds Expended within the Program Year
- Projected Employment Rate of Exiters Over Three Years
- Average Projected Participant Wages Over Three Years
- Projected Savings in Public Assistance
- Projected Tax Benefit from Participant Wages Earned

The following assumptions were made in developing the formula factors:

- WIOA Participants employed in the second quarter after exit will remain employed at relatively the same rates over a three year period
- Customer wages were calculated as if they were to remain static and not subject to increase due to the cost of living or performance increases or decreases due to layoff or termination
- Public Assistance Savings were projected at static rates based upon current information provided by the New York State Office of Disability and Temporary Assistance
- Tax Benefits were calculated based upon an average of 15.00% Federal and 5.00% State Withholding
- WIOA Dollars Invested were calculated based upon 100% expenditure of the allocation for the grant being measured in a particular program year
- Reduction in Unemployment Insurance Benefits, and many other savings were not included

RETURN-ON-INVESTMENT FORMULA

1. Projected Tax Benefit:

- Participants served: 9,311²
- Entered Employment Rate: 66.07%³

Pro-ration of Adult and Dislocated Worker Entered Employment Rate

**2,231 Adult Exiters who Entered Employment plus 3,921 Dislocated Worker Exiters who entered employment = 6,152 Adult and Dislocated Worker Exiters who Entered Employment*

**3,296 Adults Exiters plus *6,015 Dislocated Worker Exiters = 9,311 Adult and Dislocated Worker Exiters*

6,152 Adult and Dislocated Worker Exiters who Entered Employment divided by 9,311 Adult and Dislocated Worker Exiters = 66.07% Combined Entered Employment Rate)

² New York State Department of Labor WIOA Performance Report

³ Ibid.

- Projected Entered Employment Number: 9,311 (Participants) x 66.07% = 6,152
- Average Earnings: \$572.80
- 3,296 Adult Exiters included in Median Earnings Indicator + 6,015 Dislocated Worker Exiters included in Median Earnings Indicator = 9,311 Total Exiters included in Median Earnings Indicator

Pro-ration of Adult and Dislocated Worker Average Earnings:

**3,296 Adult Exiters divided by 9,311 Total Exiters included in the Median Earnings Indicator = 0.35*

**6,015 Dislocated Worker Exiters divided by 9,311 Total Exiters included in Median Earnings Indicator = 0.65*

**\$6,485⁴ Adult Earnings divided by 13 weeks = \$498.85 multiplied by 0.35 (% of Adults) = \$174.60*

**\$7,964⁵ Dislocated Worker Earnings divided by 13 = \$612.61 multiplied by 0.65 (% of Dislocated Workers) = \$398.20*

**\$174.60 Adult Average Weekly Earnings + \$398.20 Dislocated Worker Average Weekly Earnings = \$572.80 Average Earnings for All Participants)*

- Projected Average Wages for 12 Month Period Following termination: 6,152 (Projected Entered Employment) x \$572.80 (Average Earnings) x 52 Weeks = \$183,241,011.20
- Projected Average Annual Wage Gain Per Participant: \$183,241,011.20 divided by 9,311 (Participants Served): \$19,680.06
- Projected Average Tax Benefit Per Participant (Based upon Income Tax Rates of 15.00% Federal and 5.00% State Tax Rates): \$19,680.06 x 20.00% = \$3,936.01

2. Projected Welfare Savings:

Welfare Participants Served = 348⁶

Note:

TANF, Safety Net, and the Supplemental Nutrition Assistance Program (SNAP) Participant costs were combined and divided by the total cases from NYS Office of Temporary and Disability Assistance Statistics as of September 2018 to provide an average monthly Welfare cost of \$358.85 (Cash Grant).⁷

Average Annual Welfare Cost: 348 Participants x \$358.85 x 12 Months = \$1,498,557.60.
Welfare cost: \$1,498,557.60 divided by 9,311 participants = \$160.94 Annual cost per participant

⁴ Ibid.

⁵ Ibid.

⁶ New York State One-Stop Operating System Management Reports

⁷ Data Calculated from NYS Office of Temporary and Disability Assistance Statistics, September, 2018 <http://otda.ny.gov/resources/caseload/2018/2018-09-stats.pdf>

3. Dollars Invested

Program Year 2017 Allocation for Adult and Dislocated Workers only:

Adult: \$899,462

DW: \$1,057,998

Total: \$1,957,460

WIOA Title I-B: \$1,957,460 divided by 9,311 participants = \$210.23 Cost per participant

Return on Investment (ROI) Ratio over Three Years

First Year:

- \$210.23 Average Cost Per Participant

\$0.00 Average Tax Benefit Per Participant

\$0.00 Average Welfare Benefit Per Participant

- \$210.23 ROI

Second Year:

\$0.00 Average Cost Per Participant

\$3,936.01 Average Tax Benefit Per Participant

\$160.94 Average Welfare Benefit Per Participant

\$4,096.95 ROI

Third Year:

\$0.00 Average Cost Per Participant

\$3,936.01 Average Tax Benefit Per Participant

\$160.94 Average Welfare Benefit Per Participant

\$4,096.95 ROI

Three Year Benefit:

- \$210.23 First Year

\$4,096.95 Second Year

\$4,096.95 Third Year

\$7,983.67 Three Year Benefit

Return on Investment Ratio:

\$7,983.67 Divided by \$210.23 = **\$37.98** return on each WIOA dollar invested.

C. QUALITATIVE RESULTS

While the quantitative results of this report indicate that this benefit is being achieved by the Workforce Development System on the basis of cost effectiveness and performance achievements, this portion further illustrates the fulfillment of its mission in human terms. Unlike such measures as Welfare savings, which were factored into the “Quantitative Results” section with specific monetary values, additional benefiting factors of the Workforce Development System are listed here in more general terms:

- * Sales tax revenues are generated from customers earning training based payments while enrolled in Work Experience programs
- * Sales, real estate, and school tax revenues are generated from exiters who enter employment
- * Dollars are returned by participants in both of the above categories into the local economy
- * Increased opportunities for existing businesses to expand and for new ones to open in the local area are created due to a highly skilled, competitive workforce
- * Recruitment costs for employers are lowered as a result of the job matching services
- * High school dropout rates decrease and college entrance rates increase due to Year-round Youth and Summer Youth programs
- * More youth and adults return to school and achieve GEDs
- * Vocational rehabilitation, substance abuse recovery and displaced homemaker programs experience high success rates as a result of sequential or concurrent programming with WIOA
- * Costs for outplacement services are reduced through rapid and expeditious response activities conducted for employers that are downsizing
- * Local workforce development activities are more efficient as a result of these initiatives
- * The welfare-to-work rate increases
- * The period of unemployment for dislocated workers is shortened

While the benefit of the above general factors is manifested both in financial and humanitarian terms, they combine with the quantitative factors to yield a greater, but less tangible, value in terms of improving the quality of life for our local citizens. Examples of how the system improves the quality of life are as follows:

- * Breaking the cycle of poverty and welfare dependency for economically disadvantaged individuals
- * Establishing positive role models for young people in impoverished families
- * Elevating the self-esteem of unemployed and underemployed individuals by furnishing them with occupational and life skills
- * Maintaining confidence in the strength of the local economy
- * Establishing an efficient transition system for dislocated workers to enable them to address the emotional and psychological issues related to displacement, and at the same time to gain the skills needed to compete in a labor market affected by corporate restructuring, rapidly emerging technology, and global competition
- * Increased education, employment and training opportunities for underutilized segments of the workforce including: women in non-traditional employment, minorities, mature workers and individuals with disabilities
- * Private sector direction of workforce development in the local area as a result of the efforts of the Workforce Development Board (WDB)
- * Continuous improvement and increased customer satisfaction as a result of the WDB’s quality initiatives

* Collaboration among local educational agencies, community based organizations, businesses, commerce organizations and local governments to create opportunities for job seekers and entrepreneurs